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Last Word: You're Wrong about Capitalism

By *Johan Norberg*

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“**Y**ou stole it,” proclaims the titular character in *Indiana Jones and the Dial of Destiny*, referring to an invaluable ancient mechanism. “Then you stole it,” responds the villain. “And then I stole it,” intervenes Jones’s goddaughter before adding: “It’s called capitalism.”

That’s about as sophisticated an economic analysis as you might expect from Hollywood. However, social media and the social sciences rarely rise above comic book level.

Over the years, I have gotten used to facing the most bizarre associations when talking about free-market capitalism. I am not overly fond of the term “capitalism” myself—after all, it’s about exchange rather than capital—but I’ve realized that the term has staying power, and if we don’t fill it with meaning, others will.

Often “capitalism” is just a lazy invective for anything bad done by a powerful business (including corporate subsidies or eminent domain), even though the whole point of free-market capitalism is to deprive the powerful of monopolies and privileges through competition and free trade.

To some, capitalism simply signifies any economic phenomenon they find unreasonable and strange. Last month, I learned on X, formerly known as Twitter, that capitalism creates hunger because even

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when food is on hand, “Capitalism demands we destroy it.”

The X post was in reference to a story of a Canadian milk farmer who had to dump 30,000 liters of excess milk at the end of a month. The reason? The government supply management system that regulates the price of milk sets a production quota for every single farmer and punishes them if they try to sell the surplus.

If this is laissez-faire, I'd hate to see a Soviet five-year plan.

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As Communist Party bosses, Iranian Revolutionary Guard Corps leaders, and Chavist “boligarchs” reveal, greed is not in any way exclusive to free-market societies. North Korea is the world's least market-based economy, but Kim Jong Un probably spends the most of any world leader on luxury goods, including Rolex watches, Mercedes limousines, and Hennessy Paradis cognac.

The difference is that to satisfy their greed, none of those leaders had to produce goods and services for others in exchange for all that bling. They stole it. (It's called communism.) ♦