

DISCUSSION & REVIEW QUESTIONS:

- At the beginning of the video, Mr. Brons-Petersen notes that, “Socialism has been a failure wherever it has been tried – from the Soviet Union and Eastern Europe to present day North Korea and Venezuela.” What do you think that Mr. Brons-Petersen means, exactly, when he characterizes Socialist countries as having ‘failed?’ Explain. Why do you think that it is the case that all Socialist countries have failed? Explain.
- Mr. Brons-Petersen goes on and states, “But wait a minute. Some people – including Bernie Sanders – seem to think that Denmark is proof that socialism can work,” but that, “... speaking strictly of socialism, the hallmark of a socialist economy is central government planning and government ownership of the means of production. In Denmark, there are few industries run or owned by the government, and no central planning.” Considering what the basic tenets are of a nation being Socialist, why do you think that some people are attempting to use Denmark as an example of Socialism? Considering that Socialism has never worked, why do you think that some people still advocate for Socialism at all? Explain.
- Later in the video, Mr. Brons-Petersen explains that, “Denmark became rich long before the welfare state. The Danish GDP per capita relative to comparable European countries peaked in the 1950s. Relative to the US, it peaked in the early 1970s – even though Denmark is poorer than the US, and poorer countries tend to catch up to richer ones. The expansion of the welfare state dates back to the late 1960s and early 70s. Historically, Denmark was a low tax country. The overall tax level didn’t exceed that of the US tax level for decades until the 1960s – exactly the time period when Denmark grew rich. So, we became wealthy before we created the welfare state, not the other way around.” What is the distinction made in this last statement, and why is it so important? Why does this distinction matter, to both Denmark and to the United States? Explain.
- Towards the end of the video, Mr. Brons-Petersen dispels common deceptions of the Left by asking, “In a welfare state, health care is free, right? Well, supplementary health insurance [in Denmark] has become ever more popular, as people try to avoid queuing up for government-provided treatments. In a welfare state, education is free, right? Well, almost one in five parents in Denmark choose to send their children to private schools, paying part of the bill themselves. Private schools have a long and evermore vibrant tradition in Denmark.” Why do you think that people in Denmark prefer private health care? Do you think that the mere reality that Denmark offers private health care and private education as options negates the claim that Denmark is Socialist? Why or why not?
- At the end of the video, Mr. Brons-Petersen concludes that, “The Danes have a lot of lessons to offer the World on how to be a small, successful nation, based on free trade and strong free-market institutions. It is not, however, a blueprint for socialism or even a successful welfare state. The welfare state and its high taxes is still costly to the Danes, who still earn 15 per cent less (in terms of GDP per head) than the average American. After taxes, an average American has a 27 per cent higher disposable income than a Dane.” What lessons might Denmark have to offer other countries on how to be successful? Explain. Why do you think that Mr. Brons-Petersen claims that Denmark is not a ‘blueprint’ for a successful welfare state? Explain.

EXTEND THE LEARNING:

CASE STUDY: Denmark

INSTRUCTIONS: Read the article “No, Sweden and Denmark are not socialist,” then answer the questions that follow.

- Which country in Latin America was the wealthiest 20 years ago? What did Hugo Chavez promise? Why does mismanagement always happen under Socialist governments? What did Hugo Chavez and Nicolas Maduro do when businesses raised their prices to keep up with inflation? What makes an economy work? When Denmark’s Prime Minister went on television to respond to Bernie Sanders’ claim that Denmark was a Democratic Socialist nation, what did the Prime Minister say? How is Denmark’s economy more Capitalist than the United State’s economy? What did Denmark privatize? What did Sweden privatize? What did Venezuelan immigrants who were interviewed say about Socialism?
- How does falsely using Denmark as an example of successful Socialism fit into the political agenda of the Left? Why do you think that Leftists like Bernie Sanders have to lie to their supporters when advocating for Socialism? Why do you think that Leftists advocate to impose Socialism on the United States- the most successful example of free-market Capitalism in history- i.e. why don’t they go somewhere else to try to make Socialism work rather than ruin the middle part of North America? Explain.
- Which specific points in the video are supported by points made in the article? Have any of the points made in the video or in the article compelled you to reconsider or to strengthen your position on Socialism, Denmark, or the United States? Why or why not?



QUIZ

IS DENMARK SOCIALIST?

