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Economics and the Bible: Was Jesus a Socialist? Part 3

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Knight & Rose Show - Wintery Knight and Desert Rose

Wintery Knight and Desert Rose look at history and discuss whether socialism has been good for Christians. We discuss whether successful European countries are good examples of socialism. We discuss whether high tax rates and government ownership of businesses has been good for Christians in Canada. We then turn to the free market system, and discuss whether it is any better for Christians. Finally, we answer objections to the free market system. This is the third episode of a three-part series.

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Transcript

(intense music) Welcome to the Knight & Rose Show, where we discuss practical ways of living out an authentic Christian worldview. Today's topic is, "What are the results of socialism?" I'm Wintery Knight. And I'm Desert Rose.

Welcome, Rose. So in our last two episodes, we looked at the historical sources to

determine whether there was evidence to believe that Jesus was a socialist. Today, we're going to look at more recent history and ask whether socialism is good for God's people and for God's purposes.

Even if Jesus wasn't a socialist himself, perhaps socialism is an even better system than what was known in Jesus' day. So let's talk about the results of socialism. Some of the most socialist countries in the world include Venezuela, Cuba, and North Korea.

So how are those countries doing? Well, the Index of Economic Freedom, as you know, is an annual report from the Heritage Foundation that measures all countries according to their economic freedom. So basically, it measures how capitalist an economy is. The top countries, the freest countries, the most capitalist countries, like for example, Singapore and Switzerland.

Hong Kong. Yeah, Hong Kong, yes. They have a high per capita gross domestic product.

All right. Everybody's getting paid. Yes, yes, yes.

And so GDP, gross domestic product, is basically the value of the goods and services produced in a country each year. And then per capita, of course, means per person, per head. So the bottom countries like North Korea and Venezuela, they have low per capita GDP and these are the least free countries in the world.

Interesting. Yeah. And actually, it's really interesting because Venezuela used to be very wealthy and then they started imposing all sorts of socialist policies.

They elected a couple of socialists in a row to lead the country and they became very, very poor, desperately poor. We've talked about some of the major crises that have been happening there. Yeah, they nationalized their entire, like private oil companies that had come in and gotten set up to do business.

They nationalized it and they put their government people in charge as if they know how the business works. Right. Yeah, the disaster.

Yeah. And then in contrast, Chile actually used to be very poor and then they started going toward more capitalist policies and they became wealthy. Yeah.

Actually, in the news, they just rejected, they're trying to rework their constitution and there was a movement by the left wing factions to rewrite the constitution to be more left wing. And the people rejected it. So they're still going on their free market path and like stacking their cash.

It's worked out well for them. Yeah, very good. Very good.

Okay. So you named a few countries people might accuse us of cherry picking. So is this the standard way that socialism works out in history? Yeah.

Historically, millions of people starve. Millions of people are killed in the years following the adoption of socialism, either through starvation, through slavery, imprisonment or execution. So it's not just poverty.

That's right. I have a feeling that normal, like young Americans who are like, maybe we should have socialism. I actually saw a young woman arguing for that, even though she, you know, she was very aware of all the problems that were happening in our country that were being caused by the left.

She said, well, maybe socialism is the answer. So how would you explain to, you know, young Americans who are willing to dabble in socialism that it's not just that we're going to be poor. It's that a lot of us might die.

Yeah. Well, you have to look at how socialism works. So if I could explain to young people how it works, I think they would see it's necessary that poverty and death result, really.

So socialist governments seize private businesses because the government takes control of everything and they will often kill or imprison the people who ran them so that the government leaders can run them. But socialist leaders don't understand how to run those businesses. So the businesses stop producing what people need.

There's no longer a supply and demand method of deciding what is produced and having all sorts of abundant options for people to purchase. And then, you know, the business owners wanting to please the customer and so doing all sorts of research and keeping records to make sure they're producing what's in demand. You just have a few elitist government leaders deciding what is going to be produced for everyone to get people who don't know you, who don't care about you, who have never met you, deciding what you're going to eat, what you're going to wear, what housing options are available.

Wow. And predictably, you get famines, you get things like blackouts, you know, unexpected power losses and the loss of other essential services. Oh, yeah.

Like as you're talking, I'm just imagining AOC in charge of, you know, Amazon or just thinking, oh, oh, no, she doesn't know how any of this works. She just has rhetoric. Yeah.

Imagine the DMV in charge of your health care. How phenomenal that would go. Yeah.

We're actually going to do an entire episode on health care in a country where the government is in charge of it. But you mentioned power failures and I have to say I have been reading up on South Africa lately and there was a marvelous long form essay that I read on sub stack by this South African author and analyst and he was talking about how South Africa had nationalized their power. And now the people are so poor that they're stealing components of the power system and there's also rolling blackouts and that that happened in California, you know, Texas, which is heavily invested in green energy.

