
FUTURE OF FREEDOM

VOLUME 31 | NUMBER 10

OCTOBER 2020

Try not to be a person of success, but rather a person of virtue.

— *Albert Einstein*

FUTURE OF FREEDOM

★★★

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.

- Our monthly journal, *Future of Freedom*, contains timeless and uncompromising essays on liberty. The price is \$25 for a one-year print subscription, \$15 for the email version.
- Our FFF Daily, which is free for the asking, provides hard-hitting commentary on current events.
- Our Libertarian Angle weekly Internet video show provides viewers with libertarian perspectives on the burning issues of the day.
- Our website, fff.org, contains all the articles and videos we have published since our inception in 1989.

The Foundation neither solicits nor accepts government grants. Our operations are funded primarily by donations from our supporters, which are invited in any amount.

★★★

© Copyright 2020. *The Future of Freedom Foundation. All rights reserved. Please send reprint requests to The Foundation.*

The Future of Freedom Foundation

11350 Random Hills Road

Suite 800

Fairfax, VA 22030

...

www.fff.org · fff@fff.org

...

703-934-6101

<i>Socialism, American Style, Part 6</i>	2
Jacob G. Hornberger	
<i>“Extremism” as a Ticket to Tyrannize</i>	10
James Bovard	
<i>Donald Trump, Flag Burning, and the First Amendment</i>	16
Laurence M. Vance	
<i>The Socialist Elixir Is a Deadly Cyanide</i>	25
Richard M. Ebeling	
<i>The Continuing, Poisonous Russia Obsession</i>	34
Ted Galen Carpenter	

Socialism, American Style, Part 6

by *Jacob G. Hornberger*



I grew up on a farm on the Rio Grande just outside Laredo, Texas, a city that is situated on the U.S.-Mexico border. I lived practically half my life in Texas. Throughout that time, I witnessed an immigration crisis, one that is still ongoing today.

There is a simple reason for this never-ending crisis: America's system of immigration controls is a socialist system, and socialism always produces crises.

America's immigration system is based on the socialist principle of central planning. The government plans in a top-down, command-and-control fashion the movements of millions of people. It decides how many total immigrants will be permitted to enter the United States and how many immigrants may

come from each foreign country. It also decides the qualifications and credentials for people wishing to immigrate to the United States. It determines how many immigrants are needed and the types of immigrants that are needed in various occupations.

It is immigration central planning that has produced America's ongoing, never-ending immigration crisis. That is why, for example, there is a huge backlog of people at the border eager to enter the United States and work while, at the same time, there are many American farmers whose crops are rotting in the fields for lack of labor to harvest them.

The economist Ludwig von Mises termed the results of central planning "planned chaos." What better term to describe America's socialist immigration system?

Socialism is an inherently defective paradigm. It is incapable of working. You could put the top 100 immigration experts in the country in a hotel conference room, along with 100 of the fastest computers in the world, and leave them there for a year to come up with what the mainstream media call a plan for "comprehensive immigration reform." It wouldn't make any difference. Whatever reform they came

up with would not solve the immigration crisis. That's because socialism simply cannot be made to work.

The only thing that works is freedom and free markets, which necessarily mean open borders — that is, the free movements of goods, services, and people across borders. I repeat: Nothing else will work to end America's decades-long, ongoing, never-ending immigration crisis. If one wants to end the crisis, it is necessary to adopt the paradigm of open borders.

If one wants to end the crisis, it is necessary to adopt the paradigm of open borders.

With a free market, there are no more crops rotting in the fields owing to a shortage of workers. That's because of the intricacies of the price system, which is an information-transmitting part of a free market. If farmers in Oregon need workers to pick their crops, they raise the price of labor. Mexican workers learn about the high wage rate being offered and immediately head to Oregon. That's how a free market and its price system operate.

Thus, the utilitarian case for open borders is that freedom and free markets work. They harmonize people's interests. Socialism doesn't

work. It produces ongoing crises and perpetual chaos.

The moral case

But the more important case for open borders is the moral case — the case for liberty. People have the right to live their lives any way they choose as long as they don't initiate force or fraud against others. The Declaration of Independence describes this principle in terms of the natural or God-given rights of life, liberty, and the pursuit of happiness. As the Declaration observes, these are not rights that inure only to Americans; they inure to every human being in the world regardless of nationality.

When a person crosses a political border, he is exercising rights, not violating them. For example, every day countless people from Maryland cross the Potomac River and enter Virginia. When they do that, they are not violating anyone's rights. They are exercising their natural, God-given rights to life, liberty, and the pursuit of happiness. The same holds true for people who cross county borders and city borders. And the same holds true for people who cross international borders.

Proponents of immigration controls sometimes say that a na-

tion has a right to protect its borders. But a nation doesn't have rights. Only people have rights. People have the right to protect their private property from trespass but they don't have the right to stop people from crossing borders to sustain their lives through labor, enter into mutually agreeable relationships with others, and pursue happiness in their own way.

When a person crosses a political border, he is engaged in a purely peaceful act that violates the right of no one.

It is sometimes said that in the libertarian movement, there are two positions on immigration — open borders and controlled borders. Nothing could be further from the truth. Libertarianism is an internally consistent philosophy. It does not embrace contradictions. The libertarian position on immigration is either open borders or controlled borders. It cannot be both.

A good clue to which position is the libertarian position is the libertarian nonaggression principle, which is the core principle of libertarianism. It holds that any initiation of force against someone else is morally wrong and inconsistent with libertarianism. As shown

above, when a person crosses a political border, he is engaged in a purely peaceful act that violates the rights of no one. When someone stops a person from crossing a political border, it is he who is initiating force.

The police state

There is another clue to which is the correct libertarian position when it comes to borders. America's system of immigration controls has brought into existence an immigration police state along the border, one that has been gradually extending further into the country.

What is a police state? It is a tyrannical form of governmental system, one that characterizes dictatorial regimes. When someone is living in a police state, there is no way that he can be considered to be free. Given that libertarianism is about freedom, there is no way to reconcile a system of immigration controls and its enforcement measures with libertarianism.

It is revealing that libertarian proponents of immigration controls never — repeat: never — address the police-state problem that arises with their system. That's not surprising, given that it is not extremely attractive for a libertarian to be openly endorsing a police state. Nonethe-

less, the fact is that a police state comes with a system of immigration controls, just as thunder comes with lightning. Thus, when a libertarian (or anyone else) advocates immigration controls, he is, at the same time, endorsing a police state, even if he isn't doing it openly.

Under America's system of immigration controls, the Border Patrol has been given the legal authority to enter onto lands along the border to search for immigrants who have illegally entered the United States. No search warrant is required. If a property owner locks the gate to his property and fails to give a key to the Border Patrol, they just shoot off the lock and enter the property. This power of trespass and warrantless searches has been extended to lands within 100 miles of any U.S. border.

When a libertarian (or anyone else) advocates immigration controls, he is, at the same time, endorsing a police state.

When I was growing up in Laredo, we hired immigrants who were here illegally to work on our farm. They were the hardest-working people I have ever seen. My brothers and I would work out in the fields with them harvesting our

crops. Periodically the Border Patrol would enter our property without a warrant and bust our workers. I suppose they figured that they were patriotically helping to resolve the ongoing, never-ending immigration crisis in America.

Under America's immigration police state, there are domestic highway checkpoints, where people who have never left the United States are stopped, asked about citizenship, and subjected to complete searches of their vehicles and persons. If a person refuses to answer the questions posed to him, they will smash his window, open his door, drag him out of his vehicle, stun him with a Taser, and brutalize him. That's what immigration officials did to Pastor Steven Anderson of the Faithful Word Baptist Church in Tempe, Arizona, at one of their inside-the-country highway checkpoints.

There is no way to reconcile these domestic highway checkpoints with a free society. Many years ago, I was traveling in Cuba, which, as everyone knows, is ruled by a dictatorial communist regime. They have the same domestic highway checkpoints in Cuba that the United States has in the American Southwest.

There are also roving Border Patrol checkpoints in the American

Southwest. At these checkpoints, the Border Patrol stops any vehicle it wants that it deems “suspicious.” Drivers are required to pull over and submit to a warrantless search. When I was in high school, I was headed to the beach at Port Aransas, Texas. As I traveled down the highway, a Border Patrol officer pulled me over for no reason whatever. Even though I objected, he required me to open my trunk so that he could see that I wasn’t transporting an immigrant who was here illegally.

Violent raids are sometimes carried out hundreds of miles from the border.

