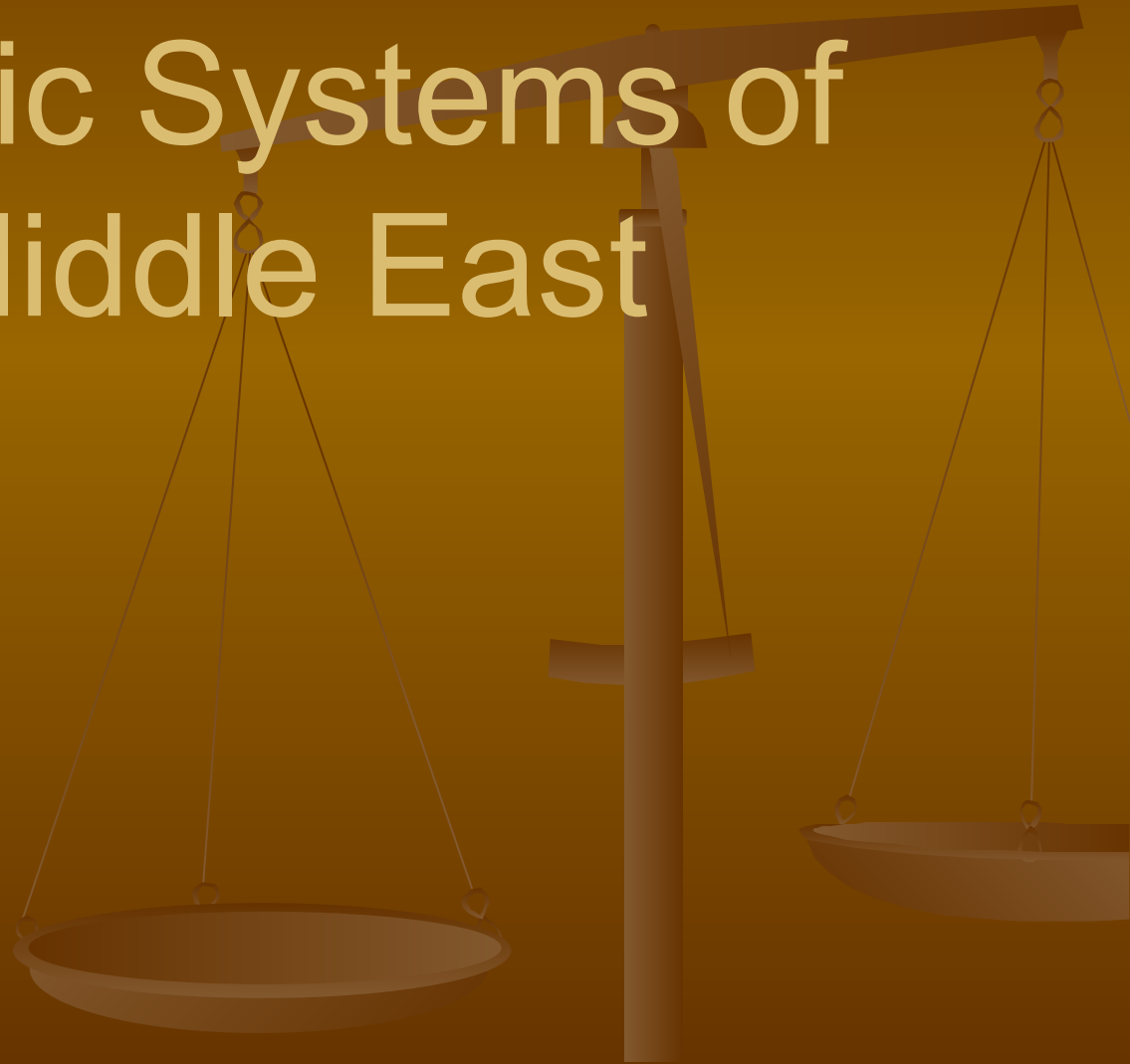
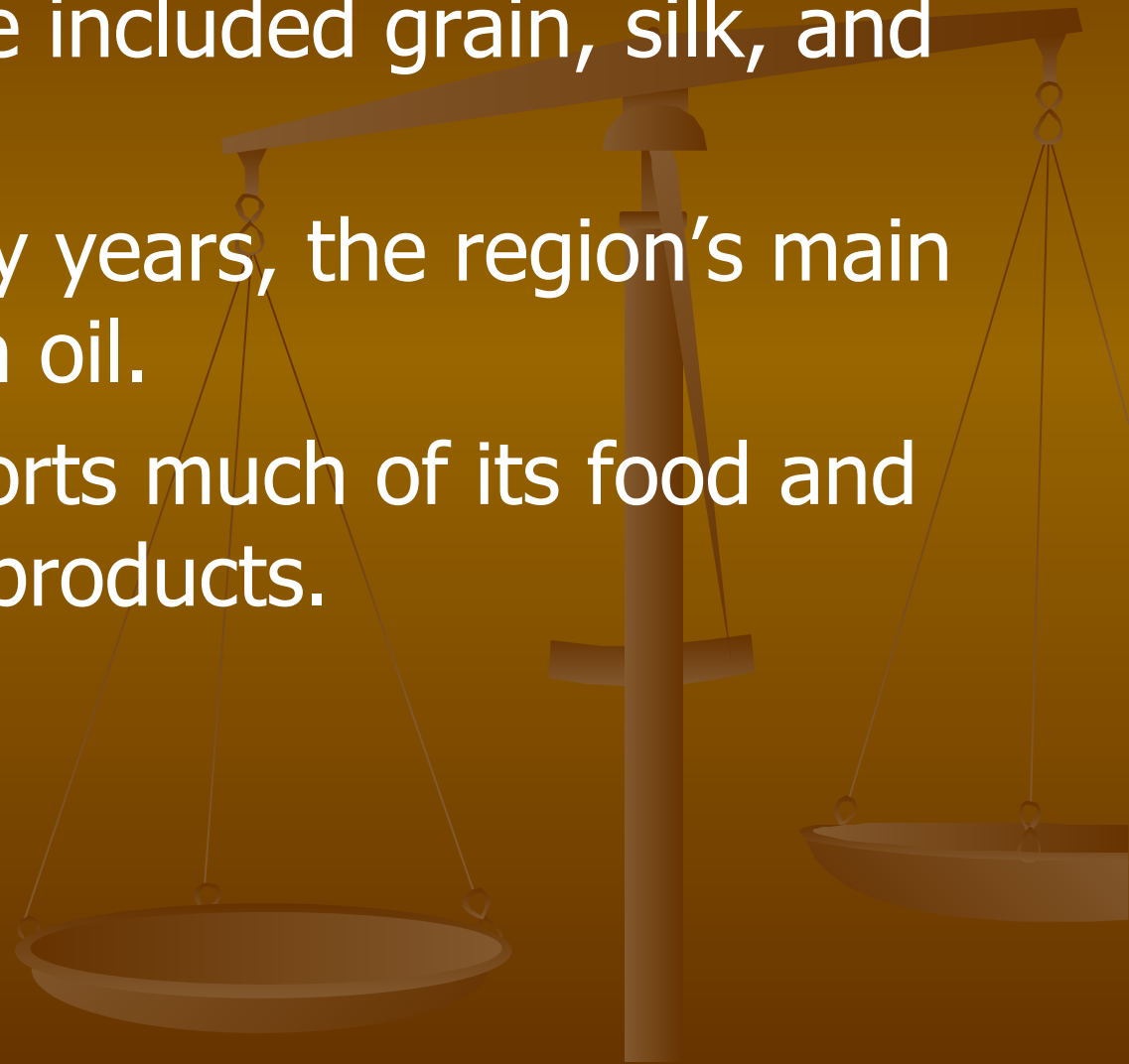