Right. Yeah, exactly. I was just actually reading yesterday about how blackouts are starting to occur more in the US now that our leadership is more focused on socialist like policies.

Yep. So people like Bernie Sanders and AOC often talk about how America just needs to be socialist. But their examples are countries like Denmark, Norway and Sweden.

Oh, goodness. Yeah. So those are not socialist countries.

Those are free market economies with very high tax rates and large welfare programs. And the large welfare programs are only possible because of their capitalism. Usually the capitalism from before the days of their large government programs.

Tell us more about this because I think that's where they're going to they're going to say, well, yeah, I understand you're telling us that, you know, people get starved, you know, to death like millions of people in North Korea. But we'll look at these other countries, you know, they have a huge social safety net and that's all we're asking for. So what's it like to live in one of these countries and how are they able to do this? Well, first of all, in the Scandinavian countries, the countries you mentioned, 90 percent of their combined wealth is privately owned.

These are not government owned socialist businesses, countries. Prices are not regulated. None of these countries have minimum wage laws.

I mean, think about that for a second. Yeah. And how how much prices have just gone up and up resulting from silly policies like minimum wage laws.

They have an open stock market. Their private property is guaranteed by law there. That is, by definition, not socialist.

Right. And citizen savings are fully private and free of government control. That's that's absolutely huge.

I mean, one of my big concerns about this country is that our government's going to start getting their little hands into savings and things like that. And so that's why we're talking about the people of Argentina. But then they reap the whirlwind from that.

Right. Exactly. Yeah.

So we can we can see how capitalists they are. And we can see these these policies that I just described reflected in the index of economic freedom. The one we talked about before.

Right. Yeah. So I love that index of economic freedom because I settle so many debates with young people by just pointing to that and saying, where is your country that you like so much and you want us to be like on the next day? To be like on this index of economic

freedom.

They're measuring things like financial freedom, freedom of trade, ability to make investments, property rights, like you mentioned, the tax burden on businesses, business freedom, government integrity, how easy it is to start a business, all the things that a free market economy needs. So where are these supposedly socialist countries? Yeah. Good question.

On the index. Just go ahead and tell us the numbers. Number one is the best.

Right. So. Right.

Exactly. And there are 176 countries listed on the index for 2023. So this year when we're recording.

And Denmark is number nine, the ninth three country in the world. Sweden is number 10. Finland is number 11.

Norway is number 12. Okay. So this can these Scandinavian countries are in the top 12 in the world in freedom.

Guess where the US is. Number one. I know it's not number one.

I know you know that. But yeah, that's where I would most people would probably guess that it's actually number 25. Right.

So the Scandinavian countries are freer than the USA. So it just absolutely makes no sense to call them socialist. Then we have countries like Venezuela at the bottom.

Okay. 174 out of 176. Cuba is 175th and North Korea, not surprisingly is 176.

Yeah. There's your socialist countries. Exactly.

Those are socialist countries. Yes. Right.

Okay. So yeah, definitely the Scandinavian countries do not count as socialists at all. They're not even close.

Yeah. So they practice mostly free market economics, like we mentioned, but paired with high taxes that are exchanged for government entitlement programs. Okay.

So that's where the money's coming from. No. I mean, from the taxes.

Yes. Yes, exactly. That's right.

That's right. So I thought you meant money coming from the government entitlement programs. No, no, it's coming to the, they're taxing people to pay for all this welfare

spending.

Exactly. Yeah. Yeah.

But as we're going to see, the entitlement programs actually come at quite a cost and they don't work the way Bernie and AOC like to tell us they work. Okay. So first of all, these countries were very wealthy.

They were huge economic successes under capitalism before they built their welfare states. It was not the government benefits that created any wealth. Obviously government benefits don't create wealth.

They take the wealth that already exists and they distribute it around. So no more wealth is created when that's the way that things are handled. Maybe not the wealth that already exists, but the wealth that's produced by entrepreneurs and job creators, they take that and then they hand it out.

Yes, exactly. So Norway's exorbitant welfare state, for example, is currently funded by their production of oil. So they produce a lot of oil and they have a very small population.

Even so though, the nationalized oil industry has a huge private component with a private board in which the government owned assets are invested in private companies like Microsoft and Apple. Microsoft and Apple were created under capitalism. So, you know, it's not only the United States that would be hurt by getting rid of capitalism or by the US becoming more socialist.

The whole world would actually suffer as a result of just the US going capitalist because of how much we produce. What about Sweden? Sweden became extraordinary wealthy under capitalism. Then they implemented socialist policies and began losing their wealth, shrinking in wealth and GDP.