It is a federal criminal offense to engage in such peaceful acts as hiring, transporting, or harboring anyone who is here illegally. Anyone caught doing so is subject to a federal felony prosecution, conviction, and punishment. Violent raids are sometimes carried out on American businesses hundreds of miles from the border in the attempt to arrest and deport undocumented immigrants. Moreover, the term “harboring” has been construed by federal officials as “helping” or “aiding” an undocumented immigrant, including one who is severely ill.

In order to resolve the decades-

old, ongoing immigration crisis, immigration officials board Greyhound buses and demand to see people’s papers, just as is done in dictatorial or authoritarian regimes.

And then there are the infamous fence and wall that have been built along the U.S.-Mexico border. Every time I see a photograph of these ugly edifices, I think of what Ronald Reagan said when he visited the Berlin Wall: “Mr. Gorbachev, tear down this wall!” What every president since then, especially Donald Trump, would have said instead is, “Mr. Gorbachev, remove this wall to the southern border of the United States!” We also mustn’t forget that the government used the power of eminent domain to steal much of the land on which to build its Berlin Fence and Berlin Wall.

Those are the police-state measures that libertarian proponents of immigration controls never — repeat: never — bring up or deal with when defending their system of immigration controls. They simply advocate that libertarians endorse a system of immigration controls without regard to the police state that comes with such a system.

Adhering to principle

Over the past 20 years or so, many disgruntled conservatives and

Republicans have left the conservative movement and the Republican Party. The problem is that in their migration to the libertarian movement, they have not been able to let go of some of their conservative and Republican baggage. Their support of immigration controls and the police state that comes with them is a good example of this phenomenon.

It is absolutely necessary to continue adhering to principle.

Some conservative-oriented libertarians know that a system of immigration controls is inconsistent with libertarianism and choose to remain fairly quiet, even though they can't bring themselves to embrace this aspect of libertarianism. Others are more vocal and try to get libertarians to abandon their principled position in favor of open borders and instead embrace the conservative-liberal, Republican-Democrat system of immigration controls. Some of them make a practical argument — that libertarians will never be taken seriously or garner votes in the elections unless they abandon their commitment to open borders.

But once libertarians abandon this principle for the sake of expediency, then how are they any differ-

ent from conservatives and liberals, Republicans and Democrats? Moreover, where does the abandonment of principle stop? If libertarians are to lead America out of the statist morass into which conservatives and liberals have plunged our nation, it is absolutely necessary to continue adhering to principle.

Conservatives and conservative-oriented libertarians often say that as long as America has a welfare state, America cannot have open borders. What they actually mean by that is that people from around the world will come to get on welfare, which could mean higher taxes on people.

Of course, it's not inevitable that Congress would permit foreigners to go on welfare in a system of open borders. Congress could place restrictions on the extent to which foreigners could go on welfare. But even if Congress fails to do that, should the possibility of paying higher taxes because of open borders induce libertarians to abandon their principles? Perish the thought! There have been people willing to pay a much higher price for liberty than that. Again, if libertarians are going to abandon their principles and join up with the statist because adhering to principle is going to cost them a bit more money in

terms of higher taxes, then how are libertarians any different from conservatives and liberals, Republicans and Democrats?

Another objection to open borders is that the “whole world” will move to the United States. Actually, that’s not true. Moving to a different country is a very difficult process, in both financial and psychological terms. A person has to leave friends, family, culture, and, to a certain extent, language behind. He has to find a place to live and work. He has to put up with considerable abuse from anti-immigrant Americans.

It’s important also that we distinguish between immigration and citizenship.

Most people lack the intestinal fortitude for that sort of transformation. It’s just too difficult. Consider, for example, the number of Americans who have never traveled overseas just for a vacation. It’s just not considered worth it to them in terms of difficulty and hassle, especially if they can’t speak the language of the country they would be visiting. Imagine that they were faced with the possibility of moving permanently to a foreign country. That’s the way most people around the world feel. It takes a special type

of person to pick up roots, leave family, friends, and culture, and move to a new country.

It’s important also that we distinguish between immigration and citizenship. Being free to come to the United States under a system of open borders doesn’t mean that foreigners automatically become American citizens. They retain the citizenship of their country of origin. They come and work and stay for as much time or little time as they want. Of course, if they wish to apply for citizenship, they are free to do so.

Today, there are more than a million American citizens living in Mexico. Many of them have not assimilated. They have retained their American citizenship. They eat American food. They haven’t learned Spanish. They pay income taxes to the U.S. government. They cheer for American sports teams. Should they be required to become Mexican citizens? Of course not. They should be left alone to pursue happiness in their own way.

I have a friend who is a Japanese citizen. She has lived here in the United States for some 30 years. Both of her grown children are American citizens, but she has never wanted to become an American. She speaks English but teaches Jap-

anese in private schools. Should she be required to become an American citizen? Of course not. She should be free to continue living in the United States and retain any citizenship she wants.

There is also the matter of our American heritage of open immigration. For more than 100 years, people were free to come to the United States with virtually no questions asked. Yes, there was a tuberculous inspection at Ellis Island but most of the millions of people who came to the United States didn't suffer from that illness. In the American Southwest and along the West Coast, there wasn't even a TB inspection. People were free to immigrate here without fear of being forcibly returned to their country of origin.

I would be remiss if I failed to mention what happened when later generations of Americans abandoned our founding system of open immigration. In the 1930s, German leader Adolf Hitler was willing to let German Jews leave Germany. The problem was that no nation, including the United States, would take them. The Franklin Roosevelt regime's position was that we had the "quota system," and the quota

for Germany had already been filled. Immigration controls by nations around the world were a major reason many Jews were killed in the Holocaust.

Finally, there are those, including some libertarians, who limit themselves to calling for the government to "let in" more immigrants. The operative term, of course, is "let." Freedom doesn't involve the word "let." Freedom is the right to exercise natural, God-given rights. A system that "lets in" more immigrants is still an immoral and tyrannical system, one that continues to produce death, suffering, and impoverishment among countless people.

Americans have the opportunity to lead the world to liberty, free markets, prosperity, harmony, and morality. Americans have the opportunity to lead the world out of the socialist morass into which it has been plunged. A good place to start would be by opening America's borders to the free movements of goods, services, and people.

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

“Extremism” as a Ticket to Tyrannize

by James Bovard



“Extremists” are one of the famous bogeymen that American politicians invoke to sanctify their own power. But the definition of “extremism” has forever been in flux. The only consistent element in definitions of extremism is that politicians always win.

In the 1770s, people who suggested that the king of England had no right to rule America were considered extremists. Even a 2013 Pentagon instructional document declared that “the colonists who sought to free themselves from British rule” were an example of “extremist movements.”

In the 1850s, Southerners who suggested freeing the slaves were considered dangerous extremists who were often censored into silence. Northerners who suggested

that the South needed to be militarily ravaged were considered extremists, at least until John Brown was awarded sainthood.

In the 1920s, people who suggested that the president should have the power to confiscate citizens’ gold were considered extremists — if not communists.

After 1934, people who denounced the federal confiscation of Americans’ gold were often considered extremists.

In the post–World War Two era, presidents routinely invoked fighting “extremism” to sanctify their killings or smear their critics.

In 1952, when Republicans criticized the Korean War as useless, President Harry Truman condemned “reckless and irresponsible Republican extremists” and “the false version of history that has been copyrighted by the extremists in the Republican Party.” But the lies and atrocities that permeated the U.S. military campaign in Korea were sufficiently widely recognized to destroy Truman’s presidency.

In 1964, Lyndon Johnson declared, “Extremism in the pursuit of the Presidency is an unpardonable vice, and moderation in the affairs of the Nation is the highest virtue.” The media portrayed Johnson as a moderate choice even though he

was heavily bombing North Vietnam and, despite his denials to voters, preparing a massive military escalation of the conflict.

In 1965, after Johnson sent U.S. Marines into the Dominican Republic to prop up a military junta that had just seized power, he announced that “the Dominican people ... [do] not want government by extremists of either the left or right.” As long as he denounced extremists and recited bogus warnings of Communist takeovers, the thousands of Dominicans killed in the subsequent fighting became sacrifices on the altar of moderation.

In 1966, in a speech at the East-West Center in Honolulu, Johnson lamented, “There remain in Asia voices of extremism and apostles of militancy.” The prior year, his State Department had secretly endorsed a brutal crackdown by the Indonesian military on suspected communists (or people who lived in the vicinity of suspected communists). Half a million Indonesians were slaughtered with Johnson’s approval in carnage that the CIA labeled “one of the worst mass murders of the 20th century.”

