
Socialism and Capitalism



enjoy
Capitalism

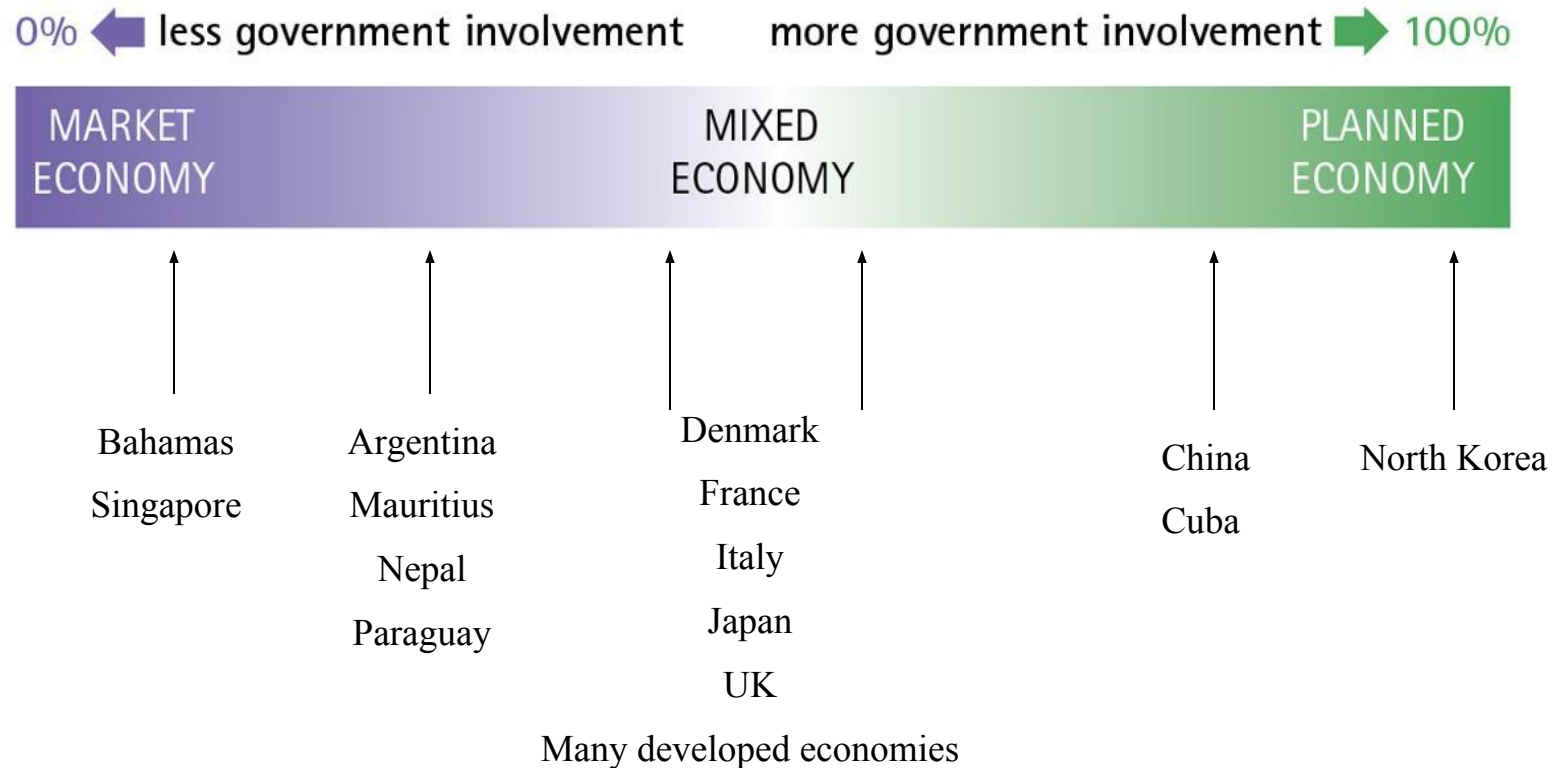


Task: What is the difference between a socialist and a capitalist?

