

**Do Now****Comparison of Market Economies and Command Economies**

	Market Economy	Command Economy
Ownership	All property, including the means of production, is privately owned.	The government owns the means of production, distribution, and exchange.
Economic decisions	Private businesses and individuals are free from public control so that they can make basic economic decisions, including what, where, how much, and at what prices goods will be produced.	Government officials make all basic economic decisions, such as what will be produced, when, and where.
Market controls	Prices are determined by supply and demand. Competition promotes high quality and low prices.	The government plans the economy. There is limited production of consumer goods and an emphasis on industrial growth.

The following questions are based on the Chart above.

1. Which economy does the US and other capitalist countries have?
2. Which economy did the USSR and other communist countries have?
3. Based on the chart, what is a disadvantage of a command economy?
4. What is one advantage of a command economy?