Clinton and Bush

Bill Clinton routinely used extremism to tar political opposition.

In 1999, he told the Democratic Leadership Council that “we are still confronting a level of extremism and partisanship [from Republicans] which is truly chilling for the long-term interests of America.” But it wasn’t the Republicans who had engaged in six years of non-stop lying to stretch and sanctify federal power. On the eve of the 2000 election, Clinton declared, “Someone needs to be doing what I’ve done for the last six years, which is to stop extremism in Washington, D.C., and you certainly only have one choice: Al Gore.” Gore lost, in part because many voters feared he would bring more extremism in Washington.

Half a million Indonesians
were slaughtered
with Johnson’s approval.

Prior to September 2001, anyone who suggested that the U.S. government lead a crusade to “rid the world of evil” would have been labeled both an extremist and a loon. But when George W. Bush promised exactly that three days after 9/11, the media cheered and his approval ratings soared.

In 2004, after the U.S.-controlled Afghan government held a fraud-ridden election in 2004, Bush proclaimed, “The success of Afghani-

stan’s election is a standing rebuke to cynicism and extremism and a testimony to the power of liberty and hope.” But Afghanistan soon plunged into a downward spiral, spurring even more U.S. government rigging of subsequent Afghan elections.

In 2004, Bush sanctified his war on terrorism: “This struggle between political extremism and civilized values is unfolding in many places.” And any methods the Bush administration used — including torture — were “civilized” by definition because the opponents were extremists.

Obama invoked extremism to sanctify any and every power grab he committed.

Extremists were one of Bush’s favorite straw men. Bush told a group of journalists, “We actually misnamed the war on terror. It ought to be the struggle against ideological extremists who do not believe in free societies who happen to use terror as a weapon to try to shake the conscience of the free world.” *Washington Post* reporter Dana Milbank suggested an acronym for Bush’s new declaration of war: SAI EW D N B I F S W H T U T A - A W T T T S T C O T F W.

In his 2005 State of the Union address to Congress, Bush boasted of the recent Iraqi elections, “The whole world now knows that a small group of extremists will not overturn the will of the Iraqi people.” Iraq’s 2005 election was more akin to a Soviet Bloc referendum than a New England town meeting. American troops traveled around broadcasting a get-out-and-vote message at the same time they raided people’s homes. After soldiers passed out thousands of sample ballots, the top UN election official condemned U.S. military interference.

Obama

In 2009, in his first speech to Congress, Barack Obama declared, “To overcome extremism, we must also be vigilant in upholding the values our troops defend — because there is no force in the world more powerful than the example of America.” Obama invoked extremism to justify any and every power grab he committed. As part of its war against violent extremism, the Obama administration claimed a right to kill Americans without a trial, without notice, and without any chance for targets to legally object.

In a December 2009 speech at West Point, Obama announced that he would send far more U.S. sol-

diers to Afghanistan as part of the “struggle against violent extremism” — which he said would be “an enduring test of our free society.” More than a thousand Americans subsequently were killed in Afghanistan in an escalation which did nothing more than prolong the war. The CIA had sought to warn Obama that his “surge” would be a failure, but a little crowding in Arlington Cemetery was a small price to pay for burnishing Obama’s tough-guy image.

U.S. policy was so muddled that Pentagon-backed Syrian rebels openly battled CIA-backed Syrian rebels.

In 2011, Obama justified bombing Libya so that that nation would not become “a new safe haven for extremists.” After the United States helped topple Libya’s dictator, extremists seized control of much of the nation and violence claimed thousands of victims (including four Americans killed in Benghazi in 2012). The slave markets that began openly operating in Libya after the U.S. bombing were not formally part of the president’s anti-extremism campaign.

In 2014, Obama justified U.S. military intervention Syria: “What

we’re also fighting is an ideological strain of extremism that has taken root in too many parts of the region.” The Obama administration launched more than 5,000 airstrikes on Syrian targets but its pretensions of virtue were the only consistent aspect of its policies. The U.S. government provided arms and money to radical groups tied to al-Qaeda and other Muslim fanatics as part of the U.S. campaign to topple the Assad government. U.S. policy was so muddled that Pentagon-backed Syrian rebels openly battled CIA-backed Syrian rebels.

Trump

In May 2017, Donald Trump visited Saudi Arabia and proclaimed that the United States and the Saudis “seek to embark on new initiatives to counter violent extremist messaging, disrupt financing of terrorism, and advance defense cooperation.” The fact that Saudi government officials had provided financial aid to the 9/11 hijackers (15 of the 19 were Saudis) was not permitted to tarnish the photo opportunity.

Three months later, the White House issued a readout of Trump’s phone call with King Salman bin Abdulaziz al-Saud that stressed that the leaders “discussed the need to

defeat terrorism, cut off terrorist funding, and combat extremist ideology.” The press release was not cluttered with the fact that the Saudis have perennially been among the world’s largest financiers of terrorism and radical Islamic movements.

Trump astounded attendees at an international summit by hailing Egyptian ruler Abdel Fattah el-Sisi as “my favorite dictator.”

In November 2017, after gunmen killed hundreds of people in a mosque in Egypt, Trump proclaimed, “The world cannot tolerate terrorism. We must defeat them militarily and discredit the extremist ideology that forms the basis of their existence!” Two years later, he astounded attendees at an international summit by hailing Egyptian ruler Abdel Fattah el-Sisi as “my favorite dictator.” Sisi is notorious for killing dissidents, mass arrests, and brutal detention of anyone who protests his abuses. But since Sisi usually followed orders from Washington, his designation as a moderate was irrevocable.

The definition of “extremism” is often a flag of convenience for the Establishment. As a Pentagon training manual on the danger of hate groups noted, “All nations have an

ideology, something in which they believe. When a political ideology falls outside the norms of a society, it is known as extremism.” In other words, beliefs that differ from prevailing or approved opinions are “extremist” by definition. And who gets to say what is acceptable to believe? The same politicians and government agencies whose power is buttressed by prevailing opinions.

“Extremism” is even more vaporous than “terrorism.” With terrorism, at least the malefactors are conniving to inflict violence. An extremist, on the other hand, is someone with a bad attitude who might do something unpleasant in the future. Crackdowns on supposed extremists can provide the perfect tool to demonize political opposition at home and abroad.

Politicians denounce extremism at the same time the establishment media blanches from publicizing government abuses. The greater the taint of being accused of extremist tendencies, the easier it becomes for government officials to cover up atrocities.

In early 2004, before Abu Ghraib photos leaked out, people who said the U.S. government was torturing detainees were considered extremists. A decade later, after a Senate report documented

how the CIA had set up a worldwide torture regime, people who favored vigorously prosecuting CIA torturers were considered extremists. Similarly, people who claimed that the U.S. government was massively illegally violating Americans' privacy after 9/11 were considered extremists. After Edward Snowden leaked documents in 2013 proving that the National Security Administration had illegally seized the emails of millions of Americans, only extremists favored prosecuting NSA chieftains who had lied to Congress and the American public about their illicit surveillance.

Americans have perennially acquiesced in the government's seizing of almost unlimited power in the war against extremism. But to permit politicians to define extremism is to let them preemptively vilify their most dangerous critics.

Luckily, it is not yet illegal to suggest that the government itself has become the greatest extremist of them all.

James Bovard is a policy advisor to The Future of Freedom Foundation and is the author of the ebook Freedom Frauds: Hard Lessons in American Liberty, published by FFF, Public Policy Hooligan, Attention Deficit Democracy, and eight other books.

NEXT MONTH:

**“Black Lives Matter, But Not to Everyone, Part 1”
by Jacob G. Hornberger**

**“End Police Tyranny by Repealing Laws”
by James Bovard**

He who has no inclination to learn more will be very apt to think that he knows enough.

— Thomas Powell

Donald Trump, Flag Burning, and the First Amendment

by *Laurence M. Vance*



Earlier this year, Germany's Parliament passed an amendment to outlaw the burning of foreign flags, including the flag of the European Union. The vote was in response to an anti-Israel rally held on the streets of Berlin in which protesters burned Israeli flags. The penalty is a maximum of three years in prison. Burning the German flag is already punishable by a maximum of five years in prison.

