# Pearson Edexcel · International A-Level · Economics

Glossary · every term in the course, A–Z

## English

absolute advantage
/ˈæbsəluːt ədˈvæntɪdʒ/
absolute poverty
/ˈæbsəluːt ˈpɒvəti/
aggregate demand
/ˈægrɪgeɪt dɪˈmænd/
appreciation
/əˌpriːʃɪˈeɪʃn/
automatic stabiliser
/ˌɔːtəˈmætɪk ˈsteɪbəlaɪzə/
average cost
/ˈævrɪdʒ kɒst/
balance of payments
/ˈbæləns ɒv ˈpeɪmənts/
base rate
/beɪs reɪt/
bond
/bɒnd/
budget deficit
/ˈbʌdʒɪt ˈdefɪsɪt/
buffer stock
/ˈbʌfə stɒk/
capital flight
/ˈkæpɪtl flaɪt/
central bank
/ˈsentrəl bæŋk/
common market
/ˈkɒmən ˈmɑːkɪt/
comparative advantage
/kəmˈpærətɪv ədˈvæntɪdʒ/
competitive tendering
/kəmˈpetɪtɪv ˈtendərɪŋ/
conditionality

## English

consumer surplus
/kənˈsuːmə ˈsɜːpləs/
contestable market
/kənˈtestəbl ˈmɑːkɪt/
corruption

cost-push
/kɒst pʊʃ/
crowding out
/ˈkraʊdɪŋ aʊt/
current account
/ˈkʌrənt əˈkaʊnt/
customs union
/ˈkʌstəmz ˈjuːnɪən/
cyclical
/ˈsaɪklɪkl/
deadweight loss
/ˈdedweɪt lɒs/
debt relief

debt service
/det ˈsɜːvɪs/
deflation
/diːˈfleɪʃn/
deflationary

deindustrialisation
/ˌdeɪndəˌstrɪəlaɪˈzeɪʃn/
depreciation
/dɪˌpriːʃɪˈeɪʃn/
deregulation
/diːˌregjʊˈleɪʃn/
deregulation
/diːˌregjʊˈleɪʃn/
derived demand
/dɪˈraɪvd dɪˈmænd/
devaluation
/diːˌvæljuːˈeɪʃn/
development
/dɪˈveləpmənt/
direct controls

**English**

direct tax
/daɪˈrekt tæks/
discretionary
/dɪˈskreʃənəri/
disinflation
/ˌdɪsɪnˈfleɪʃn/
dumping
/ˈdʌmpɪŋ/
economic and monetary union
/ˌiːkəˈnɒmɪk ænd ˈmʌnɪtəri ˈjuːnɪən/
economies of scale
/ɪˈkɒnəmiz ɒv skeɪl/
elasticity
/ɪlæˈstɪsɪti/
elasticity of demand for labour
/ɪlæˈstɪsɪti ɒv dɪˈmænd fɔː ˈleɪbə/
equilibrium
/ˌiːkwɪˈlɪbrɪəm/
excess demand
/ekˈses dɪˈmænd/
exchange rate
/eksˈtʃeɪndʒ reɪt/
external cost
/ekˈstɜːnl kɒst/
financial account
/faɪˈnænʃl əˈkaʊnt/
fiscal deficit
/ˈfɪskl ˈdefɪsɪt/
fiscal policy
/ˈfɪskl ˈpɒlɪsi/
fixed cost
/fɪkst kɒst/
fixed exchange rate
/fɪkst eksˈtʃeɪndʒ reɪt/
floating exchange rate
/ˈfləʊtɪŋ eksˈtʃeɪndʒ reɪt/
foreign direct investment
/ˈfɒrən daɪˈrekt ɪnˈvestmənt/

**English**

free-trade area
/friː treɪd ˈeərɪə/
geographical immobility
/ˌdʒɪəˈgræfɪkl ɪˌməʊˈbɪlɪti/
geometric mean

Gini coefficient
/ˈdʒiːni ˌkəʊɪˈfɪʃənt/
globalisation
/ˌgləʊbəlaɪˈzeɪʃn/
GNI per capita

government failure
/ˈgʌvənmənt ˈfeɪlɪə/
Human Development Index
/ˈhjuːmən dɪˈveləpmənt ˈɪndeks/
immobility
/ɪˌməʊˈbɪlɪti/
incentive
/ɪnˈsentɪv/
income inequality
/ˈɪŋkʌm ɪniːˈkwɒlɪti/
indirect tax
/ɪndaɪˈrekt tæks/
inflation target
/ɪnˈfleɪʃn ˈtɑːgɪt/
infrastructure
/ˈɪnfrəstrʌktʃə/
inheritance
/ɪnˈherɪtəns/
intergenerational equity

International Monetary Fund
/ˌɪntəˈnæʃənl ˈmʌnɪtəri fʌnd/
J-curve
/dʒeɪ kɜːv/
joint venture
/dʒɔɪnt ˈventʃə/
Laffer curve
/ˈlæfə kɜːv/

