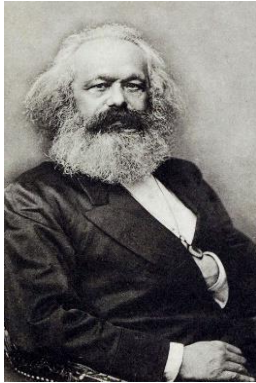


## Did you know?



Karl Heinrich Marx (1818-1883) was the son of a lawyer with a comfortable upper middle-class income and the owner of several vineyards along the Moselle River. Friedrich Engels (1820- 1895) was born into the wealthy Engels family, owners of large cotton-textile mills in the expanding industrial metropolises of Barmen and Salford. These two German philosophers, political theorists, social scientists and journalists saw that the French Revolution of 1789 had elevated an artillery officer, Napoleon Bonaparte, to the position of General at age



24, and later to “Emperor of France.” In their ambition, they viewed this as an opportunity to rise to power through a revolution, but on a global scale.

They created the Communist League – an international secret society which on February 21, 1848 was revealed when they published The Communist Manifesto, laying the groundwork for modern communism. The Communist Manifesto set forth the principal basis of Marxism: "The history of all hitherto existing society is the history of class struggles."

Marx and Engels understood that people would usually act in accordance with their own economic interests. To exploit this, they asserted that there was a clash of interests between the Bourgeoisie, who owned businesses, and the Proletariat (working class), which worked in those businesses. Marx and Engels then postulated that by appealing to the desires of the Proletariat they could mobilize the masses to start a revolution and reorganize society.

Following the defeat of several uprisings across Europe in 1848, the Communist League changed tactics. They encouraged the working class to join with bourgeois and democratic forces to defeat the feudal aristocracy first and bring about the successful conclusion of the bourgeois revolution. Afterwards they transitioned to the working-class agenda, thereby moving toward a Proletariat revolution through different stages of gradual social change.

In Marxist theory, Socialism is a transitional state between the overthrow of capitalism and the realization of Communism.

The dictionary defines Socialism as a political and economic theory of social organization which advocates that the means of production, distribution, and exchange should be owned or regulated by the community as a whole, in practice through a centralized government.

Prior to Socialism, the political and economic systems were separate entities. The government would distance itself from the private sector economy and support itself through fees, taxes, tariffs and income from its property's lessees.

Socialism combines the political and economic systems, which means that politicians and bureaucrats secure a monopoly on power by controlling the economy.

After Marx and Engels' time, socialism took root in different places and under varying forms, depending on the local circumstances, ambitions and desires of ruling dictators.



Today Sweden is championed by many as example of working Socialism. Sweden (population of 10 mil.) has an export-oriented economy aided by timber, hydropower, and iron ore. A strong welfare state involving transfer payments may be confused with socialism, but the problem is that the competitive, highly liberalized, open market economy of Sweden contradicts the merits of socialism. Only 24% percent of the national wealth of Sweden is owned by the government.

On the other hand, Venezuela, which used to be the sixth largest member of OPEC by oil production, was the wealthiest country in South America until 1999 when Hugo Chávez was elected President.

Hugo Chávez, a paratroop lieutenant-colonel born into a middle-class family, was the founder of the clandestine Revolutionary Bolivarian Movement-200 (MBR-200) which on February 4, 1992, executed an unsuccessful coup. Chávez was sent to prison, but the coup attempt brought him into the national spotlight. Pardoned from prison two years later by President Rafael Caldera, Chávez founded the Fifth Republic Movement political party. In 1998 he ran for president on a platform that called for a new constitution, a new name for Venezuela ("the Bolivarian Republic of Venezuela") and a new set of relations between socioeconomic classes.

After adopting the new constitution in 1999, Chávez focused on enacting social reforms as part of the



Bolivarian Revolution. He implemented three main policies which are the pillars of socialism: Widespread nationalization of private industry; currency and price controls; and the fiscally irresponsible expansion of welfare programs. These policies destroyed production and crushed foreign investments, creating shortages of basic necessities.

Chávez then created participatory “democratic Communal Councils” which were overseen by his subordinates.

Supporters of Chávez were organized into different government-funded groups known as the Bolivarian Circles, many became armed colectivos (colectivo is an umbrella term for armed paramilitary tasked with extrajudicial killings and terrorizing dissenters.)

It didn’t take long to impoverish millions of Venezuelans, who would waking up each morning unsure if there would be something to eat or if they’d be alive to see next day.

The promises of a secure, stressless, easy life, where the government is taking care of the needs of citizens sounded good and deceived many. Since the times of Marx and Engels socialism was attempted in many countries. The outcome is always the same: widespread misery.

Unfortunately, a significant percentage of the United States and World’s population, especially young people, see Socialism as desirable. They are not aware that socialism draws out the worst aspects in people.

It is natural that people care more for their own satisfaction than for others. They would like to have more and better, they like progress and many are willing to work hard for it. However, in Socialism private property is eliminated and equality of outcome is imposed, crushing the incentive to work hard to succeed, suppressing entrepreneur initiatives and replace them with enslavement to the government.