In some countries — such as China and Portugal — the burning or desecration of the national flag is a criminal offense. In other countries — such as Canada and Belgium — it is not. Although the burning of the American flag is not illegal in the United States, every

few years Republicans and conservatives (and even some Democrats until recently) attempt to make it so. And especially this year, which has seen more flag burnings than previous years. In fact, on the Fourth of July, protesters burned American flags near the Trump International Hotel in New York City as activists gathered nearby for a march and rally.

Donald Trump

After Donald Trump was elected president of the United States in November 2016, there were protests on some college campuses in which American flags were burned. Trump's initial response was his usual one: take to Twitter. Displaying a profound ignorance of the battles over flag burning that took place during the 1980s, on November 29, he tweeted, "Nobody should be allowed to burn the American flag — if they do, there must be consequences — perhaps loss of citizenship or year in jail!" In response to the president-elect's tweet, many reminded him on Twitter that the U.S. Supreme Court had twice ruled that flag burning was protected under the First Amendment. During a speech in Cincinnati the following month at the start of his "Thank You Tour,"

Trump reiterated that there should be consequences for burning an American flag. He even asked the crowd of conservative supporters, “Do you agree with my stance that if people burn the American flag there should be consequences?” The crowd erupted in applause and chants of “USA! USA!” This past June, at a campaign rally in Tulsa Trump drew huge applause from the crowd when he said that people who burn the American flag should spend a year in jail. Said Trump in front of a crowd that included Oklahoma Republican senators James Lankford and Jim Inhofe,

Two days ago leftist radicals in Portland, Oregon, ripped down a statue of George Washington and wrapped it in an American flag and set the American flag on fire. Democrat. All Democrat. Everything I tell you is Democrat. And you know we ought to do something. Mr. Senators — we have two great senators — we ought to come up with legislation that if you burn the American flag you go to jail for one year. One year.

After some protesters burned American flags in response to the

death of George Floyd at the hands of a Minneapolis police officer in May, Trump reiterated in a call with governors that he would support laws criminalizing flag burning.

Trump reiterated in a call with governors that he would support laws criminalizing flag burning.

What is strange about the president’s stance is that before he was elected in 2016, he appeared on the David Letterman show and told the host that he was “one hundred percent right” when Letterman said that flag burning should be allowed because it represented freedom of expression.

President Trump is not alone.

Well-known black conservative activist Candace Owens, who invokes the Constitution on a regular basis to defend her conservative positions and attack her liberal political opponents, announced on Twitter in 2019 that if she were the president of the United States, “the punishment for burning the US flag would be the renunciation [sic] of citizenship. No jail time, no fine — simply one year to liquidate your assets and get the hell out of our country.” After a number of people brought up the potential conflict of

such a law with the First Amendment, she responded, “1A [the 1st Amendment] has limitations. You can’t yell fire in a movie theater without consequence. You cannot yell racial epithets at someone without consequence. And if I were President, you sure as hell wouldn’t burn a flag without consequence.”

Last year, to commemorate Flag Day, Sen. Steve Daines (R-Mont.), with Sen. Kevin Cramer (R-N.D.), introduced a constitutional amendment to ban the desecration of the American flag. “The American Flag is a symbol of freedom — and it should always be protected,” said Senator Daines. “A flag worth dying for is a flag worth protecting,” said Senator Cramer. Trump responded favorably to the senators’ proposal on Twitter: “All in for Senator Steve Daines as he proposes an Amendment for a strong BAN on burning our American Flag. A no brainer!” It turns out that Senator Daines introduced similar amendments in 2017 and 2018.

But why a constitutional amendment? Can’t Congress or state legislatures just pass a law?

Flag burning

During the 1960s, protests against the Vietnam War were sometimes accompanied by the

burning, or desecration in some other way, of the American flag. In response, Congress passed, and Lyndon Johnson signed into law on July 5, the Flag Protection Act of 1968. It nationalized a 1947 law that prohibited the desecration of the American flag in the District of Columbia by specifying that “whoever knowingly mutilates, defaces, physically defiles, burns, maintains on the floor or ground, or tramples upon any flag of the United States shall be fined under this title or imprisoned for not more than one year.” Although court challenges persisted throughout the years, federal courts continued to uphold the constitutionality of the statute, and the Supreme Court declined to take any flag-desecration cases.

**Johnson signed
into law on July 5 the Flag
Protection Act of 1968.**

That all changed in 1989. In 1984, during the Republican National Convention in Texas, Gregory Johnson, in front of the Dallas City Hall, burned an American flag in protest against Reagan administration policies. Johnson was tried and convicted under a Texas law outlawing flag desecration, and was sentenced to one year in jail and

fined \$2,000. The conviction was initially upheld by the Court of Appeals for the Fifth District of Texas at Dallas, but the Texas Court of Criminal Appeals reversed the conviction, and the case was appealed to the U.S. Supreme Court. In the case of *Texas v. Johnson* (1989), the Supreme Court, by a 5-4 vote, ruled that the Texas law was unconstitutional because flag burning was protected expression under the First Amendment. According to Oyez, the repository of all things related to the Supreme Court,

The Court found that Johnson's actions fell into the category of expressive conduct and had a distinctively political nature. The fact that an audience takes offense to certain ideas or expression, the Court found, does not justify prohibitions of speech. The Court also held that state officials did not have the authority to designate symbols to be used to communicate only limited sets of messages, noting that "[i]f there is a bedrock principle underlying the First Amendment, it is that the Government may not prohibit the expression of an idea simply because society finds the

idea itself offensive or disagreeable."

The Supreme Court ruled that the Texas law was unconstitutional.

In response to *Texas v. Johnson*, the U.S. House of Representatives, on September 12, 1989, passed the Flag Protection Act of 1989 (H.R.2978) by a bipartisan vote of 380-38. The bill was amended and passed in the Senate by a similar vote of 91-9 on October 5. The final version of the bill was then passed in the House on October 12 by another bipartisan vote of 371-43. Although the legislation was sent to the president for his signature on October 16, it automatically became law (PL 101-131) on October 28 after he did nothing with it. The Flag Protection Act was enacted "to protect the physical integrity of the flag." It amended section 700 of Title 18, U.S. Code, to make it a federal crime to desecrate an American flag or any likeness of an American flag:

(a)(1) Whoever knowingly mutilates, defaces, physically defiles, burns, maintains on the floor or ground, or tramples upon any flag of the United States shall be fined under

this title or imprisoned for not more than one year, or both.

(2) This subsection does not prohibit any conduct consisting of the disposal of a flag when it has become worn or soiled.

(b) As used in this section, the term “flag of the United States” means any flag of the United States, or any part thereof, made of any substance, of any size, in a form that is commonly displayed.

This law was challenged the following year in the Supreme Court case of *United States v. Eichman* (1990), which was argued along with *United States v. Haggerty* (1990).

After the Flag Protection Act took effect, Shawn Eichman and three companions burned American flags on the steps of the U.S. Capitol to express their opposition to “compulsory patriotism.” On the other side of the country, Mark Haggerty and three companions burned American flags at a Seattle post office to express their opposition to “forced patriotism.” The protesters were all charged with violating the Flag Protection Act. However, in both cases, federal district court judges in Seattle and

Washington, D.C., dismissed the charges, citing *Texas v. Johnson*. The decisions were appealed to the Supreme Court, accepted, and the cases consolidated. They were argued before the Court forthrightly because the Flag Protection Act contained a clause mandating “expedited review” if challenged. In *United States v. Eichman*, the Supreme Court, by another a 5-4 vote of the same justices, ruled that it would be inconsistent with the First Amendment for the government to prosecute a person for desecrating the American flag. According to the Court’s opinion,

The Government concedes, as it must, that appellees’ flag-burning constituted expressive conduct, and this Court declines to reconsider its rejection in *Johnson* of the claim that flag-burning as a mode of expression does not enjoy the First Amendment’s full protection. It is true that this Act, unlike the Texas law, contains no explicit content-based limitation on the scope of prohibited conduct. Nevertheless, it is clear that the Government’s asserted interest in protecting the “physical integrity” of a privately owned flag in order

to preserve the flag's status as a symbol of the Nation and certain national ideals is related to the suppression, and concerned with the content, of free expression.

It should be noted that conservative Supreme Court justice Antonin Scalia voted with the majority in both cases.

The only way, then, to circumvent the Supreme Court, was to amend the Constitution.

