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# FUTURE OF FREEDOM

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*The evils of tyranny are rarely seen but by him who  
resists it.*

— *John Hay*

# FUTURE OF FREEDOM

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The Future of Freedom Foundation is a nonprofit educational foundation whose mission is to advance liberty and the libertarian philosophy by providing an uncompromising moral, philosophical, and economic case for individual liberty, free markets, private property, and limited government.

Believing in the power of ideas on liberty to shift the course of society toward freedom, our methodology is based on sharing sound principles of liberty with others.

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# Trump Will Not Make America Great Again

by *Jacob G. Hornberger*



President Donald Trump’s signature campaign slogan in the 2016 presidential race was “Make America Great Again.” The mantra touched the chords of millions of Americans and helped get him elected president. At the risk of raining on Trump’s parade, however, it just isn’t going to happen. Trump is not going to make America great again, because his conservative philosophy and positions on both domestic issues and foreign-policy issues run counter to the principles of liberty and prosperity that make a nation great and that once made America great.

In terms of freedom and prosperity, the greatest era of American history was the 30-year period from around 1880 to around 1910. It is impossible to overstate how unusu-

al the country was during that period of time. Never has there been an era so different from all others throughout history. Never has there been so much liberty and prosperity anywhere in the world.

In fact, that 30-year period was the closest the world has ever gotten to a totally libertarian society. Americans living in those years proved that it is entirely possible for a society to adopt and implement libertarian principles within the context of a governmental system.

1. No federal income tax. Americans were free to keep everything they earned, and there was nothing the government could do about it. There were no income tax returns. No one needed to concern himself with tax deductions or with running to the post office to meet the April deadline for filing his income tax return. There was no IRS to harass, abuse, terrorize, or incarcerate American citizens for failing to file income tax returns or for failing to send a portion of their income to the U.S. Treasury.

2. Sound money. When the U.S. Constitution called the federal government into existence, it established the most unusual monetary system in history. It was called the “gold standard” but in actuality it was a “coin standard” — specifical-

ly, gold coins and silver coins serving as higher-denomination money, with nickel coins and copper coins serving as lower-denomination money.

Today, many people think that the gold standard was a monetary system based on paper money that was convertible into a certain quantity of gold. Not so. By the express terms of the Constitution and by the monetary laws that were enacted immediately after the federal government came into existence, the Framers and early Americans made it very clear that a paper-money system would be illegal and inappropriate under our form of constitutional government. America's monetary system was to be based on coinage and coinage alone.

For example, the Constitution failed to delegate any power to the federal government to issue paper money or "bills of credit," which was the term used at that time for paper money. Instead, it simply delegated the power to coin money to the federal government. To ensure that the states did not issue paper money, the Constitution specifically prohibited the states from emitting bills of credit and from making anything but gold and silver coins lawful money or "legal tender."

The coin standard was in effect for most of the 19th century and into the 20th century, including the 30-year period from 1880 to 1910.

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Through most of the 19th century, America maintained a system of open immigration.

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3. Few economic regulations. No minimum-wage laws. No occupational-licensure laws. No price controls. No drug laws. People living in America were free to engage in economic enterprises without governmental permission and control. That is what was meant by the term "free enterprise." It denoted economic enterprise that was free of governmental interference.

4. Open immigration. Through most of the 19th century, America maintained a system of open immigration, one by which unrestricted numbers of people from around the world were free to come to the United States. At Ellis Island in New York City, foreigners could freely enter the United States so long as they weren't carrying a communicable disease or weren't so mentally defective that they would be a charge on society. In the American Southwest, there were no immigration controls at all between Mexico and the United States. The same held true on the

West Coast through most of the 19th century.

5. Freedom of education. No U.S. Department of Education. In fact, with a few exceptions, no systems of public schooling and mandatory-attendance laws in the United States. While there was state support of colleges and universities and sometimes local support for schools, education of children was primarily under the control of families.

6. No Social Security, Medicare, Medicaid, Obamacare, farm subsidies, foreign aid, or other welfare-state programs. Charity was considered no business of government, an institution founded on force. Charity was left in the realm of voluntary choice, with each person being free to choose what to do with his own money.

7. No SBA loans, government-business partnerships, corporate grants, subsidies, and bailouts, or any other program of “crony capitalism.”

8. No U.S. departments of Housing and Urban Development, Energy, Transportation, Health and Human Services, or Homeland Security.

9. Free trade. The Constitution established the largest free-trade zone in history by prohibiting the

states from imposing trade restrictions, import controls, or tariffs on goods and services provided by people in other states. While there were tariffs on foreign goods, they were oriented more toward raising revenue for the federal government than for protecting U.S. companies from overseas competition.

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**Charity was considered no business of government, an institution founded on force.**

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10. No Pentagon, no enormous and permanent military establishment, no U.S. military bases in foreign countries, few foreign interventions, no CIA, no NSA, and no war on terrorism. America was founded as a limited-government, constitutional republic, one with a relatively small military force.

11. No gun control. Americans were free to own whatever weapons they desired.

12. No federal power to arbitrarily arrest people or incarcerate them without due process of law, trial by jury, or other procedural prerequisites.

13. No federal power to assassinate or torture people

14. No federal power to control or censor what people read or wrote.

15. No federal power to regulate, control, mandate, or subsidize religious activity.

Whatever might be said of that 30-year era in American history — 1890 to 1910 — there is one thing that no one can dispute: It was the most unusual political and economic system in history. There has never been anything like it.

The result? Not just the freest society in history but also the most prosperous and most charitable society ever. During that 30-year period, the standard of living of people living in the United States grew by leaps and bounds — doubling and then doubling again. A dynamic and exciting economic system, one that was raising millions of families out of poverty for the first time in history. New inventions that were making people's lives better were coming out every year. More charitable activity and organizations than the world had ever seen.

### Creating prosperity

It is not surprising that people all over the world marveled at what was considered to be nothing less than an economic miracle. Millions of foreigners left their homelands and their families to come and work and live here. Penniless immigrants from around the world, many of

whom could not speak a word of English, were flooding American shores, eager to live and work in a society in which everyone had a chance to get wealthy or, at the very least, sustain and improve his own lot in life and that of his family. The quality of health care and education soared. Average life spans grew.

What was the reason for this tremendous outburst of economic activity and enormous surge in people's standard of living? Free enterprise — that is, enterprise that was free of governmental control. Americans, whether wittingly or unwittingly, had stumbled onto the solution to a problem that had bedeviled mankind since the beginning of civilization — how to eradicate or alleviate poverty.

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**Free enterprise — that is,  
enterprise that was free of  
governmental control**

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Throughout history people had suffered enormous poverty. To use the words of Thomas Hobbes, life for most people had been nasty, brutish, and short. Death by starvation, illness, or government oppression was the norm.

What was the reason for history's widespread poverty and misery? Big government. Oppressive

government. High taxation. Massive regulation. Trade restrictions. Paper money or debased currency. Government-provided welfare. Massive military establishments that embroiled societies in perpetual war. Gun control, which impeded people's ability to overthrow tyrannical regimes.

That is what kept mankind mired in poverty and misery throughout the ages. Yet, now came the American people, who were pointing the way out of this centuries-old morass — individual liberty, free markets, private property, and a constitutionally limited-government republic.

