Civil Law: Body of law that deals with the private rights of individuals, as distinguished from criminal law.

Common or Public Good: Benefit or interest of a politically organized society as a whole.

Consent of the Governed: Agreement by the people to set up and live under a government.

Criminal Law: Branch of law that deals with disputes or actions involving criminal penalties, it regulates the conduct of individuals, defines crimes, and provides punishment for criminal acts.

Due Process of Law: The right of every citizen to be protected against arbitrary action by government.

Interest Group: Organized body of individuals who share some goals and try to influence public policy to meet these goals.

Judicial Review: Doctrine that permits the federal courts to declare unconstitutionally, and thus null and void, acts of Congress, the executive, and the states.

Limited Government: A government in which everyone, including all people in positions of authority, must obey the laws. The United States places effective limitations upon those in authority by the Constitution, the Bill of Rights and numerous other laws. These limits are designed to protect fundamental values and principles and to ensure that government serves the purpose for which it was established (see Unlimited Government).

Representative Democracy: Form of government in which power is held by the people and exercised indirectly through elected representatives who make decisions.

Republican Government: System of government in which power is held by the voters and is exercised by elected representatives responsible for promoting the common welfare.

Rule of Law: Principle that every member of a society, even a ruler, must follow the law.

Unalienable Rights: Fundamental rights of the people that may not be taken away.

Unlimited Government: Governments in which there are no effective controls over those in power (see Limited Government).
Goal 15 Glossary – Economics

Balance of trade is the measure of deficits or surpluses in a nation’s merchandise exports (exports-imports).

Barriers to trade are policies that restrict the free exchange of goods and services between countries; they include tariffs and quotas.

Barter is the direct trade of goods, services and resources without the use of money.

The three basic economic questions every society must answer are: What to produce? How to produce? For whom to produce?. How societies answer these questions determines the type of economic system the society will have.

Benefits are the gains received from a voluntary exchange or from an economic policy or transaction.

Capital resources are goods produced by people and used over and over again to produce other goods and services.

Choices are decisions made because of scarcity; they involve trading off the expected value of one opportunity against the expected value of its best alternative.

A circular flow diagram illustrates the interchange of productive resources, goods and services, and the monies that facilitate their exchange among households and businesses. When purchases are made, goods and services are transferred from businesses to households in exchange for money payments; the money is used by businesses to pay for productive resources (land, labor, capital, and entrepreneurship); thus, the money is paid to households for those resources.

In a command economy, a central authority (such as a government) makes the major production and distribution decisions.

Commodity money is a medium of exchange in which the money is an actual product that is generally acceptable because it has intrinsic value.

Comparative advantage – a nation (or individual) has a comparative advantage when it can produce a product at a lower opportunity cost than another nation (or individual).

Competition in a market refers to the number of buyers and/or sellers in the market.

Complementary goods are goods that are used in conjunction with each other (i.e., tennis racket and tennis balls). A change in the price of one complementary good affects the demand for the other.

CPI (Consumer Price Index) is the most commonly used measure of price level changes, based on the prices of a fixed collection of goods and services bought by urban families and individuals. It compares the prices in one year with some earlier period (a base period).
**Consumers** are people whose wants are satisfied by using goods and services.

**Costs** are those things that must be given up in order to obtain a benefit.

**Deflation** is a sustained decrease in the average price level of the entire economy.

**Demand** is the schedule of how much consumers are willing and able to buy at all possible prices in a given period of time.

**Division of labor** occurs when the production of a good is broken down into numerous separate tasks with different workers performing each task. Division of labor refers to workers performing a narrow range of tasks (or just one task) in a production process.

**Earn** means to receive payment (income) for productive efforts.

An **economic system** is the way a society organizes the production and distribution of goods and services.

Economic **wants** are desires that can be satisfied by consuming a good or service.

**Economics** is a social science that studies how people, acting as individuals or in groups, decide to use scarce resources to satisfy their wants.

**Entrepreneurs** are people who organize other productive resources to produce goods and services.

**Entrepreneurial ability** is a special type of human resource.

**Exchange** is trading goods and services with people for other goods and services or for money. People voluntarily exchange goods and services because they expect to be better off after the exchange.

