

Social Studies 30
Topic A - Political and Economic Systems, Theme II: Economic Systems
Student Activity: "The Spectrum of Economic Philosophies"

INTRODUCTION

As you study economic systems you will discover that there are many economic ideas and applications of those ideas from which a nation may choose. Many words and phrases are used to describe the various positions on the economic spectrum. This activity will help you organize some of the terminology you need to know regarding economic spectrums, and provide you with a reference source as you proceed through this course.

INSTRUCTIONS

For this activity, you are to work _____ . On the spectrum below, some words or phrases have been left out. Below the spectrum are the missing phrases. Place each phrase or word in its correct place in each row.

A Spectrum of Economic Philosophies

Row A

Row B

Row C

Row D

Row E

Row F

			Price System
	Mixed Economy		Invisible Hand Philosophy
	Planned Economy		19th century liberalism
			Individualism
	Common Good		Individual Initiative

Row A
Left
Right
Centre

Row B
Private Direction
Public Direction

Row C
Centrally Planned Economy
Laissez-Faire Economics
Free Market Economy
Command Economy
Free Enterprise

Row D
Socialism
Capitalism
Communism
Welfare Capitalism

Row E
Individualist
Interventionist

Row F
Collectivism
Social Welfare
Personal Welfare

Social Studies 30

Topic A - Political and Economic Systems, Theme II: Economic Systems
Student Activity: "The Values Underlying Economics"

INTRODUCTION

After having examined the two basic economic systems (the free market economy and the centrally-planned economy) and the variations on them, you should be able to recognize some of the values that underlie each of these systems. It is important to remember that while these values appear to be in competition, often they are not.

INSTRUCTIONS

Below are two columns, each identified by one of the two basic (or model) economic systems. Following the columns is a list of some of the values underlying each model economic system. Place each value under the appropriate heading.

Centrally-Planned Economy

Free Market Economy

Values:

self-interest
 social welfare
 cooperativeness
 personal material welfare
 public service
 individualism

empathy
 personal material welfare
 stability
 self-reliance
 self-advancement
 communal prosperity

equality
 national good
 competitiveness
 collectivism
 public service
 individual prosperity

1. Did you find that some of the terms could fit in both columns? To reveal how values and beliefs may appear to conflict, respond to the following question.

Why would both Adam Smith and Karl Marx view their respective ideal economic system as each ensuring **both** the collective welfare and personal self-advancement? If they both agree on these goals, on what points do they disagree?
