

Quizlet

NAME _____

39 Matching questions

1. ____ negative correlation
 2. ____ freedom to trade
 3. ____ comparative advantage
 4. ____ experimental economics
 5. ____ budget constraint
 6. ____ capitalism
 7. ____ opportunity cost
 8. ____ economic variable
 9. ____ macroeconomics
 10. ____ positive correlation
 11. ____ economic model
 12. ____ correlation
 13. ____ gains from trade
 14. ____ international trade
 15. ____ production possibilities curve
 16. ____ consumer price index
 17. ____ scarcity
- A. a situation in which the government makes things worse than the market, even though there may be market failure
 - B. a branch of economics that uses laboratory experiments to analyze economic behavior
 - C. empirical tests of theories in a controlled setting in which particular effects can be isolated
 - D. general increase in the price of goods
 - E. "all other things equal"
holding all other variables constant or keeping all other things the same when one variable is changed
 - F. an economy where most decisions of how, what and for whom to produce are made by a select group of individuals and firms that control the government. In this economy, production and prices are determined by the government
 - G. one event brings about another event
 - H. a price that is determined by the interaction of individuals and firms in the market
 - I. economic analysis that explains what happens in the economy and why, without making recommendations about economic policy
 - J. a device that motivates people to take action, usually so as to increase economic efficiency
 - K. improvements in income, production or satisfaction owing to the exchange of goods and services

18. ____ division of labor
19. ____ market economy
20. ____ economic interactions
21. ____ mixed economy
22. ____ microeconomics
23. ____ normative economics
24. ____ property rights
25. ____ Ceteris Paribus
26. ____ market failure
27. ____ economics
28. ____ market
29. ____ freely determined price
30. ____ socialism
31. ____ specialization
32. ____ government failure
33. ____ controlled experiments
34. ____ production possibilities
35. ____ positive economics
36. ____ incentive
37. ____ inflation
- L. an economic system in which the government owns and controls all the capital and makes decisions about prices and quantities
- M. any situation in which the market does not lead to an efficient economic outcome
- N. a curve showing the maximum combinations of production of two goods that are possible, given the economy's resources and technology
- O. a market economy in which the government plays a very large role
- P. an economy where most decisions of how, what and for whom to produce are made by individual firms, consumers and governments interacting in markets. In this economy, production and prices are determined in markets
- Q. the situation in which the quantity of resources is insufficient to meet all wants
- R. any economic measure that can vary over a range of values
- S. allowing people to interact freely both within and beyond national borders
- T. the study of how people deal with scarcity
- U. an explanation of how the economy or part of the economy works; an abstraction or simplification of the real world
- V. occurs when two variable move in different directions; when one goes up, the other goes down
- W. economic analysis that aims to develop and recommend policies about what the government should do
- X. the branch of economics that examines individual decision-making at firms and households and the way they interact in specific industries and markets

38. _____ command economy

39. _____ causation

- Y. the division of production into various parts where some workers specialize in one task, while others specialize in another task
- Z. alternative combinations of production of various goods that are possible, given the economy's resources
- AA. measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services
- AB. one event is usually observed to occur along with another
- AC. rights over the use, sale, and proceeds from a good or resource
- AD. an economic system in which capital is individual owned and production and employment decisions are decentralized
- AE. a scarce amount of funds that limits an individual's spending
- AF. occurs when two variables move in the same direction; when one goes up, the other goes up
- AG. the exchange of goods and services between people and firms in different countries
- AH. a situation in which a person or group can produce one good at a lower opportunity cost than another group
- AI. the branch of economics that examines the workings and problems of the economy as a whole; focuses on variables such as GDP growth and unemployment
- AJ. exchange of goods and services between people
- AK. concentration of production effort into a single specific task.
- AL. an arrangement by which economic exchanges between people take place

AM. the value of the best alternative that was not chosen because something else was chosen