

THE INVISIBLE HAND

"That government is best which governs least"

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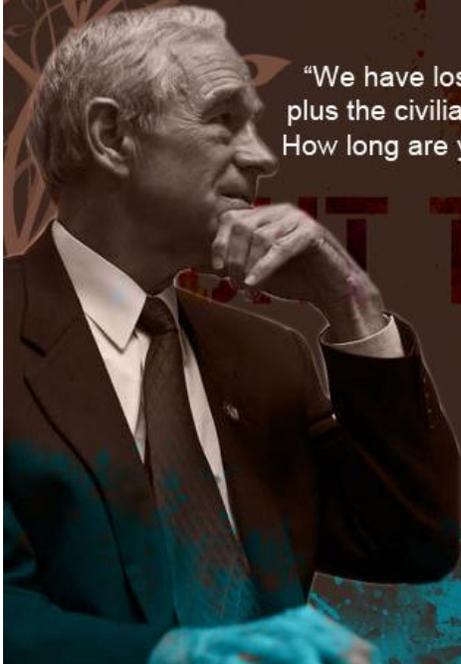
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"We have lost over 5,000 Americans in Afghanistan & Iraq, plus the civilians killed. How many more do you want to lose? How long are you going to be there? It's time we came home."

- Ron Paul



RUTGERS LIBERTARIANS
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Libertarianism by Kevin Rutter

A word believed to be so conceptually elusive and commonly misconstrued that few fully understand it. And that is a shame, because at its roots, libertarianism lies so close to what the majority of Americans believe. Not what the media would have you believe, not what your parents have taught you, not what is praised and engrained through our public education system, but rather what deep down, we know is the correct political structure. Libertarianism is what would cause our nation to thrive both economically and socially, through a system that not only allows, but supports and respects freedom.

However, before I can get into the details of what libertarianism *is*, I feel compelled to state what libertarianism *is not*. Libertarianism is often portrayed as a radical fringe group of either the Republican or Democrat political parties. This is not the case. Although often viewed as a political continuum from Republican to Democrat, libertarian beliefs take the best of each, proving that it is not only possible, but also preferable to seek both economic and social freedom. To settle for one or the other in the current political two-party system is to be satisfied and complacent with 'just enough', which is something that no American should embrace. Libertarianism is also not a recent movement. Although it may have not had this title, traces of libertarianism can be seen in some of our founding fathers, such as Thomas Jefferson, George Washington, and Benjamin Franklin. Through this publication, our goal is to return to these tried and tested principles, in order to show that such a system can (if given the chance) work.

Libertarianism is a full and unrelenting trust in the free market, a realization that the free market will always be more effective than government economic intervention. Libertarianism is the stance that all humans have basic liberties granted through the Constitution, and that these liberties should in no circumstance be violated. Libertarians think that there should be small and limited government, with sufficient checks and balances to guard against corruption, and excessive force. To put it even more simply, libertarianism is the view that you should be able to do whatever you want, as long as it does not interfere in someone else doing whatever they want. If you think about these basic principles, you will see that they can lead to both a happier and more prosperous America.

Throughout this publication, these various principles will be fleshed out. Through a discussion on the faults of government, it will become clear why the excessive use of force, power, and legislation have both negative and harmful effects. Through a discussion on various topics regarding civil liberties, it will become clear that even though America is a terrific example for respect of civil liberties, there are still several current injustices. Through a focus on the free market and libertarian economic principles, it will become clear that through a free market system our nation can flourish economically. And through a constant focus on the innumerable benefits that come with a political system that fully embraces freedom, it will become clear that libertarianism is the only suitable candidate for a better America.

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Why Government is the Most Dangerous Entity by Matt Simcha

Admittedly, it can seem a little bit strange at first. Angry heads spouting, government this, government that! A whole political philosophy dedicated to hating the government? Why? Sure, the government isn't perfect, but aren't there worse atrocities in our country than anything perpetrated by the government? How about poverty, crime, corporate exploitation, etc.? Why is the government so bad that it shouldn't even attempt to address those things?

If you've ever found yourself asking the above questions about libertarian/conservative philosophy, I have a very simple answer for you. An answer so simple, in fact, that it can be summed up in one word: force. The one thing that distinguishes government from any other entity is its authority to force you, literally at gunpoint if need be, to do (or not do) whatever it wants.

Don't get me wrong, even most libertarians believe that government should use force to protect people and their property from being harmed, and prevent people from being victimized by deception. But the government uses force for so much more than that, it is mind-boggling.

For example, every year the government forcibly seizes huge sums of money from nearly all citizens to pay for things that many of the citizens may not even want. Again, while this is a necessary evil in small doses, it is administered to us in enormous doses, as if there is absolutely nothing wrong with it. The government forcibly takes our money to fund everything from entertainment complexes to having military stationed in nearly every country around the globe. How would you feel if a crook came up to you, demanded money at gunpoint, and then used that money to buy a ticket to the opera, a gun, and a trip to New Zealand? Would you feel as if he was serving and protecting your needs?

