

6th Grade– Unit 1, Lesson 8

Please use the following slides to fill
in the blanks on your vocabulary
guide!

economic systems

**different ways that
people use**

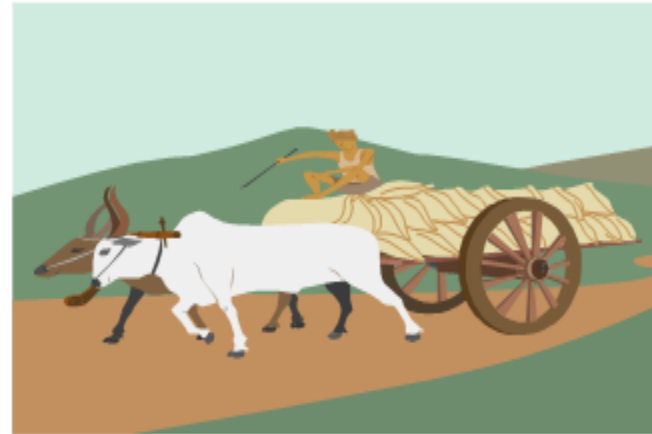
resources to make

and exchange goods and services



Example: Bartering is the oldest economic system in the world.

**traditional
economy**

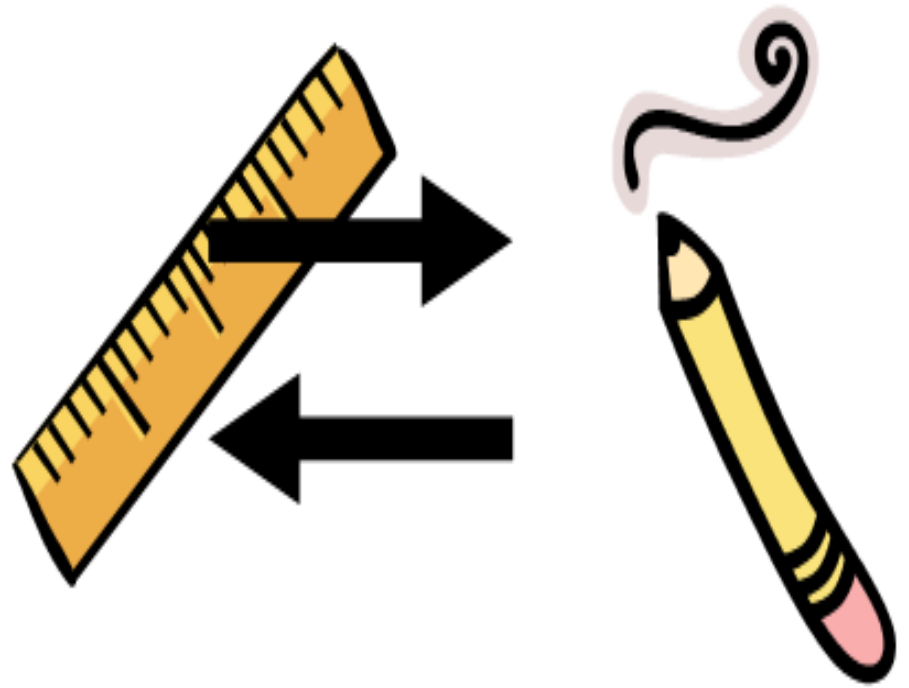


**goods and
services are traded, but money is rarely
exchanged**

Example: A traditional economy is more likely to be in a remote community in which people grow their own food and make their own goods.

barter

to trade



Example: He bartered and traded a pencil for a ruler in the class barter game.

market economy

what is produced and distributed is based on what consumers are willing to buy and the price they will pay



Example: In a market economy, the price people are willing to sell goods for depends on the price people are willing to pay.

command economy



a central authority plans
and controls what is
produced and distributed

Example: In a command economy prices are set by the central authority.

mixed economy



a combination of
command and market economies

Example: In countries with mixed economies, the government may own some industries, while others belong to private owners.

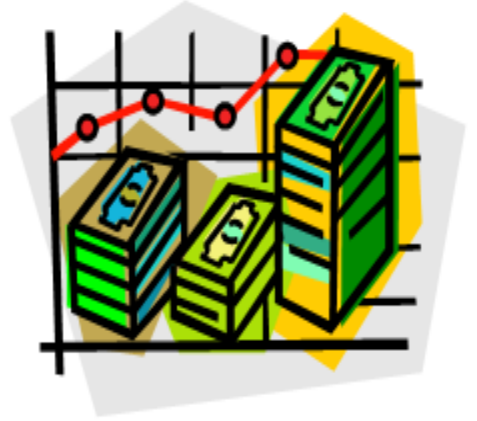
economic indicator



**data that helps to show
the economic condition of a country**

Example: The Gross Domestic Product is an example of an economic indicator.

Gross Domestic Product (GDP)



the total value of all the goods and services produced in an economy in a given year

Example: The Gross Domestic Product is an example of an economic indicator.

Per Capita Income



the amount of money people make in a country, divided by the number of people in the country

Example: In wealthy countries the Per Capita Income is high.

life expectancy



the average life span of a newborn;

expectancy is an indicator of the overall health of a country

life

Example: The higher the life expectancy, the better economic shape a country is in.

Infant mortality



the number of deaths
of infants, one year or younger

Example: The infant mortality rate has |
continued to decline over the past several
years.

literacy



the ability to read and
write

Example: Literacy is important because it affects people's ability to prepare for and hold jobs.

developing countries



**countries with less
productive economies
and a lower quality of life**

Example: Almost two-thirds of the people in the world live in developing countries.

developed countries

**countries with strong
economies and a high
quality of life**



Example: Developed countries like the United States and Germany have a higher per capita GDP and high levels of industrialization.