

Task 1

Instruction: Watch the video and answer the questions IN THE SPACE PROVIDED.

Tip: You should turn on English subtitles. You should also read the questions first.

Video: <https://www.youtube.com/watch?v=4ERbC7JyCfU&t=331s>

1. What is the economic system that is central to this video? (Hint: in the very beginning)

..... a free market works to enable people to cooperate peacefully together

2. State the full economic definition of the system mentioned in Question 1. (Google!)

..... A free market with a smaller government to control and increase steady of the money
..... to boost the economic

3. According to the video, why is it that nobody in the world knows how to make a pencil?

..... because any parts of pencil are made from different place

4. According to the video, WHY did the rubber trees get imported into Malaysia?

..... because some company want to get money from imported rubber rubber from Malaysia

5. According to the video, what mechanism has led to the creation of a pencil?

..... A price system

6. What is the “driving force” behind millions of transactions that lead to the creation of a pencil?

..... A money and who is better of than other

7. What are other “virtues” of the mechanism greatly emphasized in the video?

..... A price system : with a great virtue it doesn't require any central direction, same language and religion. A price system
..... take you to cooperate to millions of people peacefully

8. What is the “necessary condition” for the mechanism to function effectively? (Hint: around the 8th minute of the video)

..... both group of transaction get benefit