Now, that's not to say that the period 1890–1910 was a perfectly pure libertarian society. We all know that it wasn't. For example, there were government-business partnerships — what today we would call “crony capitalism” — by which the federal government provided special privileges, subsidies, and benefits to big corporations. There were land grants to the railroads. There were some protective tariffs. There were federal canals and state highways. There was the power of eminent domain. There was governmental delivery of mail. There were economic regulations at the state and local level. Women

were not allowed to vote and lacked full legal rights. There was the Mexican War, which enabled the United States to steal the entire northern half of a foreign country. There were the military conquests of the Indians as part of “manifest destiny.”

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**Gun control, which impeded  
people's ability to overthrow  
tyrannical regimes**

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Nonetheless, the fact remains: Notwithstanding various violations of libertarian principles, that period of time — 1880–1910 — remains unique in history. Not only did Americans experience the widest ambit of liberty ever, they also experienced the most dynamic and growing economic prosperity in history, one that brought into existence the most charitable nation in history.

### Flight from freedom

Obviously, that is not the type of society in which Americans live today. Modern-day Americans live in a society that is characterized by a massive income tax, an IRS, Social Security, Medicare, Medicaid, subsidies, irredeemable paper money, a regulated and centrally planned economic system, trade restrictions

and protectionism, subsidies and political privileges, immigration controls, hundreds of welfare and regulatory federal agencies and departments, restrictions on gun ownership, and a massive and ever-growing national-security establishment consisting of a permanent military establishment, the Pentagon, the CIA, the NSA, foreign military bases, foreign aid, and foreign interventionism.

Americans now also live under a governmental system in which the president, the Pentagon, and the CIA wield the omnipotent power to assassinate them or take them into custody, torture them, incarcerate them indefinitely as “terrorists,” and execute them, all without due process of law or trial by jury. The federal government also wields the power to secretly spy on Americans and keep secret files on their activities, all in the name of keeping them safe.

What happened? What brought about this fundamental change in America’s governing system and way of life? Why are things so different now than they were in the period from 1880 to 1910?

The answer lies in a conflict of visions and a war of ideas that began taking place in the late 1800s, continued into the early 1900s, and ultimately culminated in the 1930s and

1940s. It was a battle between those who wanted to continue expanding on the principles of liberty, free markets, and a constitutionally limited-government republic and those who wished to replace that way of life with one based on socialism, interventionism, and imperialism.

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**The president, the Pentagon, and the CIA wield the omnipotent power to assassinate Americans.**

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There was nothing inevitable about the outcome. It was simply a matter of which philosophy and which set of ideas would prevail. On the one side were arrayed those who were defending the ideas of economic liberty, free enterprise, free markets, private property, and limited government. On the other side were arrayed those who were defending the opposite.

Those who were arguing for the opposite obviously had an enormously difficult task. They had to convince their fellow Americans to abandon a system that had produced a unique way of life in history, one that had brought Americans ever-growing liberty and prosperity. Nonetheless, no matter how difficult the challenge, those who were advocating socialism, interventionism, and imperial-

ism steadfastly persevered and ultimately succeeded in moving the United States in their direction.

Some of the seeds for change were planted during that free and prosperous 30-year period of time. For example, in 1890 the Sherman Anti-Trust Act was enacted, which prohibited companies from merging and combining with other companies. The law was a direct violation of the principles of private property and economic liberty. Why shouldn't private owners do whatever they wanted with their own resources and companies? The statist argued that the needs of "society" predominated over the wishes of private owners.

In 1882, Congress enacted the Chinese Exclusion Act, the very first immigration-control law, one that was based on law, one whose enactment was partially motivated by racial prejudice.

In the late 1800s, states began enacting Jim Crow laws, which entailed mandatory segregation as well as restrictions on the ability of blacks to freely compete against whites in the provision of goods and services.

In 1889, the Department of Agriculture was elevated to a cabinet position.

In 1898, the U.S. government entered into the Spanish-American

War, which then led to the U.S. government's forcible acquisition of the Philippines, Cuba, Guam, and Puerto Rico as imperialist colonies.

In the late 1800s and early 1900s, some states began adopting income taxation, minimum-wage laws, maximum-hours legislation, occupational-licensure laws, government-established monopolies, and other economic controls and regulations.

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**The statist argued that the needs of "society" predominated over the wishes of private owners.**

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In 1903, the departments of Commerce and Labor were called into existence.

The intellectual, philosophical, and political battle continued into the 20th century. At the heart of the battle was the critically important question: What should be the role of government in American society?

Ultimately, the socialists, interventionists, and imperialists prevailed. The Sixteenth Amendment and the establishment of the Federal Reserve System in 1913. U.S. interventionism in World War I. The adoption of Social Security and a welfare state, the expansion of immigration controls, the imposition

of a regulated economy, protectionist trade measures, the rejection of the gold standard, and the adoption of a paper-money standard in the 1930s. U.S. interventionism in World War II, leading to the conversion of the federal government to a national-security state. The Cold War, the Korean War, the Vietnam War, the CIA, the NSA, foreign interventionism, foreign aid, foreign alliances, and defense treaties. Of course, ever-growing spending, debt, and inflation to pay for the ever-growing welfare state and warfare state.

### The wrong stuff

Why will Trump not make America great again? Because like conservatives and like American progressives, he is a firm and ardent believer in the welfare-warfare state way of life. What he just doesn't get is that it is precisely that way of life that is the root cause of America's descent into tyranny and economic morass.

Trump and his supporters are convinced that he's going to be the president who finally, once and for all, makes the welfare-warfare state work. He's going to preserve Social Security, Medicare, Medicaid, and the welfare state. He's going to expand immigration controls and

trade restrictions. He's going to strengthen governmental controls on economic activity. He's going to raise the overall level of taxation on the American people. In the process, Trump is going to try to exhort, bully, order, dictate, and direct people toward freedom and prosperity.

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**No one, including Donald Trump, can make something that is inherently defective work.**

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It is not going to work. The welfare-warfare state, which is based on a combination of socialism, interventionism, and imperialism, is an inherently defective paradigm. As the root cause of impoverishment and loss of liberty, it is inherently incapable of producing freedom and economic prosperity. No one, including Donald Trump, can make something that is inherently defective work.

Ever since I founded The Future of Freedom Foundation 27 years ago, I have heard people say that the problem was that America just wasn't electing the right people to public office. During every election cycle, there have been those who have called for throwing the rascals out of Congress and replacing them with good people. The same with respect to the president.

However, every time that new people have been elected to Congress or to the presidency, the same lament about the need to elect better people to public office has followed.

Today, most Americans are extremely dissatisfied with the state of affairs in America. The problem, however, is that they fail to see that the problem is a structural one, not one that involves getting better people elected to office. Unless the structure itself is changed, it doesn't matter who is elected to Congress or to the presidency. If the structure remains the same, Americans will remain mired in an increasing loss of liberty and economic despair no matter who is elected to Congress or who is elected president.

Our American ancestors pointed the way to what is needed to restore America's greatness: a way of life based on individual liberty, free markets, free enterprise, and a constitutionally limited-government republic. That necessarily means: the repeal of the federal income tax and the abolition of the IRS; a separation of economy and state, much as our ancestors separated church and state, which would mean no more price controls, minimum-wage laws, drug laws, subsidies and political privileges, or oth-

er economic regulations; a separation of charity and state, which would mean no more Social Security, Medicare, Medicaid, Obamacare, or any other welfare-state program; a dismantling of the entire Cold War-era national-security establishment, including the Pentagon, the military-industrial complex, the CIA, and the NSA, and an end to foreign military bases, foreign aid, and foreign interventionism; a separation of school and state, which would mean a total free market in education, one in which the state would play no role whatsoever. In other words, libertarianism.

