Punyaporn Boonprakong
6304641258

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)

The economic system that is central to this video is Free market.

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

It is one where voluntary exchange and the laws of supply and demand provide the sole basis for the economic system, without government intervention. A key feature of Free market is the absence of coerced transactions.

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

No one was wondering to find out how pencil was made as it was largely available.

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

Private enterprises trying to make some money.

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

The price system.

6. What is the "driving force" (แรงผลักดัน) behind millions of transactions (ธุรกิจ) that lead to the creation of a pencil?

One of them thinks that he is better off in this transaction.

7. What are other "virtues" (คุณธรรม) of the mechanism greatly emphasized in the video?

Firstly, It doesn't require people to be the same religion, and does not require to be able to talk the same language.

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

Both parties to a transaction can benefit provided it is voluntary and not coerced.