

1. Why study business?

Business surrounds us. The marketplace provides for everything in our lives. The food we eat, the gas we use to drive to work, and the value of the services we provide our employers or customers are all part of the network of business transactions running all over the world. These are all interconnected, so the Airline needing a bailout, the dot-com bubble, uncertain housing market, or Enron collapse all cause economic waves that impact our lives, whether we know it or not.

On a macro scale, business is a marketplace of ideas. Inventions, services, and even culture compete for profits. Healthy and fair competition motivated by profit rewards accelerates progress, cultural and technological. Watching the paths of innovation spurred on through businesses is watching the path of our civilization.

2. Identify three current events or conditions, which may impact the success of business today.

Global Warming currently impacts the price of oil, as an uncannily warm winter reduces consumption for heat energy and brings oil prices below \$54 a barrel. The emergence of Web 2.0 online services, such as YouTube and Google Video, are reducing consumer consumption of traditional media, such as cable TV and music CDs. The increasingly global market affects businesses today. European Union steel company subsidies continue to impact America's non-subsidized companies, just as America's farming subsidies are detrimental to foreign agriculture reaching the international markets. Meanwhile, the WTO takes action against the Russian company, allMyMP3, for copyright violations, which have harmed companies holding those copyrights.

3. How does technology impact your daily life. Provide three specific examples.

I just got my first PDA, and I cannot fathom how I ever lived without what has become my date book, e-book library, walkman, phone, e-mail, and general all-around media center in my pocket. My music, movie, and book collections are increasingly becoming electronic and I find my collection of material possessions dwindling away to the thrift store as they become obsolete. I own virtual property in the online world Second Life, where I now spend much of my time socializing with people around the world. I collaborate with wikipedians and bloggers on my research, read the news from every paper in the world, and publish my thoughts for the world to read and peer-review. As Dr. David Brin put it, we have entered the "Age of Amateurs."

The minimum wage increase is a great example. It's one I hear debated often in political circles. Some argue that raising the minimum wage merely causes the price of everything to go up to compensate. Others argue that these wages don't keep up with inflation, and failing to raise the minimum wage means an ever-decreasing standard of living as people earning the minimum are left behind.

In the lecture notes, you mention the five basic factors of production, and then go on to summarize each one, with the exception of “entrepreneurs.” Could you elaborate on this concept?