**Chapter 1**

5 Factors of Production-

Examples of Each

Opportunity Cost-

Trade Off-

Production Possibilities Curve-

Know how to read a graph concerning Production Possibilities Curve

Opportunity Cost-

Scarcity-

Economics-

Wants vs. Needs-

Goods vs. Services-

Macroeconomics-

Microeconomics-

Productivity-

***CHAPTER 2 ON THE BACK***

**Chapter 2**

**Understand differences between 4 types of economic systems and what else they could be called:**

Traditional-

Command-

Market-

Mixed-

**Know 6 economic goals of free enterprise system and what they relate to:**

Freedom-

Efficiency-

Equity-

Security-

Stability-

Growth-

**Differ between 6 characteristics of US economy:**

Limited Role of Government-

Freedom of Enterprise-

Freedom of Choice-

Profit Incentive-

Competition-

Private Property-

**Understand how Circular Flow model works**

What did Karl Marx Believe-

What did Adam Smith preach-

Democratic Socialism-

Authoritarian Socialism-