

Redefining Capitalism

Q: Recent surveys have found weak support for capitalism among Millennials. A 2016 national poll of America's 18- to 29-year-olds by Harvard's Institute of Politics (IOP), for example, found that a majority did not support capitalism and that a third supported socialism. Do business leaders have a responsibility to influence the general public's perception of capitalism? If yes, how should they best accomplish this, and among younger Americans, specifically?



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Decades ago, millions of people watched helplessly as the United States and the Soviet Union engaged in a bitter struggle over the fate of the world. Although these geopolitical rivals were careful to avoid an all-out war with each other, the conflict drew blood from nearly every area of the globe: from the streets of Budapest and Berlin, to the frozen Chosin and the jungles of Vietnam. And from the bloody battlegrounds and killing fields, the fight found its way into homes, classrooms, and even supermarkets, enlisting young and old, rich and poor, in a battle of ideas. With the threat of slavery and nuclear annihilation, it was impossible to stay neutral.

This is the world many Americans remember, a world where socialism was defined by starvation and repression, not starry-eyed freshman politicians and the Nordic model. In the past, the struggle between capitalism and socialism could be seen clearly, and socialism's casualties were impossible to ignore. Without this context, young people today cannot be expected to fully appreciate the contrast between capitalism and socialism, but it is vital

that they receive this education. Yet, who is best suited to influence a generation increasingly disconnected from its forebears? I believe that business leaders are best positioned to act as emissaries for capitalism. Unlike utopian ideologies championed by academics and dreamers, capitalism as an anti-ideology owes its vitality to pragmatists and merchants—individuals willing to trade reading tea leaves for achieving tangible results.

Tangible results are the best way to speak to generations of disaffected youth. Data show that although millennials and Generation Z are skeptical of capitalism and more open to socialism than previous generations, these young people still value the political and moral principles that run antithetical to the socialist enterprise. Freedom, tolerance, pluralism, and a desire to make a mean-

ingful difference in the world: these values unite younger generations of Americans. Moreover, there is reason to believe that many millennials are unable to properly define socialism, believing that the economic system is simply a stand-in for ethical behavior and good governance. Business leaders have a great opportunity to intervene here, connecting the dots and helping to redefine capitalism for new generations of Americans.

Business leaders should strive to underscore the relationship between political rights and privileges, on the one hand, and economic liberty, on the other. No society can ensure political freedoms without protecting the economic rights of its populace. Business leaders are on the front lines of this struggle, and, like the canary in the coal mine, they are first to feel the effects of state overreach. Leveraging technology and their societal status, business

“The argument for liberty is not an argument against organization, which is one of the most powerful tools human reason can employ, but an argument against all exclusive, privileged, monopolistic organization, against the use of coercion to prevent others from doing better.”

— F. A. HAYEK

leaders should be willing to speak out about infringements of political and economic liberty, taking special care to emphasize the relationship between them. To reach young people, business leaders may need to explain how complicated systems and frameworks like taxation and regulations affect creativity, diversity, and inequality and how they stifle human flourishing. By using their platform to connect the dots for young people, business leaders can cultivate an appreciation for the symbiotic relationship between economic and political freedom, while speaking to issues that young people can relate to.

Business leaders must also be willing to demonstrate how markets, not regulations and bureaucracy, make a meaningful impact in the world. Capitalism has helped eradicate starvation and age-old diseases, as well as bring prosperity and education to billions of people. Technological advancements in the last century alone have resolved many of the most stubborn problems that bedeviled our ancestors for centuries. And the very social programs that are wildly popular with young people today are possible only because of the prosperity provided by market-based economics. The fruits of capitalism can be seen and enjoyed by millions; yet for many millennials, the connection between capitalism and social improvements is not distinct. The tangible results are there, but, as with the relationship between economic and political liberty, business leaders must be willing to publicly make the case.

Although young people today do not see the naked evils of socialism as embodied by the Soviet Union, countless examples show how capitalism and markets enhance our lives and preserve our freedoms. Millennials and other young people may not completely understand these concepts, but they are sensitive to matters of political rights and social improvement, and their minds are fertile ground for the philosophy of liberty. Business leaders, unlike intellectuals or academics, intimately understand the value of tangible results. Every day, these professionals are on the forefront in the battle of good and bad ideas. Business leaders must be willing to share their experiences and insights with young people, draw the connections, and demonstrate how markets positively affect the lives of millions. Although we may not face an existential threat embodied by a geopolitical foe, the stakes are just as high. It is time that millennials joined the fight for liberty, and business leaders are the ideal conduit.

ABOUT THE AUTHOR

Marc Neilsen is originally from Cache Valley, Utah. Prior to studying at Georgetown's McDonough School of Business, he served as a noncommissioned officer in the U.S. Army. Most of his military career was spent as an intelligence professional in the Special Operations Community where he became proficient in Arabic, French, and Hausa, and was deployed twice to the African continent with 3rd Special Forces Group. He is married and has two young children, and plans on becoming a management consultant post-MBA.