

Command or Centrally Planned Economy (Socialism)

Name _____

Daily Warm-Ups: American Government

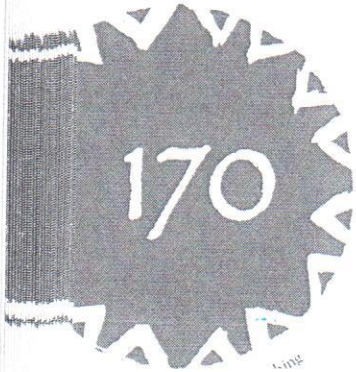
The command or centrally planned economy was a dominant feature of Communist countries. Most of these countries now have mixed economies. However, some retain strong command or socialist features.

The terms in the box refer to the command economy. Use them to answer the questions below. Write the appropriate term on the line.

central planning	need
common good	state

1. Who owns the means of production? _____
2. What is the motivation for production? _____
3. What is the basis for deciding what to produce, and how much to produce?

4. What is the role of government? _____



Versus Centrally Planned

Free market and centrally planned economic approaches are both used to claim to achieve the greatest economic growth. Both systems both have benefits and drawbacks.

In the chart below, outline the benefits and drawbacks of each system in its pure form.

	Free Market Economy	Centrally Planned Economy
Benefits		
Drawbacks		

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