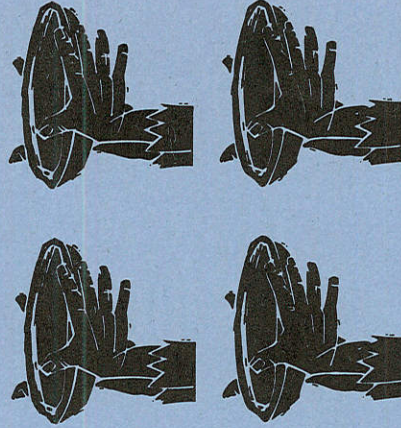


WHAT ABOUT THE POOR?



Application for Membership

Society for Libertarian Life
P.O. Box 4
Fullerton, CA 92632 U.S.A.



PLEASE ENTER MY MEMBERSHIP IN SLL.

NAME _____

ADDRESS _____

CITY _____ STATE _____ ZIP _____

AGE _____ SCHOOL OR OCCUPATION _____

PHONE (____) _____ DATE _____

Please make checks payable to Society for Libertarian Life. SLL is a non-profit, non-partisan educational organization founded in 1973. Since SLL is an affiliate of CSUF Associated Students, Inc., donations may be used as tax deductions.

Check One

STUDENT - \$2 one year
STUDENT - \$3 two years
NON-STUDENT - \$3 one year
NON-STUDENT - \$5 two years
LIFE-TIME MEMBER - \$50
CONTRIBUTION OF \$ _____ ENCLOSED.
I WOULD LIKE MORE INFORMATION ON SLL.

THE LIBERTAS STATEMENT

We, as libertarians, affirm:
That full individual liberty is impossible in any society other than a voluntary one that aggresses upon no one;
That men and women require the full and independent use of their own judgement in order to survive at an optimum level, and therefore have a natural right to do their own thing, providing that they do not physically harm or coercively restrict another individual's life, liberty or property;
That everyone is exclusively sovereign, and is a slave to no one;
That the individual is best served by society when he or she is free from the forcefully imposed controls of others, acting alone or in concert (as a government);
That all forms of coercion, aggression and fraud are always immoral;
That the only system consistent with personal freedoms in the economic arena is one that does not interfere with free trade between consenting individuals;
THEREFORE, we, as libertarians, resolve to oppose all forms of aggression by any State, Government, self-appointed savior, individual, or association of individuals. We further resolve to oppose taxation, conscription, eminent domain, laws which create victimless "crimes," and all programs forced onto individuals without their consent. It is time that the chains of authoritarianism in economics and morality be broken. Individual rights and coercion cannot co-exist. Liberty cannot be compromised, and we will settle for no less than *freedom in our time.*

(adopted on May 5, 1973)

another. A high price to one customer is a low price to another. People place different values on everything. Equality of wealth cannot be achieved because nobody can agree on what is equal beyond a small number of people. Usually, some equality is achieved when two people agree to make a trade. When the trade is made, each trader sees an opportunity to trade a lesser subjective value for a higher one. A client buys a bag of potatoes for a dollar because the potatoes represent a higher value compared with the dollar, a lower value. Otherwise, it is doubtful a bargain trade would have been made. But this value is set by the two traders and not government planners. It is no wonder why chaos and confusion surrounds enforced distribution of the wealth. It is hard to enforce something that is unclear and subjective. Enforced equality fails on the human level; an equalitarian paradise cannot occur because few can agree on what it is, or how to achieve it.

Wealth is increased in society by increasing trade. Wealth is not increased when government demands more money from taxpayers. Government may redistribute wealth produced by others, but little of the wealth reaches the poor. As the saying goes: *Those who control the state usually enrich their friends.*

POLITICS AND POVERTY

The libertarian alternative to poverty is the most rational. Rod Manis noted in a small pamphlet *Poverty: A Libertarian View*, "When power is radically decentralized, people will be free to run their own schools, their own welfare programs, their own lives... The system that obtains the greatest individual freedom would be the most successful and would provide the greatest opportunities for the poor."

Freedom does not guarantee wealth or success; it only guarantees the individual's right to acquire it fairly. Despite political promises of personal security from hunger and poverty, government cannot lessen the plight of the poor. Rather, the welfare state prolongs the poverty and nurtures the people's dependence on handouts. This is no accident. There is no better way to control members of society than to make them insecure and eager to accept any type of legislation in exchange for a so-called free lunch.