The only way, then, to circumvent the Supreme Court, was to amend the Constitution. And that is what Congress has tried, and failed, to do on numerous occasions since then. In the summer of 1990, both Houses of Congress considered and failed to pass an amendment to the Constitution that would empower Congress to enact legislation to prohibit the physical desecration of the flag of the United States. The House passed a proposed constitutional amendment to that end in 1995, 1997, 1999, 2001, 2003, and 2005. The Senate considered, but failed to pass, such an amendment in 1995, 2000, and 2006. Sen. Patrick Leahy (D-Vt.), the ranking Democrat on

the Judiciary Committee, “argued that burning the American flag was precisely the kind of speech the First Amendment is meant to protect.”

The First Amendment

The Constitution was ratified in 1788. In Article I, Section 8, Congress is granted certain limited powers. Abridging the freedom of speech is not one of them. Nevertheless, the Bill of Rights — of which the capstone is the First Amendment — was added to the Constitution at the insistence of the Anti-Federalists. The final version of these amendments, originally twelve, was approved by Congress on September 25, 1789, and sent to the states for ratification three days later. Amendments three through twelve became the ten amendments of the Bill of Rights when they were ratified by the requisite number of states on December 15, 1791.

The First Amendment reads as follows: “Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances.” Notice that it doesn't say that

Congress grants the free exercise of religion, the freedom of speech, the freedom of the press, the freedom to assemble, or the freedom to petition the government; rather, it prohibits Congress from interfering with them. The First Amendment, like the entire Bill of Rights, does not grant Americans any rights. It prohibits the government from infringing the natural rights that Americans already have. The First Amendment merely reinforces the idea that the federal government lacks the authority under the Constitution to abridge Americans' existing freedom to exercise their religion, speak, publish, assemble, or petition.

Some of the Founding Fathers actually argued against the inclusion of a bill of rights in the Constitution. Writing in Federalist No. 84, Alexander Hamilton affirmed

that bills of rights, in the sense and to the extent in which they are contended for, are not only unnecessary in the proposed constitution, but would even be dangerous. They would contain various exceptions to powers not granted; and on this very account would afford a colourable pretext to claim more than were

granted. For why declare that things shall not be done which there is no power to do?

Nevertheless, although the Bill of Rights' being added to the Constitution is generally looked upon as a good thing, most Americans have been taught to believe that (1) rights are granted by government in the Constitution and (2) if a right isn't listed, then it doesn't exist unless the government says so.

Would Americans lose their rights if the Bill of Rights were repealed?

Would Americans lose their rights if the Bill of Rights were repealed? Would Americans lose their First Amendment rights of the free exercise of religion, the freedom of speech, the freedom of the press, the freedom to assemble, and the freedom to petition the government? Not at all. Without the First Amendment, Congress could still make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the government for a redress of grievances. Why? Because the Con-

stitution grants only certain limited powers to the central government. And no power was granted to abridge any of what are commonly referred to as First Amendment freedoms. The First Amendment merely reinforces that idea.

The cases had nothing to do with freedom of speech and everything to do with property rights.

In order to not “protect” certain forms of speech, the federal government has over the years come up with certain speech tests — bad tendency, clear and present danger, fighting words, imminent lawless action, balancing, preferred position — to limit speech. And in order to “protect” certain activities that are not speech, the federal government has defined them as forms of “speech” so they can be “protected” by the First Amendment. For example: flag burning, which has been held to be “symbolic speech” and “expressive conduct” that is subject to First Amendment “protection.”

Burning a flag may be symbolic and it may express something, but burning a flag has nothing to do with speech. The cases of *Texas v. Johnson* and *United States v. Eichman* should never have gone to the

Supreme Court — or any court. They had nothing to do with freedom of speech and everything to do with property rights. As economist and political theorist Murray Rothbard explained it,

Freedom of speech is supposed to mean the right of everyone to say whatever he likes. But the neglected question is: Where? Where does a man have this right? He certainly does not have it on property on which he is trespassing. In short, he has this right only either on his own property or on the property of someone who has agreed, as a gift or in a rental contract, to allow him on the premises. In fact, then, there is no such thing as a separate “right to free speech”; there is only a man’s property right: the right to do as he wills with his own or to make voluntary agreements with other property owners.

The questions therefore to be asked whenever someone burns an American flag are (1) Whose flag? and (2) Whose property? No one has the right to burn a flag that he does not own or have permission from the flag owner to burn. And

no one has the right to burn a flag on the property of someone else without permission from the property owner. It all comes down to property, not the nature of the action. As the Supreme Court justice Hugo Black put it,

We have a system of property, which means that a man does not have the right to do anything he wants anywhere he wants to do it. For instance, I would feel a little badly if someone were to try to come into my house and tell me that he had a constitutional right to come in there because he wanted to make a speech against the Supreme Court. I realize the freedom of people to make a speech against the Supreme Court, but I do not want him to make it in my house.

“That is a wonderful aphorism about shouting ‘fire’ in a crowded theater,” Black said, but if a person creates a disorder in a theater, they would get him “not because of what he shouted but because he shouted.”

Conclusion

Actor George Takei of *Star Trek* fame, who was one of tens of thou-

sands of Japanese-Americans whom Franklin Roosevelt interned in detention camps for the “crime” of being of Japanese ancestry, notably said, “I pledged allegiance to the flag every morning inside an internment camp. I would never burn one, but I’d die to protect the right to do so.” The recent calls to criminalize the desecration of the American flag by Republican politicians, pundits, and the GOP faithful who cheer them on show just how totalitarian modern conservatism is.

Laurence M. Vance is a columnist and policy advisor for The Future of Freedom Foundation, an associated scholar of the Ludwig von Mises Institute, and a columnist, blogger, and book reviewer at LewRockwell.com. Send him email: lmvance@laurencemvance.com. Visit his website at: www.vancepublications.com.

NEXT MONTH:
“The Real Constitutional
Crisis”
by *Laurence M. Vance*

The Socialist Elixir Is a Deadly Cyanide

by *Richard M. Ebeling*



Suppose you saw someone holding a bottle that had a label with the word “cyanide” and he was about to drink from it. You tell him to be careful, that that is poison, and he could die a painful death. He says, no that’s not true, cyanide is a delightful drink, that he has heard that it cures many common ailments, and, in fact, makes you feel better than you ever have.

You reply that you once took a chemistry class and found out that the chemical compound in cyanide is one that burns the inside of anyone who swallows it and can cause severe discomfort before killing him. Besides, there are many cases of people taking cyanide and its effects have all verified the theory of how cyanide can work on the human body — a lot of people have died from it.

The other person insists that those are just the false accusations made by persons who don’t want to end human suffering or don’t want to make people feel better than they have ever felt. As for some people having, supposedly, died after taking cyanide, how can you be sure that that was the cause of the unfortunate circumstances, or that the facts about those cases are even true? Warnings about cyanide are spread by those against human happiness and who have something to gain from the poor conditions of others.

Once more, a false hope in socialism

Sound ridiculous? Not really, if we simply replace the word “cyanide” with the word “socialism.” Public opinion polls have suggested a majority of people in the United States, especially in younger age groups, have a positive view of socialism, with a noticeable number saying that they think America would be better off under a socialist system than a capitalist one.

What appeals to them are the promises made that socialism — usually accompanied by a modifier that makes it “democratic” socialism — will reduce poverty, increase social and economic equality, and will be more representative of the

“real” needs and hopes of “the people” than the self-interested profit motives of a private-enterprise system. Moreover, “capitalism” fosters sexual discrimination and oppresses “people of color.”

As for the asserted examples of socialism-in-practice in places such as the old Soviet Union, the frequent response is that that was not real socialism; it was a distorted socialism that failed to be properly implemented and was abused by the accident that the wrong people rose to power, and they imposed a dictatorship that had nothing to do with the real spirit of the socialist ideal.

That is where we are today in the United States and many other places around the world. Forget about the bad twisted socialism of the Soviet Union; “this time” it will be a kinder and gentler socialism that can and will get it right. How will that be ensured? Well, “our” intentions are good intentions, and we will use government planning, regulation and redistribution to achieve the “right” ends. Besides, it will be “democratic.”

The challenge of socialism 100 years ago

This year marks one hundred years since the publication in 1920 of a now-famous article by the Aus-

trian economist Ludwig von Mises, entitled “Economic Calculation in the Socialist Commonwealth.” The First World War had been over for about two years. In Russia, a socialist coup d’état had occurred in November 1917, a year before the end of the conflict. In 1920, a three-year civil war was coming to an end, with the victory of the Bolsheviks — the revolutionary Marxists — under the leadership of N. Lenin.

Forget about the “bad” twisted socialism of the Soviet Union.