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**Our American ancestors pointed the way to what is needed to restore America's greatness.**

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Is such an idea utopian, as statist sometimes suggest? Of course not. Utopia connotes a problem-free world, something that is obviously impossible to attain. The American people who lived from 1880 to 1910 proved that it is entirely possible to have a society based on libertarian principles.

The mistake Americans made was in not expanding on those principles — for example by ending the corporatism that violated America's free-enterprise system. If

they had moved in that direction, rather than moving in the opposite direction, just try to imagine the enormous standard of living and degree of freedom that Americans would be experiencing today.

Consider all the money that has been taken from Americans through taxation and monetary debasement for the past 100 years. Imagine that all that money had remained in private hands and gone into productive capital. Imagine that the international borders had been open to the free movements of goods, services, and people. Imagine that economic enterprise had been totally free of government regulation, control, and interference. Imagine that there had been no involvement in foreign wars and no conversion to a national-security state. Imagine that there had been no paper money and monetary debasement. Imagine all that, and then imagine the unbelievable surge in the standard of living that would have occurred.

Donald Trump, like all other modern-day U.S. presidents, will fail to make America great again because he is committed to maintaining the structure that prevents America from becoming great again. Only by dismantling that structure — the welfare-warfare-state structure — and embracing a way of life based on individual liberty, free enterprise, free markets, private property, voluntary charity, and a constitutionally limited-government republic to our land can America be restored to greatness.

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*Jacob Hornberger is founder and president of The Future of Freedom Foundation.*

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**NEXT MONTH:**  
**“Separating Charity and  
Health Care from the State”**  
*by Jacob G. Hornberger*

# Obamacare Reform and Paternalism's Pratfalls

by James Bovard



One of Donald Trump's first actions as president was to issue an executive order to reduce the regulatory burden of the Affordable Care Act. Obamacare has been intensely controversial since it was enacted in 2010. The battle over its reform or replacement will very likely continue for most of this year, if not most of Trump's term in office. It remains to be seen how much effort the Trump administration will make to repeal, replace, or reform Obamacare.

While the media often portray Obamacare as a holy humanitarian rescue mission, it has profoundly disrupted millions of Americans' health care, while sharply inflating health-care costs for more millions.

Obamacare is the most prominent paternalist policy in recent decades. Any evaluation of whether it can be fixed should begin by considering the limits of paternalism.

The word "paternalism" originally referred to a father's power over his children; contemporary paternalism means government's treating citizens like children. The more paternalist policies are adopted, the further the citizenry is infantilized. As children grow older, they acquire more autonomy and are less restricted by their parents' rules and values. In contrast, the welfare state piles rule upon rule, edict upon edict — and the only certainty is that citizens will be presumed less competent in the next decade than they were in the previous decade.

Law professor H.L.A. Hart defined paternalism as "the protection of people against themselves." According to Donald VanDeVeer, author of *Paternalistic Intervention*, "A paternalistic act is one in which one party interferes with another for the sake of the other's own good."

The paternalist state advances by multiplying its levers over private behavior. These levers are enforced by government penalties: the more the government claims to protect citizens, the more it must punish

them. Yet, at some point, the sheer number of threats government makes, supposedly to protect the citizen, destroys the citizen's "domestic tranquility." This is the vicious cycle of paternalism: the more power the government acquires to control people, the more the citizen naturally fears the government.

Paternalism offers the social-economic equivalent of happiness through political conquest and obedience — happiness by surrendering the keys to one's own life to one's political overlords. The goal of the welfare state is not to make people happy, as people themselves understand their own happiness; instead, it is to make them "happy" in ways their superiors think they should be happy. According to philosopher Hans Kelsen (one of Friedrich Hayek's nemeses), "happiness in an objective-collective sense" means "the satisfaction of certain needs, recognized by the social authority, as needs worthy of being satisfied, such as the need to be fed, clothed, housed, and the like." Thus, the "social authorities" (i.e., government employees) are granted sweeping discretion to decree which desires or aspirations of private citizens are "worthy of being satisfied."

Democratic Party leaders in the Congress and the White House de-

cidated that people could not be — or deserve to be — happy unless they had health-insurance policies that the feds approved. For instance, Obamacare is driven by the heavy penalties on anyone who fails to purchase insurance policies that satisfy federal overseers (\$695 per adult or 2.5% of annual income, whichever is higher). Punishing people was a nonissue for the Obama administration and the vast majority of Obamacare supporters. Anyone penalized by the feds is irrelevant as long as politicians can boast that a single additional person received government-subsidized insurance — at least according to some of the liberal and media scorekeepers.

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**Congress and the White House decided people could not be happy unless they had health-insurance policies that the feds approved.**

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The more power government acquires over people, the more the system of governance rests on a blind faith in the rulers' benevolence. Paternalism presumes that government will serve the people even better than the people could have served themselves. And why? Because government knows best. But that means nothing more than "gov-

ernment employees know best.” And why do they know best? Because they work for the government.

And even if they don't know best, as long as their pretenses are accepted, politicians can seize far more power over citizens. When Congress considered Obama's proposed health-reform legislation, the highest-profile expert it relied on was Jonathan Gruber, who was christened “the Oracle of Obamacare.” Gruber received a \$297,000 federal contract to help lead the legislative charge for the Affordable Care Act with his “black box” computer program. The *Washington Post* reported that “Gruber and his staff of three could provide answers overnight, when it often took weeks to run the same questions through the Office of Management and Budget or the Congressional Budget Office.”

The biggest paternalist coup of the last half-century required vast deception. Gruber explained in 2013 how Obamacare was sold to the public: “Lack of transparency is a huge political advantage. And basically, call it the stupidity of the American voter or whatever, but basically, that was really, really critical to get this thing to pass.” Gruber admitted that the Obamacare “bill was written in a tortured way.... If

you had a law which ... made explicit [that] healthy people pay in and sick people get money, it would not have passed.” Gruber described one Obamacare provision as a “very clever basic exploitation of the lack of economic understanding of the American voter.” The bill also exploited congressmen's feeble grasp of the issues but it would have been undiplomatic to mention that. Once politicians decided to brag about the increase in the number of Americans with health insurance, the odds of rational policy that respected citizens' rights took a dive.

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**The biggest paternalist coup of the last half-century required vast deception.**

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Paternalism delivers happiness by wielding an iron fist. People pursue happiness, governments impose happiness. Paternalism presumes that people will be happier doing what they are told than what they choose to do. Kant declared, “Nobody may compel me to be happy in his own way. Paternalism is the greatest despotism imaginable.” Kant based his ethics on the moral value of each person as an end in himself; paternalism necessarily sees people as plug-ins to fulfill political visions and bureaucrat-

ic timetables. Once paternalism gets rolling, individual preferences cannot be allowed to delay the official advance of progress. Whole-wheat bread is more nutritious than white bread, but would that be justification for the government food police to go into each recalcitrant's home, seizing his white bread, and jamming whole wheat bread down his throat? The damage done by forcing even healthy morsels down someone's throat — in all but extreme cases, in which the beneficiary is on the verge of death — will almost certainly exceed the nutritional benefits of the food itself.

The people must be subdued before they can be saved. That is why the Obama administration issued more than ten million words of regulations and regulatory guidance for the Affordable Care Act.