An **exchange rate** is the price of one nation's currency in terms of another nation's currency.

An **export** is a good produced in one country that is shipped and sold in another country.

An **export subsidy** is a government payment that assists an exporter to maintain a relatively low price for his or her product so it will be more competitive in world markets.

**Fiscal policy** involves the use of national government spending and taxing programs to affect the level of economic activity; it is used to achieve goals such as price stability (control inflation), maximum employment (reduce unemployment), and reasonable economic growth.

**GDP (Gross Domestic Product)** – a measure of the total market value of the output of goods and services produced in a nation for one year.
**Goods** are objects that can satisfy people’s want.

**Human capital** is the level of people’s knowledge and skills.

**Human resources** are the resources provided by people who work (mental or physical work) in the economy.

An **import** is a good purchased in one country that has been produced in another country.

Economic **incentives** are the additional rewards or penalties people receive from engaging in more or less of a particular activity. Rewards are **positive incentives** that make people better off. Penalties are **negative incentives** that make people worse off.

In a market economy, people earn **income** by selling or renting resources they own. The income payment received for natural resources is rent; the income payment received for human resources is wage/salary; the income payment received for capital resources is interest; and the income payment received for entrepreneurial ability is profit.

**Inflation** is an increase in the average price level.

**Innovation** is the introduction of an invention into a use that has economic value.

**Inputs** are the units of resources (i.e., hours of labor) used in producing a good or service.

**Interest** is a payment made for the use of money –paid by an individual or business for money borrowed from a financial institution; paid by a financial institution to customers for the use of the money they deposit over time.

**Intermediate goods** are goods produced by people and used up in the production of other goods and services (i.e., window glass in the production of an automobile).

An **invention** is a new product.

**Investment** is the purchase of new capital resources. (A more sophisticated definition is the diversion of resources from the production of goods and services for current consumption to the production of goods that increase the economy’s productive capacity.)

**Interdependence** is dependence upon others for goods and services. Interdependence occurs as the result of specialization.

**Law of Demand** states that consumers will buy more of a good or service at lower prices than they will purchase at higher prices (there is an inverse relationship between price and the quantity demanded).
**Law of Supply** states that producers will provide more of a good or service at higher prices than they will provide at lower prices (there is a direct relationship between price and the quantity supplied).

A **market** exists whenever buyers and sellers exchange goods and services. A **market economy** answers the basic economic questions in the marketplace. Markets coordinate economic activities among consumers, producers, and resource owners.

**Market-clearing price** (or equilibrium price) is the one price at which the quantity supplied equals the quantity demanded.

If something is a good **medium of exchange** it has the following characteristics: generally acceptable, divisible, durable, portable, and relatively scarce.

**Money** is anything widely accepted as final payment for goods and services. Money is a medium of exchange, a good that can be used to buy all other goods and services. Money makes trading easier by replacing barter with transactions involving currency, coins, or checks. **Money** serves three functions:

- **medium of exchange** — used to trade goods, services, and resources; 2) **standard of value** — the value of goods, services, and resources can be stated in terms of a unit of account such as dollars and cents; 3) **store of value** — a way to retain savings for the future. When people hold on to money, it maintains its face value.

**Money supply** is the total value of coins, currency, and checkable deposits held by the public.

**Monetary exchange** is an exchange of goods or services using money.

**Monetary policies** are the actions of the Federal Reserve System that lead to changes in the supply of money and availability of credit. The tools of monetary policy include raising or lowering the reserve requirement; increasing or decreasing the discount rate; and open market purchase or sale of government securities.

**Monopolistic competition** exists when many sellers provide similar products that are differentiated to some extent by non-price competition.

**Monopoly** exists when only one producer sells a product for which there are no close substitutions.

**Natural resources** are physical inputs that occur naturally in our world.

**Negative externalities** are external costs associated with the production or consumption of a product that “spill over” to third parties other than the direct producers or consumers of the product. Negative externalities result in the overproduction or over consumption of a product, since not all costs are reflected in producers’ supply of the product.
**Non-price determinants of demand** are those things that affect consumer demand for a product without regard to the price product. They include changes in consumer tastes/preferences, changes in consumer income, and the prices of related products (substitutes and complements).

