



The Unthinking and the Unobservant

by Richard W. Rahn

HISTORY SHOWS THAT SOCIALISM BRINGS MISERY TO NATIONS THAT ADOPT IT

This past week, Alexandria Ocasio-Cortez, a self-proclaimed socialist, won the Democratic primary for a congressional seat in New York. Why would a sane person advocate a political movement that was responsible for well over a hundred million deaths in the last century, as well as untold misery? By her comments, Ms. Ocasio-Cortez revealed a couple of things about herself. The first is an ignorance of history — because it is unlikely that she really meant to be an advocate for a cause that often results in mass death and destruction — and that she is unable to think beyond stage 1, or the first order effect of a policy.

Perhaps, she is just so unobservant, unthinking, and uneducated not to notice the disaster of modern-day Venezuela, Cuba, North Korea or the former Soviet Union. Many socialists refer to their opponents as Nazis and Fascists, including to President Trump and his supporters, seemingly unaware that Nazi meant national socialist.

Socialism, in all its variants (democratic socialism, communism, Nazism, etc.), is all about taking property from one person and giving it to another, all in the name of equality. Families practice

voluntary socialism within the family where the breadwinner(s) share income and property with other members of the family, most often the children. Religious groups and other voluntary organizations share some income and property among their members and even outsiders — which is a good thing when it is done on a voluntary basis.

But the socialism advocated by Ms. Ocasio-Cortez and Sen. Bernie Sanders, as well as Karl Marx, Lenin, Stalin, Mao, and so on, is not voluntary but coercive. That is; “I am going take your property, forcibly if necessary.” The Nazis and Fascists were also about taking other people’s stuff — just a variant of classic socialism. (For those who have forgotten history, Hitler and Mussolini were not free-market, limited-government guys — but men who imposed income redistribution schemes, just like other socialists.)

All governments tax and engage in some redistribution. Most taxation is coercive and enforced by the police powers of the state. And most people understand that some limited taxation and government is a price to be paid for a civil society. Implicitly people understand that government can be an effective means for protecting private property and person, and those basic functions need to be paid for.

Few object to a tax rate of 10 percent, and such a low rate has only a small disincentive effect on the willingness of the productive to work, save and invest. But as the tax rate increases, the disincentive effect also increases eventually to a point where the productive withdraw so much of their labor and investment that tax revenues actually fall (as illustrated by the Laffer Curve).

It is also well known that as government spending grows as a percentage of national income, it tends to both discourage personal responsibility for one’s economic well-being and becomes less efficient in how it is used, eventually resulting in negative economic growth (such as being experienced in Venezuela at the moment).

The historic and modern-day socialists live in a fairy-tale world where they think people will produce as much at a 90 percent tax rate as they will at a 20 percent tax rate, and where all government programs are administered with

great competence, efficiency, and honesty. This never happens. So in democracies, the people finally get fed up and throw out the big-government types — the Thatcher revolution in the U.K. in 1979 being a prime example.

Many socialists, once having obtained power, even if by democratic means, claim the right to never allow a reversal.

Ms. Ocasio-Cortez, Sen. Bernie Sanders, and the other socialists advocate “free” healthcare for everyone, “free” higher education, and much other “free” stuff. But they are unable to explain how this is to be paid for. Some mumble about higher taxes on the rich — but again they are so unobservant and unthinking that they fail to notice the flight of rich people from high-tax states to low-tax states, and from high-tax countries to low-tax countries.

The mainstream media is quick to pounce on Mr. Trump for any of his contradictory and silly statements as they should, but many of them give a free pass to the socialists (including those in the Democratic party) — whose statements are often more absurd and dangerous than anything the president has said. If more members of the media had studied the physical sciences, economics and history, they might be better at thinking beyond stage 1. One really needs to be very unobservant and unthinking to be in Singapore (as many in the media were in covering the Trump-Kim summit) and to be obviously clueless as to why Singapore is so successful.

Can you think of one socialist experiment that worked in the last several hundred years? There were none: not small utopian communities, not massive states — they were all failures. Children and young people are attracted to socialism because it seems to promise “fairness” and security — but, in fact, this attraction is product of an unobservant, unthinking and immature minds.

Richard W. Rahn is chairman of Improbable Success Productions and on the board of the American Council for Capital Formation

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