

The European Industrial Revolution

AIM: What were the basic features of Mercantilism and Laissez-Faire Capitalism?

MERCANTILISM

Basic Premise:

Primary Goal:

Major Features of Mercantilism:

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
7. Colonial Possessions – why?

What, if any, capitalism existed at this time?

LAISSEZ-FAIRE CAPITALISM (Adam Smith – Wealth of Nations - 1776)

Major Criticisms of Mercantilism:

1.

2.

Primary Goal:

Method:

Major Features of Laissez-Faire Capitalism – “Natural Laws” – What did Smith mean by the “invisible hand of the market”?

1. Law of “Self Interest”

2. Law of “Supply and Demand”

3. Law of “Competition”