**Non-price determinants of supply** are those things that affect producer supply of a product without regard to the price of the product. They include changes in technology or prices of inputs, changes in the prices of other products that could be made and sold by the producer.

**Non-price incentives** are incentives other than price that affect consumer behavior or producer behavior.

**Oligopoly** exists when only a few relatively large producers sell a product that has no close substitutes.

**Output** is the measure of units of a good or service produced with inputs.

**Opportunity cost** is the value of the highest foregone alternative.

**Perfect competition** is a market with many buyers and sellers and no barriers to entry for new producers.

**Positive externalities** are external benefits associated with the production or consumption of a product that “spill over” to third parties other than the direct producers or consumers of the product. Positive externalities result in the underproduction or under consumption of a product, since not all benefits are reflected in consumer demand for the product.

A **price** is what people pay when they buy a good or service, and what they receive when they sell a good or service.

**Private goods and service** are those provided by non-government businesses or organizations.

**Producers** are people who use resources and intermediate goods to make goods and services.

**Productive resources** are the natural, human, and capital resources available to make goods and services.

**Productivity** is a ratio of output to input. For example, output per worker is a measure of the productivity of labor. The productivity of a firm can be increased through specialization or division of labor; investment in human capital; and investment in capital resources.

A **progressive tax** is one under which people who earn higher incomes pay a larger portion (percentage) of their income on taxes than people with lower incomes.
**Profit** is the revenue remaining after the business has paid its costs of production. Profit is the income payment to entrepreneurs.

**Public goods or services** are goods or services that cannot be sold effectively in the marketplace. Goods or services that are characterized by shared consumption and nonexclusion. As a result, government usually provides these goods or services.

A **quota** is a specified limit on the quantity of a foreign product that may be imported. When the foreign supply of a good is restricted, domestic prices will be higher than would have occurred with outside competition.

**Resources** are used to produce goods and services.

**Salary** is a form of income paid for work; often used when the payment is based on a flat amount for a month or year, rather than an hourly amount (wage)

**Saving** is income (earnings) set aside for future use.

**Scarcity** is the condition of not being able to have all of the goods and services that one wants. It exists because human wants for goods and services exceed the quantity of goods and services that can be produced using all available resources.

A **shortage** exists in a market when the quantity demanded (the amount consumers want to buy) exceeds the quantity supplied (the amount sellers are willing to offer for sale) at a given price.

**Services** are actions that can satisfy people's wants.

**Specialists** are people who produce a narrower range of goods and services than they consume.

**Specialization** occurs when individuals or groups produce a smaller range of goods and services than they consume.

**Spending** is using income (earnings) to buy goods and services.

**Standard of living** refers to the well being of individuals in the economy. It is the level of subsistence with reference to the adequacy of necessities and comforts in daily life.

**Substitute goods** are goods that consumers purchase in place of a similar good (i.e., tea may be a substitute for coffee; bagels a substitute for donuts; etc.). The demand for one good is affected by a change in the price of a substitute good.

A **surplus** exists in a market when the quantity supplied (the amount producers are willing to offer for sale) exceeds the quantity demanded (the amount consumers want to buy) at a given price.

A **tariff** is a tax on imported goods. The primary effect of a tariff is a higher price that restricts consumption.
**Taxes** are payments made by individuals and businesses to governments to use for the provision of public goods and services. A **proportional tax** is one under which people with higher incomes pay the same portion (percentage) of their income as taxes as people with lower incomes (i.e., a “flat tax”); a **progressive tax** is one under which people who earn higher incomes pay a larger portion (percentage) of their income in taxes than people with lower incomes (i.e., federal income tax); a **regressive tax** is one under which people who earn lower incomes pay a larger portion (percentage of their income on taxes than people with higher incomes (i.e., sales tax).

**Technology** is the body of knowledge used to produce goods and services.

**Trade barriers** (see barriers to trade)

**Trade deficit** means a nation is importing more goods and services than it is exporting.

**Trade surplus** means a nation is exporting more goods and services than it is importing.

A **traditional economic system** is one in which decisions are based on past behavior.

An **unemployed** person is one who is actively seeking work but does not have a job.

