

Name:

**Seventh Grade Social Studies  
Governments and Economies of Southwest Asia – 2019  
Study Guide**

**SS7E4 Analyze different economic systems.**

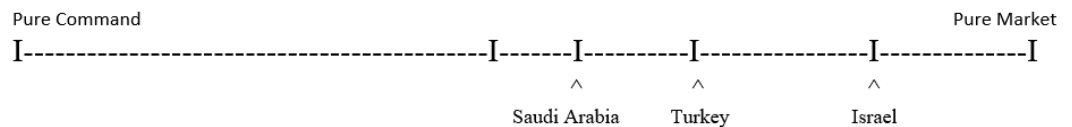
a. Compare how traditional, command, and market economies answer the economic questions of 1-what to produce, 2-how to produce, and 3-for whom to produce.

1. Explain the following:

- a) traditional economy-
- b) command economy-
- c) market economy-

b. Explain that countries have a mixed economic system located on a continuum between pure market and pure command.

Use the continuum below to answer the next two questions:



2. Explain why Saudi Arabia falls where it does on the continuum.

c. Compare and contrast the economic systems in Israel, Saudi Arabia, and Turkey.

3. What kind of economy does Israel have? Explain.

4. Compare and contrast Saudi Arabia's economy to Israel's economy. 2-3 sentences.

**SS7E5 Explain how voluntary trade benefits buyers and sellers in Southwest Asia (Middle East).**

a. Explain how specialization encourages trade between countries.

5. A country has an abundance of oil and they spend lots of money investing in human capital and capital goods to produce it. They do not spend a lot of money on other goods and services. Instead, they trade to get what else they want and need. What is this called?

6. How does specialization encourage trade between countries?

b. Compare and contrast different types of trade barriers, such as tariffs, quotas, and embargoes.

7. How could a high tariff on imported wheat help the people in the country charging the tariff?

8. What is a quota?

	<p>9. Voluntary trade _____ the economies of both countries involved.</p> <p>10. During the 1973 Arab-Israeli war, Arab members of OPEC refused to sell oil to the United States and other countries because they were supporting Israel. This decision caused an oil crisis in the US. Which trade barrier did OPEC use to punish the United States in this war?</p>									
c. Explain why international trade requires a system for exchanging currencies between nations.	11. Amir lives in Saudi Arabia, but he plans to travel to Syria. In order to ensure that he can pay for things in Syria, what does he need to do before leaving the country?									
d. Explain the primary function of the Organization of Petroleum Exporting Countries (OPEC).	12. Why does OPEC play such a powerful role in the world economy today?									
<p><b>SS7E6 Describe factors that influence economic growth and examine their presence or absence in Israel, Saudi Arabia, and Turkey.</b></p> <p>a. Evaluate how literacy rates affect the standard of living.</p>	<p style="text-align: center;"><b>Saudi Arabia</b></p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Year</th> <th>Literacy Rate</th> <th>% of GDP spent on education</th> </tr> </thead> <tbody> <tr> <td>1980</td> <td>48%</td> <td>3.89</td> </tr> <tr> <td>2009</td> <td>78%</td> <td>5.14</td> </tr> </tbody> </table> <p>13. Saudi Arabia's literacy rate increased from approximately 48% in 1980 to over 78% by 2009. What would explain this?</p>	Year	Literacy Rate	% of GDP spent on education	1980	48%	3.89	2009	78%	5.14
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b. Explain the relationship between investment in human capital (education and training) and gross domestic product (GDP per capita).	<p>14. According to Israel's chairman of the Innovation Authority, "the gap between what companies need and the number of engineers is growing every year and today we're seeing a gap amounting to thousands of engineers." What does Israel need to do to solve this problem?</p> <p>15. What is the relationship between education and training in a country and the country's gross domestic product (GDP)?</p>									
c. Explain the relationship between investment in capital goods (factories, machinery, and technology) and gross domestic product (GDP per capita).	16. How does investing in capital goods help improve a country's GDP?									
d. Explain how the distribution of oil has affected the development of Southwest Asia (Middle East).	17. Some countries in SW Asia have experienced great economic _____ since they have more oil than surrounding nations.									
e. Describe the role of entrepreneurship.	18. How does an entrepreneur participate in an economy? What things do they bring together?									

Quizz Code for practice: