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|  | **CAPITALIST**/ market economy | **SOCIALIST**/ planned economy | **MIXED**/ Welfare State |
| **Who decides what to produce?** | The market that is governed by the law of supply and demand | The State | The market and the State. |
| **Type of property/ownership** | Private: free competition and free circulation | Public: the State owns the production factors | Mainly private but there are public services to meet basic needs (security, healthcare, education…)🡪 WELFARE STATE |
| **Aim of the system** | Obtain maximum profit | Social equality and distribution of wealth | Meet basic needs for everybody. Maximum profit adopting measure to redistribute wealth. |
| **How prices are set?** | Law of supply and demand | The state establishes them based on the needs of citizens | Law of supply and demand but basic needs are affordable for everybody. |