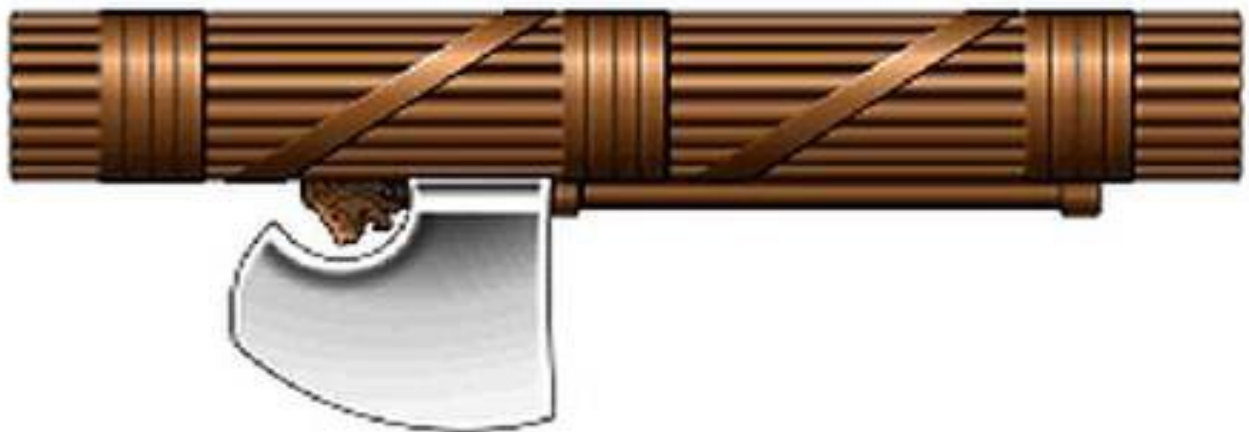




To FREEDOM from Fascism, America!

By Jim Davies



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Resolve to serve no more, and you are at once freed. I do not ask that you place hands upon the tyrant to topple him over, but simply that you support him no longer; then you will behold him, like a great Colossus whose pedestal has been pulled away, fall of his own weight and break in pieces.

Etienne de la Boëtie, 1553

To Amy, Nathanael, Kirsten, Evan, Karina and Cora

whose bright young faces encouraged me from the
PC screen every time I turned it on to write this book.

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Acknowledgment: My thanks to Tom Ross, for his suggestions and proof-reading of this Edition. Any residual errors are, of course, mine.

Front Cover: part of the Gadsden flag, that symbolizes freedom: to go peacefully about one's business if left alone, but to resist any and all interference in that basic human right; "Don't Tread On Me."

At the foot is the bundle of rods and the ax that cut them, used in the Roman Empire to symbolize the authority of the State, and adopted by Mussolini as the symbol of his National Fascist Party.

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1: How Bad Things Are

The late Aaron Russo's final movie [America: From Freedom to Fascism](#) was produced in 2006 and made a wide audience aware of the steep decline in our enjoyment of personal freedoms during the 20th Century. Mr Russo died far too young but I think that, because of that documentary and its relatively wide reception, he died happy; few can have done more to sound the alarm.

The film told of how the US income tax is not just onerous and complex but also illegally imposed, with the connivance of all branches of government and media, and of how the Federal Reserve Bank has all but destroyed the value of the once-mighty US Dollar. It warned also of massive intrusions into privacy, gathering momentum even as the movie was being made, and of the threat of total control of individuals and how we operate our lives and spend our resources. If the present reader hasn't seen it, take advantage of its current free availability via YouTube using the blue link above. Knowledge of what it reveals forms a valuable background for this book.

“AF2F”, as it has been known, ended with a call not only to be aware of the loss of liberty but also to take action to stop and reverse the slide into fascism. This book offers some specifics about how to do that, as well as exploring what the terms “freedom” and “fascism” imply. This first chapter explores what is meant by the latter and how far this country has become fascist; the second traces the process that caused it to get worse and suggests what might be a reasonable remedy, and the third will examine what is meant by the term “freedom” and how in practice it can be achieved so that, within a single generation, America will really become the “land of the free.”

Fascism

Since 1945 this word has been useful as an insult, as in for example “Fascist pigs!” when being bullied by the police. It's worth starting by examining more coolly what it means.

In modern times the word was first used by Mussolini as the name for the National Fascist Party which he founded in 1921, which led to a March on Rome the following year – as a result of which he was appointed head of the King's government. Two years later he had manipulated the Italian political system so as to dispose of all rivals.

It's also used to describe the very similar nature of the German political party that began at about the same time and gained power in that country a decade later; the National Socialist German Workers' Party, abbreviated to the “Nazis.”

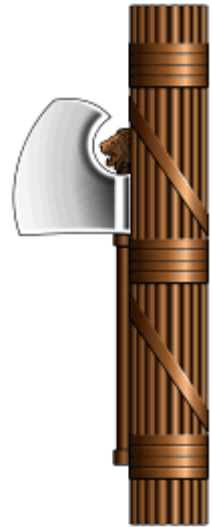
Both movements emphasized socialism – summarized well by the French Socialist pioneer Louis Blanc in 1840 with the slogan “From each according to his ability, to each according to his need” which contradicted the (classical) liberal belief in the right of the individual to profit from his own labor and to retain its proceeds. Fascists share with other socialists a belief in the primacy of the State, but differ from them by emphasizing primacy of their particular State, such as Italy or Germany, between 1920 and 1945 – hence the strong nationalism in their propaganda.

Fascists also differ in economic strategy, for they do not usually take “public” ownership of major industries and operate them as was done in the Union of Soviet Socialist Republics, but rather leave traditional capitalist forms in place and milk their profits with taxes and control them with regulations as need may be perceived. Thus, Mussolini defined Fascism as “bureaucratization of the economic activities of the State” and others have said that the close association of government and business is “corporatism” or “state capitalism.” (Though useful

and descriptive, I'd say that latter term is an oxymoron.) At any rate under fascism big companies and government are in each others' pockets; the former support government policies and finance any needed re-election expenses, while the latter enacts laws to hinder the entry of small, nimble competitors. We lose, both ways.

Fascists are also well known for being authoritarian, militarist and bigoted. The latter is not, I'd say, a defining characteristic; the Italian Fascists did not name Jews as scapegoats like the German Nazis did, and while as allies during WW2 they co-operated in the Holocaust by shipping Jews out of the country for "special treatment" they did not do so with as much enthusiasm as many other countries under Nazi influence. On the other hand, authoritarian rule is absolutely what makes a fascist a fascist; obedience to laws is their primary demand and the very source of the name.

Fasces were bundles of rods or canes, used to punish resistors to authority in ancient Rome. They were present in both the Republic and in the autocracies. A big part of Mussolini's appeal after WW1 was that under his strong leadership as "Il Duce", some of the glory of that Roman Empire would be regained, and images of these bundles were adopted as the Party symbol. It was accurate; more than anything else, fascism is about authority, and rule. Do as we say, or we will cane you – or even (with the ax) cut off your head. This is the very antithesis of freedom.



The symbol survived the Party, I noticed in a 1968 visit; every city omnibus in Rome had it painted on the side, over the letters SPQR. Those stand for *Senatus PopulusQue Romanus* or "The Senate and the People of Rome" and was the main, empty slogan of the Empire.

Although Mussolini liked to be known as the one who made Italian trains run on time, German fascism, under Hitler, was probably

organized with greater, ruthless efficiency. The State was fully centralized; as Leader he made every key decision and all opposition was banned and silenced. His popularity was immense, for the Nazis actually fulfilled many of their electoral promises! - something almost unheard of today. They were good too at smoke and mirrors; they claimed to have beaten the unemployment that plagued the world in the mid-1930s, but in reality did so mainly by doctoring the statistics.

20th Century fascism is probably best known for its militarism. Mussolini's version of that was to expand his new Roman Empire by conquering nearby States that had substantial landholdings but were so primitive as to be virtually defenseless. His first victim was Abyssinia, now known as Ethiopia, an ancient kingdom with the only Christian tradition in North Africa. Italian airplanes bombed its helpless civilians with explosives and poison gas, in the first-ever use of that technique of warfare, and capitulation was swift; the war lasted 7 months in 1935-36 and added handsomely to the land Italy controlled. His next victim was Albania, in two stages (1937 and 1939) and that too was painted into the map as Italian, as if starting to make the Mediterranean once again a Roman lake. He also sent military assistance to his fellow Fascist General Franco in Spain (as did Hitler) but this time it was a tougher fight; victory took three years to achieve.

German expansion, meanwhile, is perhaps better known and the Nazis proved better at it than their Italian allies; they regained by 1939 most of what had been stolen from Germany by the 1919 Versailles Treaty, with hardly a shot being fired; hence Hitler's vast popularity by then. A little later, it was of course a different story. At his peak however in 1942, fascism had given Germany control of the whole of continental Europe.

Before we consider the extent to which contemporary America is fascist, we need to re-emphasize that fascism is first and foremost a *system of authoritarian rule*. The prominent characteristics of strident militarism and highly centralized State control vary in different places

by different styles and emphases; free speech is forbidden, the media are controlled, political opposition is always suppressed, but racial bigotry or scapegoating is not universal (little in Italy, none in Spain) and military expansion was not carried out uniformly; the Italians did little else (until they began to lose) but the Germans used their army last of all, much preferring to win territory by bluff in negotiation. The Spanish Fascists won control and kept it until 1975, but never ventured abroad at all. So we'll try to measure America's degree of fascism less by those secondary characteristics, more by the primary one of government control and denial of individual freedom, bringing every person into the service of the State. There are several ways to list the characteristics of fascism, but the simplest for our purposes may be this:

- Authoritarianism: we command, you obey
- The individual is subservient to the State
- No dissent is allowed
- A strong military is used as needed
- Nationalism is the binding motivation
- Big business and government co-operate closely

American Fascism

So to this chapter's header: how bad is it here? How far has America descended into fascism?

The symbol of fascism – the bundles of canes, the *fascis* – have been used in America for much longer that Aaron Russo may have realized. I first noticed them while attending in 1999 the trial of the late Jim Lewis, for failing to obey what the government claimed were its laws that tax “income”; he put up a spirited defense, but was imprisoned for a year. The spectator benches in the courtroom in New Haven, CT had, however, this fascist symbol carved into the wood at the end of each, and it was reproduced again in larger form on the

paneling behind the judge. Very clearly, it said to all: We (government judges) are here to exercise authority, and to punish any who disobey.



I've since found that it appears in many places. In 1916 the government minted the "Mercury Dime" with the fascist symbol prominent – perhaps to celebrate its triumph in gaining control over money, after the Federal Reserve had been founded three years earlier.

The US Senate seal has two crossed *fasces* at its foot, to suggest the power and authority at its base.



No doubt we have many times watched the State of the Union speech given by Presidents from the dais in the Congress, and have therefore many times had our eyes upon the wall behind him. I wonder how many of us noticed the prominent pair of *fasces* embossed there?



Yet there they are, in plain sight, to say "We have authority, and will

use it as we see fit.” The axes are not readily noticed, on the Congressional symbols – possibly the designers felt that the threat of execution was a bit too savage and obvious for good P.R. - but the message is unmistakable, if only we examine it. The Federal Government in its courts, its Senate and its House embraced the fascist symbol from the beginning.

Lastly the coat of arms of the National Guard shows two prominent *fascies* crossed, over the American Eagle. These days the Guard seems to prefer its alternative symbol of a Minuteman, but there at root we have the message again: obey, or be punished. And this time, those deadly axes are clearly visible, and the Guard is supposedly under the command of the State Governors, so this conveys the lethal message that it's not just the Feds who are fascist at heart. The student victims at Kent State would understand.



Symbols are one thing, but how about the reality?

It's hard to improve on Aaron Russo's account of how far Americans are now subject to the overbearing authority of the government, at each of its three different levels. Using the machinery of their departments of motor vehicles, set supposedly to ensure the safest possible standards of road usage, each State government now requires every driver to renew his license every few years (something wholly unnecessary for that purpose; once one can drive, one does not forget how) and uses the renewal process not just to extract some useful revenue from fees but also to imprint the license with ever more identifying information – to the extent that “government photo IDs” are now required by all manner of organizations from airlines to banks. As the AF2F movie revealed, plans are afoot for tagging human beings with identifying devices *under the skin*, as if we were dogs needing to

be traced if we stray from home; so that government can control when, where *and whether* we'll be allowed to buy food. Mussolini and Hitler could barely have dreamed of such devices; they would have salivated at the news of their development, and are perhaps now laughing in their graves at the posthumous triumph of fascism in the very country that supposedly defeated it. "*Sieg, Heil!*" (Hail, victory!) indeed!

Control of individuals, and of our money, is already tight thanks to the ubiquitous Income Tax and its me-too lookalikes in 44 States. This is an absurdly inefficient way to collect revenue, which costs a large fraction of what it yields. but it's a gold mine of information about 130 million working people and that is, I believe, a main reason why it still survives (another is that the database it produces enables Congresspersons to engage in their favorite pastime: to favor one group over others so as to purchase their votes.) As Göbbels knew well, to gather information is crucially important; you have to classify the population accurately before you can control it. How else could you exterminate all Jews, if you had not already marked every Jew as a Jew, complete with a file in some Gestapo office?

Whether this rich information source, this "income tax" is properly legalized is a question addressed at length in AF2F, and it's one to which we'll return in Chapter 2; but meanwhile let's note that it would be just as lethal to our wealth and privacy even if it were. It is a device used by most developed governments worldwide, and is lawful everywhere else, at least. Only in the US does the Constitution forbid the Feds to tax individuals directly, and we'll see later how governments deal with such limits.

Government's control over money is also a subject AF2F treats at length, though in my perception it understates a vital fact: the Federal Reserve Bank, which was set up by an Act of Congress in 1913, is indeed a private club of bankers but its special powers are granted only by that Act. Therefore, if Congress were to repeal that Act

tomorrow morning, the Fed would revert to being merely a trade association with no power at all over our money.

The power that was granted was in effect a deal, from which each party drew benefit. The key purpose of all central banks is to lend money (to the government, so that it can operate a vote-producing activity without the need to increase taxes at once) and so one of the first things Congress ever did was to establish one, in 1791. It took a shocking amount of time to end it, but the job was finally done in 1836 and during the most productive period in US history (1836 to 1913) the nation managed without.

The prohibition was circumnavigated in 1913 by the Federal Reserve Act, which empowered private bankers to lend large sums to the Federal Government upon request *when they did not have the money to lend*. The trick is for the Feds to write an IOU (a “Treasury Bill”) and hand it to the Fed in exchange for a bogus check which it kites. By the time the check is deposited, the T-Bill has arrived, to furnish the backing for the check; and it's by this shell-game that the “debt is monetized.” This would of course be wholly fraudulent, except that the Law permits it. As the T-shirt says, “It's not Fascism, when WE do it.”

The other provision of the Act is to entitle member banks to engage in a second fraud, “fractional reserve banking.” The idea is that upon receiving a deposit (of \$100, say) the bank is authorized to lend out \$89 of it (currently¹) at interest, to borrowers. This would be outrageous if it were not legalized, for it means the depositor is secured only by the probity of that new borrower. Then subsequently the borrower deposits the \$89 into his own account (at the same bank or another within the cartel) and *a further eight-ninths of that* can be lent out at interest; when the cycle is repeated, as much as \$1,000 can be loaned out for each \$100 of original deposit. This is the primary engine for the creation of paper “money” and since this central bank (in drag) was set up in 1913 the US dollar has lost over 98% of

¹ That was in 2009. In 2020, the reserve of 11% was reduced to zero, so 100% can be lent out!

its value. Other countries whose governments have directly-controlled central banks without the subterfuge of “private” ownership have printed similar amounts, so have seen similar damage to their respective currencies.

So, banks can earn real interest on unreal “money”, while the government gets “money” to spend without the immediate need to raise taxes – and before it loses value due to the price inflation it causes (and which constitutes the effective tax hike, in heavy disguise.) It's a great deal for both parties.

However there is one common belief about this, which unfortunately found its way into AF2F, that is incorrect: that all the income tax goes to private bankers as interest. For example in FY 2008 the income tax yielded a hair under \$1T, while the net interest on the whole debt was \$240B – and the Fed held only about half of the government's debt so the interest paid to Fed members was about \$120B. That is only 12% of the income tax yield and only 4% of the total spent by the Feds; so this urban legend is long overdue for burial. Those figures have all increased since the post-2008 bailout, but that allegation is still false. It distracts from the main issue and damages our credibility.

Is the debasement of the currency a specifically fascist activity? I'd say, yes – in the sense that it's one aspect of government's *control* over everything; here, money. When non-fiat forms of money (gold and silver coin) are the currency used in a society, its value remains rather stable or even increases; this was so everywhere prior to the 20th Century with exceptions few and well-known, such as the French “*assignat*” certificates that were printed up to help finance the aftermath of the 1789 Revolution.

One of the other exceptions came in the last three centuries of the Roman Empire. The Caesars had not figured out how to print paper money (there was no paper, for one thing) but by diluting silver coins with tin they did manage to cause an annual 4% inflation rate so as to

pay for projects to buy public support. That rate destroyed the Empire; it collapsed from within because the coinage became worthless and the people were starving.

Since 1913, the FedRes / FedGov deal has inflated the dollar at fractionally under that same 4% a year, in what seems to me an ominous coincidence. Every known attempt to replace government paper (“Federal Reserve Notes”) with real (gold) money has been savagely suppressed by the government's courts. Silver “Liberty Dollars” have been outlawed² and the founder indicted, and even the on-line payment system E-gold was forced to allow government scrutiny of all electronic gold accounts as a condition of remaining in business. Such is fascism.

Once we understand that the primary attribute of fascism is authority, rule and control, we can easily see that American society has been fascist even at the local Town level, for a very long time. The witch-huts in Colonial New England are well enough known, and expressed the local fascists' resolve to compel religious conformity by all residents. Both before and after the revolution townships financed expenditure by a tax on property (real estate) which is absolutely an expression of authoritarian rule: pay up, or we'll seize your home. The scope of that outrage became much greater after the mid-19th Century when local taxes paid for government schools (whether wanted or not and whether used or not) and so were far higher, but the principle of compulsory funding was therefore set in much earlier times and it absolutely imposed authority over individual preference, which clearly qualifies it as a fascist activity. It incidentally means that there is in America no such thing as ownership of real estate, and never has been since such property taxes were first imposed.

That the new Federal Government was fascist from its earliest days can be seen from what action it took as soon as it had been chartered. In 1789 in its very first session, the Congress performed six Acts. Five

² See [https://en.wikipedia.org/wiki/Liberty_dollar_\(private_currency\)](https://en.wikipedia.org/wiki/Liberty_dollar_(private_currency))

of them were Constitutional, one was later ruled otherwise, and all except the first (about administering oaths) were, I shall reason, fascist from top to bottom.

Act 2 imposed “Hamilton Tariffs” on certain imports. So now those goods were more expensive than they would have been without that interference in free trade. That had the side-effect of pleasing domestic manufacturers of competing goods (mainly in the North) and of displeasing customers for them (mainly in the South) and so of fostering discord between people in the two groups of States, but the main effect was to take money that would have been spent the way the owners wished, and compelling its expenditure on what the government wished. Right there, if we think about it, we can see the fundamental flaw in the theory that government is a good idea; if it were really a good idea people would pay for it without compulsion, like we do for everything else we buy. Yet it makes sense that this would not work; who in his right mind would say “Here's \$1,000; please govern me for the next month, in whatever way you see fit”?

Act 3 established a Department of Foreign Affairs, now called the State Department. That was needed only to make sure that some foreign governments were treated less favorably than others.

Act 4 set up a War Department (now, “Defense”) so that if any of those less-favored nations should get antsy, their agents could be dealt with.

Act 5 established the Treasury Department, to account for all the compelled payments of support, and spending.

Act 6, known as the “Judiciary Act” was the most interesting, because while the others were fascist but constitutional, this was not; it provided for a certain court structure but also granted a new power to the Supreme Court (to hear certain cases as a court of original jurisdiction, not just those on appeal) just as if Congress had the power to amend Article 3, which of course it doesn't. Fourteen years

later that was shot down by the very Supreme Court to which it had purported to grant the power, in the *Marbury* case³ – of which we'll see more in the next chapter. The deep (and intended) irony and contradiction was that SCOTUS could (correctly) shoot it down only by wielding a power that Article 3 never gave it: to judge whether or not a Congressional law was Constitutional!

So in this very first session, Congress took the time to impose taxes and prepare for war, and demonstrated its disregard for Constitutional limits on its powers. All that it did involved the assertion of Authority over lesser beings like individual Americans, so it seems very plain to me that these were all essentially fascist measures.

So much for 1789. I've already mentioned the attempt in 1791 to found a central bank, so let's take a "snapshot" five years later. In 1794 the residents of Western Pennsylvania were outraged by a Federal plan to tax the distillation of whiskey – an activity in which they had been engaged for generations. So they said, No way, no how – and promised a rough reception for any Revenuer who should happen by.

President Washington raised and personally led an army of 12,000 to suppress this "rebellion," so demonstrating that he too was a fascist, enforcing his government's authority over individuals (that, recall, is the primary characteristic of the subject of this chapter.) The distillers were so intimidated that resistance faltered; I'm not clear whether any were killed, but the rebellion failed. Ever since, tax gatherers have ridden triumphant over Americans. George himself reflected accurately on the nature of what he had done: "Government" he said "is not reason, it is not eloquence, it is force; and force, like fire, is a dangerous servant and a fearful master." Very possibly he did not have an easy conscience; unlike Hitler and Mussolini he may have regretted the necessity of suppressing resistance. But his action was every bit as fascist as theirs.

3 See Appendix for full names and references of cited court cases.

A final, and dreadful example of what was done while America's founders were still alive and active: under President Adams in 1798 the Congress enacted the Alien and Sedition Acts, which set out savagely to punish any who spoke against the government's threatened war with France. That it could do that in the teeth of the absolute prohibition of any infringement of free speech allegedly "guaranteed" by Amendment 1 is a breathtaking proof of how little they respected the restrictions on their power, even as they exercised power derived only from that same charter.

The throttling of expression was as brutal as any that Göbells carried out on German resistors to Nazi rule. Yet the Act was not repealed; it just expired, when the Adams government fortunately yielded to that of Jefferson in 1803.

We must move on, though notice before we leave: Aaron Russo was accurate in saying that America is fascist, but mistaken to imply that the trouble began only in 1913. Having once understood what fascism actually means, we can see that it was there from the get-go.

The 19th Century was far less authoritarian in America than in the 20th; in that, Russo was quite right. There are certainly *degrees* of fascism, gradations of liberty. With three major exceptions, the 1800s were relatively free and (no coincidence and no surprise) peaceful. The pace of discovery, invention and development was such that standards of living grew at a rate unprecedented in human history, in America as in Britain and some other countries. I attribute that to the fact that government growth was, for that Century, unable to keep up with economic growth; as usual, it stole part of what people produced, but they produced so much so fast that more of the surplus than ever was re-invested for further growth. In America that growth proceeded even in the face of massive immigration! - which should have ended the common myth that immigrants hinder progress.

That was the most free and successful century ever, but was marred in America by three sinister government actions, each of them deeply fascist (authoritarian) in nature.

The first was the forced introduction of government schooling. Pressure for it had begun about 1820, and by 1840 it was instituted in parts of New England; thirty years later it was operating nationwide. This had never been “needed”, for home schooling with private and church schools were producing graduates more literate than any since; but a nasty alliance of religious groups (eager to proselytize children of waves of Roman Catholic immigrants at taxpayer expense) and socialists (eager to train each rising generation in the virtues of government) and teachers (eager for the security of salaries funded by force) combined to bring tax-funded schools into being. Costs have risen and standards have fallen ever since; while each new crop of graduates is almost fully indoctrinated in the alleged need for ever more government.

The second stain on 19th Century history was of course the war between the States, which was fought not over slavery but over the right to secede. Southern States were tired of being bullied by the Northern majority in Congress, so decided to leave; the Northern ones decided to stop them. The Constitution nowhere pretended to grant to the Feds any power to prevent secession of any member States, but they exercised it anyway and caused the deaths of 650,000 Americans, one in fifty of the population. If a comparable war were fought today with similar casualties, it would leave six million dead.

Now, it's not obvious to me that even if the Constitution had included in the list in Article 1 §8 some power to accept or prevent secession, those opposing it would have paid any heed; for we've already seen how little Congress cared for limitations on its power. Even so, the omission was tragic. That war was fought to retain authority in Washington. By the criteria we saw earlier in this chapter, that makes it a thoroughly fascist war.

The third was even less excusable: during the 19th Century the US Government slaughtered *another* half million human beings, allegedly under its “protection,” whose ancestors had resided in these parts for several thousand years and who wished only to be left alone; I refer to “Native Americans.” True, there was a massive clash of cultures going on, a really heavy problem of how equitably to divide the land resources between nomads and farmers. But the solution was imposed at gunpoint, and it was bloody; a permanent, deep stain on the fair name of America. Earlier, we saw that racial bigotry was a secondary, not a primary feature of fascism – but it was one feature, and it does result from its essential authoritarianism, and that racism was executed here in America. Had they known the term, there can be no doubt that every one of those half million victims would have described what was being done to them as “fascist.”

Sadly, then, yes there is no doubt of it: America is a fascist country. Yet we have so far hardly mentioned the 20th Century upon whose fascist developments Russo focused.

He's correct to identify the 1913 Acts that set up the Fed as a modestly disguised central bank, and the income tax, allegedly made feasible by the newly-ratified Sixteenth Amendment, as the bringers of terrible news. That was followed swiftly by America's entry to WW1 in 1917, in time to tilt the balance in favor of Britain and France, and to establish America as a primary player on the world stage. We've seen that militarism is a component of fascism, albeit not the primary one; therefore this first projection of US military force overseas was another strong indicator of the fascist nature of its government. The cost was 117,000 American lives.

It's worth noting the connection between the first event just mentioned, and the third. By doing its deal with the Fed, the Fed had made a kind of partnership with banks. In 1915 and 1916, leading bankers loaned money to the UK government to buy arms (from US

manufacturers) so they had an immediate interest in a British victory. They put pressure on their new friends in Washington to enter the war on Britain's side, even though of course there would have been no threat at all to US security from a victorious Germany.

This first needless foreign war was followed a couple of decades later by a second, this one costing another half million American lives, but leaving the US Government – the only one still standing - in a very strong international position, able to impose its will on a large part of the world. President Roosevelt was able to provoke Japan into making an initial attack, so as to disarm the large majority of Americans who wanted no part of it all and - in a brilliant though cynical “leakage” trick called “[Rainbow Five](#)” - to make Germany declare war on the US, so as to avoid having to do the reverse. This was a very sophisticated form of militarism, but militarism is what it was – thrusting American might across two oceans at the same time, and winning. And as we saw, strident militarism is a large though secondary component of fascism. WW2 was a war between fascists, two of whom were allied with a communist state. Wars make curious bedfellows.

Since 1945 American military power has been projected all over the world, with US bases in over 150 countries. It is not called an empire, but those bases, together with financial carrots and sticks funded largely by the income tax, enable the US government to run by far the most powerful empire in history; a full successor to the Roman one of two millennia earlier, and equally fascist to the core. It spends more on that military muscle than all the “defense” budgets of all other countries combined, and one amazing sign of its success is that the military is still composed of volunteers, despite deployment in two major theaters of war at this writing⁴, neither of which involves the least credible threat to America. That is a tribute not just to high salaries, but to the indoctrination of the youth who make up that force, carried out in government schools. Young men – and even women! - are willing to cross the world to kill (and yes, to risk being killed) just to

4 (In 2009, when the first Edition of this book appeared.)

secure and extend this worldwide empire. This is militarism, refined to a degree Der Führer, Il Duce and all the Roman Caesars would envy.

Let's check a further characteristic of fascism, as listed above on page 10: dissent. Is that still permitted, here?

Not, at any rate, when it matters. During WW1 even a sitting Congressman (LaFollette, of WI) was imprisoned for speaking against US participation, right in line with the precedent set by the Alien & Sedition Acts. But generally, I'd say that dissent is not suppressed as vigorously as in pre-war Italy and Germany, and the suppression is far more subtly carried out.

Prior to the Internet, it was possible to say almost anything against the ruling elite, but not to enable it to be heard; for all the mass-circulation media were under government control. Radio and TV were and are subject to FCC licensure, and those vital bits of paper can be pulled in a heartbeat if the broadcaster veers too far into anti-government territory. Then came the AM talk shows, giving vent to anti-Establishment conservatives like Rush Limbaugh, and they enjoyed so much success as to be branded “a vast right-wing conspiracy” by Hillary Clinton while First Lady. They continue today, dodging threats by Obama aimed at Glenn Beck and his ilk. In print media there are still a few that question the ruling socialist premises, but not many; and print newspapers are probably going the way of the Dodo bird in any case. The internet is where most dissent is being expressed,⁵ and happily there is no shortage. Periodically government seems to test the waters about censorship (by publicizing marginal problems like kiddie-porn) and rumors about that private communication (eg with PGP encryption) may have been compromised by PC makers' provision of a government “back door” to the associated passwords. Government in China has shown what can be done given the will; it has literally armies of censors monitoring the Net 24/7 and ordering sites taken down when they fail to conform to official orthodoxy; as I

⁵ Remember, this was written before the great Cancel Culture censorship of the 2010s and 2020s.

write, the search engine Google has decided no longer to co-operate in that censorship and has decided to quit the country. That kind of suppression hasn't happened here yet, but given the precedent above from as early as 1798, watch this space.

Dissent where it may count most – in elections – has for long been neutralized. “Third” parties like Libertarians and Constitutionals have been “allowed” to take part – at the enormous cost of obtaining ballot-access petition signatures – but have been successfully marginalized by the ruling Republican & Democrat duopoly so as never to muster more than an “also ran” vote total of a few hundred thousand nationally. Suffice it to say that no new political party has succeeded since the Republican one in the 1850s.

Americans have, in the 20th Century more than ever, been reduced to beggars at the government table, subjected at every encounter to the status not of discriminating customers (as in a market society) but of petitioners. Say “Boo!” to a government goose at any level – local, State or Federal – and watch the apparatus of authoritarian rule swing into action. Cops still say “Sir” during traffic stops, but if anyone believes they feel genuine respect when doing so, I have a bridge in Brooklyn you'll want to buy; and as for extracting an honest answer from IRS agents, their level of silent arrogance is legendary. There is a fascist in every politician and every petty bureau-rat in the country; alas yes, America is well and truly fascist.

Government ≡ Fascism?

Before concluding that all government is equivalent to fascism (mild, extreme or somewhere in the middle) let's check a couple of possible exceptions.

Is a **communist government** also fascist? - re-visit the list of attributes on page 10. The first four, headed by authoritarianism, certainly apply. The last two generally do not; communist governments

were international in outlook, typically (as in, “Workers of the World, Unite!”) rather than patriotically nationalist, eg Russian. Stalin pretty quickly reverted to appeals to Russian nationalism in 1941 when his German allies double-crossed him and attacked, but in any case I see that as a distinction without a difference. To Ivan in the street, it was six of one and half a dozen of the other; he was, alas, subservient to the State.

The final attribute is also non-applicable to communists, for they take ownership of major companies for the State, whereas fascists seldom do so, preferring to let the profit motive bring the best possible results – ready for them to tax; and control is done by shelves full of regulation. But again, this difference is technical; it's just an alternative way of arriving at a similar result: *control*.

Finally, is a **limited democracy** really fascist? Certainly is, and the American examples above provide the proof. It really doesn't matter whether the dominating is done by a tyrant or by an elected parliament, or whether its laws are passed by a majority of 51:49 or by 99:1; the individual is still made subservient to the state. Imagine a conversation between you and a US Government customs officer, at the dock gates on the first day on which the Hamilton Tariffs went in to effect. You have just unloaded a consignment of goods from a ship from Hamburg, and are heading your wagons to your warehouse across town.

Importer: Walk on!

Revenuer: Halt! Your receipt, please, Sir.

Importer: Whoa! [To revenuer] Which one? - I have three.

Revenuer: The import duty receipt.

Importer: I neither have nor need one of those. I paid the German

manufacturer of these goods, and have his receipt. I paid the shipper to bring them here, again under contract, and his receipt is here. I have paid the dock owner for his services as agreed, and his receipt is right here. I have not contracted with anyone else. When the road owner requests a toll, I will show my E-Z Pass to confirm I have paid that too. So stand aside and let me travel!

Revenuer: No doubt you have. But today a new law went into effect. You import these goods, you pay duty.

Importer: I never agreed to such a law, and will not pay.

Revenuer: [drawing pistol] Then I must arrest you, Sir.

Importer: [also drawing] Stand aside, highwayman, or I shall shoot you in self-defense!

I'll leave you to compose the rest of the story! - for its point is clear. The Tariffs were perfectly legal, perfectly constitutional, but totally unacceptable to any sovereign person. They made him subservient to the state, ruled him whether he wanted it or not; they were fascist. So are all other laws (in sharp contrast to freely-drawn contracts) and since all governments enforce their will on their subjects, all governments are fascist. No exceptions.

2: Questions Arising

So far we've discovered that far from exaggerating the bad situation America is now in, Aaron Russo's documentary "America: From Freedom to Fascism" somewhat understated the bad news: not only is the country fascist, it has *always been* fascist and "fascism" means pretty well the same thing, always, as "government." Government is about some people imposing their wills on the rest of the population, and that is exactly what fascism also means: authoritarian rule.

That provokes some questions:

- How does fascism go from bad to worse?
- Is moderate fascism the best we can hope for?
- Is government necessary at all?

In this chapter we'll explore possible answers to these, and then get to consider what can be done about them in practice.

From Bad to Worse

We've seen that authoritarian rule was present in the very first session of the US Congress. However, clearly the size and scope of government in 2010 is far worse than what was experienced in those early days. Russo's AF2F traces massive increases in tax, control and surveillance during the 20th Century alone. How did this come about?

It got from bad to worse also in Hitler's Germany. His Nazi Party was elected in as fair an election as most, and remained highly popular for a decade; but the degree to which he exercised absolute rule increased a lot during that time and it was no accident. The key to the change was that in February 1933 the Nazis set fire to the parliament

building (the Reichstag) and blamed it on their communist rivals, then used that as an excuse to abolish parliament and rule by decree. From then on, they didn't have to bother with debates, rivals or voters.

The use of a crisis⁶ to consolidate rule is a favorite trick of governments. They make the population afraid and insecure, then promise security if only they are granted a little additional power. The crisis may be real or nearly so (like the Reichstag fire) or contrived completely. The promise is always a fraud, and is never fulfilled. War – the threat of attack, real or fictitious – is another often-used example.