Economic Systems of the Middle East

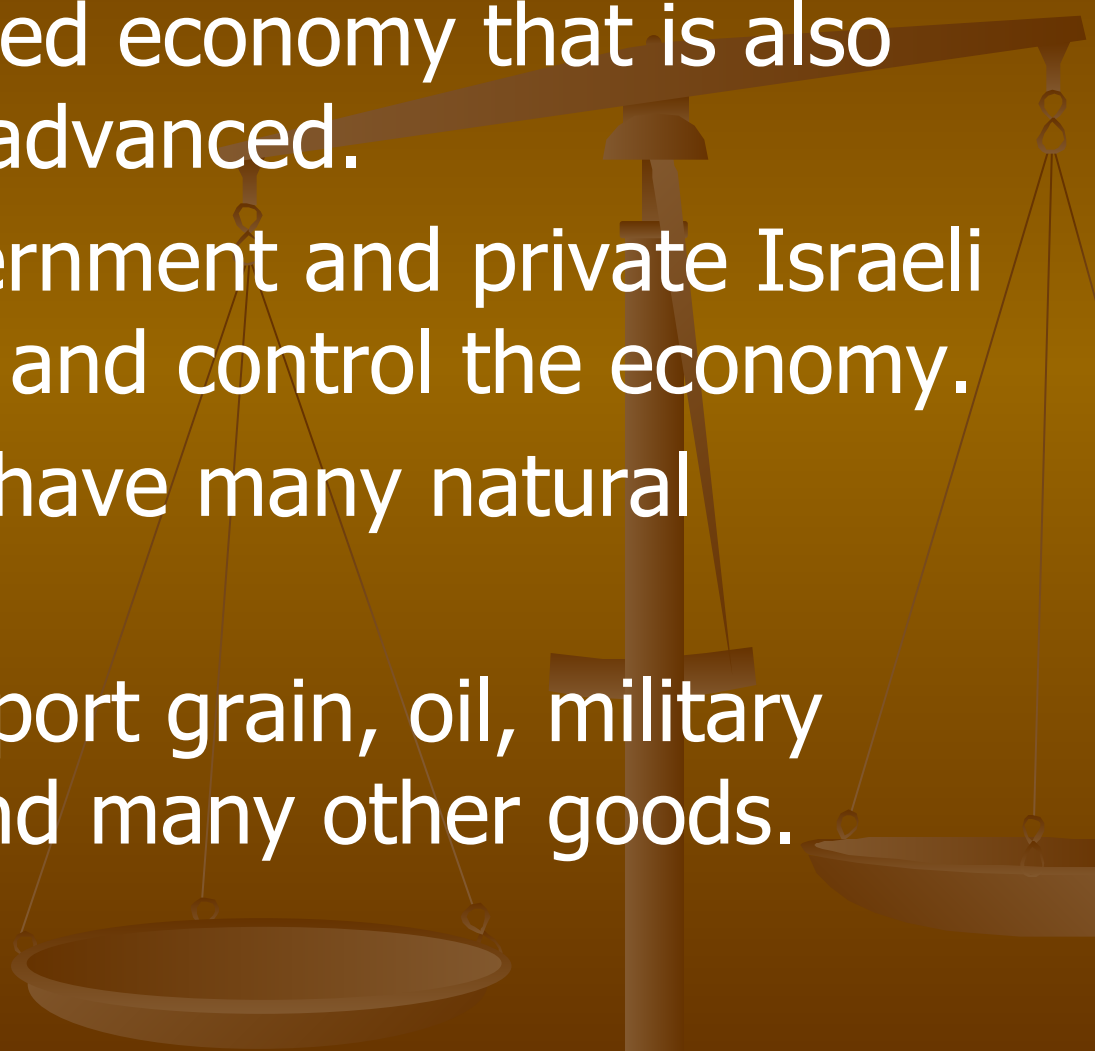


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- There are many different types of economic systems in Southwest Asia.
 - Many countries have mixed economies with different levels of government control.
 - Some countries are less developed than others in the region.
 - Southwest Asian countries have thrived on producing exports to other countries.

