

Economic Systems

7th Grade

Who decides what gets made — and every real country is a mixture.

Every economy answers three questions: what to produce, how, and for whom.

System	Decisions made by	Example
Traditional	custom and habit	subsistence farming
Command	the government	centrally planned economies
Market	buyers and sellers	prices set by supply and demand
Mixed	both, in different sectors	almost every country today

No pure market or pure command economy exists. The real question is where a country sits between them.