Eventually they reverted back to capitalist policies like they are now and they began growing in wealth again. Denmark is another example. So Bernie Sanders loves to refer to Denmark and I have a quote here actually from the Prime Minister of Denmark.

He says, "I know that some people in the US associate the Nordic model with some sort of socialism. Therefore, I would like to make one thing clear. Denmark is far from a socialist planned economy.

Denmark is a market economy." So let's go ahead and take a look at their tax systems to find out how they're funded. We agree that they're funding these massive welfare programs. I just want to see how high these tax rates are because it's really important to me that I don't pay unnecessary taxes because I've got a life plan that I'm trying to execute already.

If people come in and just swoop up all the money I'm earning, then I have less ability to do the things I want to do. So far it sounds like a really good place to live. You're going to get these generous welfare and free market economy.

So what's the catch? Well, a lot of the people in the US who tried to advocate for socialism talk about taxing the rich. They give people the impression that if we just tax the rich who have plenty of money, then there will be huge benefits for all of us. And no taxes, no inconvenient, no additional taxes on, you know, Biden likes to say, people making under \$400,000, things like that.

But that is absolutely not reality at all. So Johan Norberg, a Cato fellow from Sweden, he said, yes, we have a bigger welfare state with more public services than the US, but it's not paid for by the rich. They are far too few and too important for the economy.

The dirty little secret of the Swedish tax system is that we don't squeeze the rich, we squeeze the poor. Okay, so let me see if I have this right, because I'm thinking of like in Canada, they have like a 15% sales tax that is paid by everybody. And I think what these people are doing is they're saying, like the American Democrat Party, they're saying to the gullible people like this will never hurt you.

We're just going to take a few pennies from the rich, and we're going to pay for single payer or whatever. But if you actually look at a country that has done it like Canada, then what you find is they have this 15% federal sales tax. And that's what this Swedish guy is saying too.

He's saying there isn't enough money from taxing the rich to be able to pay for these generous, outlandish social programs. That's right. Not only is there not enough money, but if you do tax the heck out of the rich, you disincentivize the creation of more wealth, and then you have a huge loss there.

You also risk the wealthy moving and going and taking their earnings someplace else. So between disincentivizing the creation of new wealth and risking losing your wealthy completely, it just does not work. I'm expecting the middle class is going to pay something close to what the wealthy pay in these countries.

Yeah, and there's actually a regressive tax. So the poor and the middle class get squeezed really hard, like Norberg was saying. So according to an OECD study, the top 10% of earners in the US pay more than 45% of all income taxes.

Whereas in Sweden, the top 10% pay less than 27%. Wow. Yeah.

And then in Denmark, let's say America had Denmark's tax brackets. Someone earning \$60,000 a year in Denmark would be subject to a 60% tax rate. 16%.

No, 60. 60 for middle class? Yes, exactly. For making \$60,000 a year.

Okay. In the US, someone who earns the same amount of money pays an income tax of less than 15%, one five right now. Okay.

I'm going to unpack my bags and stay here then. Seriously, exactly. Also in Denmark until last year, new cars were taxed at 200% of the price of the car.

So now as of this year, it's down to 100%. So that means if you want to buy a \$30,000 car, you're going to have to pay \$30,000 for the vehicle itself. And then you're going to have to pay another \$30,000 in taxes to the government.

Yeah, this sounds like a dream for people on the left. They want to push everybody onto public transportation. But I'm telling you, I'm passionate about very few things in life.

And one of the things I like is owning the cars that I want. So, you know, I don't want to spend 100% of the price of a car on taxes. That's just a disincentive to own your own car.

Right, exactly. Yeah, and all these young people in the US who are saying, "Ra-Ra socialism." And while, you know, driving around their expensive cars that their parents got them, they have no idea that they would be riding their little butts around on bicycles if we got socialism. Wow.

Or if they lived in Denmark. Well, at least they get all these expensive welfare programs, right? So that's something. Well, the entitlement programs are only sustainable if everybody pays a lot into the system.

So in Denmark, for example, both parents have to work full time and everyone utilizes their state-run daycare. So there are virtually no stay-at-home moms. The government decides how you're going to live your life.

Wow. Yeah, that's not going to work for me because I think we've talked about this on other shows. But if I get married and I have kids, then I want my wife to stay home with the kids.

This is straight out of the studies. Children benefit from having their mothers there for the first two years, for sure, like a lot. And then even up to the first five years is really good.

Frankly, my plan was to homeschool the kids all the way through to at least the beginning of high school. So, you know, it's not good. Basically, they're taking 60 percent of my salary, 60 percent of my wife's salary, and then other people are going to decide what our children believe.

Yeah, exactly how they're raised. The government, basically, government employers are going to raise your children. You're not going to be able to afford to have very many children.