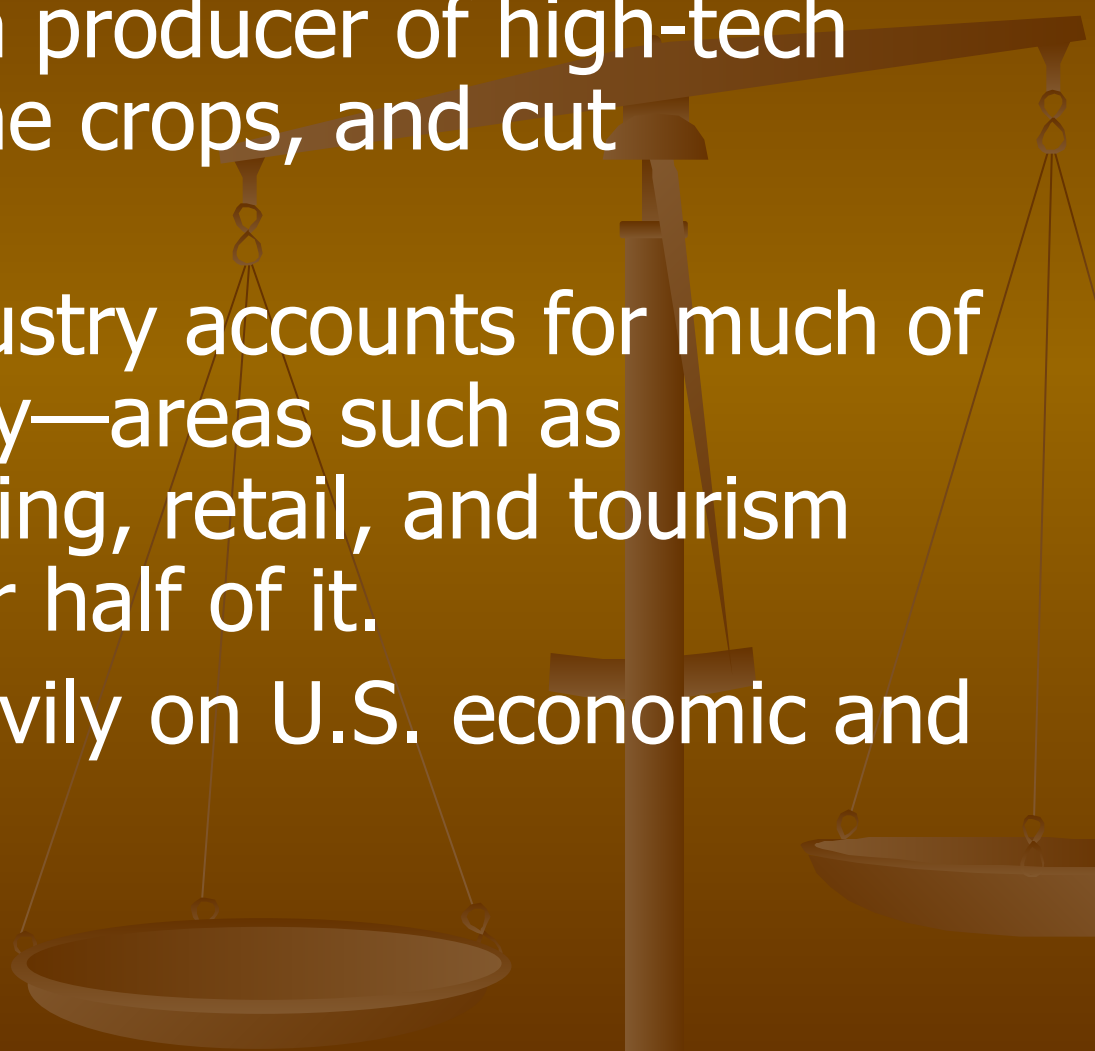
- Cash crops have included grain, silk, and cotton.
- For the last sixty years, the region's main export has been oil.
- The region imports much of its food and other essential products.



Israel's Economic System

- Israel has a mixed economy that is also technologically advanced.
 - The Israeli government and private Israeli companies own and control the economy.
 - Israel does not have many natural resources.
 - Israel has to import grain, oil, military technologies, and many other goods.
- 

