POB 1.01-1.03 Exam Review WS Name: Date:

* Define economics.
* Explain the difference between a need and a want. Include an example of each.
* Explain the difference between a good and a service. Include an example of each.
* Identify and describe the three types of economic resources.
* What is an opportunity cost?
* Identify the 6 steps of the economic decision-making process.
* What are the 3 basic economic questions?
* Compare and contrast command economy, market economy, and traditional economy.
* What are the 4 principles of our economic system?
* Draw and label the supply & demand curve chart.
* Identify 3 factors that affect demand and 3 factors that affect supply.
* What does the term “market price” mean?
* What are the 4 categories that make up GDP (gross domestic product)?
* What two factors are considered when looking at a country’s labor activities? Briefly describe each.
* What two factors are considered when looking at a country’s consumer spending? Briefly describe each.
* Capital projects are money spent on land, buildings, equipment, and new goods & services. There are three sources of capital projects – describe each.
* Explain the difference between a budget surplus and a budget deficit.
* Describe each of the four stages of the business cycle. (At least TWO characteristics for each!)
* Explain the difference between inflation and deflation.
* Explain the difference between domestic and foreign business.
* Explain the difference between absolute advantage and comparative advantage. (**Important:** Usually you will see a reference to **R**esources in questions where the answer is compa**R**ative.)
* Explain the difference between imports and exports.
* Explain the difference between a balance of trade and a balance of payments. When is the balance considered “favorable” for each of these terms?
* Define “exchange rate.”
* Give at least 3 examples of each factor affecting the international business environment. (geographic, cultural, economic & political/legal)
* Explain the difference between embargo, tariff, and quota.
* What is a free trade agreement?
* Define multinational company (MNC).
* Explain the difference between a global strategy and a multinational strategy.
* Explain the difference between franchising, licensing, and joint venture.
* What is the WTO and what does it do?

**✔Complete Unit 1.00 Vocats Exam Practice on BB (you need at least a 27 out of 30)**

**✔Complete the assigned 1.01, 1.02, and 1.03 Quia Reviews – Linked on BB (you need at least 3 min. on each game)**