### Maximizing submission

Paternalism is also often the enemy of the rule of law and democracy. Once Obama got his signature bill pushed through Congress, he acted as if he was entitled to issue endless decrees to buttress it politically. One of the most controversial “reforms” consisted of bankrolling insurance companies to deter skyrocketing premiums. On January 13, 2014, a group of IRS financial

managers were summoned and escorted into a conference room and permitted a peek at a secret Office of Management and Budget memo explaining why the Obama administration was entitled to spend \$4 billion on subsidies for consumer health insurance. IRS officials were wary because they felt pressured to make outlays they considered illegal under the Affordable Care Act. As a *New York Times* article two years later noted, “They were told they could read it but could not take notes or make copies. The O.M.B. officials left the room to allow their visitors a moment to absorb the document, and then returned to answer a few questions and note that Attorney General Eric Holder had been briefed and signed off on the legal rationale.”

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One of the most controversial “reforms” consisted of bankrolling insurance companies to deter skyrocketing premiums.

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Congress refused to finance the program but “the Obama administration spent the money anyway and has now distributed about \$7 billion to insurance companies to offset out-of-pocket costs for eligible consumers,” the *Times* noted. Federal judge Rosemary Collyer

ruled in May 2016 that the payouts violated the Constitution because Congress had appropriated no funds for that purpose. But top Obama administration policymakers considered the peek-a-boo routine a sufficient hat tip to obeying federal law. It was important not to let due process and honest government stand in the way of creating bragging points for White House speeches.

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**The welfare state, in its daily operation, appears more devoted to controlling people than to benefiting them.**

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The welfare state seeks to maximize happiness by maximizing submission, as if confinement were the key to contentment. Are modern citizens supposed to be made happy because government coerces and restricts them in so many ways — or despite that? Is the subordination of the individual to the State supposed to make the individual happy, or supposed to make the State happy? How can we distinguish between coercion to punish and subjugate people and coercion to make them happy? The sanction of coercion matters less to most citizens than how often and harshly they are threatened and punished.

English law professor A.V. Dicey observed a century ago, “Protection’ ... is tacitly transformed into guidance.” The welfare state, in its daily operation, appears more devoted to controlling people than to benefiting them. Every extension of benefits is premised on an increase of controls — sometimes on the person to be benefited, sometimes on other people (taxpayers, businesses).

But there is no virtue in forcibly taking care of people who otherwise would have taken care of themselves. Many paternalist policies are the equivalent of the kidnapping of little old ladies by Boy Scouts and forcing them to cross streets so that the Scouts can fill their quota of good deeds. Many of the people who chose not to buy health insurance had sufficient income or savings to take care of the health emergencies they were likely to face at their age.

Paternalism presumes that individual people are “welfare receptacles” waiting to be filled to the correct level by their superiors. Welfare-state happiness must be a type of happiness that can be mass-produced by inefficient government bureaucracies — a “close enough for government work” happiness, a happiness that exists be-

cause government agency annual reports claim to have fulfilled their goals.

The more coercion government uses in the name of progress, the more oppressed people will feel. Government is often like a lifeguard who begins a rescue by standing on the shoulders of a person who is not drowning. The bigger the government, the heavier the political dead weight on the average citizen. In order to lift himself, the citizen must also lift “his fair share” of the entire government. The heavier the weight of government, the greater the odds against self-help. The expansion of government by itself, of itself, becomes an increasingly negative factor in the life of the individual person. Citizens are left to glean the remnants of their own lives from what the politicians have not already seized.

There is no way to fix the Affordable Care Act that would re-

spect the rights, property, and freedom of American citizens. The federal government has thrown so many wrenches into health care since the 1965 creation of Medicare and Medicaid. Americans cannot afford any more Washington solutions designed largely to boost campaign contributions and reelection rates.

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*James Bovard serves as policy advisor to The Future of Freedom Foundation and is the author of an ebook memoir, Public Policy Hooligan, as well as Attention Deficit Democracy and eight other books.*

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**NEXT MONTH:**  
**“Anti-War Awakening on a Bus  
Trip from Baltimore”**  
*by James Bovard*

*It has long however been my opinion, and I have never shrunk from its expression (altho' I do not chuse to put it into a newspaper, nor, like Priam in armour, offer myself its champion) that the germ of dissolution of our federal government is in the constitution of the federal judiciary; an irresponsible body (for impeachment is scarcely a scare-crow) working like gravity by night and by day, gaining a little to-day & a little to-morrow, and advancing its noiseless step like a thief, over the field of jurisdiction, until all shall be usurped from the states, & the government of all be consolidated into one. To this I am opposed; because, whenever all government, domestic and foreign, in little as in great things, shall be drawn to Washington as the center of all power, it will render powerless the checks pro-*

*vided of one government on another, and will become as venal and oppressive as the government from which we separated. It will be as in Europe where every man must be either pike or gudgeon, hammer or anvil. Our functionaries and theirs are wares from the same work-shop; made of the same materials, & by the same hands. If the states look with apathy on this silent descent of their government into the gulp which is to swallow all, we have only to weep over the human character formed uncontrollable but by a rod of iron; and the blasphemers of man, as incapable of self-government, become his true historians.*

— Thomas Jefferson

# The Conservative Mantra

by *Laurence M. Vance*



Conservative godfather Russell Kirk (1918–1994) wrote lengthy philosophical treatises on “the six canons of conservative thought” and “ten conservative principles.” Throughout his writings on conservatism he praised natural law, order, virtue, restraint, custom, convention, continuity, tradition, prudence, permanent things, an enduring moral order, property, and voluntary community, while he disdained hasty innovation, collectivism, uniformity, egalitarianism, utilitarianism, and those who would “reconstruct society upon abstract designs.”

## The conservative mantra

Present-day conservatives take a much different and simpler approach than that of Kirk. It has been

said by numerous people in a variety of ways that if you repeat something loudly enough and often enough, people will eventually come to believe it, whether it is true or not. That is certainly the case of conservatives in the Internet Age. Although I am a libertarian, I am on the email list of many conservative organizations. Not only do I want to keep up with what they are doing, they many times publish valuable studies on the failings and outrages of liberal policies, proposals, and politicians — even if they don’t always provide solutions equally as valuable. In all of the emails I receive from these conservative organizations — and especially the fundraising ones — they generally recite some mantra in an attempt to convince the conservative faithful — and especially the donating ones — that they are real conservatives who can be counted on to uphold conservative principles.

Although the mantras recited by conservative organizations differ slightly, even sometimes when recited by the same organization, they all generally read thus: We believe in the Constitution, limited government, individual freedom, private property, traditional values, free enterprise, and a strong national defense. Now, on the surface this

mantra sounds good, even to libertarian ears. The most hard-core libertarian opponent of the Constitution would at least acknowledge that things would be much better in this country if the federal government actually followed its own Constitution. Limiting the government is what libertarians live for. Individual freedom and private property are two of the pillars of libertarianism. There is nothing inherent in libertarianism that would make it opposed to traditional values. Free enterprise is the cry of every libertarian. And libertarians certainly believe in the legitimacy of defense against aggression.

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**Individual freedom and private property are two of the pillars of libertarianism.**

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But no matter how many times conservatives recite their mantra, the fact remains that they only selectively believe it. And sometimes very selectively. Conservatives don't follow the Constitution in many areas. They prefer a government limited to one controlled by conservatives. They don't accept the freedom of individuals to do anything that's peaceful. They don't believe in the inviolability of private property. They think traditional values

should be legislated by government. They don't yearn for free enterprise in everything. And they confound the idea of national defense with national offense.

### The conservative blueprint

Although one would think that the conservative mantra would be incompatible with the welfare-warfare state, such is not the case. Conservative support for the welfare-warfare state shows just how meaningless the elements of their mantra really are.

