

Vocab

Word	Meaning
Economics	The study of how individuals and nations make choices about how to use scarce resources to fulfill their needs and unlimited wants.
Scarcity	Problem with limited resources.
Resource	Things used to produce goods & services
Marginal Cost	Most decisions we make are not all-or-nothing.
Terms of Trade	The rate by which one unit of a good or service is traded for another unit of a good or service.
Consumption Possibilities	Combinations of goods and services that could be consumed.
Demand	How much consumers wants a good based on price.
Utility	The satisfaction one receives from consuming a good or service.
Quantity Demanded	The amount of a good, service, or resource buyers are willing and able to buy at <u>one specific price</u> .