

Economics summer holiday work, 2026

Your task is to complete the economics glossary. You need to write clear and concise definitions for all of the key terms. You will be tested on these in the first two weeks of term. Do not copy and paste your answers.

A-level economics - Key term glossary

Term	Definition
Animal spirits	
Balance of payments	
Budget balance	
Budget deficit	
Budget surplus	
Deflation	
Demerit good	
Disinflation	
Economic growth	
Economic shocks	
Economies of scale	
Exchange rate	
Exports	
Externalities	
Factors of production	
Fiscal policy	
Fixed costs	
GDP	
Government spending	

Herding	
Imports	
Inflation	
Interest rates	
Marginal cost	
Market failure	
Merit good	
Money supply	
Monopoly	
Moral hazard	
National debt	
National income	
Normative statement	
Opportunity cost	
Positive statement	
Productivity	
Profit	
Regulatory capture	
Revenue	
Specialisation	
Standard of living	
Taxation	
Unemployment	
Variable costs	