**Primary Source Analysis: Economic Systems - Communist Manifesto and Wealth of Nations**

**Excerpts and paraphrasing from *The Communist Manifesto* - by Karl Marx and Friedrich Engels (1848)**

Part I: Bourgeois And Proletarians

The history of all hitherto existing society is the history of class struggles.

Freeman and slave, patrician and plebeian, lord and serf, guildmaster and journeyman, in a word, oppressor and oppressed, stood in constant opposition to one another, carried on an uninterrupted, now hidden, now open fight, a fight that each time ended, either in a revolutionary reconstitution of society at large, or in the common ruin of the contending classes.

In the earlier epochs of history, we find almost everywhere a complicated arrangement of society into various orders, a manifold gradation of social rank. In ancient Rome we have patricians, knights, plebeians, slaves; in the Middle Ages, feudal lords, vassals, guild-masters, journeymen, apprentices, serfs; in almost all of these classes, again, subordinate gradations.

The modern bourgeois society that has sprouted from the ruins of feudal society, has not done away with class antagonisms. It has but established new classes, new conditions of oppression, new forms of struggle in place of the old ones.

Our epoch, the epoch of the possesses, however, this distinctive feature: It has simplified the class antagonisms. Society as a whole is more and more splitting up into two great hostile camps, into two great classes directly facing each other—bourgeoisie, the boss and proletariat, the worker.

The bourgeoisie, wherever it has got the upper-hand, has set up...free trade. In one word, the exploitation of the labor-class. These class of labors must sell themselves piecemeal to the bourgeoisie. The labor-class, or proletariat are only valuable and can find employment so long as their labor increases capital for the bourgeoisie.

This economic system of capitalism is based on class antagonism, on the exploitation of the many by the few.

The Theory of communism can be summed up with a single-sentence: Abolition of private property as private property [the ownership of resources, factories, roads, etc.] allows the bourgeoisie to exploit the working class. The owning of property creates class distinctions.

The proletariat must acquire political supremacy and rise to be the leading class of the nation before they can be free. The proletariat will use its supremacy to wrest, by degrees, all capital from the bourgeoisie, to centralize all instruments of production in the hands of the State, i.e., of the proletariat organized as a ruling class; and to increase total productive forces as rapidly as possible. The result will be an equal and classless society without antagonisms.

The measures countries will take on the road to communism will pretty generally applicable:

1. Abolition of private property

2. A progressive income tax

3. Abolition of the right to inheritance (of property)

4. Confiscation of the property of all emigrants and rebels

5. Centralization of credit in the hands of the State by the means of a national bank

6. Centralization of the means of communication and transport in the hands of the State

7. Factories and farmlands as owned by the State

8. Equal liability for all labor. Establishment of industrial armies-of-workers, especially for agriculture

9. Abolition of the distinction between rural and city by equal distribution of the population over the country

10. Free education for all children in public schools

Part IV: Position of the Communists in Relation to the Various Existing Opposition Parties

In short, the Communists everywhere support every revolutionary movement against the existing social and political order of things.

In all these movements they bring to the front, as the leading question in each case, the property question, no matter what its degree of development at the time.

Finally, they labor everywhere for the union and agreement of the democratic parties of all countries.

The Communists disdain to conceal their views and aims. They openly declare that their ends can be attained only by the forcible overthrow of all existing social conditions. Let the ruling classes tremble at a Communist revolution. The proletarians have nothing to lose but their chains. They have a world to win.

Workingmen of all countries, unite!

**Excerpt from *An Inquiry into the Nature and Causes of the Wealth of Nations* – by Adam Smith (1776)**

Every individual is continually exerting himself to find out the most advantageous employment for whatever capital he can command. It is his own advantage, indeed, and not that of the society, which he has in view. But the study of his own advantage naturally, or rather necessarily, leads him to prefer that employment which his most advantageous to the society.

First, every individual endeavors to employ his capital as near home as he can, and consequently as much as he can in the support of domestic industry; provided always that he can thereby obtain the ordinary, or not a great deal less than the ordinary profits of stock.

Secondly, every individual who employs his capital in the support of domestic industry necessarily endeavors so to direct that industry that its produce may be of the greatest possible value.

As every individual, therefore, endeavors as much as he can both to employ his capital in the support of domestic industry, and so to direct that industry that its produce may be of the greatest value; every individual necessarily labors to render the annual revenue of the society as great as he can. He generally, indeed, neither intends to promote the public interest, nor knows how much he is promoting it.

Only his own security; and by direction that industry in such a manner as its produce may be of the greatest value, he intends only his own gain, and he is in this, as in many other cases, led by an invisible hand to promote an end which was not part of his intention. Nor is it always the worse for the society that it was no part of it. By pursuing his own interest, the result is, that he frequently promotes that of the society more effectually than when he really intends to promote it. I have never known much good done by those who affected to trade for the public good. It is an affectation, indeed, not very common among merchants, and very few words need be employed in dissuading them from it.

**Questions:**

1. According to Marx and Engels, the history of society is what?

2. According to Marx and Engels, who are the bourgeoisie and the proletariat?

3. Why is a clash between these two classes inevitable?

5. What must the proletariat acquire before they can be free?

6. How might the proletariat acquire that?

7. What did Marx and Engels see as the cause of class struggles? What did they want to do with it?

8. Take a look at the measures (#1-10) does the US have any of those? Which ones?

9. According to Adam Smith, what are two things individuals do?

10. What leads individuals in making economic decisions?

11. What does Adam Smith say is a result of individuals promoting their own interests?

12. What is one difference between Communism and Capitalism? (Hint: look at who owns resources/property)

13. Which economic system would you like to live under? Communism or Capitalism. Why?

**EXCERPTS FROM COMMUNIST MANIFESTO AND WEALTH OF NATIONS POSSIBLE ANSWERS**

1. According to Marx and Engels, the history of society is what?

**Class Struggle**

2. According to Marx and Engels, who are the bourgeoisie and the proletariat?

**Proletariat is the labor-class and the bourgeoisie is the boss as a member of the middle or upper class.**

3. Why is a clash between these two classes inevitable?

**Capitalism is based on exploitation**

5. What must the proletariat acquire before they can be free?

**Political Supremacy**

6. How might the proletariat acquire that?

**Revolt; Fight**

7. What did Marx and Engels see as the cause of class struggles? What did they want to do with it?

**Private Property; abolish it**

8. Take a look at the measures (#1-10) does the US have any of those? Which ones?

Y**es: We have a progressive income tax, we had a national bank, we have free public education**

9. According to Adam Smith, what are two things individuals do?

**Works in an industry; produce things of the greatest possible value**

10. What leads individuals in making economic decisions?

**An invisible hand**

11. What does Adam Smith say is a result of individuals promoting their own interests?

**The betterment of society**

12. What is one difference between Communism and Capitalism? (Hint: look at who owns resources/property)

**In capitalism individuals and businesses own personal property. In communism it is owned by the community or the group; personal property is abolished.**

13. Which economic system would you like to live under? Communism or Capitalism. Why?

**Accept any reasonable answer.**