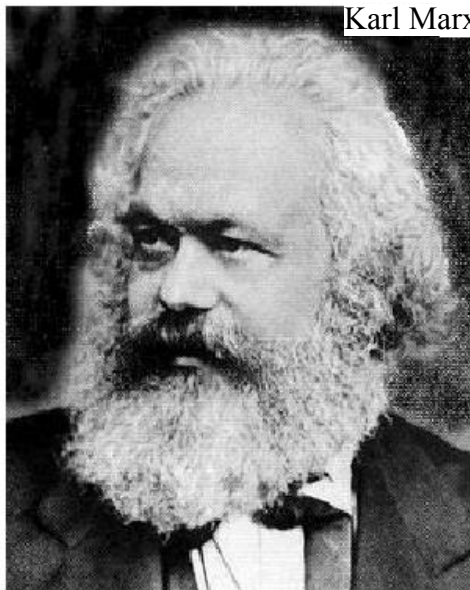
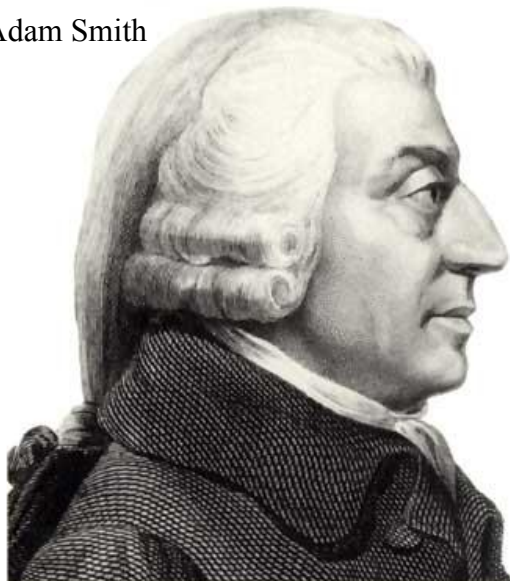


ADAM SMITH MEETS KARL MARX

Vocabulary: capitalist, invest, profit, private, property, opiate, dictatorship.

Notes:

Adam Smith



Karl Marx

Notes:

SMITH: My name is Adam Smith. I was an Englishman who wrote a book called **THE WEALTH OF NATIONS**. The book was printed in the year 1776.

MARX: My name is Karl Marx. I was a German who disagreed with everything Adam Smith wrote about. My most famous book **THE COMMUNIST MANIFESTO**, was written in 1848.

Manifesto -
declaring intentions
or policy

SMITH: I wanted to know why some countries are rich and why other countries are poor. I believed that it was industry that makes a country wealthy and great. My book, **THE WEALTH OF NATIONS**, explains how countries can get a lot of industry.

MARX: Your book was terrible. Because of you there were many classes of people. Some were very rich, some were in the middle, **most** were poor. That is wrong. Everybody should be treated equally. Why should a doctor get more money than a garbage man? They should each get what they need to live.

SMITH: That is ridiculous. People who work harder should get more. The owner of a factory should get more money than the workers. Doctors should be richer than garbage men. If they did not, why would anyone go to medical school?

MARX: That's what's wrong with you **CAPITALISTS**. All you think about is money or what's in it for you.

SMITH: If you want businessmen to open factories and **INVEST** their money, you must allow them to make a **PROFIT**. The government must let them alone. This is known as **LAISSEZ FAIRE**. The government must allow the businessman to do whatever he wants with his **PRIVATE PROPERTY**. If a government does this; businessmen will invest their money in industry. This will lead to an Industrial revolution and make a nation great.

Laissez-Faire -
"Hands Off"

SMITH: LAISSEZ-FAIRE means nobody makes rules. **COMPETITION** will force industry to make good products and to sell them for a fair price.

MARX: That's easy for you to say. What about all the workers who live and work under terrible conditions? What about the long hours on the job? What about the fact that there is no on the job safety. All this goes on while the rich Capitalists get richer and the poor worker goes hungry.

SMITH: God will punish those who treat their fellow man poorly.

MARX: That is nonsense. There is no God! You Capitalists made him up. All religion is false. Religion is the **OPIATE** of the people. In a Communist country we will not allow religion. Opiate - a drug like Heroin

SMITH: The problem with you is that you blame your failure on the Capitalists who work harder to make more money. It is natural for people to want more. They can have it under Capitalism if they are willing to work harder or go to school.

MARX: That is why all Capitalists must die. I want the workers of the world to unite **and to start revolutions** in each country. The workers will take over and start a **DICTATORSHIP** where they are **in charge**. There will be no religion and there will be **no economic classes**. Everyone will get the same thing and be equal. Everyone will get the same pay. Everyone will get the same housing. Everyone will get the same health care. It doesn't matter what job you have, as long as you work. That's what Communism is about. We will share everything equally.. Dictatorship - One Person Rule of a Country

SMITH: That system sounds great, but it can never work. Unless you give more to people who work harder and unless you., give people a reason to invest their money, nothing will happen. Karl Marx, you are a dreamer. You do not live in the real world.

Directions: On a separate piece of paper, write the question and the answer for the questions below.

1. List two (2) things Adam Smith believed in.
2. List two (2) things Karl Marx believed in.
3. Why didn't Adam Smith believe in the ideas of Karl Marx?
4. Why did Karl Marx oppose the ideas of Adam Smith?
5. Would you rather live in a Capitalist or in a Communist country? Explain your answer in detail.