**Economics Final Study Guide**

Market-

(Free) Market economy-

Command economy-

Traditional economy-

Mixed economy-

Socialism-

“Guns versus Butter”-

Marginal benefit-

Marginal cost-

Marginal thinking-

Opportunity cost-

Budget-

Debit card-

Credit card-

Overdraft fee-

Price-

Scarcity-

Resources-

Labor force-

Employed / Unemployed / Not part-

Federal Reserve System-

 Goals-

 How it accomplishes those goals-

 FOMC-

 Monetary Policy-

Interest rate and its relationship with the money supply-

Discount Rate-

Relationship between interest rates and ease of credit-

Free trade-

Fair trade-

Stock Market-

Stock-

Interest-

Dividend-

Asset-

Private v. Public company-

Tulip Mania-

Inflation-

Hyperinflation-

Income gap / wealth distribution-

Market Structure-

 4 Characteristics of a market -

Perfect Competition-

Monopoly-

Oligopoly-

Monopolistic Competition-

Product Differentiation-

 Physical Differences-

 Perceived Differences-

 Support Services-

Marginal Thinking-

Market Failure with Social Costs-

Externalities-

 Positive Externalities-

 Negative Externalities-

Merit Good-

Demerit Good-

Public Good-

Pigovian Taxes-

Externality-

Market Failure with social costs-