**Economics Basics**

1. What are resources and why are they limited?
2. What is the difference between a want and a need?
3. What is opportunity cost?
4. What is a trade-off?
5. What are the three basic questions all economies must answer?
6. What kind of economy does the U.S. have?
7. What is specialization?
8. What is a subsidy? Give an example of one:
9. Describe competition in economic terms:
10. What is a safety net?
11. The invisible hand refers to what?

**Supply and demand**

1. What does a supply curve tell economists?
2. Draw a supply curve:
3. What does a demand curve tell economists?
4. Draw a demand curve:
5. Draw a supply and demand curve and show the equilibrium:
6. Define equilibrium:
7. What is a substitute good?
8. What does not cause a shift in demand?
9. What is a complimentary good?
10. When the price of a good goes up, but demand does not change, the good is:
11. What is an inferior good?
12. What is a fixed cost?
13. What is marginal cost?

**Financial Markets**

1. What is liquidity?
2. What is a bull market?
3. What is a bear market?
4. Define capital gains?
5. What caused the great crash of 1929?

**Money and Banking**

1. Describe a barter system:
2. Why is money valuable?

1. What does it mean to be FDIC insured?
2. What is the fractional reserve system?
3. What is credit?
4. Why do we pay taxes?
5. What is interest?
6. What type of loan is a mortgage?
7. What is a dividend?
8. Why is it a bad idea to **only** have a savings account?
9. Define investment
10. Define income
11. What are the three credit reporting bureaus?

**Fiscal Policy**

1. What is fiscal policy?
2. Define fiscal year:
3. What is classical economics?
4. What type of bill authorizes a specific amount of spending by the government?
5. What is expansionary policy?
6. What is contractionary policy?
7. What is budget surplus and budget deficit?
8. What is supply-side economics?
9. Explain the multiplier effect:
10. Describe M1, M2 and M3 money:

**The Federal Reserve**

1. What is monetary policy?
2. What is the Federal Reserve?
3. What is the Federal Reserve’s nickname?
4. What are the tools of the Fed?
5. Why would the Fed raise interest rates?
6. Why would the Fed lower interest rates?
7. What is the reserve rate?
8. How many district Federal Reserve banks are there?
9. Where does the Fed board of governors meet?
10. What is the most important function of the Federal Reserve?
11. What does the Federal Open Market Committee (FOMC) do?
12. What are the goals of monetary policy?
13. What can banks do to create money? (put more money out to be used)
14. What happens to money that has been torn or ruined?
15. What is check clearing?
16. What is an inside lag?
17. What is an outside lag?
18. Where is Alaska’s Federal Reserve Bank?
19. Who is the chairperson of the Federal Reserve?
20. What is the discount rate?