

Unit 4 Test Study Guide

11. Who is the chief executive (leader) in a presidential democracy? (Comparing European Gov't Chart)

President

12. Which type of government does the United Kingdom have and what is one of its characteristics?

(Comparing European Gov't Chart)

Parliamentary Democracy - They have a prime minister as their chief executive.

13. Which type of government does Germany have and who is their chief executive (leader)? (Comparing European Gov't Chart)

Parliamentary Democracy - They have a parliament as their legislative body.

14. Which type of government did Russia have before changing to a presidential democracy? (Comparing European Gov't Chart)

Autocracy (Communist gov't)

15. Define the following words: (Basics of Economics Notes/Textbook)

a. Physical capital/Capital goods:

the goods used to make other goods (buildings, machines, technology)

b. Human capital:

People who produce goods or services.

c. Gross domestic product (G.D.P.):

The total value of the final goods and services produced within the borders of a country in one year.

d. Specialization:

When a country focuses on producing the goods and services they can make best and trading for what they are unable to produce.

16. How do imports and exports work in a nation's economy? (Textbook)

Imports - Goods being brought into a country from another place.

Exports - Goods being shipped to another country.

17. Which European country is closer to a market economic system than any other European country?

(European Economies Guided Notes)

The United Kingdom.

18. Explain the event that was a huge set-back to Germany's economy. (European Economies Guided Notes)

The reunification of East + West Germany combined their two economies: command system in the East and market system in the West. Billions of dollars are paid from West to East every year.

19. Before the Soviet Union fell, what type of economic system did Russia have? (European Economies Guided Notes)

Command system

20. What has Russia's economy struggled with since the fall of the Soviet Union? (European Economies Guided Notes)

Upgrading old manufacturing plants and industries to modern, more efficient standards.

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Directions: Use your notes and the textbook to answer each question. Completed study guides are due in class Friday, January 10th. In bold type, the resources are listed where you can find the answers.

1. Which economic system is found in societies where people live the same way and produce the same things that their parents and grandparents did? (**Basics of Economics Notes**)
Traditional economy
2. In which economic system does the government control what is produced and how it is produced and to whom the products are given? (**Basics of Economics Notes**)
Command economy
3. In which economic system are a country's economic decisions based on what individuals and business owners want to buy and sell? (**Basics of Economics Notes**)
Market economy
4. What economic system do most democratic nations have and falls between pure command and pure market? (**European Economies Guided Notes**)
Mixed economy
5. What is the most common economic system today? (**European Economies Guided Notes**)
Mixed economy
6. Define the following words: (**Basics of Economics Notes**)
 - a. Trade barrier:
Restricts trade because countries want to sell their own goods to their own people.
 - b. Embargo:
Forbids trade with another country.
 - c. Quota:
Restrictions on the amount of a good that can be imported into a country.
 - d. Tariff:
Taxes placed on imported goods.
7. What are two differences between a presidential democracy and a parliamentary democracy? (**Democratic Government Venn Diagram**)
Presidential: Head of state + chief executive are the same person; president cannot dissolve congress.
Parliamentary: Head of state + chief executive are two separate people; prime minister can dissolve parliament.
8. How do citizens use their power to influence the government in a democracy? (**Autocracy/Democracy Comparison Chart**)
They use their power through voting.
9. What rights do citizens have in an autocracy? Why? (**Autocracy/Democracy Comparison Chart**)
They have no rights.
10. Who is the chief executive (leader) in a parliamentary democracy? (**Comparing European Gov't Chart**)
Prime Minister