

**Handout 3-2 (concluded)**

III Now try to expand the circular flow chart to include government. Resource owners sell the services of some of their labor and other resources to governments as well as to businesses, and businesses sell some of their finished goods and services to governments as well as to individual resource owners. Moreover, governments collect money payments from both businesses and individual resource owners and also make money payments to both of these groups. In the space below list all the appropriate flows you can think of.

**From Resource Owners (Families and Individuals) to Government**

- 1 \_\_\_\_\_
- 2 \_\_\_\_\_

● **From Businesses to Governments**

- 1 \_\_\_\_\_
- 2 \_\_\_\_\_

● **From Government to Resource Owners**

- 1 \_\_\_\_\_
- 2 \_\_\_\_\_

● **From Government to Business Firms**

- 1 \_\_\_\_\_
- 2 \_\_\_\_\_