

POWER TO THE PEOPLE

the mask of despotism



CARL A. KEYSER

THERE IS a specially apt paragraph in *The First Leftist*,¹ a pamphlet by Dean Russell, which is worth quoting.

The rallying cry of this new Left [the Jacobins in 18th century France] was: All power to the people. And as always it sounded good to the people. But the point that the French people missed is the same point that haunts the world today [1951]. It is this: The people can not themselves individually exercise the power of government; the power must be held by one or a few persons . . . whether the form of government is a kingdom, a dictatorship, a democracy, or whatever. If the people truly desire to retain or regain their freedom, their attention should first be directed to the principle of *limiting the power of government itself* instead of merely demanding the right to vote on what

party or person is to hold the power. For is the victim of government power any the less deprived of his life, liberty, or property merely because the depriving is done in the name of — or even with the consent of — the majority of the people?

According to Elie Halévy² socialism was considered by its early advocates as a natural evolution of liberty, fulfillment of the revolution of 1789, the end of the subjection of labor by capital.

“But on the other hand,” wrote Halévy, “it is also a reaction against individualism and liberalism; it proposes a compulsory organization in place of outworn institutions destroyed by the Revolution.” Thus, old despotisms were to be replaced by new ones. Men were again to surrender themselves to the tyranny of the state.

In the years following the Napoleonic wars Charles Comte and Charles Dunoyer founded a peri-

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odical called *Le Censeur* (The Censor) in France. The observations made in 1815 have permanent validity.

"The first way," wrote Dunoyer, "that occurs to man to satisfy his needs is to take; plunder was the first industry, as it was the first end of human association; history hardly knows a society that was not first formed for war and pillage."³

"The first need of man," stated Charles Comte along the same line of thought, "is to provide for his subsistence, and, as we have already seen, he can do so only by the spontaneous product of nature, or by what he seizes from his fellows, or by the produce of his industry."⁴

Government Subverted

The justification for peaceful government is to prevent the seizure of one man's life and property by another. Today, government has been subverted to perform the very function the prevention of which justifies its existence: pillage. This occurs when the government attempts to fulfill what are commonly called social needs: it takes from some and gives to others.

"In their present state," according to Dunoyer at the start of the nineteenth century, "the nations can be compared to swarms made

up equally of hornets and bees, swarms in which the bees agree to produce torrents of honey for the hornets, in the hope of keeping at least a few combs for themselves. Unhappily, there is not always even a small part left for them . . . Man's concern is not with government; he should look on government as no more than a very secondary thing — we might almost say a very minor thing. His goal is industry, labor, and the production of everything needed for his happiness. In a well-ordered state, the government must be only an adjunct of production, an agency charged by the producers, who pay for it, with protecting their persons and their goods while they work. In a well-ordered state, the largest possible number of persons must work, and the smallest possible number must govern."⁵

The same thought was expressed by Count Henri Saint-Simon, a brilliant but somewhat erratic and eccentric philosopher-economist, who was cognizant of the work of Comte and Dunoyer and who ironically later became the founder of French socialism.

"Society," stated Saint-Simon, "needs to be governed as little as possible, and there is only one way to accomplish that — to be governed as cheaply as possible."⁶

Later Saint-Simon and his fol-

lowers forgot this advice and advocated a tyrannical industrial state ruled by a scientific elite.

Dunoyer and Comte divided society into two classes: those who wish to plunder and those who wish to produce and exchange in peace. Dunoyer wrote of the struggle between these two classes.

"We must not forget," wrote Dunoyer of the peaceful producer class, "that its members are still few in numbers and isolated from each other; that there are few means of communication and defense; in a word it is not organized, while, generally speaking its enemies are organized."⁷

These and similar thoughts made their way via Saint-Simon to Auguste Comte, the founder of positivism, to Buckle, the historian, and finally to Herbert Spencer, the economist and philosopher. The philosophy was accepted in England, the United States, and elsewhere, playing a major part in the nineteenth-century economic expansion of the American West.

By the end of the nineteenth century socialism was thriving, claiming to be a new liberalism. It took hold first in Germany, later in England and the Scandinavian countries, and then in violent form, in Russia. Finally it evolved into the Fascism of Italy, the National Socialism of Germany, and the welfare state in England

and the United States. The struggle between the peaceful producers and plunderers still goes on. The peaceful producers are "few in numbers and isolated from each other . . . there are few means . . . of defense . . . , [the producer group is] not organized, while, generally speaking its enemies are organized."

