

The Fatal Attraction of Socialism

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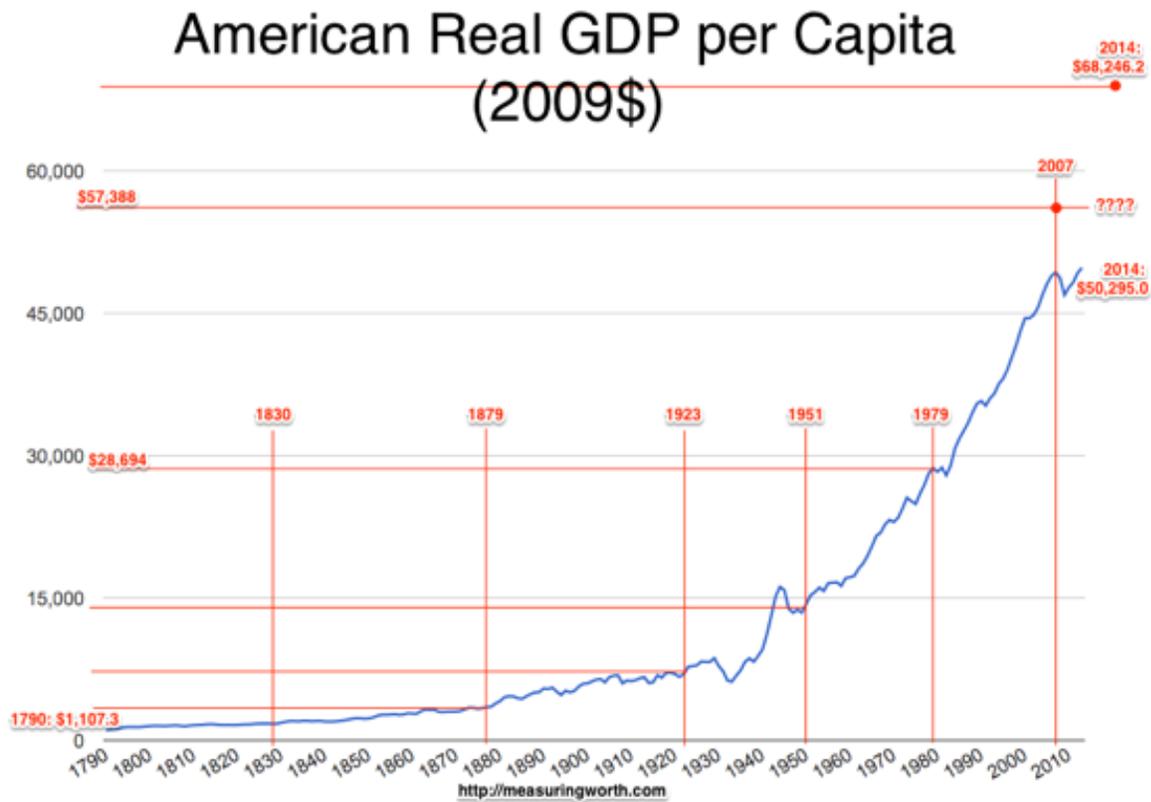
Introduction

In the 1987 movie “Fatal Attraction,” Harrison Ford plays a Manhattan lawyer who has realized the American Dream. He has a wonderful wife and daughter, a beautiful home, and an excellent job. Who could want more?

Alas, human nature often keeps us from being satisfied. In “Fatal Attraction,” while Ford’s family is away for the weekend, he allows himself to be seduced by a charming, attractive woman (played by Glenn Close). Big mistake. Ford thought he was having a one-night stand, but Close would have none of that. Her obsession with Ford turns psycho, and the affair becomes a lethal nightmare.

“Fatal attraction” is an apt metaphor for the prospect of socialism in America. The USA’s capitalistic economic system has fulfilled the American dream of prosperity for hundreds of millions of Americans. We have become the richest nation in history. However, I would venture to say that almost every American today under the age of, say, 70, takes our prosperity for granted. The majority neither understands how wealth is created nor how much wealthier we have become in just a few generations. Look at this graph¹ depicting the growth of real per capita GDP over the span of the first 220 years of our republic’s existence:

¹ Credit for this chart goes to Measuring Worth. The corresponding year-by-year numbers are at <https://www.measuringworth.com/datasets/usgdp/result.php> (accessed November 6, 2019).



This is an astonishing record. No economic system has ever come close to producing as much wealth for as many people as has our private property, free-market capitalist system.

The backlash against capitalism

The Harrison Ford character had so much going for him, but in a moment of weakness, he thought he could have even more. Similarly, many Americans don't realize how good they have it under capitalism. Ironically, the more that prosperity under capitalism has increased, the more capitalism is denounced in capitalist countries. The French philosopher and political economist Bertrand de Jouvenel noted this irony in the 1940s. In *Capitalism and the Historians*, de Jouvenel wrote, "Strangely enough, the fall from favor of the money-maker [i.e., successful

entrepreneurs] coincides with an increase in his social usefulness.”² In other words, the more wealth that entrepreneurs operating in free markets have produced for others, the less popular and more hated they have become. The calls multiply: Down with capitalism!

