

What is opportunity cost?

What does the term “guns and butter” mean?

Production Possibilities Frontier:

What is underutilization?

What are the three main economic systems and be able to identify them.

What are the factors of production?

What is the difference between human capital and physical capital?

What is thinking at the margin?

What is Gross Domestic Product, and formula for it?

What is the invisible hand

Law of Demand –

Substitutes–

Complements –

Elasticity of demand –

Elastic –

Inelastic-

Calculate price elasticity of demand, know formula

Shifters in demand

Shifters in supply

equilibrium

Oligopoly

Monopoly –

Monopolistic Competition –

Perfect Competition –

List and explain the 6 characteristics of money

List and define the 3 types of money

3 uses of money

Bank Run

Federal Reserve

FDIC

Mortgage

Financial Intermediary (define and give an example)–

Interest

Diversification

List and define three basic components of bonds

1)

2)

3)

List the different types of bonds in order from least risky to most risky

Dow Jones Industrial Average

Gold Standard

Define and explain Principal and Interest

What is a portfolio and what is the point of it?

Why should a person diversify their portfolio (diversification)

What is a bull and bear market and explain how the two are related.