

OCPA FaxLine Report

a public policy information service for members of the Oklahoma Council of Public Affairs, Inc.

Dear OCPA Member:

Wednesday, February 10, 2010

According to a recent Gallup Poll, “More than one-third of Americans (36%) have a positive image of ‘socialism,’ while 58% have a negative image.” Given the meaning of that word, one third is an appalling percentage. It should be a wake up call for all of us that a significant portion of our people “just don’t get it.”

“Economics, more than anything else, is a way of thinking,” says economist and syndicated columnist Walter E. Williams. Socialism is a way of thinking about economics which seeks to replace individual initiative with governmental control. Merriam-Webster’s Online Dictionary defines it as:

1) any of various economic and political theories advocating collective or governmental ownership and administration of the means of production and distribution of goods 2) a) : a system of society or group living in which there is no private property b) : a system or condition of society in which the means of production are owned and controlled by the state

Do any of these definitions sound like the type of governing system you would prefer? Well it may surprise you to find that America has embraced more socialistic ideas than you might think. Recently, Scott Hodge with the Tax Foundation said, “At the federal level the U. S. government has the most progressive income tax system among all industrialized nations according to the OECD in Paris. We rely more heavily on the top 10% of taxpayers than any other industrialized nation; than even France, Sweden, Germany -- you name the socialistic country, we rely more heavily on our wealthy Americans than any.” OECD (the Organisation for Economic Co-operation and Development) is one of the world’s most highly regarded sources of economic data.

Whether we think of ourselves as having socialism in America or not, there is clear evidence that we have drifted away from our free market roots. Evidence of that fact can be seen in states operating with policies that only “collectivists” could love. Hodge notes, “. . . California is even more extreme -- 84 cents out of every dollar of income tax collected in California comes from households earning over \$100,000 a year. Families earning under \$50,000 a year pay 2% of the state’s income taxes. You can basically say if you earn up to \$50,000 a year in California you will pay no state income taxes, which means that they have this vast class of people in that state that are essentially disconnected from the cost of government. As a result they will demand ever more services and spending from government . . .”

Oh yes, there’s another definition for “socialism” from the Merriam-Webster’s Online Dictionary which I failed to mention . . .

3) a stage of society in Marxist theory transitional between capitalism and communism . . .

Until next time . . . Brett A. Magbee, Vice President for Operations

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