

The Fascist Threat

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[*Day 2 of Robert Wenzel's 30-day reading list (<http://www.economicpolicyjournal.com/2012/06/30-day-reading-list-that-will-lead-you.html>) that will lead you to become a knowledgeable libertarian, this talk was delivered at the Doug Casey conference, "When Money Dies," in Phoenix on October 1, 2011.*]

Everyone knows that the term *fascist* is a pejorative, often used to describe any political position a speaker doesn't like. There isn't anyone around who is willing to stand up and say, 'I'm a fascist; I think fascism is a great social and economic system.'

But I submit that if they were honest, the vast majority of politicians, intellectuals, and political activists would have to say just that.

Fascism is the system of government that cartelizes the private sector, centrally plans the economy to subsidize producers, exalts the police state as the source of order, denies fundamental rights and liberties to individuals, and makes the executive state the unlimited master of society.

This describes mainstream politics in America today. And not just in America. It's true in Europe, too. It is so much part of the mainstream that it is hardly noticed any more.

It is true that fascism has no overarching theoretical apparatus. There is no grand theorist like Marx. That makes it no less real and distinct as a social, economic, and political system. Fascism also thrives as a distinct *style* of social and economic management. And it is as much or more of a threat to civilization than full-blown socialism.

This is because its traits are so much a part of life — and have been for so long — that they are nearly invisible to us.

If fascism is invisible to us, it is truly the silent killer. It fastens a huge, violent, lumbering state on the free market that drains its capital and productivity like a deadly parasite on a host. This is why the fascist state has been called the vampire economy (<http://mises.org/resources/3080/The-Vampire-Economy>). It sucks the economic life out of a nation and brings about a slow death of a once-thriving economy.

Let me just provide a recent example.

The Decline

The papers last week were filled with the first sets of data from the 2010 US Census. The headline story concerned the huge increase in the poverty rate. It is the largest increase in 20 years, and now up to 15 percent.

But most people hear this and dismiss it, probably for good reason. The poor in this country are not poor by any historical standard. They have cell phones, cable TV, cars, lots of food, and plenty of disposable income. What's more, there is no such thing as a fixed class called the poor. People come and go, depending on age and life circumstances. Plus, in American politics, when you hear kvetching about the poor, everyone knows what you're supposed to do: hand the government your wallet.

Buried in the report is another fact that has much more profound significance. It concerns median household income in real terms.

What the data have revealed is devastating. Since 1999, median household income has fallen 7.1 percent. Since 1989, median family income is largely flat. And since 1973 and the end of the gold standard, it has hardly risen at all. The great wealth-generating machine that was once America is failing.

"The fascist economic model has killed what was once called the American dream."

No longer can one generation expect to live a better life than the previous one. The fascist economic model has killed what was once called the American dream. And the truth is, of course, even worse than the statistic reveals. You have to consider how many incomes exist within a single household to make up the total income. After World War II, the single-income family became the norm. Then the money was destroyed and American savings were wiped out and the capital base of the economy was devastated.

It was at this point that households began to struggle to stay above water. The year 1985 was the turning point. This was the year that it became more common than not for a household to have two incomes rather than one. Mothers entered the workforce to keep family income floating.

The intellectuals cheered this trend, as if it represented liberation, shouting hosannas that all women everywhere are now added to the tax rolls as valuable contributors to the state's coffers. The real cause is the rise of fiat money that depreciated the currency, robbed savings, and shoved people into the workforce as taxpayers.

This story is not told in the data alone. You have to look at the demographics to discover it.

This huge demographic shift essentially bought the American household another 20 years of seeming prosperity, though it is hard to call it that since there was no longer any choice about the matter. If you wanted to keep living the dream, the household could no longer get by on a single income.

But this huge shift was merely an escape hatch. It bought 20 years of slight increases before the income trend flattened again. Over the last decade we are back to falling. Today median family income is only slightly above where it was when Nixon wrecked the dollar, put on price and wage controls, created the EPA, and the whole apparatus of the parasitic welfare-warfare state came to be entrenched and made universal.

Yes, this is fascism, and we are paying the price. The dream is being destroyed.

The talk in Washington about reform, whether from Democrats or Republicans, is like a bad joke. They talk of small changes, small cuts, commissions they will establish, curbs they will make in ten years. It is all white noise. None of this will fix the problem. Not even close.

The problem is more fundamental. It is the quality of the money. It is the very existence of 10,000 regulatory agencies. It is the whole assumption that you have to pay the state for the privilege to work. It is the presumption that the government must manage every aspect of the capitalist economic order. In short, it is the total state that is the problem, and the suffering and decline will continue so long as the total state exists.

The Origins of Fascism

To be sure, the last time people worried about fascism was during the Second World War. We were said to be fighting this evil system abroad. The United States defeated fascist governments, but the philosophy of governance that fascism represents was not defeated. Very quickly following that war, another one began. This was the Cold War that pitted capitalism against communism. Socialism in this case was considered to be a soft form of communism, tolerable and even praiseworthy insofar as it was linked with democracy, which is the system that legalizes and legitimizes an ongoing pillaging of the population.

In the meantime, almost everyone has forgotten that there are many other colors of socialism, not all of them obviously left wing. Fascism is one of these colors.

There can be no question of its origins. It is tied up with the history of post-World War I Italian politics. In 1922, Benito Mussolini won a democratic election and established fascism as his philosophy. Mussolini had been a member of the Italian Socialist Party.

All the biggest and most important players within the fascist movement came from the socialists. It was a threat to the socialists because it was the most appealing political vehicle for the real-world application of the socialist impulse. Socialists crossed over to join the fascists en masse.

This is also why Mussolini himself enjoyed such good press for more than ten years after his rule began. He was celebrated by the *New York Times* in article after article. He was heralded in scholarly collections as an exemplar of the type of leader we needed in the age of the planned society. Puff pieces on this blowhard were very common in US journalism all through the late 1920s and the mid-1930s.

Remember that in this same period, the American Left went through a huge shift. In the teens and 1920s, the American Left had a very praiseworthy anticorporatist impulse. The Left generally opposed war, the state-run penal system, alcohol prohibition, and all violations of civil liberties. It was no friend of capitalism, but neither was it a friend of the corporate state of the sort that FDR forged during the New Deal.

"When you run out of everything else to spend money on, you can always depend on nationalist fervor to back more military spending."

In 1933 and 1934, the American Left had to make a choice. Would they embrace the corporatism and regimentation of the New Deal or take a principled stand on their old liberal values? In other words, would they accept fascism as a halfway house to their socialist utopia? A gigantic battle ensued in this period, and there was a clear winner. The New Deal made an offer the Left could not refuse. And it was a small step to go from the embrace of the fascistic planned economy to the celebration of the warfare state that concluded the New Deal period.

This was merely a repeat of the same course of events in Italy a decade earlier. In Italy too, the Left realized that their anticapitalistic agenda could best be achieved within the framework of the authoritarian, planning state. Of course our friend John Maynard Keynes played a critical role in providing a pseudoscientific rationale for joining opposition to old-world laissez-faire to a new appreciation of the planned society. Recall that Keynes was not a socialist of the old school. As he himself said in his introduction to the Nazi edition of his *General Theory*, National Socialism was far more hospitable to his ideas than a market economy.

Flynn Tells the Truth

The most definitive study on fascism written in these years was *As We Go Marching* (<http://mises.org/resources/2972/As-We-Go-Marching>) by John T. Flynn. Flynn was a journalist and scholar of a liberal spirit who had written a number of best-selling books in the 1920s. He could probably be put in the progressive camp in the 1920s. It was the New Deal that changed him. His colleagues all followed FDR into fascism, while Flynn himself kept the old faith. That meant that he fought FDR every step of the way, and not only his domestic plans. Flynn was a leader of the America First movement that saw FDR's drive to war as nothing but an extension of the New Deal, which it certainly was.

But because Flynn was part of what Murray Rothbard later dubbed the Old Right — the Right came to oppose both the welfare state and the warfare state — his name went down the Orwellian memory hole after the war, during the heyday of CIA conservatism.

As We Go Marching came out in 1944, just at the tail end of the war, and right in the midst of wartime economic controls the world over. It is a wonder that it ever got past the censors. It is a full-scale study of fascist theory and practice, and Flynn saw precisely where fascism ends: in militarism and war as the fulfillment of the stimulus-spending agenda. When you run out of everything else to spend money on, you can always depend on nationalist fervor to back more military spending.

In reviewing the history of the rise of fascism, Flynn wrote,

One of the most baffling phenomena of fascism is the almost incredible collaboration between men of the extreme Right and the extreme Left in its creation. The explanation lies at this point. Both Right and Left joined in this urge for regulation. The motives, the arguments, and the forms of expression were different but all drove in the same direction. And this was that the economic system must be controlled in its essential functions and this control must be exercised by the producing groups.

Flynn writes that the Right and the Left disagreed on precisely who fits the bill as the producer group. The Left tends to celebrate laborers as producers. The Right tends to favor business owners as producers. The political compromise — and it still goes on today — was to cartelize both.

Government under fascism becomes the cartelization device for both the workers and the private owners of capital. Competition between workers and between businesses is regarded as wasteful and pointless; the political elites decide that the members of these groups need to get together and cooperate under government supervision to build a mighty nation.

The fascists have always been obsessed with the idea of national greatness. To them, this does not consist in a nation of people who are growing more prosperous, living ever better and longer lives. National greatness occurs when the state embarks on building huge monuments, undertaking nationwide transportation systems, carving Mount Rushmore or digging the Panama Canal.

In other words, national greatness is not the same thing as your greatness or your family's greatness or your company's or profession's greatness. On the contrary. You have to be taxed, your money's value has to be depreciated, your privacy invaded, and your well-being diminished in order to achieve it. In this view, the government has to *make* us great.

Tragically, such a program has a far greater chance of political success than old-fashioned socialism. Fascism doesn't nationalize private property as socialism does. That means that the economy doesn't collapse right away. Nor does fascism push to equalize incomes. There is no talk of the abolition of marriage or the nationalization of children.

Religion is not abolished but used as a tool of political manipulation. The fascist state was far more politically astute in this respect than communism. It wove together religion and statism into one package, encouraging a worship of God provided that the state operates as the intermediary.

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Under fascism, society as we know it is left intact, though everything is lorded over by a mighty state apparatus. Whereas traditional socialist teaching fostered a globalist perspective, fascism was explicitly nationalist. It embraced and exalted the idea of the nation-state.

As for the bourgeoisie, fascism doesn't seek their expropriation. Instead, the middle class gets what it wants in the form of social insurance, medical benefits, and heavy doses of national pride.

It is for all these reasons that fascism takes on a right-wing cast. It doesn't attack fundamental bourgeois values. It draws on them to garner support for a democratically backed all-around nationalization of economic control, censorship, cartelization, political expansion, geographic expansion, executive control, the police state, and militarism.

For my part, I have no problem referring to the fascist program as a right-wing theory, even if it does fulfill aspects of the left-wing dream. The crucial matter here concerns its appeal to the public and to the demographic groups that are normally drawn to right-wing politics.

If you think about it, right-wing statism is of a different color, cast, and tone from left-wing statism. Each is designed to appeal to a different set of voters with different interests and values.

These divisions, however, are not strict, and we've already seen how a left-wing socialist program can adapt itself and become a right-wing fascist program with very little substantive change other than its marketing.

The Eight Marks of Fascist Policy

John T. Flynn, like other members of the Old Right, was disgusted by the irony that what he saw, almost everyone else chose to ignore. In the fight against authoritarian regimes abroad, he noted, the United States had adopted those forms of government at home, complete with price controls, rationing, censorship, executive dictatorship, and even concentration camps for whole groups considered to be unreliable in their loyalties to the state.

After reviewing this long history, Flynn proceeds to sum up with a list of eight points he considers to be the main marks of the fascist state.

As I present them, I will also offer comments on the modern American central state.

Point 1. The government is totalitarian because it acknowledges no restraint on its powers.

This is a very telling mark. It suggests that the US political system can be described as totalitarian. This is a shocking remark that most people would reject. But they can reject this characterization only so long as they happen not to be directly ensnared in the state's web. If they become so, they will quickly discover that there are indeed no limits to what the state can do. This can happen boarding a flight, driving around in your hometown, or having your business run afoul of some government agency. In the end, you must obey or be caged like an animal or killed. In this way, no matter how much you may believe that you are free, all of us today are but one step away from Guantanamo.

As recently as the 1990s, I can recall that there were moments when Clinton seemed to suggest that there were some things that his administration could not do. Today I'm not so sure that I can recall any government official pleading the constraints of law or the constraints of reality to what can and cannot be done. No aspect of life is untouched by government intervention, and often it takes forms we do not readily see. All of healthcare is regulated, but so is every bit of our food, transportation, clothing, household products, and even private relationships.

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Mussolini himself put his principle this way: "All within the State, nothing outside the State, nothing against the State." He also said: "The keystone of the Fascist doctrine is its conception of the State, of its essence, its functions, and its aims. For Fascism the State is absolute, individuals and groups relative."

I submit to you that this is the prevailing ideology in the United States today. This nation, conceived in liberty, has been kidnapped by the fascist state.

Point 2. Government is a de facto dictatorship based on the leadership principle.

I wouldn't say that we truly have a dictatorship of one man in this country, but we do have a form of dictatorship of one sector of government over the entire country. The executive branch has spread so dramatically over the last century that it has become a joke to speak of checks and balances. What the kids learn in civics class has nothing to do with reality.

The executive state is the state as we know it, all flowing from the White House down. The role of the courts is to enforce the will of the executive. The role of the legislature is to ratify the policy of the executive.

Further, this executive is not really about the person who seems to be in charge. The president is only the veneer, and the elections are only the tribal rituals we undergo to confer some legitimacy on the institution. In reality, the nation-state lives and thrives outside any "democratic mandate." Here we find the power to regulate all aspects of life and the wicked power to create the money necessary to fund this executive rule.

As for the leadership principle, there is no greater lie in American public life than the propaganda we hear every four years about how the new president/messiah is going to usher in the great dispensation of peace, equality, liberty, and global human happiness. The idea here is that the



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whole of society is really shaped and controlled by a single will — a point that requires a leap of faith so vast that you have to disregard everything you know about reality to believe it.

And yet people do. The hope for a messiah reached a fevered pitch with Obama's election. The civic religion was in full-scale worship mode — of the greatest human who ever lived or ever shall live. It was a despicable display.

Another lie that the American people believe is that presidential elections bring about regime change. This is sheer nonsense. The Obama state is the Bush state; the Bush state was the Clinton state; the Clinton state was the Bush state; the Bush state was the Reagan state. We can trace this back and back in time and see overlapping appointments, bureaucrats, technicians, diplomats, Fed officials, financial elites, and so on. Rotation in office occurs not because of elections but because of mortality.

Point 3. Government administers a capitalist system with an immense bureaucracy.

The reality of bureaucratic administration has been with us at least since the New Deal, which was modeled on the planning bureaucracy that lived in World War I. The planned economy — whether in Mussolini's time or ours — requires bureaucracy. [Bureaucracy \(http://mises.org/resources/875/Bureaucracy\)](http://mises.org/resources/875/Bureaucracy) is the heart, lungs, and veins of the planning state. And yet to regulate an economy as thoroughly as this one is today is to kill prosperity with a billion tiny cuts.

This doesn't necessarily mean economic contraction, at least not right away. But it definitely means killing off growth that would have otherwise occurred in a free market.

"Have you ever noticed that the military budget is never seriously discussed in policy debates?"

So where is our growth? Where is the peace dividend that was supposed to come after the end of the Cold War? Where are the fruits of the amazing gains in efficiency that technology has afforded? It has been eaten by the bureaucracy that manages our every move on this earth. The voracious and insatiable monster here is called the Federal Code that calls on thousands of agencies to exercise the police power to prevent us from living free lives.

It is as Bastiat said: the real cost of the state is the prosperity we do not see, the jobs that don't exist, the technologies to which we do not have access, the businesses that do not come into existence, and the bright future that is stolen from us. The state has looted us just as surely as a robber who enters our home at night and steals all that we love.

Point 4. Producers are organized into cartels in the way of syndicalism.

