

CAPITALISM

SOCIAL STUDIES

Name: _____

Date: _____

1. Multiple-choice questions

a) What happens to workers in capitalism?

- Workers get wages.
- Workers control the production and sell the goods.
- Workers buy the machines and tools.

b) What is capitalism?

- An economic system where employees own all the factories and tools.
- An economic system where business owners control factories, tools, machines, and materials to produce goods.
- An economic system where the government controls all businesses and resources.

c) What is the role of capitalists?

- They use tools and machines to make goods.
- They organize factories and tools to make products.
- They work as employees and get paid wages.

2. Identify and group together the advantages (pros) and disadvantages (cons) of capitalism.

PROS	CONS

<i>Better use of capital</i>	<i>Lower prices</i>	<i>Owner-worker conflict</i>
<i>Social inequalities</i>	<i>Innovation and invention</i>	<i>Pollution</i>

3. Analyze the following example and answer the questions below.

A person opens a big coffee shop and sells cookies. The person buys machines to make coffee and bake cookies. They employ workers to help serve customers and make the coffee. The person chooses the price based on how much it costs to make the cookies and coffee. The workers are paid wages for their work. The goal is to earn more money by selling the products.

1. Is this an example of capitalism? ____

2. If a person gives coffee and cookies for free because she/he wants to help people, but she/he does not try to make money, is that capitalism? ____

4. True or false

- a. Factories produce goods more quickly and at lower costs. ____
- b. Cities grow because people move to them for jobs. ____
- c. International trade connects only one country to others. ____
- d. Canada and France are countries that use the capitalist system. ____