

Economic Systems

Who or what decides what you get?

Speaking of Economics

As you complete the Reading Notes, use these terms in your answers:

- | | |
|---------------------|------------------------|
| economic equity | market economy |
| economic system | factor payment |
| traditional economy | mixed economy |
| command economy | free enterprise system |

PREVIEW

Examine the two cartoons.



Answer these questions about the cartoons.

- Where are the people in each cartoon?
- How would you describe each scene?
- Who or what decides what consumers get in each cartoon?
- What advantages and disadvantages do you see represented in each cartoon?
- Which store would you prefer to shop in, and why?

READING NOTES

Section 2

1. For each of the three fundamental economic questions, explain why it is important for society to answer that question.
2. Rank the six economic goals from most important to least important. Write a one- or two-sentence justification of your rankings.

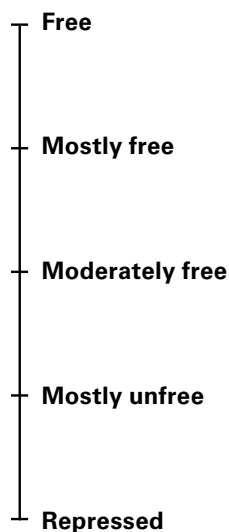
Section 3

Make a table like the one below in your notebook. Create a simple symbol to represent each type of economic system. Then record key features of that system and which economic goals it emphasizes.

Economic System	Symbol	Key Features	Economic Goals
Traditional economy			
Ancient command economy			
Market economy			
Modern command economy			

Section 4

1. What are three roles of government in a mixed economy? For each role, explain whether you view this involvement as positive or negative, and why.
2. Create a spectrum like the one below. Choose four or five countries that are discussed in the text, and place them appropriately along your spectrum. For each country, write a sentence justifying your placement.



Section 5

List the seven key characteristics of the American free enterprise system. Write a sentence explaining each characteristic. Also give one example of where you have seen this characteristic in our economy.

P R O C E S S I N G

You have been hired to write the lyrics to a song titled “Who or What Decides What You Get?” Your song should be sung to the tune of any popular or well-known song. The lyrics must explain the difference between a market economy and a command economy. You may create one song that includes information about both market and command economies. Or you can create two versions of the song—one about market economies and one about command economies.

Your song must

- include at least four Speaking of Economics terms from this chapter.
- include at least one of the primary goals of each type of economic system.
- explain the role of government in each type of economic system.
- highlight at least two benefits and two drawbacks of each economic system.