

LAISSEZ-FAIRE FASCISM?!

If the Bushoviks are "laissez faire capitalists" then Hitler and Mussolini were freedom fighters

It's becoming an epidemic, one journalist or columnist after another blaming the free market for the financial failures of recent times. Only the term they use as emblematic of the failed policies of the Bush Administration is "laissez faire capitalism."^[1] My dear Arianna (Huffington) is the latest celebrity journalist to join the chorus in her column last week, "Laissez Faire Capitalism Should Be as Dead as Soviet Communism." In that column she claims the outgoing Republican administration is still full of "free market fundamentalists" whose day is now kaputski:

"But the mistake wasn't in not recognizing the 'severity of the problems' —the mistake was the ideology that led to the problems. Communism didn't fail because Soviet leaders didn't execute it well enough. Same with free market fundamentalism. In fact, Bush and his team did a bang-up job executing a defective theory. The problem wasn't just the bathwater; the baby itself is rotten to the core."

There are two BIG mistakes in Arianna's analysis—and in the assessments of most of her peers among the "progressive" intellectuals who presumably will now compose the public-policy New York/Washington M3I^[2] brain-trust orthodoxy: 1) that free-market fundamentalism is wrong, and 2) that free-market fundamentalism is what the Bush Republicans—or anyone else in recent US history—have been practicing.

Error 1: Free market fundamentalism is wrong

I'm using the term free market fundamentalism (FMFism) in place of laissez faire capitalism (LFCism), and my experience is that most people regard them as synonymous.^[3] Whether or not one believes in the moral-political legitimacy of state-privileged corporations, an FMFist advocates a strict separation of government and economy. By which he means that the power of government—the sole distinguishing characteristic of government is what George Washington noted: force—must not be used to interfere with what the people voluntarily choose in the marketplace.

So an FMFist would not have government interfere in the economy with price supports, trade restrictions, tariffs, quotas, protectionist legislation, prohibitions, government loans, and so on. However, this does not mean the government would be disconnected from its responsibility to protect people and businesses from crime, that is protect the parties in the economic system from force, fraud, and provide a means for adjudicating honest disputes of contract. Nor does it exempt the government from prudent regulation when the government has (usually wrongly) assumed monopoly control of part of the economy... e.g. the stock markets.

For example, although an FMFist believes the government should not establish a central bank with monopoly control of the money system, he would certainly not advocate that the Federal Reserve Banks pursue constantly inflationary policies that stimulate massive amounts of credit unsustainable based on any realistic assessment of risks. The rule here is that just because a government doesn't belong in some area of the economy doesn't discharge the government from acting honestly on behalf of the best interests of the people as a whole.

The reason that FMFism is right is that the unfettered economic decisions of people are right, that the state must not be in the business of wealth redistribution (stealing) for this class or that class. Also the state should not be in the business of passing rules that favor one pressure group over another, particularly because such intervention leads to pressure group warfare... as each pressure group tries to secure the favor of government to redress grievances and distortions caused by earlier interventions.

In the grand scheme of the cosmos, the free market is the sum of the voluntary, uncoerced choices of human beings. To argue against free choice in the economy is intellectually difficult... or it should be: how can anyone reasonably argue that any given person should not have the freedom of choice to decide what he or she wants. But judging from the fact that so many otherwise reasonably intelligent individuals, of the left in particular, argue people should not be given that choice—well, I regard the phenomenon as a mystery probably caused by one part ignorance, one part mixed premises, four parts dishonesty, and four parts cowardice.

Error 2: Bush policies reflect free-market fundamentalism

Let's say you just moved into a new town and the local government assessed your property \$10,000 payable immediately. So you walk down to city hall and hand the clerk a certified check for \$10,000. Then while you're standing at the window the clerk signs the back of the check "for deposit only to 'the ACME Corporation.'" Yikes! You can just see the cartoon: you hand over your bag of money at the front door of an official public building and whoever takes the bag proceeds walk it out the back door and hand it over to a private individual... a smiling man with a mask.

In a nutshell that's fascism—or as it was known more officially under Mussolini in Italy, corporatism—it's essentially public plunder for the benefit of private interests. The same thing happens in a small town with a dominant family who controls the government as a crime syndicate. And it is what has happened in spades for the previous eight years under the Bush-Cheney junta, with the main private interests who benefit being aligned with the fossil-fuels industry and the war machinery. But one thing it most certainly is not is the free market.

By the way, it appears wealth transfer to the military-industrial complex will continue unabated under the Obama regime, with probably a slightly different mix of beneficiaries. I doubt the stock of the infamous Carlyle Group will descend into penny territory. Simply put, the government of the United States under Bush was fascist and now under Obama will be fascist (or if you prefer the softer sound: corporatist). When Obama takes the reins, you may see at least the appearance of rectifying some of the more flagrant abuses, but nothing fundamental will change in the business of government—which for 150 years has been "business"... corporatism.

FMFists need not apply. None of the recent disasters and resultant government takings—we can liken the process to the colonial medical practice of bleeding a patient to the point of death... and sometimes beyond. Indeed FMFists in Washington (or New York or London or Rome or Tokyo) are as rare as the Dodo bird. If you're tempted to think someone close to the seats of power in any Western country is an FMFist, ask yourself whether that individual supports a central bank monopoly controlling the manufacture of money and credit and tax policy.

It's the acid test. Invariably the individual that some leftist (or rightist) identifies as an FMFist supports the Fed or the Bank of England, etc. So, WRONG! Not an FMFist. Not a laissez-faire (they used to call us "lazy fairies" back in the day at Wayne State University) guy whatsoever. No FMFist person believes in government control of the money system.

FMFists, like the Dodo bird, fly under the M3I radar: they're like Ron Paul (and I'm getting the strong suspicion Jesse Ventura is coming along, too). The World Wide Web is rife with FMFists—indeed, you won't find anything else until you hit, say, the backwaters like "Columbia University's Marxist Reunion" page. Nobody on the leading edge of consciousness believes in anything but political and economic freedom—mostly radical, too.

Ironically, several of the conventional pundits of the left, who like Arianna now have a considerable Web presence, remain trapped in the fallacy of the excluded option: You can either have public plunder for private gain qua the fascists (which is what they characterize as FMFists or laissez-faire capitalists) or you get public plunder for public gain—which in practice of course means a different private gain. If you don't want any plunder at all, well, "Sorry, Charlie. The Ron Paul selection is not on the menu."

As I stated above, all the disasters that have befallen the economic system lately—not the least of which is the utter unconstitutional criminality of the Treasury Department committing more than \$2 trillion to unknown recipients in the forms of loans of unknown terms—and the many to come are most assuredly a result of the government's interference in the economy... through the easy money policies of the Fed, through putting pennies in the "good commercial practice" regulatory fusebox, through handing credit to a failed enterprise by virtue of taking it from successful ones, to enabling the government to pass a ton of loot to its good buddies on the inside and the outside.

That ain't capitalism in any form, it's fascism pure and simple. Arianna, here are some syllogisms I want you to commit to memory and share with Bill Maher and your other celebrity friends:

*Public plunder for private gain is immoral
Fascism is public plunder for private gain
The Bushoviks plundered the public treasury for private gain*

*Fascism and the Bushoviks are immoral.
Public plunder for "public" gain is immoral
Socialism is public plunder for "public" gain
Socialism is immoral.*

*Finally:
Plunder (stealing) for any recipient is immoral
A system that prohibits plunder (by upholding property rights) is moral
Capitalism is a system that prohibits plunder
Capitalism is moral.*

End of lesson. I know, I know. No one likes a smartass. And believe me, I like you, Arianna, and respect you enormously for your standing up for civil liberties; it's just if you have not been exposed to the correct fundamental ideas in political economy, you're not going to make a positive change in those areas. We need positive change at the highest levels, ASAP. And the notion that fascism = the free market is so obnoxiously, dangerously nonsensical that anyone holding such a view needs to have his/her premises challenged immediately... and thoroughly.

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On a whole different note, a chilling one: has anyone been watching the unfolding of the Zionist extermination of Palestinians in the Gaza Strip? I sent a letter to the Detroit Free Press tonight, ending with:

...I'm waiting for the American outcry that will surely emerge when the Israeli government announces that the only good Palestinian is a dead Palestinian and then embarks openly on its Bold New Policy of extermination. I understand that the Torture President George W. Bush has given his go ahead to the policy, which certainly makes sense.

It sure puts that Detroit Lions' 0-16 season in perspective.

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[1] The term *laissez faire* wrt to an economic system originated from a French minister who advocated free trade: his response to queries of how best to help businesses was to let them be, leave them alone, *laissez nous faire*. The term was later applied to industrial capitalism designate a system in which the government's role is solely to apply the common law—i.e. not interfere with the voluntary choices of men through subsidies, price supports, tariffs, quotas, trade restrictions, favors to one interest group or another.

Ayn Rand elevated the idea of *laissez faire* capitalism to a moral ideal. And it basically holds that there should be a complete separation of government and economics—except for protecting men against force and fraud and validating contracts. The appropriation of the term *laissez faire* capitalism to stand for a state-sanctioned system of unrestrained corporate privilege is relatively recent... and deplorable.

[2] M3I = mainstream-media mind-control industry

[3] Within many libertarian intellectual circles, use of the term "capitalism" (to designate the economic system libertarians favor) is in decline. Many, myself included, feel that we cannot advocate a system that embraces special state-granted legal and economic privileges to corporations. If that's capitalism—and most people think it is—then we're not for it. The free market, on the other hand, with no legal privileges for any entity—i.e. not legally permitting most corporations as currently enfranchised—is a moral good.

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