Take another look at the chart above: The increased prosperity was not concentrated in the hands of the few, as it had been under the preceding historical epochs characterized by feudalism, mercantilism, and tyranny. Rather, the prosperity spread to include almost everyone in developed countries, including the so-called proletariat—the workers.

Today’s middle-class Americans have a standard of living beyond the imagination of our 19th century ancestors. (One statistic that underscores the scope of the transformation: In 1907, the life expectancy of the average American was only 47 years.) Even the poorest Americans today (with the tragic exception of a tiny minority of derelict, mentally incompetent individuals) are only “poor” in a relative sense, not in an objective sense. “The typical poor household, as defined by the government, has a car and air conditioning, two color televisions, cable or satellite TV, a DVD player”—comforts and amenities that even royalty did not have at their disposal just a few generations ago. Furthermore, “the typical average poor American has more living space in his home than the average (non-poor) European has.”³ Clearly, the American people have not been oppressed.

² Bertrand de Jouvenel, “The Treatment of Capitalism by Continental Intellectuals,” in F.A Hayek, ed., *Capitalism and the Historians*, Chicago, The University of Chicago Press, First Phoenix Edition, 1963, 109.

³ <https://www.heritage.org/poverty-and-inequality/report/air-conditioning-cable-tv-and-xbox-what-poverty-the-united-states> (accessed November 6, 2019).

Despite the amazing affluence capitalism has produced for us, in recent years numerous polls have shown socialism to be gaining in popularity and acceptance in the U.S. A Pew Research Center poll in June 2019 found that 42 percent of Americans view socialism positively.⁴

Like the Harrison Ford character in “Fatal Attraction,” we could say that these Americans don’t realize how good they have it. Like Ford, they want more. They protest that American capitalism is not “fair.” They endorse and embrace socialism because they believe that it is more just than capitalism.

I will address the fairness issue—the ethics of socialism—later in this paper. First, though, let us address some of the cognitive and intellectual aspects of the momentous question: Is socialism preferable to capitalism?

Dangerous cognitive blind spots

When shopping for an item—whether a new winter coat, a car, a cellphone, etc.—the typical American does some comparison shopping before choosing from the available options. Certainly, something as critically important to our wellbeing as choosing a new economic system merits the most careful comparison shopping. Unfortunately, when it comes to the momentous choice between capitalism and socialism, Americans are doing a very poor job of conscientiously comparing the two systems.

Americans seem oblivious, not only to how much material prosperity they owe to capitalism, but to the negative aspects of socialism in practice. They have been seduced by the lofty promises of an ideal, utopian concept of socialism. But on what demonstrated, real-world basis is it preferable?

⁴ Hannah Hartig, “Stark partisan divisions in American’s views of ‘socialism,’ ‘capitalism,’” Pew Research Center *Fact Tank*, June 25, 2019; <https://www.pewresearch.org/fact-tank/2019/06/25/stark-partisan-divisions-in-americans-views-of-socialism-capitalism/> (accessed November 24, 2019).

Historical ignorance (and ignore-ance)

Voluminous empirical evidence shows that, without exception, socialist societies all have experienced chronic economic deprivation. Stagnation has been the norm in the now defunct USSR, Maoist China, the Soviet satellite countries behind the Iron Curtain, Cuba, North Korea, and socialism's newest national casualty: Venezuela. A number of those countries have suffered periods of starvation—most famously, the USSR, Maoist China, and North Korea. Many Americans, particularly the young, are simply ignorant of these facts, but any well-read adults—and especially those who are now pushing aggressively for socialism in America—are practicing a willful ignore-ance of the historical record.

One common retort that socialists employ when someone points out socialism's record of massive failures is the airy assertion that the only reason socialism didn't fulfill its glorious potential elsewhere is that the governments in those lands only implemented partial socialism—they just didn't go far enough." History teaches that this is the most ignorant (or dishonest) statement of all.

The first Soviet dictator, Vladimir Lenin, imposed total textbook socialism at the very outset of the Soviet nightmare. His regime seized dictatorial control over virtually all economic production. That experiment in pure socialism lasted a very short time. Within a few years, Lenin changed course. He did so for pragmatic reasons, not because he had gained a more favorable view of free markets. The heavy hand of government controls under Lenin's comprehensive socialism absolutely crushed the Soviet economy. Had Lenin not backtracked from his initial fanatical adherence to socialist dogma, the ensuing impoverishment and devastation would have left Lenin presiding over a collective corpse rather than a functioning society. To avoid self-annihilation, Lenin adopted a New Economic Policy (NEP) in 1921.

NEP was a philosophical mishmash. It amounted to Lenin trying to square the circle with oxymoronic statements, such as stating that NEP included “a free market and capitalism, both subject to state control.” In practice, some individuals were permitted to own small enterprises (although such ownership was often revoked arbitrarily and without due process) but under NEP, the state owned and operated all the major industries—what Lenin famously termed “the commanding heights of the economy.”

So, how did that Leninist system work in the ensuing decades? The answer is well known—at least, to those who do not ignore it. For the next seven decades, the USSR stumbled along in economic darkness—a workers’ nightmare rather than a worker’s paradise.

When the Soviet Union finally expired under its own dead weight in December 1991, the whole world could see the grim reality of socialism. The USSR, under socialism, had a backward Third World economy—one so poor that most hospitals lacked hot water and suffered shortages of medicines and basic supplies. Like the wizard of Oz, the USSR seemed mighty on the surface because of its massive arsenal of nuclear weapons, but the underlying economy was feeble and decrepit.

My friend Yuri Maltsev, who was an economic adviser to the last Soviet leader, Mikhail Gorbachev, until his defection in 1989, told me that roughly 70% of consumer goods had been supplied by black markets. Though illegal, Soviet leaders averted their eyes and tolerated those non-state-controlled enterprises because without them, the Soviet system would have collapsed much earlier than it did.

When the USSR finally collapsed and dissolved in December 1991, the American socialist economic historian Robert Heilbroner came to an obvious conclusion that he titled “The Triumph of Capitalism.” To his everlasting credit as an honest intellectual, Heilbroner publicly

and unequivocally proclaimed, “the contest between capitalism and socialism is over; capitalism has won...”⁵

It turns out that Heilbroner was both right and wrong. He was right that America’s capitalistic system was far more productive, healthy, and resilient than the central economic planning of Soviet socialism. But he was wrong if he thought that socialism had suffered a permanent defeat. The virus of socialist ideology was not exterminated; it simply went underground, gathering new strength. Despite the demise of the Soviet Union having publicly discredited socialism, socialist ideology continued to animate American and global progressives. Many of the most diehard socialists rebranded themselves as environmentalists.⁶

That socialism has survived and made a vigorous comeback has been proved by the current socialist tragedy in Venezuela. According to historian Richard Pipes, in 1950 Venezuela enjoyed the fourth highest per capita income in the world, behind only the U.S., Switzerland and New Zealand.⁷ But under the socialist policies implemented during the reigns of the late Hugo Chavez (1999-2013) and his successor, Nicolás Maduro (2013-present), the Venezuelan economy has collapsed.⁸ So severe have the food shortages been that in 2016, three-fourths of the population lost an average of 19 pounds of body weight.⁹ According to the United Nations Refugee Agency, over 4,000,000 Venezuelans (about 13 percent of the country’s population) had fled their homeland by 2019, and the pace looks to be accelerating.¹⁰

⁵ Robert Heilbroner, “The Triumph of Capitalism,” *The New Yorker*, January 23, 1989, 98.

⁶ See James Delingpole, *Watermelons: How Environmentalists are Killing the Planet, Destroying the Economy and Stealing Your Children’s Future*, Blueback Publishing, September 11, 2012.

⁷ <https://www.wsj.com/articles/venezuelas-tyranny-of-bad-ideas-1535311573> (accessed November 18, 2019).

⁸ <https://www.nytimes.com/2019/05/17/world/americas/venezuela-economy.html> (accessed November 20, 2019).

⁹ Benjamin Kentish, “Venezuelans lose average of 19lb in weight due to nationwide food shortages, study suggests,” *Independent.com*, 23 February 2017.

¹⁰ Press release: “Refugees from Venezuela top 4 million: UNHCR and IOM,” June 7, 2019; <https://www.unhcr.org/en-us/news/press/2019/6/5cfa2a4a4/refugees-migrants-venezuela-top-4-million-unhcr-iom.html> (accessed November 21, 2019).

Socialism is a poison that weakens and ultimately kills an economy. As history shows, pure socialism brings ruin to a country's economy quickly, while partial socialism kills the economy more gradually. The fact that socialism has no successes to cite forces the American proponents of socialism to employ other tactics to seduce new adherents to their cause. Thus, they keep painting socialism in visionary terms, as a grand ideal—a theory yet to be realized. It turns out, though, that in the realm of economic theory as in actual history, there is nothing that corroborates or demonstrates any viability for socialism. In fact, economic theory is every bit as damning to socialism as is history.

Economic illiteracy

It is both a tragedy and a wonderment that present day Americans are either ignorant of or deliberately ignoring the massive evidence that history provides to pronounce upon socialism the verdict of “Guilty of ruination and impoverishment in the first degree.” It is an equally great tragedy that a simple but profound economic truth discovered a century ago remains unknown to the vast majority of Americans.

Some proponents of socialism makes excuses for its failures, arguing that inferior people were in charge—people not up to the task. Note the subtext here: Self-confident American intellectuals and politicians essentially say, “Too many socialist officials in failed socialist states were thugs or hadn't received the proper intellectual preparation. But we smart, enlightened, caring Americans have what it takes to devise and engineer a glorious socialist society.” No, they do not.

They fail to grasp an essential point: It doesn't matter who the socialist planners are – they could be geniuses with IQs of 200 holding multiple doctorates and having the hearts of saints. Their socialist policies would still culminate in impoverishment. Why?

The answer to this crucial question appeared one century ago, in 1920. In the greatest theoretical discovery in economic science during the 20th century, Ludwig von Mises exposed the fatal flaw of socialism in an essay titled, “Economic Calculation in the Socialist Commonwealth.” (Two years later Mises published a 600-page book, *Socialism: An Economic and Sociological Study*, that fully developed and amplified his explanation.)

