

- What are the advantages and disadvantages of the major economics systems

Traditional

- Citizens know what is expected of them
- Family and community ties are generally very strong
- Economic equality among citizens
- efficient
- Change is discouraged
- Methods of production are often inefficient
- Choices among goods are rare
- Lack of freedom/personal gain

Command

- Speed of which resources can be produced
- Economic equality
- Prioritizes social welfare over profit
- Can prevent abuse of private business power
- No innovation/entrepreneurship
- Lack of competition
- Lack of freedom/personal gain
- Inefficient allocation of resources

Market

- Freedom of choice
- Competition leads to very efficient use of resources
- Fair costs of good (supply and demand)
- Leaves behind those unable to participate
- Leads to economics inequality

mixed

- Lessen the amount of government control and regulation found in command economies
- Most industries and business can be left to control the factors of production. These private businesses are more likely to be more efficient compared to firms controlled by the government as they have profit incentive for cutting costs and being innovative
- Allows for market forces that can lead to inefficient allocation and inequality of resources
- Difficult to identify exactly where government intervention is needed

Government control

0

100%



Mixed economies

USA UK France Russia China