

Name M [redacted] Per 1 Date _____

Writer's Notebook

Economics Systems Unit – Ms. Thiebes

Market system

- Capitalism
- Free enterprise
- Individual liberty

Command system

- Central planning
- Economic control
- State
- Public
- Taxes

TASK

Every society operates with a mixed economic system that combines the influences of market and command systems to form a functioning system of economy and government. What combination of market and command systems do you believe create the ideal mixed economy? After reading informational and opinion texts, write an essay that addresses the question and supports your position with evidence from the texts. Be sure to acknowledge competing views.

Quick-Write Response:

^{even}
- The combination of market and command economy is what an ideal economy would look like. Sweden and Finland have equal command and market and their children are smart and people have money without a huge poverty gap. The United States creates a lot of things due to their innovation, but there is a big gap between rich and poor.
- Cuba and North Korea are too command and are not as stable. North Korea is shut off from the rest of the world. - If the government owns some and the individual owns some, they will share and care about the well-being of each other more than one over the other. The person holding the power cares less about the group with less power.

Claim/Thesis:

The ideal economy is an equal combination of command and market systems because it would contain good qualities, such as innovation and security, of both types of economy.

Vocabulary

Definition

Clues/Associations

Vocabulary	Definition	Clues/Associations

Organizing Notes

MARKET ECONOMY

COMMAND ECONOMY

Supporting Texts	Supporting Texts
<ul style="list-style-type: none"> - Wal-Mart <ul style="list-style-type: none"> • yes Wal-Mart - Health Care <ul style="list-style-type: none"> • not universal - Cuba <ul style="list-style-type: none"> • command economy not working 	<ul style="list-style-type: none"> - Wal-Mart <ul style="list-style-type: none"> • No Wal-Mart - Health Care <ul style="list-style-type: none"> • universal health care - Denmark <ul style="list-style-type: none"> • low unemployment
Outside Evidence	Outside Evidence
<div style="display: flex; align-items: center;"> <div style="margin-right: 10px;">Bad</div> <ul style="list-style-type: none"> - lazy people - big rich/poor gap - higher unemployment </div> <div style="display: flex; align-items: center;"> <div style="margin-right: 10px;">Good</div> <ul style="list-style-type: none"> - intuition - freedom - less corruption </div>	<div style="display: flex; align-items: center;"> <div style="margin-right: 10px;">↔</div> <ul style="list-style-type: none"> - People on waiting lists for health care - violated rights - high tax </div> <ul style="list-style-type: none"> - middle class - government paid services

Bad

Good

Bad

Good

Essay Outline

TASK:

Every society operates with a mixed economic system that combines the influences of market and command systems to form a functioning system of economy and government. What combination of market and command systems do you believe create the ideal mixed economy? After reading informational and opinion texts, write an essay that addresses the question and supports your position with evidence from the texts. Be sure to acknowledge competing views.

THESIS: (Underline your "MAP")

An ideal economy is an equal combination of Command and Market Systems - or a Democratic-Socialist economy - because it would contain good qualities of both systems, such as innovation and security.

PARAGRAPH #1:

Because a Democratic-Socialist economy has qualities of a market economy, it provides freedom and innovation.

Evidence/Analysis:

- Innovation index of Finland is 5.53, U.S. is 5.77.
- level of freedom is 1 (compared to 6.5 Cuba and 1.0 US)

PARAGRAPH #2:

A Democratic-Socialist country also provides security and pre-paid goods services.

Evidence/Analysis:

- Denmark
- Taxes pay for health care, college

PARAGRAPH #3: (Possible Counterpoint)

Many Americans argue a market system is the best because it is most free

Evidence/Analysis:

- Should the Govt. tax your coke?
 - Govt. can't control the people
- Lack of freedom

Conclusion Thoughts:

- Big Govt. might be a solution in future, but there is a balance between Govt. and people

