

Why The Big Worryabout The Gradual Loss Of Our Liberties?

What We All Must Know About True Capitalism And Creeping Socialism

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Foreword

It has been 37 years since I met Dr. David Wood when we both attended a lecture series on the societal problems arising out of the conflicting desires of people for both freedom and security.

The author of that lecture series was Andrew J. Galambos. Professor Galambos posed the issue succinctly as follows: The demand for the state to provide security has been met universally by a supply of state coercion limiting human freedom.

Dave's first book, *Who Will Take Care of Me When I Am Sick?* (2001), examined this subject within the context of health care, his chosen profession, where as a physician he witnessed first hand the degradation of the noble profession of medicine. Dave wrote that book to illustrate the deterioration of medical care when the needs of patients and the services of physicians are subordinated to the requirements of so-called "third party payers"—insurance companies and state agencies—whose primary activities and objectives are "administering" health care and controlling its cost, rather than allowing patients and physicians the freedom to contract freely with each other.

In this new book Dave examines a broader topic in the same vein; how and why it is that in the freest country that ever was, the United States of America, the trend has swung so decisively from an emphasis on liberty to an emphasis on security, with a concomitant reduction in the liberty of all.

To this study Dave brings a wealth of knowledge, derived from long and diligent study of the subject of his new book, as well as extensive travel in Europe and elsewhere over the past 50 years.

During a long stay in Germany in his college years Dave became fluent in German and also witnessed the leftover devastation wrought there by World War II.

Later, as a specialist in plastic surgery, Dave regularly attended many medical conferences throughout the world, but especially in Europe. He made close European friends in his profession, including a fellow plastic surgeon who was a citizen of Poland.

Under the Polish communist system, as elsewhere behind the “Iron Curtain,” physicians were all state employees who were paid little more than unskilled laborers. This eminent Polish plastic surgeon made far less from his professional activities than he and his wife earned by raising tomatoes in a greenhouse, as small-scale, entrepreneurial farming was one of the few free market activities grudgingly allowed to individuals under Polish communism.

When each of his two sons graduated from high school, Dave took the young man to Europe to visit his European physician colleagues and their families, but also to show his sons first hand the stark contrast between life under communism and life in the West. The contrast between East and West Germany was especially dramatic. This divided country with a common heritage and ethnic identity differed as night and day, with poverty, scarcity of consumer goods and a repressive police state in the east. But as soon as father and son drove across the border into West Germany they found prosperity, a wealth of consumer goods readily available, and a free and open society. It was like seeing a motion picture in dreary black and white that suddenly comes to life in brilliant color.

Dave found this remarkable. He described in fascinating detail his visits behind the Iron Curtain and the conversations he had with his colleagues there who felt safe in talking with their trusted American friend about conditions of life under communist rule.

Two examples illustrate the wealth of knowledge Dave gained by his first-hand investigation of conditions behind the Iron Curtain.

Dave asked a young man who was in the Polish army reserves whether he would obey orders to fight in case of the outbreak of war between the communist countries and the NATO allies. The young man said that he would, but that the Russians so mistrusted the loyalty of the Poles that they allowed the Polish army only enough bullets for one day of combat! When asked if he would fight the Russians to liberate Poland, the young man exclaimed, “gladly!” On another occasion, at a dinner party, glasses of vodka were hoisted to toast their American friend, but the Poles’ second toast was to President Reagan, because the Poles revered him for his stalwart opposition to Communist rule of their country and his denunciation of the Soviet Union as an “Evil Empire.” This was a characterization which the Poles most heartily endorsed as they felt themselves to be subjects of a harsh tyranny centered in Moscow.

The sub-title of this book is What We All Must Know about True Capitalism and Creeping Socialism. This sub-title is our entrée into an informed discussion of the virtues and values of freedom and free enterprise. It is the thesis of the book that it is our relative freedom and the system of free enterprise (“Capitalism”) that transformed America from a small, impoverished backward country to the world’s most powerful nation and the leader of the free world in just 140 years, from 1776 to 1917, when America rescued Europe from the brutal stalemate of World War I.

In a thorough and logical presentation, Dave explains the sources of America’s freedom and prosperity in contrast to the basis and philosophy of an altogether different system, Socialism. He describes the spread of the socialist ideology and its disastrous consequences in a variety of contexts including small-scale and shortlived voluntary socialist experiments, entire countries adopting socialism under a system of

parliamentary democracy, and those most unfortunate countries taken over by communist totalitarian rule.

