**Unit 1 Economic Thinking Study Guide**

*Vocabulary:*

Scarcity

Productive Resources/Factors of Production

Marginal Cost

Marginal Benefit

Opportunity Cost

Trade Off

Incentives

Cost-Benefit Analysis

Economic Thinking

Economics

Land

Labor

Capital

Entrepreneurship

*Concepts for short constructed responses*

-Condition of scarcity and its impact on individuals, businesses, and government

-The relationship between decision making, opportunity cost, and trade-offs

-The use of marginal analysis to make decisions.

-How incentives are used to influence decision-making

-How entrepreneurs use productive resources to start and maintain a business