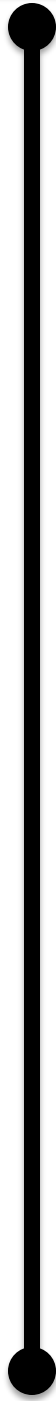


# ECONOMIC CONTINUUM

(MIXED)

COMMAND

MARKET



Name: \_\_\_\_\_

# Economics

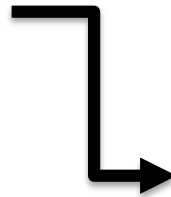
QUICK GUIDE FLIPBOOK

# Specialization

among countries because no country produces everything it needs.



**AN ECONOMIC SYSTEM  
MUST ANSWER 3 BASIC  
QUESTIONS:**



1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

SYSTEM	DESCRIPTION	EXAMPLES
<b>TRADITIONAL</b>	<ul style="list-style-type: none"><li>Produce what they _____</li><li>Based on customs &amp; _____</li></ul>	
<b>COMMAND</b>	<ul style="list-style-type: none"><li>All economic decisions are made _____</li></ul>	
<b>MARKET</b>	<ul style="list-style-type: none"><li>Private citizens make economic decisions based on _____</li></ul>	

# ECONOMIC SYSTEMS

- Most **democratic countries** have a mix of \_\_\_\_\_ making economic decisions.
- These countries have a **MIXED** economic system.



- \_\_\_\_\_
- Canada
- Brazil
- \_\_\_\_\_
- US
- Germany
- Russia
- \_\_\_\_\_

- Japan
- \_\_\_\_\_
- Turkey
- Saudi Arabia
- \_\_\_\_\_
- India
- \_\_\_\_\_
- China (mostly)

- Countries trade goods because no country has all the resources necessary to efficiently produce everything \_\_\_\_\_.
- Countries specialize in \_\_\_\_\_, which keeps the cost of items produced lower.
- Specialization \_\_\_\_\_ because a country can get what it needs at a \_\_\_\_\_.

# SPECIALIZATION

One U.S. dollar =

- .92 European Union \_\_\_\_\_
- 16.69 Mexican pesos
- \_\_\_\_\_ Canadian dollars
- 199.05 Nigerian naira
- \_\_\_\_\_ Saudi Arabian riyal
- 123 Japanese \_\_\_\_\_
- 6.36 Chinese yuan

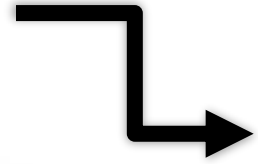


FACTOR	DEFINITION	EXAMPLES
<b>NATURAL RESOURCES</b>	Resources that come _____	
<b>HUMAN CAPITAL</b>	People who _____	
<b>CAPITAL GOODS</b>	_____ in order to perform their jobs	
<b>ENTREPRENEURSHIP</b>	_____ who are willing to take risks to start a business or make a product	

How a country \_\_\_\_\_ makes a big difference in the strength of its economy.

# FACTORS OF ECONOMIC GROWTH

- Economists measure a nation's \_\_\_\_\_ by Gross Domestic Product (GDP).
- **GDP**: the total market \_\_\_\_\_ produced by a country's economy during a specific period of time.
- Economists use GDP to determine the \_\_\_\_\_ and compare it to other economies.
- There are 4 basic \_\_\_\_\_ that influence economic growth:



**HUMAN CAPITAL**

**CAPITAL RESOURCES**



**NATURAL RESOURCES**

**ENTREPRENEURSHIP**



**CURRENCY**

The type of \_\_\_\_\_ a country uses

**FOREIGN EXCHANGE**

Money from one country must be \_\_\_\_\_ of another country to pay for goods in that country.

**EXCHANGE RATE**

How much one \_\_\_\_\_ in terms of the other currency

\_\_\_\_\_ **REQUIRES A SYSTEM FOR EXCHANGING CURRENCIES BECAUSE EVERY COUNTRY DOES NOT USE THE SAME TYPE OF MONEY.**

**CURRENCY EXCHANGE**

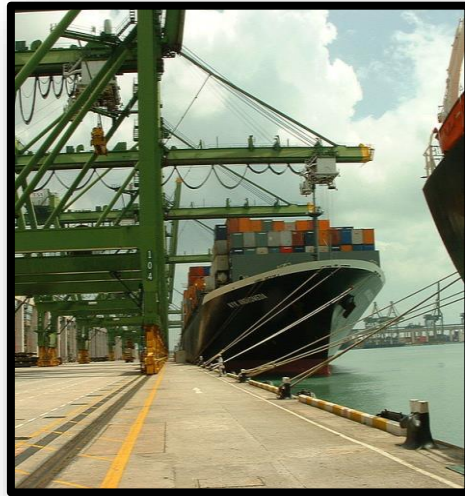


Countries sometimes set up **TRADE BARRIERS** to restrict trade because they want \_\_\_\_\_.



**TARIFF**

+



**QUOTA**

+



**EMBARGO**

BARRIER	DESCRIPTION	EXAMPLE
<b>TARIFF</b>	<ul style="list-style-type: none"> <li>• _____</li> <li>• _____</li> <li>• Drives the price up on foreign goods so that consumers will buy domestic items</li> </ul>	
<b>QUOTA</b>	<ul style="list-style-type: none"> <li>• _____ of imported goods</li> </ul>	
<b>EMBARGO</b>	<ul style="list-style-type: none"> <li>• A complete _____ with another country</li> <li>• Usually for _____ reasons</li> </ul>	

# TRADE BARRIERS