

Capitalism = Marxism

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One of the points that I have repeatedly made over the last couple of years is that there is little practical difference between what a capitalist wants and what a Marxist wants, no matter if Karl Marx would roll over in his grave upon hearing this. No one can dispute that the Republican Party has historically been run by capitalists in the original sense of the word, i.e. those who make their living by owning capital. The Republicans cast themselves as the party of free markets and the Democrats as the party of socialism. There was a time when this was a valid characterization of the two parties, but is it still valid? Consider the three biggest econopolitical issues in the United States today: Obamacare, immigration reform, and the Keystone XL pipeline. Obamacare expanded insurance markets. Who supports it? The Democrats. Who opposes it? The Republicans. Immigration reform would remove barriers from the labor market. Who supports it? The Democrats. Who opposes it? The Republicans. Implementing the Keystone XL pipeline would trample on the property rights of those landowners along the proposed route who do not want it on their land. Who supports it? The Republicans. Who opposes it? The Democrats. In each case, the Democrats take the free-market position, and the Republicans stand athwart markets. These Republican positions make little sense for a party in favor of free markets, yet they do make sense both for Marxists and for capitalists seeking to maximize their own profit.

In the past I have often concluded that the reason why capitalist and Marxist positions often appear aligned is because they both want to reconstruct the system, which first requires them to deconstruct the existing system. In the short run they want similar things even if they

want different things in the long run. But would Marxism lead to a different outcome in the long run?

Invariably when I make the charge that a certain Republican is a Marxist, I am usually challenged that Marxists do not believe in private property and such and such Republican does believe in private property. However, the Keystone example demonstrates that Republicans do not sincerely believe in private property rights. What they do care about is their own property rights. The sanctity of everyone else's property depends on the circumstances. They believe in it when it is convenient for their own interests.

On the other side, while Marxists overtly condemn the concept of private property, in practice do they eradicate it? I am not aware of any proclaimed communist government that even tried to carry out this goal to the point where no one but the government could lay claim to anything. China certainly has not, especially in recent years.

Human beings can only produce the most primitive artifacts without capital; so whether an economy is organized along Marxist or capitalist principles, either way there has to be capital. Where a Marxist and a capitalist supposedly differ is in their view of who should control the capital. A capitalist believes the owners of capital get to decide what should be done with it. Marx actually had nothing to say about who should control capital in Capital, at least in its first volume. But in his political writings he outlined the vague—and idealistic— notion that the community should collectively decide what to do with its capital. In practice history has shown that means some kind of politburo controls the capital.

In both cases, society ends up with its capital being controlled by a small group of people who are determined more or less arbitrarily through a random sequence of events, and in both cases this group zealously conserves its power. They use a multitude of propaganda techniques

to convince the rest of society that they know what they are doing and that people are better off leaving them in control. In the end, the distinction between a Marxist society and a capitalist society becomes purely semantic.

Their propaganda is different. The result, for the rest of us, is the same, though it may take considerably longer for the capitalist society to achieve its ruin since Marxists are more up front about the grievous sacrifices they expect from the rest of us. Since a capitalist must work largely through market mechanisms, he can only push a common person so far until the common person is forced to deplete his own capital whereas a Marxist will convince the common people to surrender all their capital right at the start. Thus, we get Howard Danager's maxim: "Capitalism is like cholesterol. It tastes good in the present, but it'll kill you in the future. This puts it in contrast with communism, which purports to taste good in the future but will kill you in the present."

When a capitalist insists that he is not a Marxist, what he really means is that he intends to sink the knife in slowly rather than cutting your throat with an efficient turn of the wrist. However, the current crop of capitalists is less patient than their forefathers, which accounts for the blatant similitude between their platform and a Marxist's platform. Those who truly embrace freedom, not just for themselves but for everyone, must foster the ownership of capital by everyone.