International Baccalaureate · IB Diploma · Economics · HL

Glossary · every term in the course, A–Z

English

abnormal profit

absolute advantage
/ˈæbsəluːt ədˈvæntɪdʒ/

absolute poverty
/ˈæbsəluːt ˈpɒvəti/

administrative barriers
/ədˈmɪnɪstrətɪv ˈbærɪəz/

adverse selection
/ædˈvɜːs sɪˈlekʃn/

aggregate demand
/ˈægrɪgeɪt dɪˈmænd/

allocative efficiency
/ˈæləkətɪv ɪˈfɪʃənsi/

appreciation
/əˌpriːʃɪˈeɪʃn/

asymmetric information
/ˌeɪsɪˈmetrɪk ˌɪnfəˈmeɪʃn/

automatic stabilisers

average revenue
/ˈævrɪdʒ ˈrevənjuː/

average tax rate
/ˈævrɪdʒ tæks reɪt/

average total cost
/ˈævrɪdʒ ˈtəʊtl kɒst/

balance of payments
/ˈbæləns ɒv ˈpeɪmənts/

barriers to entry
/ˈbærɪəz tʊ ˈentri/

bilateral

boom
/buːm/

budget deficit
/ˈbʌdʒɪt ˈdefɪsɪt/

English

budget surplus
/ˈbʌdʒɪt ˈsɜːpləs/
buffer stock
/ˈbʌfə stɒk/
business cycle
/ˈbɪznəs ˈsaɪkl/
cap and trade

capital account
/ˈkæpɪtl əˈkaʊnt/
capital flight
/ˈkæpɪtl flaɪt/
capital spending
/ˈkæpɪtl ˈspendɪŋ/
carbon leakage

carbon tax

cartel
/kɑːˈtel/
cash transfer

central bank
/ˈsentrəl bæŋk/
collusion
/kəˈluːʒn/
common external tariff

common market
/ˈkɒmən ˈmɑːkɪt/
common pool resources
/ˈkɒmən puːl rɪˈzɔːsɪz/
common-access resource
/ˈkɒmən ˈækses rɪˈzɔːs/
comparative advantage
/kəmˈpærətɪv ədˈvæntɪdʒ/
competition law

composite indicators

concentration ratio
/ˌkɒnsənˈtreɪʃn ˈreɪʃɪəʊ/

English

consumer price index
/kən'su:mə praɪs 'ɪndeks/
consumer surplus
/kən'su:mə 'sɜ:pləs/
contractionary
/kən'trækʃənəri/
cost-push inflation
/kɒst pʊʃ ɪn'fleɪʃn/
credit rating agencies

crowding out
/'kraʊdɪŋ aʊt/
current account
/'kʌrənt ə'kaʊnt/
current spending
/'kʌrənt 'spendɪŋ/
customs union
/'kʌstəmz 'ju:nɪən/
deadweight loss
/'dedweɪt lɒs/
debt relief

deflation
/di:'fleɪʃn/
demand
/dɪ'mænd/
demand-pull inflation
/dɪ'mænd pʊl ɪn'fleɪʃn/
depreciation
/dɪˌpri:ʃɪ'eɪʃn/
devaluation
/di:ˌvælju:'eɪʃn/
direct taxes

discouraged workers
/dɪ'skʌrɪdʒd 'wɜ:kəz/
disinflation
/ˌdɪsɪn'fleɪʃn/
diversification
/daɪˌvɜ:sɪfɪ'keɪʃn/