Yeah. This is why people want to put in economic policies like this, and they don't think about how men respond to this. I'm going to tell you right now, the men who are willing to commit to a woman in marriage and have children, they're only doing that because they have a very specific set of goals that they're trying to achieve through this.

Men don't get married because they fall in love like Disneyland. OK, we're thinking about being captains of our own homes, producing children that are influenced by our worldview who are going to be effective and influential. We're thinking about a grand, romantic, intimate connection with our wives.

We're thinking about having roles of protector, provider, and moral and spiritual leader. It's not every man who marries. It's only men who have this idea that they want to achieve something through marriage, who are interested in marriage.

And then when you come along to those men and say, "We're going to take 60 percent, and we're going to take 60 percent from your wife, and you're going to have your kids go to public schools and daycare," those men will not marry. And people have to understand that, that they don't get to have socialism and marriage together. And if they do, they're not in charge.

The government's in charge. Yeah, men don't like it when other people interfere with our plans and our execution of those plans. The reason we love wives so much is because the wives sign on to be helpers and supporters and advisers, you know? And we love that.

That produces a response of love in us. But when people come in and try to meddle with what we're doing, we just go, "Oh, well, I don't want to do it." Yeah, exactly. Well, in addition, Denmark, Sweden, and Norway, in addition to high-income taxes, there's also a 25 percent sales tax on virtually everything they buy, including food.

So you mentioned a 15 percent sales tax in Canada. They have a 25 percent sales tax in Scandinavian countries, including for food. So the U.S. does not have a national sales tax.

So imagine giving most of your income to the government to decide how to spend it for you, and then paying an additional 25 percent on whatever you have left over every time you buy something. It's crazy. Dennis Prager likes to say, "When the government is big, the individual is small." And now I'm seeing what he's talking about.

Yeah, exactly, exactly. If you want the government to give you free stuff, you're going to have to give them most of the money you earn so they can afford to pay for it. And it's not, again, I think this is a really important point.

It's not just the rich who must pay. It's mostly the poor and the middle class who are really squeezed, who lose out the biggest. Okay.

All right. Maybe let's move on to a different topic. So I've noticed that there are a lot of predictable results of socialism, and some of these are particularly, I want to say, friendly to the Christian worldview.

So socialist countries are very secular. That's not good for us. Religious freedom is a big problem for us.

I think in Finland, they're going after some woman for putting out a Bible study in a pamphlet or something, like literally attacking her with criminal charges, some Finnish politician. They have declining marriage and birth rates. Christians understand that Christianity moves from one generation to another in intact families.

Right. They have declining church attendance. They have declining charitable giving.

So this is not a place that encourages Christianity. It's not a place that's friendly to Christianity. Is that what you see in these countries? Like, is it a good place to be a Christian and/or are they discouraging the kinds of things that Christians like to do and like to live under? Absolutely right.

Yeah. Socialist countries and countries with socialist-like policies, socialist policies that aren't full on socialist, they tend to be very, very secular, all the things that you mentioned. So why don't we look at Canada, for example? Canada has high taxes, big government, big spending on welfare programs, a completely 100% government-run health care system.

Private health care is illegal there. Yeah, yeah, exactly. Which is why I have some friends from Canada who say that whenever people can afford it, they come to the US.

They cross the border for health care. One of the friends of the blog, she lives in Calgary and she just recently came to Arizona to get a knee replacement. She's going to be mad at me if I mess that up.

But she said to them, "Okay." They said, "This isn't going to be a problem. Just call us again when it hurts." And she came back and they said, "Okay, your appointment's in almost a year from now." And she said, "You expect me to live with this pain for almost a year?" So she just flew to, I think it was Phoenix or something. And she got it done over a period of five days and lived in a hotel room.

And then she came home. You know, tens of thousands of dollars, but that's what health care is. It's not health care.

You get a number and you wait. Right, exactly. And for just insane amounts of time.

I was watching a TV show a few years back about bad drivers in Canada. There were like people who applied to be on the show because they were really bad drivers and they had

experts on the show who would teach them how to drive. And there was this one woman who couldn't drive or really function in life because she suffered from massive anxiety.

Yeah. And she just had a complete meltdown on the show. Wow.

And she was asked, "Well, okay, have you tried to get anxiety medications because clearly you need them. If anybody needs them, you need them." And she said, "Yes, I've looked into it. I've taken every possible imaginable step I can."

And everybody says it's going to be six months to two years before I can even talk to anybody about it." Wow. That's crazy. So I just remember that and thinking, okay, stay away from Canada.

That's good advice. Okay, so let's take a look at secularism. So secularism is actually, you can kind of tell that it's a problem because not only do they have, you know, these low rates of church attendance and so on, but just try to think of a Christian organization that's based in Canada that has some kind of effectiveness.