1. Denmark ranks consistently as one of the top-ranked free market economies in the world.

- a. True
- b. False

2. Denmark is a _____ country.

- a. socialist
- b. communist
- c. small capitalist
- d. totalitarian

3. Denmark's welfare state originally began with _____ .

- a. government pension payments to the elderly
- b. government housing to low-income families
- c. government run health care
- d. minimum wage laws

4. The average Dane pays _____ of his income in consumption and income taxes.

- a. 5%
- b. 15%
- c. 27%
- d. 50%

5. Which of the following has resulted from college being free in Denmark?

- a. Many graduate and get high paying jobs.
- b. Many wish to stay students and be supported by the state.
- c. Many become highly philanthropic.
- d. All of the above.



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<https://www.studentnewsdaily.com/editorials-for-students/no-sweden-and-denmark-are-not-socialist/>

No, Sweden and Denmark are not socialist

Thursday's Editorial — Posted on March 28, 2019



(by John Stossel, Reason) – Venezuela is a disaster.

Yet 20 years ago, it was the wealthiest country in Latin America. It still has the world's biggest oil reserves. It should be a happy and prosperous nation.

But then Venezuela went socialist. Democratic socialist to be exact. They voted for it. Hugo Chavez promised the poor "social and economic reforms." The majority of voters believed him.

So did many American leftists.

Model Naomi Campbell traveled to Venezuela to give Chavez a hug. She called him "a rebel angel."

Michael Moore said that Chavez used oil money to "eliminate 75 percent of extreme poverty."

But now that the socialists *created* much more extreme poverty, I would think that progressives would realize that democratic socialism is not the route to paradise.

But no, nothing convinces a dedicated socialist—or much of the media.

A popular *Vox* video titled “The collapse of Venezuela, explained” never once mentions socialism. Instead, it says Venezuela collapsed because “oil prices plummeted in 2014 and Maduro failed to adjust.”

“Blaming socialism for Venezuela’s riches to rags story is grossly misleading,” said Al Jazeera anchor Ryan Kohls.

Venezuela didn’t collapse because of socialism, added comedian John Oliver. “It’s a story about epic mismanagement.”

But mismanagement is what happens under socialist governments. It always happens.

That’s because no group of *central planners* is wise enough to manage an entire economy. Even if they have good intentions, socialists eventually run out of other people’s money.

In Venezuela, the solution was to print more money. That caused massive inflation.

When businesses raised prices to try to keep up with inflation, Hugo Chavez and Nicolas Maduro called that “profiteering” and punished many by confiscating their businesses.

The socialists claimed they would run those businesses better than greedy capitalists could because they weren’t obsessed with profits. Without the “excess” profits, prices would be lower and more money would go to the poor.

But pursuit of profit is what makes an economy work! I’d think the collapse of nations such as Venezuela, China, Russia, Korea, Vietnam, Cambodia, and Cuba would have taught the socialists that. But no.

In America, progressives claim that socialism is succeeding in much of Europe. John Oliver claims, “There are plenty of socialist countries that look nothing like Venezuela.”

Presidential candidate Bernie Sanders agrees, saying: “When I talk about democratic socialism, I am not looking at Venezuela. I’m not looking at Cuba. I’m looking at countries like Denmark, like Sweden.”

But those countries are not socialist!

Yes, they have big welfare programs, but their economies are more capitalist than America’s:

- They set no national minimum wage.
- They impose fewer regulations on businesses.
- Their leaders even go out of their way to point out that they are not socialist. Denmark’s prime minister went on TV to respond Sanders’ comments by saying: “Denmark is far from a socialist planned economy. Denmark is a market economy.”

Not only are Scandinavian countries not socialist, lately they’ve reduced government control of their economies.

Denmark privatized the national phone system and the railroads—and sold the Copenhagen airport to a private company.

Swedish economic historian Johan Norberg points out: “We did have a period in the 1970s and 1980s when we had something that resembled socialism, big government that taxed and spent heavily. (But) that’s the period in Swedish history when our economy was going south.”

So Sweden reduced government’s role, too. They privatized businesses and even instituted school choice.

The progressives are just wrong. Scandinavian countries that they call “socialist successes” are not socialist, and they’re moving toward more capitalism. It’s astounding that the progressives keep winning votes peddling economic nonsense.

At least Venezuelans who escaped their country’s socialism understand now that socialism creates poverty.

I asked Stossel TV’s Gloria Alvarez to go to Florida to interview recent Venezuelan immigrants about socialism. Most gave answers like “I wouldn’t recommend it to anyone” and “It’s never gonna work!”

It never will. Never.

As libertarian economist Ludwig von Mises wrote: “The champions of socialism call themselves progressives, but they recommend a system which is characterized by rigid observance of routine and by a resistance to every kind of improvement... They promise the blessings of the Garden of Eden, but they plan to transform the world into a gigantic post office, every man but one a subordinate clerk.”

Until progressives learn that, tragedies like Venezuela will happen again and again.

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