

Identify the following pictures as traditional, command, and market economies:

1



2



3



**SS7E1c: The student will compare and contrast the economic systems found in South Africa and Nigeria.**



What to Produce	How to Produce	For Whom
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**What to Produce**

**How to Produce**

**For Whom**

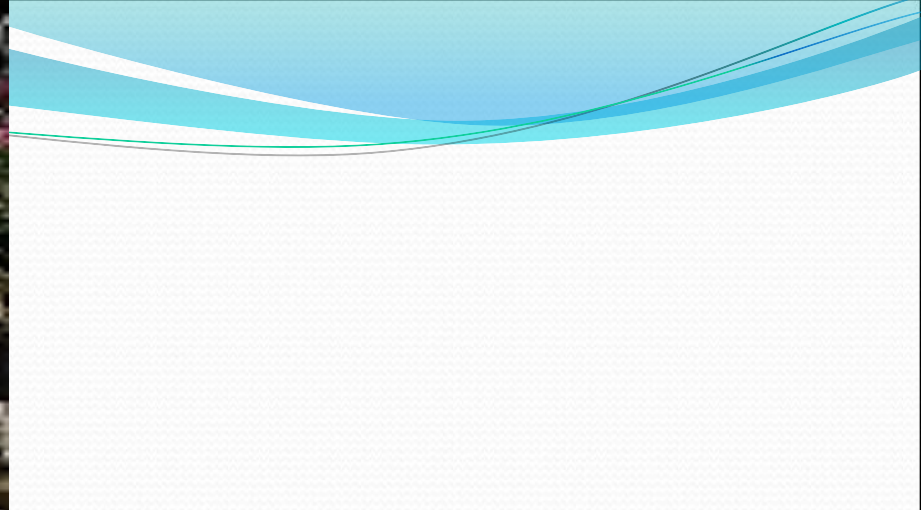
**Traditional**



# What is a traditional economy?

- This system is found in agricultural societies where people live the same way their parents and grandparents did.
- Found in some areas of Africa, Asia, & South America
- Produce what they need to survive by farming or hunting and gathering
- Make their own products
  - Clothing
  - Tools
  - Trade extra food or items with others in their society





# Is this what your foldable looks like?

## What to Produce

What people need to survive

## How to Produce

Farming, hunting, gathering

## For Whom

Make their own products

# Traditional



**What to Produce**

**How to Produce**

**For Whom**

**Command**

# What is a command economy?

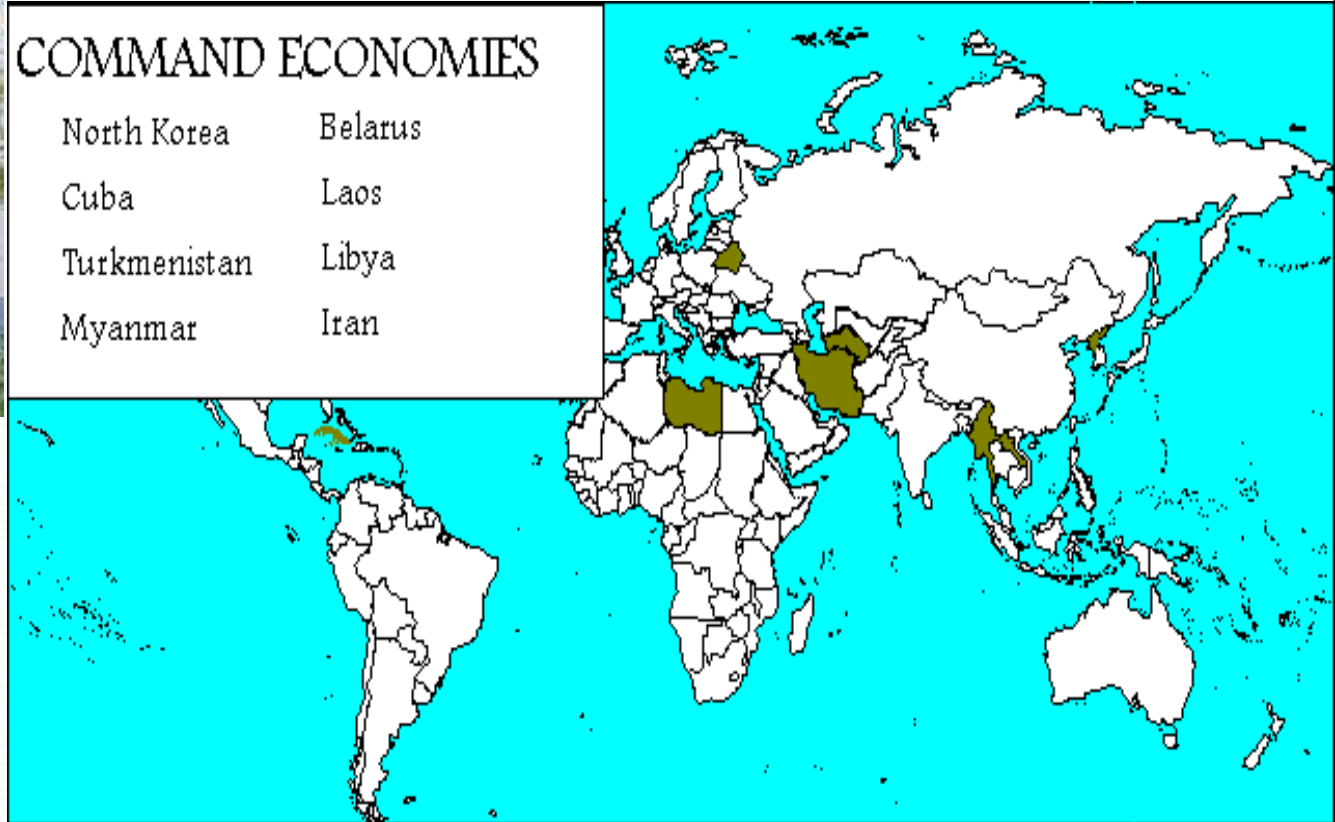
- Government controls what is produced and how it is produced
- Government owns the resources
- Government decides who gets the products
- Decisions about who gets the products may be based on:
  - Class
  - Reward system
  - Simply by waiting in line
- Example: North Korea





