In India, Muslims gained political control of the north by the 1200s, setting up the Sultanate of Delhi, which lasted until European conquests.

From the late 700s to the 1100s, the Vikings of northern Europe set out by sea to raid and settle lands from Iceland, Greenland, and the British Isles in the west, through France and northern Europe and down the Volga River valley in present-day Russia—where they traded furs and slaves with Muslims.

**New Geographic Patterns**

Toward the end of this phase, the future cultural and territorial patterns of European and other powers began to emerge. The Christian church, previously confined to the Roman Empire, sent missions to northern Europe, resulting in the conversion of most of northern Europe by A.D. 1000. With Roman power diminished by invasions, the eastern (Orthodox) church centered in Constantinople spread its influence northward and eastward. Muslim advances, however, swapped the church in southeastern Asia, India, and northern Africa. Muslim armies conquered the Balkan peninsula, southern Italy, and Iberia (Spain and Portugal), as well as northern Africa.

China again became the world's most prosperous empire with extensive sea power. Hangzhou was the world's greatest city, with 1.5 million inhabitants. China's visual arts, literature, philosophy, science, technology (first printing), and education were in advance of the rest of the world. Rich merchants and its growing middle class emerged by increasing numbers of trained state officials, bankers, and independent peasants. The boundaries of the Chinese culture, language, and political organization were adopted by surrounding states in Korea, Japan, Manchuria, and Yunnan. Southeastern China became a world crossroads between India and China, later influenced by Muslim trading and military missions.

In northern Europe, the Franks of central Germany established control over modern France and Germany by A.D. 800. The Saxons moved into England and fought off the Vikings. Slavic states emerged in eastern Europe, including the first Russian state in the mid-800s. Throughout Europe, slavery gave way to a feudal economic system in which local lords held land from a king or prince. Peasants, or serfs, had to provide labor in return for military service for part of the year. In Russia, such serfdom continued until the 1800s.

**Further Changes**

By the 1100s, Europe was climaxing political and economic decline. The population rose from around 30 million in A.D. 1000 to 4 million some 150 years later. The increase was concentrated mostly in France, Germany, and England. New lands were opened for farming by cutting woodland and draining marshes. In western Europe, the feudal system was breaking down by the 1400s as serfs changed into sharecroppers or wage workers. Peasant farmers gained more independence, towns expanded with craft industries and markets, some of which had international significance.

Toward the end of phase IV, the attacks of Genghis Khan and his Mongol hordes, the expansion of the Ottoman Turks, the Black Death, and a worsening climate led to economic recession and population decline (up to one-third in some parts of western Europe). Trade across Eurasia was once again reduced.

**Phase V: Fourth System: Modern Times, Capitalism, Industrialization, and Socialism, A.D. 1450 to the Present**

This phase, building on previous phases, resulted in most of the detailed geographic differences among places at the end of the 1800s. Some historians restrict a discussion of world systems and global orders to this phase, when the growth of capitalism paralleled the centralization of economic and political power in western Europe. The new form of wealth accumulation spread outward—through trade and colonization—to the Americas, Africa, the South Pacific, and parts of Asia. By the late 1800s, much of the world was ruled from European countries and incorporated in dependent trade relations as part of a major expansion of the world system. Although the United States rose to become the world's most productive industrial country during the 1890s, it grew up entirely aloof from overseas involvements (except for Cuba, the Philippines, and other former Spanish colonies that it took over at the end of the 1890s). Following the disruptions of two world wars, decolonization after 1945, and the Cold War, the 1990s initiated a new global order by involving virtually the entire globe in the capitalist world economic system.

Capitalism is a mode of production in which goods and services are produced and sold by private individuals, corporations, or governments in competitive markets. Most of the means of production (e.g., land, machinery) are owned by a few people or corporations. The producers, or workers, own neither the means of production nor the products they sell. Capitalism is defined as an economic system in which the freedom—at least for those who own the means of production—conduct operations, and limited government interference in decisions about production, distribution, and consumption. This type of capitalism is often termed "free-market. Capitalism's emphasis on individual enterprise, industrial corporations owned by individuals, and making profits encourages its own expansion. Such emphasis also leads to uneven levels of wealth and income and social class. For example, the Soviet Union up to 1991, the socialist ideals result in a centrally planned economic system that treats capitalism as an aggressor power. The ultimate outcome is termed state capitalism, because of the way socialist states function in an essentially capitalist world.

Capitalism, now the dominant world economic system of wealth accumulation, developed when technologies...