

Economic Systems

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Although economists identify just two major economic systems, market and command, in reality, most economies fall somewhere in between the two. Some economies lean more toward a market system while some lean more toward a command system.

In a market-oriented system, most of the decisions in the economy about what to produce, how to produce it, and who receives it are made by private individuals and firms. On the other hand, in a command economy, government officials make most of the decisions regarding what and how much to produce, how to produce it, and who receives it.

A number of real world economies have been selected below to provide examples of different economic systems. Move the sliders to view indicators of each country's economic health and standard of living. As you look at the information about each nation's economy, which economic system do you think best serves its people?