Syndicalist is not usually how we think of our current economic structure. But remember that syndicalism means economic control by the producers. Capitalism is different. It places by virtue of market structures all control in the hands of the consumers. The only question for syndicalists, then, is which producers are going to enjoy political privilege. It might be the workers, but it can also be the largest corporations.

In the case of the United States, in the last three years, we've seen giant banks, pharmaceutical firms, insurers, car companies, Wall Street banks and brokerage houses, and quasi-private mortgage companies enjoying vast privileges at our expense. They have all joined with the state in living a parasitical existence at our expense.

This is also an expression of the syndicalist idea, and it has cost the US economy untold trillions and sustained an economic depression by preventing the postboom adjustment that markets would otherwise dictate. The government has tightened its syndicalist grip in the name of stimulus.

Point 5. Economic planning is based on the principle of autarky.

Autarky is the name given to the idea of economic self-sufficiency. Mostly this refers to the economic self-determination of the nation-state. The nation-state must be geographically huge in order to support rapid economic growth for a large and growing population.

This was and is the basis for fascist expansionism. Without expansion, the state dies. This is also the idea behind the strange combination of protectionist pressure today combined with militarism. It is driven in part by the need to control resources.

Look at the wars in Iraq, Afghanistan, and Libya. We would be supremely naive to believe that these wars were not motivated in part by the producer interests of the oil industry. It is true of the American empire generally, which supports dollar hegemony.

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It is the reason for the planned North American Union.

The goal is national self-sufficiency rather than a world of peaceful trade. Consider, too, the protectionist impulses of the Republican ticket. There is not one single Republican, apart from Ron Paul, who authentically supports free trade in the classical definition.

From ancient Rome to modern-day America, imperialism is a form of statism that the bourgeoisie love. It is for this reason that Bush's post-9/11 push for the global empire has been sold as patriotism and love of country rather than for what it is: a looting of liberty and property to benefit the political elites.

6. Government sustains economic life through spending and borrowing.

This point requires no elaboration because it is no longer hidden. There was stimulus 1 and stimulus 2, both of which are so discredited that stimulus 3 will have to adopt a new name. Let's call it the American Jobs Act.

With a prime-time speech, Obama argued in favor of this program with some of the most asinine economic analysis I've ever heard. He mused about how is it that people are unemployed at a time when schools, bridges, and infrastructure need repairing. He ordered that supply and demand come together to match up needed work with jobs.

Hello? The schools, bridges, and infrastructure that Obama refers to are all built and maintained by the state. That's why they are falling apart. And the reason that people don't have jobs is because the state has made it too expensive to hire them. It's not complicated. To sit around and dream of other scenarios is no different from wishing that water flowed uphill or that rocks would float in the air. It amounts to a denial of reality.

Still, Obama went on, invoking the old fascistic longing for national greatness. "Building a world-class transportation system," he said, "is part of what made us an economic superpower." Then he asked, "We're going to sit back and watch China build newer airports and faster railroads?"

Well, the answer to that question is yes. And you know what? It doesn't hurt a single American for a person in China to travel on a faster railroad than we do. To claim otherwise is an incitement to nationalist hysteria.

As for the rest of this program, Obama promised yet another long list of spending projects. Let's just mention the reality: No government in the history of the world has spent as much, borrowed as much, and created as much fake money as the United States. If the United States doesn't qualify as a fascist state in this sense, no government ever has.

None of this would be possible but for the role of the Federal Reserve, the great lender to the world. This institution is absolutely critical to US fiscal policy. There is no way that the national debt could increase at a rate of \$4 billion per day without this institution.

Under a gold standard, all of this maniacal spending would come to an end. And if US debt were priced on the market with a default premium, we would be looking at a rating far less than A+.

Point 7. Militarism is a mainstay of government spending.

Have you ever noticed that the military budget is never seriously discussed in policy debates? The United States spends more than most of the rest of the world combined.

And yet to hear our leaders talk, the United States is just a tiny commercial republic that wants peace but is constantly under threat from the world. They would have us believe that we all stand naked and vulnerable. The whole thing is a ghastly lie. The United States is a global military empire and the main threat to peace around the world today.