Near the end of his book Elie Halévy asked, "Am I going to be told about a future state of the human race, when a perfect socialism will be united with a perfect freedom? What freedom? The freedom to do nothing, as in the abbey of Thélème, or the absence of obedience to a master, along with incessant labor like an ant or a bee? This ultra future . . . goes beyond the limits of my vision. And when I see men giving themselves up to these dreams, I can not help but think of Kant's dove trying to fly in the void or of Hegel's swimmer without water."⁸

Loss of Freedom

Socialism ends, although the end may be many years in coming, in tyranny and loss of freedom. The nineteenth-century French Socialists were followed by Napoleon III, the Socialists of Russia lasted a few months and yielded to Bolshevism, the post-war Socialists of Italy were followed by Mussolini's Fascists, and after a

dozen or so years the Socialists of Germany succumbed to Hitler's terror. In Spain, Franco was Socialism's heir. Once the terror takes over only a war seems able to bring about a change, and there is no assurance that a new terror will not replace the old. Under some forms of terror vestiges of private ownership were allowed to remain, as attempts were made to gain social security without completely extinguishing economic freedom. But freedom is indivisible and freedom compromised is freedom lost.

Henry Watterson, the grand old editor of the oldtime Louisville *Courier-Journal* was rightly fearful of unlimited government, even if it was the choice of the people.

"We are told by Herbert Spencer," wrote Watterson, "that the political superstition of the past having been the divine right of kings, the political superstition of the present is the divine right of parliaments and he might have said of peoples. The oil of anointing seems unawares, he thinks, to have dripped from the head of the one upon the heads of the many, and given sacredness to them also, and to their decrees."

"That the Proletariat, the Bolsheviks, the People are on the way seems plain enough," he wrote in 1919 with unusual foresight. "How far they will go, and where they

will end, is not so clear. With a kind of education – most men are taught to read, very few to think – the masses are likely to demand more and more for themselves. They will continue strenuously and effectively to resent the startling contrasts of fortune which opportunity and aptitude have created in a social and political structure claiming to rest upon the formula 'equality for all, special privilege for none.'"

"The law of force," continued Watterson, "will yield to the rule of numbers. Socialism, disappointed by its Utopia, may then repeat the familiar lesson and reproduce the man-on-horseback, or the world may drop into another abyss, and, after ensuing 'dark ages' . . . emerge with a new civilization and religion."⁹

At another point in *Marse Henry*, Watterson nevertheless wrote: "As poorly as I rate the reign of majorities, I prefer it to the one-man power, either elective or dynastic."¹⁰

Socialism and Mediocrity

James Gibbons Huneker was a connoisseur of music, the arts, and literature. He lived from 1860 to 1921 and witnessed the socialist drift of the Western world, including the Red revolution in Russia. His biographer, Arnold T. Schwab, claims that Huneker was "the

most versatile and one of the most entertaining and influential American critics . . ." Huneker's interests ranged far beyond the arts into political ethics and led him to spend time in the greasy restaurants of New York arguing communism with those of the vanguard such as Emma Goldman.

The last book Huneker wrote, *Variations*, was a collection of essays published posthumously in 1921.¹¹ In his powerful essay, "Socialism and Mediocrity," Huneker quotes Yves Guyot¹²: "There are three words which socialism must erase from the facade of our public buildings, the three words of the republican motto: Liberty, Equality, and Fraternity. Liberty because socialism is a rule of tyranny; equality because it is a rule of class; fraternity because its policy is that of class war." Huneker himself then goes on to write: "M. Guyot might have quoted Napoleon, a realist, a cynic in politics, for he knew its seamy side, who said: 'Tell men they are equal and they won't bother about liberty.' How true — if we are all reduced to the level of slaves and live in filth and depravity, we shall not be concerned with freeing ourselves from this condition, providing we all equally enjoy the same conditions of our non-existence.

