**Types of Economic Systems**

**Traditional Economic**

* **Traditional economy – economic system that relies on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, or \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ to decide questions of production and consumption of goods and services**
* **Means of the Production is basically owned by the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**
* **Decisions are based on custom and tradition – like the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ did**
* **There is no \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, only custom and tradition is followed**
* **There is no \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, only enough to survive is produced**
* **The main factor for making decisions for the economy is that \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ must be maintained**

**Command Economy**

* **Command economy – economic system in which the central government makes all decisions on the production and consumption of goods and services**
* **Means of Production is owned by the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**
* **The \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_makes all of the decisions for the economy**
* **The government prevents \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_from existing**
* **All of the profits go to the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, no profit for the people**
* **The main factor in decision making is whatever the government wants the government gets**

**Market Economy**

* **Market economy – economic system in which decisions on production and consumption of goods and services are based on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ in markets**
* **The Means of Production is owned \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ by the people**
* **The people make the decisions by deciding what they want to do or make**
* **Because of the way the economy is set up, there is a lot of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**
* **Every business is set up to make \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**
* **The main factors in decision making are:**
	+ **What resources are available?**
	+ **What does the consumer want?**
	+ **What do I want to do?**
	+ **What kind of education do I have?**

**Mixed Economy**

* **Mixed economy – economic system that combines the free market with limited government involvement**
* **The Means of Production is owned by a \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ of all three: the government, the people, and some collectives**
* **Decisions are made by a mixture of all three: the government makes some decisions, the people make others, and there are some traditionalists**
* **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ does exist in a mixed economy**
* **The \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ motivation is divided: the government gets some, the people get some, and the traditionalist make just enough to survive and are happy**
* **The main factors in decision making are:**
	+ **What does the government want?**
	+ **What do the people want?**
	+ **What traditions must be maintained?**