Chapter 5  Economics lesson tied with forms of government

Communism
Capital belongs in the hands of the government.
Give examples using students

Vs.

Capitalism
Capital belongs in the hands of the people.
Give examples using students.

Communism example:

John and Andy work at the same factory. John produces 100 widgets in a day while Andy produces 500. Both John and Andy get paid the same amount. What will happen? Andy will come in the next day and produce 100 widgets and John produces 50. They both get paid the same. This creates product stagnation, because there is no desire by the workers to produce widgets.

Bob is an employee and makes a set wage, every two weeks he gets a pay check. Susie creates her owns a big business and earns a great deal of wealth from her profits. Dan is a small business owner and makes a comfortable living off of his profits. Todd simply does nothing for some reason or another. The government will take the money earned by the 3 with jobs and spread it out evenly amongst the people.

Both examples of communism show the governments attempts to create equality amongst everyone. There is no class system, no rich, no poor, all are the same financially, thus promoting equality.

My capitalism examples were the complete opposites as the previous ones. Capitalism exemplifies the people’s choice in what they want to do with the money. I also explain why in a capitalistic nation it is O.K. to be taxed, I do not elaborate on this topic until later in the year.