1. What is a trade-off? What is an opportunity cost?

2. Not enough resources to provide for every desire is known as:

3. What is interest?

4. Which of the following do you earn the most interest from: Checkings, Savings, CD’s?

5. How can debt be a good thing?

6. What are the 4 factors of production?

7. What type of economics system allows for the government to control most decisions?

8. What are some aspects of a capitalistic economy?

9. What happens to price in shortage?

10. What does the Law of Diminishing Marginal Utility state?

11. Name 3 things that might affect demand.

12. Name 3 things that might affect supply.

13. What is the difference between an elastic and inelastic good?

14. A business owned and operated by one person is called:

15. Draw and label the business cycle curve below:

16. How does the government limit the formation of monopolies?

17. What is an oligopoly?

18. What is the Gross Domestic Product?

19. What is fiscal policy?

20. What is monetary policy?

21. What is inflation?

22. What type of policies does the Federal Reserve use during a recession? What about a peak?

23. How does the federal government earn most of their revenue?

24. How do local governments earn most of their revenue?

25. What are the biggest expenditures for the federal government?

26. What is a progressive tax?

27. What is a tariff?

28. The ability of a country to produce a good at a lower cost than another country is called:

29. What is outsourcing?

30. Draw and label the supply and demand curve below. Make sure to include the following:

a. Label the demand curve with an “A”

b. Label the supply curve with a “B”

c. Label the equilibrium point with a “C”

d. Show the demand curve increasing with a “D”

e. Show the supply curve decreasing with a “E”