

Name _____

The Free-Market Playground: Advantages and Disadvantages

Short Answer

1. Explain the concept of income inequality in a free-market economy and its potential consequences.
2. How does competition benefit consumers and encourage innovation in a free-market system?
3. Describe the role of government regulations in addressing market failures in a free-market economy.
4. What are social safety nets, and why are they limited in a free-market system?
5. How can a balance be achieved between the advantages and disadvantages of a free-market economic system?

