
Socialism Myths Part 1

Segment Length: 7:21 minutes

Lesson Description:

What is socialism? Why is it gaining popularity with young people? Can government direction truly manage millions of economic decisions? There are many misconceptions or “myths” about socialism. This segment explores and debunks some of those myths.

Objectives:

Students will be able to:

- Describe the basic concepts of socialism and capitalism
- Summarize the myths presented in this video
- Analyze whether the myths presented are truly myths
- Evaluate the impact on citizens when socialism fails

Concepts & Key Terms:

Capitalism: An economic system in which the means of production and distribution are privately owned. Companies and individuals seek profit by meeting the needs of their consumers and are free to choose what (and how) they buy and sell.

Catastrophe: An event causing great and often sudden damage or suffering; a disaster

Communism: An economic and political system where the government owns all property, controls the means of production and distribution of goods and services, and aims for equal distribution among citizens.

Socialism: An economic and political system where the means of production, distribution, and exchange are owned or controlled collectively by the community or state, aiming for a more equitable distribution of wealth and resources.

Preview Activity and Questions:

Distribute copies of the K-W-L worksheet to the class. Have students fill in the K and W sections. After showing the video, have students complete the L section and answer the questions at the bottom of the worksheet.

Viewing Guide:

We recommend that teachers show the video segment twice: first to allow students to view the video and focus on the issues presented, and second, to allow them time to complete the viewing guide. After they complete the viewing guide, allow students a few minutes to work in pairs to share and verify answers.

Answers to Viewing Guide

- | | |
|---------------|----------------|
| 1. capitalism | 4. adjustments |
| 2. real | 5. millions |
| 3. poorest | 6. suffering |

Socialism Myths Part 1

Viewing Guide

Name _____

Date _____

Class _____

Teacher _____

Directions: As you watch the video, fill in the blanks with the correct words.

1. The belief that socialism will bring that is why it is now as popular as _____ among young people.
2. But whenever socialism fails, people always say that wasn't _____ socialism.
3. The socialists turned the richest country in Latin America, the nation with the biggest oil reserves in the world, into the _____ country.
4. In a market economy, the great thing is everybody's little _____ gets tested, and we get to see what works.
5. No government department can manage _____ of individual decisions and prices. When they try, shortages occur, and money loses value.
6. They drive around 1950s US cars, but we don't have a blockade on them; there's no US Navy destroyers preventing Kia, Fiat, or whoever else around the world from sending them cars. The reason for their _____ is they have an economic system that can't deliver.

Now, take a few moments to reflect on the video and answer the questions below:

Why are young people attracted to the idea of socialism? _____

What are some of the benefits people claim socialism brings? _____

Ben Powell says that socialism "can't deliver." Based on what you've seen in this video, why can't it? _____

Discussion and Analysis:

1. What is socialism?
2. What is capitalism?
3. John Stossel refers to "socialism myths." What does he mean by *myth*?
4. What happened in Venezuela when socialism was implemented? How did it impact the common people of the country?
5. If socialism failed in the Soviet Union, Venezuela, and everywhere else it's been tried, why do Americans still want it?
6. In a capitalist (free market) society, why do people start and run businesses? If that motivation isn't there because the government controls all business, would someone still try to start a new business, create a new product, offer different services? Why or why not?
7. If a politician promotes socialism in America, why might people vote for that politician?
8. Even though socialism failed terribly in Venezuela, why do people blame other reasons?
9. What were some benefits of entrepreneurs being adapt or adjust during COVID? How quickly did they adapt? Why?
10. During COVID, did you see downsides of government shutting down businesses? Explain.
11. Powell mentions that in a market economy, everybody's little adjustments get tested and we get to see what works. What does that mean?
12. It is mentioned that no government can manage millions of decisions and prices, and when they do, shortages occur. Why might that happen?
13. Which system, socialism or capitalism, allows for more freedom and more choice for individuals? Explain your reasoning. Why is that important?
14. At the end of the video, an actress says, "Democratic Socialism is your kid's public school." Why might that be considered a form of socialism?

