

Industrial Revolution and Capitalism and Socialism

EXERCISES

Question 1.

What is meant by Industrial Revolution?

Answer:

The word 'Revolution means, something "sudden and quite swift". Industrial Revolution resulted in revolutionary changes in all walks of life.

Question 2.

Mention any two causes responsible for Industrialisation in England.

Answer:

Reasons for the initiation of Industrialisation in England are:

1. Enclosure Movement (Availability of Cheap Labour).
2. Availability of Coal and Iron.

Question 3.

What is a Capitalist system?

Answer:

A Capitalist system is the economic system in which business and industries were owned by private individuals and not by the State.

Question 4.

Mention the two main features of Capitalism.

Ans.

Under this system the productive wealth remains in private hands. Therefore, the owners of wealth have exclusive right to the things that belonged to them. The entire economy is governed by the market forces, i.e., the forces of Demand and Supply. The word Demand here denotes What consumers are willing to consume. The word Supply refers to the quantity in which the producers are able to produce the goods in demand.

Question 5.

Mention any two abuses or evils of a Capitalist System.

Answer:

The people left their villages to work in the factories situated in areas near the coal-fields or the iron rocks or seaports, etc. Not much care was taken to provide houses for the industrial workers. They, therefore, were forced to live in slums where the living conditions were very bad. In 1840 s more than one- tenth of the population of Manchester was living in the rooms in the ground underneath. They were forced to live under dirty conditions. In fact, each new machine meant that manual labor would be

replaced by mechanical devices. It did throw a large number of manual workers on the street. Since men lost their work, in some parts of the world there was a massive wave of riots.

Question 6.

What is meant by Socialism?

Answer:

Socialism consists of one demand, namely that the land and other instruments of production shall be the common property of the people and shall be used and governed by the people, for the people.

Question 7.

Name any two of the Early French socialists.

Answer:

Babeuf and Saint-Simon.

Question 8.

What is the role of Robert Owen in the history of socialist movement?

Answer:

Robert Owen has been called “the Father of British Socialism”. He owned a cotton mill in Scotland. It was he, who first used the word ‘Socialism’ and maintained that the object of Government was to make the people happy. He reduced the working-hours of the factory workers, paid the good wages and helped the Trade Union Movement to grow.

Question 9.

Name that famous work by Marx and Engels (published in 1848) which marked the advent of Marxism Socialism or Communism.

Answer:

The ‘Communist Manifesto’ was published in 1848. It marked the advent of Marxism or ‘Scientific Socialism’, as they called it. According to Karl Marx and Engels the interests of the capitalists and workers are all the time opposed to each other. They laid stress not he doctrine of Class Struggle. The struggle between the capitalists and the working classes is a ceaseless affair, until the workers have won and a new social system is bom.

Question 10.

Name any two prominent leaders of the Socialist Party founded in India in 1934.

Answer:

The prominent leaders of the party were Acharya Narendra Dev,’Achyut Patwardhan, Jayaprakash Narayan and Dr. Ram Manohar Lohia.

Question 11.

Mention the two main features of Socialism.

Answer:

Socialism favors 'collectivism', i.e., collective good or social welfare is of greater value than the good of an individual. Socialism, in addition to Equity, promotes Freedom or civil liberties also. Socialists have been great supporters of civil liberties, such as freedom of speech, freedom to form associations and freedom of religion, etc. The Socialists want to reduce class divisions. In other words, the goal of Socialism is the abolition of private ownership over means of production, such as land, mines, factories etc.

Question 12.

Mention any two differences between Capitalism and Socialism.

Answer:

1. The first and the most important distinction between Capitalism and Socialism is that "the means of production in a Capitalist economy remain in private hands." (the capitalists or the industrialists). The Socialist thinkers hold that the material resources of the country (land, coal, iron, railways, road- transport, and banks etc.) should be nationalised, i.e., brought under State-control.
2. The spirit of capitalism is Market Economy. The economic life is organised according to the forces of demand and supply. The capitalists produce even those goods which are of no utility for the society. It leads to the wastage of valuable resources. The Socialists, on the other hand, placed too much emphasis on a planned economy.

Question 13.

Mention any two ideals of a Welfare State.

Answer:

1. The state should take responsibility for the security and welfare of those who could not stand on their own feet. Gradually Britain, Canada, Australia, Sweden, Denmark and other European states had become truly Welfare States.
2. These countries citizens received state assistance during sickness, unemployment and old age. Various social security measures have been taken in India also, such as the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), the National Food Security Act and the Pradhan Mantri Jan-Dhan Yojana (PMJDY).

STRUCTURED QUESTIONS

Question 1.