Israel's Economic System

- The country is a producer of high-tech equipment, some crops, and cut diamonds.
 - The service industry accounts for much of Israel's economy—areas such as insurance, banking, retail, and tourism account for over half of it.
 - Israel relies heavily on U.S. economic and military aid.
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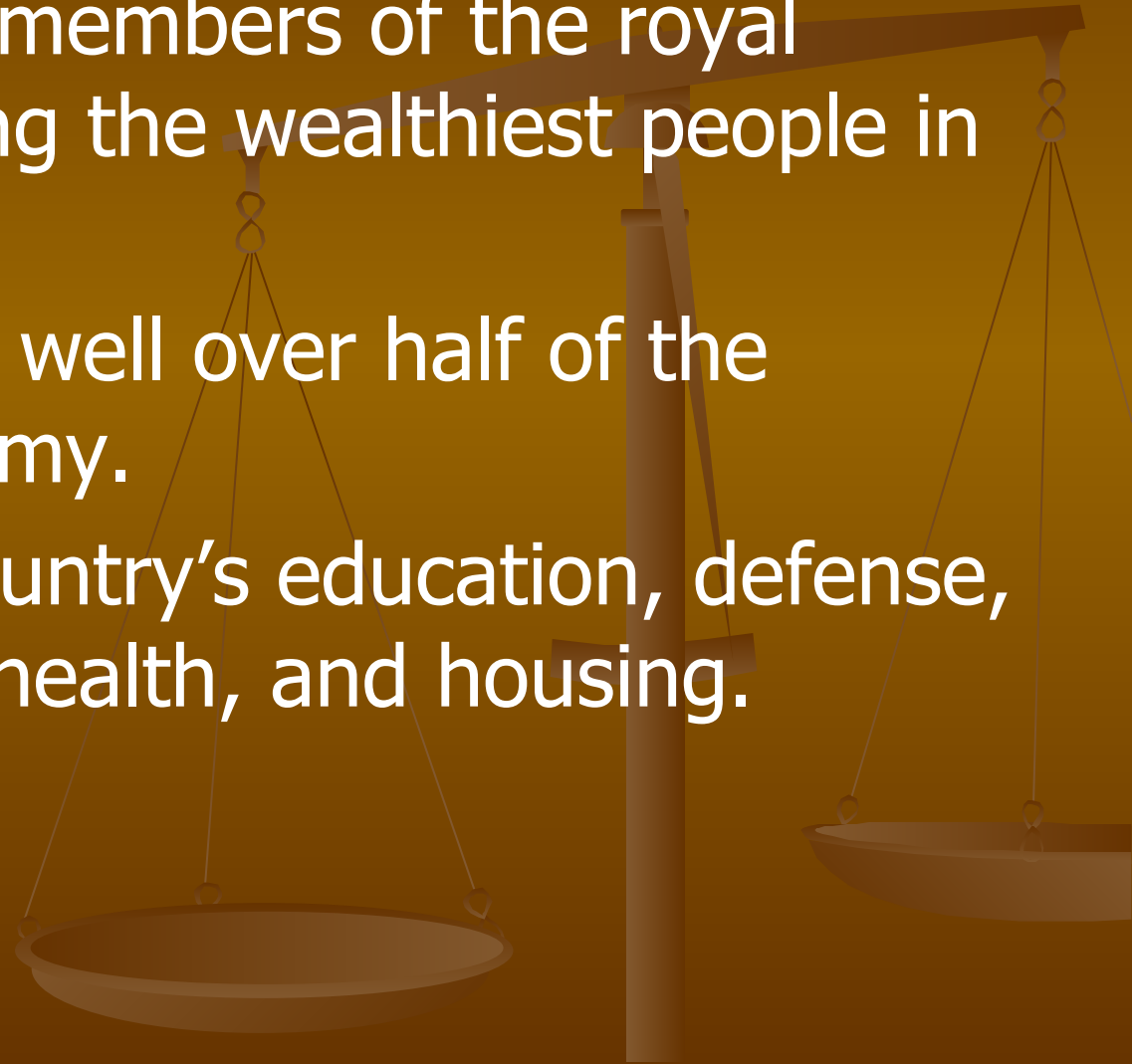
Saudi Arabia's Economic System

- Saudi Arabia also has a mixed economy. The government largely controls the economy.
- Saudi Arabia's main export is oil.
- The oil industry has made the Saudi royal family quite wealthy.



