



## Even Bono understands the need for capitalism

**It's big news when one of the world's leading anti-poverty campaigners acknowledges that free markets are the best tool for improving the lives of poor people**

By: [Daniel J. Mitchell](#) – September 26, 2013

Sometimes you find support for capitalism and small government in some rather unexpected places.

I was surprised, for instance, [when I found out](#) that Gene Simmons, the lead singer for Kiss, stated that, "Capitalism is the best thing that ever happened to human beings. The welfare state sounds wonderful but it doesn't work."

That's pretty hard core.

Or what about the Finance Minister of Denmark's left-wing government, [who admitted](#) that, "We live in a world of global competition for jobs... That requires a modernization of the welfare state."

That's not hard core, to be sure, but it certainly suggests that he understands the need to reduce the [burden of government spending](#).

And my jaw hit the floor when I read that [former KGB bigwig Vladimir Putin remarked](#) that, "Many European countries are witnessing a rise of [the] dependency mentality when not working is often much more beneficial than working. This type of mentality endangers not only the economy but also the moral basics of the society."

I'm not about to take lessons in societal morality from a strongman like Putin, but it's nonetheless surprising that he recognizes that handouts can turn people into supplicants.

So after reading all these examples, perhaps you won't be overly shocked to learn that Bono, lead singer of U2, is a supporter of capitalism. He's no Milton Friedman, as you'll see, but check out this quote from [an interview in the Guardian](#).

My father was Labour, classic Dublin Northside household. And I still carry that with me. And though I believe that capitalism has been the most effective ideology we have known in taking people out of extreme poverty, I don't think it is the only thing that can do it, and in some ways I wish it wasn't.

Even with his caveats, it's big news when one of the world's leading anti-poverty campaigners acknowledges that free markets are the best tool for improving the lives of poor people.

Bono's comments sort of remind me of [when the former leftist president of Brazil remarked](#) that "it was necessary to first build capitalism, then make socialism, we must have something to distribute before doing so."

Neither Lula nor Bono are libertarians, of course, but at least their views are rooted in reality. Which is more than can be said for many of the people in Western governments who have never produced anything and have no idea how markets actually work.

Perhaps even more stunning is the fact that Bono defends tax competition and fiscal sovereignty.

At the heart of the Irish economy has always been the philosophy of tax competitiveness. Tax competitiveness has taken our country out of poverty. People in the revenue accept that if you engage in that policy then some people are going to go out, and some people are coming in. It has been a successful policy. On the cranky left that is very annoying, I can see that. But tax competitiveness is why Ireland has stayed afloat.

Wow, there's no ambiguity to that statement. I'd like to think he's knowledgeable about the benefits of tax competition because he's [watched my videos](#) or [read my writings](#), but the real story is that he lived through and personally experienced the Irish miracle.

He saw his relatively poor country become very successful, in large part because of big improvements in tax policy. And he obviously understands the importance of maintaining Ireland's low corporate tax rate (which I've also [argued is very important](#) to keep Ireland from sinking further into statist stagnation).

Let's close with a couple of additional examples of folks on the left who have confessed some very un-PC thoughts, such as the *New York Times* columnist [who bravely wrote](#) that, "This is painful for a liberal to admit, but conservatives have a point when they suggest that America's safety net can sometimes entangle people in a soul-crushing dependency. ...Most wrenching of all are the parents who think it's best if a child stays illiterate, because then the family may be able to claim a disability check each month."

Perhaps most amazing is that a [high-ranking official from China's communist government stated](#) that, "If you look at the troubles which happened in European countries, this is purely because of the accumulated troubles of the worn out welfare society. I think the labour laws are outdated. The labour laws induce sloth, indolence, rather than hardworking. The incentive system, is totally out of whack."

[Even Fidel Casto confessed](#) that, "The Cuban model doesn't even work for us anymore."

And sometimes – *sometimes* – even Obama says reasonable things, such as [the time he remarked](#) that "No business wants to invest in a place where the government skims 20 percent off the top." Or [the time he said](#) that it was best to "let the market work on its own." Unfortunately, when you read the fine print and look at the context, there's no indication that the President actually has learned anything about economics.

