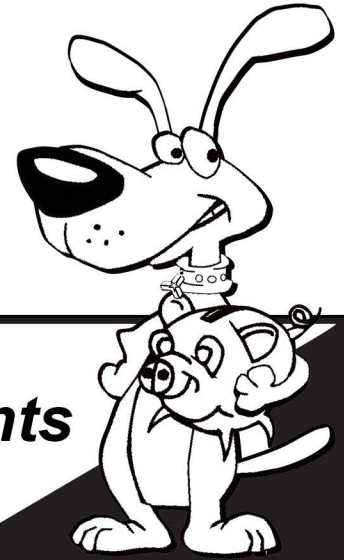


THE ECONOMY



Consume: Needs vs. Wants

All consumption falls within a continuum between needs and wants.

Needs are those things that are critical for survival. **Wants** are not critical, though they may have personal importance. Examples of needs are: food, clothes, and housing. Examples of wants are: jewelry, vacations, and fancy coffee.

Note that there are some things that fall within a gray area between needs and wants. In these cases, it is a matter of individual values and priorities. The standard advice from financial gurus, for example, is to forego cable and rely on internet streaming. This is a gray area, for it is possible that a person needs bland television programs for relaxation. So, keep in mind that there are tradeoffs for everything and do be honest with yourself about needs and wants.

Definitions:

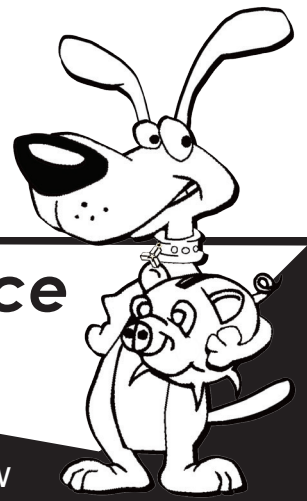
Want: Have a desire to have or do (something)

Need: Require (something) because it is a must-have

Suggestions:

Walk around your house or go to the store, and identify things that are wants and needs to you family.

NEEDS VS. WANTS



There is a difference

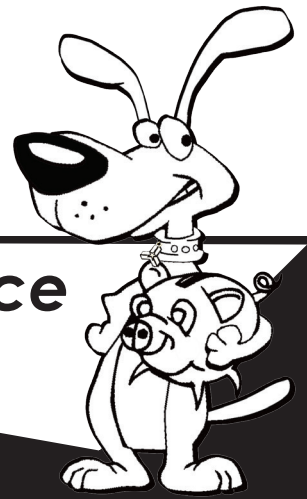
When we decide to spend out money, we need to make sure we understand whether the item we are planning to buy is a **NEED** or a **WANT**. Cut out the pictures from the next page and paste them into the chart below to determine if you think the item is a **WANT** or a **NEED**.

NEEDS

WANTS

NEEDS	WANTS

NEEDS VS. WANTS



There is a difference

NEEDS

Something you must have to stay healthy and safe

WANTS

Something you enjoy and want to have, but do not need.

