

# Constitutional Government Failed Because it is Socialism

I just had to save the below from the dustbin of history, now that the Mises forums are gone. It speaks for itself, written by "Stranger":

*Ludwig von Mises defined bureaucracy as such:*

*In what does the position of such a provincial governor differ from that of the manager of a business branch? The manager of the whole concern hands over an aggregate to the newly appointed branch manager and gives him one directive only: Make profits. This order, the observance of which is continuously checked by the accounts, is sufficient to make the branch a subservient part of the whole concern and to give to its manager's action the direction aimed at by the central manager. But if the despot, for whom his own arbitrary decision is the only principle of government, appoints a governor and says to him: "Be my deputy in this province," he makes the deputy's arbitrariness supreme in this province. He renounces, at least temporarily, his own power to the benefit of the governor.*

*In order to avoid this outcome the king tries to limit the governor's powers by issuing directives and instructions. Codes, decrees, and statutes tell the governors of the provinces and their subordinates what to do if such and such a problem arises. Their*

*free discretion is now limited; their first duty is now to comply with the regulations. It is true that their arbitrariness is now restricted in so far as the regulations must be applied. But at the same time the whole character of their management changes. They are no longer eager to deal with each case to the best of their abilities; they are no longer anxious to find the most appropriate solution for every problem. Their main concern is to comply with the rules and regulations, no matter whether they are reasonable or contrary to what was intended. The first virtue of an administrator is to abide by the codes and decrees. He becomes a bureaucrat.*

*Bureaucracy, Ludwig von Mises, Page 40 (pdf)*

*The main difference between socialism and capitalism is thus: under capitalism, producers are motivated by profits from exchange, while under socialism, producers are motivated by the threat of reprisal. The exponential growth of regulation under socialism represents the list of forbidden actions for which a reprisal is determined. A constitution is just one such list.*

*Once a government is established, a select elite of individuals is granted special privileges above and beyond the private law, privileges such as taxation and violent force, in order, it is believed, to protect the unprivileged. However, there is nothing within the incentive structure of government which makes those elites desire to protect the unprivileged. That is why a constitution must be imposed upon them, such that they will be forced, by law, to do what is*

*demanded of them. However, if the constitution is so devised that the reprisal for violating the constitution is immaterial, as is the case in today's United States, then we can expect the elites to massively violate the constitution at any chance they get in order to serve their own interests.*

*Although this is true of any government, it is much more true under public government, such as democracy, than under private government, such as monarchy. Hans Hoppe wisely dodged the issue of constitutional government in his text *Democracy: The God that Failed*, looking only at the economic nature of the privileged elites. Under monarchy, or any form of privately-owned government, the elites have an economic incentive to fulfill the obligations of government, and therefore a constitution is not necessary to force them to do so. Under private government, as well, because the elites are motivated by profit, they will be able to act with the insight of economic calculation. Under constitutional democracy economic calculation is not available, and thus we must conclude that constitutional government is a pure manifestation of socialism.*

Skyler.