One of the oldest and largest conservative research and educational institutions is the Heritage Foundation. Founded in February 1973, and headquartered in Washington, D.C., "The Heritage Foundation is the nation's most broadly supported public policy research institute, with hundreds of thousands of individual, foundation and corporate donors." Heritage has "a staff of 275 and an annual expense budget of \$82.4 million." Its vision is "to build an America where freedom, opportunity, prosperity, and civil society flourish." Its mission is "to formulate and promote conservative public policies based on the principles of free enterprise, limited government, individual freedom, traditional American values, and a

strong national defense.” To that end, “Heritage’s staff pursues this mission by performing timely, accurate research on key policy issues and effectively marketing these findings to our primary audiences: members of Congress, key congressional staff members, policymakers in the executive branch, the nation’s news media, and the academic and policy communities.” Heritage says that it believes that “the principles and ideas of the American Founding are worth conserving and renewing,” and “the most effective solutions are consistent with those ideas and principles.” The current president of Heritage is the former Republican senator Jim DeMint.

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**Heritage says that it believes that “the principles and ideas of the American Founding are worth conserving and renewing.”**

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The Heritage Foundation last year published, in March, July, and November, a three-part “Mandate for Leadership Series of documents.” Each document “educates the American public, specifically including Congress, the new American President, and the new President’s team.” They “deliver a clear, unified policy vision for Congress and the President to preserve and

create opportunities to enable all Americans [to] provide for their families, contribute to their communities, and pursue their dreams.” Part 1 is “Blueprint for Balance: A Federal Budget for 2017.” It “provides detailed recommendations for the annual congressional budget.” Part 2 is “Blueprint for Reform: A Comprehensive Policy Agenda for a New Administration.” It “establishes a long-term vision, and policies to achieve that vision, that requires presidential leadership and congressional action.” Part 3 is “Blueprint for a New Administration: Priorities for the President.” It “details specific steps that the new Administration can take immediately upon assuming office to demonstrate its commitment to the long-term vision presented in the second volume.”

The Heritage “Blueprint,” it is claimed, will:

- Slow the growth of entitlement spending
- Reform entitlement programs
- Update the tax code to promote economic growth and opportunity
- Streamline federal departments and agency operations and personnel costs

- Responsibly bring spending under control
- Reduce total spending by \$10 trillion over 10 years
- Reduce the national debt
- Rein in interest spending
- Balance the budget while reducing taxes
- Balance the federal budget on a unified basis by 2024
- Fully fund national defense
- Provide the framework for budget process reform

Although the Heritage “Blueprint” contains many good policy proposals, it is still a blueprint for a welfare-warfare state with a government that is anything but limited. A look at the “Blueprint” recommendations for a few federal departments will make this abundantly clear.

### The USDA

The Heritage “Blueprint” has much to say about the U.S. Department of Agriculture (USDA). The USDA has been around since 1862. It is one of the largest federal departments, with about 95,000 full-time civilian employees and a budget of more than \$150 billion. But over the years,

the USDA has evolved into a federal executive department that oversees some of the most market-distorting policies in the nation, distributing an endless array of costly subsidies. Beyond the agricultural subsidies, the USDA has become a welfare agency, running the food stamp program along with other nutrition programs. It also has a wide range of programs covering everything from conservation to biofuels.

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**The Heritage “Blueprint” is a blueprint for a welfare-warfare state with a government that is anything but limited.**

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So what does the Heritage “Blueprint” propose should be done with the USDA? The USDA’s Catfish Inspection Program should be repealed. Its Conservation Technical Assistance Program and Rural Business-Cooperative Service’s Discretionary Programs should be eliminated. Funding should be prohibited for the new National School Lunch Program Standards (the standards, not the program itself). The secretary of Agriculture should work with Congress “to eliminate the provision that expands free

lunches to middle-class and wealthy families.” Free lunches at public schools should “only go to those students from low-income families who truly need them.” Farm subsidies should be eliminated. The role of the Farm Service Agency should be “significantly reduced.” The USDA’s Rural Development Agency should be eliminated and “all of its flawed and often duplicative programs eliminated.” The USDA should stop issuing its Dietary Guidelines.

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**If the Heritage Foundation really believed in limited government, they would have called for the total elimination of the USDA.**

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Some USDA agencies should remain “relatively intact,” such as the agencies that undertake research or perform inspections. The Forest Service should be moved from the USDA to the Department of the Interior. Food-aid programs focused on humanitarian and disaster relief should be shifted to the State Department and the U.S. Agency for International Development (USAID). The president should urge Congress to consider food stamps and agricultural programs in separate pieces of legislation. The food stamp program

should be moved from the USDA to the Department of Health and Human Services, “the primary welfare department of the federal government.” The Heritage “Blueprint” envisions “a new USDA” that focuses exclusively on agriculture. The USDA

should not be a money dispenser for agriculture but rather a source of information, conducting necessary and valuable research that the private sector otherwise would not produce, promoting free trade, and protecting food safety. Its role should be carefully examined and monitored, recognizing that free enterprise and not government intervention is the best way to have a stable and safe food supply.

If the conservatives at the Heritage Foundation who wrote those recommendations concerning the USDA for the “Blueprint” really believed in the Constitution and limited government, they would have called for the complete and total elimination of the USDA and all of its agencies and programs instead of eliminating just a few, cutting back on others, and transferring

some to other departments of the federal government. The Constitution nowhere authorizes the federal government to have anything to do with agriculture. No department, no agencies, no research, no subsidies, no loans, no guarantees, no inspections, no aid, no relief, no assistance, no lunches, no dissemination of information. It is unconscionable that the food stamp program, which is nothing but welfare, and is the largest expense of the USDA, should just be moved to another department and “reformed to include work requirements for able-bodied adults to receive benefits: requiring them to work, do job training, perform community service, or at least look for work in exchange for receiving benefits.”

### Other departments

The same things are true when we look at Heritage’s recommendations for other federal departments; e.g., the departments of Education and Health and Human Services.

The Department of Education should be “downsized.” It should “devolve education dollars and decision making to the states, significantly reducing K–12 programs and limiting spending to a single, flexible funding stream on the basis of low-income student population,

which states could use for any education purpose under state law.” The federal Pell Grant and student loan programs should be reformed, not abolished. There is not a word in the “Blueprint” about abolishing the Department of Education — something that conservatives used to call for. There is not a word in the “Blueprint” about limiting government by separating school from state. There is not a word in the “Blueprint” about ending all federal funding of education because the Constitution nowhere authorizes the federal government to have anything to do with education.

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**There is not a word in the “Blueprint” about abolishing the Department of Education.**

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Instead of being abolished, the Department of Health and Human Services “should focus on administering the health care entitlement programs in a patient-centered, market-based way and encouraging self-sufficiency by allocating federal welfare assistance only to those truly in need.” Medicare should be “modernized” and transitioned “from a government-controlled health insurance program that isolates individual decisions from costs, and restricts patients’ access

to care, to a market-based premium support program with greater choice and improved care.” Medicaid should be restored “as a true safety net for the poor.” Able-bodied persons with low incomes should “be provided with direct assistance to purchase health insurance in the private market.”

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**To be more accurate, the conservative mantra should be changed to read “a strong national offense.”**

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Social Security likewise “needs to modernize its outdated entitlement structures.” The president should “establish a bipartisan national commission to devise a comprehensive plan to return Social Security’s programs to meeting their original goals of poverty prevention among the elderly and individuals with disability in an affordable and targeted manner.” A “serious” Social Security reform proposal “should reduce agency spending by at least five percent over the next 10 years.” That is a serious proposal? I would hate to see a proposal to reform Social Security that wasn’t serious. The bottom line is: Congress must “reform the structure of America’s entitlement programs,” not abolish them.

