

Economic Systems Comparison Tool

Compare capitalism, socialism, and mixed economies across multiple dimensions

Capitalism (Market Economy)

Example: Singapore

Resource ownership: 85% private | Max tax rate: 22%

RESOURCE OWNERSHIP

85% private ownership

PRICE MECHANISM

Market-determined prices

GOVERNMENT ROLE

Minimal regulation, low taxes

PROPERTY RIGHTS

Very strong legal protections

BUSINESS STARTUP

\$300, 1 day processing

CAREER FREEDOM

Complete - choose any job, negotiate salary

INVESTMENT OPTIONS

Unrestricted - stocks, bonds, real estate, businesses

Socialism (Command Economy)

Example: Cuba

Resource ownership: 90% government | Private investment: Prohibited

RESOURCE OWNERSHIP

90% government ownership

PRICE MECHANISM

Government-set prices

GOVERNMENT ROLE

Controls production, employment, distribution

PROPERTY RIGHTS

Weak - government can nationalize

BUSINESS STARTUP

Prohibited for most industries

CAREER FREEDOM

Limited - government assigns jobs

INVESTMENT OPTIONS

None - private investment illegal

Mixed Economy

Example: United States

Resource ownership: 75% private | Tax rate: ~28% average

RESOURCE OWNERSHIP

75% private, 25% government/regulated

PRICE MECHANISM

Mostly market, some government intervention

GOVERNMENT ROLE

Provides public goods, regulates, redistributes

PROPERTY RIGHTS

Strong but regulated (zoning, environmental)

BUSINESS STARTUP

\$2,000-\$10,000, weeks to months

CAREER FREEDOM

High - choose jobs, negotiate pay freely

INVESTMENT OPTIONS

Extensive - stocks, bonds, real estate, retirement accounts

Typical Economic Outcomes

\$65K / \$9.5K /

\$70K

GDP Per Capita (Cap / Soc /
Mix)

0.46 / 0.25 /

0.41

Gini Inequality Index

5-8% / 1-2% /

2-3%

Annual Economic Growth

High / None /

High

Entrepreneurship Rate

Explore by Dimension

Career Freedom

Investment

Safety Net

Entrepreneurship

CAPITALISM

Complete freedom to choose any job, negotiate salary, change careers. Performance determines income. Top 20% of marketers earn \$150,000+ within 10 years.

SOCIALISM

Government assigns jobs. Salary fixed at \$800/month, non-negotiable. Advancement based on seniority and political connections, not performance.

MIXED ECONOMY

High freedom with some protections. Can negotiate salary (\$50K-\$85K range). Anti-discrimination laws apply. Top performers earn \$120,000+ in 10 years.

Historical Comparisons

East Germany vs. West Germany (1945-1990)

Same culture, language, history - divided after WWII. East: Socialist. West: Capitalist.

3x

West German income vs East

4x

West German productivity

North Korea vs. South Korea (1950-present)

Same ethnic background, divided after Korean War.

\$35,000

South Korea GDP per capita

\$1,800

North Korea GDP per capita

Venezuela vs. Chile (2000-present)

Both resource-rich South American countries with different economic paths.

+200%

Chile GDP growth (market)

-75%

Venezuela GDP decline (socialist)