Topics and Terms to Know…   
for the Introduction to Business Final Exam!

**From Chapter 1 – Economic Decisions and Systems:**

* economic resources – natural, human, and capital resources
* basic economic problem
* tradeoff
* economic systems – traditional, command, and market
* capitalism
* producers and consumers
* supply and demand
* market price

**From Chapter 2 – Economic Activity:**

* gross domestic product (GDP)
* unemployment
* business cycle – prosperity, recession, depression, and recovery
* inflation and deflation
* types of interest rates – mortgage rate, prime rate
* budget surplus and deficit
* effects of low credit score

**From Chapter 3 – International Business Basics:**

* absolute and comparative advantage
* imports and exports
* balance of payment and balance of trade
* infrastructure
* free trade agreement
* franchising and licensing
* World Trade Organization
* global and multinational strategy

**From Chapter 4 – Social Responsibility of Business and Government:**

* social responsibility
* code of ethics
* job safety
* interstate and intrastate commerce
* contracts – agreement, competent parties, consideration, and legality
* patents and copyrights
* public utilities
* antitrust laws
* sales tax

**From Chapter 5 – Business Organization:**

* producers, intermediaries, and service businesses
* proprietorship, partnership, and corporation
* articles of incorporation and board of directors

**From Chapter 7 – Management and Leadership:**

* executives, mid-managers, and supervisors
* planning, organizing, staffing, implementing, and controlling
* strategic management and tactical management

**From Chapter 8 – Human Resources, Culture, and Diversity:**

* human resources activities: planning & staffing, performance management, compensation & benefits, and employee relations
* goods-producing businesses and service-producing businesses
* temporary employee and permanent employee