Mises demonstrated with airtight logic that with the state in charge of production, there no longer exists a market-based process by which supply and demand determine prices. Instead of prices reflecting what people value most highly, the state dictates how much of what is produced by whom, and then attaches prices that are arbitrary economic fictions, divorced from value. Production becomes uncoordinated and it becomes impossible for anyone, including government officials, to calculate profit and loss—i.e., how much wealth is being created or destroyed by current production processes. Thus, socialist economic planners inevitably fly blind and they cannot figure out what economic adjustments they need to make. In short, rational economic calculation is impossible under socialist management. This is not an ideological assertion; it is a scientific fact that humans ignore at their peril.

It boggles the mind to contemplate how many human beings—literally billions of them—could have been spared the deprivations and depredations of socialist economic planning if only Mises’ explanation had been heeded. One can’t blame the man on the street for ignorance about the problem of economic calculation, but the economics professions’ silence on this matter is criminally negligent.

As scandalous and inexcusable as the economics’ profession’s conduct has been, the American public still deserves some of the blame for a lack of simple common sense when it comes to economics. The average American should at least have enough economic literacy to

understand that in market economies, the consumer is sovereign and the only way for businesses to profit is to fulfill the wants of consumers. This contrasts with socialism, under which production is not dictated by the tastes and desires of the people, but by a political elite—the central economic planners. Does it not make sense that if enterprises are producing what the government wants instead of what the people want, then the people are naturally going to be poorer under that type of system?

Also, there is a common sense understanding that monopolies abuse consumers. Fortunately, monopolies are exceedingly rare in a dynamic free market system whereas socialism is an entire system of monopolies.

Educational malpractice

Most of us have a sense that something is very wrong with the educational system in our country. There was a time when public education at the primary and secondary levels in the U.S. included some basic instruction in American history and government. Young Americans learned about the Judeo-Christian roots of the American Republic; the perennial struggle for freedom and individual rights, and the rudiments of the free market system that produced the material affluence that surrounds us. Those days are long gone in many American schools.

A sizable number of teachers work to indoctrinate our youth with socialist ideology. I know this from personal anecdotes, both from the collectivist lessons my college professors in the department of education taught, and from speaking confidentially with friends who have close ties to American secondary schools. This practice (malpractice, actually) is documented in Dr. Samuel Blumenfeld's 1984 book, "NEA: Trojan Horse in American Education." (The NEA—National Education Association—is the country's primary teachers' union.) A more up-

to-date account is found in the 2015 book by Dr. Blumenfeld and Alex Newman, “Crimes of the Educators: How Utopians Are Using Government Schools to Destroy America’s Children.”¹¹

Recall that Karl Marx’ 10th point in his 10-point platform for democratic socialism called for state control of schools. Similarly, the late Italian Marxist Antonio Gramsci wrote, “Socialism will triumph by first capturing the culture via infiltration of schools, universities, churches, and the media by transforming the consciousness of society.”¹²

For pro-socialist teachers to take advantage of their positions and indoctrinate their young, impressionable pupils with socialist propaganda, is disgusting. This is not seduction; rather, it is more like intellectual statutory rape. Such teachers are pedophiles targeting the mind rather than the body of our country’s youth. This is gross malpractice and professional malfeasance.

What kinds of ideas are today’s youth being taught in high school? I read a story in November 2019 in the *Philadelphia Inquirer* about a veteran English teacher who felt obliged to let her pupils watch the titillating farce of the House impeachment hearings. She said, “For me, what’s the point of a public education if we’re not teaching kids to be citizens?”¹³ Fair enough. Teaching American citizenship (at least, in a historically accurate way) has a legitimate place in public schools. But what is an English class doing watching TV about political goings-on?

That is a minor quibble, but even in civics courses, shouldn’t pupils be learning about what made their country great and how different the two competing economic systems of

¹¹ A helpful introduction is an essay by Alex Newman, “How Socialists Used Teachers Unions Such as the NEA to Destroy Education,” *The Epoch Times* website, November 19, 2019; https://www.theepochtimes.com/how-socialists-used-teachers-unions-such-as-the-nea-to-destroy-education_3149507.html (accessed November 22, 2019).

¹² [Libertytree.ca/quotes/Antonio.Gramsci.Quote.E447](http://libertytree.ca/quotes/Antonio.Gramsci.Quote.E447) (accessed November 25, 2019).

¹³ Ellie Silverman, Maddie Hanna, and Kristen A. Graham, “Trump impeachment as education: How Philly-area teachers and students are handling the hearings,” *The Philadelphia Inquirer*, November 13, 2019; <https://www.inquirer.com/education/impeachment-inquiry-hearing-house-trump-ukraine-teachers-students-classroom-20191113.html> (accessed November 20, 2019).

capitalism and socialism are? After all, whichever economic system prevails in America will have a far greater impact on students' lives than watching the political pornography of a partisan impeachment hearing.