To visualize US military spending as compared with other countries is truly shocking. One bar chart you can easily look up shows the US trillion-dollar-plus military budget as a skyscraper surrounded by tiny huts. As for the next highest spender, China spends 1/10th as much as the United States.

Where is the debate about this policy? Where is the discussion? It is not going on. It is just assumed by both parties that it is essential for the US way of life that the United States be the most deadly country on the planet, threatening everyone with nuclear extinction unless they obey. This should be considered a fiscal and moral outrage by every civilized person.

This isn't only about the armed services, the military contractors, the CIA death squads. It is also about how police at all levels have taken on military-like postures. This goes for the local police, state police, and even the crossing guards in our communities. The commissar mentality, the trigger-happy thuggishness, has become the norm throughout the whole of society.

If you want to witness outrages, it is not hard. Try coming into this country from Canada or Mexico. See the bullet-proof-vest-wearing, heavily armed, jackbooted thugs running dogs up and down car lanes, searching people randomly, harassing innocents, asking rude and intrusive questions.

You get the strong impression that you are entering a police state. That impression would be correct.

Yet for the man on the street, the answer to all social problems seems to be more jails, longer terms, more enforcement, more arbitrary power, more crackdowns, more capital punishments, more authority. Where does all of this end? And will the end come before we realize what has happened to our once-free country?

Point 8. Military spending has imperialist aims.

Ronald Reagan used to claim that his military buildup was essential to keeping the peace. The history of US foreign policy just since the 1980s has shown that this is wrong. We've had one war after another, wars waged by the United States against noncompliant countries, and the creation of even more client states and colonies.

US military strength has led not to peace but the opposite. It has caused most people in the world to regard the United States as a threat, and it has led to unconscionable wars on many countries. Wars of aggression were defined at Nuremberg as crimes against humanity.

Obama was supposed to end this. He never promised to do so, but his supporters all believed that he would. Instead, he has done the opposite. He has increased troop levels, entrenched wars, and started new ones. In reality, he has presided over a warfare state just as vicious as any in history. The difference this time is that the Left is no longer criticizing the US role in the world. In that sense, Obama is the best thing ever to happen to the warmongers and the military-industrial complex.

As for the Right in this country, it once opposed this kind of military fascism. But all that changed after the beginning of the Cold War. The Right was led into a terrible ideological shift, well documented in Murray Rothbard's neglected masterpiece *The Betrayal of the American Right* (<http://mises.org/resources/3316/The-Betrayal-of-the-American-Right>). In the name of stopping communism, the right came to follow ex-CIA agent Bill Buckley's endorsement of a totalitarian bureaucracy at home to fight wars all over the world.

At the end of the Cold War, there was a brief reprise when the Right in this country remembered its roots in noninterventionism. But this did not last long. George Bush the First rekindled the military spirit with the first war on Iraq, and there has been no fundamental questioning of the American empire ever since. Even today, Republicans elicit their biggest applause by whipping up audiences about foreign threats, while never mentioning that the real threat to American well-being exists in the Beltway.

The Future

I can think of no greater priority today than a serious and effective antifascist alliance. In many ways, one is already forming. It is not a formal alliance. It is made up of those who protest the Fed, those who refuse to go along with mainstream fascist politics, those who seek decentralization, those who demand lower taxes and free trade, those who seek the right to disassociate with anyone they want and buy and sell on terms of their own choosing, those who insist they can educate their children on their own, the investors and savers who make economic growth possible, those who do not want to be felt up at airports, and those who have become expatriates.

It is also made of the millions of independent entrepreneurs who are discovering that the number one threat to their ability to serve others through the commercial marketplace is the institution that claims to be our biggest benefactor: the government.

How many people fall into this category? It is more than we know. The movement is intellectual. It is political. It is cultural. It is technological. They come from all classes, races, countries, and professions. This is no longer a national movement. It is truly global.

We can no longer predict whether members consider themselves to be left wing, right wing, independent, libertarian, anarchist, or something else. It includes those as diverse as homeschooling parents in the suburbs as well as persons in urban areas whose children are among the 2.3 million people who languish in jail for no good reason in a country with the largest prison population in the world.

