

The Coin of the Realm



Send him mail.

"Food for Thought" is an original column appearing every other Tuesday at Everything-Voluntary.com, by Norman Imberman. Norman is a retired podiatrist who loves playing piano, writing music, lawn bowling, bridge, reading, classical music, going to movies, plays, concerts and traveling. Archived columns can be found [here](#). FFT-only RSS feed available [here](#).

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Since recorded history, people permitted without question, or appointed various types of authority groups to promote their prosperity, well-being and safety. Rule by the tribe, monarch, royalty, dictator and constitution are examples. In most cases, as with constitutionalism for example, the authorities and the masses believed that their form of government would best serve their needs and goals.

In the United States of America for the first 126 years there was relative peace, harmony, prosperity and safety in spite of the flaws inherent in our Constitution. Then in 1890 the first anti-trust laws were initiated, followed in 1913 by the creation of the Federal Income Tax and the Federal Reserve System. That was followed by the creation of a never-ending stream of government agencies and bureaus needed to enforce those laws, along with new laws to close up the "loopholes" in the original laws. Ever since then we have seen our freedoms diminish and all hell has been breaking loose as evidenced by the condition our country is in today. That hell was born out of the flaws in the Constitution, which finally caught up with us. It can be clearly demonstrated that there exists a cause and effect between the passage and enforcement of those laws and the devastating decline of the American prosperity achieved earlier; the economic deterioration, the social unrest, the failure of our education system, the poor condition of our infrastructure, the two wars in which we are presently involved, the inferiority of many of our products, and the failure of our foreign policies. The list is endless.

What is the essence of the various "isms?" With each ideology-of-control there have always been at least two factions which have approved of the ideology but differed on the method of control, each side believing that their method was the best and the most humanitarian way to attain the stated goals. The Whigs vs. Tories, the Socialists vs Communists vs.

Fascists, Democrats vs. Republicans, Liberals vs. Conservatives, Leftists vs. Rightists, “Teapartyists” vs. “Obamaites”, all believed and still believe that their method will bring the greatest good to the greatest number.

However, in principle and in reality, there are only two methods available, to administrate any society — the voluntary and the involuntary.

The voluntary method was the essence of the Constitution of the United States. Although it was flawed, it had relative success for about 126 years. It involved an understanding that all transactions and interactions between people would be by choice. Any act of coercion would be a criminal act and punishable by some method. With the passage of the various laws and the creation of government agencies as mentioned above, the voluntary method was superseded by the involuntary method. Today we all live involuntarily, by permission, through the use of coercion. There is hardly any activity that does not have some government regulation controlling it.

If the masses and the politicians want to create a prosperous and secure society once again, they must understand that the road to prosperity, peace and safety must be coercion-free. The process must include not just closing most of the government agencies and bureaus that perpetrate the coercion, but more importantly, repealing most of the regulatory laws that lead to our present disaster. It’s not just a question of how to slow down the rate of government spending. Unfortunately, all I hear are cries to repeal *only* Obama’s Health Care Law. I hear nothing about repealing the anti-trust laws, the minimum wage laws, the OSHA laws, the rent control laws, the NLRB laws, the laws mandating how every product must be produced, the various tax laws and the entire gamut of regulations that handcuff the attempts of entrepreneurs and producers to create prosperity through the jobs they create. Tea Party enthusiasts, where do you stand?