The 9/11 attacks were a perfect case in point, and were used immediately to increase authoritarian control and reduce freedoms with the infamous “Patriot Act” which had been written and held ready for several years and which was voted into law before Congressmen had bothered to read its text. That was followed fast by the launching of a war, and a little later by the launching of another. More Americans died in them than died on 9/11.

Some have correctly recognized these facts, and alleged that 9/11 crisis was so valuable to the FedGov that it must have been a “false flag” operation actually carried out by its agents. That is quite possible (again, like the Reichstag fire) but in my own opinion unlikely; I doubt that government people are smart enough to mount such a complex operation successfully and to keep it a secret ever since even though many hundreds of people would have had to have had knowledge of the plot. Perhaps Bush and his cronies did have advance notice of the attacks and did nothing to stop them – that's the “LIHOP Theory”⁷ - but anything more seems to me too much of a stretch.

In any case, it barely matters. They certainly took full and terrible advantage of them to increase their rule over supposedly-free Americans, to make a bad fascist situation a great deal worse.

⁶ “Never let a crisis go to waste” - Obama advisor Ralph Emmanuel

⁷ Let It Happen On Purpose

That's a recent, major way the Feds have given their degree of rule a big boost. Another was to bypass the often tedious process of enacting laws – for example, to collect massive sums of money with an income tax that was never written into law, as AF2F showed so well – and the source of that goes back to the birth of the Union.

The key to this trick is **Article 3**.

It's worth reminding oneself of what it says, because it says so very little. Judges are to maintain an undefined standard of “good behavior” and to enjoy an irreducible salary; the Supreme Court is to be one of Appeals only except for a few named types of case, and there are to be juries – of size unspecified. Little else, though already that's a whole lot; if courts can judge whether someone broke the law, they must also have the power to interpret laws, to say what they mean; and so Congress could enact a rather vague law and a court would later give it an exact meaning – one that might not correspond at all to the intention of the voters who sent the legislators to enact it. No explanation of the powers of the judiciary appears, what it can and cannot do – and right there is a huge contrast with Articles 1 and 2, which are extensively occupied with those subjects and take nearly ten times as many words to say so as are found in Article 3. Did the “judicial power” include for example the power of “judicial review”; to review laws Congress enacted and declare them constitutional or not?

No question: Hamilton and others certainly thought so and certainly wanted it so⁸, yet Article 3 is silent. Others, as shown by the Anti-Federalist, strongly opposed the idea, for it would make the judiciary the final dispenser of law; it would make the Union a dictatorship of lawyers, not a democracy at all. Yet on this vital issue, it says nothing. It is hard to see that omission as anything but deliberate.

As I see it, this “blank check” of Article 3 is of central importance in our

⁸ See the Federalist Papers #78

search for understanding of how this country progressed from mild fascism to strong fascism. It was the ultimate ace-in-the-hole for those who planned all along that the new government would operate without serious limits on its power; for all that would be needed would be for Congress to enact some legislation desired and then for the Supreme Court to declare it constitutional even when it was obvious to everyone else that it was no such thing. I don't say this "ace" was played often during the first century of our history, but I do say it was played whenever a critical need arose, such as in its second century, on which Aaron Russo focused much attention in his documentary.

First, the blank check had to be filled in and cashed, and that task was performed by the first case to test the 1789 Judiciary Act, which purported to grant the Supreme Court the power to hear certain cases with original jurisdiction. Such a suit was filed by one William Marbury against Jefferson's Secretary of State, James Madison, in 1803.

Its details need not concern us, but it relied upon that power supposedly granted by Congress. The Supreme Court under John Marshall denied the suit on the grounds that it had no such jurisdiction, because the Judiciary Act had been unconstitutional (as indeed it had.)

Thus, Marshall fell into the trap; because by declaring the Judiciary Act unconstitutional, he himself was acting unconstitutionally! - Article 3 never having granted the Judicial Branch the power to say what laws were, and were not, constitutional. Possibly he fell into it reluctantly; I doubt that, because of the enthusiasm evident in the wording of his decision, including:-

**IT IS EMPHATICALLY THE PROVINCE AND DUTY OF
THE JUDICIAL DEPARTMENT TO SAY WHAT THE LAW IS**

That extract was chosen to be engraved on the wall of the present Supreme Court building when it was constructed in 1935, and is

exactly what Hamilton wanted Article 3 to assert, but it did not. The omission was now repaired. After the 1803 *Marbury* case, America was no longer a limited constitutional republic but an oligopoly of lawyers who would “emphatically say what the law is”, open to the influence of any powerful cabal of the FedGov members. Just as, I believe, was always intended.

So by 1803 the Judicial Branch had two powers, both of which were allowed by the empty wording of Article 3 but neither of which was explicitly stated – because, as I see it, an explicit statement would have been fatal for the urgent process of ratifying the Constitution. Approval was obtained because it appeared heavily to limit the new Federal Government; had it been clearly seen to be a grant of almost unlimited power, it would have failed.

Come 1913, when Russo reckons the deep plunge into fascist rule began, those judicial powers were fully used to impose an income tax in America. This tax has assumed vast importance because it now furnishes half of all FedGov revenues directly, a further third indirectly, plus all *State* income taxes by induction. It is by far the largest tax in world history. Here is a brief summary of how the trick was pulled.

Recall that in its nature, a tax on personal earnings (wages, personal business profits...) paid to the FedGov is certainly a direct tax; it relates to an individual's personal property (his labor) and money is paid directly by the taxpayer to the government. Therefore, according to *three* provisions of the US Constitution, it *must* be “apportioned” according to State populations, like congressional seats.

Congress enacted one in 1894 without apportionment, and in the 1895 *Pollock* case the Supreme Court declared it void. Still eager for new sources of revenue the Congress then proposed in 1909 what four years later became Amendment 16, to say that taxes on something called “incomes” did not need to be apportioned:

The Congress shall have power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the several States, and without regard to any census or enumeration.

Notice that this wording *failed to define “incomes”* and that this is the only place that word is used in the whole Constitution. It tells us that the entity has numerous “sources” which suggests at once that wages are not to be included in the term, for what “source” can a wage have? However, all definition is lacking. Since the word was and is ambiguous (it might mean wages, salaries and personal profits or it might mean corporate profits and is so used to this day in some reports to shareholders) it does certainly require a crisp definition if it's to be used in law.

Further, since it's undefined in the Constitution, it can not be defined *outside* the Constitution (for example by an Act of Congress, or by a court decision) for such a decision would then amend the Constitution and that, by Article 5, can be done only by three fourths of the States. So, right off the bat, Amendment 16 is a Class A mess without any clear meaning whatever. Enter, the Supreme Court.

Following the declared ratification of Amendment 16 the 1913 Income Tax Act was passed, and at once there were several contentions that reached the courts. Upon appeal, these were settled by the Supreme Court opinions between 1916 and 1921. The all agree that:

- “The [16th] Amendment contains nothing repudiating or challenging the ruling in the *Pollock* case.” (*Brushaber*)⁹
- “The provisions of the 16th Amendment conferred no new power of taxation...” (*Stanton*)
- There can not be a federal tax “lying intermediate between these

⁹ See Appendix for full names and references of cited court cases

two great classes [direct and indirect] and embraced by neither... any such proposition... if acceded to, would cause one provision of the Constitution to destroy another; that is, they would result in bringing the provisions of the Amendment exempting a direct tax from apportionment into irreconcilable conflict with the general requirement that all direct taxes be apportioned. This result... would create radical and destructive changes in our constitutional system and multiply confusion.” (*Brushaber*)

- “The whole purpose of the Amendment was to relieve all income taxes when imposed from apportionment from a consideration of the sources whence the income was derived.” (*Brushaber*)
- “A proper regard for its genesis ... requires that the [16th] Amendment shall not be extended by loose construction... so as to repeal or modify... those provisions of the Constitution that require an apportionment for direct taxes upon property, real or personal.” (*Eisner*)
- “The word [income] must be given the same meaning in all of the Income Tax Acts of Congress that was given to it in the Corporation Excise Tax Act [of 1909] and that what that meaning is has now become definitely settled by decision of this court.” (*Merchants' Loan*)

The last of those defined “income” - but as we saw above, that is something the Judicial Branch is not empowered to do, for it amends the Constitution and only the States can do that, by a three fourths majority. So the definition given may well be “correct” but the Supreme Court ought not to have said so; once again, a government branch was exceeding the powers it had been granted. What it ought to have said was something like “this Act, resulting from this Amendment, is for ever meaningless and void, for the meaning of its principal term, 'income' is undefinable.” That, however, would really have set the cat among the pigeons and the Supreme Courtiers, it seems, did not have

quite that much *chutzpah* even though, in the rulings above, they clearly said that the new Amendment did not do what Congress presumably intended it to do.

So far, through 1921, the Judicial Branch had acted to deny Congress' power to tax individual earnings, and did so by those rulings of its Supreme Court. Thereafter, alas, its policy changed. Ever since then,

- the Executive Branch (the IRS) ignored the ruling above and continued to collect that tax
- lower courts in the Judicial Branch supported that action in numerous decisions ever since, frequently quoted by the IRS to demonstrate its legality
- the Supreme Court has ignored many appeals from those defective, lower court decisions, thereby condoning the tax despite its earlier rulings
- the Legislative Branch (Congress) also ignored the 1916-21 decisions except that in 1954 it amended its Internal Revenue code very quietly, so as to remove all mandatory language about the income tax and to delete words like “wages”

The policy change was so dramatic and consequential that it may be worth digressing, to speculate how it may have been brought about. The time frame is fixed: in 1921 the Supreme Court clearly ruled in *Merchants' Loan* that the tax was an excise upon corporate profits, while in 1927 it treated the case of *US v Sullivan* as if it were a direct tax on individual earnings. So something happened during those six years to change its mind. What?

There were numerous personnel changes on the Court, and in 1927 Oliver Wendell Holmes wrote the *Sullivan* opinion – though he had

also been a member in the 1910s. Sullivan was a car dealer and bootlegger, and he did not file a tax return for the good reason that by doing so he would be giving up his rights under Amendment 5 not to incriminate himself regarding the latter business. The Circuit Appeals Court agreed, and if its decision had stood, the tax as we know it would have died.

The Department of Justice [*sic*] then appealed the case to the Supreme Court – itself unusual – and the case was heard. Holmes could quite easily have written that the question of Sullivan's Fifth Amendment rights was moot, because no evidence showed him to have made corporate profits and therefore he was not obliged at all to file a return.

But he didn't. Instead he assumed that such an obligation did apply, and ruled only on the Fifth Amendment issue (in a scurrilous and convoluted way that denied Sullivan's right to silence.) Without actually saying so, therefore, Holmes had just implied a reversal of the whole set of 1916-21 decisions.

We can only speculate what caused him to do that, but I can imagine what might have happened. During this period the IRS (the Executive Branch) had been enforcing the tax just as if those decisions had never been made, and some useful revenues were being produced. That was, I think, just what Congress had intended when Amendment 16 had been drafted – even though it was done so badly that *Stanton* ruled that it gave “no new power of taxation.” So it's fair to suppose that the Executive and Legislative Branches were in a buzz and a panic; somehow, they had to persuade the Judicial one (which “emphatically says what the law is”) to change its mind – for a new, vital and potentially huge source of revenue was at stake.

Holmes obliged, and made such good use of *Marbury* that those key words were literally carved into the new building eight years later.

To suffer such a rapid change of mind openly and clearly would have been so undignified as to damage the Court's public credibility, so the stratagem of doing the job by an unstated implication was the method chosen, after whatever pressure that was applied, had been applied. Perhaps threat were made that the President would stuff the Court with members who would support a tax on individual earnings. Perhaps that was *actually done*; during those six years five new judges were appointed, four by President Harding. Such critical decisions are often never written down with a rationale, so we may never know. We can only see the result.