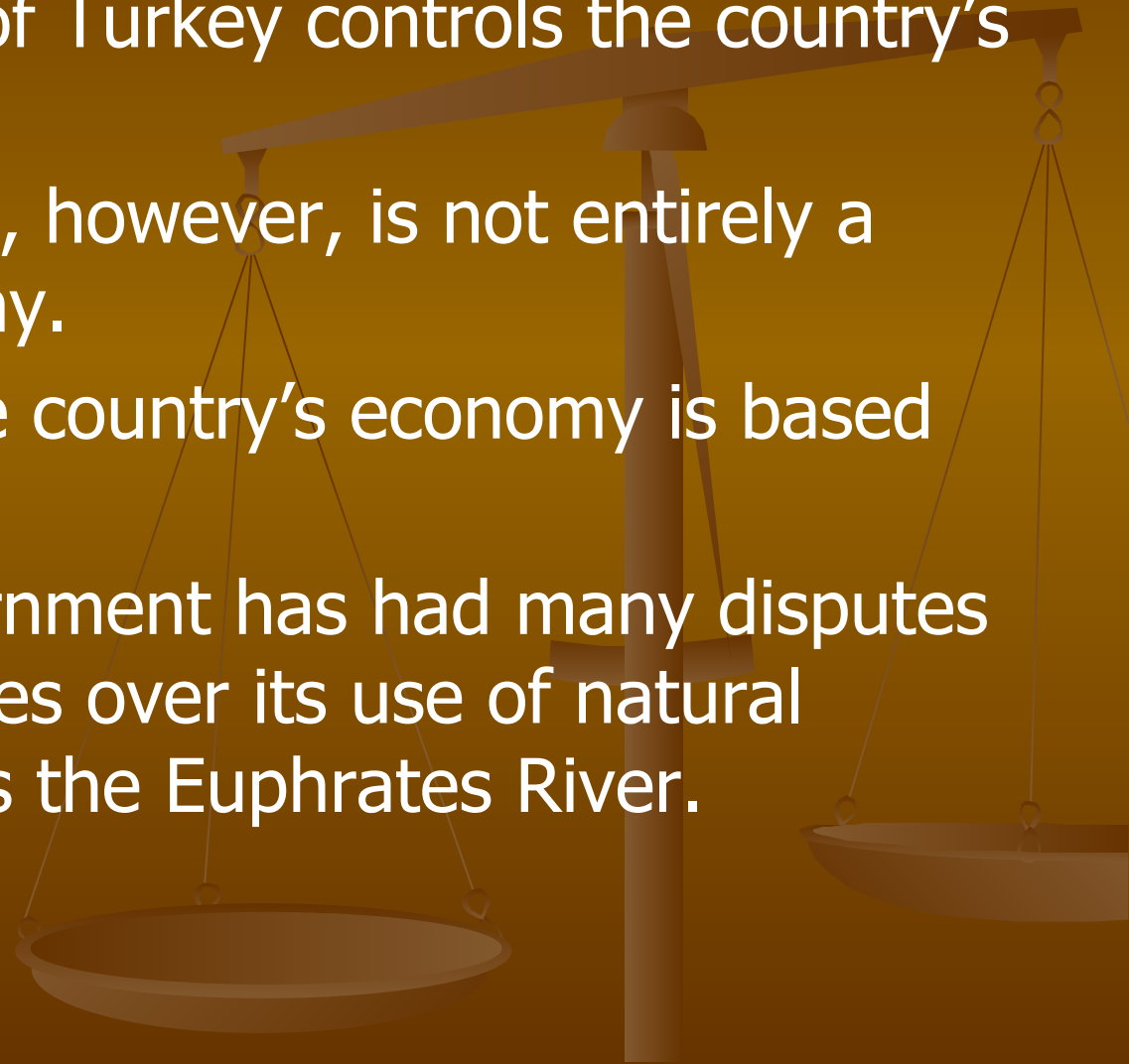
Saudi Arabia's Economic System

- In fact, several members of the royal family are among the wealthiest people in the world.
- Oil accounts for well over half of the country's economy.
- Oil funds the country's education, defense, transportation, health, and housing.



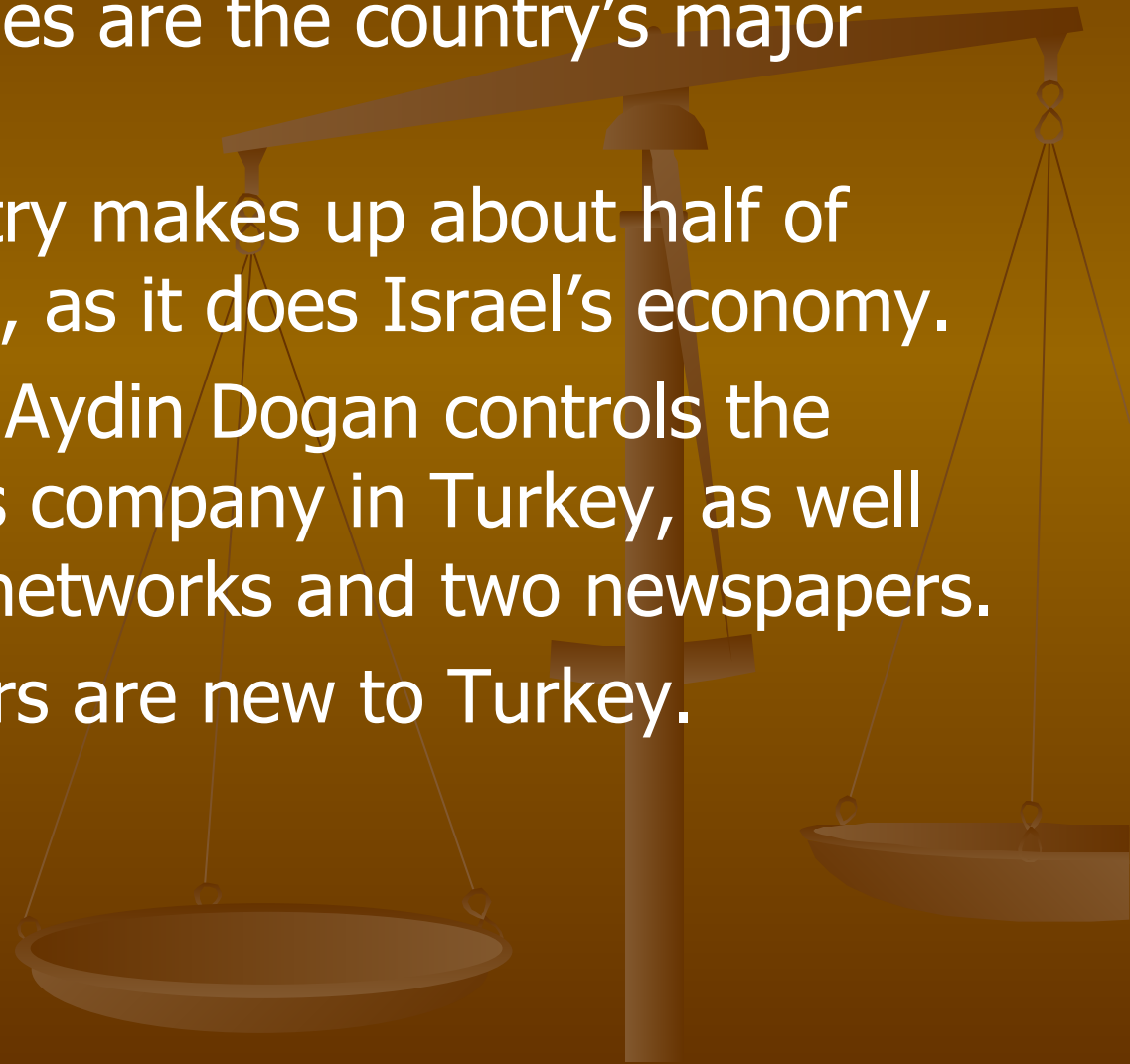
Turkey's Economic System

- The government of Turkey controls the country's economy.
- Turkey's economy, however, is not entirely a command economy.
- A large part of the country's economy is based on farming.
- The Turkish government has had many disputes with other countries over its use of natural resources, such as the Euphrates River.




Turkey's Economic System

- Clothing and textiles are the country's major industries.
- The service industry makes up about half of Turkey's economy, as it does Israel's economy.
- The entrepreneur Aydin Dogan controls the largest oil and gas company in Turkey, as well as two television networks and two newspapers.
- Such entrepreneurs are new to Turkey.

