

Chapter 14 Planning Your Tax Strategy

Economics and You: Fact of Scarcity

Directions Answer the following questions about scarcity.

1. Write a list of everything you need and want, both now and in the future, and put them in priority order. Explain the fact of scarcity using your list of wants and needs. Which items might you have to sacrifice due to the fact of scarcity?

2. Why is the economic concept of scarcity so important when making budgeting decisions today for current and future needs and wants? Explain.