We might take the speculation a stage further. Ever since 1927 the Supreme Court has been able to have it both ways; it has explicitly ruled against an individual earning tax and can call on those rulings any time it wants to undermine the entire government industry (a “nuclear option” that's available in case some intra-government plot were ever hatched to deprive it of the power to “say what the law is”.) Yet it has also gone along with the other two Branches implicitly, in its *Sullivan* ruling and by declining to hear subsequently any appeal that argued that the income tax is void; and like everyone else in the government industry, its members enjoy all the fruits of this huge levy.

So this, the largest of all taxes, is collected without explicit laws in place and on the basis of how the Judicial Branch uses its powers in Article 3. Upon complaint to The People's alleged representatives, Congress can wring its hands and say the courts have ruled such and so; the Supreme Court can innocently point to its favorable decisions of 1916-21, and the Executive Branch can enjoy enforcing the tax and spending what it yields; while the IRS zips its lips when asked to explain what statutes entitle it to collect such money. The entire government industry subsists on this tax, yet it can be enforced only because the lower courts do as Article 3 and *Marbury* allow: they say emphatically what the law is, while the Supreme Court does nothing to contradict them.

One of the highlights of AF2F was Aaron Russo's interview with Sheldon Cohen, a former chief counsel and Commissioner of the IRS; there can hardly be anyone more knowledgeable on the subject, yet Russo's polite and simple questions tied him up in knots. Eventually he said, in Yiddish, that if Russo were to act on what he was asking about, "Nothing will help you!"

So he knew of no laws, but also knew the courts would for sure enforce them anyway; that they would "emphatically say what the law is" - even to the extraordinary extent of *deliberately misquoting the words of a statute*, in the 2005 case against Cohen, Neun and Schiff.¹⁰ Legislation by silence, rule by deceit, fascism at work.

Such is how government grows, how fascism goes from bad to worse. Now let's consider...

Is Moderate Fascism the Best Available Option?

The same question is sometimes posed as "Isn't a limited government the best possible form of society?" - that is, the questioner supposes that if only we could get back to "constitutional rule," no further improvement would be feasible or necessary. We have seen however that America was fascist at its birth, without departure from the rule of the Constitution, so the question can be asked as posed.

If the answer were "yes," I'd see it as terrible news. First, the kind of society we'd have would certainly be fascist, so with the best will in the world and a careful, respectful obedience to Constitutional limits, we'd still be living in an authoritarian society and that is not a happy outlook for free human beings. Then secondly, we have just seen that in practice, once they exist at all governments do not, in fact, adhere to any limits they find it feasible to break; so mild or moderate fascism is not a *stable* option. Once they are given an inch, they will take a yard - using one form of trickery or another. One cannot sustain a mildly

¹⁰ See <http://takelifeback.com/irwin/juryinst/> at Instruction #19.

fascist society, in other words, any more than one can become or remain mildly pregnant.

At the same time, I recognize that if I can't describe or visualize an alternative, that may be the least harmful option – to try again. My attempt to describe one therefore follows below, under the heading “Is government needed at all?”

Meanwhile to “try again,” if that were somehow possible, would place us again at the beginning of Congress' first session, in 1789; for I don't challenge at all the view that the US Constitution was the finest attempt possible to create a government with limits. Note though, again, what took place: five non-administrative bills were enacted. Four of them took advantage of the Constitution's grant of power, and the fifth exercised a power it did *not* grant, so as to give the Supreme Court the chance – grabbed later in *Marbury* – to seize a far greater power yet, so as to “say what the law is.” Clearly, that first Congress was not interested in obeying limits. How exactly would such an interest be fostered in some future, first-time congress? What could be done differently the next time around?

That's one problem without any solution that I can detect. A second factor is that in any case and supposing those politicians could have their spots changed and respect the supreme law, that law by no means protects anyone from fascist rule. Much has been said of its fine limits; notice however the powers that government was, purportedly, granted by Us the People. They include the following:

- It can levy taxes, and there is no stated limit of size. Provided it apportions direct taxes and levies indirect ones uniformly, Congress can impose them at 10%, 100%, 1000% or at any rate it sees fit.
- It can borrow money, so shuffling responsibility for repayment on to future taxpayers, who may not be presently represented – or

even born. So much for “no taxation without representation.”

- It can “regulate” major commerce; precisely what modern fascists most love to do.
- It can impose bankruptcy, so denying creditors the opportunity to negotiate a better deal
- It can coin money. Not create it out of nothing, but still “coin” it. Why? - why not leave it to market participants what form of coins they will use for money?
- It can “take” property (by Amendment 5) provided only it pays a price it declares is “just” and puts it to “use” that it says is “public.” Again: ownership in America is an expensive illusion. This is perfectly legal, perfectly constitutional, perfectly fascist.

There are more, and can be read in Article 1 §8, but I hope the drift is clear. Even a Constitutional America would be authoritarian, fascist, repugnant to liberty. Even if government stayed strictly within its limits.

So two problems with the idea of settling for moderate fascism, a limited government, are that no way is known for preventing it breaking limits and becoming a lot less moderate, and that even if one were found it would still be horribly authoritarian. A third is even more troubling; the whole notion that “the people” delegated such powers to a government via a Constitution is patently false.

Consider what it means to “delegate.” I might appoint you as my representative in a certain matter, to negotiate an agreement of dispose of my property after death, etc. You would have my “power of attorney” and could do anything within its terms of reference that I could do if I were present in person. I could delegate any or all of the powers that I possess. *But I could not delegate any powers at all that I*

do not possess.

If I do not have the power or right to stand at the dock exit and require an importer to pay a duty on what he just imported from Germany, I cannot delegate that power to anyone else! And of course I don't, and nor do you.

Do I have the power to borrow money on the basis of a promise to repay after having extorted the money from some future victim? I suppose I have the right to propose such an outrageous loan, and it's just possible that some lender would go along with the scheme; such things may be done in the criminal underworld. However since such repayment depends on the future use of force, I suggest it's fair to say I don't have the "right" to do it, and therefore I cannot delegate that right to anyone else.

If I do not have the right to make or accept promises in deals with foreign governments on behalf of anyone but myself (and I obviously do not) then I cannot delegate that power to anyone else.

If I do not have the right to prevent someone crossing an imaginary line drawn on a map, then I can't delegate that power to anyone else. And unless the line demarks my own property, I don't. Nor do you.

And so on; every one of the powers in Article 1 says the "people" delegated to the Federal Government were far beyond their ability to delegate because they did not own those powers in the first place. On its face, therefore, the US Constitution is a complete fraud, and that's the third of three problems with the notion of settling for moderate fascism, a limited government. Together, they are fatal. So...

Is government needed at all?

Our options are running out! - so this is a very good question to consider. Could society function without any government whatever?

Thomas Paine thought it could not, for he famously wrote “Government, even in its best state, is but a necessary evil.” He knew it was evil, but thought it was still necessary; presumably, less evil than having none.

He came awfully close, but got no cigar. He also wrote, immediately preceding that quote from his “Common Sense,” that “Society is in every state a blessing” and so showed that he did understand the difference between society and government. Many today do not.

Paine argued for the necessity of government by asserting that mankind has a bias toward evil. Two further quotes:

Some writers have so confounded society with government, as to leave little or no distinction between them; whereas they are not only different, but have different origins. Society is produced by our wants, and government by our wickedness; the former promotes our happiness *positively* by uniting our affections, the latter *negatively* by restraining our vices. The one encourages intercourse, the other creates distinctions. The first is a patron, the last a punisher...

For were the impulses of conscience clear, uniform and irresistibly obeyed, man would need no other lawgiver; but that not being the case, he finds it necessary to surrender up a part of his property to furnish means for protection of the rest; and this he is induced to do by the same prudence which in every other case advises him, out of two evils to choose the least.

Paine's pamphlet enjoyed phenomenal success, and acted as the intellectual cement binding participants in their struggle for independence – for the bulk of it went on from those quotes to show why Britain and its King and Parliament were not fit parties to provide the government in America which Paine argued was necessary. That's not the issue in our time; the issue today is whether or not he was right in believing that *any* government is needed. His case was simply that, evil though it is, the alternative of doing without government altogether is the greater of two evils; that without one members of a society would lack “protection” from the “wickedness” of some

because “vices” would not be “restrained.”

Paine's perception is right in line with the arguments used today to justify the existence of government, on the rare occasions when we can find anyone willing to use them (more commonly, they ignore the question and/or use brute force to silence the questioner.) Notice how clearly his premise states that people are wicked and vicious and in need of restraint. This corresponds exactly to the way in which the Christian religion justified government, even when it is known to be savagely repressive; in Paul's letter to Christians being persecuted in Rome, he writes (13:1) “Let every person be subject to the governing authorities. For there is no authority except from God, and those that exist have been instituted by God.” A couple of verses further on he continues: “Rulers are not a terror to good works, but to the evil.” Ha! Tell *that* to the millions of innocent Jews about to be exterminated in a government gas chamber.

The same religion teaches, of course, that mankind is born with “original sin” around his neck – dating from the Garden of Eden. This was the culture in which Paine and all his readers had been raised, so it's not too surprising that it was accepted without question.

Very obviously, human beings are *capable* of doing awful, evil things, most particularly when they are handed power over other people, as is the case with governments; but is there really a *bias* toward evil in every person? Paine's premise is that there is, and if that premise is incorrect, his whole argument collapses like a punctured balloon.

I suggest that it is wrong; that no such natural bias exists, that the doctrine of “original sin” is a nasty myth woven to justify the otherwise needless existence of priests and other purveyors of pointless pardons. So it's interesting that this single premise underlies both church and state! - and is therefore critically important to verify.

Once it's questioned, it melts away rather quickly. Think of anyone you

know, and ask: is this person *evil*? Of course he isn't. Virtually everyone we know, in their own capacities as persons, are decent and well-meaning and to one degree or another, benevolent. Perhaps you know someone who recently took part in the government's campaign of murder in Iraq, or Afghanistan, and who was responsible for directing bombs that killed several of the government's enemies, and perhaps even non-combatants close by, as part of the "collateral damage." Is your friend "evil" when back home playing with his children?

Of course not. The system that he served is evil, it trained him to do terribly evil things, but *he* is not – except that he made the bad choice to work for it. Occasionally I've encountered IRS personnel, doing wicked things in their professional capacity; but as individuals, they are as kindly and benevolent as the next man. Yes, there must be a degree of blame somewhere, that their consciences did not stop them being immersed in that system, but a form of Paine's argument, that their choice was "the least of two evils", would have played a powerful part. The bit they – and he – missed is that the lesser of two evils is still evil.

The other great weakness of Paine's premise about human wickedness is that if it were correct, the pool of people from which the "restraining" government would somehow be selected is still evil; thus, the process (whatever form it takes) would still take evil people and equip them with power over other evil people, all on the pretext that the net result will reduce, restrain or otherwise minimize evil! This is so grotesquely absurd that no further reasoning is required.

Still, we have to deal with the fact that in human society some evil things get done. Sometimes people lose their cool, and damage their neighbor. As I write this,¹¹ the day's news is that a couple has been arrested for murdering an acquaintance of mine, Dr Gene Mallove, six years ago. The evidence is far from complete and the reports, scant;

¹¹ In 2009.

but a read between the lines suggests that the man was enraged that Gene had terminated the rental contract he had for Gene's house, and killed him in a fury of revenge. No question; if that proves to be the case, it was an evil act and needs a justice system to put it right. So I must demonstrate that absent government, such a system of justice is feasible; for while most evil comes from the hand of government, some of it does not. I have to show how, in a zero-government society, justice would be done.

Justice without government would be delivered in the same way as all other goods and services in demand, such as food, shelter, clothing, education, transportation, fuel, and thousands of others: by the natural operation of a free market, unfettered by government.

