Economics - the branch of knowledge concerned with the production, consumption, and transfer of wealth.

Market Economy - an **economy** in which decisions regarding investment, production, and distribution are based on supply and demand, and prices of goods and services are determined in a free price system.

Command Economy - an economy in which production, investment, prices, and incomes are determined centrally by a government.

Traditional Economy – an **economic** system in which traditions, customs, and beliefs shape the goods and the services. are often rural and farm-based.

Mixed Economy - an economic system combining private and public enterprise. Both the people and the government make decisions

Natural Resources - materials or substances such as minerals, forests, water, and fertile land that occur in nature and can be used for economic gain

Human Capital - the skills, knowledge, and experience possessed by an individual or population, viewed in terms of their value or cost to an organization or country.

Capital Goods – the items used to complete a task like a computer, truck, hammer, etc

Economic Growth – increase in the amount of goods and services produced over a period of time

Gross Domestic Product (GDP) – the total amount of all goods and services produced in a country in one year

Exports – items sent out of a country

Imports – items brought into a country

Entrepreneur – a person who takes risks to start a business

Trade Barriers – things that get in the way of trading; both natural and man-made

Exchange Rate – the always changing value of a country’s currency/money

Currency – a fancy name for money

Tariff – a tax on imports

Quota – a limit on the number of imports and/or exports

Embargo – when a country stops trading with another country to punish them

Goods – tangible things people buy; examples include pencils, pens, playstation, televisions, etc

Services – things people pay for that assist them with a task; examples include barbers, bakers, policemen, teachers, cooks, etc