

Capitalism and Economic Freedom

Explain or give examples of the five main characteristics of capitalism or a free enterprise economy in the box to the right of the term.

Economic Freedom	
Voluntary Exchange	
Private Property Rights	
Profit Motive	
Competition	

What do entrepreneurs do in a capitalist economy?

Many entrepreneurs fail, but according to your text, are still important to a free enterprise economy. Why is this?

How do consumers influence what is produced?

What is the idea of **consumer sovereignty**?

Explain or give examples of the four main roles of government in a capitalist system in the box to the right of the term.

Protector	
Provider and Consumer	
Regulator	
Promoter of National Goals	

What is a **mixed** or **modified private enterprise economy**?