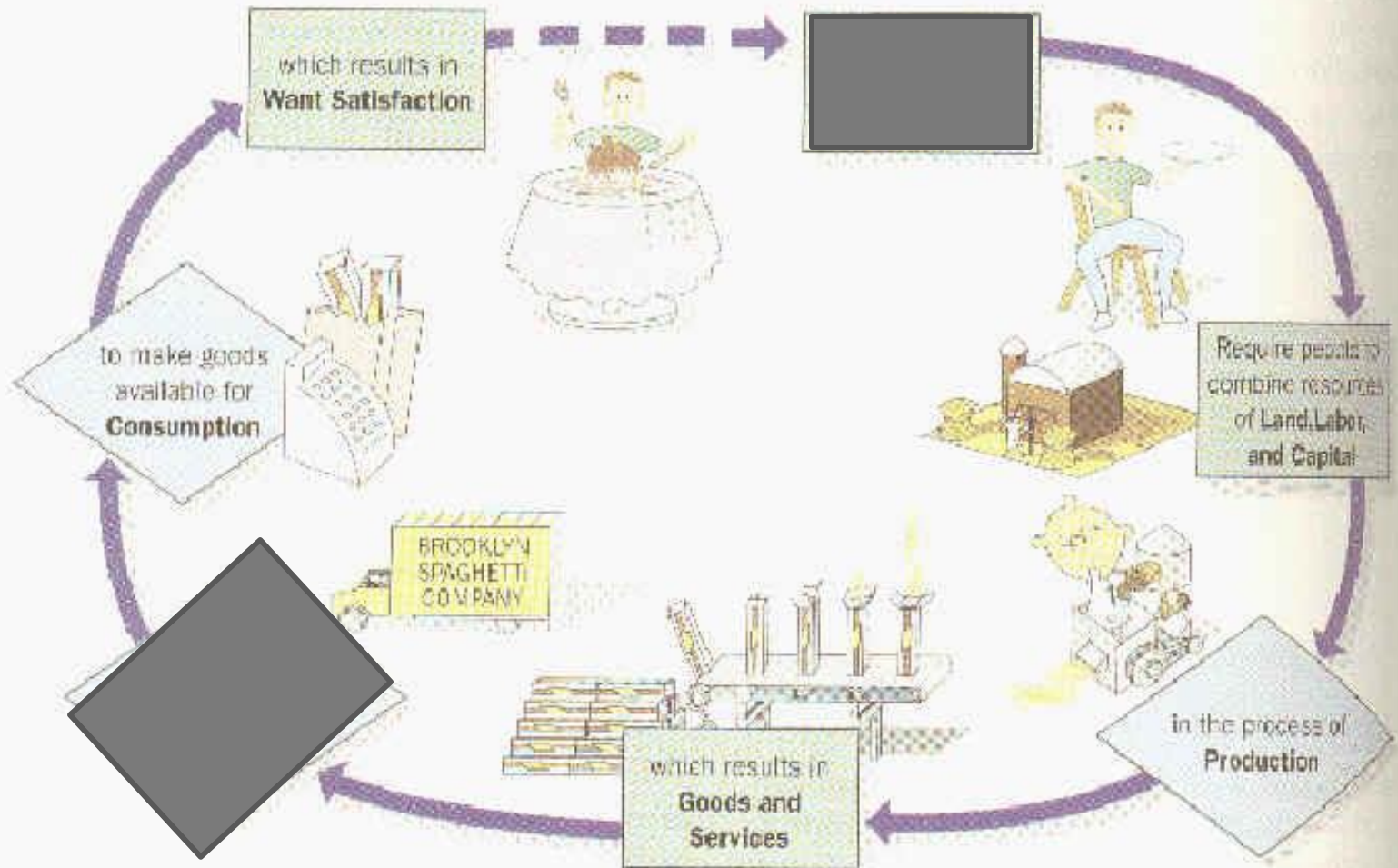


Just Do It!

Take out a piece of paper and answer this question.

What do you think are some of the characteristics of the United States Economy?

WANT-SATISFACTION CHAIN QUESTION



Source: Suzanne Wiggins Hellum, University of Colorado at Denver

ANSWER!

Box #1 is “human wants”

Box #2 is “distribution”

SOL CE.11B

The student will demonstrate knowledge of how economic decisions are made in the marketplace by comparing the differences among traditional, free market, command, and mixed economies.

TODAY'S GUIDING QUESTIONS

What are the basic economic questions all societies must answer?

What are the basic characteristics of traditional, free market, command, and mixed economies?

How does each type of economy answer the three basic questions?

THREE BASIC QUESTIONS...

What will be produced?

Who will produce it?

**For whom will it be
produced?**

WHAT WILL BE PRODUCED?

**Resources are limited.
(Scarcity). The demand of the
consumers defines to the
producers what will be
produced.**



WHO WILL PRODUCE IT?

Products are produced in many different ways demanding different types of production strategies.



FOR WHOM WILL IT BE PRODUCED?

The type of economies determines how the product will be used among the consumers.



FOUR TYPES OF ECONOMIES

Traditional

Free-Market

Command

Mixed



TRADITIONAL ECONOMY

Economic decisions are based on custom and historical precedent.

People often perform the same type of work as their parents and grandparents, regardless of ability or potential.

FREE-MARKET ECONOMY

**Private ownership of
property/resources**

Profit motive

Competition

Consumer sovereignty

Individual choice

**Minimal government involvement in
the economy**

COMMAND ECONOMY

**Central ownership (usually by
government) of
property/resources**

Centrally-planned economy

Lack of consumer choice

MIXED ECONOMY

Individuals and businesses are owners and decision makers for the private sector.

Government is owner and decision maker for the public sector.

Government's role is greater than in a free market economy and less than in a command economy.

Most economies today, including the United States, are mixed economies.

ANOTHER FRAME?!

We are going to work on another Frame graphic organizer like we did a few days ago.

However, this one is on your own.

You will use your notes from the packet and the book to complete your Frame.

Remember it looks like this....

The FRAME Routine

Key Topic

is about...

☐ Main idea

☐ Main idea

☐ Main idea

☐ Main idea

Essential details

Essential details

Essential details

Essential details

So What? (What's important to understand about this?)

We are going to do the first few parts together.

For the first box, labeled “Key Topic” you will write **SOL 11b**

For the box underneath that that says “is about...” you will write “**the basic characteristics of traditional, free market, command, and mixed economies**”

Can you guys guess what will go in the “Main Idea” boxes?

Traditional, Free Market, Command and Mixed

Now fill in some facts about each type of economy. What makes them different from each other? What makes them similar? Give some examples of each one.

Now for your closing activity.

Share with your frame with your neighbor and see what you each came up with!

Remember your 11b quiz is
Thursday!