These Russian communists were dedicated to the nationalization of industry, collectivization of agriculture, the imposition of government central planning, and, as a result, the abolition of the capitalist institutions of individual freedom and decision-making, private property, free enterprise, competitive markets, and the profit-and-loss system of production guided by prices formed through the interaction of supply and demand.

In central Europe, defeated Germany was in political and economic chaos, and suffering from rising prices that would soon degenerate into a hyperinflation by 1923. In German Bavaria, in 1919, there was a short-lived Marxist revolution,

and in nearby Hungary, a Marxist government had come to power but was overthrown after several months.

Everywhere, it seemed at that time, was the desire by a growing number of people for the triumph of a new, bright and beautiful socialist future. The Marxist-Leninists in Russia said it had to come through violent revolution followed by a “dictatorship of the proletariat” to destroy the old capitalist order and to prevent any counterrevolutionaries from restoring it.

In Western Europe, socialists said that neither violence nor dictatorship was necessary. The bright and beautiful collectivist future could all come through the peaceful means of the democratic ballot box, with no loss of freedom, other than the unnecessary and socially harmful “economic freedom” of private enterprise. It would be a far more just and fair society when the economy was centrally planned for “the good of all,” without any capitalist exploitation.

The critics of socialism, back then, also were poooh-pooohed as apologists for the “evil and oppressive” small group of capitalists; they were against greater economic equality and more “social justice” for the majority of those in society.

They simply “hated the people,” and personally gained by making excuses for the selfishness of the profit motive.

Critics of socialism have understood the dangers.

Thus were those enthralled by the socialist promise able to ignore the many criticisms of what a future socialist society would lead to. The anti-socialist warned: If government was the only employer, because it was the monopoly central planner of all production, the individual would be a slave of those in the government planning and employment agencies who would determine his fate. Get on their wrong side for any number of reasons and your life could be made miserable, since there would be no “exits” for alternative employment, because there would be only the State.

How could civil liberties be secure in the socialist society?

How could the civil liberties of freedom of speech or the press be secure in the socialist society to come, when the government would be the single owner and producer of the means to express your ideas, including disagreements with what was being done by those in power?

Place the resources with which newspapers and books are produced in the monopoly hands of government, and only what the government wants to be said and published may reach the wider audience of the other members of society.

It is disturbing how frequently then and now there were and are so many people who shrug such concerns aside, either because they naively think those in power would be “fair and balanced” in making available the platforms for exercising those civil liberties; or, as is far more explicit today, because they have a disdain for the civil liberties of any who hold views not in agreement with the collectivist fashions of the moment.

**Those who dreamed the dream
barely even seemed to notice that
there might be a problem.**

In the decades before the First World War, while socialists frequently described the “evils” of capitalism and the wonderful world collectivism would usher in, hardly any attempt was made to discuss and explain how, exactly, a centrally planned economy would work, in the everyday mundane sense of making and delivering the goods that people need and want. Some of

the anti-socialist critics raised this question in ways that were often very cogent, while those who dreamed the dream barely seemed even to notice that there might be a problem.

**Ludwig von Mises on why socialist
planning cannot work**

That changed with Ludwig von Mises’s article in 1920. Mises chose not to challenge the good intentions of those who wished to radically change society. Nor did he point to the dangers to liberty or the possibilities for political tyranny by those rising to the top in a socialist society. He did not want to muddy the waters by either impugning socialist good will or the dangers to a free society. Even more, he did not question whether people would be willing to be as industrious under a collective system of work and reward compared with human incentives under a system of personal interest and reward.

He focused, instead, on the less romantic but no less profoundly important question of how the socialist central planners would actually know how to direct the physical and human means of production so as to produce the goods and services the members of the society actually would want, and just as

cost-efficiently and productively as under a market system with its pursuit of individual profit and loss.

Mises's basic answer was that the socialist economy could not do so, because it will have abolished all the institutional requirements for a successful process of economic calculation. The socialist planner could undertake a detailed inventory of all the physical characteristics of the land, resources, raw materials, capital equipment (tools, machinery) under its planning jurisdiction. Added to that might be a census of all those who could be available in the socialist labor force, along with their education, skills, and experience.

But that would not solve the problem of rational economic calculation, the reason being that it is not enough to know the quantities and characteristics of all the physical means of production. Many if not most of those means of production have the potential to be used in different ways to manufacture different types of finished consumer goods, in different combinations with complementary factors of production.

The crucial issue is: In what employments, with which other factors of production, to produce what specific good shall they be directed

to ensure that each of them is employed for their most highly valued use to make the goods that were most in demand by the consumers of the society, which, of course, means all of us?

Markets and prices enable economic calculation.

Mises used the example of deciding to construct a railroad connecting two cities when there is a mountain separating them. Shall the rail line be built over the mountain, around it, or through it by means of a tunnel? Which one would be least costly to construct, in terms of the alternative uses of the resources and time that might go into building the railroad? If it was decided that a tunnel would be the best or least costly, with what reinforcing material should the lining of the tunnel be constructed — with, say, concrete or platinum?

Of course, the central planner could make this decision on the basis of any number of arbitrary benchmarks. But that is not the same way such a decision would be made in functioning, competitive market economies. The key to rational decision under capitalism is the existence of a market-generated price system.

Prices are the agreed-to terms at

which persons consent to trade, to buy and sell useful inputs and desired consumer goods. Bob and Bill higggle and hagggle until they, perhaps, reach agreement that the two pairs of shoes that one of them specializes in producing shall trade for one suit of clothes that the other manufactures.

The key to rational decision under capitalism is the existence of market-generated price system.

At the same time, both Bob and Bill have to acquire the respective resources and raw materials and capital equipment (machines, tools) and human hired help with which each produces the goods that are the means by which they purchase from others all the things they desire that those others supply in an interdependent system of division of labor. So Bob and Bill must enter the market in which those means of production are supplied and sold to purchase the ones they need for their respective producing.

Bob and Bill each have to make their best-informed judgments about what it is their particular customers would be interested in buying (what types, styles, and sizes of shoes and suits, respectively, for instance); and the price that buyers

would be willing to pay to purchase a certain number of the goods Bob and Bill offer.

Prices permit rational market decision-making.

The prices for their finished consumer goods, based on their past experiences and anticipations of the future, serve to determine the maximum that they can pay to acquire the needed means of production available on the market and still break even or earn a profit. Their next decisions concern which usable combination of those means of production — more labor and less capital equipment, or more labor-saving machinery with fewer hired workers, including which types of such capital equipment — will minimize their costs of production, given what they think consumers want and the prices they will pay for the finished goods.

But, again, what makes it possible for them to make such evaluations and judgments is the fact that there are market-generated prices for the purchase, rent, and hire of those means of production, owing to the ability for them to be owned and bought and sold on competitive markets.

The production decisions producers make in the social system of

division of labor not only enable them to search for the resource combinations and uses that will maximize their own personal profits (if their judgments about market conditions turn out to be correct); it also means that no resources, workers, or capital tend to be employed in the competing lines of production where they are valued less highly.

Through the eyes of the employing and production-directing market entrepreneurs, consumer valuations about what they would like to buy, and in what qualities and quantities at particular prices, are transmitted back to the markets for those factors of production, so each is, in turn, evaluated and priced. Those prices reflect where the factors of production are most highly valued. Entrepreneurs are able thereby to produce what the consumers most urgently want as expressed in what they pay for the goods those resources can assist in supplying.

Costs reflect alternative consumer demands for goods.

Market costs for purchasing, renting, or hiring factors of production are exchange-based estimates of their importance and value in alternative employments for making

other goods. Costs in the marketplace are competitively generated surrogates for the value of other desired things for which they might be used. Factors-of-production prices are estimates of the value of the factors in other corners of the market. Each entrepreneur must judge whether his use of those factors is of greater value to the consumers to whom he caters than the use to which his supply-side rivals, who are also bidding for them, will put them in their own lines of productive activity.

Factors-of-production prices are estimates of opportunity costs.

Let us go back to Mises's example of building a railway between two cities and a decision whether to go around, over, or through the mountain. A private railway enterpriser would estimate the possible rail traffic for cargo and passengers that might be his, if he builds the line and the revenues he might then earn. He has to project what the financial and other outlays would be to construct the railway between the two cities. As part of that decision he must evaluate which construction method between the two locations will be least costly. That

also requires an estimate of which reinforcing material to use for lining a tunnel through the mountain will minimize his expenses of operation, since platinum is more durable than concrete and requires less maintenance, but is more expensive to purchase.

