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## How Does the Free Market Work?

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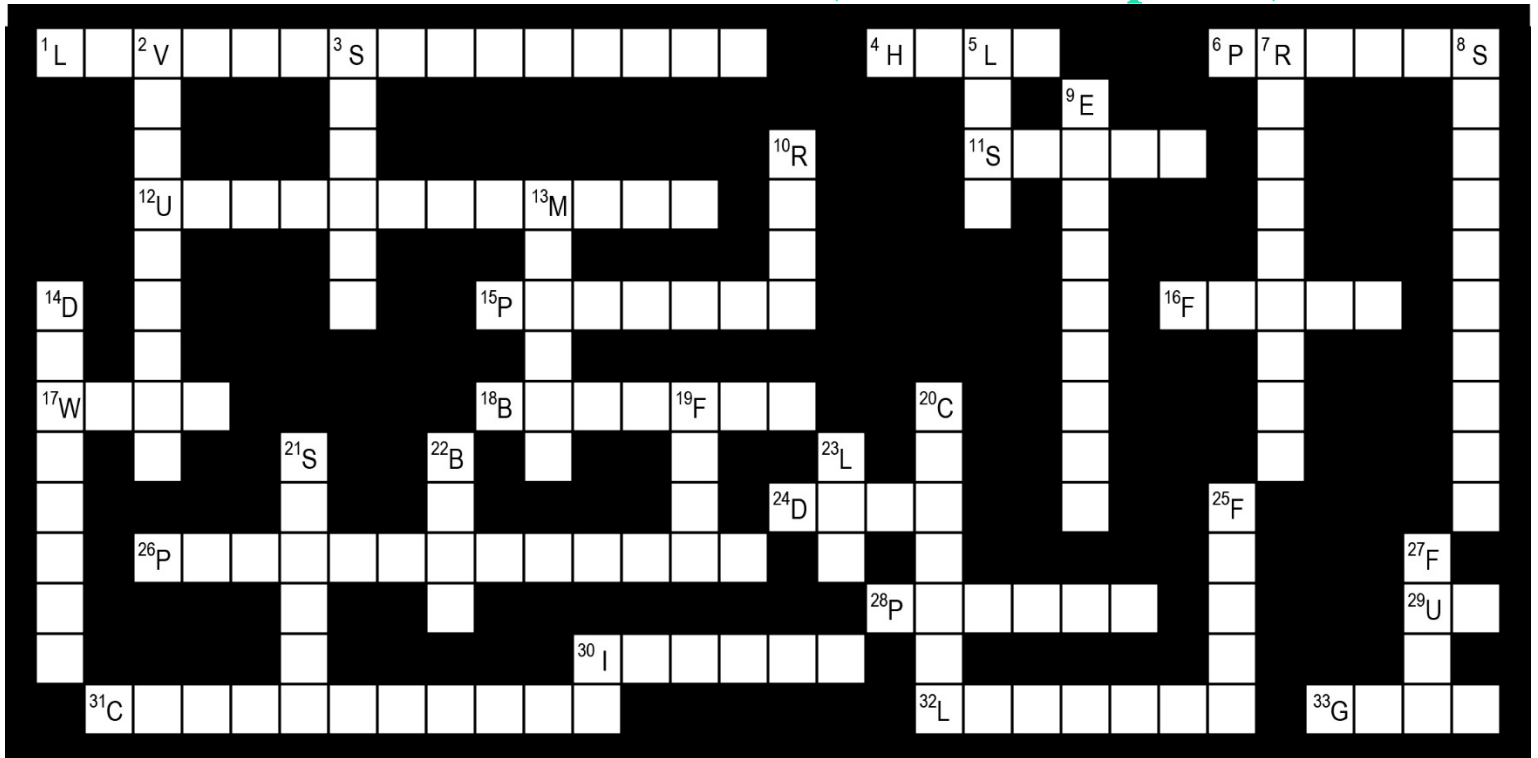
**HOW**  
**DOES**  
**THE**  
**FREE**  
**MARKET**  
**WORK**  
**??**



**A**  
**CROSSWORD**  
**PUZZLE**

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the Belden Center for  
Private Enterprise Education  
College of Business Administration  
Harding University, Searcy, Arkansas

# How Does the Free Market Work? (a crossword puzzle)



## ACROSS

1. Profit pays for the tools which increase production and \_\_\_\_\_
4. Federal taxes take almost \_\_\_\_\_ of corporate profits
6. "Excessive" profits will put a firm out of business, because its \_\_\_\_\_ will be too high
11. In a free market, you can't borrow money unless someone else first has \_\_\_\_\_ it
12. Minimum wage laws and government payments to the jobless increase \_\_\_\_\_
15. A free economy is based on \_\_\_\_\_ ownership of the means of production
16. The laws of a free economy do not tolerate the use of \_\_\_\_\_
17. In every economic system, human beings must \_\_\_\_\_
18. The free market regulates prices, wages, profits, etc. for everybody's \_\_\_\_\_
24. Profitable companies attract competitors, who bring profits \_\_\_\_\_
26. \_\_\_\_\_ interfere with market prices
28. Payment made to those who invest in a business is called \_\_\_\_\_
29. With increased investment and mounting demand for labor, wages go \_\_\_\_\_
30. The only permanent source of company payroll is \_\_\_\_\_ from customers
31. When an entrepreneur introduces a popular product, he attracts \_\_\_\_\_
32. To maintain a free economy, the role of government must be \_\_\_\_\_
33. There has been least inflation when money was based on \_\_\_\_\_

## DOWN

2. A free economy insists on \_\_\_\_\_ exchange in the marketplace
3. Root cause of inflation is government's increase in the money \_\_\_\_\_
5. Companies frequently fail to earn a profit, and suffer a \_\_\_\_\_
7. A free market is an efficient means of allocating scarce \_\_\_\_\_
8. We interfere with market prices whenever our government \_\_\_\_\_ any commodity
9. Company profits make things better for \_\_\_\_\_
10. As companies expand production and seek more workers, wage rates tend to \_\_\_\_\_
13. In a true free economy, quantity of money is regulated by the \_\_\_\_\_
14. In America today, wages are flexible on the "up-side" but rigid on the \_\_\_\_\_
19. As the supply of any product increases, the price will tend to \_\_\_\_\_
20. In a free economy, there is a minimum of governmental \_\_\_\_\_
21. About half of net profit is reinvested in the business to make jobs more \_\_\_\_\_
22. Artificially low interest rates create an artificial expansion or \_\_\_\_\_
23. It's a popular but misguided notion that government must keep interest rates \_\_\_\_\_
25. Outlawed in a free economy is the practice of \_\_\_\_\_
27. In a free economy there is usually \_\_\_\_\_ employment
30. When a product is popular with consumers, it is said to be "\_\_\_\_\_"

(answers on the back)

## Answers

### ACROSS

1. living standards
4. half
6. prices
11. saved
12. unemployment
15. private
16. force
17. work
18. benefit
24. down
26. price controls
28. profit
29. up
30. income
31. competition
32. limited
33. gold

### DOWN

2. voluntary
3. supply
5. loss
7. resources
8. subsidizes
9. everybody
10. rise
13. market
14. downside
19. fall
20. control
21. secure
22. boom
23. low
25. fraud
27. full
30. in

DID YOU ENJOY THIS CROSSWORD PUZZLE?

We publish this crossword puzzle for two reasons: 1) most people enjoy them; and 2) many are stimulated to dig deeper into the wealth of interesting and useful information to be found in simplified economics.

Courtesy of  
The Belden Center  
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