Finally, and most importantly to his fellow Americans, Dave examines the disastrous effects of so-called “Creeping Socialism” whereby socialist policies are gradually undermining the freedom and prosperity that have been built up in America since the founding of our country on principles of freedom. This book is well worth reading by anyone who hopes for a free and prosperous future for America.

Frederic G. Marks

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Forward

Special Use In this writing, the word liberal, when referring to supporters of the Left or socialist philosophy, will be set apart with single quotation marks because they apply it incorrectly, and with that name they seek greater public favor. The word's true meaning from Latin (liber) is to be free, and I wish to be semantically correct.

The acceptance of the socialist agenda by the present-day, Leftwing school of thought (as assumed by the majority of the Democrats) opposes the intentions of our founding fathers and works to establish "big government" as the source of control and direction of society. That agenda diminishes the independence of individuals. Regardless, those persuaded to the Left have assumed the label 'liberal.' For emphasis throughout this work, I have chosen to capitalize the titles of the two competing systems, which I am addressing; namely, Capitalism and Socialism.

Preface

It ain't what a man don't know that makes him so dangerous but what he does know that ain't so.

-- Josh Billings Misconceptions of the true nature of Capitalism, the successful and powerful economic system of this great nation, are around us everywhere, and so many of those who should understand it by being part of it, express doubts about the real market forces that can function in an unencumbered market place. Those asserted, specific misgivings of Capitalism's real value derive primarily from misinformation presented in our present-day public schools, colleges and universities. They are further perpetuated in most of the present-day media. Later in this work I intend to clarify how and why this anti-Capitalism has spread so extensively and persists in being so substantially accepted.

On September 11, 2001, one of the most heinous, brutal, hateful, and cowardly attacks upon a peaceful, civilized nation took place.

It was perpetrated by young, middle-eastern men who were willing to commit suicide to complete the attack and at the same time claim religious justification. What belief system could engender such hatred and account for disregarding one's own life to inflict death and destruction upon innocent people and private property?

Destroying the World Trade Center (WTC) in New York City and crashing into the Pentagon and a field in Pennsylvania murdered over 3000 innocent men, women, and children, from some 80 different countries, and devastated the lives of many times that number. One can safely assert that this was an attack upon modern, developed Western civilization and world trade. It was an act of desperation perpetuated by fanatics who tried to strike a blow against freedom that they somehow came to believe threatens their

discredited and oppressive belief system. Evidence points to years of premeditated preparation to use the open and free nature of an unsuspecting country to perform this nefarious act. Cowardly as well as “evil” describe its every aspect. There has to be a far-reaching attraction and conviction that is not fully appreciated in Western cultures to explain such a serious belief.

Benazir Bhutto¹, former Prime Minister of Pakistan, articulated: The microcosm of America that was destroyed on September 11 – people of all races, ethnicities, and religions – is everything the fanatics abhor: men and women, working side by side as equals; Muslims, Christians, Jews and Hindus, together building worldwide trade and communications. America is a symbol of what can be to millions of oppressed people all over the world. America means everything to those deprived of human rights and the rule of law. America symbolizes modernity, diversity and democracy, and it is these three things which are the fanatics’ worst fear.

The acceptance and enforcement of self-defense are rational, moral, and universal features of existing, self-respecting civilized nations and of the individuals comprising them. These are desired methods of civilization, but there are groups, which embrace terrorism as a means to obtain political goals, and representatives (cells) of some of these groups are reported present and festering in our own country and in many others.

There are political pundits who would have us de-emphasize the carnage and try to “understand” the motivation of the perpetrators rather than actuate self-defense procedures. There are those in this country who go so far as to place blame on this nation’s actions in the world to explain the occurrence on September 11, 2001. Most conspicuous are the remarks of former President Bill Clinton² in a speech at Georgetown University, November 7, 2001 in which he stated, “those of us who come from various European lineages are not blameless.” This country stands for respect and protection of citizens, their property, and their religious beliefs. Such negative and destructive action as we experienced in New York and Washington D.C. at first is difficult to believe. It does not fit into our understanding and grasp of peaceful co-existence. Can one accept any aspect of this action of destruction? A resounding NO reverberates in my mind, so I assert it is important to examine the derivation of such destructive belief systems.

Along with those who would attempt physically to attack and destroy this great land and its institutions, there is an anti-capitalist conviction with its relative anti-patriotic mentality of many in this country who criticize the United States’ system of Capitalism.

The destructive results of such beliefs are far subtler, more insidious, and more far-reaching than the overt physical Sept. 11 attack. I maintain that this belief disposition (Socialism) requires an even greater in-depth scrutiny than the motivation of the terrorists.

What differentiates most Americans and our way of life from the viewpoints of fanatics is that we have a system that is based on trust and agreement that flows from the free exchange of information.

