

A BIBLICAL VIEW ON
SOCIALISM



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SOCIALISM



Socialism is more popular today than anyone would have predicted a few years ago. A significant number of socialist characters can be found in Congress. Universities have many professors who are promoting socialism. And more young people than ever believe socialism is superior to capitalism.

The Promise of Socialism

Why is socialism so appealing to so many Americans? Young people

are drawn to the siren song of Bernie Sanders and Alexandria Ocasio-Cortez. Part of the reason is that it appeals to their sense of fairness. Another reason is that it promises lots of free stuff. Before we address those issues, it's worth mentioning why socialism and communism appealed to so many in the 19th century.

When Karl Marx first proposed the concepts of socialism and communism, he enjoyed an intellectual advantage. He could talk about the problems with capitalism the modern world was going through as they were adapting to the difficult process of industrialization. He could contrast the reality of capitalism with the utopian ideal of socialism.

Utopian visions will always win out over the harsh reality of the world. But we now have the terrible record of socialism. Unfortunately, socialism's death toll never quite gets factored into any equation. The late columnist Joseph Sobran said, "It makes no dif-

ference that socialism's actual record is terribly bloody; socialism is forever judged by its promises and supposed possibilities, while capitalism is judged by its worst cases."¹

Dinesh D'Souza reminds us that many countries have tried socialism and all failed. The first socialist experiment was the Soviet Union, then came lots of countries in eastern Europe (Poland, Yugoslavia, Albania, Czechoslovakia, Hungary, Romania, and East Germany). Add to that countries in Asia (Vietnam, Laos, Cambodia, North Korea, and China) and countries in South America (Cuba, Nicaragua, Bolivia, and Venezuela) and Africa (Angola, Ghana, Tanzania, Benin, Mali, Mozambique, Zambia, and Zimbabwe). By his count, there are 25 failed experiments in socialism.²

The typical answer to these failures is that each of these wasn't done correctly. The failure of these socialist experiments was a failure of implementation. But this time, they say, we

will get it right. Believing in socialism apparently means never having to say you're sorry.

On the other side are all the promises of socialism that are so appealing to young people. Free college tuition and student loan forgiveness are examples. The millennial generation (Generation Y) and the iGen generation (Generation Z) have lots of student debt. They see the need but forget that someone would have to pay for this new massive entitlement. And they rarely stop and think about why someone who didn't go to college and took a blue-collar job should pay for their university education. These may be the most educated generations in history, but they don't seem to spend too much time reflecting on what they supposedly learned in economics.

The cost of some of these policies is enormous. Just covering the cost of tuition at public colleges and universities is estimated at \$70 billion a year. One study of the cost of government-

run health care (called “Medicare for All”) was estimated to cost \$32 trillion during the first ten years. Some estimate the cost of the “Green New Deal” to be \$93 trillion. We can certainly debate how accurate some of those estimates are, but we can’t ignore that these programs would be very expensive once implemented.

A Different Kind of Socialism

Proponents of socialism not only argue that it was not implemented correctly in the past but also argue that what they are proposing is “democratic socialism.” They usually point to the Scandinavian countries as examples.

In one of his videos, Anders Hagstrom asks, “What does socialism mean to him?” He says that conversations about socialism often go like this: “A liberal says we should be socialist. A conservative points to Venezuela, and says socialism doesn’t work. A liberal says, What about Sweden and Norway? The conservative then points

out that those countries aren't actually socialist."³

He says that even if we accept the comment by liberals, there is a problem. "Nordic countries have tiny populations of less than 10 million. And copying and pasting their policies to a country of 330 million isn't going to work." These Nordic countries were successful before they adopted the redistributive policies they have now. Here's a reality check: if Sweden were to join the US as a state, Sweden would be poorer than all but 12 states.

Hagstrom also explains that the policies of true socialists like Senator Bernie Sanders and Alexandria Ocasio Cortez go far beyond what the Nordic countries have. For example, Bernie Sanders wants a planned economy. None of the Nordic states have this. Alexandria Ocasio Cortez wants to abolish profit. None of the Nordic countries have done that. And both of them want a universal minimum wage. None of the Nordic states have that.

There's another problem with the argument. These countries aren't socialist. John Stossel, in one of his videos, interviewed a prominent Swedish historian.⁴ Johan Norberg makes it clear that "Sweden is not socialist—because the government doesn't own the means of production. To see that, you have to go to Venezuela or Cuba or North Korea." He does admit that the country did have something that resembled socialism a few decades ago. The government heavily taxed the citizens and spent heavily. That was not a good period in Swedish history, especially for the economy.

One example he uses is Astrid Lindgren, author of the popular children's books, *Pippi Longstocking*. Because her books were popular and sold well, she experienced something Americans cannot even imagine. She had to pay a tax of 102 percent on any new book she sold.

Yet even with the high Swedish taxes, there was simply not enough

money to fund Sweden's huge welfare state. Norberg explains that "People couldn't get the pension that they thought they depended on for the future." At this point, the Swedish people had enough and began to reduce the size and scope of the government.

John Stossel says, "They cut public spending, privatized the national rail network, abolished certain government monopolies, eliminated inheritance taxes and sold state-owned businesses like the maker of Absolut Vodka." While it is true that Sweden does have a larger welfare state than the US and higher taxes than the US, there are many other areas where Sweden is actually more free market.

