

Test Review
Chapters 2 3

Test Details:

- 70 questions
- 28 matching
- 4 true and false
- 38 multiple choice

Terms to know:

5th amendment
anti-trust laws
collective
communism
competition
consumer sovereignty
economic system
externality
faith based initiatives
free enterprise
free rider
gross domestic product
incentive
in-kind benefits
invisible hand
laissez fair
macroeconomics
market failure
medicaid
microeconomics
poverty threshold
price ceiling
price floor
price gouging
private sector
product market
public disclosure laws
safety net
self-interest
socialism
standard of living
temporary assistance to needy families
traditional economy
transition
unemployment insurance
welfare
worker's compensation

Know facts about the following:

- * basic economic questions
- * individuals who developed concepts related to various economic systems
- * functions of the various economic systems.
How the basic economic questions are answered
What each system values
Which economic goals are promoted by the various systems and which ones are difficult to obtain.
- * the impact of specialization on the economy
- * important features of a free market economy
- * know the continuum of mixed economies
The country that best demonstrates a market system
The country that best demonstrates a command system
- * examples of government assistance to families or individuals and what it does.
Temporary Aid to Needy Families
Medicaid
Unemployment compensation
- * provide examples of a public good and how it is determined
- * benefits related to patents and copyrights
- * the role of the government in a free enterprise system
- * what each economic goal provides