Discuss These Lines from the Video:

1. It's time to take a closer look at the socialism these people prefer.
2. Yet, for generations Chomsky has misled students by calling capitalism "a grotesque catastrophe."
3. I thought the fall of soviet communism would put an end to such nonsense! Surely everyone would now see that the catastrophe is socialism!
4. But whenever socialism fails, people always say: that wasn't real socialism.
5. Socialism means abolishing private property and the major things that go into production and replacing it with some form of collective ownership.

6. Just look at Venezuela, just eating is a luxury.
7. The socialists turned the richest country in Latin America, the nation with the biggest oil reserves in the world, into the poorest country.
8. That's the nature of socialism is for their economic policies to fail to adjust to reality.
9. In a market economy, the great thing is everybody's little adjustments gets tested, and we get to see what works.
10. No government department can manage millions of individual decisions and prices.

Quotes for Discussion:

We're not going to throw out capitalism. We tried that. Other countries tried that. It was called communism, and it just didn't work. – Michael Bloomberg

The problem with socialism is that you eventually run out of other people's money. – Margaret Thatcher

I am convinced that the way to build a new and better world is not capitalism. Capitalism leads us straight to hell. – Hugo Chavez

The inherent vice of capitalism is the unequal sharing of blessings; the inherent virtue of socialism is the equal sharing of miseries. – Winston Churchill

A government big enough to give you everything you want is a government big enough to take from you everything you have. – Gerald R. Ford

Governing a great nation is like cooking a small fish. You spoil it with too much poking. – Lao Tzu

Capitalism does a number of things very well: it helps create an entrepreneurial spirit; it gets people motivated to come up with new ideas, and that's a good thing. – Bernie Sanders

Government's first duty is to protect the people, not run their lives. – Ronald Reagan

I believe that all forms of socialism have been proven over time to result in a loss of both economic and civil liberties, with increasing poverty. – John Mackey

If socialists understood economics, they wouldn't be socialists. – F.A. Hayek

Everybody's a socialist when they're young, until they start working and they start realizing how tough it is out there and they start realizing how much money government wastes when they take half their income and taxes. – Kevin O'Leary

Activities:

1. Have students complete the K-W-L chart in class or for homework.
2. Have students complete the Venn Diagram after viewing the video.

3. Have students complete the political cartoon activity after viewing the video.
4. Research and write a report about socialism's effect on either the Soviet Union or Venezuela. Discuss the connection between political leadership and economic leadership. Why did these economies fail? What was the effect on its citizens?
5. Create a class presentation or write a paper that explores the differences between the economies of Venezuela and the U.S. What are the benefits of the U.S. economy? What are some of the risks the U.S. economy may face if it adopts more "socialist" practices?
6. Research and create a slideshow about what "socialist" programs the U.S. seems to have in place today that you do or do not agree with. Explain the potential benefits and/or potential shortcomings of this program. Should the program be changed or kept the way that it is? If changed, how would you make it better?
7. Watch the two videos in [Both Sides: Democratic Socialism](#). Answer 5 of the discussion questions in detail and present your answers to the class. Then, explain whether you think socialism is effective or whether you think effective socialism is a myth.
<https://stosselintheclassroom.org/both-sides-democratic-socialism/>
8. Read and write a summary of one of the following articles:
 - A. "Without Question, Capitalism is Supremely Moral" by Wendy Milling
<https://www.forbes.com/sites/realspin/2013/03/21/without-question-capitalism-is-surprely-moral/>
 - B. "Extreme Poverty Rates Plummet Under Capitalism" by Robert P. Murphy
<https://fee.org/articles/extreme-poverty-rates-plummet-under-capitalism>
9. Produce a "man-on-the-street" video in which you ask people which they support more: socialism or capitalism? Keep track of their answers and age. Chart their age and answers after getting a sample of at least 16 respondents of varying age groups. Ask them what they think are the benefits of each system and why they chose socialism or capitalism.
10. Watch John Stossel's [In Defense of Capitalism](#). Write a report that compares and contrasts it to this Socialism Myths 1 video and, based on the arguments offered in both, explain which system is better—and why. Be sure to use supporting information from the video. Do private property and voluntary transactions make a difference?
<https://www.youtube.com/watch?v=X5ZDqz8MO1M>
11. Watch [Kevin O'Leary: I Was a Socialist When I Was 18](#). Why did Kevin O'Leary change his mind about socialism? Discuss as a class or have each student write a short response to the question.
<https://www.youtube.com/watch?v=UDKhgl1M1qk>
12. Have students choose one of the myths about socialism mentioned in the video, such as "That wasn't real socialism" or "It's because of sanctions and embargo." Instruct them to research and write an essay supporting or debunking the selected myth using evidence and critical analysis.