RUBRIC

LBD Argumentation Rubric ADVANCED	
Focus	Addresses all aspects of the prompt with a highly focused and convincing response.
Reading/Research	Demonstrates <u>accurate and effective</u> use of reading materials to <u>develop</u> argument or proposal and a solid understanding of content as presented in the prompt. <i>Articles</i>
Controlling Idea	Establishes a substantive and credible claim or proposal (L2) Acknowledges relevant competing arguments, defending or qualifying the claim or proposal as appropriate.
Development	Develops a detailed and convincing argument or proposal; provides relevant evidence in the form of examples or explanations with statements from reading material. (L3) Makes a clarifying connection(s) that illuminates argument and adds depth to reasoning.
Organization	Applies an appropriate text structure that develops reasoning; applies a logic model, such as deductive reasoning.
Conventions	Demonstrates a well-developed command of standard English conventions and cohesion; employs language and tone appropriate to audience and purpose.
MEETS EXPECTATIONS	
Focus	Addresses the prompt and stays on task; provides a generally convincing response.
Reading/Research	Demonstrates generally effective use of reading materials to develop argument or proposal and an understanding of the content as presented in the prompt.
Controlling Idea	Establishes a credible claim or proposal (L2) Acknowledges competing arguments while defending the claim or proposal.
Development	Develops a satisfactory argument or proposal using reasoning with adequate detail to support claim or proposal; provides evidence from text(s) in the form of examples or explanations relevant to the argument or proposal. (L3) Makes a relevant connection that helps to clarify argument or proposal.
Organization	Applies an appropriate text structure that develops reasoning; applies a logic model.
Conventions	Demonstrates a satisfactory command of standard English conventions and cohesion; employs language and tone appropriate to audience and purpose.
NOT YET	
Focus	Attempts to address prompt but lacks focus or is off-task.
Reading/Research	Demonstrates weak use of reading materials to develop argument or proposal.
Controlling Idea	Establishes a claim or proposal but is weak or off task; (L2) Attempts to acknowledge competing arguments.
Development	Lacks details to support reasoning; examples or explanations are weak or not relevant. (L3) Connection is not relevant.
Organization	Provides a weak text structure; composition is confusing.
Conventions	Demonstrates a weak command of standard English conventions; lacks cohesion; language and tone are not appropriate to audience and purpose.

How to Write a Bibliography (MLA Style)

When creating your bibliography, remember to:

- Begin the Works Cited on a new page, but number consecutively (i.e., if the last page of your essay is page 3, the Works Cited is page 4)
- Alphabetize each entry by first letter
- Underline all titles of books, magazines, films, etc.
- Put quotation marks around the titles of poems, short stories, and articles
- Indent the 2nd line, the 3rd line, and all subsequent lines of each citation

Examples:

Correct citation	Type of citation
Gorman, Elizabeth. <u>Prairie Women</u> . New Haven: Yale University Press, 1986.	Book (One author)
Achenbach, Joel. "America's river." <u>Washington Post</u> . 5 May 2002. 20 July 2003 < http://www.washingtonpost.com/wpdyn/articles/A13425 >	Newspaper Article (Newspaper Website)
Elliott, Michael. "The Biggest Fish of Them All." <u>Time</u> . 8 March 2003. 11 March 2003. < http://www.time.com/time >.	Online Magazine (Magazine web site)

ECONOMIC SYSTEMS NOTES

Learning Targets:

1. Identify, compare and contrast the 3 economic systems models.

how a country answers Q's of production

Economic System - A collection of laws, institutions and activities that provide a framework for economic decision-making

- * Because of scarcity, every society needs a system to determine how to use its resources.
- * An economic system must answer the 3 basic questions of economics:
 - What to produce?
 - How to produce it?
 - Who to produce for?

FOUR TYPES OF ECONOMIC SYSTEMS

- Not commonly used

- Traditional Economy:** Based on custom and tradition
- No Modern business, practices or economic ideas
 - Tribal Economy
 - Depends on bartering

Advantages	Disadvantages
<ul style="list-style-type: none"> - Less greed - Efficient - Better for environment 	<ul style="list-style-type: none"> - less choice - stuck in no new anything

- Communism
- big govt.
- equality over equity

- Command Economy:** Government decides how 3 questions of economics are answered
- Individuals have very little to no say in choices
 - Government controls all factors of production
 - No private property

Advantages	Disadvantages
<ul style="list-style-type: none"> - Creates equality - simple - wise use of resources 	<ul style="list-style-type: none"> - can't own anything - low quality - no innovation - violate human rights

SUMMARY: An economic system is how a country answers the questions of economics. A command economy is a big government economy with lots of control.