## COMMAND ECONOMIES

North Korea	Belarus
Cuba	Laos
Turkmenistan	Libya
Myanmar	Iran



# Is this what your foldable looks like?

What to Produce

Whatever government decides

How to Produce

However government decides

For Whom

Class reward system  
waiting in line

**Command**



# What is a market economy?

- Economic decisions are based on what its people want to buy and sell
- Businesses can be owned by individuals who produce what they want
- Producers make products in a cost effective manner
  - This ensures a profit
- Supply and demand for a good or service determines what to produce and how to produce it
- Who gets the product?
  - Determined by how much a person can afford to pay for it
- Example: United States

ALWAYS COOL



*Aéropostale*

**OLD NAVY**





# Is this what your foldable looks like?

## What to Produce

What people want to buy and sell

## How to Produce

Supply and demand

## For Whom

Determined by how much a person wants to pay for it

# Market

# Is this what your foldable looks like?

Definition

What two countries in Africa  
have a mixed economy?

**Mixed**



# What is a mixed economy?

- A mixed economy contains elements of the traditional, command, and market economies.
- Two of Africa's countries have mixed economies.
  - South Africa
  - Nigeria

# Is this what your foldable looks like?

## Definition

What people want to buy and sell

## What two countries in Africa have a mixed economy?

1. South Africa
2. Nigeria

**Mixed**



# Add this table to the last sheet of your flipbook:

	South Africa	Nigeria
Type of economy		
Main exports		
GDP per capita		
Unemployment rate		

# Type of Economy

## South Africa

- A technologically advanced market economy with some government control; one of the strongest economies

## Nigeria

- Poorly organized economy after a long period of military dictatorship and corruption; now trying to reorganize with more private enterprise allowed; want to be able to take advantage of strong world oil market.



# Goods Produced

## South Africa

- Mining (platinum, diamonds, and gold)
- Automobile assembly
- Machinery
- Textiles
- Iron and steel chemicals
- Fertilizer

## Nigeria

- Oil and petrochemical are the primary market goods
- Nigeria once exported food and other agricultural products but now must import them

# Leading Exports

## South Africa

- Gold,
- Diamonds,
- Platinum,
- Other minerals,
- Machinery and equipment

## Nigeria

- Oil,
- Petrochemical products



# GDP per capita

## South Africa

- \$9,800

## Nigeria

- \$2,000

**GDP: GROSS DOMESTIC PRODUCT**

### **GDP per capita:**

The total amount of goods and services produced within a country per year.

# Unemployment Rate

## South Africa

- 24%

## Nigeria

- 4.9%

- Which country's unemployment rate is higher?
- How could this impact the people of the country?



Identify the following pictures as traditional, command, and market economies:

1



2



3





- Now that you have identified each picture, explain why you made the choice you made.

– Example Answers:

- The first picture is an example of a \_\_\_\_\_ economy because it shows \_\_\_\_\_.
- A \_\_\_\_\_ economy is defined as \_\_\_\_\_. This matches the first picture because \_\_\_\_\_.