The Heritage “Blueprint” recommendations for the Department of Defense are laughable. The Defense Department (DOD) should “cut research funding for programs that are not related to increasing military capabilities,” “cut subsidies to its commissaries,” “end renewable energy mandates,” and “close the Defense Department’s Domestic Dependent Elementary and Secondary schools (DDESS) on military bases in the continental United States.” Congress should “reform the military’s health care system by introducing a private-sector health insurance option for military family members.”

But the minuscule amount of money that would be saved by doing those things is offset many times over by the other “Blueprint” recommendations for the DOD. The military is “getting weaker while threats to U.S. interests are rising.” The military is “too small.” The Army needs more combat brigades. The Navy needs more ships. The Marine Corps needs more battalions. The Air Force needs more fighter aircraft. The size of the military should be increased. Defense spending should be increased. There should be “a significant funding increase for combat readiness.” The United States should

have more alliances. NATO should be strengthened. Ballistic-missile defense systems should be deployed to the Middle East and in space. The United States should defend the world from “Russian adventurism in Eastern Europe, Chinese expansion in the South China Sea, and radical Islamist terrorist organizations inciting violence across swaths of Asia, the Middle East, and North Africa.” To be more accurate, the conservative mantra should be changed to read “a strong national offense,” since that is precisely what conservatives mean when they talk about “a strong national defense.” A strong national defense doesn’t need foreign military bases, U.S. troops deployed on foreign soil, or entangling alliances. And having a strong national defense doesn’t mean being the world’s policeman.

### Other issues

The Heritage “Blueprint” is merely a blueprint for a conservative welfare-warfare state that makes a mockery of the Constitution and the concept of limited government. It says, in effect and practice, that no American has the individual freedom to use his private property (which includes his money) as he sees fit. The poor, the elderly, the hungry, the sick, the dis-

abled, and the disadvantaged cannot be taken care of under a free-enterprise system where individuals and organizations exercise the traditional value of charity. It is the job of the government to take care of them.

A look at some other issues shows just how deceptive the conservative mantra really is, especially when it comes to individual freedom, private property, and free enterprise.

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**The Heritage “Blueprint” says that no American has the individual freedom to use his private property (which includes his money) as he sees fit.**

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*The drug war.* Conservatives are the most ardent drug warriors. They don’t believe that anyone should have the individual freedom to use drugs for recreational purposes, even on his own private property. They oppose free enterprise in drugs and instead support the criminalization of drug trafficking. They oppose the legalization of drugs on the state level and don’t want the federal government to have limited powers when it comes to waging war on drugs. They support the federal Controlled Substances Act, the federal Office of

National Drug Control Policy, the federal Drug Enforcement Agency, and the federal war on drugs, even though there is nothing in the Constitution that gives the federal government the authority to have or to do any of those things. And what traditional value is being practiced when conservatives support the government's locking people in cages for possessing too much of a plant it doesn't approve of?

*Gun control.* Conservatives say they support the Second Amendment and oppose gun control, and compared with liberal “gun grabbers” it appears that they do. But they don't really believe in free enterprise when it comes to guns. They support the National Instant Criminal Background Check System (NICS). They support waiting periods for gun purchases. They support the federal government's licensing of gun dealers. They support the existence of the Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF), even as they say they believe in limited government. And even though the Second Amendment says that “the right of the people to keep and bear arms shall not be infringed,” they support most federal gun laws — laws that infringe on the right of the people to keep and bear arms.

*Organ sales.* Conservatives oppose free enterprise in the sale of voluntarily offered body organs. They oppose anyone's having the individual freedom to sell one of his organs to the highest bidder — while he is alive or after he is dead. They support the federal government's National Organ Transplant Act of 1984 that outlawed the sale of organs and established the Organ Procurement and Transplantation Network even though the Constitution nowhere gives the federal government the authority to have anything to do with such a thing. They oppose anyone's being able to dispose of his private property (which includes his body if it includes anything) as he sees fit.

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**Conservatives oppose free enterprise in the sale of voluntarily offered body organs.**

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*Prostitution.* Conservatives are adamantly against free enterprise, individual freedom, limited government, and private property when it comes to people's wanting to privately, peacefully, voluntarily, and consensually exchange a sexual service for money. They oppose the repeal of any and all laws against prostitution. And yet, even though fornication and adultery are any-

thing but traditional values, conservatives have no problem when sexual services are legal and given away as long as no money changes hands.

*Anti-discrimination laws.* Conservatives support federal anti-discrimination laws even though they are an attack not only on the Constitution, limited government, free enterprise, private property, and individual freedom, but also on freedom of association, freedom of contract, and freedom of thought. They are, of course, very selective, since they oppose the efforts of liberals to include as part of anti-discrimination laws sexual orientation and sexual identity. Conservatives don't believe that employers have the right to hire or not hire anyone they choose. They don't believe in the absolute right of business owners to refuse service to anyone for any reason or property owners to refuse to sell, rent, or lease to anyone on any basis.

On issue after issue, the conservative mantra rings hollow.

### Summary and conclusion

The conservative mantra of the Constitution, limited government, individual freedom, private property, traditional values, free enterprise, and a strong national defense

is a lie from start to finish. Conservatives are so selective in adhering to their mantra as to render it meaningless. They have no problem with the federal government's violating its own Constitution if it means furthering some conservative agenda. The only limited government they seek is a government limited to control by conservatives. Conservatives oppose the individual freedom of adults to engage in selected activities that are peaceful, consensual, and don't violate the personal or property rights of others. They oppose the right of people to do what they want on and with their private property. Conservatives think traditional values should be legislated and regulated by government. They don't believe in a free-enterprise system for all goods and services. And there is nothing defensive about conservatives' concept of national defense.

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**Conservatives think traditional values should be legislated and regulated by government.**

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The libertarian philosophy of liberty, property, and peace is alone a consistent and moral political philosophy. Libertarianism says that people should be free from individual, societal, or government

interference to live their lives any way they desire; pursue their own happiness; accumulate as much wealth as they can; assess their own risk; make their own choices; engage in commerce with anyone who is willing to reciprocate; participate in any economic activity for their profit; and spend the fruits of their labor as they see fit as long as their actions are peaceful, their associations are voluntary, their interactions are consensual, and they don't violate the personal or property rights of others. The rule of government should be strictly limited to keeping the peace and exacting restitution from those who violate the personal or property rights of others.

The only difference between liberals and conservatives — and everyone in between — is the degree to which they deviate on any particular issue from the libertarian philosophy of liberty, property, and

peace. On some issues it is liberals who diverge more; on other issues it is conservatives who stray further; and on most issues they both deviate considerably from the libertarian standard.

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**NEXT MONTH:**  
**“The Irrelevancy of  
Trump’s Cabinet Picks”**  
*by Laurence M. Vance*

# Donald Trump as Carnival Hawker and His Leftist Enemies

by *Richard M. Ebeling*



Politics has a strange influence on people. People who in their daily lives seem to act quite normal are driven into various forms of madness by politics. For instance, I have friends and acquaintances on both the political Right and Left, with whom totally normal conversations and interactions may be had — unless it turns to politics.

Donald Trump is now president of the United States. He was certainly not my choice for a hand on the nuclear and drone buttons, or in charge of the American interventionist-welfare state. To me, however repugnant Trump's personality and words may be — and they are most certainly disturbing and off-putting — he says and proposes

very little that the vast majority of the other politicians holding or running for office do not, as well. He is just more blunt and obnoxious in the way he does it.

