

### I. Economic Systems

1. Fill in the chart with a definition and an example of the 4 types of economic systems:

<b>Economic System</b>	<b>Definition</b>	<b>Example</b>
<b>Traditional</b>		
<b>Command</b>		
<b>Market</b>		
<b>Mixed</b>		

6. Most **democratic** countries have which type of economic system?
7. Most **communist** countries have which type of economic system?
8. What are the 3 basic questions that every economic system must answer?
9. Explain the role of free enterprise in market economics. In which country is it more common?
10. What is bartering? Which economic system uses bartering to trade goods?
11. Which economic system is based on individual choice?
12. Which SW Asian country is the closest to having a pure Market economy, and which is closest to a Command Economy?

### II. Trade Barriers

13. Fill in the chart below with a definition of the 3 types of economic trade barriers:

<b>Economic Trade Barrier</b>	<b>Definition</b>
<b>Tariff</b>	
<b>Quota</b>	
<b>Embargo</b>	

14. What are 3 examples of **physical trade barriers in SW Asia**?

### III. Economic Growth (Gross Domestic Product)

16. Fill in the chart below with a definition and an example of the 4 factors that contribute to economic growth:

<b>Factor</b>	<b>Definition</b>	<b>Example</b>
<b>Human Capital</b>		
<b>Capital Goods</b>		
<b>Natural Resources</b>		
<b>Entrepreneurship</b>		

### IV. Comparing SW Asian Economies

20. Turkey's economy has moved away from Command and more towards Market—why?
21. What do the economic systems of Israel, Iran, Saudi Arabia and Turkey all have in common?

22. How does lack of water and/or oil affect economic development in SW Asia?

#### **V. Foreign Exchange**

24. What is foreign exchange, and why does international trade require a system for exchanging currencies?

**Directions:** Complete the following for government review of SW Asia.

1. What are the two types of **Autocratic** governments?
2. What are the two types of **Democratic** governments?
3. How is the leader chosen in a **Parliamentary democracy**?
4. Do the citizens get to choose the leader in a Parliamentary democracy?
5. Name the country that has a Parliamentary democracy.
6. How is the leader chosen in a **Presidential democracy**?
7. What is unique about a Presidential democracy?
8. Name the SW Asian country with an absolute monarchy, and its type of citizen participation.
9. Name the country with a theocratic republic. Give its definition and type of citizen participation.

**Directions:** Answer the following questions.

1. What does **Gross Domestic Product** mean?
2. The \_\_\_\_\_ a country's GDP, the better the country's standard of living.
3. What is "**standard of living**"?
4. What is literacy rate?
5. What are **natural resources**, and what are the two most important ones in SW Asia?
6. Why is it beneficial for a country to have an abundance of natural resources?
7. What is **human capital** and why should countries invest in developing human capital?
8. What are **capital goods**, and why should countries invest in developing capital goods?
9. What do **entrepreneurs** do, and how do they affect growth?