A **non-employed** person is one who does not have a job and is not actively seeking a job; i.e., retired persons, students, etc.

**Wages** are a form of income paid for work; often an amount calculated by the hour.
Bellwether industry refers to a major industry whose economic health affects many collateral industries and businesses, thereby affecting large sections of the population. For example, in the early period of the United States history, agriculture and shipping were bellwether industries; in the nineteenth century steel became a bellwether industry; in the twentieth century housing has become a bellwether industry.

Columbian Exchange refers to the cultural encounters that occurred when European and American civilizations came into contact after the voyages of Christopher Columbus. The Columbian Exchange includes a sharing of food, technology, disease, ideas and people.

Diaspora in history refers to the mass migration of ethnic groups. Examples include the African diaspora to the Americas and the Jewish diaspora around the world.

Early National Period of United States History refers to the time from the end of the American Revolution (1783) and the end of the War of 1812 (1815).

Multi-tiered time lines encompass the same time period with individual time-lines devoted to a specific theme. Multi-tiered time lines allow students to see in parallel fashion that political, social, economic, and environmental history have their own rhythms, and to see when significant events on the individual timelines coincide.

Turning Point in history refers to an event that significantly affected the course of a specific period or theme of history. For example, the election of Abraham Lincoln was a turning point in the relationship between the North and South; the election of Franklin D. Roosevelt was a turning point in the history of the presidency. The Battle of Midway and the Normandy Invasion were turning points in the history of World War II.

Watershed event in history refers to an event that fundamentally changed the course of history. For example, the invention of the printing press, the internal combustion engine, and splitting the atom were watershed events in the history of technology. The Glorious Revolution in England, the American Revolution, and the French Revolution were watershed events in the respective political histories of their nations.
**Goal 17 Glossary – Geography**

**Absolute Location**: Location of a point on Earth’s surface that can be expressed by a grid reference, (e.g., latitude and longitude).

**Acculturation**: The process of adopting the traits of a cultural group.

**Aerial Distribution**: Patterns on Earth’s surface observed from an elevated position.

**Aerial Photograph**: A photograph that shows a portion of Earth’s surface usually taken from an airplane.

**Carrying Capacity**: The maximum number of animals or people a given area can support at a given time under specific levels of consumption.

**Choropleth Map**: shows differences between areas by using colors or shading to represent distinct categories of qualities (such as vegetation type) or quantities (such as the percentage graduating from high school, population density, or birth rate).

**Climograph**: A graph that combines average monthly temperature and precipitation for a particular place.

**Ecosystem**: A system formed by the interaction of all living organisms (plants, animals, humans) with each other and with the physical and chemical environment in which they live.

**Environmental Stress Zone**: Fragile environments on Earth that threatened by overuse, usually due to human activity.

**Geographic Information Systems (GIS)**: A geographic database that contains information about the human and physical characteristics of places and areas.

**Global Positioning System (GPS)**: A computer based system that uses satellites to provide information about the precise location of physical and human features on Earth.

**Greenhouse Effect**: The ability of certain gases in the atmosphere to capture and retain heat energy released from Earth’s surface.

**Map Projection**: A mathematical formula by which the lines of a global grid and the shapes of land and water bodies are transferred from a globe to a flat surface.

**Mental Maps**: A map which represents the mental image a person has of an area, including knowledge of features and spatial relationships as well as the individual’s perceptions and attitudes regarding the place; also known as a cognitive map.

**Nonrenewable Resource**: A finite resource that cannot be replaced once it is used, (e.g., petroleum, minerals)

**Population Pyramid**: A bar graph showing the distribution of human population by gender and age, usually constructed for nations.
**Pull Factors:** The social, political, economic, and environmental attractions of new areas that draw people away from their previous location.

**Push Factors:** The social, political, economic, and environmental forces that drive people from their previous location to search for new ones.

**Relative Location:** The location of a place or region, or geographical feature, in relation to other places or region, or geographical feature, (e.g., northwest or downstream).

**Renewable Resource:** A resource that can be regenerated if used carefully, (e.g., fish, trees).

**Spatial Distribution:** The patterns of geographic features over Earth’s surface, (e.g., distribution of world population, distribution of playground equipment in parks, distribution of volcanoes and earthquakes).