We would do well to ask ourselves the question, “how come there are not millions of jobs available when millions of citizens are available for employment and want to work?” How can that be possible? Something identifiable must be making it difficult, if not impossible, for employers to create jobs and hire the unemployed. Employers and potential employers don’t suddenly decide to stifle their passions for innovation and progress out of the blue. What is it that thwarts employers from creating jobs? The answer is the high cost of hiring, firing and fear. What are these costs? The answer is coercion on a massive scale: payroll taxes, corporate taxes, disability taxes, unemployment taxes, OSHA regulations, health insurance laws, anti-trust laws, minimum wage laws, laws regulating just about every step in the process of production, distribution and sales plus the fear of what new laws will be enacted by government to stifle trade in the future and the fear of government-created economic emergencies. Every regulation creates a cost to the employer. Cost is measured not only by money, but also includes effort, frustration, time, energy and expectation. Put yourself in the place of a potential employer and think about how you would respond if you

had to face all the burdens I mentioned plus more that I haven't mentioned. Think about all of the jobs that have never come into existence because of the almost impossible gyrations that the job-creator must perform before he can even open his doors. Think about all of the potential innovations that have never come into existence because of the frustrating red tape that the innovator must deal with before he can place his invention on the market. The list is almost endless. The barriers to innovation and production exist in third world countries as well as in America. Third world countries remain destitute because of the restrictions imposed upon their citizens by their governments. It's natural for people to try to better their living conditions. The only reason why they don't is because it is against the law to do so— in America and all of the third world countries. Yes, prosperity has become illegal.

Our monetary system was initially based on the gold standard. The American paper dollar used to be "as good as gold." The dollar could be exchanged for gold upon demand. Then coercion was instituted by the government so that the dollar would be backed by "the full faith and credit of the United States Government" in place of gold. That gave the government *carte blanche* to print paper Federal Reserve notes in place of real money (gold), and it did so at lightning speed. Is it any wonder that the dollar today is worth only 20% of what it was worth only 50 years ago? When coercion becomes the medium of exchange it opens the floodgates to all of society's ills.

Today the *coin of the realm* is the whip of coercion in the form of government fraud, corruption, theft, legal bribery in the form of lobbying, illegal bribery in the form of palm greasing, and regulation. The totality of all crimes perpetrated by individuals like Bernie Madoff pale compared to the crimes perpetrated through government fraud, corruption, theft and regulation. In his book of 1848 entitled *The Law*, Claude Frederic Bastiat asked the question, "how does one identify legal plunder (coercion)?" His answer was, "see if the law takes from some persons what belongs to them, and gives it to other persons to whom it does not belong. *See if the law benefits one citizen at the expense of another by doing what the citizen himself cannot do without committing a crime.* Then abolish this law without delay, for it is not only an evil itself, but also it is a fertile source for further evils because it invites reprisals. If such a law—which may be an isolated case—is not abolished immediately, it will multiply, and *develop into a system.*"

Both liberals and conservatives agree upon rule by coercion. They just differ on how much, when, and for which purpose the coercion should be used. For them, coercion is business as usual. I hear it from all conservative talk-show hosts. With them it is just a matter of degree. They are convinced that their use of coercion is for a good purpose, just as is believed by the liberals.

The history of the laws of the United States is a never-ending example of Bastiat's Principle: reprisal upon reprisal resulting in chaos, insecurity, frustration and in-fighting

between citizens. It will lead to eventual total serfdom. In fact, serfdom is at our doorstep and most people don't recognize it. As Bastiat predicted, it has *developed into a system*. Instead of a Republic, we have a "*Reprisalocracy*."

The average citizen is not an employer. The average citizen has never owned a business. He hasn't the foggiest idea of what it takes to start and maintain a business in America, especially today, where resentment toward entrepreneurs is rampant. They falsely believe that entrepreneurs and business owners are their enemy. As their enemy they feel that entrepreneurs deserve to be punished for their profits. So they bare their teeth and expose their form of coercion through the vote. They fail to understand that it is the profit motive that is responsible for the very jobs that they wish they had and will never have if this insanity continues.

In the 1950s Harold Fleming in his book entitled *Ten Thousand Commandments*, clearly described how the anti-trust laws have affected production to the detriment of not only the entrepreneur, but also of the worker and the entire economy. If he were to write that book today it would be entitled, *Hundreds of Thousands of Commandments*.

Are you one of those who wish to inflict your form of coercion upon your fellow citizen? If you are, you are offering no solutions — you are part of the problem.