English

dominant strategy
/ˈdɒmɪnənt ˈstrætədʒi/

dumping
/ˈdʌmpɪŋ/

dynamic efficiency
/daɪˈnæmɪk ɪˈfɪʃənsi/

economic and monetary union
/ˌiːkəˈnɒmɪk ænd ˈmʌnɪtəri ˈjuːnɪən/

economic development
/ˌiːkəˈnɒmɪk dɪˈveləpmənt/

economic growth
/ˌiːkəˈnɒmɪk grəʊθ/

economic integration
/ˌiːkəˈnɒmɪk ˌɪntɪˈgreɪʃn/

economies of scale
/ɪˈkɒnəmiz ɒv skeɪl/

efficiency
/ɪˈfɪʃənsi/

equity
/ˈekwɪti/

excess
/ekˈses/

excess capacity
/ekˈses kəˈpæsɪti/

exchange rate
/eksˈtʃeɪndʒ reɪt/

expansionary
/ekˈspænʃənəri/

expenditure-reducing policies

expenditure-switching policies

export ban

export promotion

export subsidies

externality
/ekˈstɜːnælɪti/

English

factors of production
/ˈfæktəz ɒv prəˈdʌkʃn/
fair trade
/feə treɪd/
financial account
/faɪˈnænʃl əˈkaʊnt/
fiscal policy
/ˈfɪskl ˈpɒlɪsi/
fixed exchange rate
/fɪkst eksˈtʃeɪndʒ reɪt/
floating exchange rate
/ˈfləʊtɪŋ eksˈtʃeɪndʒ reɪt/
foreign aid

foreign currency reserves

foreign direct investment
/ˈfɒrən daɪˈrekt ɪnˈvestmənt/
free trade area

free-rider problem
/fri: ˈraɪdə ˈprɒbləm/
game theory
/geɪm ˈθɪəri/
GDP per capita
/ˌdʒi: di: ˈpi: pɜ: ˈkæpɪtə/
gender inequality

Gender Inequality Index
/ˈdʒendə ɪniːˈkwɒlɪti ˈɪndeks/
Gini coefficient
/ˈdʒiːni ˌkəʊɪˈfɪʃənt/
government debt

government ownership

government regulation

Gross domestic product
/grəʊs dəˈmestɪk ˈprɒdʌkt/
Gross national income
/grəʊs ˈnæʃənl ˈɪŋkʌm/

English

homogeneous
/ˌhɒməˈdʒiːniəs/
hot money

Human Development Index
/ˈhjuːmən dɪˈveləpmənt ˈɪndeks/
import substitution

income
/ˈɪŋkʌm/
indirect tax
/ɪndaɪˈrekt tæks/
Inequality-adjusted HDI

infant industry
/ˈɪnfənt ˈɪndʌstri/
inflation
/ɪnˈfleɪʃn/
inflation target
/ɪnˈfleɪʃn ˈtɑːgɪt/
inflationary gap
/ɪnˈfleɪʃənəri gæp/
informal economy
/ɪnˈfɔːml ɪˈkɒnəmi/
injections
/ɪnˈdʒekʃnz/
interdependence
/ˌɪntədɪˈpendəns/
Keynesian

labour force
/ˈleɪbə fɔːs/
landlocked

leakages
/ˈliːkɪdʒɪz/
long-run aggregate supply
/lɒŋ rʌn ˈægrɪgeɪt səˈplaɪ/
long-run Phillips curve
/lɒŋ rʌn ˈfɪlɪps kɜːv/
Lorenz curve
/ˈlɒrənts kɜːv/

English

loss
/lɒs/
managed exchange rate
/'mænɪdʒd eks'tʃeɪndʒ reɪt/
marginal cost
/'mɑ:dʒɪnl kɒst/
marginal propensity to consume
/'mɑ:dʒɪnl prə'pensɪti tə kən'sju:m/
marginal revenue
/'mɑ:dʒɪnl 'revənju:/
marginal social benefit
/'mɑ:dʒɪnl 'səʊʃl 'benɪfɪt/
marginal social cost
/'mɑ:dʒɪnl 'səʊʃl kɒst/
marginal tax rate
/'mɑ:dʒɪnl tæks reɪt/
market power
/'mɑ:kɪt 'paʊə/
market structures
Marshall–Lerner condition
/'mɑ:ʃl 'lɜ:nə kən'dɪʃn/
maximum price
/'mæksɪməm praɪs/
mergers
/'mɜ:dʒəz/
microfinance
/ˌmaɪkrəʊfaɪ'næns/
minimum price
/'mɪnɪməm praɪs/
minimum reserve requirements
monetarist
monetary policy
/'mʌnɪtəri 'pɒlɪsi/
money supply
/'mʌni sə'plaɪ/
monopolistic competition
/mə'nɒpəlɪstɪk ˌkɒmpə'tɪʃn/