In industrialized countries during the 19th century, a wide gap opened up between the rich and the poor. Business leaders believed that governments should stay out of business and economic affairs. They favoured a free market economy and were known as “**capitalists**”. Reformers, however felt that governments needed to play an active role in helping to plan the economy in order to improve conditions for the poor and were known as “**socialists**”.

Most countries around the world are actually a mix of capitalism and socialism.

Economic Systems around the world.



Notice the relationship between countries with left wing governments and planned economies

Capitalism vs. Socialism

Capitalism

- Individuals and businesses own property and the means of production.
- Progress results when individuals follow their own self-interest.
- Businesses follow their own self-interest by competing for the consumer's money. Each business tries to produce goods or services that are better and less expensive than those of competitors.
- Consumers compete to buy the best goods at the lowest prices. This competition shapes the market by affecting what businesses are able to sell.
- Government should not interfere in the economy because competition creates efficiency in business.

Socialism

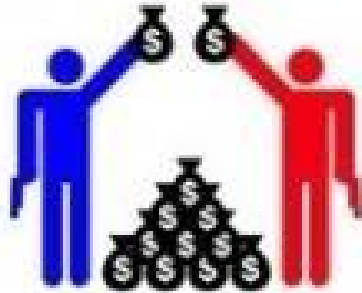
- The community or the state should own property and the means of production.
- Progress results when a community of producers cooperate for the good of all.
- Socialists believe that capitalist employers take advantage of workers. The community or state must act to protect workers.
- Capitalism creates unequal distribution of wealth and material goods. A better system is to distribute goods according to each person's need.
- An unequal distribution of wealth and material goods is unfair. A better system is to distribute goods according to each person's need.

Mixed Economy

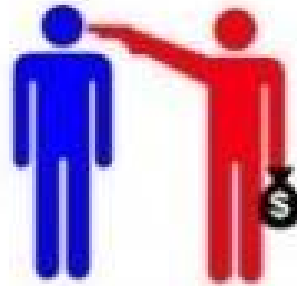
- An economy in which some industries are privately owned and others are publicly owned or nationalized
- Many capitalist economies are mixed economies (some capitalism and some socialism)



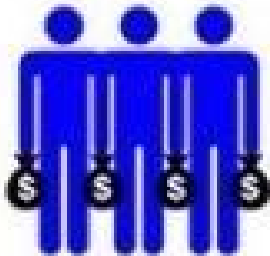
What view does this give of socialism?



capitalism
(described by capitalists)



capitalism
(described by socialists)



socialism
(described by socialists)



socialism
(described by capitalists)

What is
this
cartoon
trying to
say?



This is a cartoon on socialism. What do you think it is trying to say?



Who might
this be?