Capitalism
 people rule
 freedom
 equity over
 equality

Market Economy - Individuals answer 3 economic questions

- People own factors of production
- People are by default private property

Market Economy -

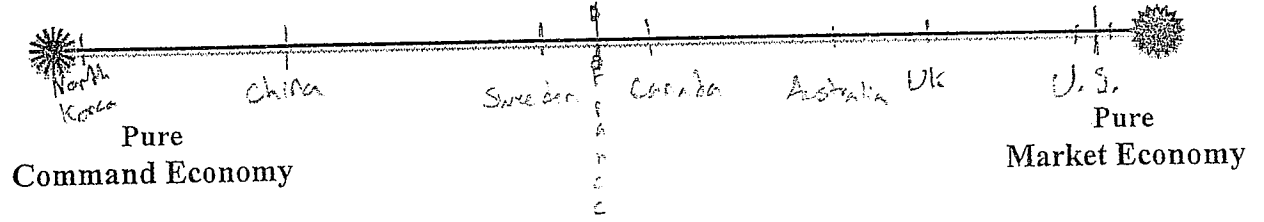
Advantages	Disadvantages
<ul style="list-style-type: none"> - Freedom - Get rich - more creative - new ideas 	<ul style="list-style-type: none"> - Competition - huge gap in rich and poor

all countries
 are a mix

Mixed Economy -

- There is no such as a pure command or a pure command or market economy
- All economic systems are a combination of command and market features

Economic Spectrum:



SUMMARY: A market economy is one that allows freedom to the people. All countries have a mixture between market and command economies. Some are closer to an extreme than others.

MIXED ECONOMIES

Learning Targets:

2. Identify and describe the examples of mixed economies that exist today.

U.S.
Capitalism - An economy in which individuals own the factors of production and answer 3 basic economic questions

- Government is limited

- Driven by incentives

> **Self-Interest** - the impulse that encourages people to fulfill their needs and wants

o **Adam Smith** - believed that without government involvement the market is driven only by self interest

- Examples: U.S., ~~Canada~~, Mexico, Japan, Hong Kong

- **Private Property** - Goods and ideas that are owned by individuals and by businesses than by the government

- Finland
- Denmark
Democratic Socialism - Government owns some factors of production and individuals own the rest:

- Individuals elect government officials

- Government is often responsible for industries/services such as health care, transportation, banking, etc.

- Examples: Sweden, Poland, France

- Cuba
- China
Communism - The government controls most or all factors of production and limits individual freedoms.

- government makes long term plans for a nation's resources and controls all industries

- Examples: China, Cuba, North Korea, Vietnam, Laos

SUMMARY: Capitalism, Democratic-Socialism, and Communism are three types of mixed economies. Capitalism = Market
Dem-Soc. = Equal mix Communism = Communism

ECONOMIC GOALS

Every society must answer the 3 central economic questions based on the level of importance they rank each of the following economic goals and societal values.

Learning Targets:

4. Understand the economic goals of different societies and the sacrifices they make to attain their highest valued goals.

market
command

M

❖ **FREEDOM:**

- Freedom of choice in the marketplace
- Consumers and producers have freedom to decide how to use money

C

❖ **EFFICIENCY:**

- Making the best use of scarce resources
- Good productivity level

M

❖ **EQUITY:**

- Economic Justice
 - Capitalism is "Fair", but not necessarily equal
- Command = Equality / Market = Equity

C

❖ **SECURITY:**

- Safety net
 - Gov't protect the poor people
 - Welfare, Medicare, etc.
- ~~Freedom is free of taxes~~

C

❖ **STABILITY:**

- Consistency
- Employment — Full
- Price Level — Stable

M

❖ **GROWTH and Innovation:**

- Amount of goods and services produced by each country in the economy
- Standard of Living —
- Invest-ment (concentration)
- GDP —

SUMMARY: The three economic goals of a command economy are efficiency, security, and stability. The goals of a market system are freedom, equity, and growth/innovation.

Should the U.S. have a national health-care system?

YES ARGUMENT

We have two health-care systems in America. People with good insurance get excellent care. But ^{and} most families are just one bad break, like a lost job or a serious illness, away from crisis.

I believe we should build one America, with one health system in which everyone can get decent, affordable health care. This means asking everyone to share the responsibility of helping to finance health care for all and paying what you can for your own care.