"Guyot . . . attacks Karl Marx on his weakest flank, and, inci-

dentally, proves him not to have been a proletarian, but the son-in-law of a Prussian Junker. The selfishness of Marx, his tyrannical behavior, his unphilosophical wrath when opposed by two such intellectual giants as Bakunin¹³ and Lassalle¹⁴; his jealous attitude toward Ferdinand Lassalle, especially after his tragic death, are all well known. Able but frequently unscrupulous men amuse the idle and attract the multitudes — such are the leaders . . . These leaders are plagiarists, with some variations, of all the communist romances inspired by Plato."

The Exploitation Theory

Not only did Marx and Lenin plagiarize Plato but, according to Huneker, they "built up their theories upon a sentence of Saint-Simon and three phrases of Ricardo's. Our author [Huneker is quoting Guyot] gives these examples: 'German socialism is derived from two sources: (1) The French doctrine of Saint-Simon; *'The way to grow rich is to make others work for one,'* which in Proudhon's mouth becomes *'the exploitation of man by man.'* (2) Three formulas of Ricardo, viz.: (a) *'labor is the measure of value';* (b) *'the price of labor is what provides labor in general with the means of subsistence, and of perpetuating his species without*

either increase or diminution'; (c) *'profits decrease in proportion as wages increase.'*" Saint-Simon and Proudhon are guilty of vicious distortions and Ricardo of abject assininity unworthy of yet another tiresome refutation.

"No Socialist," Huneker continues, "has succeeded in explaining the conditions for production, the remuneration, and the distribution of capital in a collectivist system. No Socialist has succeeded in determining the motives for action which an individual would obey. When pressed for an answer, they allege that human nature shall be metamorphosed, but that the individual remains a constant quantity! Rank materialism, all this, and absolutely without vision . . .

"It may be said that man is ready for every form of sacrifice save one: nowhere and at no time has he been found to labor voluntarily and constantly from a disinterested love for others. Man is only compelled to productive labor by necessity, by fear of punishment, or by suitable remuneration. The Socialists of today, like those of former times, constantly denounce the waste of competition. Competition involves losses, but biological evolution, as well as humanity proves that they are largely compensated by gain. Furthermore, there is no question of

abolishing competition in socialistic conceptions; the question is merely one of substitution of political for economic competition. If economic competition leads to waste, and claims its victims, it is none the less productive. Political competition has secured enormous plunder to great conquerors such as Alexander, Caesar, Tamerlane, and Napoleon; it always destroys more wealth than it confers on the victors. The Socialist formulates a theory of robbery and calls it 'restitution to the disinherited.' Disinherited by whom? Disinherited of what? Let them produce their title deeds . . . Georges Bernard says that 'socialism will be a regime of authority.' On this point Guyot grimly agrees with him. In reality it will be the most oppressive spiritual and material system ever invented by man.

" . . . The future — which is said by some to belong to socialism — will work out the problem of mediocrity, especially if socialism is involved; mediocrity and socialism are not poles asunder. Concrete houses filled with concrete people who will eat, drink, and think alike will cover the land. Everything will be concrete, even our opinions. In his concrete Capitol a concrete President will devise concrete laws. Art, music, literature will be so concrete that our native Gradgrinds, hungry for

hard facts, will be ravished into the seventh concrete heaven . . . And this coming age of concrete, wherein all must walk and look alike, is it not a dream compared with which Dante's Inferno would be a Garden of Armida?"¹⁵

Boris Pasternak would probably have answered, "Yes."

Early Signs of Socialism

Socialism, according to the classic definition, concerns itself with the collective ownership of the means of producing and distributing goods, under democratic government control. In practice Socialism has been expanded to cover government ownership, operation and control of all the facilities and institutions which, even indirectly, contribute to the production and distribution of goods. Additionally, Socialist governments have assumed responsibility for providing those services which are used by most citizens, and for providing material security for all of their citizens. According to this concept the government of the United States has been engaged in Socialist activities ever since it was established.

Post-offices and post-roads were authorized in the Constitution under Article I. Certainly this would represent ownership and control of facilities which contribute indirectly to the production and dis-

tribution of goods. Additionally, the provision of a service used by most citizens is involved. (The argument is often made that services used by all citizens should be provided by the government since this will take the profit out of the activity. How about breathing, for instance?) Eventually the Congress made the handling of mail a government monopoly, and after 182 years of dismal deficits, the Socialistic postal service has been changed to an independent government agency which is supposed to resemble a private corporation and which is supposed to be self-supporting. It remains, however, a government agency, presumably owned by the people, and it is not less Socialistic than it was before.

