

List of Important Terms and Concepts for the Neoclassical Theory of Economics

**Neoclassical Terms**

Basic Neoclassical terms

Opportunity Cost  
Perfect competition  
Markets  
Law of Demand (or Supply)  
Change in Quantity Demanded (or Supplied)  
Change in Demand (or Supply)  
Complementary goods  
Substitute goods  
Equilibrium  
Excess Demand (or Supply)  
Economic Efficiency vs Equity  
Tariff  
Externalities

Neoclassical Labor Market terms

Derived demand  
Marginal productivity  
Marginal revenue product  
Diminishing Marginal Productivity  
Law of Labor Demand (or Labor Supply)  
Substitution effect in labor supply  
Income effect in labor supply  
Rate of time preference  
Household production  
General human capital  
(Firm/job) specific human capital  
Compensating differentials  
Structural unemployment  
Cyclical unemployment  
Frictional unemployment  
Seasonal unemployment  
Sticky wages

Neoclassical Discrimination Terms

'Taste' for discrimination  
Consumer, Employer, Employee discrimination  
Occupational segregation  
Statistical discrimination  
Premarket discrimination  
Affirmative Action  
Comparable worth

**Political Economy Terms**

Basic Political Economy terms

Context  
Collective behavior  
Conflicting interests  
Change  
Class (Racial, Gender) conflict  
Labor (Societal, Household)  
Exploitation, Exclusion, Domination

PE Discrimination terms

Institutional discrimination  
Divide and conquer techniques  
Class-struggle effects  
Job competition effects  
Organizational adaptation  
Short run costs of stopping discrimination  
Long run costs of stopping discrimination

Work and Wages terms

Labor theory of value  
Labor vs labor power  
'Fairness' in wage setting  
Family wage  
Jobs with Wives  
Surplus Social wage  
Cost of job loss  
Ideology of unemployment  
Simple, technical, and bureaucratic labor control  
Labor market segmentation