

Social Studies

Economics

Name: Key

I. U.S and Other Economies

A. Economics

1. System of producing + distributing goods + services
2. today most economies have certain elements in common
 - a.) provide goods and services
 - b.) have producers and consumers
 - c.) driven by supply and demand
 - d.) people barter or exchange goods
 - e.) no longer self - sufficient

B. History of Economics

1. people lived in groups
2. turned into communities
3. led to villages, then cities, and finally nations
4. all worried about scarcity - not having enough
5. governments eventually controlled economies

C. Traditional Economies

1. followed tradition
2. did so because people always had
3. people were self - sufficient - made what they needed in order to live
4. popular in Europe between 500 and 1500 A.D.
 - a. monarchs owned the land
 - b. serfs farmed the land in return for protection
 - c. everyone was fed and given safety
5. some still exist in struggling parts of the world

D. Market Economies

1. people started to specialize - get good at one job
2. then they had to trade for goods and services they needed
3. has sellers and buyers
4. is based on supply and demand
5. people are NOT self - sufficient
6. this type of economy is controlled by the PEOPLE!
7. anyone can start their own business and run it how they like

E. Command Economies

1. everything is owned and controlled by the GOVERNMENT (rulers)!
 - a. what will be produced
 - b. who will work in which industries
 - c. who will be paid what amounts
 - d. who gets the goods produced
 - e. how the products will be produced
2. Soviet Union is an example today