The big-government liberals, who double as humanitarians when they dispense the money they have stolen from the thrifty, until recently revered Thomas Jefferson as a near-God, which, of course, he wasn't. Then one of his biographers made the rather unremarkable disclosure that Jefferson had been a Negro slaveholder and this relegated him to the position of a latterday leper. Some years earlier it had been revealed that Jefferson regarded government as "inherently corrupt, oppressive, and malevolent."¹⁶ This should have forewarned the liberals and caused some anguish, but

it didn't. Perhaps it was because, in spite of Jefferson's mistrust of government, he was responsible for several early American socialist sorties.

The first Jeffersonian socialist endeavor was the Louisiana Purchase of 1803, by which the United States became a dealer in real estate. This was an atypical socialist activity in that it proved enormously profitable. The profits from the sale of Louisiana Purchase land helped to pay the cost of running the government for the second fifty years of the country's existence. Although the international legality of the enterprise was authorized under the treaty-making powers granted by the Constitution, there is nowhere a clear authorization for the United States to engage in a real estate development the size of the Louisiana purchase. Acquisition of territory on a limited scale for purposes of defense would certainly be permissible, but it is questionable whether a big purchase could be justified under the general welfare clause. In any event, who was to question the constitutionality of such a step? This and later real estate ventures of the United States have proved to be quite generally profitable in spite of their socialist nature. Perhaps it all proves that even socialists can make money in real estate.

A Federal Surplus!

By 1806 the income of the Federal government had grown beyond what was needed for the limited government the nation then enjoyed. Small amounts of money were needed for service of the national debt and for national defense, the major government activity. Unbelievable as it now seems, there was great concern over what to do with surplus funds! Handling this problem, Jefferson showed himself to be the eternal politician. Instead of recommending that customs duties, the major source of Federal income, be reduced, he sought ways to increase spending. "Congress," he wrote, "should explore the possibilities of Federal appropriations for the great purposes of Federal education, roads, rivers, canals, and such other objects of public improvement as may be thought proper."¹⁷ It is to Jefferson's everlasting credit that he was enough of a constitutionalist to have felt that an amendment would be needed to permit such a socialist invasion of fields heretofore largely private. In this he was unlike twentieth-century politicians who increasingly agree with Mr. Dooley that "th' Constitution iv th' United States is applicable on'y in such cases as it is applied to on account iv its applicability."

It is noteworthy that for 82 of

the first 112 years preceding World War I surpluses were a problem.¹⁸ What a lovely problem! This brings to mind the 1970 row over federal-state revenue sharing.¹⁹ If the states are in need of more money and the Federal government is so overburdened with cash that it can afford to give some to the states, why not simply reduce Federal taxes and allow the states to raise their own funds? Under this scheme the money would be raised where it is spent and the public could keep a better eye on how it was spent. Under revenue-sharing the Federal government will parcel out its favors subject to the influence of political pressures far removed from the people who fill the till. This is hardly likely to contribute to careful taxing and spending.

The socialist proposal of Jefferson that Congress consider Federal support of education have led many to consider him as the father of publicly-supported education. Not until about sixty-five years later did Federal support of education become a reality. In 1862 the first Morrill Act, known as the Land Grant Act, was passed providing for the establishment and maintenance of state colleges. Republican president, Rutherford B. Hayes (1877-1881), later proposed that Federal grants be made for public education.

"Whatever government can fairly do," wrote Hayes, "to promote free popular education ought to be done. Wherever general education is found, peace, virtue, and social order prevail and civil and religious liberty are secure."²⁰

Hayes was not a very reliable prophet, as the recent riots, turmoil and general breakdown of the legal and social traditions of the country have proved. Events in the 1930's in Germany, where public education had long been a tradition, also seem to show that education isn't the answer to all men's problems.

Republican presidents Arthur (1881-1885) and Harrison (1889-1893) continued pressing for Federal support. In 1890 the second Morrill Act was passed granting \$25,000 annually to each of the land grant colleges. In 1971 Congress appropriated 18 billion dollars in aid to education. Socialist enterprises have a way of growing on you.

In spite of all, socialist intrusions by the end of the nineteenth century represented a minuscule portion of American endeavor. The twentieth century has been quite different.

