**Name\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**What is Economics?**

**Test: Friday, March 25th**

**Use reading packet from class and Social Studies book pg 741-756**

**Words to know:**

* Economic System
* Scarcity
* Trade-offs
* Opportunity cost
* Goods
* Services
* Market
* GDP
* Standard of Living
* Traditional economy
* Command economy
* Market economy
* Mixed economy
* Specializing
* Free-trade zones
* Tariffs
* Currency

**Students should be able to:**

Describe what an economic system is

Identify and describe each of the four types of economic systems

Identify and describe how each economic system answers the three basic economic questions

Understand scarcity, in terms of using resources to meet demand of wants and needs

Explain how trade helps societies meet their needs and wants

Describe the incentive to specialize in production of a good or service.

Describe the advantages of having one currency throughout several countries

Understand GDP, in term of comparing the standard of living in various countries

Explain how natural resources and size impact a country’s GDP