If secondary teachers want their pupils to watch informative programs that impart hugely valuable lessons that can make a difference in their lives, there are plenty of online videos that depict vividly the pathetic reality of socialism. Here are a few suggestions: Do an internet search for "empty store shelves in USSR" (ditto for Venezuela for a current example). Those show the depressing poverty of everyday life for the people in a socialist economy. So does the illuminating YouTube video: "Why Cuban cab drivers earn more than doctors¹⁴." Research 1980s Nicaragua, where the Sandinista government imposed socialism and quickly squashed a functioning private economy, replacing it with a dysfunctional system that caused food shortages¹⁵ so severe that Nicaraguans began to refer to their country as "la tierra de no hay" or "the land where there isn't any."

Socialist indoctrination is rampant at the university level, too. (This is not in the least surprising, given the frequent well publicized incidents of conservative guest speakers being blocked or harassed when trying to speak on college campuses.) One poll shows that college students are far more likely than their contemporaries who are not enrolled in college to favor socialism.¹⁶ Another poll, conducted in October 2019, showed that 70% of millennials and 64% of Generation Z say they are at least somewhat likely to vote for a socialist.¹⁷

¹⁴ https://www.youtube.com/watch?v=n-mUZRP-fpo&feature=emb_title (accessed November 17, 2019).

¹⁵ Tracy Wilkinson, "Food shortages plague Nicaraguans," UPI, June 25, 1986; <https://www.upi.com/Archives/1986/06/25/Food-shortages-plague-Nicaraguans/3407520056000/> (accessed November 22, 2019).

¹⁶ Emily Elkins, "Millennials Don't Know What 'Socialism' Means," *reason.com*, July 16, 2014; <https://reason.com/2014/07/16/millennials-dont-know-what-socialism-me2/> (accessed November 18, 2019).

¹⁷ www.victimsofcommunism.org/2019-annual-poll slide #37 (accessed November 24, 2019).

What, then, are professors teaching college students that persuade them to favor socialism? It clearly isn't the historical performance of socialism. Rather, it is an appeal to moral superiority—the lure of enlisting in a righteous cause to make the world a better, “fairer” place.

The ethics of socialism

There is an old saying about not letting the perfect be the enemy of the good. While I am going to point out plenty of ethical lapses among American proponents of socialism, socialists (save a few pathological individuals) aren't consciously trying to make the world a worse place. Most of them think that socialism will help people. To keep our theme intact, they have been seduced by a utopian vision of the world—one with the blight of poverty completely eradicated.

Ending poverty is a worthy goal, but is socialism an ethically worthy approach to that goal? It will take more than good intentions and impassioned concern for the poor to eliminate poverty from the Earth. As Ludwig von Mises repeatedly emphasized in his writings, the test of any economic policy is whether the adoption of a policy will produce the desired result. Socialism, as we have seen, does not. But that does not stop zealous socialists from condemning capitalism.

The late economist Joseph Schumpeter, looking at the social transformation wrought by capitalism, once wrote, “The capitalist achievement does not typically consist in providing more silk stockings for queens, but in bringing them within reach of factory girls.”¹⁸ Capitalism has brought countless goods within reach of the masses. But as much as capitalism has done for so many billions of people, it has not done so fast enough to bring affluence to every single person. Socialists have lost patience with capitalism. Only socialism, they suppose, can spread wealth

¹⁸ Joseph Schumpeter, <http://www.quoteland.com/author/Joseph-Schumpeter-Quotes/657/> (see “Capitalism”). (Accessed November 2019).

“fairly” – that is, so that every human being enjoys a comfortable standard of living by next Christmas (or at least a lot sooner than via capitalism).

Problematical slogans

The problem with the socialists’ claim that their policies will produce a “fairer” world is that the means to the end are not necessarily fair or ethical. Specifically, socialist rhetoric is heavily sprinkled with references to “social justice” and “greater economic equality.” “Social justice” connotes removing and correcting the (alleged) injustices of capitalism by engineering a “greater economic equality”—a more equable distribution of wealth.

Both of these phrases are bewitching, because Americans have always cherished the values of “justice” and “equality,” even if they have not always agreed on an exact definition of those words. Upon closer examination, though, both “social justice” and “greater economic equality” become quite problematical, for they lead to other values that aren’t so dear to most Americans. Let us briefly examine each:

The phrase “social justice” is a strange solecism. It is a redundancy; “justice” doesn’t need the adjective “social” to modify it. “Justice” is an inherently social principle. It pertains to how people treat each other. The everyday meaning of justice is the best: Do not violate anyone’s rights. Indeed, what is injustice but the violation of somebody rights? Correspondingly, what is a just government, but one that impartially protects and upholds everyone’s rights against all who would violate or trespass on those rights?

The problem with “social justice” is that it upends the traditional American/Biblical (Leviticus 19:15) ideal of the rights of every individual, rich or poor, receiving equal protection. By asserting that the poor should have a legal right to a portion of the property of their more well-to-do neighbors, socialists essentially elevate the rights of some citizens above the rights of

others. This necessitates replacing the traditional principle of equality before the law with the practice of unequal treatment by law. Government, which was set up by our founders to preserve justice and defend the rights of every citizen equally,¹⁹ is, under socialism, perverted into an instrument of injustice by which some citizens' rights are abrogated—all in the name of “social justice.”

