**ECONOMICS UNIT 1 REVIEW**

1. **DEFINE SCARICITY, OPPORTUNITY COST, AND TRADE-OFFS AND ALSO UNDERSTAND HOW TO PUT THEM TO PRACTICE WITHIN ECONOMIC SCENERIOS.**
2. **LIST THE FACTORS OF PRODUCTION AND GIVE EXAMPLES OF EACH.**
3. **UNDERSTAND THE COST BENEFIT ANAYLYSIS WITHIN ECONOMIC DECISIONS.**
4. **KNOW EXAMPLES OF PHYSICAL CAPITAL.**
5. **UNDERSTAND THE PRODUCTION POSSIBILITY CURVE AND BE ABLE TO DISTINGUISH WHAT IT MEANS FOR A COUNTRY TO OPERATE ON THE CURVE OR FRONTIER.**
6. **ALSO, HAVE AN UNDERSTANDING ON WHAT POINTS MEAN IF A COUNTRY IS OPERATING INSIDE THE CURVE AND WHAT IT MEANS OUTSIDE THE CURVE GIVEN A COUNTRIES CURRENT FRONTIER OR CURVE.**
7. **UNDERSTAND EXAMPLES CAUSING A PRODUCTION POSSIBILITY CURVE TO SHIFT.**
8. **UNDERSTAND WHAT CONSTITUTES A RATIONAL ECONOMIC DECISION THROUGH SCENERIOS AND EXAMPLES.**
9. **UNDERSTAND WHAT IT MEANS TO MOVE FROM ONE POINT TO ANOTHER ALONG THE SAME PRODUCTION POSSIBILITY CURVE WITHIN A COUNTRY.**
10. **UNDERSTAND HOW TO CALCULATE OPPORTUNITY COST USING A PRODUCTION POSSIBILITY CURVE.**
11. **DEFINE SPECIALIZATION AND HOW TO PUT IT IN ACTION.**
12. **EXPAIN HOW BUYER AND SELLER BOTH BENEFIT FROM VOLUNTARY EXCHANGE.**
13. **KNOW THE ECONOMIC QUESTION THAT EVERY ECONOMIC SYSTEM MUST ANSWER.**
14. **UNDERSTAND WHO OWNS FACTORS OF PRODUCTION IN THE DIFFERENT ECONOMIC SYSTEMS.**
15. **DISTINGUISH BETWEEN A PUBLIC GOOD AND PRIVATE GOOD.**
16. **DISTINGUISH BETWEEN EACH ECONOMIC SYSTEM.**
17. **UNDERSTAND THE SOCIAL GOALS AND HOW THERE CAN BE CONFIICT BETWEEN SOCIAL GOALS.**
18. **UNDERSTAND THE ROLE OF GOVERNMENT WITHIN A MARKET ECONOMY AND WAYS THE GOVERNMENT HAS INTERVENED TO PROMOTE COMPETITION.**
19. **HOW DOES THE GOVERNMENT PAY FOR PUBLIC GOODS AND SERVICES?**
20. **DEFINE MARKET FAILURE AND GIVE AN EXAMPLE.**
21. **UNDERSTAND HOW THE DIFFERENT ECONOMIC SYSTEMS ALLOCATE RESOURCES.**
22. **EXPLAIN CAPITAL INVESTMENT AND GIVE EXAMPLES.**
23. **DEMONSTRATE POSSIBLE EFFECTS OF GOVERNMENT REGULATIONS AND DEREGULATIONS.**
24. **EXPLAIN CONSUMER SOVEREIGNITY.**
25. **WHAT DID ADAM SMITH MEAN BY LAISSEZ-FAIRE IN CAPITALISM.**