**Unit 1 Fundamentals (34 words)**

Economics Scarcity Trade-offs

Opportunity Cost Consumer Producer

Productive Resources: Land, Labor, Capital, Entrepreneurship (CELL)

Marginal Cost Marginal Benefit Utility

Production Possibilities Curve (PPC)

Law of Diminishing Marginal Utility

Law of Increasing Opportunity Cost

Market Economy Command Economy Mixed Economy

Adam Smith *Laissez-faire* Capitalism

Socialism Communism Efficiency

Specialization Division of Labor Productivity

Voluntary Exchange Private Sector Public Goods

Consumer Sovereignty Free Enterprise System Externalities

Transfer Payments Regulations Allocate

**Unit 2 Personal Finance (29 words)**

Incentives Cost-Benefit Analysis Financial Institutions

Credit Unions Investments Stocks

Bonds Mutual Funds Savings

Certificate of Deposit (CD’s) IRA FDIC

Mail-in-Rebate Proportional Tax Progressive Tax

Regressive Tax Sales Tax Credit

Debt Loans Principal

Annual Percentage Rate (APR) Speculation Interest

Insurance Premium Deductible Human Capital

Inflation Collateral

**Unit 3 Microeconomics (37 words)**

Microeconomics Circular Flow Model Firms

Households Factor/Resource Market Product Market

Demand Quantity Demanded (Qd) Law of Demand

Elasticity of Demand (Inelastic) Supply Law of Supply

Quantity Supplied (Qs) Revenue Profit

Fixed Cost (Overhead) Variable Cost Subsidy

Law of Diminishing Return Market Equilibrium Surplus

Price Floor Shortage Price Ceiling

Minimum Wage Rationing Liability

Black Market (Underground Economy)

Perfect (Pure) Competition Monopolistic Competition Oligopoly

Monopoly (Trust) Sole Proprietorship Partnership

Corporation Stock Dividend

**Unit 4 Macroeconomics (37 words)**

Macroeconomics GDP real GDP

real GDP per capita Standard of Living Quality of Life

Business Cycle: Peak, Contraction/Recession, Trough, Recovery/Expansion

Economic Growth Recession Depression

Aggregate Demand Aggregate Supply Unemployment Rate

Full Employment Natural Rate of Unemployment Underemployed

Frictional Unemployment Structural Unemployment Seasonal Unemployment

Cyclical Unemployment Welfare Poverty

Transfer Payments Inflation Deflation

Consumer Price Index (CPI) Demand-Pull Inflation Cost-Push Inflation

Stagflation Fiat Money Monetary Policy

Federal Reserve (Fed) Open Market Operations Reserve Requirement

Discount Rate Fiscal Policy Keynesian Economics

**Unit 5 International Trade (29 words)**

Specialization Economic Interdependence Absolute Advantage

Comparative Advantage Law of Comparative Advantage Exports

Imports Trade Barriers Tariff

Quota Embargo Subsidies

Protectionism Infant Industries

Foreign Exchange Market Appreciation Depreciation

Foreign Exchange Rate (FOREX)

Fixed v. Flexible Exchange Rate Balance of Payments Trade Surplus

Trade Deficit Balance of Trade: Favorable/Unfavorable

Trading Blocs: EU NAFTA ASEAN

Cartel OPEC Collusion