Yeah, I actually can't think of one. I can think of a Christian apologist who flies to the US regularly to be a part of an American organization, but I don't personally know of any Canadian Christian organizations. Yeah, the only one I can think of is Dig and Delve, which is based in Ottawa, and they invite like a lot of American speakers to come up there and talk.

But like it's completely different. In the USA, we have like almost like tons of Christian apologetics organizations, tons of Christian organizations, and you can even find like Christian clubs on campus and stuff. I remember reading about how they were banning Christian clubs like IVCF and Crusade in Canada because they had statements of faith for the leadership, and they said that's too exclusive, so we're going to ban your club.

So that's the kind of thing I'm talking about. Yeah, whereas we have Radio Christi chapters in just about all the, in hundreds of universities across the US with the goal of being in every single one. So yeah, socialist systems focus on producing material outcomes.

So we're not going to see socialist countries producing Christian missionaries or Christian apologists or Christian authors. That's not their focus. So plus Christianity is a rival to the power of the socialist leaders.

Right. Loss of religious freedom is another problem in Canada as well. Yeah, exactly.

Yeah. I mean, even if you are personally committed to Christianity and you say, well, it's not that big a deal, you know, if my government is secular, but I'm personally committed to Christianity and that's what matters. Well, history shows that socialism makes life very difficult for individual believers.

It is very difficult to live out a Christian worldview. You have to do what the officials tell you to do. You know, you can be a nurse, but you have to do abortions.

You can be a doctor, but you have to euthanize the elderly and the sick. You can be a teacher, but you have to teach secular leftism, things that you don't believe in. Yeah, definitely.

So I follow like the religious liberty situation in a lot of different countries. So I am aware of what's going on in Canada. So recently they were actually arresting pastors and not like one or two.

Previously, they had gone after Christian business owners for dissenting from, you know, selling t-shirts for like an LGBT event or something. But this particular pastor, Pastor Lynn, he was in Toronto and he was preaching the gospel in an area that is a known kind of left wing area of the city. And they came up and arrested him.

They didn't arrest the people who shoved him or anything like that. So I'm going to quote from this article from the Christian Post. This is what they said about it.

Pastor Lynn's arrest is nothing short of a violation of his right to free speech. He was not inciting anyone to violence and neither was he being defamatory. He was preaching the gospel.

He was preaching that Jesus Christ loves every each person and died specifically for them. In spite of this, he received harsh protests, which ended in his arrest. So there were protesters there who attacked him and yelled at him and, you know, invaded his space, but he ended up getting arrested.

And that's because law enforcement is not law enforcement. It's power enforcement in Canada. And so they basically, you know, they have groups of people and some groups that vote for the government, they're the favorite groups and groups that don't vote for the government.

They're the not favorite groups. And so the police doesn't show up to enforce laws. They just show up to serve the people who they think are right.

They show up with like guns and they say there is no law. There's only your the out group. And so we're going to arrest you.

Yeah, I find that really interesting, especially in light of the fact that so many socialists like to try to sell people on it as from the angle of it's so compassionate. It's the most compassionate way to go. I mean, it's not for a lot of reasons, but silencing their enemies is a consistent result of socialism.

There is no compassion for anyone who disagrees with them. Right. So did you see the

movie? What is a woman? Oh, yeah, definitely.

That was great. Yes. Yeah.

Yeah. Matt Walsh's movie. So they had a call from a Canadian father who was under a publication ban and a gag order because he was protesting the transing of his kid.

Right. And he had to call and be anonymous. Well, that guy eventually got arrested because he wanted to talk about the case in public.

So they want to do terrible things to conservatives and Christians. And then their response to being held accountable to having the facts come out is to arrest you, silence you, arrest you, remove your job, force you to pay fines. It's a very heavy handed anti-Christian country.

Yeah. And I think a lot of Americans would actually be shocked about that. And I don't think they think of Canada that way.

But yeah, you're right. I mean, if you know the facts, then you know. If you don't know, then you kind of have an idealized view of it.

So we shouldn't be surprised either that there's declining church attendance under these conditions. And that's exactly what we see in Canada as well. Yeah.

I have an article from CTV News. That's like their national, one of their national TV stations. This is from October 30th, 2021.

And it says this, a new report from Statistics Canada has found that Canadians are becoming less religious. Stats can data released on Thursday shows that in 2019, only 68% of Canadians, 15 or older, reported having a religious affiliation. Only 23% of Canadians in 2019 reported attending group religious activities, such as church, at least once a month.

Between 2000 and 2009, that figure was around 30%. So it's in freefall. It's in decline.

Yeah. Wow. Yeah.

