

CHAPTER 6

To what extent do different economic systems affect quality of life?

economics: the study of the production, distribution and consumption of goods and services

economic system: the way a society organizes the production, distribution and consumption of goods and services

Imagine that you are in charge of all the income for your home each month. What factors will you consider in deciding how the money will be spent? Maybe there isn't enough money to get what everyone needs to support the quality of life they want. Most likely, each person in your home will have their own views on how to spend the money — and that will create issues that you will need to explore and debate.

Economics is about decisions like that. It's about what to create, grow, eat, sell and buy, and how to respond to the different needs of people in society. It affects the incomes people make, the jobs they have, and the taxes they pay to the government.

This chapter investigates the **economic systems** of Canada and of Canada's major economic partner, the United States. It explores the values that shape these systems, and how they are different and the same. As you work through the chapter, look for the issues that arise from economic decision making, and how these affect citizenship, identity and quality of life for individuals and groups in society.

FOCUS QUESTIONS

- What values shape the mixed and market economies of Canada and the United States?
- How do economic decisions about scarcity, supply and demand, and competition affect individuals and groups?

Stores contain products for sale. The products are manufactured and shipped to the store, and the costs of their manufacture and shipping are included in their price. **Think critically:** What else might influence decisions about the price of products? How are decisions made concerning what products to manufacture? How do these decisions affect your quality of life?



Based on the photographs below, what does economic decision making mean for Canadians?



Many young people train for jobs in Canada's economy, like these two automotive students. **Think critically: How does economic decision making affect the jobs available to you and your family?**



The Canadian Museum of Civilization preserves and promotes the heritage of Canada through collections, research and public information. It is a Crown corporation — a company owned by Canada's government. **Think critically: Why might Canada's government own a company? How might economic decision making and identity connect?**



This photo shows a tourist taking a picture of the city of Detroit in the United States from the city of Windsor in Canada. The cities face each other across the Detroit River and are connected by a bridge. This chapter explores how the economies of these separate, but connected, places are the same and different.