A market in justice would have several components, and one clear objective in demand: *restitution*, or recompense. If somebody suffers aggression such as theft of his property, he will want it back. That's the market demand. The demand will be met by several players in the market; *detectors* to find out who committed the aggression (and already private investigators exist who might form the nucleus of that part of the industry), then *apprehenders* to bring the accused person to account for his action (today bounty hunters sometimes do that, so might be the first to offer that service), *courts* in which the facts would be determined (and already private arbitrators offer such a service and might pioneer that part), and *executors* to carry out the court's verdict (collection services already exist.) Finally *insurers* will, I think, play a useful part by smoothing the whole process; if a victim doesn't want the hassle or delay of processing his claim through the courts (much more efficient though they would be) insurers might settle with him at once and take over his position, making profits by taking a regular premium plus the amount of the award; so, he settles quickly but at a discount. That won't apply to all, but would attract some.

Even though private arbitration services already operate, a lot of people have difficulty understanding how a court operating for profit

could possibly be impartial and effective. There are two parts to that: how could they keep a balance of judgment, and how could their verdicts be enforced - in each case, without government enforcers.

It's really not all that hard, once we grasp that in a society rid of all government, everyone's ability to earn a living would depend very heavily upon his *good reputation*. Anyone known as a con artist or a scoffer of court verdicts will not readily find anyone to trust him to keep to his obligations in any new or proposed contract, of any kind including one of employment. Therefore, there will be a very powerful incentive on everyone to maintain a trustworthy reputation, to show that even if he erred and suffered a court verdict against him in some matter, he obeyed that judgment and paid what was owed, so discharging the obligation he had chosen to undertake.

That's how “enforcement” would work. A private court's impartiality would be ensured in a similar way, for courts too would be players in the market and if one got the reputation of being biased in some direction, the business brought to it would swiftly dry up.

But still, it may be asked, what's to compel a person to attend a court hearing, when accused? - answer, again, nothing – except a desire to maintain an unblemished reputation. Someone accused (publicly, of course) of swindling (violating a contract), *and* refusing to appear in his accuser's chosen court, will quickly find himself short of opportunities to engage in fresh contracts, ie to earn a living. That's why he will show up. In fact, if he knows the accusation is just, he will instead “settle out of court” because that way, there will be no adverse publicity at all, and fewer expenses for him to meet.

A final objection relates to how a free justice industry would handle cases of bodily harm, including murder. There, it is not a matter of proving theft or fraud and ensuring repayment, it's one of making persons whole again, and sometimes, sadly, that's not possible, as in the case of Gene Mallove. One cannot compensate a dead victim.

If the harm has been repaired medically, the court can order the aggressor to pay all or some of the costs (the rest being paid by the victim's insurer.) In the case of death (whether caused deliberately or by careless conduct) that's impossible – but still, some compensation can and will be ordered by the court to be paid to the victim's family at the expense of the person who caused it; and once again, he will pay it because of his urgent need of a good name in the marketplace. Who would employ an unrepentant murderer?

Those concerns are valid, but the answers are good; and to the surprise of many people, they are not just theoretical – they have been used before, in actual history. The occasion was all too brief, but for two centuries after Iceland was settled by Norwegian refugees in 850 AD, there was no government at all. Killings (accidental or deliberate) did take place occasionally, and the normal practice was that the killer visited his victim's family to offer compensation. If he didn't, eventually a court (“Thing”, in Icelandic) would order it to be paid – but there was no punishment at all, as such; no government or god to be propitiated.

Cases of death or injury are especially hard to settle justly, but this focus on the payment of compensation is about as fair as can be achieved in real life, and a market system as above would certainly deliver it. Contrast that with the present, government-infested alternative, based as it is on a theory of punishment instead; the actual victim is almost ignored, the perp is punished and ruined (prisons see high rates of recidivism) – all at the expense of bystanders called “taxpayers.” It is ludicrous that this system should ever be described as one of “justice.” Then on top of all that, the government “justice system” punishes a large number of *victimless* criminals, who have harmed nobody at all except possibly themselves; drug dealers, gun owners, tax evaders. That's no great surprise; recall, Article 3 was written to set up a system to enforce government decisions, rather than doing justice between members of society.

Let's recap: we've been discussing how justice would be delivered in a zero-government society because of the very common premise, that Paine shared, that a justice system requires government. I have shown it does not. Therefore, that reason to have one has vanished.

The other reason Paine mentioned is **protection**. Government, he said, is needed to protect peaceful people from evildoers.

Nonsense.

Government does not protect anyone, and has even stopped pretending that it does; many of its courts have ruled that police departments are *not* responsible for protecting people, and as Mark Stevens well observed, “the word 'protect' is mysteriously not included in any definition of 'govern.’” By its outrageously aggressive foreign policies the Feds actually expose Americans to harm rather than protecting us, and local governments normally show up *after* a crime of violence has occurred – as in the case of Gene Mallove. Then they may or may not solve the crime; currently a majority even of murders goes unsolved. I hope that particular case will be an exception, but even though the accused killer (Gene's tenant) was known to have been evicted just prior to the murder, it has taken police *six years* to gather evidence enough to charge him. Some “protection,” despite the ubiquitous claims on cop cars that they exist “to protect and to serve.”

Protection and punishment of evildoers was why Thomas Paine thought government was necessary, but there other reasons sometimes advanced – in the form “Without government, who would **provide X?**” - where X is some service the questioner thinks vital. It might be roads and bridges, or schools, or welfare for the poor, or health care, or protection from ruthless profit-seeking pharmaceutical companies, etc, etc. In a book of this size I have no room to answer all of them; governments do so much, the list is potentially very long.

The answer for each of them does however have the same form: if X is in demand, *the market will provide X*. That is, if people want X and are willing to pay for it, then X will be provided by somebody in search of profit, shortly after he detects the demand. His calculation will be simply: How much is being offered for X? - and for how much can I buy or manufacture X? Then if a profit is perceived he will go ahead and offer it.

If a profit is not perceived by one businessman, it may be perceived by his rival who has a smarter idea for making X at a lower cost, or it may not. If nobody can see a profit, X will not be provided. Why not? - because the demand is not strong enough; buyers are bidding too low. That is a very good result, for it means nobody wastes resources producing goods or services that buyers aren't willing to buy. When this profit calculation is not performed (and in the case of government providers it is never performed!) then if X is produced anyway, resources are squandered and the result is another component of the massive hole in the ground known as "government waste."

When a zero-government society begins (and as the next chapter shows, I think that will happen quite soon) there will be huge adjustments to prices. A single provider of a service is called a "monopolist" and he can raise prices to a level unsustainable in a competitive marketplace. If his customers have no alternative, they have to pay. In the case of government providers, such a monopoly always prevails and while "profit" is not a term applicable to them, high prices certainly are. A good example is schools; residents of an area are forced by laws to pay the prices charged by school providers, subject to complex formulae and endless boards of control, and it now costs around \$18,000 to "educate" one child in its system for one year. Private competitors are not forbidden, but taxes for the government schools have to be paid first, whether the places offered are used or not. This is a monopolist's dream! The few rivals come in two flavors: expensive, gold-plated "prep schools" for the wealthy, and low-cost, bare-bones establishments for those of the rest of us who know how

bad a job is being done in the government classrooms. The latter usually charge only a fraction of that \$18,000 a year, but are not numerous; the best known are church-affiliated schools that provide good value.

Thanks to the Internet, real education will in future (and it's already beginning) be offered for 10% of the cost of the government monopoly or even less. Interactive classes will be used from the home, with live-chat experts available online for consultation as needed and with parents participating (and probably learning quite a lot!) with young children. The main impediment to this highly desirable development is that government-school fees are still being collected by force anyway; there is little money left over for even that very modest price. When that force is removed, however, when the zero-government society begins, the market will explode and real education, begin.

I'll take one other example for "X" and show how the free market would provide it in a zero-government society: money, because Aaron Russo's AF2F gives a lot of space to how government runs a money system with its Federal Reserve Bank.

Money is a medium of exchange to make it easy to trade without need to barter. To do that job it must hold its value over time, so that we can sell something today (our labor, perhaps) but not have to spend it until next month, if that happens to be convenient. Also it's good to save a little (that's the essence of true capitalism and the only source of economic growth) so that saved money must hold its value over several years, or else thrift and saving are futile. Therefore money must have an inherent value.

Those requirements have, over history, been met best by precious metals – notably gold, and for small change, silver. Therefore, I believe that a free market will choose gold.

Since paper meets none of those requirements, we can be quite sure

that paper money will not be chosen, except in the form of certificates to other forms of wealth such as gold held in safe storage. Therefore, when government disappears it will certainly take its money with it; paper, “fiat” money (the kind conjured into existence by the magic described on page 14) will revert to its true value: zero.

The supply and form of money will be just what the market desires, neither more nor less. Anyone who wants to turn gold nuggets or dust or melted jewelry into coins will be free to do so, and nobody will be compelled to accept them in payment. The most acceptable ones will be stamped with the name of a well-respected minter, and will show its exact weight (ounces, or by my own preference, grams) being *units* of the currency. Thus, an automobile might be priced at 10 gold ounces, or 300 gold grams. No doubt electronic gold would be freely available, so that with a plastic card purchases could be made at the supermarket, for example to an accuracy of 0.0001 gold grams (today just under one cent.)

It's predictable that the total supply of money (gold) in circulation will be rather stable, with a little extra being mined and minted each year. If that rate happens to equal the rate at which work is becoming more productive (as it naturally will) then prices will tend to be very stable. For sure, continued high inflation rates will be history.

Banks will revert to being the safe-storage warehouses they were originally, and if any choose to lend out any of the money entrusted to them, depositors will expect to be paid a good rate of interest rather than pay storage fees; for there would be a risk factor at work. This would tend, I think, to make credit relatively hard to get, with the result that the price of assets such as houses now typically bought on credit will be considerably lower.

Let me wrap up this chapter by pointing out how the zero-government society here visualized is the exact opposite of the fascist one which Aaron Russo so rightly deplored, whose attributes appear on page 10.

Instead of **authoritarian rule**, members of a truly free society would each *rule himself*, as every human being is properly entitled to do.

Instead of being **subservient to the State**, individuals would be *sovereign* in themselves.

Instead of **dissent being forbidden**, each person would be free to *say anything* for which he will take responsibility.

Instead of a **strong military** serving the State, each person would *defend himself* as he sees fit, possibly by hiring a protection service under contract.

Instead of a blind **belief in Nationalism**, each individual would believe only in his own *values and ideals*.

Instead of a **business/government alliance**, all businesses would offer goods in a *competitive, free market*.

Thus, a free society would be an anti-fascist society, the diametric opposite of one in each particular respect. As I see it, that is the only proper, acceptable, logical objective. It requires, of course, that each member accepts that he is responsible for his own life, that nobody owes him a living, and that he owes nobody anything else at all that he has not promised in a voluntary, explicit contract. It requires also that each person accepts that everyone else has the same right that he does, to own and operate his own values – even though those values may differ sharply from his own. Freedom, it's been said, is the only thing you can't have without letting everyone else have it too.

Those things said and meant, our only remaining question is: how can a zero-government society be obtained?

3. Freedom

The task of turning a nation of over 300 million people addicted to fascism into becoming free, sovereign individuals is huge, and before showing how readily it can be done, we need to sense how huge. How big is this job?

By my estimate around 20 million people work for government directly, in all three of its levels – Federal State and local. Then there are about another 20 million working for government contractors, in such a way that most of their working time could be attributed to filling government contracts; most of those firms have business with other customers too, so it's a mixed picture. But if those are about right, 40 million Americans are working for the organization that we need to demolish, around one worker in three. That's no walk in the park.

