Capitalism

[History](#)

The industrial revolution marked the era when humanity began to mass produce goods. This important era in business history occurred due to the influence of capitalism. " The factory system implemented during the industrialization allowed for work to be done at a much more efficient rate than before, and it wasnt long before the factory system was put into effect in the other industries" (McKinney, 2008). Capitalism enabled many entrepreneurs to build factories that generated thousands for jobs. The steam engine was one of the major innovations of the era. Karl Max was a revolutionist during the industrial revolution. He was a socialist that had very peculiar views about capitalism. According to Karl Max capitalism is based on his version of the labour theory of value, and includes the analysis of capitalist profit as the extraction of surplus value from the exploited proletariat (Standord, 2003).

Capitalism has evolved a lot over time. The 20th century marked a new era in which the stock market served as a critical mechanism that was used by capitalist to raise money. The two most utilized instruments that Wall Street popularized to raise money was the sale of common stocks and the issuance of corporate bonds. Technological advances enabled capitalist to produce more at lower costs. During the 1980's a key innovation that sparked a new economic era was the computer. The computers facilitated the work of many professionals both in the manufacturing and service industries. As manufacturing matured in the United States the computer helped the United States transform its economy into a knowledge based service economy.

References

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