**Economics Final Review**

**Vocabulary – Define:**

1. Economics
2. Insatiability
3. Scarcity
4. Goods
5. Services
6. Opportunity Benefit
7. Opportunity Cost
8. Microeconomics
9. Macroeconomics
10. Diamond-Water Economics
11. Normal Goods
12. Substitute Goods
13. Complementary Goods
14. Factors of production
15. Mercantilism
16. Laissez Faire
17. Capitalism
18. Socialism
19. Communism
20. Sole proprietorship
21. Partnership
22. Corporation
23. Stock
24. Oligopoly
25. Monopoly
26. Money
27. Barter
28. Fiat Money
29. Gross National Product
30. Consumer Durable Goods
31. Consumer Nondurable goods
32. Business Cycle
33. Expansion Phase
34. Peak Phase
35. Recessionary Phase
36. Trough Phase
37. Depression
38. Unemployment Rate
39. Labor Force
40. Discouraged Workers
41. Frictional Unemployment
42. Structural Unemployment
43. Seasonal Unemployment
44. Cyclical Unemployment
45. Inflation
46. Fiscal Policy
47. Keynesian Economics

**Short Answer**

1. Why are choices necessary?
2. How are economics different for a Christian than for an unbeliever?
3. What are the three functions of prices?
4. When demand increases the graph will shift:
5. When demand decrease the graph will shift:
6. Be able to draw and label and supply and demand graph:

1. If demand for a substitute good increases, what happens to the demand for the original good?

1. If demand for a complementary good increases, what happens to the demand for the original good?
2. What are the four factors of production?

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2. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
3. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
4. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
5. What are the four economic goals?
6. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
7. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
8. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
9. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
10. What are the three economic questions?
11. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
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14. Who created the idea of Laissez – Faire?  What year and what book did he write?

1. What was happening in the United States at this time that was influenced by this idea?
2. What are the two modern economic systems?
3. What are examples of legal monopolies?
4. What are the four characteristics of money?
5. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
6. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
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8. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

1. What type of money is used in the United States today?