

## Types of Economy Study Guide Questions

Name \_\_\_\_\_ Period \_\_\_\_\_ Date \_\_\_\_\_

**Write the vocabulary words next to each definition.**

1. \_\_\_\_\_ the limited supply of something
2. \_\_\_\_\_ determines how to use limited resources to answer three basic questions, what goods and services to produce, how will goods and services be produced, who will consume the goods and service?
3. \_\_\_\_\_ customs and habits of the past determines what and how goods are produced, produced, distributed and consumed
4. \_\_\_\_\_ The government determine which goods and services to produce, the prices, and wage rates. Individuals and corporations do not own businesses or farms.
5. \_\_\_\_\_ Workers at a business are told what to produce and how much to produce in a given time.
6. \_\_\_\_\_ In a decentralized market economy, decisions are guided by changes in process that occur between individual buyers and sellers in the market place.
7. \_\_\_\_\_ amount of goods available
8. \_\_\_\_\_ how many consumers want the goods.
9. \_\_\_\_\_ law that determines the price people pay for things
10. \_\_\_\_\_ system with characteristics of both command and market economies
11. What are the three basic questions economic systems must answer?
  - a. \_\_\_\_\_
  - b. \_\_\_\_\_
  - c. \_\_\_\_\_
12. What are the three types of basic economies?
  - a. \_\_\_\_\_
  - b. \_\_\_\_\_
  - c. \_\_\_\_\_

**Answer the following questions.**

13. Which economic system do you think consumers (like you) would like the most?
  - a. traditional
  - b. command
  - c. Market
14. Which economic system would be the worst for competition between the workers?
  - a. traditional
  - b. command
  - c. Market
15. A market economy has \_\_\_\_\_ ownership of property and resources.
  - a. private
  - b. government
  - c. tribal
16. Which economic system is found in simple agricultural societies?
  - a. command
  - b. traditional
  - c. mixed
17. What is the most common economic system today?
  - a. command
  - b. mixed
  - c. traditional
18. Tell if each statement is traditional, command or market system.

\_\_\_\_\_ The government controls what is produced, and how it is produced.

\_\_\_\_\_ Supply and demand determines what is sold and how much it costs.

\_\_\_\_\_ People make what they need to survive.

## Types of Economy Study Guide Questions

### Answers

Name \_\_\_\_\_ Period \_\_\_\_\_ Date \_\_\_\_\_

Write the vocabulary words next to each definition.

1. Scarcity the limited supply of something
2. Economic system determines how to use limited resources to answer three basic questions, what goods and services to produce, how will goods and services be produced, who will consume the goods and service?
3. Traditional customs and habits of the past determines what and how goods are produced, produced, distributed and consumed
4. Command The government determines which goods and services to produce, the prices, and wage rates. Individuals and corporations do not own businesses or farms.
5. Quota Workers at a business are told what to produce and how much to produce in a given time.
6. Market In a decentralized market economy, decisions are guided by changes in process that occur between individual buyers and sellers in the market place.
7. Supply amount of goods available
8. Demand how many consumers want the goods.
9. Supply and demand law that determines the price people pay for things
10. Mixed system with characteristics of both command and market economies
11. What are the three basic questions economic systems must answer?
  - a. What goods and services to produce?
  - b. How to produce goods and services?
  - c. For whom to produce goods and services?
12. What are the three types of basic economies?
  - a. command
  - b. traditional
  - c. market

Answer the following questions.

13. Which economic system do you think consumers (like you) would like the most?
  - a. traditional
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Command The government controls what is produced, and how it is produced.

Market Supply and demand determines what is sold and how much it costs.

traditonal People make what they need to survive.