NAME: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Due Date: \_\_\_\_\_\_\_\_\_\_\_\_\_

**STUDY GUIDE for Government/Economics of Southwest Asia**

Define the following terms:

1. Autocracy: government in which one person has uncontrolled or unlimited authority over others
2. Oligarchy: government by a small group of people
3. Democracy: the supreme power is vested in the people and exercised by them directly or indirectly
4. Theocracy: a government ruled by religious leaders who claim God’s authority
5. Presidential democracy: a political system in which voters separately choose a leader to serve in the government as head of the executive branch
6. Parliamentary democracy: a form of government in which voters elect representatives to a lawmaking body, which then chooses the leader; head of government is a part of the legislative branch
7. Command economy: government decides what is produced, who receives goods and services, and how things are produced

Examples: North Korea and Cuba are close to pure command.

1. Market economy: consumers and producers determine what’s produced, who receives goods/services, and how things are produced (supply and demand). Also called “capitalism” or “free market” – encourages entrepreneurs (creators of new businesses)
2. Mixed economy: when a country combines elements of market and command systems (and sometimes traditional elements as well) \*Most societies fall under this category, including ours!)

Part 2

1. Israel:
	1. Type of government: Parliamentary Democracy
	2. Title and name of current leader: Prime Minister Benjamin Netanyahu
2. Iran:
	1. Type of government: Theocracy (Islamic Republic)
	2. Title and name of current leader: Ayatollah Ali Khamenei and President Hasan Ruhani
3. Saudi Arabia
	1. Type of government: Absolute Monarchy
	2. Title and name of current leader: King Salman

Part 3

1. What does OPEC stand for and what does it do?
	1. Organization of the Petroleum Exporting Countries – decides how much oil to produce and the price

Part 4

1. Turkey’s primary industries: textiles, steel, and cars
2. Israel’s primary industries: high-tech manufacturing (aviation, computer), financial services, timber, agriculture
3. Saudi Arabia’s primary industries: world’s leading producer of oil

Draw and place Turkey, Israel, and Saudi Arabia on the economic continuum below:



Part 5: Understand the meaning of diversification.

Definition of Diversification: an economy that depends on a variety of goods and services for income (instead of just one

What is its purpose? The purpose of diversification is to make a country’s economy sustainable (long-lasting).

Why do particular countries in the Middle East need to focus on it? Too many countries’ economies depend only on oil which is a non-renewable resource that will eventually run out.

How would it look in action? A country could diversify by having more than one industry, such as tourism, clothing, agriculture, and manufacturing.