

The role of government in the capitalist enterprise

Business



American Capitalism Capitalism is an economic system in which industry, trade and means of production are controlled by private owners with the aim of making profits in the market economy. Capitalism is characterized by wage labor, capital accumulation and competitive market. In the capitalist market, the parties to a transaction determine the cost at which goods, assets and services are exchanged. The extent of competition, the role of regulation and intervention, and the limit of public ownership vary depending on different models of capitalism. Historians, political economist and economist have analyzed capitalism and identified the different form of it in practice. These include welfare capitalism, laissez-faire capitalism and welfare capitalism. The three of them highlight on the various degrees of dependency on public ownership, market and inclusion of social policies. Policy and politics determine the rules owning private property and the freedom of various markets. Most states have capitalist defined to as mixed economies referring to a mix of market-driven and planned elements. A negative characterization, crony capitalism, refers to affairs in which nepotism, corruption and cartels rule the system. This state is normal in Marxian economies or mature capitalism. Capitalism has existed in different times, culture, places and under different forms of government. The demise of feudalism led to domatium of capitalism in Western world. In the century it became the most dominant system worldwide after overcoming centrally-planned economies. The industrialized world used mixed economy capitalism. The different forms of economic perspectives have put specific regulations in their definition. For example Neoclassical and Keynesian macro-economist emphasizes on the need of government to regulate and control monopolies which leads to boom and bust cycle. Laissez-faire and <https://assignbuster.com/the-role-of-government-in-the-capitalist-enterprise/>

liberal emphasize on controlling markets and property rights at the expense of government. Marxian economist emphasizes the role of wage labor, exploitation and capital accumulation. A majority of political economist stresses on private property, power class, and capitalism in its uniqueness as a historical formation and wage labor. A capitalism proponent argues that it is the most profitable system and creates more prosperity. It benefits mostly the ordinary people. Critics regard it with economic instability and its failure to cater for all people (Josyph, 2009). Socialist terms it as the most powerful among the past existing systems like slavery or feudalism. The class difference can only be solved when all people have equal means of production to distribution in a social system. Capitalism as an economic system shapes the market place and determines where one lives, works, is paid, can buy, and accumulate before retirement and all other aspects of monetary exchange in terms of goods and services. The Western society is being stripped off its traditional cultural values by the corporate politics, impact of media and commercialization of its culture. The society is being influenced by television entertainment as it gets stripped of its cultural values and becomes controlled by the oppressive system of capitalism to awaken in the American dream. The American society has been occupied with consumer trends. It has a lot of commodities and television shows that feeds them with ideas of consumerism. Consumerism is a myth of gratification integrated by consuming. Its goal is for one to own the product leading to gratification to those who can afford and frustration to those who fail to get it. It engineered system for waning cultural heritage filled with deceptive advertising. Americans lack morality and humanitarianism instead are filled with the satisfaction of ownership (Bloom 2009). The greed for the <https://assignbuster.com/the-role-of-government-in-the-capitalist-enterprise/>

dollar has substituted cultural values in the modern American. The traditional cultural values defining self-worth has been displaced by economic worth. The act of buying and owning is more important in a consumerism world. Mass media is the strongest force behind consumerism. It lures the luxury of material ownership and gratification while giving deceitful information and images to get people buying things. For example instead of a Swiss clockworks encased in hand carved hardwood one is offered an imitation of routed particle board and computer chip technology. Its duplications plot shows its interest in exploiting the public. Business ethics and humanitarian efforts are not accorded respect. The consumer does not face competition from small business since they have been crowded out by the corporate capitalist. Big businesses are usually an enemy of the people. Consumerism is the mean by which New Capitalism maintains control of its buying public. The United States is termed as a capitalist economy. It controls a large amount of money and makes imperative economic decisions. It is believed to concentrate power in the hands of wealthy business people who maximize at making maximal profits. The government puts political aim at it and controls the distribution of resources ahead of profit. The government has intervened to control capitalism. The American economy is best described as a mixed economy. The government censors the private enterprise. Cultures around the world are changing due to environmental changes like climate change. Globalization and increase consumerism are environmental stress leading to deforestation. Additional environmental stresses include urban migration, pollution and introduction of foreign species. Works Cited Bloom, Harold. American Capitalism. New York, NY: Bloom's Literary Criticism, 2009.

Internet resource. Josyph, Peter. Adventures in Capitalism in America.
Lanham: Scarecrow Press, 2010. Print.