

Economics

Mr. Mace C-10

Text Assignment #2: Economic Systems

Name: _____

Period: _____

1. Does Adam Smith's "Invisible Hand" also function in traditional and command economies? Explain your answer.
2. What effect might mass media have on the erosion of traditional economies in today's world?
3. Most modern economies are a mixture of the three economic systems (Market, Command, Traditional). Identify elements of traditional, command, and market economies in the American economy.
4. What is the relationship between the individual and the state in a communist nation?
5. How do command societies address the problem of scarcity? Illustrate your answer with examples.
6. What are some advantages of market economies?

7. What are some disadvantages of market economies?

8. How do you think the disadvantages of the market economy can be minimized while it's advantages continue to operate?

9. What forces have contributed to the growth of the global economy?

10. Since the fall of communism in the 1990's countries in Eastern Europe and the former Soviet Union have abandoned command economies in favor of market economies. How do you think the economic life in these countries has changed?

11. How do market forces operate in the global economy? Illustrate your answer with examples.

12. What trends are shaping modern economies?