

Q. What are the main features which distinguish Capitalism from feudalism?

Ans → Capitalism is the capitalist economic system characterized by the private or corporate dominion of capital goods involving investments under the private decision and manufacture, distribution and allocation of goods as determined by the needs of the free market. It is primarily aimed at making a profit.

Feudalism is a type of socialist economic system that was dominant in medieval Europe roughly from the 8th to 15th century AD/CE. It mainly consisted of the classes, the royalty, the nobility, the knights, and the peasants. The nobility held lands under the crown and leased it to the knights in exchange for military service and the peasants were obliged to live on the lands of the nobles and do them service.

Comparison

| | Capitalism | Vs | feudalism |
|-------------------------|--|----|--|
| Type of economic system | Capitalist economic system | | Socialist economic system |
| Aim purpose | Profit of the higher classes is the main purpose | | To make wealth and distribute it equally among all people & run the Kingdom efficiently. |
| Ownership | Owned by the public or corporate sectors | | Owned by the nobility or government |

| | | |
|--------------------|---|---|
| Hierarchy | Consists of the lowest worker class, the ones who enjoy the food, the footless, and the topmost ruling class. | Consists mainly of the nobility and the peasantry. The peasants are at the base level, preceded by the knights and tenants, and the ruler at the topmost level. |
| Role of Government | The Govt. only monitors the processes | The government assumes coercivity |
| Pros | Innovation is rewarded & better products receive higher prices. | Stability of the kingdom is maintained and since the nobility & the peasantry are the only two classes, it promotes equality among the peasantry. |
| Cons | Inequality among the classes leads to worsening of the conditions of lower classes | Dependence of the economy on land & agriculture lead to its decline when the peasantry became self-sufficient. |
| History | It emerged during the early Renaissance and still exists today in its modern form. | It was dominant in medieval Europe during the 8th century AD/CE and its disadvantages led to its decline. |

In both the systems the upper classes were benefitted. The feudalism collapsed, on the other hand, Capitalism still survives today because it takes into account the needs of the market.