

Communism: Cog In The Machine

Capitalism and Communism are two of the biggest structures for our economies.

Communism has many of its own ups and downs and the subject of communism has caused many changes in the world. Karl Marx created the main theories and methods behind communism. One of the major drawbacks in Communism appears to be that you can only have what is supplied, you cannot have more than what is necessary. So by the sounds of it you cannot live in a giant mansion and have a boat to store your boats because that is not necessary to live.

Communism focuses on trade and industry is publicly owned and pursues public good, and there are some benefits to this. Communist Russia went from peasant agriculture to winning the space race in 40 years. They also had a zero percent unemployment rate, forty one hour max work weeks, a max of six hour shifts for dangerous work, rent was 3% of household budget, and not slums. And while that sounds nice there were several drawbacks to it. No prices to coordinate “distributed knowledge”, reduce incentives to be more productive or efficient, skepticism of excellence lead people to underperform, tendency to not recognize justified hierarchies and true competence, hierarchy and inequality still emerged, but based on party loyalty, and it was mostly slums by American standards.

So while there were some good things and there were also the bad things. And because communism is focused on everything belonging to the community, people could not strive for greatness, or simply did not want to. There was not any real reason to create a business like Amazon since the government would own it and working extremely hard everyday to achieve an incredible business would pay off the same if you worked just as long doing something easier, like working at Taco Bell.