Name _____
Class _____ Period _____

Date _____
Teacher _____

Socialism Myths Part 1 K-W-L Chart

Directions: Complete the **K** and **W** sections prior to watching the video. After you have seen the video, complete the **L** section and answer the questions below the K-W-L chart.

K	W	L
What I know about socialism....	What I want to know about socialism...	What I learned about socialism and its effects...
Why might some people argue in favor of socialism in the U.S.? Do you agree with these points?	Does the U.S. have an industry that some deem "socialist?" Which industry might have some socialist practices?	Why do many people prefer capitalism?

Name _____
Class _____ Period _____

Date _____
Teacher _____

Socialism Myths Part 1 – Socialism vs Capitalism

Directions: Complete the Venn Diagram below.

Characteristics of Socialism	Both (Similarities)	Characteristics of Capitalism

Socialism Myths Pt 1

Political Cartoon Activity

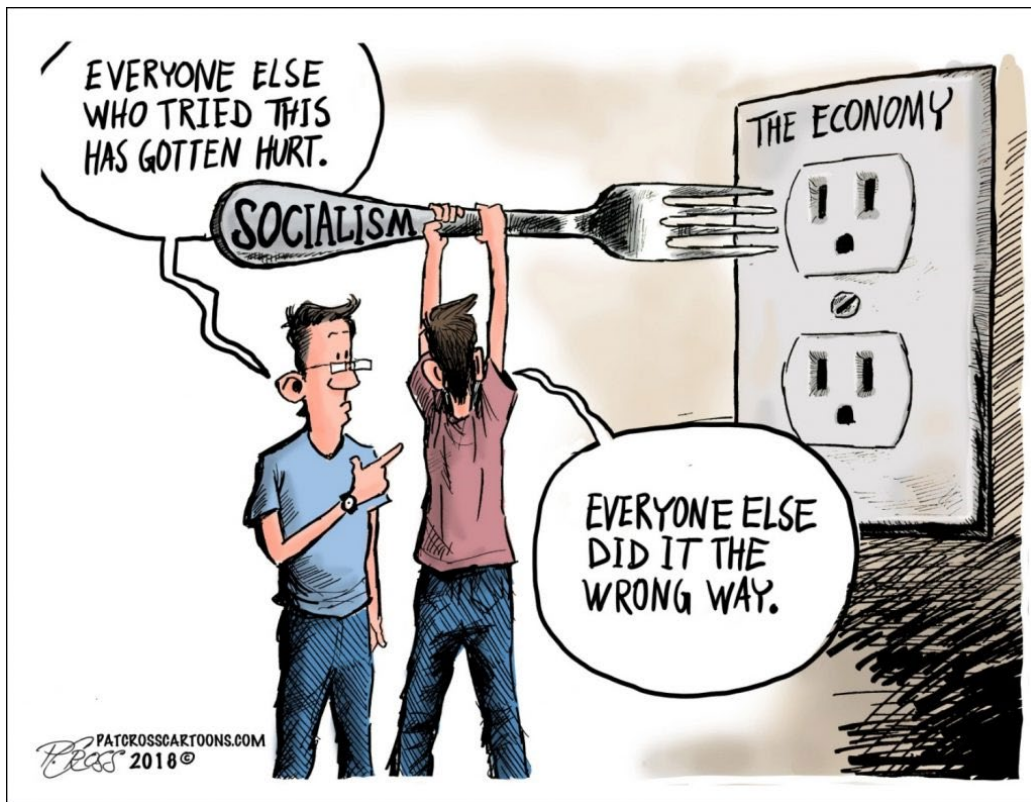
Name _____

Date _____

Class _____ Period _____

Teacher _____

Directions: Use the political cartoon to answer the questions below.



Briefly describe what is happening in the political cartoon. _____

What is going to happen to the man with the fork? _____

How does this image relate to the video? _____

How does the cartoon specifically relate to Myth 2: Venezuela's failure is not due to socialism but more with poor governance? _____
