
Compare how different economic systems answer the fundamental economic questions of what goods and services to produce, how to produce them, and who will consume them.

- Economies must address how to produce goods and services. In the economy of a certain country, some factories are owned by individuals and private companies, and other factories are owned and controlled by the government.
What type of economy does this country have?
A. mixed
B. market
C. traditional
D. command
- In a command economy, the question of what goods to produce is primarily determined by
A. cultural traditions.
B. decisions by individuals.
C. government plans.
D. corporate policies.
- Economic systems answer the question of how goods and services are produced. What is one way a country could change from a command economy to a market economy?
A. if the government takes control of family-owned farms
B. if privately owned banks become subject to stricter regulation
C. if agricultural and factory workers are required to join labor unions
D. if industries that had been owned by the government become privately owned
- Which statement correctly describes the role of the government in a country with a mixed economy?
A. The government allows economic decisions to be made by the society's traditions and customs.
B. The government makes all decisions regarding the production and distribution of goods.
C. The government makes some production and distribution decisions, but other economic decisions are made by individuals.
D. The government exercises no decision making in economic matters; production and distribution are determined solely by individuals
- In a certain country, all decisions concerning the production of goods and services are made by the government. However, following a political revolution, a new economic system is set up in which some decisions regarding production of goods and services are made by the government and others are made by individuals and private companies.

How has the economy of this country changed?
A. from a mixed economy to a market economy
B. from a command economy to a mixed economy
C. from a market economy to a traditional economy
D. from a traditional economy to a command economy
- In a certain country, decisions regarding production and consumption of goods are based upon customs, beliefs, rituals, and habits. Over time, the economic system changes to one in which production decisions are based on competition and consumer choice.
How has the economic system of this country changed?
A. from a mixed economy to a command economy
B. from a command economy to a mixed economy
C. from a traditional economy to a market economy
D. from a market economy to a traditional economy