A universal health-care system would translate into reality what Americans believe—that health care is a right, not a privilege. America is one of the wealthiest nations in the world, but 18,000 people die each year because they don't have insurance. That's just wrong. *why don't they have insurance? No job?*

Insisting that every American participate in a universal system will save money by spreading out the risk. Today, families with insurance pay more for their coverage—an additional \$922 a year on average—because they wind up footing part of the bill for treating the uninsured. *we pay anyway*

~~But this debate is about more than 45 million uninsured Americans. Millions more have inadequate insurance that doesn't cover all their needs. And because our current system relies mostly on employers to provide insurance, other people stay in jobs they'd otherwise leave just to hold on to their health insurance.~~

It's time to act. A million Americans lose their health insurance every year. Universal health care is the most important thing we can do to provide security for American workers and families.

—Former Senator John Edwards
Democratic candidate for President

Econ Goal

NO ARGUMENT

Politicians of all stripes are talking about health care these days, with many implying that "universal health insurance" will put everything right with America's health-care system.

But there's a big difference between coverage and care. Many countries provide universal health insurance but deny critical procedures to people who need them.

At any given time, 850,000 Britons are waiting for admission to National Health Service hospitals. In Canada, where more than 800,000 people are on waiting lists for procedures, the Chief Justice of the Supreme Court wrote in a 2005 decision that "patients die while on the waiting list." *# Not fair for people w/ jobs*

About 45 million Americans lack health insurance, but most go without for only short periods (for example, between jobs). Those who truly cannot afford insurance are already covered by Medicaid (government health insurance for the poor), and all Americans have access to at least emergency care, which hospitals are legally obligated to provide regardless of ability to pay. And though we all end up paying indirectly—through higher medical and insurance charges—for the care uninsured people receive, that's tiny compared with what a national health-care system would cost.

There are steps we can and should take to make insurance more affordable—like exempting *? still need reform* insurance costs from taxes and removing regulations that prevent insurers from competing for our business. But we shouldn't let an obsession with universal coverage lead us to neglect more-modest reforms that would actually do more good:

—Michael Tanner
The Cato Institute

Author: No author identified

Date: September 17, 2007

Date Retrieved:

Publisher: New York Times Upfront (Magazine)

Website:

<http://teacher.scholastic.com/scholasticnews/indepth/upfront/debate/index.asp?article=d091707>

Name Malcolm Hurley

Per 1

Date _____

Yes Argument - John Edwards No Argument - Michael Tanner
(Article/Document Title)

SUMMARY:

- Edwards believes that the U.S. should switch to universal health care so that those who can't afford health care will be insured; everyone will be insured. Health care would be affordable (paid for by higher taxes) and available to everyone.

- Tanner argues that while universal health care seems nice, it is not as high quality as private health care. He says that thousands of people living in countries with universal health care wait for critical operations.

FOCUS/ANALYSIS:

- I think we should not have universal health care. Many people wait for important procedures that could be taken care of in a society with private health care. People that are poor do have access to health care in a private care society. My opinion leans toward a market economy.

Medicare & Medicaid: Insurance for old, poor, and children

As Cuba gives capitalism a try, experts ponder future

^{market economy}
MEXICO CITY - As Cuba embarks on a bold new experiment - firing 500,000 state workers and letting them plunge into freer markets - experts in the region are watching to see whether the communist government and its baby entrepreneurs can salvage the economy without sacrificing the nation's "socialism or death" model.

The government layoffs, amounting to 10 percent of the 5 million state employees in Cuba, represent the most significant economic changes since President Raul Castro took over from his ailing older brother, the semi-retired maximum leader Fidel, in summer 2006.

"It is a major step forward," said Wayne Smith, former chief of the U.S. Interests Section in Cuba and a senior fellow at the Center for International Policy. "~~But they have little choice but to try something because the economy is going down the tubes.~~"

Since assuming power, the younger Castro, 79, has pointedly complained that the Cuban state can longer employ its bloated workforce. "We must erase forever the notion that Cuba is the only country in the world where you can live without working," he said.

Many workers in Cuba barely show up and do very little productive work when they do. In government offices in Havana, coffee and cigarette breaks last hours, sometimes days. State-run cafeterias open for a few hours, suddenly run out of bad food and close as lines of customers wait.

It is not that Cubans are lazy - just the opposite, economists say. But even with their food ration cards, the average Cuban government salary of \$20 a month barely provides enough to live on, though the state provides housing, education and medical care.

