

Name _____

ECONOMIC SYSTEMS



DIRECTIONS: Decide whether each statement describes a **command**, **market**, or **traditional** economy.

1. _____ The government says all factory workers will be paid \$4 an hour.
2. _____ Citizens can own their own businesses and keep the money they earn from them.
3. _____ You're a boy. Your father hunts and fishes to get food, so you do too.
4. _____ Most of the resources are owned by private citizens.
5. _____ In rural India, a person's economic standing is still strongly tied to the social class that person was born into. For example, if you were born into a poor family, you will probably grow up to be poor.
6. _____ In North Korea, adults are expected to work at least 40 hours per week and attend various political and production meetings organized by the government.
7. _____ People make decisions based on how things have always been done.
8. _____ Central planning committees determine the price of goods and services, like corn and cars.
9. _____ In African tribal societies, the jobs that people have are based mostly on what their ancestors or parents did.
10. _____ High prices for strawberries results in high profits for strawberry farmers, which encourages strawberry farmers to grow more strawberries.
11. _____ In the 1960s, China's leader, Mao Zedong, seized control of farmers' land. Mao ordered all the privately owned farms to be combined together into larger shared farms called "communes". Farmers were expected to work together on these communes to grow as many crops as leaders from the capital said they should.
12. _____ You're a girl. Your mom spins thread and makes cloth, so you do too.
13. _____ In which economic system does the government have the most influence?
14. _____ Which economic system is characterized by the least amount of change?
15. _____ Which economic system allows for the most individual freedom?