Important Economic Concepts Graphic Organizer

Currency

Exchanges

Specialization

Barriers to Trade

the act of concentrating on a limited number of goods

and services

Buy and sell international currencies so people and companies can trade more easily. An exchange rate is the price of one nation’s currency in terms of another nation’s currency

Quota

Limitation on the amount (quantity) of goods that can be traded to a country

Embargo

prohibition of trade with a certain country

Tariff

tax on imports or exports

Important Trade

Agreements

Credit

Personal Money

People have 2 choices with income- spend nor or save

To help make decisions people can make a budget

Savings is a form of investing which is putting money aside now in order to have more later. Putting money in a bank brings interest (a fee for use of money)

Other ways to invest include certificates of deposit, stocks, bonds, and mutual funds

Credit refers to the ability to borrow money. When you borrow money you have to pay the money back with interest.

Some forms of credit include car loans, house loans and credit cards

European Union

North American Free Trade Agreement (NAFTA)