As Cubans like to say, "The government pretends to pay us and we pretend to work."

The island is suffering a brutal economy crisis in which its official gross national product has plummeted from 12 percent growth to 1 percent, as nickel prices, tourism and international investment all slump. The Cubans were so desperate that they froze the accounts of foreign investors on the island earlier this year. Independent economists say that without subsidies of Venezuelan oil from Hugo Chavez, the Cuban economy would flat-line.

Whether the state-run Cuban economy can really make space for a more robust private sector remains unknown. According to a government PowerPoint presentation, first published by the Associated Press, state economists envision that the least productive, least disciplined workers should be laid off, followed by others who perform unnecessary jobs. All 500,000 workers are scheduled to be pink-slipped by March 2011, the government announced in Communist Party newspapers and on state television Monday.

^{market}
"It's a big deal, a big breakthrough, because for the first time the government acknowledges that the private sector, the small-business operators, are not bit players but a strategic part of the Cuban economy, that they are the solution, that they will help save Cuba," said Philip Peters, a scholar at the Lexington Institute and adviser to the Cuba Working Group in the U.S. Congress.

About 823,000 Cubans already have jobs in the private sector, most of them working in government-approved cooperatives. But the state still employs about 85 percent of the workforce.

What will the hundreds of thousands of Cubans who suddenly have no day job do? The document suggests they will have to hustle for themselves. No plans have been announced for capital injections, small business loans, retraining or more opportunities for foreign investment. No large, relatively successful state enterprises are for sale or lease.

"Ideas for cooperative enterprises" include raising pigs or rabbits, opening bars and cafes, and working as trash collectors, gardeners, car mechanics, carpenters and taxi drivers. Also on the list: massage therapists, wedding planners and wine makers.

The document warns that many workers lack initiative, ^{ALTERNATIVE} skills and experience. Many of the new enterprises "could fail within a year."

An economist who covers the region, who spoke on the condition of anonymity because of his work in Cuba, said that "it looks like they are giving people a shovel and telling them to find work."

The state pays workers in Cuban pesos, but foreigners and lucky Cubans spend a convertible currency that is good in the shops that sell things such as cellular phones, which have been available only for the last year.

"They are moving forward, they are discussing these things in a public forum; that is a good thing. But the question remains how will this provide for real, sustainable economic growth," said Rafael Romeu, president of the Association for the Study of Cuban Economy, a nonpartisan group.

Cuba recently allowed beauticians and barbers to work for themselves, renting parlors but keeping profits. Drivers can operate their own taxis. Farmers have been given the opportunity to take over fallow state lands - though they are struggling to get seed, fertilizer, tractors and transport for their crops.

"The Cuban model doesn't even work for us anymore," Fidel Castro told the American journalist Jeffrey Goldberg and Julia Sweig of the Council on Foreign Relations earlier this month. By this, Sweig thought Fidel meant not that the revolution was a failure or that Cuba would rush to adopt capitalism, but that the Cuban economic model was sputtering and needed a serious tuneup.

Fidel Castro, however, said at a speech at the University of Havana on Friday that he was quoted correctly but misinterpreted.

"In reality, my answer meant exactly the opposite of what both American journalists interpreted regarding the Cuban model. My idea, as the whole world knows, is that the capitalist system no longer works for the United States or the world," he said. "How could such a system work for a socialist country like Cuba?"

Three days later, Raul Castro's government announced it was going to give a little capitalism a try.

Author: William Booth

Date: September 16, 2010

Date Retrieved:

Publisher: Washington Post (newspaper)

Website: <http://www.washingtonpost.com/>

Ms. Thiebers asked -
biased?
(nonewrite)

As Cuba gives Capitalism a try, exports poorer future
(Article/Document Title)

SUMMARY:

- Cuba pays its workers around \$20 a month and the workers do not work hard when they come. Because their economic system is failing, Cuba has decided to fire 500,000 workers and have them start over in private owned companies. This is a brave market economic move in a command economic society.

FOCUS/ANALYSIS:

- Cuba, because it is communist and state owned, is command.
- Cuba's businesses are owned by the government and the wages are low.
- The author appears to have a bias against Cuba. Although he provides information for both sides, Cuba's old ways seem to be presented in a negative light. This is probably because of America's fear of communism.