That certainly describes what we expect from our various markets where we conduct our commercial exchanges. This is Capitalism in action.

There is little difference in the postures of the 'liberal' academic cadre of college and high school teachers and those religionists in this country who voice opposition to the self-defense position of President George W. Bush, his staff leaders, and the majority of our citizenry in response to the WTC attack. It is appalling to me that over 600 college students and faculty at Amherst College in Massachusetts signed a petition in December 2001 against the "unjust war" in Afghanistan.

On March 28, 2003 at a "teach-in" on campus, a Columbia University Professor, Nicholas DeGenova, gave a scathing denunciation of the Iraq conflict. He opined that the United States forces in the Iraq war should suffer "a million Mogadishus" (the place of Black Hawk Down). According to the Associated Press account that reported the denouncing speech, DeGenova added, "The only true heroes are those who find ways that help defeat the U.

S. Military." What a villainous repugnance and anti-American ingratitude! Though in America we defend his right to say those things, fortunately we can also exercise the choice to ignore his inciting remarks and verbal abuse.

As reported by Sean Hannity on his March 11, 2002 radio show, there were anti-war demonstrations on the campuses of 140 American colleges and universities. This shows the organization capability of Left, anti-American groups. Interestingly, these demonstrations occurred in the shadow of nation-wide polls, which reported over 82 percent of the American public stood in support of the security efforts of war on terrorism; specifically, on Al Qaeda terrorists, the Taliban in Afghanistan and other regimes that harbor and support the terrorists, including Iraq, and eventually possibly in Iran, Syria, and North Korea.

Because of their unceasing disdain for successful Capitalism, oppositionist college 'intellectuals' seem to find it difficult to show patriotism after that precipitous September 11 incidence. It really illustrates that they embrace a win-lose paradigm ("For me to win, you must lose.") just like the wealth redistribution of basic Socialism. The anti-Western civilization sentiment of the middleeastern Islamic militant is similarly flawed but is centuries older.

The belief held by so many intellectuals, that the system of Socialism is ideal, is just not verifiable. It has been disastrous. Those anointed academics assert that it was the leaders of the post-World War II Union of Soviet Socialist Republics, Cuba, North Korea, and Communist China (to name just a few) who despoiled that idealism by personal aspirations for power. This is an erroneous assumption. The socialist system itself is flawed because it contradicts human nature. I shall cite history, experience, and references that will show the consistent failure of Socialism.

This great US nation has been under terrorist attack from outside our borders for many years before September 11, 2001. But, just as insidious and serious are the enemies of our country and Capitalism from within; namely, much of the intelligentsia in our universities and education system and elements of the Democratic Party together with so many 'liberal' media allies who verbally criticize the achievements and the methods of defense of our national leaders, military, and citizens who are defending our liberties.

The anti-capitalist and anti-Western civilization sentiments from without (terrorism) are serious, but more importantly the anti-Capitalism and criticism of patriotism sentiments from within (Socialism or 'liberalism') warrant closer scrutiny.

1 Taken from a speech by Benazir Bhutto at a seminar held September 15-20, 2002 at Hillsdale College, Hillsdale, Michigan; printed in *Imprimis*, The National Speech Digest of Hillsdale College, vol. 39, number 10, October 2002.

2 Sean Hannity, *Let Freedom Ring*, New York: Regan Books, HarperCollins Publishers, 2002, p. 96.

Introduction The mind of a bigot is like the pupil of the eye; the more light you pour upon it, the more it will contract.

-- Oliver Wendell Holmes, Jr.

Many teachers in high positions in public schools and universities support "cultural relativism" and collectivism, and those educators indoctrinate the educable youth of this country to their single-sighted viewpoint. And sadly, under the guise of academic freedom and free speech, an almost vehement, though methodical, one-sided presentation of collectivist ideas is advanced in our institutions of public education, with no tolerance for opposing views. The academics invoke the First Amendment freedom-of-speech to promulgate their disregard for established norms of culture and responsibility, and students report that these academics use speech and grade restrictions against those who express differing views. They arouse political opposition to guest speakers on campus if such speakers have "conservative" views, and in many instances they even cancel them outright. I dispute and reject those practices, and I present more history for clearer understanding and debate.

In my present understanding I agree with the conclusion of Thomas Sowell¹ that the Vision of the Anointed is basically using the philosophical base of the socialist mindset to further its own 'importance' and position. Operating here is the arrogance of pseudo-intellectualism that is practiced by self-absorbed and coddled professors who fail to enlighten and inform because they are much more attracted to a learning environment that polarizes, recruits and converts students to their personal points of view.

