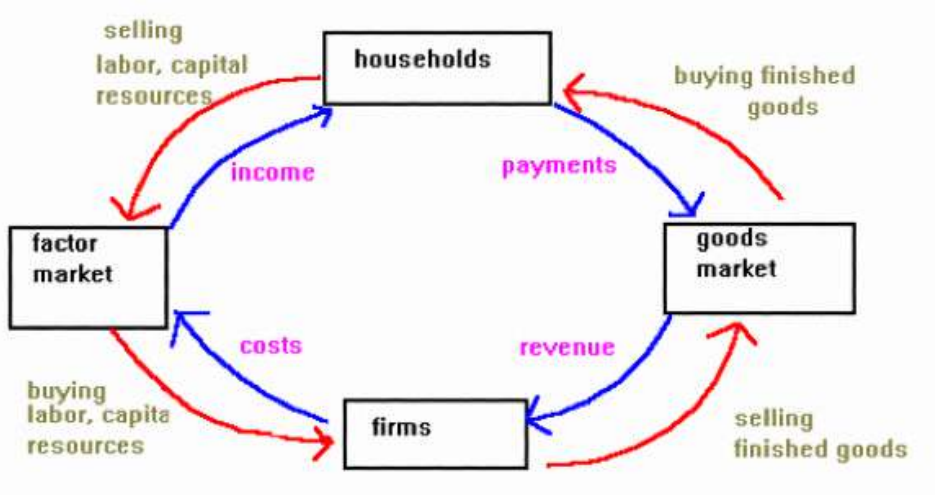


**Part I of Study Guide: Standards Involved SSEF2 SSEMI1 SSEF6 SSEF1****Chapter 1.**

1. Define scarcity?
2. Identify the countries in the world affected by scarcity?

**CHAPTER 1, SECTION 2: CAN I**

5. Define productivity?
6. Define and provide an example of investment in human capital?
7. Answer questions about the flow of each of the following using a circular flow diagram?  
consumer, business, and government dollars used to buy finished goods and services  
-wages and income  
-land, labor and capital  
-goods and services



8. Define division of labor?
9. Describe the effect specialization has on productivity?

**CHAPTER 1, SECTION 3: CAN I**

1. Define trade-offs?
2. Define opportunity costs?
3. Draw a Production Possibility curve?
4. 5. Define **marginal costs** and **marginal benefits** .

**Part II of Study Guide: SSEF4 SSEF3 SSEF5****CHAPTER 2, SECTION 1: ECONOMIC SYSTEMS: Can I**

1. identify who makes economic decisions in a market economy?
2. identify who makes economic decisions in a command economy?
3. identify the type of economy the US has (AND most countries in the world today)?
4. provide an example of two countries in the world today that have command economies?

**CHAPTER 2, SECTION 3: CAPITALISM: Can I**

1. define voluntary exchange?
2. describe the effects of a country encouraging entrepreneurship?
3. identify what pays for land, labor, capital, and entrepreneurship?
4. identify examples of investments in human capital?
5. describe the relationship between entrepreneurs and labor?

6. define and regional specialization?
7. define capital investment?

**Part III: SSEF5                      SSEF3                      SSEMI4**  
**CHAPTER 3, SECTION 1: FORMS OF BUSINESS ORGANIZATION**  
**CAN I:**

1. Describe what I study when I study microeconomics?
2. Define sole proprietorship, partnership, and corporation?
3. Identify advantages and disadvantages of a sole proprietorship?
4. Identify advantages and disadvantages of a partnership?
5. Identify advantages and disadvantages of a corporation?

**CHAPTER 7, SECTION 1: MARKET STRUCTURES CAN I:**

1. Describe the characteristics of a perfect competition market structure?
2. Describe the characteristics of a monopolistic competition market structure?
3. Describe the characteristics of an oligopoly market structure?
4. Describe the characteristics of a monopoly market structure?

(for #1-4, focus on control over price, ease of entry into market for a new business, product differentiation, number of firms in the market, capital costs, competition level, interdependence between businesses)

5. Define and give an example of the following types of monopolies:
  - a) natural
  - b) technological
  - c) geographic

**CHAPTER 7, SECTION 2 AND 3: MARKET FAILURES AND THE ROLE OF GOVERNMENT**  
**CAN I:**

1. Explain what public goods are and how they are paid for in the United States?
2. Provide examples of public goods?
3. Explain why the government provides public goods?