The 19th century French economist Frederic Bastiat dubbed government transfers of wealth from Citizen A to Citizen B “legal plunder.” He defined “legal plunder” as any law that “takes from some persons what belongs to them, and gives it to other persons to whom it does not belong.”²⁰

Admittedly, the American people ceded to the federal government a license to partially negate property rights decades ago. Consequently, trillions of dollars of “legal plunder” already have found their way into the pockets of myriad special interests, ranging from cronyism to welfare, from well connected business enterprises to various segments of the population (e.g., people above a certain age or below a certain level of income). Socialists seek a quantum increase of this practice. They seek to make government transfers of wealth well nigh universal.

As for the slogan “greater economic equality,” it is an outgrowth of the ideology of egalitarianism—the notion that even though people are naturally quite different in aptitude, attitude, effort, talent, and economic productivity, there should be economic parity between them. To achieve this greater degree of equality, government is to concoct and implement plans to redistribute property and equalize wealth. It shouldn't be too hard to discern several serious problems with this vision.

¹⁹ James Madison, the most influential founder at the Constitutional Convention, spoke for the majority when he stated, “[T]hat alone is a just government which impartially secures to every man what is his own.”

²⁰ Frederic Bastiat, *The Law*, 1850, Irvington-on-Hudson, NY: The Foundation for Economic Education, Inc., 1981 version, 21.

First, egalitarians are at war with the natural order of things. Either God or evolution (whichever you believe created us) made us unequal. We have marvelous differences, and as long as nobody is using force against anyone else, these differences give rise to an amazingly rich, diverse range of human products and accomplishments. Some people have an exceptional knack for creating value for others. That is why there are so many billionaires and millionaires—the economic benefactors of society whom egalitarians seek to punish, crush, or make extinct. Indeed, the more fanatical advocates of egalitarianism have a messianic complex and imagine that they are somehow qualified to correct the alleged mistakes of the creator and reshape human society into their own personal vision.

Second, egalitarian obsessed socialist planners essentially want tyranny. They want the power of the government elite to expand and individual rights to shrink (all for our own benefit, of course). Socialists think government should rule over us rather than serve under us by defending us from aggression against our person or property. Such a goal is antithetical to the republic our founders devised. The insuperable conundrum of egalitarianism is that in order to make everyone economically equal (or at least more equal than they currently are) the law has to discriminate against people and treat them unequally. As presented in socialist theory and rhetoric, the government should single out “the rich” for harsher treatment, taking more of their money and transferring it to “the poor.” The socialist planner arrogates to himself the power to decide how citizens’ wealth should be spent.

Third, there is a glaring hypocrisy at the heart of socialists’ plans for a brave new world. In the name of everyone being equal, they presume to exalt themselves above their fellow man. In the insightful words of George Orwell, under socialism “All animals are equal, but some animals are more equal than others.”

The seed of tyranny

Indeed, it is this hyper-confidence in their own rightness and moral superiority that makes socialists so dangerous. Through a combination of inflated love for themselves and a corresponding lack of love and respect for others, socialists wrap themselves in the colossal conceit that they are somehow qualified to rule over the rest of us. As I learned from my own youthful flirtation with socialism, the seed of tyranny germinates in the obnoxiously self-flattering notion: “The world will be a great place once everyone else accepts the role I have planned for them.”

The great Scottish moral philosopher Adam Smith commented on this form of egotism and self-righteousness in his 1759 book “The Theory of Moral Sentiments”: “The man of system ... seems to imagine that he can arrange the different members of a great society with as much ease as the hand arranges the different pieces upon a chess-board.”²¹ (Bastiat used the metaphors of a potter and his clay and a pruner and his trees to describe this supercilious attitude that elitist social engineers hold toward their fellow man²².) “The man of system” (“economic planners,” “social engineers,” “progressives,” and “socialists” in contemporary jargon) divides the human race into two classes—the superior class (i.e., the planner and his cronies) and everyone else. Socialist planners believe that they have been anointed to rule over the masses of citizens. Thus, they tend to dehumanize their fellow man—particularly those who oppose them. They seek to strip their fellow Americans of that which makes them human—their freedom of choice, their individual rights, and their liberty. They regard almost everyone not on board with their socialist

²¹ Adam Smith, *The Theory of Moral Sentiments*, 1759; Indianapolis IN: Liberty Fund, Inc., 1976, 380-1

²² Bastiat, pp. 33-35.

program as an inferior species whose purpose in life is to passively accept a pawn-like role in the glorious new social order that the planners have devised for them.

Spurious fig leaves

One tactic that proponents of socialism often employ to deflect concern about the aggressiveness of their agenda is to try to cloak their naked lust for power with the fig leaves of democracy and Christianity. But the former is ugly and the latter deformed.

The socialist sense of democracy is embodied in quotes from Lenin and Marx. Lenin: “A democracy is a state which recognizes the subjection of the minority to the majority.”²³ Marx: “The way to achieve socialism is for the masses to ‘win the battle of democracy.’”²⁴ (“Manifesto,” Chapter 2). What democracy boils down to for socialists is this: There are more of us than there are of you, so we will impose our will on you. What is this but the ethos of “might makes right”—the code of the thug and bully?

