Vocabulary

Chapter 1:

* Economics
* Entrepreneur
* Goods
* Opportunity cost
* Scarcity
* Services
* Market
* Capital resources
* Free enterprise
* Cost-benefit analysis

Chapter 2:

* Circular flow
* Competition
* Economic growth
* Medium of exchange
* Consumers
* Price system
* Pillars of free enterprise
* Command Economy
* Traditional Economy
* Pure Market
* Voluntary exchange

Chapter 3:

* Demand
* Law of demand
* Price effect
* Buying power
* Diminishing marginal utility
* Diminishing personal value
* Substitute goods
* Complementary goods
* Market demand
* Elasticity of demand

Chapter 4:

* Supply
* Market supply
* Law of supply
* Marginal cost
* Revenue
* Profit
* Unit cost
* Elasticity of supply

Chapter 5:

* Market clearing price
* Equilibrium
* Shortage
* Surplus

Chapter 7:

* Sole proprietorship
* Partnership
* Corporation
* Stock
* Stockholders
* Limited liability
* Not-for-profit

You should be able to:

* Graph a demand curve from a demand schedule
* Graph a supply curve from a supply curve
* Identify whether a good is elastic or inelastic based on a graph or description
* Explain the circular flow
* Explain the pillars of free enterprise
* Identify the market clearing price, and shortage and surplus from a graph
* Explain advantages or disadvantages of different types of business organizations