



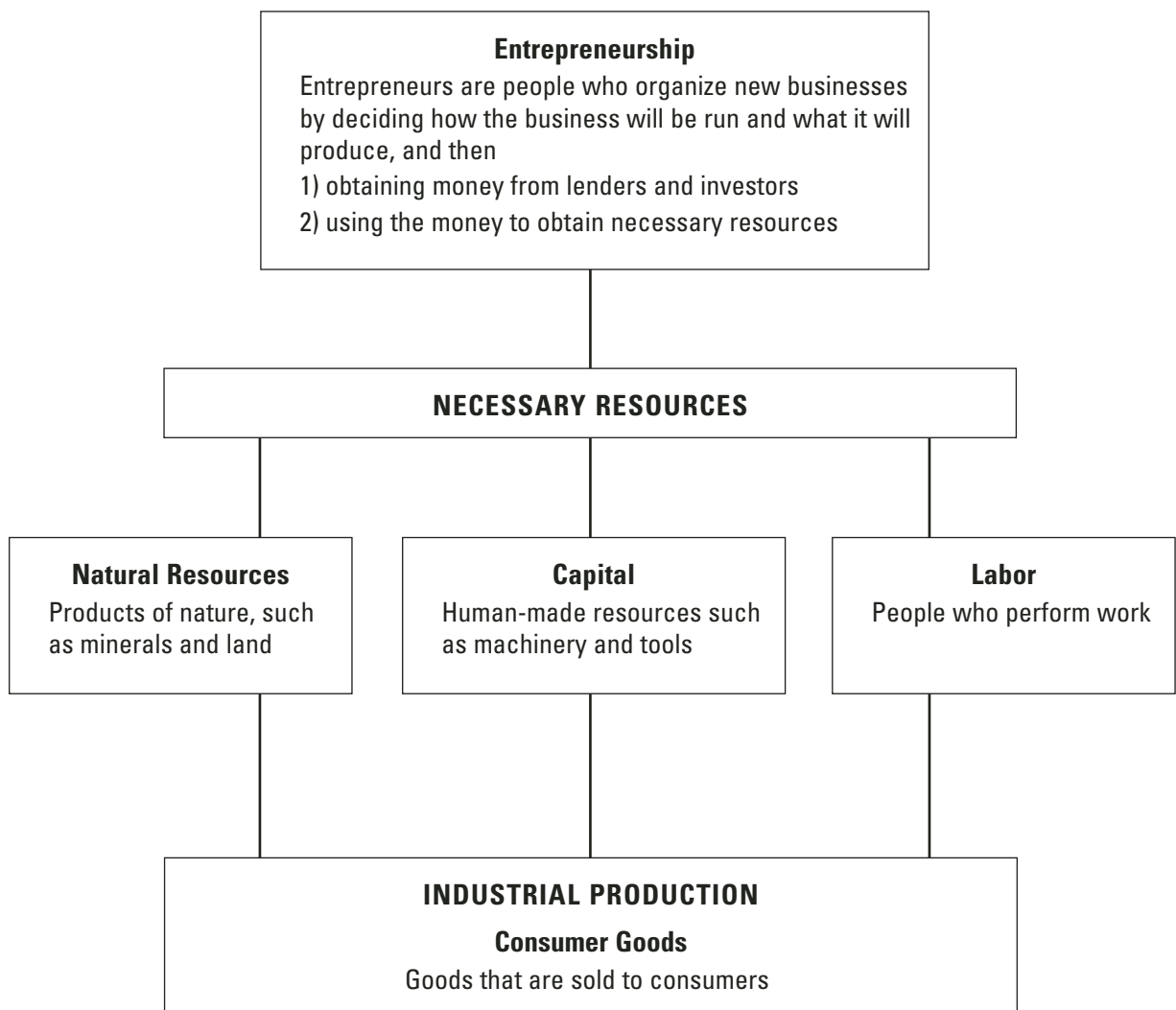
**CALIFORNIA CONTENT
STANDARD 10.3.5**

Components of an Industrial Economy

Specific Objective: Understand the connections among natural resources, entrepreneurship, labor, and capital in an industrial economy.

Read the graphic organizer to answer the questions on the next page.

Components of an Industrial Economy



**PRACTICE****CALIFORNIA CONTENT
STANDARD 10.3.5**

Components of an Industrial Economy

Directions: Choose the letter of the *best* answer.

Use the quotation to answer questions 1 and 2.

“They are the leaders on the way to material progress. . . . They guess what the consumers would like to have and are intent on providing them with these things.”

—from *Human Action: A Treatise on Economics*, Ludwig von Mises

1 The quotation describes the role in an industrial economy played by

- A** entrepreneurs.
- B** investors.
- C** labor.
- D** salespeople.

2 According to the quotation, what skill is important to a business leader?

- A** the ability to raise money
- B** an understanding of people’s needs
- C** fair leadership
- D** a love of material goods

3 What is the goal of industrial production?

- A** employment for great numbers of people
- B** efficient use of natural resources
- C** finding new sources of capital
- D** the manufacture of consumer goods that can be sold

4 Which event in 19th-century England *most* benefited its industrial economy?

- A** war against Russia
- B** the growth of democracy
- C** increased population growth
- D** a decline in agriculture

5 Which social change in 19th-century England would have *most* benefited an industrial entrepreneur?

- A** the movement toward a national education system
- B** abolition of the slave trade
- C** greater availability of bank loans
- D** laws to protect laborers