Poverty is nothing to look forward to. Yet it is not the countries of the world with high amounts of personal and economic liberties that suffer from mass poverty. The greatest resource of any nation is not iron ore, oil or gold. It is the ability to acquire personal wealth at ones liberty. The question should not be "What about the poor?" It should be, "What about the liberty not to be poor?"

*\$39.6 billion was donated by Americans in 1978 [Newsweek, May 7, 1979].

Caesar, and special interest groups obtain their dose of power. By this time the needy are lost in the political shuffle.

Secondly, it is futile to strive for equalization of wealth. Equality of any sort is not only elusive, it is impossible to achieve or maintain for any length of time. It goes against the nature of reality. Nature does not provide any strong example of equality in human beings or in the animal world. Each species in the animal world has a means for self-protection, concealment and gathering food which is unique. Each species has a different, unequal abilities and body functions to survive. Some animals developed hard shells to ward off predators. Others developed wings to escape larger animals on the ground. Still others have great running strength to out-run enemies. Equality is strikingly absent in nature. It is far more in accordance with nature to strive for self-improvement rather than enforce an artificial equality.

GOVERNMENT DICTATIONS

The next result is predictable. In a democratic nation, as productivity decline, and government programs fall behind schedule, the planners of equality soon realize that they are in danger of losing credibility. As the poverty-stricken people demand action, government planners must restore to primitive, naked force. The state nationalizes industry and workers as if everything the state touches is a national resource. Rebellious workers will be transferred to menial jobs or fired. And with government being the sole employer of workers, a dissatisfied worker could find it difficult to feed his or her family.

Forced equality eventually leads to centralization of authority, unproductivity, less food, housing and jobs which in effect institutionalizes poverty and subservience.

INEQUALITY OF THE COIN FLIPS

But suppose someone created the perfect society in which every individual shared or received an equal amount of wealth. Also suppose that two individuals met and decided to flip a coin in a dollar bet. Once the coin is flipped and the winner takes his prize, equality disappears--somebody has more wealth than another. To prevent this, the planners of equality would have to prohibit anyone from engaging in betting or trading activity. Wealth comes from trade. Without trade, everyone would starve in the naked cold. Even in the most socialistic nations, trade is the basic fabric of society. Equalitarian theories are just that--theories.

There is more. Enforced equality assumes that value is objective, that an object or action has one value. Value is subjective, not objective.

A good wage to one person is a low wage to

"I do not know of a single example of a predominantly collectivist or centrally planned society in which the ordinary citizen has achieved a major and substantial improvement in the condition of his everyday life or a real hope for the future of himself or his children."

Prof. Milton Friedman
Nobel Prize laureate in economics, 1976

It is said that people, especially the poor, cannot take care of their own well-being, and therefore anti-poverty programs operated by government agencies must be created. But does government really help the poor, or does government create economical and psychological poverty?

Some examples are in order.

A special government program operated by the Small Business Administration (SBA) "handed out millions of dollars to help some 3,400 minority small businesses over the past 10 years--and only about 30 are still in business today" (*National Enquirer*, Feb. 27, 1979).

Despite generous loans and loose contracts, government's effort to increase wealth and jobs did not materialize.

In another case, a woman in Watts, Calif. was told by the State of California that her home was sold for \$173.00 under an old law. Mrs. Moore, a 53-year-old hospital clerk, received an eviction notice from the new owner. According to the Improvement Act of 1911, which was intended to give California cities an easy way to improve neighborhood streets, property owners have 30 days to pay an assessment. If they do not, the city treasurer's office sells the unpaid bill to anyone interested. The city put streetlights on Moore's street in 1971 and assessed the residents.

When Mrs. Moore asked a local city councilman about the length of payment, he told her that she had 10 years in which to pay. The new owners now want \$6,000 for the duplex home.

It is not an isolated case. Some 143 persons lost their homes to this law in one year alone in Los Angeles. It is not the rich who are victimized by these types of laws [*Associated Press*, June 15, 1977].

Take the plight of Mrs. Flora Thorpe, a 59-year-old-widow in Cleveland. She had to pawn her wedding ring to pay for a new roof on her house to comply with city housing codes, but was jailed anyway. City inspectors arrested Mrs. Thorpe after she said she could not afford to have her house painted too.

