

Period of Radical changes in the western-world with the birth of 2 systems of thought

Economic Science

Socialism

1. Adam Smith's **Wealth** of nations(1776)

Not referred to welfare of man but to the richness of the nation.

2. Malthus essay of population(1798)

He studied the causes of poverty.

3. Ricardo's principles of economy and taxation(1817)

sought to ascertain the laws of the distribution of wealth

4. Jon Stuart Mill's Principles of Political Economy(1848)

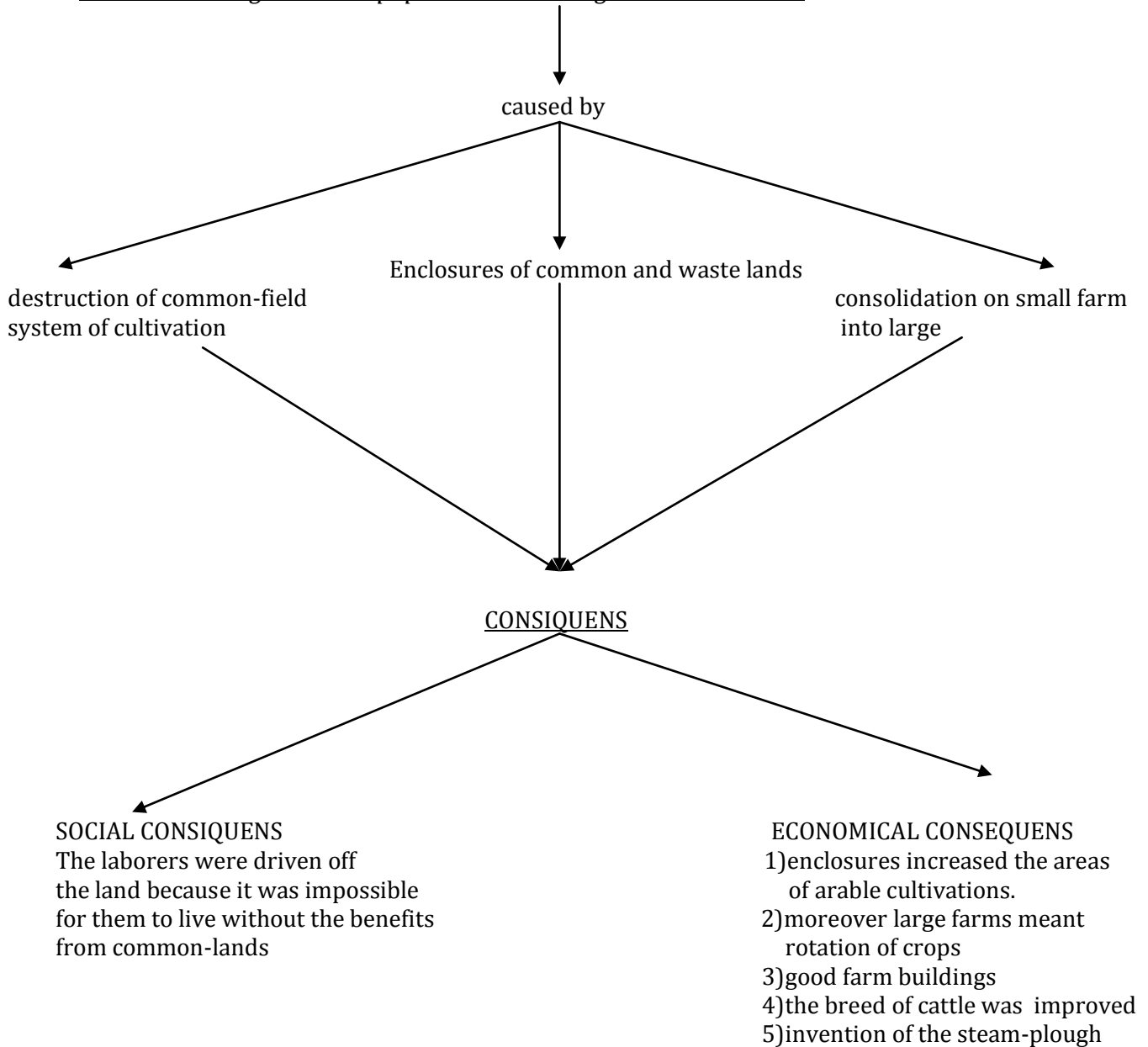
deals with the laws of production and distribution of wealth under a system of free competitions ↔ **SOCIALISM**

wealth is the result of particular social arrangements
(society cannot be based on competition only)