For one thing, assuming it could be done (and it can) how would those 40 million people earn their living? - must we who want to liberate America from fascism get busy to “provide” 40 million new jobs in the “private sector”? - which would then, of course, be the *only* sector.

For another: those 40 million will not stand idly by, but will vigorously protest the plans to change their working lives, for presumably they derive satisfaction at present.

And most particularly, everyone else will not stand idly by as their government welfare checks and other goodies are canceled, leaving them to take responsibility for their own lives. If government were abolished today by the waving of a magic wand, the howl that would arise would shake the very heavens, and by tomorrow at 9 am there would be a line of slimy politicians ready and eager to answer it by reinstating the theft & transfer system that had been taken away.

Ugly and fascist though it is, government in America has dug itself in very thoroughly; people may not like it, but people would squeal like stuck pigs if it were removed. This is the paradox we will have to overcome.

Then we have to face the fact that among those 40 million government people there are a few who fully understand what they are doing and who intend to continue doing it and passionately believe in it; these are the top leaders, the government junkies, the fanatical fascists. They may not number more than one in a thousand – but even that is 40,000 fanatics with an army of well-armed thugs at their disposal and as soon as they sense that their empire is in danger of dissolution they will apply those resources to prevent it happening. Recall the last time well-entrenched fascists were defeated; it cost hundreds of thousands of lives to drive them into their Berlin bunker and even then the top few (Hitler, Göbbels, Himmler, Göring) killed themselves rather than submit to their enemy. These few are hard-core and ruthless and are not open to reason.

So, to summarize: we are planning to release prisoners who will resist liberation, while their captors do all in their great power to stop us!

These very sobering facts tell us that some potentially promising methods will simply not work. The one that comes at once to mind is that of taking **political action** to get control of government and then abolish it; clearly, we should now see that as completely non-feasible. Not only has the ruling R/D duopoly sewn up the electoral process very tightly so as to prevent any radical but underfunded alternative party gaining traction, even if somehow a freedom party were to win a majority and take that action, as we noted above there would be such a howl of protest the next day, from the 49% who resisted reform, that it would collapse in ruins. This is simply not an option.

Included in “political action” would be the kind of protest marches and

civil disobedience recommended at the end of AF2F, and unfortunately I must disagree there with Aaron Russo. Civil disobedience will be a most valuable activity when the number of freedom-seekers is large and the ability of government to suppress it has been hobbled, as it will a few years hence under a better strategy, but now when the reverse applies it can lead only to noble martyrdom. In addition, even if “successful” it would lead only a smaller government, not to a zero government. It says only “make these reforms, and we'll be happy.”

Another potential method has surfaced since the fiasco of 2008, when the economy turned South; its advocates say that as the depression deepens (as it may) chaos will spread and a few bright, freedom-seeking, influential business leaders will **somehow take over** failing functions previously performed by government, and lead society toward a free market without many folk understanding or needing to understand what is happening. This seems to me highly improbable, very messy and in any case not to be a liberation plan at all, merely a hope that somehow if the pot is stirred with sufficient vigor, something tasty will be cooked up. I think we need a far more rational plan.

Here are its objectives:

1. Government employees must *want to quit* their jobs, not to be fired or caused to lose their pay, but actually to choose no longer to perform evil work
2. Government dependents must come to *wish to be self-reliant*, so as not to protest cancellation of their handouts
3. Government leaders (that 40,000 or so) must be rendered *incapable of interfering*
4. Everyone in society old enough to understand must *appreciate and desire* to live in a free market, forcing nobody to serve them

but interacting with other in only voluntary ways

Those are the requirements, if fascism is to be removed from this society. They are very far from trivial.

Requirement #3 above dictates that whatever plan is formed, there must be **no leaders**. That means there must be no “central office” or school or broadcast studio or publisher or web site, for when a whiff of its existence comes to the noses of the 40,000 fanatics any such central leadership will certainly be taken out; any organization of that kind or structure will be decapitated.

The other three requirements of that task clearly have the form of **education**. This society of over 300 million (or, say, a quarter billion people old enough to understand) has to be re-educated, taught the kind of things that appear in this book, and then some. Once a person grasps what is meant by freedom and what government really does, he will not wish to work for it. He will yearn to control his own destiny and rely on nobody, and will wish to force nobody to act against their own will.

So we can see that the task is to teach freedom to a quarter billion people, without alerting their slave-masters to what is going on, and complete the job quickly so as not to lose momentum. I suggest that “quickly” means about one generation, or a quarter of a century.

That then is the task, neither more nor less. Any ideas?

How it Can be Done: The Power of One

I can see only one way, and am pretty sure no others exist; but if you can think of an alternative please let me know.

Disseminating ideas on such a massive scale must not be attempted with some central facility, online for example, because of the expected

hostility of government censors; they would simply arrange closure of the web site. Nor can it be done with a physical facility or chain of facilities for the same reason – and for the added one of enormous cost, to compete with the government propaganda machine known as “public schools” funded with hundreds of billions of stolen dollars every year.

But they can be spread *one to one*.

You, for example, dear Reader, could teach them (with a little assistance, perhaps) to a friend of yours. Correct? First become familiar with them if any gaps exist in your understanding of the principles of a free society, then take them to a person who respects you, and introduce them to him too. Take your time, let it sink in. Feasible?

Suppose that “little assistance” took the form of interactive lessons held on a CD or thumb drive, ready to plug in to any computer, and suppose your only role was to give your friend the CD, get a promise to use it, and stand ready to help with answers to any questions. Feasible, then?

Of course it's feasible. It would take very little time or effort. Now, could you do that once every year?

Everyone knows about 200 people, and any one time most of them will decline such an invitation – they will not be interested. However at any one time a few of them *will* be interested, and so *one* will accept your invitation to take part, coming as it does from a friend. So that target of one per year is by no means too many, right?

Do it for 28 years, that's 28 friends you'll have helped get the needed education so that, once graduated, each will want to take part in a free, voluntary society and no longer participate in fascism; that is, they will want to leave any government job they hold and to decline to

accept one if it's offered. And they will of course be glad to do as you have just done, and bring one of *their* friends each year to the same interactive course they just took.

Note the effect, to compare with the four requirements above: if working for government your friend will *quit his job* because he wants to quit. He will want to get ready to trade (to sell his labor and skills or his products) only on a *voluntary* basis, and not to depend on handouts of stolen money. Additionally, this radical change in his outlook will have come about with nobody knowing except you and him; no government snoop will be any the wiser, so will have no way of interfering. So, all four of those essential objectives will be met.

The rest is math. Even though no single participant need find and help more than one friend per year, that doubles the number of graduates (and government job-quitters!) every year, so causing rapid growth:

Period (year)	0	1	2	3	4	5	6	7	8	9	10
Number	1	2	4	8	16	32	64	128	256	512	1024

That annual doubling multiplies the number of graduates by over 1000 every ten years! - so in twenty years, your contribution will have served over one million.

In 28 years, the multiplier is 2 to the 28th power, or 268 million, or about the literate US population. So, the job is done. The whole population will be ready for freedom and will have quit any government job held. Since government consists only of people working for it, our task will be over. Government will fully evaporate on what I call "E-Day."

Best of all, that "little assistance" in the form of a freedom school on CD already exists, so as soon as you decide you are ready to take part, you're ready to roll. The course is called The On Line Freedom Academy and it can be downloaded free from tolfa.us or, better, taken on a CD or thumb drive from the person who introduces you to it.

What Freedom Will be Like

After government evaporates on E-Day, and when the celebrations are over, Americans will get to work and will succeed to a degree never before contemplated. History will enter a new phase. Instead of suffering the removal of a majority of the “agricultural surplus”¹² we produce, to be frittered away by the parasite class, that surplus will all be invested as each of us sees fit to save, ready to generate new wealth as that capital is put to use. Over a very few years, the standard of living achieved will rise to an almost unimaginable level.

Just prior to and just following E-Day, there will be a vast amount of job-changing. Above were mentioned forty million government workers who will need to find a productive occupation, and that's without precedent.

It's interesting to predict in broad terms how the changes will take place. It's not quite as scary as it may seem.

First, the whole former government-school population will start to be educated, many of them at home by a parent. If we estimate that there are 45 million, representing 22 million homes, that's 22 million pairs of parents who will decide with them what form that education will take. It may well be the 10 million of them will choose home schooling, perhaps more, and the parent doing that work will usually vacate his or her regular job. If so, that's 10 million new “jobs” that will open up, during the same period that 40 million come to need one. Granted, home-teaching will not pay “wages” - but the rewards (to the teacher!) will be far, far greater than those of a mere pay check; while the benefit of a whole new generation of properly educated children will be so huge as probably to defy calculation.

Then there will be need to staff the companies that will form to carry

¹² The “agricultural surplus” is the difference between the value of what producers produce, and what they need to live on.

out functions previously done by government, and for which a market demand is found. These would include road maintenance, teaching those children in for-fee schools whose parents do *not* home-school them, running a form of air-traffic control, maintaining databases of real-estate ownership, administering a system of justice (true justice, for the first time ever!) and running the new charities that will form rapidly, to take on the work of caring for those unable to care for themselves, after government “entitlement” programs disappear. That is one of the very nice things about wealthy societies, as more money comes into the hands of individuals, almost always they become more generous and look for ways to give some of it away.

One of the boom industries that will for several years absorb a lot of folk in need of work will be that of **cleanup**. The mess left by government will be appalling. While its apologists preach kindness to the environment, government is by far the worst polluter on the planet (as visitors to China will know, the stronger the government the worse the pollution) and when it has evaporated, all its mess will need disposal; so firms in that industry will be in strong demand. It will be a very interesting business opportunity, for ways will have to be found to mop up the mess *and* make money; for there will be no taxpayer-funded budgets to spend. Tens of thousands of nuclear warheads will need safe disposal, for example, as will acres of storage dumps of poison gas; then there will be huge numbers of government buildings to be adapted for productive use.

One question often asked is, how would this newly-free society **defend itself**, against outside attack? - is “defense” a function the market will have somehow to provide?

If a demand is there (enough people want it and offer money to pay for it) then, certainly, providers will arise. They would operate under contract, providing just those services the paying customers specify, in sharp contrast to the military force now at government's disposal, and no one company would hold a monopoly. However, I rather doubt that

such a demand will develop.

In a smaller country, surrounded by powerful neighbors, it might possibly arise, for the danger of invasion would be real and the motive, clear; those neighboring governments would want to crush the nearby freedom movement lest it spread to their “own” populations. Even then, however, I doubt whether a traditional, collectivized force would provide the most effective defense – for such an army would in that case too easily be overcome by larger ones.

Instead and even in that circumstance, an effective defense would take the form of a “porcupine”; that is, everyone would be well-armed and determined, ready to resist invasion and occupation. While I don't for a moment condone the fact that it does so under the direction



of a central government, the case of Switzerland illustrates this well; its citizens all have firearms in the home and take military training every year. The message is clear: mess with us, and your occupiers will know no respite. Every day and every night, they will be harassed and shot and subjected to IEDs wherever they go. In fact, while the resisters in Iraq had nothing in common with seekers of liberty from government, that's exactly the technique used there against US government occupiers, and it caused their departure. Surrounded on all sides by bellicose neighbors, the Swiss have been left in peace for centuries; the cost/reward ratio for any invader is too high.

So in my opinion there will be no demand in the newly free America (which is neither small nor surrounded) for any collectivized defense forces. Instead, everyone will choose to have weapons in the home, for use in any kind of hostility, whether from the soldiers of some invading government (Canada? Mexico??) or from some ordinary burglar, to the small extent that any such remain.

