

Exercise 2

Budget constrain: 预算约束

1. For an individual or household, the condition that income equals expenditure (in a static model), or that income minus expenditure equals the value of increased asset holdings (in a dynamic model).
2. For a country, the condition that the value of exports equals the value of imports or, if capital flows are permitted, that exports minus imports equals the net capital outflow. It is equivalent to income from production equaling expenditure on goods plus net acquisition of foreign assets.
3. The curve, usually a straight line, representing either of these conditions.

Diminishing return: 收益递减

The fall in the marginal product of a factor or factors that eventually occurs as input of that factor rises, if input of at least one other factor is fixed, according to the Law of Diminishing Returns.

Factor mobility: 要素流动性

The degree to which a factor of production, such as labor or capital, is able to move, either among industries or among countries, in response to differences in its factor price, thus tending to eliminate such differences.

Labor mobility: 劳动力流动

The ability of workers to move between industries and locations to obtain higher wages or more favorable working conditions. Most models of international trade assume that labor is perfectly mobile within a country between industries and locations but not mobile at all between countries.

Marginal product: 边际产量

In a production function, the marginal product of a factor is the rise in output due to a unit increase in input of the factor or the partial derivative of the function with respect to the factor. In a competitive equilibrium, the equilibrium price of a factor is its marginal value product wherever it is employed.

Migration/immigration/emigration: 移居

The permanent relocation of people from one country to another. See emigration and immigration.

Political economy: 政治经济学

1. Early name for the discipline of economics.
2. A field within the discipline of economics encompassing several alternatives to neoclassical economics, including Marxist economics. Also called radical political economy.
3. A field within the discipline of economics that concerns the interactions between political processes and economic variables, especially economic policies. May stress the effects of politics on economics more than the other way around.

4. A field within the discipline of political science that concerns the interactions between political processes and economic variables, especially economic policies. May stress the effects of economics on politics more than the other way around.

Specific factor: 特定要素

A factor of production that is unable to move into or out of an industry. Describes factors that would be of no use in other industries and also factors that could be used elsewhere but are not able to move in the short run. The term seems to come from Haberler (1937).

Specific factor model: 特定要素模型

A model in which some or all factors are specific factors. Most commonly, the Ricardo–Viner Model, has one specific factor (capital or land) in each industry plus another factor (labor) mobile between them.

More extreme, the Cairnes–Haberler Model, has all factors specific.