

GUIDED READING Activity 22-1

For use with the textbook pages 565–569

THE GROWTH OF E-COMMERCE

FILLING IN THE BLANKS

Directions: Use your textbook to fill in the blanks using the words in the box. Some words may be used more than once.

| | | |
|----------------|---------------------|---------------------|
| Web site | e-Commerce | frequency marketing |
| Microchip | Cybernomics | Internet |
| World Wide Web | competition | buyer |
| market | comparison shopping | virtual communities |
| digital age | consumers | |

Introduction/ Business on the Internet

The invention that brought us the **1** _____ helps institutions manage information. The **2** _____, or integrated circuit, is one of the most remarkable inventions of our lifetime. Some economists believe that we have entered the age of **3** _____—economics driven by huge a huge digital machine, the **4** _____. Today, many business transactions are done on the **5** _____—a network of computers that enables people everywhere to access and exchange information. The store of information on the **6** _____—the most popular use of the Internet—has grown immensely in the amount of information available. The number of **7** _____, or electronic locations on the World Wide Web has also grown rapidly in recent years. The Internet provides businesses in particular with the opportunity to directly reach suppliers and **8** _____. Some are calling **9** _____ the most sweeping transformation of the corporate landscape in years. **10** _____ involving e-commerce is fierce because the **11** _____ and the competitors encompass the whole world.

The Customer Wins/A Marketing Revolution

Customers using e-commerce can easily do **12** _____ without having drive from place to place. Today, the **13** _____ not the seller, is empowered to save time and money. Computers help serve consumers through **14** _____, or marketing directed by stored information about the frequency of a customer's use of a product. People around the world are also assembling in **15** _____. This allows businesses to serve the interests and needs of consumers more effectively and with a personal touch.

GUIDED READING Activity 22-2

For use with textbook pages 571–574

A NEW ECONOMY?

RECALLING THE FACTS

Directions: Use the information in your textbook to answer the questions.

1. What are four inventions in telecommunications?

2. What is the Information Age?

3. How would one describe the “knowledge economy” and “weightless economy”?

4. What are the differences between knowledge products and other products?
 - a. _____
 - b. _____
 - c. _____

5. Why do some leading economists not consider the Information Age to be revolutionary?

6. How do economists traditionally explain the output of an economy?

7. Why did Joseph Shumpeter suggest that a normal economy would never be in equilibrium?

GUIDED READING Activity 22-3

For use with textbook pages 576–579

ISSUES IN CYBERNOMICS

OUTLINING

Directions: Locate the heading in your textbook. Then use the information under the heading to help you write each answer.

I. Ensuring Safe Internet Trade

A. Introduction—How has the Internet reduced the entry for companies willing to sell goods online?

B. Securities Online

1. How has the Internet made buying and selling securities more accessible?

C. Day Trading

1. What is day trading?

2. In relation to buying and selling online, what must the federal government keep in balance?

II. Protecting Intellectual Property Rights

A. Introduction—What is intellectual property?

B. Digital Rights Movement—What is being done to stop illegal copies of material from being published on the Internet?

III. Protecting Consumer Privacy

A. How has the computer invaded people's privacy?

B. What are consumer-credit laws?

IV. Developing Nations

A. What type of nation has the advantage in cybernomics?

B. Why is distance education important to developing nations?

C. In relation to our cybernomic future, what does the Information Age provide us with?