Industrial Revolution in England may be attributed to many factors. What was the role of the following factors:

- (a) Availability of Coal and Iron.
- (b) Improved Transportation.
- (c) A vast Overseas Market

Answer:

The role of the given factors in stimulating industrial expansion in England in the 18th Century are described as under:

1. **Availability of Coal and Iron:** Coal and Iron was immensely available in England. In the north of England, lay both the coalfields and the deposits of iron. Most factories sprang up in northern regions, which became the most populous part of the country.
2. **Improved Transportation:** In the 18th century, James Watt developed an engine in which the steam was employed to drive the piston backwards and forwards and the piston could be used to turn the wheels. Then came the invention of the railways. Goods and people could now be carried far faster than by previous modes of transport.
3. **A vast Overseas Market:** Overseas trade, brought into plenty of money to England. After the Battle of Plassey (1757), the East India Company compelled our people to sell their goods below the market-rate and purchase the commodities they had brought at very high prices. As England had acquired Canada also, her trade developed considerably. She had now, a big market for her products.

Question 2.

Industrial Revolution and the Capitalist mode of production might have been helpful in some ways, it also caused problems in other ways. Discuss its disadvantages under the following heads:

- (a) A System of Mass Exploitation
- (b) Unemployment
- (c) Increase in Slums

Answer:

(a) A System of Mass Exploitation:

The Capitalist System, created two new classes: the Capitalist Class and the Class of Wage-earners. The capitalists were anxious to make as large profits as possible and in order to do that they exploited the working class. Workers share in the profits of industry was very small. It is terrible to think that even women and little children had to work for as many as fifteen hours a day, with very short interval for food. Factory owners and managers paid the minimum amount necessary for a workforce, often recruiting women and children to tend the machines because they could be hired for very low wages.

(b) Unemployment:

Introduction of new machines, threw a large number of manual workers on the street. Since men lost their work, in some parts of the world, there was a massive wave of riots.

(c) Increase in Slums:

The introduction of machinery took the work out of the homes into newly built factories. Since, most of the population lived in villages, the people left the countryside to work in the factories. The domestic system of production came to an end, with considerable loss to rural England or the rural France, as the case may be. Poverty in rural areas increased. Exodus to the cities led to an increase in Slums. Usually, the factories were situated in areas near the coal-fields or sea-ports. Not much care was taken to provide houses for the industrial workers. They, therefore, were forced to live in slums. In 1840s, more than 1/10th of the population of Manchester was living in the rooms in the ground underneath. The workers needed recreation and sometimes fell prey to harmful practices, such as drinks or gambling.

Question 3.

Socialism emerged as a reaction to Capitalism. In this context answer the following questions:

- (a) What were the main Ideas of Marx and Engels ?
- (b) What were the key areas of disagreement between Marxian Socialists and Democratic Socialists ?

Answer:

(a)

Karl Marx went to Paris where he met Engels. Karl Marx and Engels drew the Communist Manifesto in 1848. According to Karl Marx and Engels, the interests of the capitalists and workers are all the time opposed to each other. They laid stress on the doctrine of Class Struggle.

(b)

Democratic Socialists such as Bernstein, Jean Juares, Bernard Shaw and Sidney Webb were not in agreement with the principle of Class Struggle advocated by Marx. They believed that socialist objectives should be achieved through democratic means.

Question 4.

Socialists prefer Co-operation to Competition and favor Collectivism over Individualism. Mention the three key features of Socialism.

Answer:

Socialists believe that democratic means should be employed for achieving their objectives, i.e., The Goal of Socialism. They rejected the revolutionary overthrow of the existing political and economic system. Almost all nations of the world (with the possible exception of America) have had strong socialist parties. After attaining success in elections, the Socialists adopt policies which would strengthen socialism. In Britain the labor party for the first time gained an absolute majority in the House of Commons in 1945. The Labor Government, then, nationalised a number of industries and adopted such programmes as public housing and National Insurance to pay money to people who were ill, unemployed, or had retired.

Question 5.

Describe the differences or dissimilarities between Capitalism and Socialism under the following headings:

- (a) Private Ownership versus State Ownership
- (b) Market Economy versus Planned Economy
- (c) Profit Maximisation versus Social Cohesion

Answer:

(a)

The first and the most important distinction between Capitalism and Socialism is that “the means of production in a Capitalist economy remain in private hands.” (the capitalists or the industrialists). The Socialist thinkers hold that the material resources of the country (land, coal, iron, railways, road- transport, and banks etc.) should be nationalised, i.e., brought under State-control.

(b)

The spirit of capitalism is Market Economy. The economic life is organised according to the forces of demand and supply. The capitalists produce even those goods which are of no utility for the society. It leads to the wastage of valuable resources. The Socialists, on the other hand, placed too much emphasis on a planned economy.

(c)

Profit maximisation is the main motive for an industrialist. Under a Socialist economy even such things shall be produced, for the benefit of the poor and the needy, whose production costs more and yields lesser gains or no gains at all. The State, through Fair Price Shops, sells goods even at a loss, e., a) a price which is less than it costs to produce some of the goods.

Question 6.

Most political thinkers nowadays endorse a reformed or humanised capitalist system. In this context explain the ideal of a Welfare State ?

Answer:

These countries citizens received state assistance during sickness, unemployment and old age. Various social security measures have been taken in India also, such as the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), the National Food Security Act and the Pradhan Mantri Jan-Dhan Yojana (PMJDY).