**Chapter 3 Vocabulary**

**American Free Enterprise System**

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| Grant |  |  |
| Externality |  |  |
| Interest group |  |  |
| Market failure |  |  |
| Public interest |  |  |
| Work ethic |  |  |
| Profit motive |  |  |
| Welfare |  |  |
| Patent |  |  |
| Eminent domain |  |  |
| Cash transfers |  |  |
| Legal equality |  |  |
| Private property rights |  |  |
| Voluntary exchange |  |  |
| Gross domestic product |  |  |
| Welfare |  |  |
| In-kind benefits |  |  |