



Capitalism Wins

Nikki Haley

There are many in the West—including many who should know better—who find it difficult, unpopular, or just plain embarrassing to defend capitalism.

I take the opposite view. We should double down on it. For a very simple reason: It remains not just the best, but the *only*, chance for the least fortunate in the world to make life better for themselves and their children. And the more we see of capitalism's rival—socialism, the more proof we have that capitalism is the way we want to go.

I've seen this over and over again, from my own childhood to my time as governor of South Carolina to, most recently and most dramatically, during my tenure as US ambassador to the United Nations.

I grew up in South Carolina as the daughter of Indian immigrants. My mom started a small shop selling clothes and gifts that grew into a successful business. She showed my brothers, my sister, and me what it meant to live the American dream. As my mother's story so vividly illustrates, America is a country where people can find jobs that match their talents and passions. Some Americans take this for granted. The rest of the world envies it.

As governor of South Carolina, I marveled at capitalism's power to improve lives. Our pro-free market policies helped bring in more than \$20 billion in investment and created jobs in every county of the state. Those jobs provide dignity and purpose. And, as I often say, when you give a person a job, you take care of a family.

During my time as the US ambassador to the UN, I was reminded that not every country enjoys the same freedom and prosperity as America. More than one and a half billion people still suffer under socialist regimes.

In 2018, I stood on the Simón Bolívar Bridge at the border of Venezuela and Colombia. I watched thousands of Venezuelans cross into Colombia for the only meal they might have that day. I held a beautiful baby girl. Her mother told me all she wanted for her daughter was a future of freedom. They were one of millions of Venezuelan families whose lives have been destroyed by the country's socialist policies. So imagine my dismay to find that socialism has become trendy here in America.

American socialists claim they seek a more enlightened socialism, like those found in Scandinavian countries. But those countries are not socialist. They're capitalist and offer large welfare benefits. But ironically, to make their system work, they've had to repeatedly slash their corporate tax rates. Denmark has cut its corporate rate by more than half since the

1990s. Other democracies, including Israel, India, and the UK, experimented with socialism, only to abandon it—and only *then* did they thrive.

The results are in: Socialism—however you want to define it—has failed everywhere it’s been tried. A handful of elites sitting in a government office can never out-think millions of business owners and consumers making millions of individual choices every moment of every day. You’d think we’d have gotten the message by now.

An entire generation of American adults are too young to remember the suffering socialism caused during the last century. Instead of teaching students to reject our country’s history and founding ideals, schools should have a required class on the history and collapse of the Soviet Union.

Young people at least have the excuse of being miseducated, but what does one say about corporate CEOs who give in to social trends rather than standing up for a system that their own businesses and workers depend on?

I’m talking about advocates of so-called “stakeholder capitalism”—a philosophy that retains the word “capitalism” but abandons its meaning. Recently, the chief executives of some of America’s largest companies changed their self-definition. They said companies should focus on customers, workers, and communities. This is just politically-correct nonsense. These CEOs know that’s what successful businesses already do—it’s what they have to do to survive in our capitalist system. A company that cheats its customers, mistreats its workers, and abuses its community won’t be around long.

Profits are what keep a business going and allow it to thrive. They generate the funds needed for more job creation. You don’t need an advanced economics degree to understand this. So why are these CEOs so anxious to embrace this in-name-only capitalism? Probably because they think they need to placate the noisemakers on the socialist left. But that’s a fool’s game.

The left is never satisfied.

So let’s defend what works. And what works is capitalism.

Until the unforeseeable shutdown of the economy as a response to the coronavirus, it was working better than ever. Unemployment was at a 50-year low. Wages were rising at the fastest rate in a decade. More women and minorities were working than ever before. Poverty was at a record low in America. Let’s get back to that as quickly as possible.

There’s only one way to do it: capitalism.

I’m Nikki Haley for Prager University.