

# State of Mankind

How much do you know?

Excerpts from *How the Specter of Communism Is Ruling Our World*

(48)

## Public Ownership: A Totalitarian Yoke

The American anti-communist pioneer Fred Schwartz told the following joke in his book *You Can Trust the Communists ... to Be Communists* about two interviews conducted by a visitor at a Soviet automobile plant first and next at an American plant: [3]

“Who owns this factory?”

“We do,” they replied.

“Who owns the land on which it is built?”

“We do.”

“Who owns the products of the factory when they are made?”

“We do.”

Outside in a corner of a large park were three battered jalopies. The visitor asked, "Who owns those cars out there?"

They replied, "We own them, but one of them is used by the factory manager, one is used by the political commissar, and the other is used by the secret police."

The same investigator came to a factory in America, and said to the workers, "Who owns this factory?"

"Henry Ford," they replied.

"Who owns the land on which it is built?"

"Henry Ford."

"Who owns the products of the factory when they are made."

"Henry Ford."

Outside the factory was a vast park filled with every make and variety of modern American automobile. He said, "Who owns all those cars out there?"

They replied, "Oh, we do."

This story vividly displays the consequences and differences between systems of private and public ownership. Under the system of public ownership, resources and the gains from labor are nationalized. Gone

are the mechanisms that motivate individual enthusiasm, striving, and innovation, as with the sense of responsibility conveyed by personal property rights. In name, public ownership means that the wealth of a country is shared by all citizens, but in practice, it means that the privileged class monopolizes resources and looks after itself first.

The ultimate factor in economic growth is people. Public ownership chokes people's vitality and motivation to be productive. It undermines morale, promotes inefficiency, and causes wastage. From Soviet collective farms to the people's communes in China—including failed collectivization in Cambodia and North Korea—the system of public ownership brings starvation wherever it goes. Tens of millions of people in China died from a man-made famine.

Private ownership accords with the principle that man works for his bread. On the contrary, collective ownership violates this principle. Both evil and kindness exist in mankind. Private property allows man to develop his kind nature and encourages labor and thrift. Collective property, however, encourages the evil in human nature, promoting jealousy and sloth.

Friedrich Hayek writes that the growth of civilization relies on social traditions that put private property at the center. Such traditions spawned the modern capitalist system and its attendant economic growth. This is an organic, self-generating order that does not require a government for its action. Yet communist and socialist movements seek to exert control over this spontaneously arising order—what Hayek called their “fatal conceit.” [4]

If private ownership and freedom are inseparable, then the like applies to collective ownership, wed as it is to dictatorship and suppression. The system of collective ownership nationalizes resources, degrades economic productivity, and turns people into the country's servants and slaves. All people must obey the commands of the central party, and any ideas and voices inconsistent with the regime can be shut down through economic punishments. People are then powerless against state intervention.

Thus, the elimination of private ownership and the establishment of collective ownership inevitably leads to totalitarian outcomes. Collectivism is a yoke affixed on the necks of man by a totalitarian state. Freedom is stolen—including the freedom to be kind—and everyone is forced to follow the moral commands of the communist regime.

Some people have said that power must not be privatized, and wealth must not be collectivized, or else disaster awaits mankind. That is indeed true.