These so-called anointed have "shown an extraordinary ability to defy evidence," Sowell writes. The ideological campaigns of the "thinking people" cover the welfare state, medical and nuclear programs, automotive safety, and Keynesian economics (with its emphasis on deficit spending) plus Socialism and communism.

These self-appointed intellectuals seek also to impose their views via the power of the government.

David Horowitz is an outspoken advocate for the institutions of the United States, for the track record of its freedoms and liberty, and for open and informed debate about political issues. He was invited early in October 2002 to speak to the students at Santa Monica High School in California by a junior student, Steven Miller, interested in economics and politics. This young man's history teacher led the faculty in canceling Mr. Horowitz' speaking engagement because it would be "harmful" to the students.

Mr. Larry Elder, whose radio talk show is heard on KNBC (Los Angeles) from 3:00 pm to 7:00 pm each weekday, interviewed this student on national hook-up during the second week of October 2002 and on several occasions since. This young man exposed clearly the leftist bias of his high school teacher.

Another person denied access to college campuses for being “conservative” is Supreme Court Justice Clarence Thomas. He has also experienced several cancellations of invitations to speak.

What a vast change from the open debates in my college days at the University of California at Berkeley (yes, Berkeley) when I was a student there in the late 1940s and early 1950s. In that era shortly after World War II, guest speakers from many organizations and points of view spoke on campus. I can remember student communists standing on open-bed trucks at Sather Gate periodically with their bullhorns trying to get people to stop and listen. Few did.

Today, of course, the atmosphere to encourage open discussion of diverse political thinking has changed. In fact, Mr. Horowitz² in April 2003 disclosed a “blacklist” of speakers of opposing political stances on over 40 university campuses. This subject will receive more review later.

Another example of opposition to the basic principles of the United States today is the verbal attack upon the use of the word “God” in our Pledge of Allegiance, on our public buildings, and on our money. On June 26, 2002, the Ninth Circuit Court of Appeals (San Francisco) held that the Pledge of Allegiance in public schools was unconstitutional. They rationalized that the words “under God,” added by Congress in 1954, violates the First Amendment “Establishment Clause.” Historically, the framers of the Constitution intended that First Amendment clause as a prohibition against the federal government’s establishing a national religion, not for the mention of God in State schools. “In God we trust” on our coins and bills, “God Bless America” (by Irving Berlin), and “under God” are expressions of a profound respect for a power greater than ourselves and only recognize and reinforce the historical and fundamental principles of our great country. It is no underwriting of any specific religious body. Sean Hannity³ describes the opposition to “God Bless America” in an elementary school by one complaining person as “the tyranny of the disgruntled few.” In a fashion similar to the original socialists, those on the political Left harshly attack those of opposing views (mainly those they perceive as ‘conservative’) by using offensive utterances laced with derogatory labels like: “mean-spirited,” “reactionary,” “religious right,” “racist,” “homophobe,” “sexist,” “right wing extremist,” “neo-Nazi,” “conservative Fascist,” “Zionazi,” “stupid,” “moron,” and “dumb” for starters.

Factually, Marx and Engels never tried to refute their opponents with debate. Their verbal engagement was not directed against the opponent’s argument, but was always against his person. Quoting from Ludwig von Mises⁴: “They insulted, ridiculed, derided, slandered, and traduced them.” Jeff Jacoby, A Boston Globe columnist, reported that Democratic political consultant, Julius Henson, in an interview with The Washington Post called the Republican candidate for Governor of Maryland Robert Ehrlich a “Nazi.” Jacoby reported further that long time Democratic activist Ned Coll during his invocation at the Connecticut Democratic Convention labeled Republican Gov. John Rowland a

“snake” and a “glorified thug,” and he clamored for “death to the Prince of Darkness.” That is totally inappropriate language for an invocation, but it was given a pass by the ‘liberal’-leaning press.⁵ Does this sound familiar? Today, this ‘liberal’ strategy is right out of the textbook of the old socialist and Marxist tactics. Ann Coulter⁶ (2002) devotes a well-documented and graphic book (Slander) to illustrate the modern exploitation of this method. Coulter’s work is one of the most informative and descriptive books of its kind that I have read. In vivid, forceful, and explicit examples and descriptions, she effectively exposes the intentions and methods of today’s master method of the ‘liberals.’ I am greatly impressed with the thoroughness of her references and research.

