

Difference Between Communism, Capitalism and Socialism

The terms Communism, Capitalism and Socialism are ideologies distinct from one another. Although capitalism is clear-cut from the rest, the same cannot be said about communism and socialism.

The two terms are used interchangeably, but they are not the same. The two factors that communism and socialism share are that they both arose as a form of protest against the exploitation of the working class during the age of industrial revolution (1760 -1840). The other being that they are both ideologically opposed to capitalism



COMMUNISM	CAPITALISM	SOCIALISM
No Private Ownership	Total Private Ownership	Limited Private Ownership
Central Government	Market Forces	Government and Private Entities
No Class Distinction	Class Distinction	Limited Class Distinction
Production for Basic Needs	Production for Profit	Production for Societal Needs
Karl Marx	Adam Smith	Charles Fourier

This article will further highlight the differences between Communism, Capitalism and Socialism.

The difference between the Communism, Capitalism and Socialism is given below:

Differences between Capitalism, Socialism and Communism

Differentiating Factors	Capitalism	Communism	Socialism
Ideology	Maximisation of profit by any means necessary. It also believes in <i>Laissez-Faire</i> , a philosophy which emphasizes on leaving circumstance to run their natural course without any external intervention	From each according to his ability, to each according to his needs	From each according to his ability, to each according to his contribution
Economy Planning	In capitalist societies, the economy is planned as per the functioning of the free-markets	The economy is planned by the Central Government	The economy is planned by the central government
Ownership of Economic Resources	Private ownership of economic resources and property is actively encouraged with little to no government intervention	All economic resources are publicly owned and controlled by the government. Individuals hold no personal property or assets.	Individuals can own personal property but all industrial and production capacity is communally owned and managed by a democratically elected government.
Class distinction	There exists a distinct class whose standing in society is measured by the material wealth in their possession	Class is abolished. The chances of one worker earning more than the other are nonexistent	Classes exist but the differences between them are greatly reduced. It is possible for some people to earn more than others.
Religion	As per the ideology, it is indifferent towards religion, but bias thus exist towards religious groups who are well-off or as rich as another religious group	Religion is effectively abolished	Freedom of religion is allowed

Welfare	The welfare system is available only to those who have the wealth to pay for their services.	Supports widespread universal social welfare with an emphasis on public health and education	The state will be for the welfare of everyone in the society without any discrimination
Origins	The modern form of capitalism can be traced to the early Renaissance period in the 15th -16th Centuries. The wealthy merchants of Italian city-states engaged in small industry and wage-labour practices at the time	Although the concept of egalitarian societies existed since the time of ANcient Greece, the foundations of modern-day communism were established in 1848 by the German Philosopher, Karl Marx (May 5th, 1818 - 14 March 1883).	The economy of the 3rd century BC Mauryan Empire was described by economists as "a socialized monarchy" and "a sort of state socialism". It became more prominent towards the end of the 18th century and after 1848