

SORT IT OUT: COMMUNISM OR CAPITALISM?

Purpose

Review some of the main characteristics of capitalism and communism so that you have a solid foundation as you learn more about the Cold War.

Process

1. Determine whether each economic system characteristic is connected to communism or capitalism. Write a **COM** next to those you think represent communism, and a **CAP** next to those you think represent capitalism. (Alternatively, your teacher may have you sort the characteristics on [this Google slide](#).)

| | | | |
|---|---|--|---|
| Communal ownership over land/enterprise | Belief in “laissez faire” (non-interference by government in the economy) | Individuals follow their own self-interest | Equal distribution of wealth |
| People individually own their land and businesses | Businesses compete to provide better goods and services at lower prices | Multiple social classes in society | Heavily influenced by the writings of Karl Marx |
| Classless society (no social classes) | Intensive state control of trade and industry | Heavily influenced by the writings of Adam Smith | Equal distribution of resources |

2. Using the characteristics above to guide you, write a definition for each economic system on the next page.

SORT IT OUT: COMMUNISM OR CAPITALISM?

- Communism is an economic system in which:



- Capitalism is an economic system in which:

