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2007 Jun  European Field Experience

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By Steve Palmer

America faces some serious economic challenges. We all know that socialism means to take from the rich to give to the poor. But our nation is faced with a more complex problem than this customary type of wealth redistribution. Our problem is what I refer to as reverse socialism. If we wish our nation to be free for future generations then We the People must fix this problem.

Free enterprise is, among other things, a legal structure that treats all individuals and business entities equally before the law. The proper role of a free enterprise-promoting government is to simply protect unalienable rights—not to favor one man over another through benefits and entitlements.

Our national political debate has become convoluted between two sides with equally flawed premises and goals. The liberals want social programs to benefit the poor, while most mainstream conservatives want the government to serve and protect “big” business, even if it means to favor a large corporation over a small start-up. What neither side seems to recognize is that both are equally as dangerous and detrimental.
to freedom and prosperity. They both lead to the
exact same result, and that is the concentration of
too much power in the hands of too few.

Most people who believe that wealth redistribution
programs are wrong see only the government
taking from the “haves” to give to the “have-
nots.” But what has been lost in the shuffle of
“progressive” social policy is the fact that our legal
structure has also has evolved into favoring those
with capital over those with little or none. Those
who recognize the problem of taxing the wealthy
to give to the poor seem to be virtually unaware
of the dangers of favoring large corporations over
small businesses.

Here are two examples of this reverse socialism.
1. In my town, when Wal-Mart decided that
they wanted to open a store here, the city council
waived most of the fees and gave them about
5 acres of land. But the individual citizen who
wishes to open a small retail store is subject to all
of the mandated regulation and fees, and a land
grant to them wouldn’t even be considered. 2.
A friend of mine is an owner/operator of his own
tractor trailer. He told me that the biggest trucking
companies in the country pay almost half as much
for fuel as do the small companies or individual
truckers.

Whether you take from the rich to give to the poor,
or if you favor the rich over the poor, the effect is
the same. In both scenarios you wind up with an
unnatural and inequitable economic system with
the majority of the wealth concentrated in the
hands of a few people. Here are some statistics
to illustrate the state of the American economic
system. According to the U.S. Census Bureau, in
2001 the bottom quarter of families in the United
States had zero net worth. The bottom 90% of
families had less than 20% of the net wealth, and
the top 10% owned 80.7% of all the net wealth.
Federal Reserve research in 1995 found that the
wealth of the top one percent of Americans was
greater than that of the bottom 95% and that the
net worth of the top one percent was 2.4 times the
combined wealth of the poorest 80%.

The sad thing is that it hasn’t always been this
way. In 1800, census information showed that
over 90% of our population were owners of the
means of production–mostly small business
owners and farmers. In 1900 that statistic was
the same–over 90% of us were owners. In 2000,
those numbers were exactly reversed–less than
10% of our population are now owners.

Economic power in many cases equates political
power. So what we have arrived at is precisely the
same thing that has caused all nations throughout
history to fall, and that is too much power in the
hands of too few. Aristotle wrote that, “The only
stable state is the one in which all men are treated
equally before the law.” Our nation is unstable
because our forms of law have been corrupted.

The first step to solve the problem of these large
discrepancies in wealth distribution is to identify
the cause of the inequity. The cause is two-fold,
but both aspects of the cause spring from the
same root. One reason is that the majority of our
citizens have bought into the dependence model of
employeeship and government entitlements. The
other cause is that we have changed the forms of
our Constitution to allow for illegitimate wealth
redistribution. This redistribution is allowed by
our legal structure in two ways: Taxing the rich
to give to the poor, and also by favoring those
with capital over those with little or none. Both
of these causes spring from the same root, and
that is that we as individual citizens have failed to
take personal responsibility both in our individual
financial lives and in our public duty to maintain
a strong and free Democratic Republic.

Identifying the cause of the problem now leads us
to the solution. First of all, we as individuals must
take the responsibility to start being a “have,” as
opposed to a “have-not.” Taking from the rich
and distributing down will simply mean that we
all lose, because no wealth is being created; it
simply leads to an impoverished mediocrity. But
if the 80% of us that were mentioned in those
Census Bureau statistics would simply create
wealth from the bottom up, then everyone rises together. Those of us who have little capital must employ our mental resources to create wealth. The problem of economic inequity can only be solved from the bottom up—not the top down.

There is one other thing that must be fixed in our political structure if we wish America to remain free. We must renovate our Constitutional forms so that our legal structure will again—as it was created by the Founders in the original Constitution—treat all individuals and entities equally before the law. It is an improper and dangerous use of government to take from one person to give to another, or to favor one business over another. The proper role of government is to treat everyone equally in the defense of their unalienable rights. When the government steps out of that realm it concentrates too much power in the hands of too few.

We are at a critical point in our nation’s history. History has shown repeatedly that the 200 year mark is where nations must either reinvent and reform themselves, or fall because of their inability to check and balance power. Our chance for an American renaissance is now or never, and We the People have the inescapable responsibility for that rebirth. We must all, individually, create our own financial freedom and become owners of the means of production. And we must educate ourselves to gain the power to fix our bent governmental forms. Our government must treat all individuals and businesses equally before the law and stop all forms of unnatural, forced redistribution.

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