

The Differences between Communism and Socialism

The main difference is that under communism, most property and economic resources are owned and controlled by the state (rather than individual citizens); under socialism, all citizens share equally in economic resources as allocated by a democratically-elected government.

Communism vs. Socialism		
Attribute	Communism	Socialism
Basic Philosophy	From each according to his ability, to each according to his needs.	From each according to his ability, to each according to his contribution.
Economy Planned By	Central government	Central government
Ownership of Economic Resources	All economic resources are publicly owned and controlled by the government. Individuals hold no personal property or assets.	Individuals own personal property but all industrial and production capacity is communally owned and managed by a democratically elected government.
Distribution of Economic Production	Production is intended to meet all basic human needs and is distributed to the people at no charge.	Production is intended to meet individual and societal needs and distributed according to individual ability and contribution.
Class Distinction	Class is abolished. The ability to earn more than other workers is almost nonexistent.	Classes exist but differences are diminished. It is possible for some people to earn more than others.
Religion	Religion is effectively abolished.	Freedom of religion is allowed.

Key Similarities

Communism and socialism both grew out of grass-roots opposition to the exploitation of workers by wealthy businesses during the Industrial Revolution. Both assume that all goods and services will be produced by government-controlled institutions or collective organizations rather than by privately-owned businesses. In addition, the central government is mainly responsible for all aspects of economic planning, including matters of supply and demand.

Key Differences

Under communism, the people are compensated or provided for based on their needs. In a pure communist society, the government provides most or all food, clothing, housing and other necessities based on what it considers to be the needs of the people. Socialism is based on the premise the people will be compensated based on their level of individual contribution to the economy. Effort and innovation are thus rewarded under socialism.