You know, according to Gallup, church attendance in the US now is, it's at about 50% as of 2019. So as we've seen the US and acting more and more secular and I would say socialist type policies, we're actually seeing similar results here. Yep.

Yeah. I just posted an article about the decline of a certain denomination. So what about charity? Like, do we see similar things? Oh, I have the article for this.

So yeah, there's a Toronto Sun article that I found. I just, I just did a web search to see how much Canadians were giving the charity. This one is from January 11th, 2022.

And it says this, the percentage of Canadians donating to registered charities has hit a new low in 2000, more than one in four tax filers donated to charities. So 25.5% donated to charities by 2019, the latest year of comparable data, that number dropped to 19%. Wow.

So in 20 years, it went from 25.5 to 19% less than one in five tax filers. Canadians are also donating a smaller share of their income than they did in previous years. Collectively, Canadians contributed 0.53% of their household income to registered charities in 2019 down from 0.60% in 2000 and a steep drop from the peak of 0.72% in 2006.

That still seems really low even the older numbers seem really low to me. Yeah. Yeah.

Well, and according to Gallup, the percentage of Americans who donated to charities in 2019 was 77%. So that's quite a difference between 19% donated to charities and 0.53% of the house, half a percent of their household income, which is really, you know, that's unbelievably low. Yeah.

19% are 77%. And for them, 23% church attendance for 50% for us. Right.

Wow. Okay. And then finally, we should point out that not only are they seeing those kinds of measurable economic consequences, but as a result of high tax rates, just like I mentioned before, their marriage rates and they call it the replacement rate, which is the amount of children that couples are having is also in a, like a death spiral.

So Canada has a replacement rate of 1.5 and you need 2.1 in order to maintain the population. So no wonder they're importing, you know, lots and lots and lots of people from all over the world. Their population is shrinking as a result of people not being able to afford marriage and parenting.

Right. So yeah. So what we've seen here is even without going full 100% socialist, when you start to enact socialist policies like Canada has done with the government running the entire healthcare system and take control of energy, right.

We start to see negative consequences from that. And then of course we've talked about the even greater or even more horrific results of full on socialism with starvation and death and all of that. So why don't we talk about some of the advantages of the free market system? What would you say to somebody who was thinking socialism was wonderful in terms of saying, well, free market system is wonderful.

I would say let's compare it to the results of capitalism. So according to Arthur Brooks, who is the president of the American Enterprise Institute as a direct result of capitalism since 1970, the percentage of humanity living in extreme poverty has fallen by 80%. That's an incredible success resulting from capitalism before then, before 1970, more than one in four people around the world were living on a dollar a day or less today.

It's about one in 20 people who are living on a dollar a day or less. Capitalism is responsible for the greatest anti-poverty achievement in world history. And this did not happen because of handouts.

This happened because of globalization. It happened because of free trade, property rights, the rule of law, which we are seemingly abandoning quickly in the U S which is very tragic. It happened because of entrepreneurship.

These are essential features of capitalism, but tragically, capitalists have done a terrible job in my opinion of communicating this. And not just in my opinion, but actually, according to a 2013 Barna survey, 84% of Americans were unaware of the progress made against poverty worldwide since 1970. In fact, two thirds of Americans actually think global hunger has gotten worse since 1970.

Just based on watching TV commercials from World Vision or something. I don't, I guess maybe. And, and, and hearing, you know, people like Barack Obama saying the facts are in capitalism doesn't work.

We know this now. And hearing Bernie Sanders say there are so many people suffering. Obviously we have to abandon this selfish, greedy, get rich at the top only kind of thing.

This is not reality. Folks, we can see this around the world. And I actually have seen it firsthand by traveling to almost 30, usually very poor, developing nations around the world.

Capitalism is, has, has transformed the world. It is the, as I said, the greatest anti-poverty achievement in world history. Okay.

Well, let's talk about some of the ways that the free market system promotes good character. Yeah, that's an excellent topic too, because I think people are under the impression that capitalism, you know, okay, it might help people financially, but yeah, it's greedy. We're going to have to sacrifice our soul if we want to get wealthy.

That is not the case at all. So there are a lot of benefits, ethically speaking, to capitalism over socialism. It's actually a far superior ethical model.

Explain how the free market system causes people to act better than their own selfish nature. Yeah. Well, capitalism rewards people for meeting the needs of others.

So even those who have purely selfish motives, just want to get rich, they have a reason to be productive and to benefit society, to think about what others need, what others want, what, what would make other people's lives easier. And they, they are rewarded for thinking about others. Capitalism also promotes innovation and hard work because people get to keep what they earn.

It promotes honesty and integrity, courtesy, excellence in what they do because clients actually have a choice, as you know, about whether or not to return. If they don't like the way a company treats them, then in a capitalist model, they can just go to the competition. I have left businesses several times before because they were unwilling to help me or to speak with me or, or think outside their little box that didn't work for me.

