

Capitalism

An economic system based on a free market, open competition, profit motive and private ownership of the means of production. Capitalism encourages private investment and business, compared to a government-controlled economy. Investors in these private companies (i.e. shareholders) also own the firms and are known as capitalists. The ideology of classical capitalism was expressed in Adam Smith's *Wealth of Nations* (1776), and Smith's free-market theories were widely adopted in the 19th century. In the 20th century the Great Depression effectively ended laissez-faire economics in most countries,

Socialism

Socialism refers to a socio-economic system in which property and the distribution of wealth are subject to social control. This control may be either direct—exercised through popular collectives such as workers' councils—or it may be indirect—exercised on behalf of the people by the state. As an economic system, socialism is often associated with state, community or worker ownership of the means of production.

The modern socialist movement had its origin largely in the working class movement of the late-19th century. In this period, the term "socialism" was first used in connection with European social critics who condemned capitalism and private property. For Karl Marx, who helped establish and define the modern socialist movement, socialism implied the abolition of money, markets, capital, and labor as a commodity.

Communism

Communism is an ideology that seeks to establish a classless, stateless social organization, based upon common ownership of the means of production. It can be classified as a branch of the broader socialist movement.

Karl Marx held that society could not be transformed from the capitalist mode of production to the advanced communist mode of production all at once, but required a transitional period which Marx described as the revolutionary dictatorship of the proletariat, the first stage of communism. The communist society Marx envisioned emerging from capitalism has never been implemented, and it remains theoretical; Marx, in fact, commented very little on what communist society would actually look like. However, the term 'Communism', especially when it is capitalized, is often used to refer to the political and economic regimes under communist parties that claimed to embody the dictatorship of the proletariat.

Communism is identified with complete absence of individual rights and state-sponsored repression of opinions. Communist states are by definition totalitarian and usually police states.

Social Democracy

Political ideology that advocates a peaceful, evolutionary transition of society from capitalism to socialism using established political processes. Based on 19th-century socialism and the tenets of Karl Marx and Friedrich Engels, social democracy shares common ideological roots with communism but eschews its militancy and totalitarianism. Social democracy was originally known as revisionism because it represented a change in basic Marxist doctrine, primarily in the former's repudiation of the use of revolution to establish a socialist society.

The social-democratic movement grew out of the efforts of August Bebel, in 1875 formed what came to be called the Social Democratic Party of Germany. Bebel imbued social democracy with the belief that socialism must be installed through lawful means rather than by force. The success of the Social Democratic Party in Germany encouraged the spread of social democracy to other countries in Europe.

Utopianism

A disposition to embrace the vision of an alternative society from which present social evils have been removed and in which there is complete human fulfillment. Thomas More gave the name Utopia to the imaginary island in his book of the same name (1516): an island whose social, economic, and political arrangements were marked by a high degree of communism, undoubtedly inspired by More's own religious (Catholic) convictions and his monastic ideals. The imaginary society described by More was both a 'good place' (from the Greek *eutopia*) and a no-place (or *outopia*) in the sense that it did not actually exist.

The utopian impulse found its way into movements of social protest, revolutionary sects and parties, and into the new all-embracing political ideologies of the age of the industrial and democratic revolutions. In particular, the new socialist doctrines of the early nineteenth century—articulated by Saint-Simon, Fourier, Owen, Cabet, and others—were widely received as gospels of salvation by the industrial working classes in their struggle for liberation from the dehumanizing and exploitative effects of capitalist industrialism. The utopian socialists often described in considerable detail how such a society would be organized, whether on the level of a small-scale community (Fourier, Owen) or at a national and even international level (Saint-Simon and his disciples, and Cabet).