So much for defense. When we consider what governments at each level do, there's **not much else** of it that might be in demand in a free society. The great bulk of their activities is to regulate and hinder everyone else, and there will be no market demand for that at all! Otherwise they spend their time shuffling money around from those who earned it to those with political clout, and that too will attract no buyers. So most of those 40 million employees who quit their jobs will be engaged not so much in activities that replace functions formerly done by government, but in new occupations altogether. And that is the best news of all.

At first, one might view the bulk of those 40 million as a burden, or “mouths to be fed” - but that's a big mistake. On the contrary, they are *newly released resources*, who will fast become productive (since they like eating.) Compare the situation soon after E-Day with the 19th Century, with its great increase in the living standards of all. That was also a time of massive immigration, and those immigrants did not slow down that economic growth, they very much contributed to it! - and so will those freshly available, re-educated former members of the parasite sector. True, for a couple of years there will be turbulence, analogous to the scramble for chairs when, in the game, the music stops; but when quiet has been restored, those 40 million will produce useful, in-demand goods and services.

We might take a guess at how much they will help living standards to grow. Some, as we saw, will be absorbed by companies doing work previously done by government; perhaps a fifth of them – for remember, most of those functions will just disappear, lacking market demand, and those companies will operate with at least twice the efficiency of the former government departments. That's because of the well-known “bureaucratic rule of two” - that on average, competitive free enterprise is twice as efficient as government, other things being equal.

So the net effect may be an increase in human resources for

productive work by the other four fifths, or 32 million. Since the present productive sector employs about 90 million, that's a resource boost of $(32 / 90 =) 35\%$. So when the dust has settled, this single event will grow the economy by about thirty five percent!

That won't happen overnight, but it should have taken effect well within ten years. Hence, from this factor alone, we can anticipate a 35% **growth in living standards** in a single decade, or 3% a year. That is more than was experienced during the 1990s boom years.

However, that factor is not by any means alone.

We may reasonably presume that the economic growth experienced during the decades under government will at the very least, continue; and that was about 2% a year. Add that in, and we can anticipate a 5% annual growth, and that is almost unprecedented in America, though rates of 7% and 9% have been sustained recently in China and India after those governments began to liberate business. Still, though, we're by no means done.

The effect of freeing American business from the suffocating layers of regulation that have hindered the production of wealth is beyond my ability to calculate, but it must certainly amount to several additional percentage points to the annual rate of economic growth.

We may therefore safely say that, from E-Day forwards, wealth in America will grow by 5% to 10% a year, and possibly more. That is an astonishing rate. *It will double living standards about every decade.*

Amazing; but will this wealth be **distributed fairly?**

Certainly – and for the first time ever and anywhere.

That's because without government to *distort* distribution, wealth will flow exactly where it is earned; no fairer way exists. Remember that

all interactions between people will be voluntary; nobody will be forced to do (or not to do) anything contrary to his wishes. So when he makes an agreement (to be available to work 8 hours a day for five days in exchange for 12 gold grams, or whatever) that is what will happen. He'll work as directed, and will keep all 12 grams. Or if he finds a way to buy and sell as a merchant and makes profits, he will be able to do so only on the basis of voluntary exchanges, meaning that the prices paid are *equally* acceptable to both parties; that is the *only* way a truly fair price can be determined.

That is of course the normal way a market operates, so we can be sure it will take place, but today its outcomes are less than fair or optimal because government interferes to force one party or the other to accept unwelcome terms. Hence, as we saw in Chapter 1, fascism to a large degree integrates government and business. It also very frequently arranges to favor a small number of companies as monopolists or a cartel, so that rivals ready to offer a lower price are excluded. All this means an *unfair* sharing of the wealth produced. On E-Day, all that will end.

Wealth is good, fairly-distributed wealth is excellent, but what about the sick? **What health care** will there be?

I foresee very big changes after E-Day (starting before it, in fact) for this industry. As a result of more than a century of fascist interference, it has become distorted almost beyond recognition, and that distortion will vanish with government, its source.

The first distortion happened in the late 1800s, when some State governments forbade the practice of medicine without a license. At once, that raised to cost of health care by excluding practitioners who knew a great deal about the subject, but not enough to get one – or who lacked the resources to buy a course of medical study and so to qualify. This was good news for those with a license (with fewer rivals they charged higher, cartel prices) but bad news for everyone else.

Restrictions were then piled one atop the other for a hundred years, even to the degree that now, many physicians are tired of the hassle of having to comply, while the cost of obtaining their help is astronomical. The government's FDA takes so long to approve a new drug that far more people die waiting for it than could possibly die for want of exhaustive pre-release testing, while the cost of delivering care is escalated by making it “free.”

That was not a mis-print When the *apparent* price of any service is lowered, demand for it increases. Ever since government began to subsidize health care (especially in the 1960s) so that for certain classes of customer it cost less or nothing, demand has risen sharply and so the aggregate cost rose too. Politicians blame everyone in sight, but they themselves are the prime culprits. When they evaporate, sanity will be restored and prices will be charged so as equally to please both provider and customer. I predict that will mean a very large decrease in prices, though they will be paid 100% by the buyer – so in some cases the apparent cost will rise.

If it does, that will cool down the demand (we will think twice before visiting the doctor) until the industry reaches a stable equilibrium. Again, perfect fairness will prevail. Insurance may well be available, but almost certainly not to cover routine doctors' visits – for insurance fits risks that are rare and expensive, not predictable and cheap.

Much more could be said about what life will be like in the coming free society, but I'll end with a note about **taxes and saving**. The two are related, for the more that's ripped off as tax, the less anyone can save and invest.

Government having vanished at every level, there will of course be no taxation; no income tax, no sales tax, no property tax. The total tax burden today is close to 50% of what everyone earns, and it's quite well disguised since a lot of that is never seen; for example when we

buy gas we may not remember that state and federal gas taxes make up a large part of the price per gallon. Also when we buy anything at all, the price includes all the supplier's costs, some of which are taxes on his company; corporation tax for example, and the obligations to pay for certain goodies for each employee whether or not either party so wishes. So it's not quite as simple as to say "After E-Day your take-home pay will double" but when all the debits and credits have come out in the wash, that's pretty well what it will be like. If we earn \$1,000 we're losing \$500 of it to the government; but then, we'll keep the lot.

Out of that extra \$500 we'll have to pay for those of the functions previously performed "free" that we wish to buy – for example, I'd gladly pay the local road owners to let me use them and keep them in good repair, free of snow. I'd also be willing to pay the local trash handler to remove my garbage. And so on. Those things may perhaps absorb \$100 of the \$500 gained, so we will still have \$400 to spend that we didn't have before.

Each person or family will choose how to spend that extra money, but it's predictable that the choice will be some mix of three types:

- extra goodies to make life more enjoyable
- donations to help the disadvantaged
- saving for the future

That last is important for two reasons: (1) there will be no "social security", so everyone will need to build up capital to finance his retirement, and (2) this saving will drive even more growth. Some of the money will buy bonds (company borrowing that comes with priority repayment) and some, shares (whether directly or in a mutual fund.) One way or another, it will provide capital for industry to spend on growth, and the rate of saving, once taxes vanish, is likely to be *much* higher than at present.

That mode of saving and investment contrasts sharply with the

present “social security” system in another way; the money being saved will actually be invested, in useful enterprise. Currently, the 15% being taken from what each person earns (disguised as 7.5%, with the fiction that the “employer pays” the other half) prevents people saving much else – yet it's not invested at all! Check the useful pie chart put out each year by the IRS at the back of its “1040 Instructions” booklet; everything collected for Social Security is spent on Social Security; recipients receive what payers pay. For many years, the two were equal. Recently that equality began to disappear, with outgo exceeding income. We'll see how that develops.

When the scheme was sold to the public under FDR in the 1930s, solemn promises were given that the collected money would go into a “trust fund” to be invested in industry and recipients would be paid only from the *yield* of that fund, so it would serve the dual purpose of promoting growth and protecting retirees. That's exactly what true, traditional savings do, and will do in our liberated future; but it's not what is done by government, for that original promise was quickly shattered. There is no trust fund, except for a box of government IOUs - promises to tax future earners to pay future pensioners. That has ruined both of those two purposes; there is no capital being invested in industry *and* there is no assurance of continuing pensions, for they rest fully on the whims of each current Congress to steal and distribute current funds with political priorities.

Restoration of sanity and honesty to the saving process will add a further reason to expect an unprecedented rate of growth in wealth and living standards, in a context of peace and harmony in tomorrow's free America.

To Freedom!

Resources

If this book has made you thirsty for more, I'm delighted!

Happily, there is a good, growing range of resources to provide it. Here are some. Oddly, few focus on **how** to bring about a society free of fascism (ie, government) so I'll head the list with those; but many do an excellent, in-depth job of describing its underlying philosophy.

First and foremost, study and get familiar with TOLFA, **The On Line Freedom Academy**, mentioned on page 57. Graduate from that, and you'll know most of what you need to know *and* be part of the process of bringing about a non-fascist society. Download it from tolfa.us and make your own copies ready to give to those you'll mentor.

Next, bookmark TakeLifeBack.com – it's my home page and offers a banquet of liberty material that will keep you reading for a long time! For example there are books additional to this present one; a useful summary site called [The Anarchist Alternative](http://TheAnarchistAlternative.com); a short “persuader” to which friends now in government employ can be pointed, called [QuitGov](http://QuitGov.com); and a link to the current [Zero Government Blog](http://ZeroGovernmentBlog.com) edition, with hundreds of earlier ones in its archive.

Beyond those,

Kent McManigal offers a short [daily blog](http://dailyblog.com) which makes fine company for your breakfast coffee. Kent hammers away on the theme of personal commitment to the principle of non-aggression.

[The Voluntaryist](http://TheVoluntaryist.com) is a deeply thoughtful, priceless resource produced by the late Carl Watner. His book [I Must Speak Out](http://I_Must_Speak_Out.com) is a must-read, and that site includes access to two hundred editions of his magazine.

Then consider diving more into economics, to see why freedom leads to prosperity. The [Foundation for Economic Education](#) is very good, and in my view the [Mises Institute](#) is even better – though both allow the possibility of “mild fascism” considered above at page 37. One of the Mises Fellows is [Per Bylund](#), however, and he has very clear vision. Per also has [his own web site here](#).

Essential for Econ students is any work by [Murray Rothbard](#), starting perhaps with [Power and Market](#).

[Ayn Rand](#) is the visionary who first made widely known the fact that government is a dead weight opposing prosperity, and her classic novel is [Atlas Shrugged](#), another must-read. Its length is formidable, so it may be wise to start with her delightful and much shorter [Anthem](#).

[George Ford Smith](#) is another author who uses fiction to spread the word, and his [Flight of the Barbarous Relic](#) is a good place to start.

From the 1800s come the brilliant insights of [Lysander Spooner](#), the iconoclast who showed the vacuous nature of the US Constitution.

When you go to the Zero Government Blog (see above) pay a visit to the [ZG Book Store](#) and see some other good titles. Among them don't miss [The Market for Liberty](#), written by the Tannehills and my friend Anthony I S Alexander; nor [Liberty, Dicta and Force](#) by Lou Carabini.

Happy reading!

Appendix

There are some references in the text to court cases, and here are listed their full names for reference on the Net. Any search engine will reveal them; www.findlaw.com is one resource that usually displays complete Opinions.

Brushaber: *Brushaber v Union Pacific Railroad*, 240 US 1 (1916)

Eisner: *Eisner v Macomber*, 252 US 189 (1920)

Marbury: *Marbury v Madison*, 5 US 137 (1803)

Merchants': *Merchants' Loan and Trust Co v Smietanka*, 255 US 509 (1921)

Pollock: *Pollock v Farmers' Loan & Trust Co*, 157 US 429 (1895)

Stanton: *Stanton v Baltic Mining Co*, 240 US 103 (1916)

Sullivan: *US v Sullivan*, 274 US 259 (1927)