

Different types of economies worksheet.

Answer the following questions:

1. What are the three fundamental problems any economy faces?
2. What does productivity mean?
3. Why do you think subsistence economies tend to have low productivity?
4. Briefly explain how prices are determined by supply and demand.
5. Who would provide education in a free market economy?
6. What does the article mean by “sovereign” consumers?
7. Can you think of any disadvantages of a free market economy?
8. Can you think of any countries that have free market economies?
9. Can you think of any disadvantages of a command economy?
10. Can you think of any countries other than the former USSR countries that might be mixed economies?