## Donald Trump, the carnival con man

He reminds me of the carnival sideshow hawkers enticing us in to see their attractions by promising wondrous things through exaggeration, deception, distortion, and prurient promises, and all for the admission price of only ...

Trump is sort of a P.T. Barnum brought back to life. Someone who knows how to play to people's desires, fears, erotic fantasies, and greed for getting something that is outside the normal range of everyday life, and all for a few pennies. Hurry in, the show is about to begin in the inside.

The hawker is a borderline con man, just inside the law, and always with his suitcase packed just in case he has to make a quick getaway a few steps ahead of the local sheriff.

There are often two types of people responding to our sideshow hawker-borderline con man: those who are taken in and can't wait to put down their two bits and get inside to see the show; and those who get up in arms and want to run him out of town on a rail because he's

clearly a crook preying upon people's weaknesses, and a bad influence on the town's boys and girls, who keep nagging their parents to go to the traveling carnival — especially the boys, who hope to sneak in and see the hoochie-coochie girls.

### Trump's nationalist hawking message

Indeed, Donald Trump preys on his potential supporter-victims by drawing on almost every economic fallacy in the book. You lost your job? It's because some manipulative foreign supplier stole away your American employer's customers through a selling swindle of offering his version of the product at a lower price.

Don't worry, Trump is now in charge and he will create jobs by keeping foreign goods out and by talking to the bad American businessmen who want to produce somewhere else. And if they don't respond favorably to Trump's words, he has a big stick of special import taxes just for them if they try to import back into America what they produce outside the country at lower cost.

It's all about products made in America and by American workers, says Trump. Our new national day of patriotism, along with promised military parades all around the

country, will make us feel unified and in it together as the variety of goods decreases and their prices go up. You're gonna feel a lot better as people are employed in wasteful and misallocated jobs that, at a minimum, slow down any improvement in our standards of living that could otherwise be ours if not for the new walls of economic protectionism.

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**The con man and the huckster are masters at fooling people into believing that they can have something for nothing.**

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The con man and the huckster are masters at fooling people into believing that they can have something for nothing, or if not for nothing then at half the usual price. Trump the hawker stands on his soapbox outside the tent of national promises and says, "Tell you what I'm gonna do. You will have a trillion-dollar infrastructure program to create jobs, fill in the potholes, and repair the bridges; and it's all gonna be paid for from the jobs and products we make at home by keeping out those bad, less expensive foreign goods. Plus, we are also gonna make the American military strong and huge again so we can crush Islamic terrorists off the face

of the Earth. By the way, have you seen how I wave my magic wand around the old-fashioned top hat and make a rabbit appear?”

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**Every dollar the government taxes or borrows is one dollar less that a private individual could have spent or borrowed.**

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The fact is, government gets the money it spends by taxing, borrowing, or printing it. Usually, in our day and age, it's a combination of all three, but that is the set of alternatives. Every dollar the government taxes or borrows is one dollar less that a private individual could have spent or borrowed for a market-based consumer demand or a profit-oriented investment project.

If the central bank (in America's case, the Federal Reserve System) prints the money to cover all or a part of the government's borrowing needs, it ends up diluting the purchasing power of the dollar to the extent to which prices may rise over time; it redirects a portion of the scarce resources of the society toward what those in political power consider their best use rather than what the income-earning private citizens would choose in a free marketplace.

### **“Power to the People” – true and false**

Which gets to another aspect of Donald Trump's carnival act. In his Inaugural Address on January 20, 2017, the president said that his goal was to turn his back on the privileged and plundering Washington political elite. Instead, his goal was to return “power to the people.” But what, exactly, does that mean? In the American tradition of limited constitutional government, “power to the people,” has most certainly meant the right of the people to elect and hold accountable those who are in political office for a stipulated period of time.

But its far more fundamental meaning has been returning power to the individual citizens of the country to plan, direct, and control their own lives by ending and repealing government controls, regulations, commands, and prohibitions over the private and commercial activities of the citizenry — that is, the practical implementation of the philosophical principle heralded in the Declaration of Independence of each individual person's right to his life, liberty, pursuit of happiness, and honestly acquired property.

But that is not what Trump means. For our new president is the fount of “the people's” power. He

speaks for them, he will act for them, and he will make America “great” again for them.

### The one-man social engineer

Trump knows where and what types of jobs should be maintained or created. He knows the location for businessmen to invest their own capital in the attempt to make marketable and profitable goods and services, but within the confines of an investment arena of “America First.” He knows who is or is not a threat to America, and, therefore, who may visit, work, or live in the United States — for the good and greatness and safety of the nation as a whole.

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**Trump intends to impose a wide degree of the “rule of men” — one man — rather than the rule of law.**

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Trump is an embodiment of what Adam Smith in his *Theory of Moral Sentiments* (1759) referred to as “the man of system” who views society as a great chessboard upon which he should have the power and authority to move the pieces about to create the patterns and relationships that he considers right, good, and best. This social engineer, of course, forgets or disregards the

fact that each of the pawns on that great chessboard of society is a living, willing, desiring distinct individual person who would rather determine his own place, position, and relationships to others in the community of men.

It is also worth recalling Adam Smith’s additional reflection and warning in *The Wealth of Nations* (1776) that not only is such political planning and direction of men in society unnecessary, but also would “nowhere be so dangerous as in the hands of a man who had folly and presumption enough to fancy himself fit to exercise it.”

Trump has made it clear enough, time after time, that he believes himself to be the most informed, intelligent, and reasonable person he knows. He needs neither council nor consultation to make the right decisions for “the people” of America. He has made it obvious through his words and his deeds that he intends to impose a wide degree of the “rule of men” — one man — rather than the rule of law, with himself as the lawmaker and lawgiver and law imposer.

What arrogance, what hubris, what a “pretense of knowledge” our new president exemplifies! These qualities have been and are present in virtually all those who seek and

win political office, from the local mayor's office to the White House. Most of those in the political arena, however, consider such presumption of ability and right to command others in society to be a trait best hidden beneath the cloak of at least some public humility and statements of merely a wish to "serve" and "give back" to society, lest their ambition for power be seen as crassly too self-serving and, thus, rejected by the voting public.

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**Like Obama before him, Trump has a pen to get things he wants through whatever he can get away with by executive order.**

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Trump practically reverses this. The people need him to act, dictate, and impose his designs for their own good precisely because he knows how to get things done, to bring back American greatness, and all through a willingness to pontificate in abusive and rude language right off the cuff. What need is there for a constitution, a legislative body in the form of the Congress, legal restraints on making war on Islamic terrorists, or using torture to get people to talk (even if they honestly and innocently have nothing to say)? After all, like Barack Obama before him, he has a

telephone and a pen to get things he wants — for good or bad — through whatever he can get away with by executive order.

**"What is seen" versus "what is not seen"**

Trump's supporters adore him. If Barack Obama was a savior for "hope and change" for tens of millions of people over the last eight years, Donald Trump is, now, the same for tens of millions of people (and some of them the same people) waiting for the return to American Greatness. Whether under an election banner that is more socialist or more nationalist — and usually it ends up being some blend of both — tens of millions of people hunger for "the leader" (the "deal maker") who will guide the country, command the levers of political power, and bring them to some "promised land."

Just as the crowds surrounding the entrance to the carnival tent listen with eyes and mouths wide open as the sideshow hawker tells about the marvels and secrets and maybe forbidden scenes that can be theirs to see inside if only they buy their ticket and enter, so those tens of millions of voters stand in hopeful and excited awe of the politician offering entrance into the political

tent of jobs and “Made in America” industries, and all for the low price of a political campaign contribution and their vote on election day.