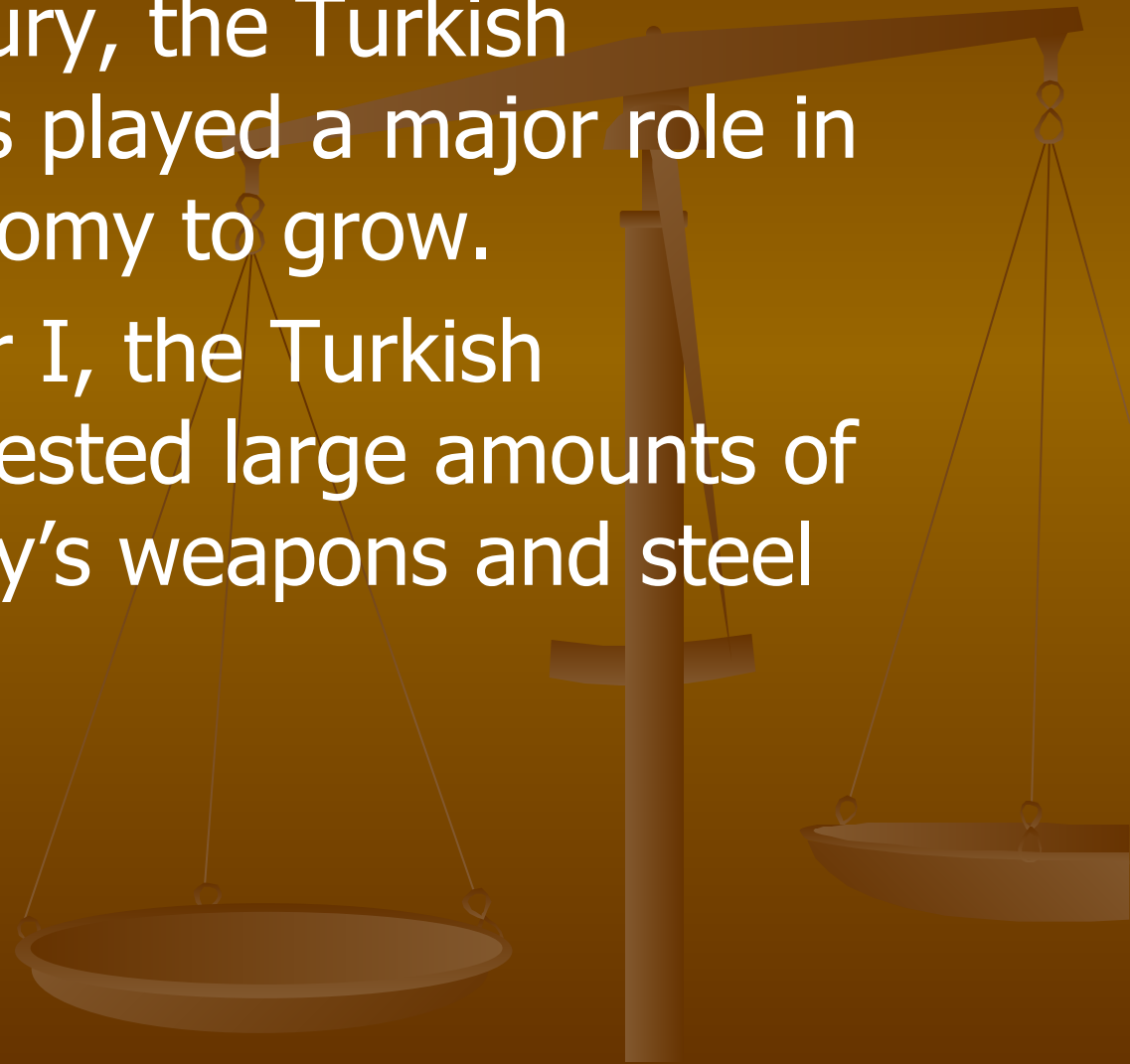


Israel's Economic Growth

- Economic growth has been difficult to achieve for many Middle Eastern countries.
 - War is a major threat to the region's economies.
 - For example, both war and a large number of immigrants present challenges to the Israeli economy.
 - The Israeli government has taken control of certain economic activities in order to address these problems.
 - The Israeli government controls most activities related to agriculture.
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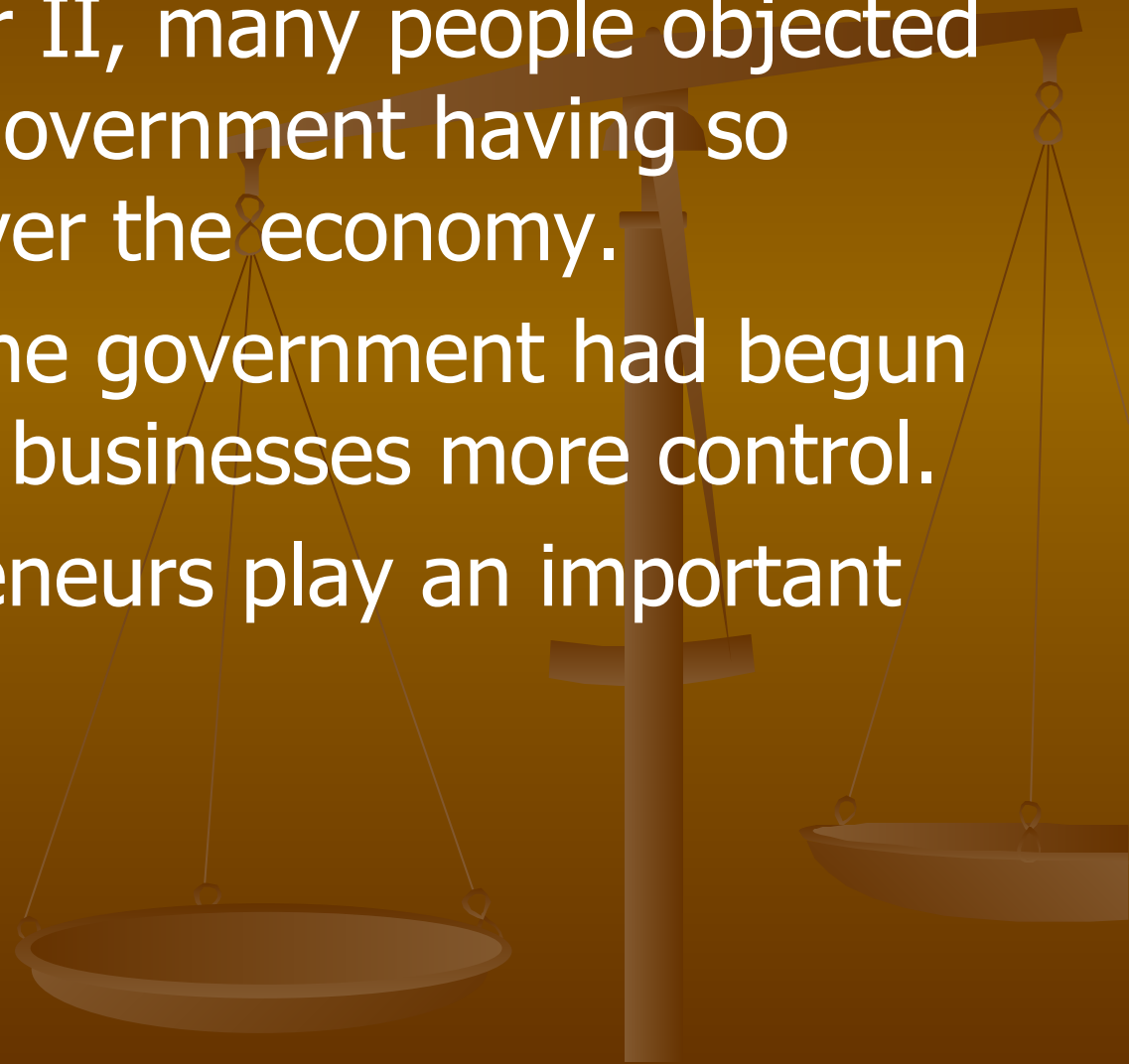
Turkey's Economic Growth

- In the last century, the Turkish government has played a major role in helping its economy to grow.
- After World War I, the Turkish government invested large amounts of money in Turkey's weapons and steel industries.



Turkey's Economic Growth

- After World War II, many people objected to the Turkish government having so much control over the economy.
- By the 1980s, the government had begun to allow private businesses more control.
- Today, entrepreneurs play an important role in Turkey.



Saudi Arabia's Economic Growth

- Some gulf countries invest money to make their economies more diverse.
- In the last few decades, Saudi Arabia has begun encouraging the development of industries other than oil in order to make its economy stronger.
- In 1976, the Saudi government created the Saudi Basic Industries Corporation.