And what does this movement want? Nothing more or less than sweet liberty. It does not ask that the liberty be granted or given. It only asks for the liberty that is promised by life itself and would otherwise exist were it not for the Leviathan state that robs us, badgers us, jails us, kills us.

This movement is not departing. We are daily surrounded by evidence that it is right and true. Every day, it is more and more obvious that the state contributes absolutely nothing to our well-being; it massively subtracts from it.

Back in the 1930s, and even up through the 1980s, the partisans of the state were overflowing with ideas. They had theories and agendas that had many intellectuals backers. They were excited and excited about the world they would create. They would end business cycles, bring about social advance, build the middle class, cure disease, bring about universal security, and much more. Fascism believed in itself.

This is no longer true. Fascism has no new ideas, no big projects — and not even its partisans really believe it can accomplish what it sets out to do. The world created by the private sector is so much more useful and beautiful than anything the state has done that the fascists have themselves become demoralized and aware that their agenda has no real intellectual foundation.

It is ever more widely known that statism does not and cannot work. Statism is the great lie. Statism gives us the exact opposite of its promise. It promised security, prosperity, and peace; it has given us fear, poverty, war, and death. If we want a future, it is one that we have to build ourselves. The fascist state will not give it to us. On the contrary, it stands in the way.

It also seems to me that the old-time romance of the classical liberals with the idea of the limited state is gone. It is far more likely today that young people embrace an idea that 50 years ago was thought to be unthinkable: the idea that society is best off without any state at all.

I would mark the rise of anarcho-capitalist theory as the most dramatic intellectual shift in my adult lifetime. Gone is that view of the state as the night watchman that would only guard essential rights, adjudicate disputes, and protect liberty.

"In the end, this is the choice we face: the total state or total freedom."

This view is woefully naive. The night watchman is the guy with the guns, the legal right to use aggression, the guy who controls all comings and goings, the guy who is perched on top and sees all things. Who is watching him? Who is limiting his power? No one, and this is precisely why he is the very source of society's greatest ills. No constitution, no election, no social contract will check his power.

Indeed, the night watchman has acquired total power. It is he who would be the total state, which Flynn describes as a government that "possesses the power to enact any law or take any measure that seems proper to it." So long as that government, he says, "is clothed with the authority to do anything without any limitation on its powers, it is totalitarian. It has total power."

It is no longer a point that we can ignore. The night watchman, and his powers should be removed and his powers distributed within and among the whole population, and they must be governed by the same forces that bring us all the blessings the material world affords us.

In the end, this is the choice we face: the total state or total freedom. Which will we choose? If we choose the state, we will continue to sink further and further and eventually lose all that we treasure as a civilization. If we choose freedom, we can harness that remarkable power of human cooperation that will enable us to continue to make a better world.

In the fight against fascism, there is no reason to be despairing. We must continue to fight with every bit of confidence that the future belongs to us and not them.

Their world is falling apart. Ours is just being built.

Their world is based on bankrupt ideologies. Ours is rooted in the truth about freedom and reality.

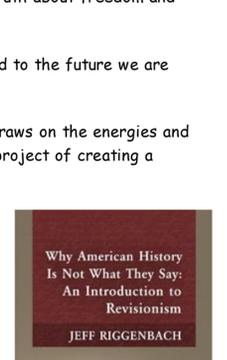
Their world can only look back to the glory days. Ours looks forward to the future we are building for ourselves.

Their world is rooted in the corpse of the nation-state. Our world draws on the energies and creativity of all peoples in the world, united in the great and noble project of creating a prospering civilization through peaceful human cooperation.

It's true that they have the biggest guns. But big guns have not assured permanent victory in Iraq or Afghanistan — or any other place on the planet.

We possess the only weapon that is truly immortal: the right idea. It is this that will lead to victory.

As Mises said (<http://mises.org/tt/chapter16.asp>),



(<http://mises.org/store/Product.aspx?ProductId=584>)

In the long run even the most despotic governments with all their brutality and cruelty are no match for ideas. Eventually the ideology that has won the support of the majority will prevail and cut the ground from under the tyrant's feet.

Then the oppressed many will rise in rebellion and overthrow their masters.

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