

# What Choices Do I Have?

Keystone Principle #4 – Economic Systems Influence Choices

## Monthly Teaching Theme Student Assessment - Secondary

### I. Vocabulary

Match each word with its definition

- \_\_\_ 1. Consumers
  - \_\_\_ 2. Command economy
  - \_\_\_ 3. Market economy
  - \_\_\_ 4. Producers
  - \_\_\_ 5. Resources
  - \_\_\_ 6. Traditional economy
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- a. An economy that relies on a system of interdependent market prices to allocate goods, services, and productive resources and to coordinate the diverse plans of consumers and producers, all of them pursuing their own self-interest.
  - b. People who use goods and services to satisfy their personal needs and not for resale or in the production of other goods and services.
  - c. The basic kinds of resources used to produce goods and services: land or natural resources, human resources (including labor and entrepreneurship), and capital.
  - d. An economy in which most economic issues of production and distribution are resolved through central planning and control.
  - e. An economy in which customs and habits from the past are used to resolve most economic issues of production and distribution.
  - f. People and firms that use resources to make goods and services.

II. Choose one type of theoretical economic system and describe how it answers the basic economic questions of

- What to produce?
- How to produce?
- For whom to produce?

III. Fill in the chart below.

Type of Economic System (Theoretical)	Who owns the resources?	Who incurs the costs of resource utilization?	Who receives the benefit from resource utilization?

IV. On a separate sheet of paper, create the Circular Flow model.

V. Journal

Discuss at least two of the “non-consumerist” benefits of a free market system.