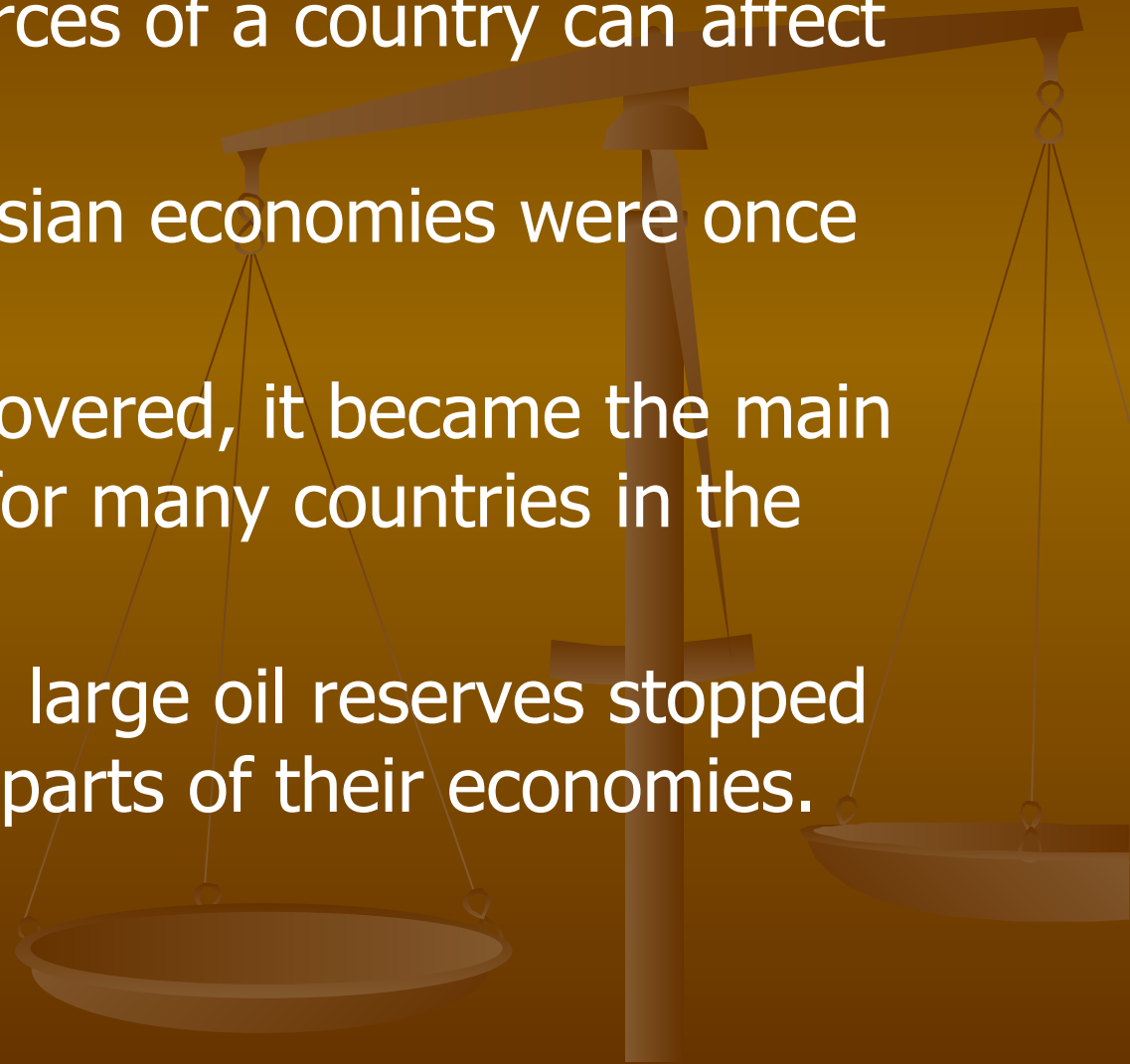
Saudi Arabia's Economic Growth

- The Saudi Basic Industries Corporation invests in capital goods.
- These capital goods have made the country a steady producer of steel, industrial gases, plastics, and petrochemicals.

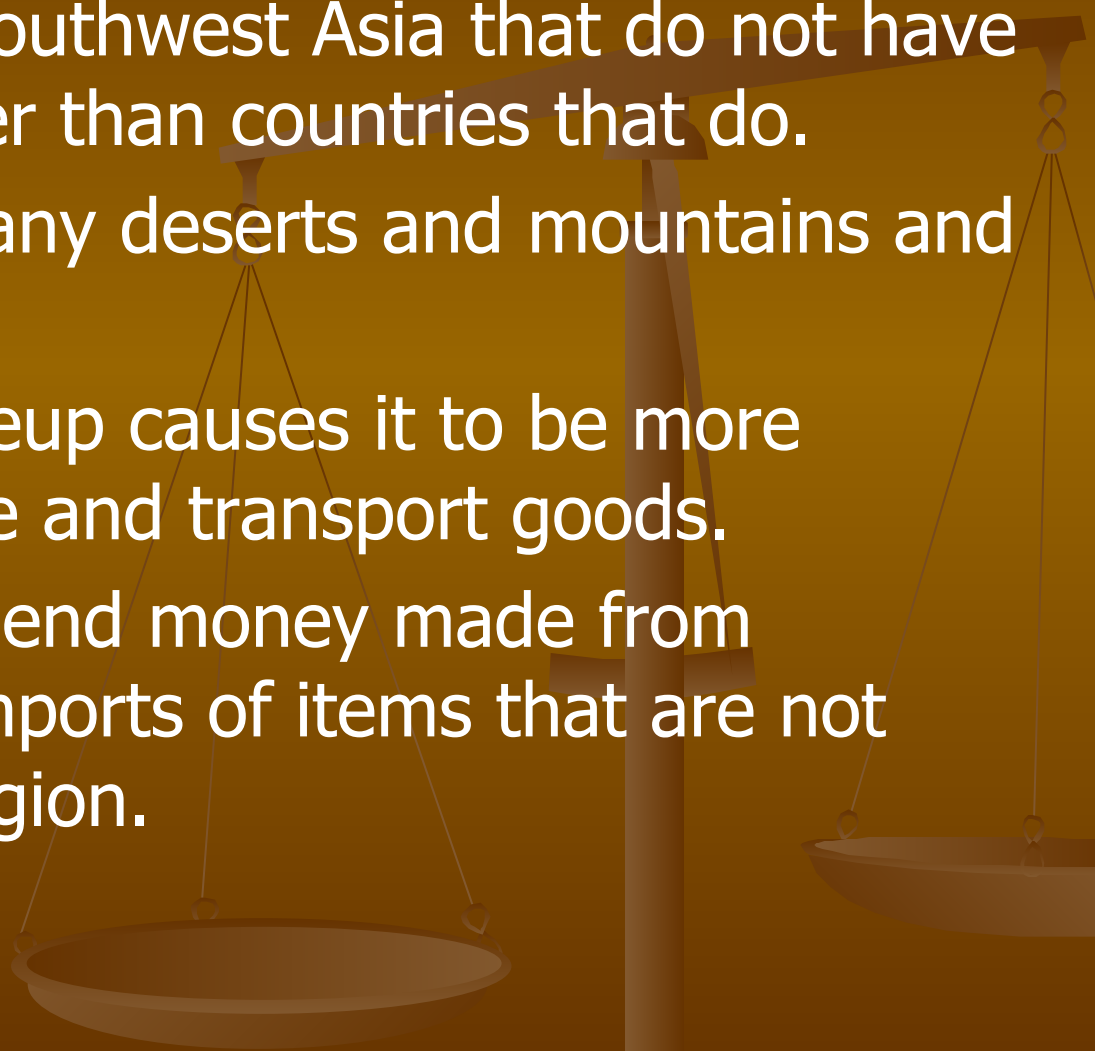


Natural Resources

- The natural resources of a country can affect economic growth.
- Most Southwest Asian economies were once based on farming.
- When oil was discovered, it became the main source of money for many countries in the region.
- Governments with large oil reserves stopped investing in other parts of their economies.



Natural Resources

- Countries in the Southwest Asia that do not have oil are often poorer than countries that do.
 - The region has many deserts and mountains and few rivers.
 - This physical makeup causes it to be more difficult to produce and transport goods.
 - Countries often spend money made from exporting oil on imports of items that are not available in the region.
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Summary

- Describe the different economic systems and potential of growth for Israel, Saudi Arabia and Turkey.

