

The image is a stylized logo for economics. It features a central globe with a green landmass and blue oceans. Behind the globe is a bar chart with five bars of different colors (orange, cyan, purple, green, orange) and a red line graph with an upward-pointing arrow. The entire graphic is enclosed in a grey diamond-shaped frame with a yellow border. At the bottom, a yellow banner contains the word "ECONOMICS" in grey capital letters.

Types of Economics Systems

ECONOMICS

“That’s The Way We’ve Always Done It Ville”

- Economic System → Traditional
- Basic Definition → Answers the basic economic questions according to tradition (things are done as they were in the past based on custom and beliefs, including religious)
- Values → Custom, Traditional Ways and Beliefs

ECONOMICS

“That’s The Way We’ve Always Done It Ville”

- WHAT to Produce? → Traditional items, things that have been produced in the past
- HOW to Produce? → Traditional methods, available resources
- FOR WHOM to Produce? → Your family unit, goods and services distributed by custom or barter

ECONOMICS

“That’s The Way We’ve Always Done It Ville”

- Type of Government → Authoritarian or Democracy
- Examples → Amish, Native Americans



“We Do What We’re Told Ville”

- Economic System → Command
- Basic Definition → Government controls the factors of production and makes all economic decisions; the gov’t can consist of one person or a small group of central planners
- Values → Cooperation, Rewards, Societal Gain, Governmental Decree

ECONOMICS

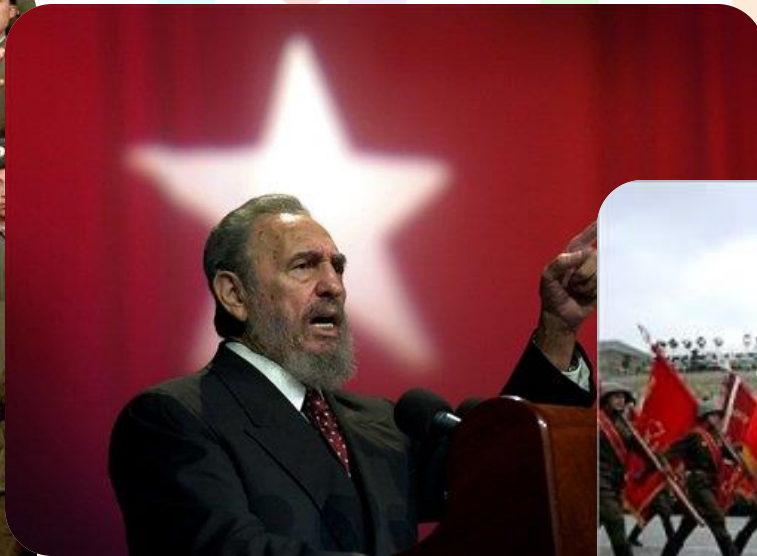
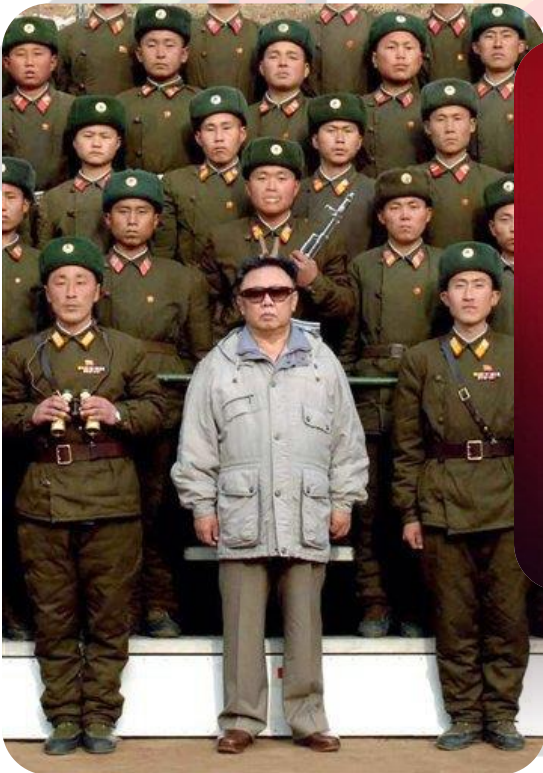
“We Do What We’re Told Ville”

- WHAT to Produce? → Whatever the gov’t has decided is needed
- HOW to Produce? → Method determined by the gov’t
- FOR WHOM to Produce? → Those declared in need by the gov’t

ECONOMICS

“We Do What We’re Told Ville”

- Type of Government → Authoritarian
- Examples → North Korea, Cuba, Soviet Union



“Make As Much As We Want Ville”

- Economic System → Market
- Basic Definition → Individuals own the factors of production (capitalism) and decide the answers to the basic economic questions; producers and consumers make decisions w/out gov't intervention (free enterprise or *laissez faire* [“hands off”])
- Values → Competition, Material Rewards, Self-Gain, Freedom

ECONOMICS

“Make As Much As We Want Ville”



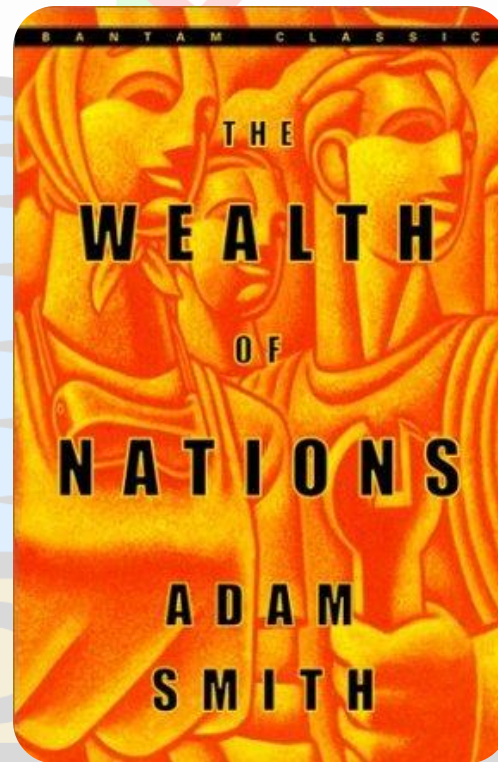
“Make As Much As We Want Ville”

- WHAT to Produce? → Whatever earns the most money, based on supply and demand
- HOW to Produce? → Method determined by competition and profit
- FOR WHOM to Produce? → Whoever pays the most, determined by consumers and producers

ECONOMICS

“Make As Much As We Want Ville”

- Type of Government → Democracy
- Examples → No country has a purely capitalist system



“We Do A Little of Each Ville”

- Economic System → Mixed
- Basic Definition → Contains elements of traditional, command and market systems; gov't intervenes to regulate some areas of business and protect consumers and producers (Keynesian Economics)
- Values → Competition, Material Rewards, Self-Gain, Freedom

ECONOMICS

“We Do A Little of Each Ville”

- WHAT to Produce? → Determined by profit, individuals, tradition, and the gov't
- HOW to Produce? → Determined by profit, individuals, tradition, and the gov't
- FOR WHOM to Produce? → Determined by custom, consumers and producers, and the gov't

ECONOMICS

“We Do A Little of Each Ville”

- Type of Government → Democracy
- Examples → U.S., Great Britain, Canada

