#### Basic Characteristics of Pure Capitalism

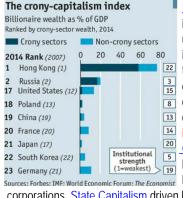
Economic systems determine what to produce, how to produce and who will receive production. They must also adapt to changing economic environments. How will America's economic system adapt to changes caused by September 11 is an example. Adam Smith described early market based Capitalism in his 1776 book The Wealth of Nations. It described 18th century English capitalism. See Why is The Wealth of Nations So Important Video econlib.org/library/Enc/bios/Smith provided by textbooksfree.org Print in landscape mode.

#### Basic characteristics described by Adam Smith

Private Property, Freedom of Enterprise, Free Use of Land, Labor, Capitalism and Enterprise, Individual Self-Interest, Competitive Market System and Limited Government ("Laissez-faire"). The important Creative Destruction ingredient was observed in mid-20th century by sociologist and economist Joseph Schumpeter. It involves the process of technology and improved economic structures replacing inefficient economic structures. The resulting unmatched economic efficiency has led to confrontation among owners, labor, management and government as to who gets resulting income. For Schumpeter's thoughts read **Dynamic Economics** and listen on **YouTube** to Schumpeter.

#### Modern Capitalism

has increasing world-wide competition necessitating up-to date technology requiring complex capital goods and decreasing specialized well-trained employees from a particular country.



Economic Rent Seekers increase their wealth using politics. Their influence has replaced that of monarchs and clergy during capitalism's include Corporate hierarchical, bureaucratic

corporations, State Capitalism driven by government as practiced in China, Money Manager Capitalism creates and distributed economic rent using financial

Rent-seeking sectors included in index		
Casinos		
Coal, palm oil and timber		
Defence	١	
Deposit-taking banking and investment banking		
Infrastructure and pipelines		
Oil, gas, chemicals and other energy		
Ports, airports		
Real estate and construction		
Steel, other metals, mining and commodities	ì	
Utilities and telecoms services		
Some would include SS, Medicare, Education		

markets and Crony Capitalism which began in "the garden" many years ago. As a group these participants seek Corporate Welfare. **Source** 

Pure Capitalism described by Adam Smith has never been completely put into practice. Instead there have been Mixed Economies combining capitalism and socialism. For More Political Economy Visit Quick Notes History Our Democratic Federalist Republic

#### Criticism of Modern Capitalism

Ida Tarbell a Muckraking investigative journalist exposed Standard Socialism has collective ownership and management of some Oil Trust atrocities. Writing for McClure Magazine and other monthlies, Muckrakers educated the public from 1890 to 1929 Progressive Era. This era demonstrates how the US democratic federalist republic has slowly catered to personal liberty over property interests.

Michael Moore, a modern day investigative journalist, has been critical of capitalism and capitalists. Some question his estimated \$50 million net worth.

Philosophical Criticism Readings Why Intellectuals Hate Capitalism, Is Capitalism Moral? A Commonwealth Club Podcast, Coercive Power of Capitalism, Capitalism and Inequality development. Examples Political Criticism Readings Why China Does Capitalism Better than the US, Hoodwinked An Economic Hit Man Reveals Why the Capitalism dominated by World Financial Markets Imploded--and What We Need to Do to Remake Them, by John Perkins, How Will Capitalism End, Has Capitalism Reform Reached a Turning Point, Revisiting Old Argument About Impact Capitalism, Economic Report of the President 2014 is positive, The Great Recession looks at a recent Fabian Economics of British socialist organizations were gradualist. capitalistic failures.

#### Country Economic Policies

- 1. Colonialism occurs when one nation economically gains from political over another nation. The practice has occurred throughout history and has existed with all economic and political systems. See Greece and the Endgame of the Neocolonial Model of Exploitation. Was the creation of Israel an example?
- 2. Mercantilism is economic nationalism used to build a wealthy powerful state. It is system of political economy designed to enrich summarizes the Bush family plutocracy. the country by restraining imports and encouraging exports. Some feel Neomercantilism is practices by Japan, China and Germany. Page 2 at explores Our Democratic Federalist Republic. See more readings and videos at Political Economy Readings.

#### **Economic Systems**

economic resources with equitable distributed of resulting production. Democratic Socialism as practiced in Western Europe had public ownership of key industries such as transportation and communication. Western Europe economies began moving away from socialism toward capitalism in the late 1970's. The change began with England's Prime Minister Margaret Thatcher soon followed by US President Ronald Reagan. Capitalism vs. Socialism is a Crash Course Video explores government basics as does the Laissez fair Capitalism vs. Socialism Video. See Social Democracy.

Communism is the ideal of those practicing a "Marxian System." It was designed by 19th century philosopher Karl Marx. Wealth is collectively owned and managed with a planned command economy. The Paris Commune government that led to the anarchy the late 18th century French Revolution has caused many governments and wealthy individuals to fear changes promised by liberal economic systems. Some equate communism with a totalitarian political system as a democratic communism has never existed.

These reformists did not want revolution. In Russia Bolshevik revolutionists eventually won political support over Menshevik gradualists.

Feudalism structures society around holding land relationships in exchange for service or labor. New Feudalism refers to a theorized contemporary rebirth of governance, economy and public life reminiscent of a feudal society.

<u>Traditional economy</u> is directed by custom.

Oligarchy is when power rests with a small number of people who may be distinguished by royalty, wealth, family ties, education, corporate, religious or military control. US?

Plutocracy is when wealth rules. Used by developing countries,

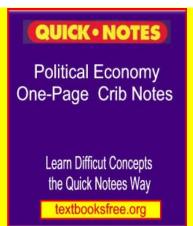
Plutocrats vs. Populist is controversial. American Dynasty

Kleptocracy exists to increase the personal wealth and political power of government officials. Russia?

Theocracy has deity recognition

For more visit

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