



Royal Rangers

Merit Requirements: Silver-Bordered Merit

ECONOMICS MERIT

1. Complete the following:
 - a. Define *economics*. Include an explanation of goods, services, and distribution. Contrast economic impact in a home, in a small business, in a community, in a state, in a nation, and worldwide.
 - b. List at least 10 commonly economic indicators.
 - c. Define *free enterprise*. Describe the benefits and responsibilities of the free-enterprise system.
 - d. List at least 5 economists and leaders of business and industry in the United States. Write a brief description of each individual's influence.
2. Complete the following:
 - a. Define *entrepreneur*. Include the value of an entrepreneur to individual as well as to the nation.
 - b. Define *corporation*. List the characteristics of a corporation. Explain how a corporation differs from a small business. Contrast private and public corporations. Explain how corporations affect the U.S. economy. List their advantages and problems.
3. Complete the following:
 - a. Define the following terms
 1. Sole proprietorship
 2. Partnership
 3. Assets
 4. Liabilities
 5. Equity
 6. Audited statement
 7. Cash flow
 8. Expenses
 9. Profit
 10. Profit and loss statement
 11. Budget
 12. Mission statement
 13. Wholesale
 14. Retail
 - b. List at least 5 elements needed to make a small business profitable.
 - c. List characteristics an employer looks for in an employee.
 - d. List two Scripture references about the proper attitude of an employee and an employer.
4. Establish and run a small business for at least three months (e.g., newspaper route, window cleaning service, gardening, and yard work). Complete the following for your small business:
 - a. Write a mission statement. Include the "reason for being" for this business.
 - b. Describe the competition for the field in the territory in which you operate.
 - c. Describe the difference you can make as a Christian entrepreneur compared to your competition. Compare the Christian businessman's philosophy to that of the Royal Ranger Code. Explain how your investment of prayer, devotional study, and faith can make a difference in your business.
 - d. Determine if there is an active Christian businessman's organization in your community. List the mission statement for that group. Explain the purpose of this organization. List the time and location of their meetings.
 - e. Make a projected budget for your business. List expected revenues, expenses, and profits.
 - f. Keep financial records of your business for at least three months. Compare the actual expenses and profits with the projected budget.
 - g. Analyze whether you met your goals—as far as your mission statement and financial goals—and how you felt about running a business after three months.

- h. Describe what you learned about running a business. Explain your plans to close, maintain, or expand the business. Explain how you could expand the business or why you decided not to expand.
5. Read the following segments of the United States Constitution. Explain each portion of the text as it relates to the national economy.
 - a. The Preamble of the Constitution
 - b. Commerce Clause, Article I, Section 8
 - c. Coinage Clauses, Article I, Section 8 and Article I, Section 10
 - d. Copyright Clause, Article I, Section 8
 - e. Contract Clauses, Article I, Section 9 and Article I, Section 10
 - f. Export Clauses, Article I, Section 9 and Article I, Section 10
 - g. Searches and Seizures, Amendment IV
 - h. Due Process, Amendment V and Amendment XIV, Section 1
 - i. Reserved Rights and Powers, Amendment IX and Amendment X
6. Complete the following:
 - a. Define the following terms:
 - 1.Dividend
 - 2.Face value
 - 3.Income
 - 4.Interest
 - 5.Market price
 - 6.Par value
 - 7.Premium
 - 8.Security
 - 9.Share
 10. Stock exchange
 - b. Describe the following methods an individual or business could invest through savings programs and investments. Determine which methods have good long-term yield, which are risky, and which have slow, steady growth.
 - 1.Stocks
 - 2.Bonds
 - 3.Mutual funds
 - 4.Mortgage-backed securities
 - 5.Bank interest
 - 6.Money market funds
 - 7.Real estate
 - 8.Precious metals
 - c. Explain the differences between saving and investment.
7. Complete the following activities.
 - a. Select two stocks from the financial pages of a newspaper. List the names of the stocks, the stock's abbreviation, the type of stock, and the stock's current value. Pretend that you are purchasing a thousand dollars of each stock, and track each stock for three months. Report each stock's growth or decline and what you earned or lost in that three-month period. Explain investing for a long period and why that is a consideration. Explain why you selected the stocks you purchased, the results of your investment, and if you would make the same investment choices by actually purchasing the stocks.
 - b. Schedule an interview with or invite to your Royal Rangers meeting a Christian investment counselor or financial planner. Discuss the following with your expert and write a report of the responses.
 - 1.The stocks you selected in Requirement 7a
 - 2.Low-and higher-risk stocks
 - 3.Stock portfolio for young people