The Federal government entered the field of social security under President Franklin Roosevelt. Social security was not an invention of Roosevelt nor of his braintrust-

ers, Bismarck having imposed it in Germany many years before. From Germany the idea spread to the countries north and west of Germany until it reached the United States. In this country the material security an individual might attain was, prior to Roosevelt II, largely a private matter attended to by individuals themselves or by their relatives and friends, the latter often acting through churches and charitable or fraternal organizations. In addition to these private sources of material security, tax-supported services such as local "poor farms" were provided by towns, cities, counties, and states. Herbert Hoover and the Republican leaders of the 1920's and 1930's endorsed local tax-supported efforts and private charity as the solution to helping the needy. The socialism represented by tax-supported welfare was on a state or lower level. Roosevelt's contribution to socialism consisted of federalizing the old-time local socialist endeavors. Accompanying the federalization and wild expansion of these socialist activities there was a simultaneous and enormous transfer of power from individuals and local communities to Washington.

The socialism that has been with us almost since the founding of the republic has been sponsored

at times by the political ancestors of both Democrats and Republicans. Since the turn of the century, and particularly in the middle third of the century, both parties have accelerated their sponsorship. But it must be remembered that the politicians do not lead the people. They follow. ☉

• FOOTNOTES •

¹ Russell, Dean, *The First Leftist* which appeared in *In Brief*, vol. 7, no. 3, Foundation for Economic Education, Irvington-on-Hudson, New York, 1951, p. 7.

² Halévy, Elie, *The Era of Tyrannies, Essays on Socialism and War*, trans. by R. K. Webb, Doubleday and Co., Inc., N.Y., 1965.

³ *Ibid.*, p. 29.

⁴ *Ibid.*, p. 29.

⁵ *Ibid.*, p. 31.

⁶ *Ibid.*, p. 32.

⁷ *Ibid.*, pp. 32, 33.

⁸ *Ibid.*, pp. 313, 314.

⁹ Watterson, Henry, *Marse Henry, An Autobiography*, v. II, pp. 289-290.

¹⁰ *Ibid.*, pp. 158, 159.

¹¹ Huneker, James Gibbons, *Variations*, Charles Scribner's Sons, N. Y., 1921.

¹² French laissez-faire economist, 1843-1928.

¹³ Russian anarchist, nihilist, and terrorist who believed in anarchy excepting in organizations he controlled. 1814-1876.

¹⁴ German socialist and economist. 1825-1864.

¹⁵ See Huneker, *op. cit.*, pp. 111-120.

¹⁶ Clinton Rossiter quoted in Kimmel, Lewis H., *Federal Budget and Fiscal Policies, 1789-1958*, The Brookings Institution, Washington, D. C., 1959, p. 3.

¹⁷ See Kimmel, *op. cit.*, p. 16.

¹⁸ *Ibid.*

¹⁹ Federal deficit sharing, rather than Federal revenue sharing has yet to be proposed. It might be more appropriate.

²⁰ See Kimmel, *op. cit.*, p. 47.

Government Control of Private Schools?

JOHN P. CAHILL

I FEEL rather like the man in the science fiction novel, who has stumbled upon a great horror and is not believed until it is nearly too late. I have sixteen years of private education under my hat and wish the private schools of America nothing but prosperity.

So how can I be against the "voucher" system? Do I not realize that this system is designed to save the failing private schools and provide them with the needed financial assistance; that it is designed to promote the greatest amount of freedom of choice for the parent regarding the education of his children?

I know what it is designed to do. And I know that what it is designed to do and what it may in fact do, are not necessarily synonymous.

Mr. Cahill of Lakewood, California, plans to enter Law School in the fall.

The scheme is designed to work this way: The level of government which has enacted the program will present to the parents of each child of school age a voucher representing an agreed upon amount of money; the parent will present this voucher as tuition to the school, public or private, where the child is enrolled; the school in turn will take this voucher to the proper government agency, where it will be cashed.

It is alleged that in this way everyone will be satisfied and freedom of choice will be preserved. Parents are happy; they may now send their children to whatever school they choose with no anxious thought for expenses. The private schools are happy; they will prosper and grow through the influx of new students and their vouchers. Religious schools are happy; they may now take advantage of