I believe that all the hatred behind the positions of antiindividual, anti-private property, and anti-Capitalism attitudes, is destructive to our productive system. The socialists depreciate private ownership of property and attack it by continually calling for tax increases. Inability to own property nullifies freedom of exchange, incentive, and innovation. It is like a tug of war between those who put their faith in the ‘wisdom’ of government intervention as the best dispenser of social goods and those individualists who understand that free markets nurture free exchange and creativity.

The ‘liberals,’ employ the controlling methods of Socialism, and push to redistribute the wealth of this nation by taxation, welfare state, and socialized medicine. Their basic aim is to undermine the capitalist system in favor of an “egalitarian” one. They unabashedly seek positions of political power at the expense of the institutions of this great nation and the citizens in it. The result is to garner power to themselves in order to further their political goals, regardless of the effect upon the country and its security. It even appears that divisiveness to capture ethnic votes is more important to them than unifying our citizenry and protecting our borders for national security. In my opinion, the ‘liberals’ continual criticism reflects a high-handed self-interest to present their point of view.

To understand the ‘liberal’-socialists’ relentless intent and resolve, one has only to observe the results of their insidious infiltration into the public schools and colleges and the rigorous and remorseless pounding of their ‘liberal’ agenda into the minds of susceptible and believing youths. By persistent but gradual elimination of the true history of the founding of this nation and the learning about the development of Western Civilization as well as the subsequent battles and blood loss to preserve them, they have introduced a relativity of values that undermines the very strength necessary to preserve the jewel that we have. I must add that they also discount all the failures from the institution of Socialism in multiple societal experiments.* In my teaching experience I have found that to try to discuss these concepts rationally with the emerging ‘educated’ students, I encounter an emotional wall of defense and justification that is as difficult to scale as the determination of teenagers to be independent and throw off the yoke of their ‘uninformed’ parents.

One of the results of such persistent but erroneous indoctrination is the partisan Democrats’ determined support of President Clinton as an “honest man” in spite of his being in contempt of court for lying under oath and his disbarment to practice law in the State of Arkansas for the same reason. They intone, “He’s our man, right or wrong!” Another result of that indoctrination is the position of reduced patriotism to this great country, which the Left believers justify to be under the umbrella of “freedom of speech.” Their pushing a stance of “free speech” in my opinion amounts too often to an excuse to

further the position of undermining the institutions of the United States. When does free speech become sedition?

The outright hatred of all Western civilization by militant believers of Islam is a mindset to change and destroy Western-type civilization.

The distorted religion of the Islamic radicals rejects the all-important concepts of individual freedoms and liberty. Militant Islam would destroy the Western democracies and all their people (primarily the US) but still hold its own masses in subjugation and poverty. Should the followers of this inverted interpretation of Islam prevail, they would just continue to indoctrinate the rest of their kindred third-world, ignorant souls with hatred of Western culture.

* See Chapter 4, Results of Applied Socialism.

When oil revenues are stripped out of all Middle East Muslim countries, the collective economic output is less than the GDP of Finland with a population of a little over four and a half million, but those Middle East countries have an aggregate population of over 270 million people. Absent is incentive and education to improve their economic situation.

There is no bilateral benefit to terrorism. It is true that intellectuals condemn terrorism, but they do so with the implication that Israel and even we, the United States, have inspired hatred toward us by our actions in the Middle East. The political and academic Left alleges that our use of the military demonstrates a form of “terrorism” and “imperialism” (in spite of its being selfdefensive).

Terrorism? Calling our dedication to self-defense terrorism in the aftermath of the cowardly attack upon this peace-loving nation is a real stretch of definition. And Imperialism? Imperialistic expansion for control of territory was a main activity of the former Union of Soviet Socialist Republics (USSR), but not of the United States. We wish to liberate, not expansively include other countries into our circle of control, like the USSR.

The sustained loathing of Capitalism’s creation of wealth by the hard-core group of anti-war (and anti-patriotic) college academics excludes a proper understanding of the creation of peace; which is the win-win paradigm: “For us to win, you also must win;”* or For us to benefit from any negotiation or agreement, you also must benefit.

This is the basic principle that supports a free market, and it is the bedrock principle of Capitalism. There is no bilateral benefit to the one-sided political presentations, which those college intellectuals set forth.

David Horowitz⁷ describes the contempt the ‘progressives’ have for any of the perspectives and ideas that run counter to their “gifted sight.” Because of the domination of the Left in our universities, the works of prominent antisocialist thinkers like Ludwig von Mises, Friedrich A. Hayek, Aron, Sir Karl R. Popper, * Jay Stuart Snelson, unpublished.

Oakshott, Thomas Sowell, Strauss, Milton Friedman, Kirk, Kristol, and Bloom are absent from the texts studied and from the recommended comprehensive lists of references for students.

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