

Name _____
Hour _____

Chapter 18 – Comparative Economic and Political Systems

1. What are the three modern economic systems?
 - a. _____
 - b. _____
 - c. _____
2. What is another name for the free enterprise system?
3. In a capitalist system, most business and factories are owned by:
 - a. The government
 - b. Individuals
 - c. Groups of individuals
 - d. B and C
4. When there are many products available for people to buy:
 - a. People will buy anything that is new, even if it is expensive
 - b. People will buy anything that is cheap, even it is not well made
 - c. People want products at a lower price and high quality
 - d. None of the above
5. What resources are required to make the goods and services people need?
 - a. _____
 - b. _____
 - c. _____
 - d. _____
6. CIRCLE THE BEST ANSWERS:
Competition among business keeps prices (down / up) and keeps quality (high / low) because the buyers want a good product for a low price.
7. Anthony formed his own landscaping business. He is a businessman known as an _____.
8. Adam Smith's idea of letting the business sector go though its ups and downs without government interference, is known as _____.
9. What is your opinion? Look at the pros and cons of capitalism on page 379. What do you think about capitalism?
10. _____ is a system of government in which the state controls the means of production.

11. According to Karl Marx, There are basically _____ classes of people.
- 2
 - 1
 - None
12. According to Karl Marx, the government will do anything that the business leaders want them to do.
- True
 - False
13. Marx thought that private property created social classes among people. If there was no private property, there would be no need for a _____.
14. _____ is an economic system that advocates government ownership of the means of production.
15. What are the four basic elements of socialism?
- _____ What this means: _____
 - _____ What this means: _____
 - _____ What this means: _____
 - _____ What this means: _____
16. Under capitalism, economic decisions are made by individuals and companies. This is a _____ economy.
17. Under socialism, the government may set targets for production in industry. This is a _____ economy.
18. What is your opinion? Look at the pros and cons of socialism on page 385. What do you think about socialism?
19. Both capitalism and socialism are directed by the _____ market.
20. A communist system is directed by _____.
21. A democracy is characterized by political participation from individuals and interest groups.
- True
 - False