**Did you review all of these words? Can you Identify each one?**

1. Opportunity cost
2. Division of labor
3. Patents
4. Market economy
5. Scarcity
6. Factor determining economic growth
7. Entrepreneurship
8. Renewable resources

**Part IV:                      SSEMI2                      SSEMI3**

Microeconomics: Supply and Demand: Chapters 4, 5, 6

**CHAPTER 4, SECTION 1: CAN I**

1. Describe the basic unit of study in microeconomics?
2. Define demand?
3. Define the law of demand?

**CHAPTER 4, SECTION 2: CAN I**

1. Describe the difference between change in quantity demanded and change in demand?
2. Draw a demand curve on a graph. Show a shift in demand? (Increase → direction of shift? Decrease → direction of shift?)
3. Provide a real world example of something that would shift the demand curve for a product to the right?

**CHAPTER 4, SECTION 3: CAN I**

1. Define elasticity of demand? Define inelastic demand?
2. Identify the factors that determine whether or not a product has an elastic demand?

**CHAPTER 5, SECTION 1: CAN I**

1. Define supply?
2. Define the law of supply?

**CHAPTER 6, SECTION 1: CAN I**

1. Explain how prices motivate both buyers and sellers in a market economy?

**CHAPTER 6, SECTION 2: CAN I**

1. Define equilibrium price?
2. Describe what causes a surplus and shortage?
3. Identify the equilibrium price on a supply and demand graph?

**CHAPTER 6, SECTION 3: CAN I**

1. Define a price floor and identify the effects of it? (surplus or shortage?)
2. Define a price ceiling and identify the effects of it? (surplus or shortage?)
3. Identify whether the minimum wage is a floor or ceiling? Describe the economic effects of a minimum wage?

**Part V: SSEMA1****MACRO ECONOMICS: Measurements Chapters 13, 14****Part VI: SSEMA3****SSEPF3****SSEMA2****MACROECONOMIC****Chapter 13, Section 1: Can I:**

1. Define Gross Domestic Product (GDP)?
2. Define Gross National Product (GNP)?
3. Write out the equation for calculating GDP?
4. Identify the MOST important factor affecting consumer spending?

**Chapter 13, Section 2: Can I:**

1. Define inflation?
2. Define market basket?
3. Define CPI?

**Chapter 14, Section 1: Can I:**

1. Identify the phases of the business cycle? (Draw the Business cycle)
2. Define peak and trough in the business cycle?
3. Explain what would be happening with the following in an expansion AND a recession?  
-real GDP      -unemployment      -inflation
4. Explain why our economy goes through a business cycle? (five reasons)

**Chapter 14, Section 2: Can I:**

1. Define unemployment rate?
3. Define the following types of unemployment and give an example of each?  
-frictional      -seasonal      -cyclical      -structural      -technological

**Chapter 14, Section 3: Can I:**

1. Identify the causes of inflation?
2. Explain the dangers of deflation?
3. Identify the consequences of inflation?

**Part VII: SSEIN3    SSEIN2    SSEIN1****International Economics****Chapter 17**

Define the following International Government Terms:

Balance of Trade

Barriers To Trade:

- Tariff,
- Quota,
- Embargo,
- Standards

Balance of Payment

Exchange Rates: Appreciate and Depreciate

Absolute Advantages

Comparative Advantages

**Part VIII: SSEPF1, SSEPF2 SSEPF4 SSEPF5 SSEPF6 Personal Finance Unit Review**  
**Chapters 11, 12, AND APPENDIX IN BACK OF BOOK**

**MONEY:** Can I

1. explain Medium of exchange

**BUDGETING:** Can I

1. explain the difference between my fixed expenses and my variable expenses?

**EARNING:** Can I

1. explain how earning a high school diploma, a college diploma, and advanced degrees will affect my financial and career success?
2. explain how the demand for my skills and the supply of workers in my career area can affect my salary.

**BANKING:** Can I

1. explain the difference between a bank and a credit union?
2. explain how the annual percentage rate can help me evaluate loans from different institutions?
3. explain how banks earn a profit using loans and deposits?
4. explain the difference between simple interest and compound interest?
5. explain the role the FDIC plays in guaranteeing my deposits at a bank?
6. calculate simple interest on a CD?
7. explain the factors that can raise and lower my credit score.
8. explain why paying minimum payments on my credit card is stupid.
9. explain the importance of collateral in lending.
10. explain why people who have borrowed money could benefit from inflation.

**INVESTMENTS:** Can I

1. describe the relationship between risk and return in investing?
2. identify the level of risk and return in the following investments: Gold, Stocks, Bonds, Mutual Funds, Money market accounts, Savings accounts, Certificates of Deposit (CD's)
3. explain what a shareholder in a corporation is?
4. explain how diversification in investment planning helps reduce risk.
5. identify the best places to put money when I need to spend it next year?

**INSURANCE:** Can I

1. define the terms premium and deductible and explain their relationship on my insurance policies?
2. identify the factors that determine the cost of my auto insurance policy?
3. define the following auto insurance terms: collision, comprehensive, liability?
4. explain the difference between term and whole life insurance?
5. define disability insurance (think of the duck)?