As for the Christian fig leaf, there is a long tradition of Americans who claim that socialism is Christianity in action, but that is completely contra-biblical. If you wish to read a longer rebuttal to this assertion, you can do an Internet search “Mark Hendrickson Epoch Times Socialism not Biblical.” Here, suffice it to say that the property right was held as sacrosanct in both the Old and New Testaments. When a man asked the Savior to command his brother to share his inheritance with him, Jesus refused, saying, “Man, who made me a judge or divider over you?” (Luke 12;14) If the most moral being who ever walked the Earth felt unqualified to oversee a simple redistribution of wealth between two persons, what Christian can presume to

²³ V.I. Lenin, *State and Revolution* (1919), Ch. 4; <https://www.azquotes.com/quote/558177> (accessed November 24, 2019).

²⁴ Marx, Chapter 2.

feel qualified to dictate terms of a massive, complex redistribution of wealth between millions of persons?

The debased ethics of many socialists

If one looks at those who are susceptible to the seductive charms of socialism, one can see several common ethical lapses among them.

1) The desire for freebies—for government to act like Santa Claus, showering them with gifts and not caring how government obtains the funds to pay for their benefits. Everybody knows that it is theft for a person to take money from his neighbor's house. Why is it that if you take something that isn't yours from someone else, it is "theft," but if the government does it for you, it is "social justice"?

The impulse for free stuff is easily understood. It is human nature to obtain what we want for the lowest possible price and the least amount of effort. Certainly it is easier to take a few minutes to vote for a candidate promising handouts than to work however many hours it would take to earn an equal amount.

Once again, we see seduction at work here. Many people are drawn to socialism by the catnip of free goodies. They have the mindset that the late Glenn Frey captured so aptly in his song "Smuggler's Blues": "It's the lure of easy money, it's got a very strong appeal."

2) Phony do-gooders and fake charity.

Many pro-socialists want to help the poor or others in need. That can be an admirable impulse. And under capitalism, they are completely free to do so to whatever extent they choose, either individually or through voluntary associations with others. Instead, they demand massive government programs based on compulsion. People in this category suffer from "the liberal

temptation”²⁵ – the desire to help others as long as somebody else pays for it. This is ersatz charity. It is also dictatorship in drag.

It is in connection with government welfare programs that we often hear proponents of redistributing wealth invoke Christianity. Sorry, folks, but while there are many statements in the Bible urging, cajoling, telling believers that God wants them to be charitable and generous givers, nowhere does the Bible teach that God’s people are justified in forcing others (and government is nothing, if not organized force) to pick up the tab for one’s own charitable initiatives.

3) Power lust.

Some people crave power over others. Psychologists can have a field day discussing what personal insecurities and inadequacies wannabe tyrants are compensating for. The fact is, though, that of all the advocates of socialism, this type of person is the most dangerous. They are the ones about whom F.A. Hayek warned us in Chapter 10 of “The Road to Serfdom”: “Why the Worst Get on Top.”

One prominent example today is Senator Bernie Sanders. As a young man, Sanders made several attempts to work in the private sector, but he wasn’t skilled enough at anything to find success in the social division of labor. He has, however, become a brilliant political entrepreneur. He has built a decades-long career out of telling others that they have a right to some of their fellow Americans’ property. Sanders may be a one-trick pony, but what a lucrative trick! His demagogic pandering has been his ticket to a multi-million dollar fortune and enough popularity to bring him within reach of the presidency.

²⁵ Mark W. Hendrickson, *faithandfreedom.com*, Sept. 18, 2007; <https://www.faithandfreedom.com/the-liberal-temptation/> (accessed November 25, 2019).

Is it really “socialism” that the American left seeks?

Since it is impossible to promote socialism on the basis of a positive track record, its advocates, as we have seen, resort to verbal shenanigans to seduce the naive, ignorant, and gullible. Thus, they play word games. While “social justice” is socialists’ most common and most effective example of Orwellian Newspeak, it isn’t the only one. Over the last couple of years, there has been a wave of articles designed to create a smokescreen and sow confusion by asserting that what “Candidate A” proposes is not really “socialism.” Even Bernie Sanders contributed to the verbal fog by writing an article in *The Wall Street Journal* titled, “Trump Is the Worst Kind of Socialist.”²⁶

My recommendation: Don’t get distracted by this verbal mischief.

A popular dictionary provides a standard definition and captures the essence of socialism in these words: 1) any of various economic and political theories advocating collective or governmental ownership and administration of the means of production and distribution of goods; 2a) a system of society or group living in which there is no private property; 2b) a system or condition of society in which the means of production are owned and controlled by the state.²⁷ Let us grant that none of the self-professed “democratic socialists” are proposing pure socialism. So what? Remember: Even Lenin himself rejected pure socialism.

The key factor is not so much the ownership of the means of production, but who controls them. As explained to me by my mentor and Grove City College legend, Dr. Hans Sennholz (whose teenage years in Germany were all under Hitler’s rule), the difference between socialism and Hitler’s fascism was a matter of form, not substance. The socialist Soviets owned

²⁶ Bernie Sanders, “Trump Is the Worst Kind of Socialist,” *The Wall Street Journal*,” June 26, 2019, <https://www.wsj.com/articles/trump-is-the-worst-kind-of-socialist-11561589372> (accessed November 22, 2019).