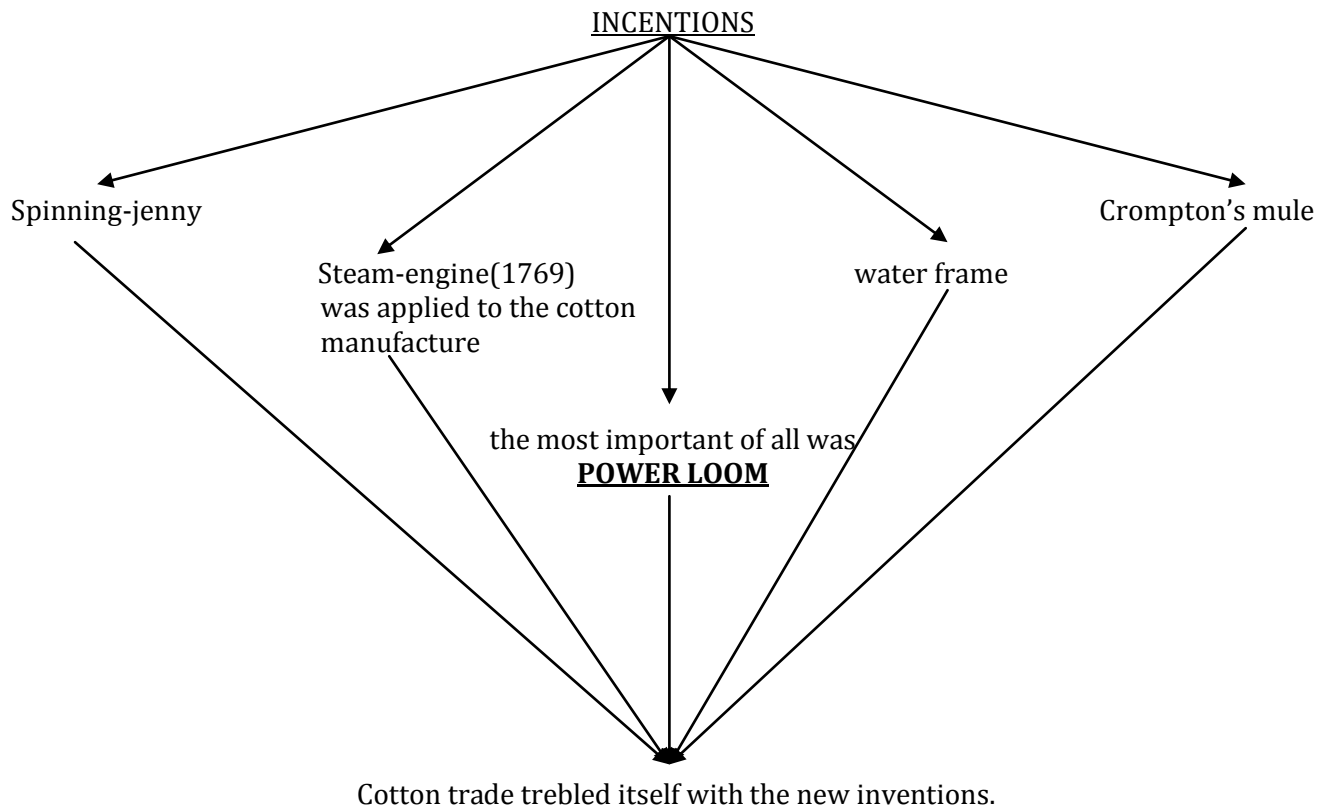
Features of Industrial Revolution

A-Enormous increase of population

B-Decline in the agricultural population due to agrarian revolution

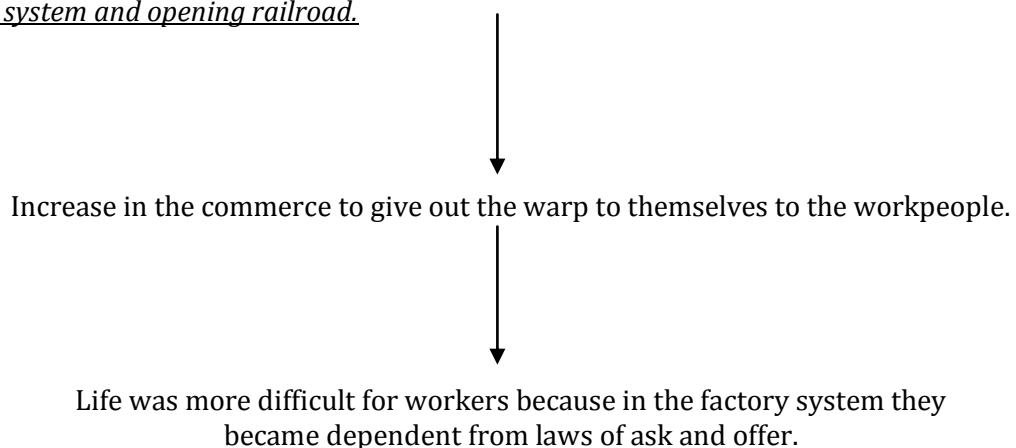


C-Mechanical discoveries caused the substitution of the factory for the domestic



D-The iron industry had been revolutionized by the invention of smelting by Pit Coal by the application of the steam-engine to blast furnaces.

E-Improvements in the means of communication for instance the development of an important water way, canal system and opening railroad.



IN AGRICULTURAL

1) Rise of rents due money invested in improvements for the consolidation of farms.



Landlords made large profits, they ceased to work and they live with their laborers and they became an distain class

MANUFACTORY

The class of great capitalist employers make enormous fortunes, they didn't know their workers so relation between master and man disappeared.

The workman joined the trade unions and began to fight for their rights.

- bad conditions of laborer
- fall in wages
- high prices of bread

The effects of Industrial Revolution prove that free competitions may produce wealth without producing well-being.