

Arguments for Socialism Disputed

AS the United States of America skids toward socialism, Americans should look at what it would do to the country. The word "socialism" is familiar, but its meaning is as vague as planks in the platforms of the Democratic and Republican parties.

Socialism means the end of free enterprise. It is a system in which the means of production are taken over by the state society and directed by bureaucracies. Socialism is an intermediate stop between freedom and communism, and the stop may be brief.

In order to visualize how socialism would work in the United States, let's observe its effects in Great Britain. Philip Vander Elst, a London journalist, describes it in an essay titled "Nationalization in Britain, the Broken Idol." He states that Britain has the misfortune of being a "mixed economy" in spite of its historical record as the founder of industrial capitalism.

"If the numbers working for local authorities are taken into account," Elst writes, "the entire government sector in the United Kingdom employs almost a quarter of the total working population while producing one-seventh of the national income. When one considers that Britain is a country where the government also spends half of the national product, it is only too apparent how socialistic her economy has become."

The nationalized sector in Britain includes the postal service and telephone system, plus the coal, gas, steel, electricity, nuclear power,

railroad and civil aviation industries. Some of these have branched into unrelated products and services. The National Coal Board manufactures bricks and chemicals and builds and rents houses, for example, while British Rail runs hotels and restaurants as government-owned businesses.

Elst challenges "spurious arguments" advanced in favor of nationalization which "sprout up like so many rotten mushrooms." They resemble arguments frequently heard in the United States.

"Spurious arguments" listed include: (1) that government control of the economy is necessary to carry out central planning; (2) that nationalized industries would abuse their position in private ownership; (3) that nationalization replaces wasteful competition for profit with responsible public service; (4) that loss making services are desirable for social reasons; and (5) that only

the government can provide huge amounts of capital industries need.

"Competition is the root of economic progress," Elst observes. "Socialism denies competition, therefore socialism destroys progress."

Certainly, Britain is a notorious example of a once great nation whose progress has been turned into tragic decline. This turnaround came when England's labor-controlled government shifted from free enterprise to socialism. Britain may never recover.

The United States might avoid such a disaster if we put a stop to the socialistic trend now and protect free enterprise from destruction by the government and labor unions. An editorial in The Wall Street Journal stated the case for free enterprise this week in these terse terms:

"The capitalist system works precisely because the market place is smarter than the best possible bureaucracy."