²⁷ www.merriam-webster.com/dictionary/socialism (accessed November 6, 2019).

and operated entire industries. Hitler's regime, by contrast, allowed business owners to retain title to their enterprises, but then dictated to those firms what they must produce. In practice, then, the Nazi state was in charge of huge swaths of economic production, just as the Soviet state was. (Nazi production, incidentally, was superior to the Soviets, because German industry had become much more technologically advanced and capitalistically developed before the state assumed the reins of control whereas Russian industry was much less developed at the time of the Bolshevik takeover.)

Remembering that the essence of socialism is that consumer sovereignty has been usurped and producers produce what the state commands rather than what the population wants. The key factor is: How much of economic production is controlled by the state?

Democratic socialists are showing their true colors (green)

The Green New Deal that has been endorsed to varying degrees by the 2020 Democratic presidential candidates called for what Mises termed “a command economy”—one in which the state dominates and dictates the lion's share of production. The Green New Deal calls for Uncle Sam to take control of “the commanding heights of the economy”—energy, transportation, construction, housing, finance, health care, education, jobs, etc.²⁸ Technically, it is more of a Nazi (i.e., national socialist) agenda than a textbook socialist agenda, but practically, with its focus on controlling the commanding heights of the economy, the Green New Deal is substantially Leninist. In short, the Green New Deal is “the plan to build [a] new economy.”²⁹

²⁸ Mark Hendrickson, “The Green New Deal: Welcome to a Command Economy,” *The Epoch Times*, Feb. 18, 2019; https://www.theepochtimes.com/the-green-new-deal-welcome-to-a-command-economy_2802714.html (accessed November 22, 2019).

²⁹ Alexandria Ocasio-Cortez, “Green New Deal: Fact Sheet and FAQ from Rep. Alexandria Ocasio-Cortez and Sen. Edward Markey,” *The Heartland Institute*, Feb. 8, 2019; <https://www.heartland.org/publications-resources/publications/green-new-deal-fact-sheet-and-faq-from-rep-alexandria-ocasio-cortez-and-sen-edward-markey> (accessed November 22, 2019).

Government “plans” to manage the economy is what the Soviet socialist system was all about. And “plans” are what we are hearing about on the Democratic campaign trail. As of November 2019, Senator Elizabeth Warren, for example, had posted on her website 59 “plans” for how government should control entire sectors of the American economy.³⁰

The democratic socialists in the Democratic Party clearly are socialists—they favor having the government take operational control of economic production. They would conscript tens of millions of workers into service to produce what the government orders rather than what consumers want. Just as the Soviet Union ended up with a huge supply of nuclear weapons while the people languished in poverty, so with Uncle Sam consuming most economic resources to fundamentally transform the economy, much less production would be geared to satisfying what people want most. That is a formula for impoverishment.

The socialists’ secret weapon

America’s democratic socialists are already devising clever ways of increasing their control over the economy even if they don’t dare openly seize private property to further their goals. They have a secret weapon—an ominous tool called Modern Monetary Theory (MMT).

MMT, if implemented, will bypass congressional gridlock and what little concern is left about government deficits. Under MMT, Congress can simply direct the monetary authorities to create more money and deposit it in the U.S. Treasury’s accounts. Voters would never approve of taxes being raised by trillions of dollars to pay for the vast spending plans hatched by the democratic socialists, but they would be powerless to stop the Federal Reserve from supplying however many dollars the government would need to outbid private demand for resources. With virtually unlimited money at its disposal, Congress would be able to purchase however much

³⁰ <https://elizabethwarren.com/plans> (accessed November 22, 2019).

labor, materials, equipment, etc. they need to carry out their plans. Using MMT, whatever the government wants, the government would get.

In this way, MMT would enable the government to obliterate the private sector. With its exclusive access to the bottomless well of fiat money, the government would be able to drain evermore resources from the private sector into government projects until all major industries were brought under government control. In effect, then, MMT provides a back door approach to socialism.

Time to apply the T-word

How would you characterize a government that has the power to take possession of whatever it wants by having access to an unlimited supply of money? Yes, it has a socialistic flavor, but there is an older term that applies. Historically, when a government wields oppressive power over its citizens, it is called tyranny.

“Socialism,” “Green New Deal,” “central economic planning,”—I call it “tyranny,” you call it what you want. We Americans are being confronted with an existential threat to our wellbeing, our freedom, and our way of life. It is time for patriots to rally and preserve our great Republic.

Socialism is far from popular in the various countries that have lived under socialism. It is disturbing, disappointing, and dangerous that people in our country ignore the painful experience of others and are clamoring for the adoption of an economic system that has brought ruin to hundreds of millions of people around the world over the last century. The fact that they often promote their agenda by ethically dubious means—devious omissions and distortions, verbal manipulations, willful indoctrination, etc.—casts the socialist movement in a more ominous sinister light.

In Deuteronomy, God presented His people with a stark choice: “I have set before you life and death, blessing and cursing; therefore choose life, that both thou and your descendants may live” (Deut. 30:19, NKJV).

We are confronted by a similarly momentous choice today. It is the choice between freedom and bondage, prosperity and stagnation, justice and injustice. Beware the false allurements of socialism. Don't let the false promises of socialism become a fatal attraction.