

Economics Milestone Vocabulary List

Unit 1 Fundamentals

Economics Scarcity Trade-offs Opportunity Cost Consumer Producer
Productive Resources: Land, Labor, Capital, Entrepreneurship (CELL)
Marginal Cost Marginal Benefit Utility Production Possibilities Curve (PPC)
Law of Diminishing Marginal Utility Law of Increasing Opportunity Cost
Market Economy Command Economy Mixed Economy Adam Smith
Laissez-faire Capitalism Socialism Communism Efficiency
Specialization Division of Labor Productivity Voluntary Exchange
Private Sector Public Goods Consumer Sovereignty Free Enterprise System
Externalities Transfer Payments Regulations Allocate

Unit 2 Personal Finance

Incentives Cost-Benefit Analysis Financial Institutions Credit Unions Investments
Stocks Bonds Mutual Funds Certificate of Deposit (CD's) Savings IRA FDIC
Mail-in-Rebate Proportional Tax Progressive Tax Regressive Tax Sales Tax
Credit Debt Loans Principal Annual Percentage Rate (APR) Speculation
Interest Insurance Premium Deductible Human Capital Inflation Collateral

Unit 3 Microeconomics

Microeconomics Circular Flow Model Firms Households Factor/Resource Market
Product Market Demand Quantity Demanded (Qd) Law of Demand
Elasticity of Demand (Inelastic) Supply Quantity Supplied (Qs) Law of Supply
Revenue Profit Fixed Cost (Overhead) Variable Cost Law of Diminishing Returns
Subsidy Market Equilibrium Surplus Price Floor Shortage Price Ceiling
Minimum Wage Rationing Black Market (Underground Economy)
Perfect (Pure) Competition Monopolistic Competition Oligopoly Monopoly (Trust)
Sole Proprietorship Partnership Corporation Stock Dividend Liability

Unit 4 Macroeconomics

Macroeconomics GDP real GDP real GDP per capita Standard of Living Quality of Life
Business Cycle: Peak, Contraction/Recession, Trough, Recovery/Expansion
Economic Growth Recession Depression Aggregate Demand Aggregate Supply
Unemployment Rate Full Employment Natural Rate of Unemployment Underemployed
Frictional Unemployment Structural Unemployment Seasonal Unemployment
Cyclical Unemployment Welfare Poverty Transfer Payments Inflation Deflation
Consumer Price Index (CPI) Demand-Pull Inflation Cost-Push Inflation Stagflation
Fiat Money Monetary Policy Federal Reserve (Fed) Open Market Operations
Reserve Requirement Discount Rate Fiscal Policy Keynesian Economics

Unit 5 International Trade

Specialization Economic Interdependence Absolute Advantage Comparative Advantage
Law of Comparative Advantage Exports Imports Trade Barriers Tariff Quota
Embargo Subsidies Protectionism Infant Industries Foreign Exchange Market
Appreciation Depreciation Foreign Exchange Rate (FOREX)
Fixed v. Flexible Exchange Rate Balance of Payments
Trade Surplus Trade Deficit Balance of Trade: Favorable/Unfavorable
Trading Blocs: EU NAFTA ASEAN Cartel OPEC Collusion