

Capitalism – cons

Disadvantages

- Consumers can be manipulated by advertising
- Prices and incomes might not reflect what is best for society
- Business cycle experiences many ups and downs (= considerable unemployment)
- Monopolies and oligopolies can emerge that charge unreasonable prices
- Extreme income inequality results
- Industry cost-cutting can lead to environmental problems
- Insecurity is present on a large scale
- Difficult to break out of cycle of poverty