Name: ______________________ Score: __________

10 Multiple choice questions

Definition

Individuals operating in the market place (consumers and producers) answer the 3 economic questions. Also called Capitalism. Government has no role. This system operated in the US until the Great Depression.

- ○ **Free Market Economic System**
- ○ **Command Economic System**
- ○ **Mixed Economic System**
- ○ **Traditional Economic System**

Definition

a system of government by one person with absolute power.

- ○ **anarchy**
- ○ **Autocracy**
- ○ **Representative Democracy**
- ○ **Federalism**

Definition

The combination of Self Interest and Competition that should work together to regulate the market (not the government).

- ○ **Absolute Democracy**
- ○ **The Invisible Hand**
- ○ **Dictatorship**
- ○ **Constitution**

Definition

Government should not intervene in the marketplace.

- ○ **Incentive**
- ○ **Laissez Faire**
- ○ **Constitution**
- ○ **Dictatorship**

Definition

Service jobs - high level: bankers, lawyers, doctors, teachers, low level: retail, fast food,

- ○ **tertiary economic activity**
- ○ **secondary economic activity**
- ○ **primary economic activity**
- ○ **Quaternary economic activities**

Definition

when people use raw materials to produce or manufacture new products of greater value

- ○ **Quaternary economic activities**
- ○ **tertiary economic activity**
- ○ **primary economic activity**
- ○ **secondary economic activity**

Definition

A system of government in which citizens elect representatives, or leaders, to make decisions about the laws for all the people. This is what the United States has!

- ○ **Autocracy**
- ○ **primary economic activity**
- ○ **Representative Democracy**
- ○ **anarchy**

Definition

A form of government in which the ruler is an absolute dictator (not restricted by a constitution or laws or opposition etc.)

- ○ **Dictatorship**
- ○ **The Invisible Hand**
- ○ **Incentive**
- ○ **Constitution**

Definition

Reward or punishment that influences behavior.

- ○ **Incentive**
- ○ **Dictatorship**
- ○ **Laissez Faire**
- ○ **Constitution**

Definition

(n) a lack of government and law; confusion

- ○ **Incentive**
- ○ **Autocracy**
- ○ **Dictatorship**
- ○ **anarchy**

10 Matching questions

- ☐ Considered the father of Free Market Capitalism. Published "The Wealth of Nations" in 1776
- ☐ Most countries today are mixed systems where individuals, producers, and the government all provide answers to the 3 economic questions
- ☐ A government in which the king or queen has absolute power.
- ☐ A King or Queen is the official head of state but power is limited by a constitution.
- ☐ The way a society produces and distributes goods and services. How they choose to answer the 3 basic questions based on their values as a society.
- ☐ A government controlled by religious leaders
- ☐ a small group of people having control of a country, organization, or institution.
- ☐ Also called a Centrally Planned System or Communism. The government decides the answers to all 3 economic questions
- ☐ Three economic questions are answered by tradition and custom. This type of system is only suitable for small simple societies.
- ☐ Considered the father of Communism. Wrote a book called Das Kapital. He believed that workers were exploited by Capitalists and that private property should be abolished

A. Mixed Economic System
B. Traditional Economic System
C. Command Economic System
D. Adam Smith
E. Absolute Monarchy
F. Economic System
G. Constitutional Monarchy
H. Theocracy
I. Karl Marx
J. Oligarchy