She explained to city officials that if it wasn't for her small dog breeding business conducted in her home, she would starve. The city officials cited her for that too. Mrs. Thorpe needed help. Instead, she got government [*UPI*, May 1, 1973].

are getting less from the government than they are giving. They're paying for the welfare state just as much as everybody else! The money is simply siphoned off into the military-industrial complex, into bureaucratic salaries, and so forth."

The 1968 report from the Tax Foundation showed that national, state and local taxes take 34 per cent of the income of individuals who earn less than \$3,000 a year [*U.S. News & World Report*, Dec. 9, 1968]. Current studies from the Tax Foundation show that the poor continue to pay a good portion of their salaries into the tax collector's coffers. Perhaps if the impoverished and middle class did not pay so much in taxation, they could afford less expensive services from the private sector instead of those services now provided by government.

Another law which hurts the poor is the minimum wage law. A report by the National Federation of Independent Business in April, 1972 stated that a "loss of 680,000 jobs for marginal and submarginal workers...not to mention job opportunities that did not develop" followed that year's minimum wage increase. Everybody wants higher wages, but, as Professor Henry Hazlitt once wrote, "We cannot make a man worth a given amount by making it illegal for anyone to offer him less."

If minimum wage laws, taxes and regulations do not empty the pocketbook and make workers eligible for the bread line, then inflation surely will. As government inflates the money supply, the dollar decreases in value. Worse yet, as the worker's income increases, his buying power declines.

This is only half of the story. The progressive Federal Income Tax works the same way. As worker's income increases, so does the percentage of taxable income. The worker is making more money on paper, but unable to buy more products at the supermarket, and he is paying a higher, ever increasing rate of taxation. The Labor Department reported in 1975 that "an average worker in private industry, supporting a family of four, now pays 23.4 per cent more to the federal government for income tax and Social Security than he did a year ago" [*AP*, October 4, 1976]. In other words, taxes increased more than gasoline and food prices combined in 1975. This is amazing considering that many people look upon the oil and food industries as rip-off artists. Probably over 50 per cent of the price increase in these industries were primarily due to higher taxes levied on their businesses. It is government which is the real rip-off artist. Not only do workers pay double the price for government and the problems it creates, but they don't even get a loaf of bread or a tank of gasoline.

ALTRUISTIC SCROOGE

If the government were prohibited from engaging in charity, who would care for the poor? This first

assumes that only government may provide for the poor. This, of course, is not true. People take care of people because, as social creatures, it is our nature to help others in time of need. Besides the psychological need to help others, people feel an instinctive compassion towards the needy. And Americans do it in a big way. In 1973 alone, private charity in the United States received a total of 24.5 billion dollars voluntarily, an increase of 9 per cent over the previous year. * Moreover, the ordinary individual accounted for "three-fourths of the 1973 total" [*U.S. News & World Report*, April 8, 1974].

Altruists would have us believe that everyone is heartless and unwilling to help someone in need. However, if the average citizen were asked to help a needy person, most persons would indeed help.

What makes the altruist so sure that nobody would help the needy? Perhaps the altruist is a Mr. Scrooge in disguise. Perhaps the altruist has a bad conscience or a guilt complex. He does not want to assist the needy himself and so he feels regret. Instead of working with the poor, striving to better themselves with deeds and action, the altruist attends congressional cocktail parties to work for legislation that will force someone else to be charitable for him.

Sy Leon, author of *None Of The Above*, once said, "There are three ways to help people. 1. You can help other people yourself. 2. You can persuade people to help other people. 3. You can force people to help other people." The first two are completely within bounds of a free society. But the third one is based on the authority of police, soldiers and guns.

The point is, people cannot be forced to be charitable. Sure, the tax money is collected at the point of a gun, but the giver is resentful of the receiver. This is not charity; it is *Forced Charity*. It is theft to those who pay and demeaning to those who have through generations little choice but to accept government handouts.

The socialist solution to poverty, even though it fails to work, is to redistribute wealth in equal proportions. At first, socialists and equalitarians were satisfied with voluntary means to equalize wealth. They, however, became impatient when wealth did not voluntarily equalize. This led them to advocate confiscation of individual wealth. And the socialist decided to employ government as their mandatory collecting agency.

The problem with using government to correct inequality of wealth is twofold: First, to use the state in such a manner is to play into the hands of ambitious political movements. Any law or punishment imposed to achieve such a noble sounding goal may be justified on the premise that the means justify the end. This would encourage legislation which would violate human and individual rights as the state centralizes to make equalization of wealth more practical. Results are: the state centralizes, political leaders get to play