English

monopoly
/məˈnɒpəli/
moral hazard
/ˈmɒrəl ˈhæzəd/
Multidimensional Poverty Index
multilateral
multinational corporations
/ˌmʌltɪˈnæʃənl ˌkɔːpəˈreɪʃnz/
multiplier
/ˌmʌltɪˈplaɪə/
Nash equilibrium
/næʃ ˌiːkwɪˈlɪbrɪəm/
natural monopoly
/ˈnætʃərəl məˈnɒpəli/
natural rate of unemployment
/ˈnætʃərəl reɪt ɒv ʌnemˈplɔɪmənt/
network effects
Nominal GDP
/ˈnɒmɪnl ˌdʒiː diː ˈpiː/
non-price competition
/nɒn praɪs ˌkɒmpəˈtɪʃn/
normal profit
/ˈnɔːml ˈprɒfɪt/
normative
/ˈnɔːmətɪv/
oligopoly
/ˌɒlɪˈgɒpəli/
open market operations
opportunity cost
/ɒpəˈtjuːnɪti kɒst/
output gap
/ˈaʊtpʊt gæp/
patents
perfect competition
/ˈpɜːfekt ˌkɒmpəˈtɪʃn/

English

policy interest rate

portfolio investment

potential output
/pə'tenʃl 'aʊtpʊt/

poverty
/'pɒvəti/

poverty trap
/'pɒvəti træp/

preferential trade agreement

price elasticity
/praɪs ɪlæ'stɪsɪti/

price elasticity of demand
/praɪs ɪlæ'stɪsɪti ɒv dɪ'mænd/

price elasticity of supply
/praɪs ɪlæ'stɪsɪti ɒv sə'plaɪ/

price leader

price war

price-maker

price-taker
/praɪs 'teɪkə/

primary income
/'praɪmərɪ 'ɪŋkʌm/

primary products

producer surplus
/prə'dju:sə 'sɜ:pləs/

product differentiation
/'prɒdʌkt ˌdɪfəˌrenʃɪ'eɪʃn/

production subsidies

productive efficiency
/prə'dʌktɪv ɪ'fɪʃənsi/

profit maximisation
/'prɒfɪt ˌmæksɪmaɪ'zeɪʃn/

progressive taxes
/prə'gresɪv 'tæksɪz/

English

public good
/ˈpʌblɪk gʊd/
Purchasing power parity
/ˈpɜːtʃɪsɪŋ ˈpaʊə ˈpærɪti/
quantitative easing
/ˈkwɒntɪteɪtɪv ˈiːzɪŋ/
quota
/ˈkwəʊtə/
real GDP
/rɪəl ˌdʒiː diː ˈpiː/
real interest rate
/rɪəl ˈɪntrest reɪt/
recession
/rɪˈseʃn/
recessionary gap
/rɪˈseʃənəri gæp/
recovery
/rɪˈkʌvəri/
regressive tax
/rɪˈgresɪv tæks/
relative poverty
/ˈrelətɪv ˈpɒvəti/
research and development
/rɪˈsɜːtʃ ænd dɪˈveləpmənt/
retaliate

revaluation
/rɪˌvæljuːˈeɪʃn/
screening

secondary income
/ˈsekəndəri ˈɪŋkʌm/
short-run aggregate supply
/ʃɔːt rʌn ˈægrɪgeɪt səˈplaɪ/
short-run Phillips curve
/ʃɔːt rʌn ˈfɪlɪps kɜːv/
signalling
/ˈsɪgnəlɪŋ/
speculate
/ˈspekjʊleɪt/

English

stagflation
/stæg'fleɪʃn/
subsidy
/'sʌbsɪdi/
substitutes
/'sʌbstɪtju:ts/
supply
/sə'plaɪ/
supply-side policies
/sə'plaɪ saɪd 'pɒlɪsiz/
sustainable development
/sə'steɪnəbl dɪ'veləpmənt/
Sustainable Development Goals
/sə'steɪnəbl dɪ'veləpmənt gəʊlz/
tacit collusion

tariff
/'tærɪf/
tax incidence
/tæks 'ɪnsɪdəns/
terms of trade
/tɜ:mz ɒv treɪd/
total revenue
/'təʊtl 'revənju:/
trade creation

trade disputes

trade diversion

trade liberalisation
/treɪd ˌlɪbərəlaɪ'zeɪʃn/
trade protection
/treɪd prə'tekʃn/
trading blocs

transfer payments
/'trænsfɜ: 'peɪmənts/
trend
/trend/

English

unemployed

/ʌnemˈplɔɪd/

warranty

wealth

/welθ/

World Trade Organization

/wɜːld treɪd ˌɔːgənaɪˈzeɪʃn/

X-inefficiency

/eks ɪnɪˈfɪʃənsi/