

Account

A record of money deposited or withdrawn from a bank.



Bank

A business that provides money services, such as cashing checks, making loans, and paying interest on accounts.



Barter

To trade goods and services without using money.



Budget

A plan showing how income is to be spent.



Capital Resources

Goods made and used to produce other goods and services.



Choice

To make a decision.



Circular Flow

A model of an economy showing the interactions between households and businesses as they exchange goods, services and resources in markets.



Competition

Methods used by businesses to gain more customers and earn higher profits.



Consumers

People who buy and/or use goods and services to satisfy wants.



Costs/Benefits

The bad and good points related to making a decision.



Credit

Promise of payment at a future time in return for goods/services now.



Currency

Paper money that is used by a country.



Debit

Money owed on an account.



Demand

The amount that consumers are able and willing to buy at all possible prices at a given time.



Deposit

Money put into a bank account.



Division of Labor

When workers perform part of a production task.



Earn

To receive money for doing work.



Economic Systems

The way a society organizes the production, consumption and distribution of goods and services.



Economics

The study of the production, consumption and distribution of goods and services.



Employment

An occupation by which a person earns a living.



Entrepreneur

Someone who takes the risk of producing a product or starting a new business.



Exchange Rate

Ratio at which a unit of currency of one country can be exchanged for that of another country.



Exports

The goods and services that producers in one nation sell to buyers in other nations.



Federal Reserve Bank

The central banking organization in the United States.



Finance

The management of money.



Goods

Things that can satisfy people's wants.



Human Resources

Workers who make goods and provide services.



Imports

The goods and services that consumers in one nation buy from sellers in other nations.



Incentive

Things that influence the behavior of people.



Income

Amount of money you earn or receive from different sources.



Interdependent

When people and nations depend on one another for the goods and services they want.



Interest

Payments made for the use of money.



Invest

To use money to gain a profit.



Loss

The money a business loses after it pays its production costs.



Markets

A place where buyers and sellers exchange goods and services for money.



Money

A good used to buy other goods and services.



Natural Resources

Gifts of nature used to make goods and services.



Needs

Things you must have to live.



Opportunity Cost

The next best choice that you give up.



Price

The amount that people pay when they buy a good or service.



Producers

People who use resources to make goods and services.



Profit

The money a business makes after it pays its production costs.



Public Goods

Goods and services that are provided by the government.



Resources

Things used to make goods and services.



Save

To keep money to spend later.



Scarcity

When there is not enough for all who want it.



Services

Activities that can satisfy people's wants.



Shortage

Having fewer goods, services or resources available than you want.



Specialization

When people produce only some of the goods and services they consume, then trade with others to get more of the things they want.



Spend

To use money to buy goods and services.



Standard of Living

A level of material comfort in everyday life that is measured by the goods and services available to an individual, group, or nation.



Supply

The amount that producers are able and willing to produce and sell at all possible prices at a given time.



Surplus

Having more goods, services or resources available than you want.



Taxes

Required payments of money made to governments by people and businesses that are used to provide goods and services.



Trade-offs

When you choose to get less of one thing in order to get more of something else.



Wants

Things people like and desire.



Withdrawal

Money taken out of a bank account.