Nevertheless, the argument persists that these Scandinavian countries demonstrate the success of socialism. That is one reason why Dinesh D'Souza dedicated an entire chapter in his book on the subject of socialist experiments, Venezuela, and the Scandinavian illusion, in order to answer the arguments

and rebuttals used to advance the idea of democratic socialism.⁵

Doesn't the Bible Teach Socialism?

If you have ever been teaching through the book of Acts, you know when this question will surface. In Acts 4, we find a statement that the believers in Jerusalem “had all things in common.” It also says that those who possessed land or houses sold them and brought the proceeds to the apostles’ feet. They distributed these gifts to anyone in need. This looks like socialism to many who are already predisposed to believe it should be the economic system of choice.

First, we need to realize that this practice was only done in Jerusalem. As you read through the rest of the book of Acts and read the letters of Paul and Peter, you see that most believers in other parts of the Roman world had private property and possessions. Paul calls upon them to give voluntarily to the work of ministry.

Second, the word voluntary applies not only to Christians in other parts of the world, but it also was a voluntary act by the believers in Jerusalem to give sacrificially to each other in the midst of persecution. This one passage in the book of Acts is not a mandate for socialism.

If you keep reading in the book of Acts, you can also see that the believers in Jerusalem owned the property before they voluntarily gave the proceeds to the apostles. The next chapter (Acts 5) clearly teaches that. When Peter confronted Ananias, he clearly stated that “While it remained, was it not your own? After it was sold, was it not in your own control?”

Owning property contradicts one of the fundamental principles of socialism. In the Communist Manifesto, “the abolition of property” is a major item in the plan for moving from capitalism to socialism and eventually to communism.

By contrast, the Ten Command-

ments assume private property. The eighth commandment forbidding stealing and the tenth commandment about coveting both assume that people have private property rights.

In fact, we can use biblical principles to evaluate economic systems like capitalism and socialism. Although the Bible does not endorse a particular system, it does have key principles about human nature, private property rights, and the role of government. These can be used to evaluate economic systems.

Socialism and Equality

One of the moral arguments for socialism is that it creates a society with more social and economic equality. Proponents want us to consider the fairness argument when applied to a free market. How fair is it that basketball star LeBron James makes more than \$37 million when a social worker starting out only makes about \$30,000? Even more extreme is the estimate that Jeff Bezos makes more than \$320 million a day while the aver-

age Amazon salary is around \$35,000 a year.

Of course, this is what happens in a free society where people with different skills, different abilities, and different motivations are allowed to participate in a free market. You will get inequality, but you also have a free society where people can use their gifts to pursue their calling and still receive a good income.

We don't have to guess what will happen in a socialist economy because we have lots of historical examples. In a desire to bring equality, socialism doesn't bring people up out of poverty. Instead, it drives them into poverty. Consider two test cases (Germany and Korea).

After World War II, Germany was divided into two countries: West Germany was capitalist, while East Germany was socialist. Throughout the time they were divided, there was a striking difference between the two countries. When the two countries were reuni-

fied, the GDP of East Germany was a third of the GDP of West Germany. In fact, even the poorest parts of West Germany (Schleswig-Holstein) were more than twice as wealthy as the richest region of East Germany (Saxony).

An even better example is North and South Korea, because it has lasted longer and continues to this day. South Korea is now more than 20 times richer than North Korea. Of course, people in South Korea are also freer than North Korea. They are also taller and live about 12 years longer than people in North Korea.⁶

By contrast, capitalism provides every person a chance to influence the society. In his book, *United States of Socialism*, Dinesh D'Souza doesn't ignore the issue of justice but actually embraces it. Capitalism, he says, "far more than socialism, reflects the will of the people and expresses democratic consent." A consumer is like a voter. As a citizen, we get to vote in an election every two to four years. But a consum-

er gets to vote every day with his or her dollar bills. That money represents the time and effort put in to get those dollar bills.

Citizens participate in a system of representative democracy (where their views are filtered through politicians who represent them). But a consumer votes in a system of direct democracy. You can choose Coke or New Coke or Pepsi or Dr. Pepper. You choose Fox over MSNBC and prefer an iPhone to another cell phone. You exercise your preferences by paying for it yourself.

The free market provides you a level of popular participation and democratic consent that politics can never provide. You get to vote every day with your dollars and send economic signals to people and companies providing goods and services. Essentially, capitalism, like democracy, is a clear form of social justice.

These are just a few arguments used to promote socialism. If we are to win the war of ideas, we need to

understand how to respond to these arguments and make a convincing case for the free market. This booklet, and the previous one on *A Biblical View on Capitalism and Socialism*, are resources to use in that battle over these economic ideas.

Additional Resources

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F.A. Hayek, *The Road to Serfdom: Text and Documents, the Definitive Edition* ed. Bruce Caldwell. Chicago: University of Chicago Press, 2007.

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End Notes

¹ Joseph Sobran quoted by Robert Knight, "Bernie's siren song of socialism," *Washington Times*. September 13, 2015, <https://www.washington-times.com/news/2015/sep/13/robert-knight-bernie-sanders-siren-song-of-sociali/>

² Dinesh D'Souza, *United States of Socialism*, New York: All Points Books, 2020, 3.

³ Anders Hagstrom, "When you are forced to argue socialism with a liberal," <https://www.facebook.com/watch/?v=234493017230024>.

⁴ John Stossel, "Sweden is not a socialist success," <https://www.facebook.com/watch/?v=407319650027595>.

⁵ Souza, *United States of Socialism*, 135-217

⁶ *Ibid.*, 5.

⁷ *Ibid.*, 186.

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