



Warm-Up:

- What are the differences between capitalism and communism?
- Which society do we live in?
- Which would you want to live in? Why?

Capitalism



- An economic and political system in which a country's trade and industry are controlled by **private owners** for *profit*.

Basics of Capitalism:

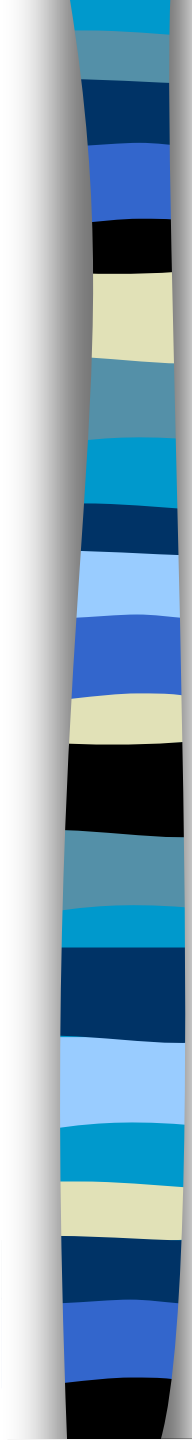
- Capitalism is said to promote **economic growth** and the overall **standard of living**.
- In other words, capitalism creates **CAPITAL** (*money*) ...and lots of it.





Basics of Capitalism:

- Buyers (people) influence the market through their demand and ability to purchase goods and services. There is **very little government intervention**.
- Producers (businesses) are motivated by **profit** (money) and therefore create whatever goods people will buy.
- In other words, the businesses run the economy, the government stays out of it!



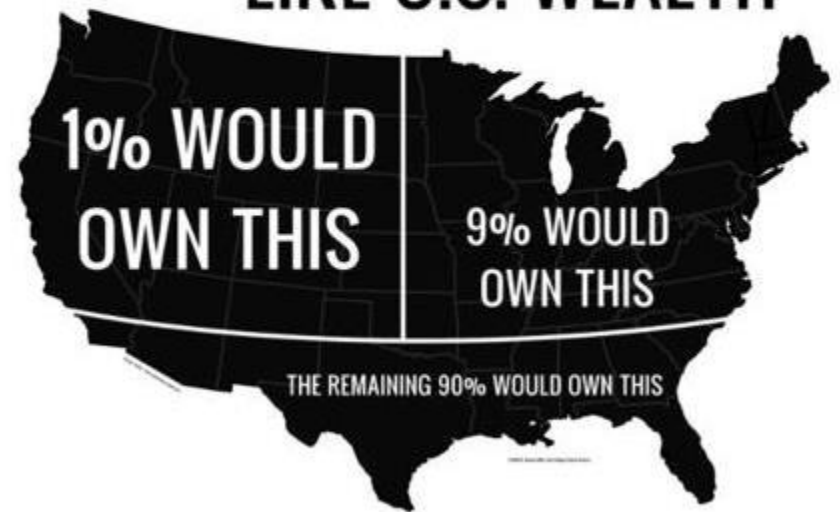
What is the problem with Capitalism that you just experienced?!

- How can we fix the fact that a few people have ALL the candy?

Problems with Capitalism:

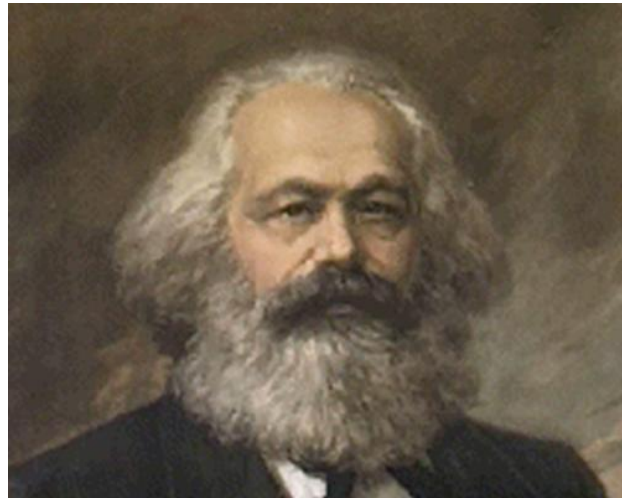
- There is a **growing gap** between the rich and the poor. The rich get richer and the people who work for them remain poor.

IF U.S. LAND WERE DIVIDED
LIKE U.S. WEALTH



What is Communism?

- **Communism** - a government where people shared work fairly and were paid equally.
- The word “Communism” comes from the Latin word “Communis” which means common or belonging to all.



Karl Marx – Wrote
the *Communist
Manifesto*

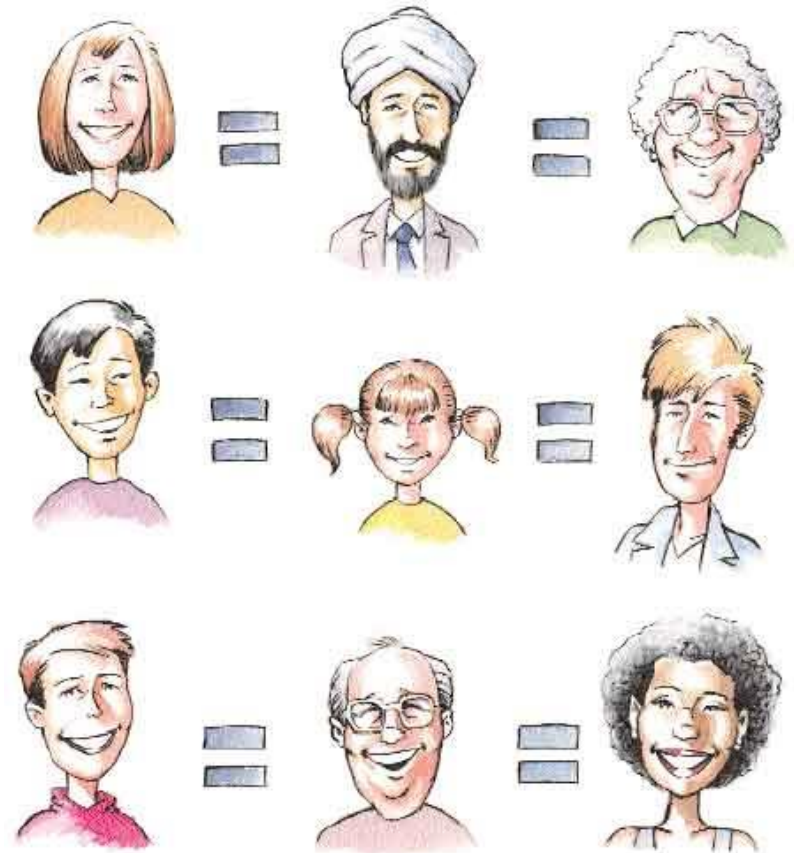
The Beliefs of Communism

- The rich get **richer**.
- The poor get **poorer**.
- People wanted to make everything **equal**.



The Goal of Communism

- **Goal:** to get rid of social classes and make everything fair for everyone.



Problems with Communism:

- Lack of individuality
- Lack of **choice**
- Equal treatment for all, even if you work harder than all the rest

