

Name \_\_\_\_\_ Date \_\_\_\_\_ Period \_\_\_\_\_

## Review for Economics Final Winter 2020

### A. Chapter 1

Production Possibilities Frontier - What does it mean to be inside or outside?	4 Factors of Production	Economic Interdependence
PPF - What does it illustrate?	1. Land	Division of Labor
Paradox of Value	2. Labor	Specialization
Opportunity Cost	3. Capital and Capital Goods	Scarcity
	4. Entrepreneurs	Need or Want
		GDP

### B. Chapter 2

Traditional Economy	Economic Equity	Producer
Command Economy	Economic Security	Free Enterprise Capitalism:
Market Economy	Full Employment	1. Competition
Mixed Economy	Price Stability	2. Voluntary Exchange
Economic Freedom	Economic Growth	3. Private Property Rights
Economic Efficiency	Consumer	4. Profit Motive

### C. Chapter 3

Sole Proprietorship	Corporation	Merger - Horizontal/Vertical
Partnership	Unlimited Liability	Stocks and Shareholders

### D. Chapter 4

How to read demand curve	1. Income	5. Number of Consumers
How to read demand schedule	2. Tastes and Preferences	Demand or quantity demanded?
Elastic or inelastic demand	3. Substitutes	
Determinants of Demand:	4. Complements	

### E. Chapter 5

How to read supply curve	5 Determinants of Supply	Marginal Revenue
How to read supply schedule	1. Cost of Resources	Profit
Supply or quantity supplied?	2. Productivity	Fixed cost
Elastic or inelastic supply	3. Technology	Variable cost
Theory of Production	4. Government	Production Function
Marginal Product	Regulations and Taxes	Stages of Production
Revenue	5. Number of Suppliers	

## **F. Chapter 6**

Market Equilibrium

Rationing

How does change in demand affect price?

How does change in supply affect price?

Shortage

Surplus

Price Ceiling

Price Floor

Deficiency Payment

Non-recourse Loan

4 Advantages of Price

## **G. Chapter 7**

Laissez-faire

Perfect competition

Imperfect competition

Monopolistic competition

Oligopoly

Monopoly

Natural monopoly

Geographic monopoly

Technological monopoly

Government monopoly

Inadequate competition

Inadequate information

Resource immobility

Public goods

Externalities

## **H. Chapter 9**

Equity

Simplicity

Efficiency

Incidence of Tax

Demand Elasticity

Proportional Tax

Progressive Tax

Regressive Tax

Intergovernmental Revenues

Flat Tax

Alternative Minimum Tax

Value Added Tax

Federal Income Tax

Property Tax

## **I. Chapter 10**

Size of Government Spending

Types of Federal Spending

Types of State Spending

Types of Local Spending

Mandatory Spending

Discretionary Spending