Without such prices, how would the central planner know what consumers want?

All of those estimates and calculations are impossible without a functioning market economy in which competition has generated the prices for both alternative finished consumer goods and the factors of production out of which they might be manufactured. For those prices to emerge there must be individual freedom of choice and action, a right of freedom of exchange and voluntary association, and private property not only in consumer goods but in those factors of production, as well.

Otherwise, how can users of consumer goods and purchasers of production goods express their actual valuations and appraisal on the basis of which trades are mutually agreed to? Those valuations are expressed and captured in the prices at which trades are consummated.

Abolishing markets and prices leads to planned chaos.

Mises's central criticism of socialist central planning as an economic system that was being offered as a viable substitute for free-market capitalism is that in abolishing private property in the means of production and thereby eliminating free exchange and the formation of market prices, a socialist economy would have done away with the institutional prerequisites for rational economic decision-making.

Without private property in the means of production, Mises reasoned, there is nothing to (legally) buy and sell. Without being able to buy and sell the factors of production, there are no incentives to make bids and offers for their purchase and use. Without such bids and offers, there are no agreed-to and consummated exchanges. Without such actual market transactions there are no real market prices for the inputs without which outputs cannot be produced.

Without such prices, how would the central planner realistically know what consumers want, and know the least-cost methods of producing them to get the most out of the means available to fulfill people's desired ends? Mises's answer

was that socialist planners could not — and certainly they could not come close to matching the way a competitive market economy solves this social problem of bettering the conditions of humanity.

It is for this reason that Mises later titled one of his shorter works, *Planned Chaos* (1947). That is and has been the result that imposing and implementing any form of fairly comprehensive socialist central planning must create.

Recall that that was an argument that Mises originally made one hundred years ago in 1920. Think of all the economic disasters that socialist systems have produced over this last century when imposed in any country anywhere in the world. And now fast-forward to today in 2020. “Progressives” and “democratic” socialists in America say that their form of socialism will be different. Their Green New Deal to centrally plan away global warming, to ensure the “social justice” of redistribution, and guaranteed government jobs for full employment, will have none of the defects of those false socialisms of the last century.

But their bottle of socialism has the same cyanide in it as those others that hundreds of millions have suffered from around the globe. We need to not fall for the quack medicines peddled by the ideological hucksters trying to pass it off as the elixir of life that will cure all our ills. That is why it is necessary and essential to recognize and emphasize Ludwig von Mises’s critique of socialism now in our own time as much as when he first penned it.

Richard M. Ebeling is the BB&T Distinguished Professor of Ethics and Free Enterprise Leadership at The Citadel. He was professor of Economics at Northwood University and at Hillsdale College and president of The Foundation for Economic Education, and served as vice president of academic affairs for FFF.

NEXT MONTH:
“Francis Lieber’s America
and the Politics of Today”
by Richard M. Ebeling

The Continuing, Poisonous Russia Obsession

by *Ted Galen Carpenter*



For more than a decade, there has been pronounced animus toward Russia in the American news media and among hawks, especially congressional Democrats, in the political community. That hostility surged when Russia annexed Ukraine's Crimea peninsula in 2014. Furious political leaders and Western media outlets slammed the Kremlin's action as an outrageous case of unprovoked aggression, akin to the start of Adolf Hitler's expansionist binge in the late 1930s. Such an interpretation greatly oversimplified a complex historical and contemporary situation involving Ukraine, but it became the dominant narrative in the United States.

The Crimea episode also triggered an onslaught of smears

against American scholars, journalists, and political figures who rejected that simplistic narrative and advocated a more nuanced, conciliatory policy toward Russia. Innuendos and even outright accusations that dissenters were Moscow's dupes or traitors soon reached levels not seen since the McCarthy era of the 1950s. Matters became even more heated when leading Democrats accused the Russian government of interfering in the 2016 U.S. election to help defeat Hillary Clinton. Worse, they accused Donald Trump's campaign of colluding with that effort.

Collusion allegations, fed by leaks from leaders of the intelligence agencies and amplified by their allies in Congress and the media, not only led Barack Obama's administration to launch an FBI investigation into Trump's campaign, it ultimately escalated to the appointment of a special counsel, Robert Mueller, in May 2017 to continue and expand the inquiry. The Russia issue remained at the center of public and media attention throughout the following years. Blatant anti-Trump (and broader anti-Russia) bias characterized most of the press coverage and political debates.

Key Democrats in Congress, such as California representatives

Adam Schiff and Eric Swalwell, and New York representative Jerrold Nadler, were especially eager to push the Russia conspiracy narrative. After the Democrats gained control of the House in the 2018 midterm election, Schiff became chairman of the Intelligence Committee and Nadler chairman of the Judiciary Committee. From those posts, they launched new probes (with maximum publicity) into the supposed collusion scandal.

Maddow has not been the only prominent media figure guilty of circulating wild, unsupported Russia conspiracy theories.

Some members of the media were at least as enthusiastic as Schiff, Swalwell, and Nadler in pushing the “Trump is a Russian agent” theme. An especially avid voice was that of MSNBC host Rachel Maddow. Writing in February 2019, *New York Post* columnist Kyle Smith noted,

For two years Maddow built her MSNBC show around an actual conspiracy theory, that Trump was engaged in some kind of illegal collusion with Vladimir Putin, and issued one wild speculation after an-

other: that there was a ‘continuing operation’ involving Putin pulling strings here, that Putin was in a position to blackmail Trump into recalling troops from the Russian border, that a Trump-directed missile attack could have been ordered by Putin, that the Russians might be in a position to shut down our power during cold weather.

Maddow, though, has not been the only prominent media figure guilty of circulating wild, unsupported Russia conspiracy theories. The *Washington Post* has amassed an especially unsavory record. When an anonymous group, PropOrNot, issued a report in November 2016 accusing more than 200 websites on both the Left and Right of being “routine peddlers of Russian propaganda,” the *Post* touted the report. Dozens of other outlets then picked up the *Post* story, and it quickly became a media sensation. As skeptical *Intercept* reporter Glenn Greenwald pointed out, however, “those statistics were provided by a new, anonymous group that reached these conclusions by classifying long-time, well-known sites — from the Drudge Report to Clinton-critical left-wing websites such

as Truthout, Black Agenda Report, Truthdig, and Naked Capitalism, as well as libertarian venues such as Antiwar.com and the Ron Paul Institute — as “Russian propaganda outlets.” *Post* editors ultimately backed away from the story with a lengthy “editor’s note,” but the misinformation had already circulated extensively.

The *Post* “kept diluting the story with editor’s notes, until finally acknowledging that the whole story was false.”

Another *Post* story asserted that Russian hackers had invaded the U.S. electricity grid through a Vermont utility, a probe that someday could lead to the denial of heat to consumers in wintertime. The report caused predictable outrage and panic, along with anti-Russia vitriol and threats from U.S. political leaders. But then, Greenwald noted, the *Post* “kept diluting the story with editor’s notes — to admit that the malware was found on a laptop not connected to the U.S. electric grid at all — until finally acknowledging, days later, that the whole story was false, since the malware had nothing to do with Russia or with the U.S. electric grid.” Such erroneous news stories stoked an ever-

growing anti-Russia narrative in the United States.

More allegations

For all of the hype, the Trump collusion narrative gradually unraveled. Indeed, the real collusion scandal was how congressional activists and anti-Trump elements in the press cooperated closely with hawkish leaders in the FBI and the intelligence agencies regarding the Russia issue in general and allegations about Trump’s supposed disloyalty in particular. Schiff and his colleagues routinely received high-level leaks of information putting Trump and Russia in a bad light. So, too, did the *New York Times*, the *Washington Post*, CNN, MSNBC, and other anti-Trump media outlets. Indeed, a veritable media-intelligence community partnership became evident. Former CIA director John Brennan, former NSA director James Clapper, and former FBI director James Comey were all frequent guests on the leading television news shows. Such figures had two features in common: they all loathed Trump, and they all regarded Russia as an existential security threat to the United States and all democratic countries.

Even when Robert Mueller’s lengthy investigation failed to un-

cover evidence of collusion or a measurable Russian impact on the U.S. election, most congressional and media types — who had given maximum exposure to that allegation for more than two years — still refused to back off. Neither did FBI and intelligence community leaders. In fact, even when Justice Department Inspector General Michael Horowitz issued his report in December 2019, documenting the extent of FBI abuses in its investigation of the Trump campaign, members of the anti-Russia brigade still sought to perpetuate their narrative that Russian infiltration posed a threat to America’s political system.

