

# The Family Heritage Series

A weekly discussion of Americanist truths and traditions for those "heirs of all the ages" who will have to preserve that most important inheritance of all — freedom. Produced by the Movement To Restore Decency.



Volume II

Lesson Eighty-One

## Free Enterprise

### LESSON IDEA

To learn why the American free enterprise system, while admittedly not perfect, provides more and better goods than Communism or socialism — or even government-run enterprises in this country. And, to see why it is the only economic system that is compatible to freedom.

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**T**HE ECONOMIC SYSTEM in the United States is usually described as free enterprise. Tonight, we will discuss what this really means, and how "free enterprise" compares with other systems that have been tried. Let's see if we can discover why free enterprise is the only system that can operate under freedom, and why it is the only system that provides an abundance of goods and services for those fortunate enough to live under it.

Free enterprise is sometimes called private enterprise. But they are not necessarily the same thing. Piracy, for instance, was a private enterprise. But it was not a free enterprise, because its whole success depended on violation of the property rights of others. Likewise, the Mafia is a private enterprise, but its reliance on murder, coercion, and theft places it in total opposition to free enterprise. While all free enterprises are private enterprises, not all private enterprises are free enterprises.

Free enterprise means men and women working voluntarily at whatever task they prefer, and being free to exchange the fruits of their labor with others. Under free enterprise, we can choose

whether to be engineers or architects or doctors or bricklayers. We can build a factory, and decide whether to make televisions, safety pins, or model racers. We can decide where to buy materials and what prices to charge for our products. Free enterprise means, simply, working in freedom — so long as we do not interfere with the rights of others.

The American system of free enterprise has helped make it possible for us to have more of the material necessities and comforts of life than any nation on earth has ever enjoyed. Communist countries have often had to erect barriers, such as the Berlin Wall, to keep their people from leaving, while we have had to pass laws limiting the immigration of people from other countries because so many want to come here to live. One example of the difference between Communism and Americanism is that no American has been machine-gunned while trying to escape the United States, to live in another country.

**N**OT EVERYONE in our country favors free enterprise, however. Some even urge that it be abolished in favor of a socialist or communist system. It is interesting to note, nevertheless, that even those most actively engaged in criticizing free enterprise depend on the fruits of free enterprise to wage their attack. Their food, clothing, shelter, books, cars, telephones, television sets, radios, theaters, musical instruments, microphones, print-

ing presses, and many other items are available to them because the free enterprise system has worked so well. In many of the socialist countries they admire, they would not even be able to purchase some of these items, much less obtain them at reasonable prices. In fact, they would not even be allowed freedom of speech to attack their government if they lived in certain countries.

**S**OMEONE ONCE determined what the United States would have to do in order to match the economic status of the Soviet Union. He discovered that we would have to:

- Reduce our steel production by 60%.
- Reduce our output of electricity by 66%.
- Reduce our petroleum production by 66%.
- Reduce our production of hydro-electric plants by 95%.
- Reduce our consumption of natural gas by 90%.

#### FOR YOUNGER AMERICANS

We recommend concentrating on the startling difference in results between the free enterprise system and socialism. For example:

1. The average American works for only 57 hours to earn enough to purchase a television set. When he does, he has a tremendous variety of programs to watch. In the Soviet Union, a worker must labor for 695 hours before he has earned enough to buy a TV. And then, the State controls all programming.
2. An American will work about 4½ hours to buy a pair of shoes. And then how many different kinds are available? In the Soviet Union, it takes an average of 49 hours to earn the price of one pair of shoes. And the selection is poorer and the quality lower at the State-owned store.
3. We can earn a pound of butter in less than thirty minutes; a Soviet citizen labors over 2½ hours for it — and there is much less butter available.
4. An American will work about one week to earn enough to buy a washing machine; someone in the Soviet Union must work a month.

Based on just these comparisons, ask your children which system they would prefer. Why has free enterprise in the United States accomplished so much more than socialism in the Soviet Union? Which principles have we discussed in earlier lessons that are not being followed in the Soviet Union?

In addition, he learned that we would need to:

- Destroy 14 out of every 15 miles of pavement.
- Destroy 2 out of every 3 miles of railroad track.
- Destroy 8 out of 10 ships.
- Destroy 19 out of 20 cars and trucks.
- Destroy 40 million TV sets.
- Destroy 9 out of every 10 telephones.
- Destroy 7 out of every 10 homes.

In all, we could match the Russian system by reducing our standard of living by seventy-five percent. And although we would have to put sixty million of our people back on the farm, they would not produce enough food to feed the rest of the population.

Despite this impressive record, some would have us exchange an economic system which has proven itself for nearly two hundred years by giving more things to more people than any other system in history, for a collectivist system that has failed every time it has been tried.

There are some interesting comparisons to be made between the free enterprise and government-controlled operations right here within our own nation. Suppose, for instance, that you were living one hundred years ago, and were faced with solving the following problems:

1. How to carry the human voice instantly from an American city to a foreign country;
2. How to transport over three hundred people from New York to Los Angeles in less than five hours;
3. How to build and maintain roads adequate for the vehicles which travel on them;
4. How to convey the sight and sound of a football game in California to homes in New York while the game is actually being played.

Which of these four tasks would have seemed the easiest to achieve in 1875? [*Give everyone an opportunity to reply, and to explain the reasons for their choice. If necessary, repeat the four "challenges" again.*]

