

GUIDED READING Activity 2-2

For use with the textbook pages 40–44

CHARACTERISTICS OF THE AMERICAN ECONOMY

RECALLING THE FACTS

Directions: Use the information in your textbook to answer the questions.

1. What are the six major characteristics of a pure market economy?

- a. _____
- b. _____
- c. _____
- d. _____
- e. _____
- f. _____

2. What is a pure capitalistic system?

3. How can capitalism best be described in the United States today?

4. What do individuals own and control under a free enterprise system?

5. How does the government in the United States limit choices in order to protect buyers?

6. What is profit?

7. Why is the principal of private property important for capitalism?

8. What are the effects of competition?
