

History essay

Government, Capitalism



Mercantilism is an economic system in which a country exploits its colonies. The country's aim is to control natural resources and harvest the fruits of the colonies' labors; it basically maximizes exports and minimizes imports. The successful adoption of this economic system can be attributed to Adam Smith and John Locke and those aristocrats who recognized the benefits it provided. Mercantilism differed from other economic systems like capitalism and socialism because it focused on wealth for those who had things to sell. Capitalism is an economic system that is based on means of production and distribution owned by corporations or private owners and is operated for profit. Capitalism allowed for efficient practices and individual pursuit of self-interest that would result in collective prosperity for society which included the labor class. Capitalism differed from other economic systems like mercantilism and socialism because it participated in the free market and allowed advancement for all living in the capitalistic society. Socialism, a stage in Marxist theory, is an economic system characterized by social ownership of the means of production and co-operative management of the economy; basically it is the unequal distribution of goods and pay according to work done. Socialism can be seen as the transitional phase between capitalism and another economic system known as communism. This differed from mercantilism and capitalism because it cheats the seller from receiving the amount due for the goods provided; it is somewhat similar to mercantilism in the way that the country exploits its colonies and socialism exploits the laborers.

Mercantilism is still around today and is seen in Japan's economic system and China's trade system too. Capitalism is still around and can be seen in

the U. S. economic system along with that of Great Britain and its territories. Socialism is still around today and can be seen all around the world like in Africa and Asia and also in the UK. While it may not be the same version of socialism that was around during the Enlightenment, it is a new form and seen in labor parties throughout the world—including the U. S. These economic systems are intermingled in one way or another because the values are evolve and merge to make new versions of old systems.