

Communism Capitalism and Socialism

Communism, capitalism, and socialism have subtle differences in their ideology, policies, and actions; it is imperative to understand the difference between communism, capitalism, and socialism. Capitalism is the preferred economic system that brings groups of people out of deprivation or poverty and allows them to evolve as productive individuals in India.

In a nutshell, communism advocates complete governmental control over all means of production and resources; socialism practices flexible forms of state control; and capitalism endorses a free economy and free market without state intervention.

Socialism Vs Communism Vs Capitalism

The table illustrates significant differences between Socialist Communist Capitalist countries based on their ideology, religion, origins, welfare system, and ownership of economic resources.

Difference Between Communism Capitalism and Socialism		
Communism	Capitalism	Socialism
It promotes state control of economic resources and the means of production.	It favors the concentration of wealth and means of production in the hands of private individuals.	Emphasizes state control of economic resources within reasonable limits.

<p>There is complete state intervention in terms of economic policies.</p>	<p>There is no state intervention as it follows the ideal of laissez-faire.</p>	<p>State intervention exists but leaves some scope for individual intervention as long as it follows the fair distribution of economic resources.</p>
<p>Static economic system.</p>	<p>Dynamic economic system.</p>	<p>Flexible economic system.</p>
<p>The end goal of communism is to establish a communist egalitarian order, usually through revolutions or authoritarian regimes.</p>	<p>Capitalism strives to create a free society, economy, and market in sync with democratic and liberal ideals.</p>	<p>Socialism does not necessarily aim for the establishment of communist order. It can exist along with capitalist programs, thereby creating a mixed economy.</p>

Founded in 1848 by the German Philosopher Karl Marx (May 5th, 1818 – March 14th, 1883).	Started in the early Renaissance generation between the 15th and 16th Centuries.	More noticeable towards the 18th-century end and after 1848.
Religion is effectively nullified.	Unconcerned towards religion, but preference exists towards well-off or rich religious groups.	Freedom of religion is permitted.
Supports universal social welfare with a focus on public education and health.	The welfare system is open only to wealthy people who can pay for their services.	The state concentrate on society's welfare without any discrimination.

What are Socialism, Communism, Capitalism?

Political philosophies have been an integral part of improvement since ancient times. They help us comprehend the justifications for the steps taken by the people that affected the international political structure. Read further to compare and contrast Socialism, Communism, and Capitalism.

What is Communism?

Communism originate from the French word communism, which means of or for the community. It favors state ownership of economic resources, policies, and means of production.

- Moreover, Communism favors the absence of private property, established in a revolutionary way.
- Communism as an ideology found scholarly elaboration in the writings of Karl Marx and Friedrich Engels.

- The characteristics of Communism include a classless society, joint ownership of all resources, owning private property, standing socially equivalent, and being against democracy.
- China, Laos, North Korea, Vietnam, and Cuba, are five examples of Communist countries that exist currently.

Capitalism Meaning and Examples

It commenced in the early modern era, resembling the 16th and 18th centuries. Capitalism, as a monetary ideology, concentrates on the notion of -

- Free trade.
- Free markets.
- Profits.
- Private control of resources and production means.
- Entrepreneur-wage labourer-based relations of production.

Some examples of capitalist economies include the United Arab Emirates, the United Kingdom, New Zealand, Hong Kong, Canada, the United States, Ireland, Singapore, Australia, and Switzerland.

The emergence of capitalism underwent three stages -

- Merchant capitalism.
- Industrial capitalism.
- Financial or imperial capitalism.

It gradually transformed into global capitalism based on ideas of free trade and laissez-faire, also known as Neoliberalism, that we encounter today.

What is Socialism?

Socialism advocate for communal social ownership of the means of production in the form of public, collective, or cooperative, in contrast to private ownership, as presented under capitalism.

- It favors government control of everything, from the economy to production and output.
- Moreover, the government engages in social welfare initiatives to ensure equitable distribution of wealth and equal opportunities for all.
- However, it is a broader concept than Communism, as it functions in a democratic setup.
- No encouragement for competition, commitment to social equality, public or government-run system, offering fundamental needs, and regulating prices are the basic characteristics of Socialism.

Nations are described as socialist unless they declare so in their constitution or via their federal name. A few governments to claim themselves socialists are given below.

- Portuguese Republic.
- The Democratic Socialist Republic of Sri Lanka.
- The Republic of India.
- The people's Republic of Bangladesh.
- The Cooperative Republic of Guyana.
- The people's Republic of Mozambique.
- The Republic of Angola.