CAPITALISM

WE RULE YOU

WE FOOL YOU

WE SHOOT AT YOU

WE EAT FOR YOU

WE WORK FOR ALL

WE FEED ALL

PYRAMID OF CAPITALIST SYSTEM

Subscription for the
INDUSTRIAL WORKER

Financial Organism of Modernity

Industrial Evolution

Published in the English Language

One Dollar per Year

Three Months 30c

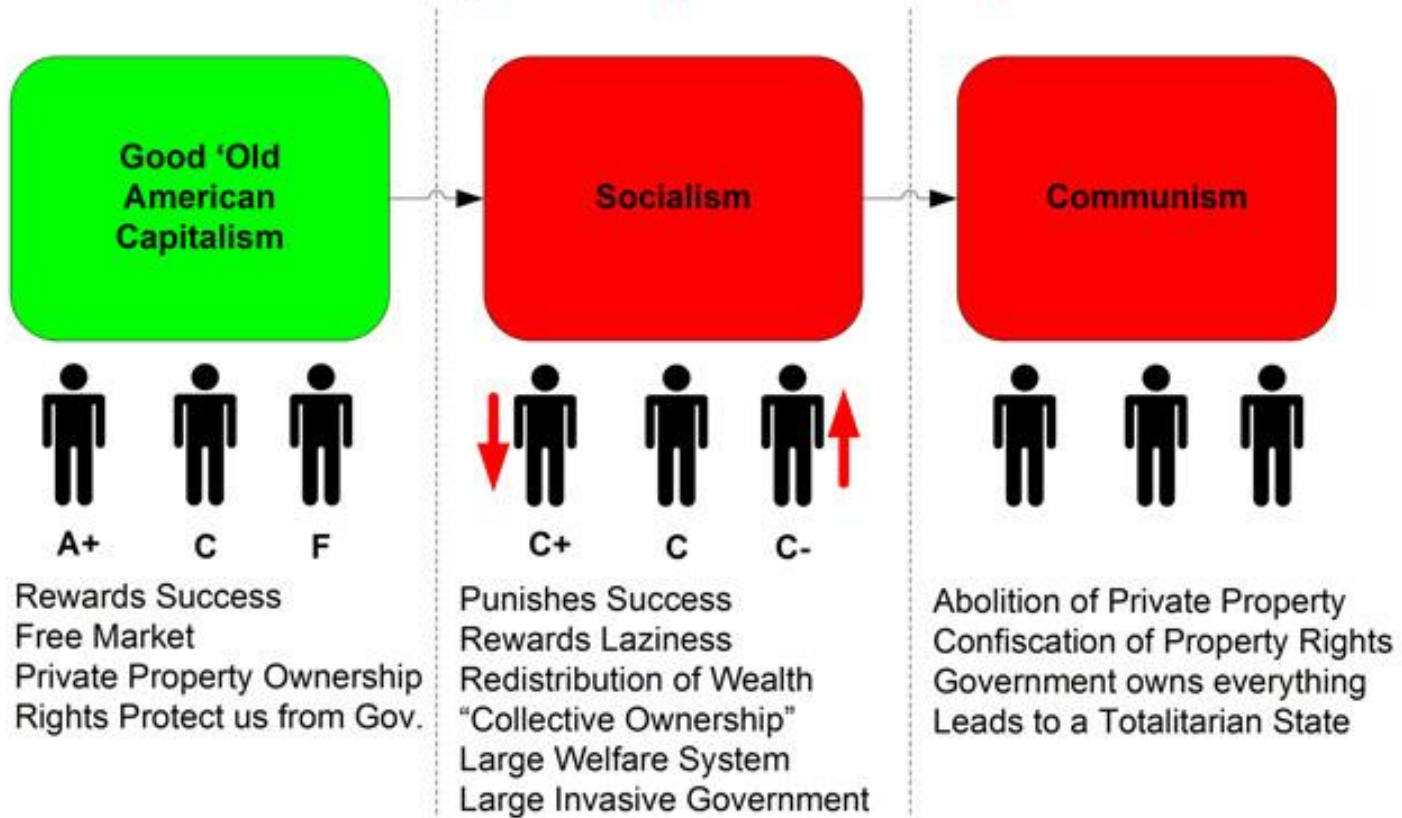
P. O. Box 1129 Spokane, Washington

Where do you think the characters in the play fit onto this pyramid?

What is Socialism?

Karl Marx's Transition to Communist Society

"From each according to his ability - to each according to his needs"



Do you think the person who wrote this is a capitalist or a socialist? Why? What are they trying to say?

HOW DOES CAPITALISM WORK

EUROPE

NO JOB

**SHOES
70 EURO**



ASIA

A LOT OF WORK

**WAGE
70 EURO**



What is the view on capitalism here? Who in the play would share this view?



What is this trying to say?

World's top firms cause \$2.2 trillion of environmental damage, report estimates

A report for the UN into the activities of the world's 3,000 biggest companies estimates that one-third of profits would be lost if firms were forced to pay for use, damage and loss of the environment.

16 unprofitable bus routes to rural communities to be axed

Customers warned energy bills are to stay high despite skyrocketing profits at power companies

Barclays bank profits fall, cuts jobs

Profits were £2.6 billion for the six months to the end of June, down one third from the same period a year ago.

The bank said it will axe at least 1,400 more jobs this year, after 1,400 positions have already been lost this year.

Veterinary surgeons accused of overcharging by up to 500% for some pet medicines!

Millions of Americans Lack Access to Dental Care