

MEMO FROM EMMETT MAYOR GORDON W. PETRIE

SUBJECT: WHY CAPITALISM MATTERS, CONCLUSION

This Memo ends our broad discussion comparing capitalism to socialism. Clearly, too many of our youth think socialism works. In large part, their belief originates not from having been taught *how* to think; rather, they have been indoctrinated with *what* to think. Moreover, many still have large loans to pay for their inculcation and group think exercises. These poor souls believe socialism will bring free healthcare, free college, gobs of benefits, with the rich paying for it all, notwithstanding our \$22 trillion *growing* debt!

Just as alarming, they know little about socialism's history. Obviously, they did not receive a critical analysis of it. Since they did not live then, they have no memory of the Cold War. They did not vicariously experience the joy with Eastern Europe—East Germany in particular—when “the Wall” came down. All they know is, in today's America, the rich get richer, the poor get poorer and the middle class appears to be disappearing faster than polar bears: all due to capitalism.

Spoiler alert: their belief is largely true, except for the part about the poor, the middle class and capitalism, *unless* they mean the elite's *crony* capitalism. US poor can now work because jobs exist for them. They now have a path to the next level! Some have jobs we were told would never return to our shores. Moreover, the middle class also appears to be on the comeback trail, thanks to our robust economy. Finally, crony capitalism —“crapitalism”— a kind of post-modern insider mercantilism, has nothing whatsoever to do with free-market, fair-trade Capitalism and even less with sound government policy.

Sadly, our college-educated youth will point to such places as Denmark numbered among socialist utopias. Nonsense. It comprises a traditional market system coupled to expensive welfare and education programs requiring huge taxes to operate. Figure on Danes making the equivalent

of \$50,000 in the United States paying 56% in income tax and, on top of that, add on another 25% for “sales” (value added) tax, not counting other local taxes. In other words, Denmark simply redistributes the income, often glossed over by Washington elites preaching the virtues of the welfare state.

No wonder, then, the non-establishment Republicans selected the consummate “outsider” Donald Trump to be their 2016 presidential candidate and why the Democrats would have picked Bernie Sanders, had there been a fair fight during their primaries. The current problem is Bernie has convinced our youth he’s mainstream—Socialism’s time has come; part of the Hegelian Dialectic, apparently.

Yet Bernie Sanders needs to be seen for what he is, an old-fashioned Marxist dressed up in \$700 sport coats. His 2016 book, *Our Revolution*, which made him a millionaire, simply updates the shibboleths of Marx’s rage against the bourgeoisie middle class in his fight for the proletariat working class. Bernie might have called his book *Das Kapital, Redux*; but that would have exposed him.

Although Marx viewed capitalism as progressive, even a force that encourages economic growth and innovation, he was troubled by the social inequities the system creates—at least ones he perceived—not to mention its “inherent instability.” Those same alleged social inequities trouble Bernie. He freely admits he will use his power to eliminate them by eliminating capitalism.

Our very discussion was outlined over 76 years ago in *The Reader’s Digest* article entitled, “Your Stake in Capitalism,” by Eric Johnson, US Chamber of Commerce President. He concluded his essay with this: “We stand at a solemn parting of the ways. Our business...and...labor leaders want freedom. No American wants slavery. But what is the price of freedom? ...The word is

capitalism.” [Thank you, Dawn Mitts, consummate Moparophile and former fellow comrade of the court, for the article.]

So, do we really want to make this country another Venezuela? If capitalism is so unstable, what about the bucket of nitro called socialism? We need to remember our country was established on certain unalienable rights; that among them we find life, liberty and the pursuit of happiness. If socialism supplants capitalism in the US, say goodbye to the kind of innovation that has been a positive world changer for the last 150 years. Also, say goodbye to our freedoms; the government will own us. For real freedom, free-market capitalism, the kind tolerating only common sense restrictions, the kind that eliminates rewarding only insiders, wins the day. But always remember—moral engineers need to run that powerful capitalist locomotive, not global elitists.