## English

lender of last resort
/ˈlendə ɒv læst rɪˈzɔːt/

Lewis dual-sector model
/ˈluːɪs ˈdjuːəl ˈsektə ˈmɒdl/

life expectancy
/laɪf ekˈspektənsi/

limit pricing
/ˈlɪmɪt ˈpraɪsɪŋ/

Lorenz curve
/ˈlɒrənts kɜːv/

managed exchange rate
/ˈmænɪdʒd eksˈtʃeɪndʒ reɪt/

marginal revenue product
/ˈmɑːdʒɪnl ˈrevənjuː ˈprɒdʌkt/

Marshall-Lerner condition
/ˈmɑːʃl ˈlɜːnə kənˈdɪʃn/

Marshall–Lerner condition
/ˈmɑːʃl ˈlɜːnə kənˈdɪʃn/

maximum wage
/ˈmæksɪməm weɪdʒ/

microfinance
/ˌmaɪkrəʊfaɪˈnæns/

migration
/maɪˈgreɪʃn/

minimum wage
/ˈmɪnɪməm weɪdʒ/

monetary policy
/ˈmʌnɪtəri ˈpɒlɪsi/

monopsony
/məˈnɒpsəni/

monopsony power
/məˈnɒpsəni ˈpaʊə/

multiplier
/ˌmʌltɪˈplaɪə/

national debt
/ˈnæʃənl det/

nationalisation
/ˌnæʃənəlaɪˈzeɪʃn/

net exports
/net ˈekspɔːts/

## English

net migration
/net maɪˈgreɪʃn/

nominal GDP
/ˈnɒmɪnl ˌdʒiː diː ˈpiː/

occupational immobility
/ˌɒkjʊˈpeɪʃənl ɪˌməʊˈbɪlɪti/

opportunity cost
/ɒpəˈtjuːnɪti kɒst/

per capita
/pɜː ˈkæpɪtə/

percentage points
/pəˈsentɪdʒ pɔɪnts/

Phillips curve
/ˈfɪlɪps kɜːv/

potential competition
/pəˈtenʃl ˌkɒmpəˈtɪʃn/

predatory pricing
/ˈpredətəri ˈpraɪsɪŋ/

price level
/praɪs ˈlevl/

primary product dependency
/ˈpraɪməri ˈprɒdʌkt dɪˈpendənsi/

privatisation
/ˌpraɪvətaɪˈzeɪʃn/

productivity
/ˌprɒdəkˈtɪvɪti/

profit
/ˈprɒfɪt/

progressive
/prəˈgresɪv/

progressive tax
/prəˈgresɪv tæks/

proportional
/prəˈpɔːʃənl/

proportional tax
/prəˈpɔːʃənl tæks/

protectionism
/prəˈtekʃənɪzəm/

## English

purchasing power parity
/ˈpɜːtʃɪsɪŋ ˈpaʊə ˈpærɪti/
quantitative easing
/ˈkwɒntɪteɪtɪv ˈiːzɪŋ/
quintile

quota
/ˈkwəʊtə/
real GDP
/rɪəl ˌdʒiː diː ˈpiː/

reflationary

regional policy

regressive
/rɪˈgresɪv/
regressive tax
/rɪˈgresɪv tæks/
regulatory capture
/ˌregjʊˈleɪtəri ˈkæptʃə/
relative poverty
/ˈrelətɪv ˈpɒvəti/
retaliation
/rɪˌtælɪˈeɪʃn/
revaluation
/rɪˌvæljuːˈeɪʃn/
savings gap
/ˈseɪvɪŋz gæp/
scarcity
/ˈskeəsɪti/
spare capacity
/speə kəˈpæsɪti/
specialisation
/ˌspeʃəlaɪˈzeɪʃn/
speculation
/ˌspekjʊˈleɪʃn/
state-owned enterprise
/steɪt əʊnd ˈentəpraɪz/
structural
/ˈstrʌktʃərəl/
structural change

## English

structural deficit
/ˈstrʌktʃərəl ˈdefɪsɪt/
subsidy
/ˈsʌbsɪdi/
sunk cost
/sʌŋk kɒst/
supply-side policy
/səˈplaɪ saɪd ˈpɒlɪsi/
tariff
/ˈtærɪf/
tax incidence
/tæks ˈɪnsɪdəns/
terms of trade
/tɜːmz ɒv treɪd/
terms of trade
/tɜːmz ɒv treɪd/
time lags
/taɪm lægz/
trade creation

trade diversion

trade liberalisation
/treɪd ˌlɪbərəlaɪˈzeɪʃn/
trade union
/treɪd ˈjuːnɪən/
trade-off
/treɪd ɒf/
trading bloc
/ˈtreɪdɪŋ blɒk/
transfer payment
/ˈtrænsfɜː ˈpeɪmənt/
transfer pricing
/ˈtrænsfɜː ˈpraɪsɪŋ/
transnational company
/træn'snæʃənl ˈkʌmpəni/
unit labour cost
/ˈjuːnɪt ˈleɪbə kɒst/
variable cost
/ˈveərɪəbl kɒst/

**English**

wage floor

/weɪdʒ flɔ:/

wealth inequality

/welθ ɪni:ˈkwɒlɪti/

welfare

/ˈwelfeə/

welfare benefits

World Bank

/wɜ:ld bæŋk/

World Trade Organization

/wɜ:ld treɪd ˌɔ:gənaɪˈzeɪʃn/