Economics EOCT Study Guide Standards Version

**Fundamental Economic Concepts**

1. Define Scarcity
2. List, define, and provide examples of all the Factors of Production
3. What are the 5 ways of allocating scarce resources?
4. Define opportunity cost and trade offs
5. Draw and label the parts of a production possibilities frontier
6. What is the relationship between Marginal Benefits and Marginal Costs?
7. Define voluntary exchange
8. Who answers the 3 economic questions in each of the 3 economic systems?
9. List 2 advantages and 2 disadvantages for each economic system.
10. List and explain the 7 economic and social goals of the nation.
11. What are public goods and how are they paid for?
12. How does the government redistribute income?
13. What is an externality and how does the government go about correcting them.
14. Define Productivity
15. How can you invest in human capital

**Microeconomic Concepts**

1. Draw circular flow
2. How does money provide a medium of exchange?
3. Define the law of demand and the law of supply
4. Draw a supply and demand graph and label equilibrium price and equilibrium quantity
5. How do prices serve as incentives?
6. List the ways to shift Demand
7. List the ways to shift Supply
8. Define, draw, and give an example of a price floor
9. Define, draw, and give an example of a price ceiling
10. List and describe the 3 types of business organizations
11. What are the basic characteristics of Monopoly, Oligopoly, Monopolistic Competition, and Perfect Competition.

**Macroeconomic Concepts**

1. Define GDP
2. Define unemployment, explain the 4 types
3. How do you calculate the unemployment rate?
4. Define: inflation and stagflation
5. What is the CPI formula
6. Define aggregate supply and aggregate demand
7. Draw and label the business cycle
8. What is the difference between the national debt and the deficit?
9. What is the structure of the Fed?
10. Define Monetary Policy
11. List and explain all the monetary policies
12. Define and list all the fiscal policies

**International economics**

1. What is the difference between absolute and comparative advantage?
2. Which of those two is trade based on and why?
3. List and describe the different types of trade barriers
4. What are the 3 major free trading blocks
5. Who are the people that want free trade? Why?
6. Who are the people that want trade barriers? Why?
7. Draw an exchange rate table
8. How do you use an exchange rate table?
9. In what situation would the value of the dollar increase? Decrease? What effects would that cause to happen?

**Personal Finance Economics**

1. Which is a better investment? Short term or Long Term?
2. What is the difference between a bank and a credit union?
3. What is the difference between interest charged and interest earned?
4. What is the relationship between risk and return?
5. What is the difference in investing with stocks, bonds, and mutual funds
6. What is a cost of living adjustment?
7. What are the 3 types of taxes? Define each. Give an example of each.
8. What three things affect your credit score?
9. What is the difference between simple and compound interest?
10. What are the different types of insurance you can get? Describe each.
11. What is the relationship between a premium and deductible?