You just go someplace else. No big deal. Yeah.

Yeah. Like this just happened because you know, you're asking me about bird feeders and I am a bird lover and a friend of birds, wild birds, but especially parrots and hummingbirds. And I said, Oh, I know the perfect feeder for you.

This is a squirrel proof feeder that you know, is weatherproof and everything. And, and it went on sale. Yeah.

Yesterday. So I immediately ordered you the feeder and the rain protection, you know, attachment. Thank you.

The point is, is that those people got my money. Now, how did they get my money? And the, the answer is they made a product that has wild reviews, positive reviews, and it really works. Right.

I had been doing my own research as you know, and I had found a few different feeders and you said, no, I don't recommend getting those because here's the problem with this one. Here's the problem with that one. You want to get a cheap feeder.

That's not good for the birdies. Right. Exactly.

So yeah, there's, there's fortunately we live in a country where people are motivated to come up with a better product that works well for people and is good for the birdies in the case of the bird feeder. Yes. So we already talked about how people in the free market system give more to charity.

We compared the U S to Canada, and we talked about how there are more Christian ministries and supporters of those ministries in prosperous countries. The fact is, is that if you don't take my money through taxes, I've got more money to give it to the people who are doing ministry. That's just the way money works.

A dollar can only be spent one way. And if the government takes my dollar, then, you know, Bill Craig can't have it. That's right.

That's right. Exactly. Yeah.

Two very important additional ethical advantages to capitalism. I think of a couple more capitalism promotes a more peaceful and harmonious society actually, because individuals have more freedom to pursue their own interests, to follow their, their beliefs

and their convictions, to go with their preferences. And so they're not just being forced into one little box and feeling like the only possible way to get around that is to go out and violently protest or things like that.

It also promotes creativity and beauty and innovation, as I mentioned, innovation before, because we aren't just meeting a quota that we've been given by someone we don't know, who doesn't know us, who doesn't care about us. These are all characteristics of God's image within us, the creation of beauty and excellent products and services. It also, capitalism also promotes wise stewardship of the environment.

So socialist societies have consistently been the most destructive to the environment. So. Yeah.

Look at China. Exactly. Exactly.

In fact, I was reading yesterday on Daily Wire that China has increased their emissions by about four times recently, as our current administration is proposing 90% cuts to power plants and things like that. So. I mean, if we were, if those people were really serious about curbing pollution, which I think is a great goal, then they would worry less about the spot in our eye and look over and see the, the log in China's eye on this issue.

Exactly. Exactly. China.

Yeah. I mean, I think the reality is we're not going to make a whole lot of headway without China's buy-in or other countries buy-in no matter how poor we seek to make ourselves, which I think is foolish. Yes.

So I read this book, *Who Really Cares* by Arthur Brooks, the guy you were talking about before, and he has this phrase earned success. He says that people are happiest when they have earned success. Yep.

And so I think a lot of young people in our country, Democrat voters, they're thinking, oh, if only people handed me what they earned, I would be so happy. I'm telling you the happiest people are the people who start their own businesses and work and make it a success. Earning your own success is what makes you really, really happy.

In America, a lot of people are busy going out there and working and keeping a lot of what they earn, which they then use for leisure time and other things. Like if, if you, if you have to spend every half of it, what you make, you have less ability to spend on things like board games. I talk about the things I like, video games and bird feeders.

So your life is going to be happier in these places where you get out there, you work hard, you keep what you earn, and so on. Well, on that topic, before we leave that topic of earned success, there's an outstanding book from about 10, 15 years ago called *When Helping Hurts*. I strongly recommend it to everybody.

And they looked at how handouts had actually harmed the poor around the world by harming their sense of earned success and independence and causing this overwhelming sense of dependence on others. Okay. Well, capitalism can't be all perfect.

I'm sure there must be some concerns about it that are legitimate. What are some of the things that you would say a free market people disagree with? Or have like objections that people give. So, well, first of all, yeah, it's not perfect because we live in a sinful world and a fallen world and no system's going to be perfect.

And so I'm not aiming for utopia in this life, but for the best of the realistic options. But concerns that people often raise, one of them would be crony capitalism, for example. So I'm sure you're familiar with this objection.

Yeah. Yeah. This is basically crony capitalism is basically like where the government steps in and uses their political power to benefit their friends who are in private industry.

So try to think of like, so Linda, you know, as soon as Obama got elected, he used a whole bunch of government money to give grants to green energy corporations like so Linda and those were just run by the people who they're called Obama bundlers. These are people who were gathering donations for him. So he took public taxpayer money and rewarded the people who had got him elected.

And then of course, those companies went out of business a few years later. A lot of them did. Right.