All of these — dare I say — “suckers” to political power-lusters are delusional victims of what the 19th-century French free-market economist Frédéric Bastiat called, “What is Seen and What is Not Seen.” The short-sighted citizen-voter sees the factory closed, a job lost, someone having to leave the neighborhood in which he was born and raised, and then told that it shows that America is in decline, that the country is being taken advantage of by the foreign seller who drove the domestic producer out of business.

What is not seen is that the product that used to cost, say, \$100 to buy when purchased from the domestic producer may now be purchasable from a foreign supplier for, perhaps, \$75, which means that consumers can obtain the good for 25 percent less, leaving them with \$25 of cash in their pockets to buy things that previously they could not afford.

Those consumers have the desired product for \$75 instead of \$100, and are able to increase their demands for other goods and services up to that \$25 of savings. That

creates and increases the demands for the other goods, makes their production more profitable, and generates some of the alternative employments for those who may have lost their jobs when that American domestic producer could not match the economic efficiency of his foreign rival.

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**The foreign manufacturer spends back those dollars earned in the United States to buy desired American goods and services.**

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Furthermore, the foreign manufacturer does not give his product away to Americans for free. He has selected a line of production that he considers potentially profitable by devising ways of producing and selling it at a lower cost or with improved or better features and qualities. He wants the dollars he earns from selling his product for \$75 so he, in turn, can return to the market as a consumer himself, or as a buyer of resources or capital equipment to maintain or expand his production capabilities.

He spends back those dollars earned in the United States to buy desired American goods and services or to import resources or capital equipment from American suppliers. Or if he does not spend those

dollars himself, some other interested buyer of American goods purchases the dollars from him on the foreign exchange market. The increased export demand in America is payment for the desired goods Americans have imported into the country. They are also a part of the alternative employments that had become available because of the original domestic producer's inability to successfully match the cost efficiencies of his foreign competitor.

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Some buyer of American goods purchases those dollars from the foreign manufacturer on the foreign exchange market.

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This is no different than if a successful Indiana businessman devises a way to make some product for less and captures part or all of the market for his good in, say, Arizona. The Arizona businessman may have to cut back or shut down his operation in the face of his competitor from Indiana, and some or all of his workers are let go. They find alternative employments in Arizona or maybe they have to move to Kentucky for a new job and may have to learn some new work skills along the way.

But Arizona consumers are now able to buy a "Made in Indiana"

product for less. They are able to increase their demand for goods they previously could not afford. The increased demand for that good increases the number of job opportunities from making different products in Arizona or perhaps in Kentucky, now.

This is one of the ways that we all experience economic progress and rising standards of living: either we are able to buy more goods for lower per unit costs or we are able to obtain improved and better-quality goods, whether their prices decrease or not.

American consumers gain what foreign taxpayers lose

But don't foreign governments sometimes give their producers subsidies and other artificial cost advantages at the expense of American producers? Yes, they do. But American state and municipal governments also give companies artificial competitive advantages through special tax breaks, zoning variances, regulatory favors, or outright subsidies to open or expand their business activities in their part of the United States as opposed to somewhere else.

That may result in making a manufacturer in, let us say, Arkansas able to gain market share against

a rival in, let us say, Vermont or New Hampshire. Should governments, whether in the international arena or around the corner in another state or town, do such things? Do they not potentially distort and wastefully misdirect industry, investment, and employment from where it would have been if all markets had been free and uninfluenced from the political hands of government, wherever and whatever that government might be? Yes, that is absolutely the case. And the world and the nation would be a better, less expensive, and more prosperous place if governments abroad and here at home would limit their actions to the protection of life, liberty, and property under an impartial rule of law.

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**The world would be a better place if governments would limit their actions to the protection of life, liberty, and property.**

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But the answer to the abuses and privileges from the misuse of political power abroad is not to retaliate or reciprocate with similar actions by one's own government. If a good can be imported and sold at a lower price in Ohio from either Chongqing, China, or Cheyenne, Wyoming, it does not matter from the benefit

perspective of Ohioan consumers whether it is sold for less because the producer in China or Wyoming is able to do it as a result of market-based cost efficiencies or because the government in China or Wyoming has provided an import subsidy.

For the Ohioan consumers, a desired good can be purchased for less, offering them a chance to get a desired good at a price that leaves them extra money in their pocket to buy more things previously beyond their financial reach. In either case, some Ohio manufacturer may have to cut back or shut down its business. And some or all of its employees may have to find alternative employment or relocate.

The taxpayers and consumers of the foreign country whose government may have "stimulated" additional export business through subsidies or other forms of production privileges should express their concern and complaint. The foreign taxpayers are the ones left with less money in their pockets so that one of their nation's producers may be given a financial benefit at their expense. Those foreign consumers are the ones who lose out from some of the redirection of their nation's resources and labor force from making products they wanted and they would have been able to buy if the

tax money had not been plundered from them. Instead, labor and resources were used to make other goods made available to American consumers for less than otherwise would have been the case.

Alas, these are all the things that are what Bastiat said are among the “unseen,” and which the political huckster is able to get people not to see, while he gets them to ooh and aah by directing their attention to immediately visible jobs and factories that his manipulations of the market may produce.

### Trump's opponents are collectivist sore losers

If one group of the gullible public is taken in by the carnival hawk-er, what about those in the community who demand driving him out of town on a rail? In the case of Donald Trump, his opponents are primarily disgruntled Democrats, sore-loser lefties, and political trough-eaters who bet on the wrong political horse in the presidential race. It is especially hard on all of them, because they were all so certain that Hillary Clinton was going to win and keep the horn-of-plenty of plunder coming their way.

They want Trump gone because he offends the aesthetic niceties that form the veneer of altruistic kind-

ness or concern for humanity beneath which they hide their plunder-lusting, while they pick taxpayers' pockets and arrogantly tell those they have looted that it is all for their own good and the rest of mankind because they are too stupidly uninformed to know how to spend their own money or manage their own lives.

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**Democrats hide their own plunder-lusting beneath a veneer of altruistic kindness for humanity, while picking taxpayers pockets.**

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Their anger and fears do not come from a concern for the freedom and dignity of the individual person, or the sanctity of human relationships based on voluntary association and peaceful, market betterment. They do not come from a cherishing of the institutions and the heritage of a constitutional order based on the eternal concern for the threat of tyrants who would reduce mankind to slaves and serfdoms bound to the commands of those possessing political power.

No, theirs is a frustration and fury that the reins of coercive control have passed into the “wrong hands” — hands different from theirs and used for government

planning and plunder purposes different from the ones they want and desire. Theirs is an insistence on the illegitimacy of Trump's presidency, because all are illegitimate who do not share the values and views of these soldiers for "social justice" fighting for a brighter and better collectivist future of their own imaginings.

Lost in the clash of collectivisms — between Trump's nationalist Trumpeters and the Left's Social Justice Sore Losers — is the "third way" of classical liberalism and its message of individual liberty, private property, free association, and limited government is being pushed, once more, out of the arena of political debate.

That makes it even more important that lovers of liberty do not become despondent and that they instead stay the course, because inescapably Trump's variation on the statist theme will also fail. And society will especially need all its friends of freedom to sustain the idea and ideal of that true meaning of "power to the people," that of individual freedom and free markets.

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*Economics as a positive science is a body of tentatively accepted generalizations about economic phenomena that can be used to predict the consequences of changes in circumstances.*

— Milton Friedman

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