

Attachment A: Economic Systems

Free Market	Command Economy	Mixed Economy
Free market economy is characterized by private ownership of property/resources, profit, competition, consumer sovereignty, and individual choice.	A command economy is characterized by central ownership of property/resources, centrally planned economy, and lack of consumer choice.	Individuals and businesses make decisions for the private sector.
Adam Smith was one of the founders of free-market capitalism.	Karl Marx provided the ideological foundation for communist/centrally-planned economies.	Government makes decisions for the public sector.
		Government's role is greater than in a free-market economy.
		Most economies today are mixed economies.