So exactly. So my answer, as you might imagine, to the objection of what about, you know, what about so Linda, what about this and that? That's, that's capitalism, right? No, my end. My response is that is not capitalism.

That is actually more like socialism. That's the government deciding where to purchase large quantities of goods or services or who to give jobs to based on who are their friends. And they're not making decisions based on a free market.

They're doing it based on their own personal interests. So in order to avoid this behavior, we actually need to keep government small, not give government unlimited power like socialism does. Okay.

What's another one? So another objection I hear is consumerism. Right. Oh yes.

Yes. Um, isn't, isn't capitalism bad because it makes everybody become materialistic and spend all this money on big cars. I don't like their big cars.

One, one guy told me that when I was working for a big company, he said, I don't like that people own bigger cars. Why do they have to own these big cars? Right. Yeah.

So I would respond to that with socialism is actually far more materialistic because it's

entirely focused on meeting physical needs. Capitalism allows people the freedom to make decisions about what's best for them, including doing what they're passionate about in exchange for earning less money if that's what they choose to do. So that's not an option in a socialist society and socialist society.

You do what the government tells you the motivating factor, the driving force behind the decisions that are made are, um, is materialism material consumerism. So really the concern that people are expressing here about capitalism again is really, it needs to be put back into the court of socialists. Yeah.

And I was talking about that before, like in a free market system, it's easy for me to get a job. If I don't like the job I have, cause they're pushing on my convictions, I'll find another job. I keep most of what I earn and there's a, there's a ton of Christians who are doing interesting things for me to support.

And I could even be one of those Christians, you know, and try to make a difference. Right. Yeah.

And just because some people use their wealth for selfish purposes, that doesn't mean we ought to throw out the principles that lead to greater wealth for everyone. That makes no sense at all. Okay.

Do we have time for one more? Yeah. Yeah. So another objection I hear is inequality.

This is the big one. Actually, uh, I bet. Yeah.

If we were going in order of, um, biggest objections are most common objections that are here today. Inequality would be the biggest. Yeah.

And specifically income inequality, not wealth inequality, right? Right. Right. Income inequality and yeah.

And, and definitely not inequality of opportunities because capitalism certainly offers that, but they get concerned about people having different incomes. So my response to that would probably be where income inequality is greater. Wealth for everyone is actually greater, including the poor.

So you have to choose. Do you want equal poverty or do you want wealth with inequality? Because if you're going to give people the freedom to create, to innovate, to solve problems, to come up with great new things like smartphones and, um, and new technologies, you're going to end up with inequality, but everybody is going to be better off. Okay.

So if we say to the smartphone of inventors, go ahead and take two years out of your life to research this and invent this. And we're going to let you keep 60% or 70% of what

you're earn. They'll say, sure, that's a good deal.

And then we all get to buy their smartphones. And then we are able to, you know, I just downloaded naturally the, um, the Cornell, uh, bird lab app on my smartphone because I had baby birds in my front yard and I took pictures of them and uploaded it to the app and they even identify the bird song and they said, Oh, you've got some songs sparrows there. So I was outside for an entire week monitoring my baby birds in my bush.

It enhances my life and I'm willing to pay money for it. But if we take 90% of what these, uh, smartphone inventors make, they don't bother. Right.

Exactly. Because it's not a good deal for them because inventing a product is a risk and sometimes people lose when customers don't buy what they're selling or competitors, you know, do a better job. So they're taking a risk.

That's why we let them keep their money. And when they, when more people take risks and invent more products, then I can find a product like this bird app that helps me to do something that I never imagined I even needed to do. Yeah.

And I actually have two more comments on the inequality objection. So in a free market economy, the list of the richest people is always changing. Um, people move up throughout their lives.

Yes. When you're 22, you're kind of, you know, at the bottom of the totem pole, but in a capitalist society, in a market economy, you have the opportunity to move up through your own hard work. You don't have that opportunity in a socialist society.

And then also, I just have to say this because I hear this from people who are so driven by envy and greed. I just want to say, if you're envious of others, uh, incomes, really, we need to just get over that. We need to be grateful for what we have, what we have today.

Anybody who's living in the United States today or in the West today has a whole lot more than what just about everyone who lived before us ever had, including the wealthiest people from a couple hundred years ago. We have indoor plumbing, uh, you know, air conditioning, central heating, things that, that kings and queens didn't have thanks to capitalism. And so a couple more things to think about with regard to inequality.

Yeah. I think that's a good place for us to end for today. So if you enjoy the episode, please consider helping us out by sharing the podcast with your friends and writing a five star review on app or Spotify.

We got another two five star reviews on Apple. So thanks for doing that and subscribe to us on YouTube. Comment on the videos that helps us in the ranking algorithm and just

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