

## **Communism vs. Capitalism**

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Since the time before World War II, communism has been seen as the antithesis and enemy of democracy. Actually, at its heart, communism isn't a political system, it's an economic system. Therefore, it should be compared to capitalism, not democracy. Communism and capitalism are two sides of the same coin.

The main difference between communism and capitalism is who controls the means of production in each. Means of production generally refers to things like investment funds, heavy machinery, and land. Without these things, no businesses can grow and no economic progress can be made. In communism, these things are held jointly by all the members of the community; everybody owns equal shares in everything. In capitalism, individuals are allowed to own these things, if they can afford it. This also means that the products of the means of production are also either split amongst the people or held in the hands of individuals, respectively.

What role does government play in all this, then? Despite being economic systems, governments play a vital role in both. In communism, it is up to the government to decide how much of a given product is made, and how it is distributed. This generally leads to imprecise orders, as the government doesn't have a very good grasp of what it is people want, aside from the necessities, and distribution is very difficult. Equality is almost impossible to ensure. The government is also responsible for setting prices of goods. In pure capitalism, the government is not supposed to interfere at all in the free market system. Government is supposed to be hands off. What does play a role is the so-called 'invisible hand', which guides the market to produce what people want at a price that they can afford, while still providing a profit for the manufacturers. In practice, the government plays a very large role in capitalism, setting fair trade rules, product standards, taxes, and a number of other laws and legislations decided to either facilitate trade (such as by making theft illegal) or to make sure consumers are protected (anti-monopoly laws, insider-trading laws).

Both systems have their good points. Communism ensures that everyone is treated equally, and keeps individuals from gaining too much control over the means of production. Capitalism encourages individual achievement, as the better work an individual does, the better he or she shall be rewarded. The free market generally does a good job of deciding what products are made, and for what prices.

Both fail, however, not through the fault of the system, but through human greed. Essentially, people are greedy and always want more. Most people are only concerned with fairness up until they have some power, at which point they are only concerned with keeping that power. Communist governments are supposed to better the lives of

the people, but most of the time the inefficiencies of the system mean that government officials can easily line their pockets while others go without. Communism also breeds a form of laziness, because people get the same amount of reward no matter how much effort they put in. Greed in capitalism works differently, but is still greed. Because individuals own the means of production, owners can decide how much to pay their workers and how much to charge consumers, regardless of the welfare of either. Rewarding individual achievement also tends to lead to people ignoring the needs of others while pursuing their own interests.

Communism in its original form is slowly fading from the world, because it is too idealistic a system. China, the sole remaining major communist power, is making a gradual change to a more capitalistic system. The government has recently allowed private ownership of real estate, a hallmark of capitalism. Capitalism, on the other hand, is also undergoing changes. Even the United States, the great believer in free trade, is putting up more and more laws to regulate trade. Perhaps eventually the two will meet somewhere in the middle, creating a new, unified economic model.