In February 2020, yet another “blockbuster” story appeared in the *New York Times* — this time about a classified intelligence briefing given to the House Intelligence Committee the previous week asserting that Russia was busily interfering in the upcoming election. Reuters reporter Jonathan Landay noted that “U.S. officials have long warned that Russia and other countries would try to interfere in the 2020 U.S. presidential election campaign.” But once again accusations from members of the U.S. intelligence apparatus targeted Russia while barely mentioning other possible foreign actors. That emphasis continued to feed

the narrative that Trump was a Russian asset, and that Moscow’s machinations were the chief threat to the nation’s security.

Members of the U.S. intelligence apparatus targeted Russia while barely mentioning other possible foreign actors.

This time, though, the intelligence community’s new warnings regarding the Russian menace were not entirely partisan. The *Washington Post* broke a story confirming that agencies had briefed Democratic presidential candidate Bernie Sanders a few weeks earlier that Moscow was trying to influence primary contests to benefit his candidacy. Sanders’s reaction indicated just how intimidating allegations of pro-Russian sentiments had become in the American political debate. “Unlike Donald Trump, I do not consider Vladimir Putin a good friend. He is an autocratic thug who is attempting to destroy democracy and crush dissent in Russia,” Sanders said. “Let’s be clear: the Russians want to undermine American democracy by dividing us up and, unlike the current president, I stand firmly against their efforts, and any other foreign power that wants to interfere in our election.”

Allegations about Russia's dire threat to America, and the smearing of anyone who disputes that narrative, appear to be growing worse, not diminishing. A *New York Times* op-ed by Jonathan Stevenson, who served on the National Security Council staff during Obama's administration, used Trump's appointment of Richard Grenell as Acting Director of National Intelligence to make such a foray. Stevenson's principal grievance quickly came into focus. "Mr. Grenell, like Mr. Trump, does not rate Russian efforts to manipulate American elections a pressing national security concern. From this perspective, Mr. Grenell's appointment as the country's highest-ranking intelligence officer looks intended to ensure that any U.S. intelligence assessments and warnings of Russian meddling in the 2020 election are downplayed and withheld from Congress, if not completely suppressed."

Other targets

Drive-by smears accusing political or ideological opponents of having unsavory links to Russia have now become a pervasive feature in America's political process. At times, they are so strained as to be almost comical — if it weren't for

their ugly echoes of McCarthyism. Senate Majority Leader Mitch McConnell's critics have taken to calling him "Moscow Mitch." Ironically, they do so even though he was an ardent hawk during the Cold War and is staunchly anti-Putin. McConnell stated explicitly in August 2018, that he thought "the Russians are acting like the old Soviet Union."

Smears accusing opponents of having unsavory links to Russia have become a pervasive feature in America's political process.

But even such a neo-cold war stance was not sufficient to shield him from accusations that he does Russia's bidding. To his opponents, McConnell's refusal to blindly endorse new "election security" laws and support the impeachment of Trump was sufficient to impugn his loyalty to the country. In July 2019, MSNBC's Joe Scarborough asserted that McConnell's "lack of action" on allegations of Russian election meddling was downright "un-American." He continued his indictment by accusing the majority leader of "aiding and abetting Vladimir Putin's ongoing attempts to subvert American democracy." The following month, House Speaker Nancy Pelosi used the derisive "Moscow

Mitch” nickname because of McConnell’s stance on election security.

When adversaries weren’t applying the “Moscow Mitch” label, they were ridiculing McConnell for protesting the smear. They were especially indignant about his response that the term constituted McCarthyism. *Washington Post* columnist Dana Milbank stated that “McCarthyism, by definition, is a type of defamation using indiscriminate allegations based on unsubstantiated charges. But the allegations underlying Moscow Mitch are specific and well-substantiated. He has blocked virtually every meaningful bill to prevent a repeat of Russia’s 2016 election interference.”

Hyping the Russia threat carried over into the impeachment case against Trump.

How that position automatically constituted treasonous behavior to serve Russia’s interests and did not merely reflect an honest policy disagreement, Milbank did not discuss. On another occasion, he was even more explicit in his depiction of McConnell’s alleged servitude to Moscow, flatly calling the Senate majority leader a “Russian asset,” and justifying the use of that label. “Russia attacked our country in

2016. It is attacking us today. Its attacks will intensify in 2020. Yet each time we try to raise our defenses to repel the attack, McConnell, the Senate majority leader, blocks us from defending ourselves.” Milbank went on: “Let’s call this what it is: unpatriotic. The Kentucky Republican is, arguably more than any other American, doing Russian President Vladimir Putin’s bidding.”

His diatribe both exaggerated the significance of Russia’s “attacks” and impugned a political opponent simply for daring to resist policies that Milbank believed to be important. If that line of argument doesn’t constitute McCarthyism, it’s a great imitation.

Hyping the Russia threat carried over into the impeachment case against Trump. Ostensibly, the complaint was that Trump pressured Ukraine’s recently elected president, Volodymyr Zelensky, to investigate Trump’s political rival Joe Biden, as a condition for releasing a congressionally approved military aid package for Kiev. But it became apparent throughout the impeachment hearings and trial that Trump’s critics had a much broader agenda.

Several witnesses during the House impeachment hearings demonstrated one important and omi-

nous point. Ambassador William B. Taylor, Deputy Assistant Secretary of State George P. Kent, NSC staffer Lt. Col. Alexander Vindman, and others made it clear that they did not object merely to Trump's alleged bid for a quid pro quo from Zelensky. Instead, they saw Trump's entire Ukraine policy as insufficiently hardline and, therefore, unacceptable.

Indeed, Taylor and Kent exuded an attitude that it was improper for the president to change any aspect of a staunchly supportive U.S. policy toward Kiev and a correspondingly hostile policy toward Russia. It was not a new stance, and it didn't apply just to Ukraine policy. More than two years earlier, Arizona Sen. John McCain excoriated his colleague Sen. Rand Paul (R-Ky.) for opposing NATO membership for Montenegro. "You are achieving the objectives of Vladimir Putin," McCain charged. When Paul refused to back down, his attack continued. "[He] has no justification for his objection to having a small nation be part of NATO that is under assault from the Russians. So I repeat again, the senator from Kentucky is now working for Vladimir Putin." NATO membership for a militarily irrelevant microstate was the litmus test for loyalty to America.

McCain's attitude has now become pervasive. To Russophobes, it is self-evident that Russia is a dire threat to America's security, liberty, and governance. And woe be to anyone who disputes that conventional wisdom in the slightest! Such a stridently hawkish stance stifles meaningful debate on an important foreign-policy issue, and it promotes unreasoning hostility toward the one country that has the military wherewithal (more than 2,000 nuclear weapons) to erase the United States as a functioning society. The new McCarthyism is, therefore, not just ugly and disreputable as a political and ideological tactic, it has potentially catastrophic real-world consequences. That approach already has helped produce a new cold war with Moscow, and a hot war is no longer a far-fetched possibility. Unfortunately, anti-Russia sentiment has become so virulent, it will be difficult for Trump or any future president to defuse the dangerous bilateral tensions and pursue a more conciliatory policy.

Ted Galen Carpenter, a senior fellow in security studies at the Cato Institute, is the author of 12 books and more than 850 articles on international affairs.

SUPPORTING THE FUTURE OF FREEDOM FOUNDATION

Our work advancing freedom depends on the financial support we receive from people who share our commitment to the moral, philosophical, and economic principles of a free society. Since The Future of Freedom Foundation is a 501(c)(3) educational foundation, donations are tax-deductible.

.....

Donations can be made on our website

— www.fff.org/support —

or by calling us at 703-934-6101.

.....

Here are ways that you can support our work:

1. A donation, with check or credit card.
 2. A donation in any amount you choose by means of a recurring monthly charge to your credit card.
 3. A donation of stock, the full market value of the stock being tax-deductible.
 4. Naming The Future of Freedom Foundation as a beneficiary in your will or living trust, charitable gift annuity or trust, or life-insurance policy.
-

Over the years, planned giving has played an important role in sustaining our operations.

*Thank you for your support of our work
and your commitment to a free society!*



THE FUTURE
of
FREEDOM FOUNDATION

11350 Random Hills Road
Suite 800
Fairfax, VA 22030

★★★

www.fff.org

fff@fff.org

703-934-6101