**Spatial Dynamics:** The interactions and connections among geographic features on Earth.

**Tectonic Force:** A physical process within Earth (e.g., volcanic activity, folding, faulting) that creates physical features on the surface.

**Thematic Map:** A map representing a specific spatial distribution, theme, or topic, (e.g., population density, cattle production, or climates).

**Topography:** The irregularities in elevation of physical features on Earth’s surface, (e.g., hills, valleys, mountains).
Goal 18 Glossary

**Acculturation**: Process in which contacts between different cultural groups lead to the acquisition of new cultural patterns by one group.

**Achieved Status**: Any social position gained through personal effort or open competition.

**Ascribed Status**: Any social position to which a person is allocated by birth or directly as to the outcome of family background, and which cannot readily be altered by individual achievement.

**Belief System**: The configuration of beliefs that exists in a particular society of culture.

**Cultural Pluralism**: A policy allowing each group within a society to keep its unique cultural identity.

**Cultural Relativism**: Any doctrine that the concepts and values of one society or cultural area cannot fully be translated into or fully understood in other languages.

**Culture**: Shared products of human groups. These products include physical objects and the beliefs, values, and behaviors shared by the group.

**Culture Shock**: The description of one's normal perspectives as the result of confrontation with an unfamiliar or alien culture.

**Culture Trait**: Individual tool, act, or belief that is related to a particular situation or need.

**Deviance**: Behavior that violates significant social norms.

**Division of Labor**: Specialization by individuals or groups in the performance of specific economic activities.

**Ethnocentrism**: The attitude of prejudice or mistrust towards outsiders that may exist within a social group; a way of perceiving one's own cultural group in relation to others.

**Ethnicity**: A set of cultural characteristics that distinguishes one group from another.

**Exchange**: Individual, group, or societal interaction undertaken in an effort to receive a reward in return for actions.

**Formal Sanction**: Reward or punishment that is given by some formal organization or regulatory body, such as the government, the police, a corporation, or a school.

**Group**: A set of two or more people who interact on the basis of shared expectations and who possess some degree of common identity.

**Industrial Society**: Type of society in which the mechanized production of goods is the main economic activity.
**Informal Sanction:** Spontaneous expression or approval or disapproval given by an individual or individuals.

**Law:** A written rule of conduct that is enacted and enforced by the government.

**Mode of Production:** The system of ownership of the means of production.

**Modernization:** Process by which a society's social institutions become increasingly complex as the society moves towards industrialization.

**Mores:** Norms that have great moral significance attached to them.

**Multiculturalism:** The acknowledgement and promotion of cultural pluralism as a feature of many societies.

**Norms:** Shared rules of conduct that tell people how to act in specific situations.

**Peer Group:** Primary group composed of individuals of roughly equal age and social characteristics.

**Pluralistic Society:** Any society in which there exists a formal division into distinct racial, linguistic or religious groupings.

**Post-industrial Society:** Type of society in which economic activity centers on the production of information and the provision of services.

**Prejudice:** Unsupported generalization about a category of people.

**Pre-industrial Society:** Type of society in which food production, carried out through the use of human and animal labor, is the main economic activity.

**Primary Groups:** Small group of people who interact over a relatively long period of time on a direct and personal basis.

**Psychology:** The scientific study of behavior.

**Reference Group:** Any group with whom individuals identify and whose attitudes and values they often adopt.

**Role:** Behavior, the rights and obligations, expected of someone occupying a particular status.

**Secondary Group:** Group in which interaction is impersonal and temporary in nature.

**Social Institution:** System of statuses, roles, values, and norms that is organized to satisfy one or more of the basic needs of society.

**Socialization:** Interactive process through which individuals learn the basic skills, values, beliefs, and behavior patterns of society.

**Sociology:** The scientific and positivistic study of society.
**Status:** Socially defined position in a group or society.

**Subsistence Strategy:** Way in which a society uses technology to provide for the needs of its members.

**Symbol:** Anything that stands for something else and has a shared meaning attached to it.

**Values:** Principles, standards, or qualities considered worthwhile or desirable.