Much of our tax money, of course, is used for law enforcement; in other words, having a list of things that should not be done, and punishing those who do them anyway. Presumably, these things that should not be done would do harm to others, and have victims that the law seeks to protect. Instead, the government uses force to prevent people from engaging in mutually agreed upon activities! Who are the "victims" that need protection from gay marriages, marijuana use, and refusable job offers the government deems inadequate? Yet the government will stop at nothing to punish people who do those things listed above.

Many people feel that big business is more dangerous than the government. Big business, however, does not usually affect anyone's life unless he/she chooses to engage in relations with that business (pollution being the one legitimate counterexample). All people, whether they like it or not, are subject to the authority of the government, whose power is literally boundless due to its ability to use force. Our philosophy, as libertarians, is simply that this use of force should be limited to the point where it doesn't hinder the lives of decent people who mean no harm to others.

The most important element of a free society, where individual rights are held in the highest esteem, is the rejection of the initiation of violence. All initiation of force is a violation of someone else's rights, whether initiated by an individual or the state, for the benefit of an individual or group of individuals, even if it's supposed to be for the benefit of another individual or group of individuals. Legitimate use of violence can only be that which is required in self-defense. – Ron Paul

Freedom, morality, and the human dignity of the individual consists precisely in this; that he does good not because he is forced to do so, but because he freely conceives it, wants it, and loves it. – Mikhail Bakunin

Abuse of Executive Orders by Vighnesh M. Raman

The Executive Order is an order by the President meant to direct the actions of the Executive Branch. It can be used to establish a new federal agency within the branch or to set a new policy¹. This power allows the President to write orders that carry the force of law, letting the President bypass Congress; a major check on the Executive Branch. The Executive Orders are not entirely unconstitutional provided that the President does not violate any laws or the Constitution. It is the duty of the President to see "that the laws be faithfully executed," and the Executive Orders might be a necessary way for the President to command the Executive Branch. However, the ability to issue an order with the force of law is still dangerous when left in the hands of a single individual.

One of the best examples of Executive Order abuse was what occurred under FDR, a President that greatly expanded government over his 4 terms as President. It was through Executive Order 9066 that FDR authorized the Japanese internment during World War 2. Around 120,000 Japanese Americans were forced to relocate, leaving much of what they had built behind². In 1933, through Presidential Executive Order 6102 FDR forbade US citizens from hoarding "gold coin, gold bullion and gold certificates,"³ effectively making private gold ownership illegal aside from the conditions prescribed within the order itself. The President claimed the authority for such action from the Act of October 6, 1917: Trading with the Enemy Act, which was later amended in 1933 with the "Emergency Banking Act," allowing the President to regulate the financial transactions between Americans during a war or national emergency,⁴ which the President himself had the power to declare. FDR used the Executive Orders to imprison Americans (who at that point were not aligned with their country of origin), as well as deprive Americans of possibly the soundest means of exchange they could have had during a depression. The major point here is that the President claimed the power to confiscate gold money and imprison a large group of American citizens during a state of emergency or a state of war (in the latter case).

Congress is partly to blame in that it has allowed the Executive Branch to expand its powers by delegating more tasks to it. This is especially true for the 20th century in which Congress has enacted many government programs. Over time, the President has usurped more power that was once reserved for either Congress or the states. President Clinton in particular has "repeatedly used Executive Orders, proclamations, and other "Presidential directives" to exercise legislative powers the Constitution vests in Congress or leaves to the States."⁵ When frustrated by a GOP-controlled Congress, Clinton resorted to issuing Executive Orders to further his

¹ "Executive Orders and Proclamations." *Redirect to Wellesley College Web Site*. Web. 17 Feb. 2011. <<http://www.wellesley.edu/Library/Research/GovDocs/presdirectives.html>>.

² "Gaman: FDR and the Japanese American Internment Camps." *Eye Level*. Web. 17 Feb. 2011. <<http://eyelevel.si.edu/2010/02/gaman-fdr-and-the-japanese-american-internment-camps.html>>.

³ Sunday, CoinLink On. "FDR Executive Order 6102 – Forbidding Hoarding of Gold: Coin Resources." *CoinLink Coin Collecting, Rare Coins, Coin News and Articles, Coin Prices and the Coin Guide*. Web. 17 Feb. 2011. <<http://www.coinlink.com/Resources/coinage-acts-by-Congress/fdr-executive-order-6102-forbidding-hoarding-of-gold/>>.

⁴ "Is the Constitution Suspended?" *Constitution Society Home Page*. Constitution Society. Web. 17 Feb. 2011. <<http://www.Constitution.org/pub/nam6205a.htm>>.

⁵ Olson, William J., and Alan Woll. "Executive Orders and National Emergencies." *The Cato Institute*. The CATO Institute, 28 Oct. 1999. Web. 28 Feb. 2011. <<http://www.cato.org/pubs/pas/pa-358es.html>>.

agenda which included a food safety initiative, that would add more regulations, as well as initiatives to improve health care and reduce juvenile crime. His Executive Order 12954 was intended to overturn a Supreme Court ruling about The National Labor Relations Act, created in 1938. The ruling was that an employer had the right to continue his business when employees went on strike, by filling vacant positions with new employees, and that he didn't have to fire the new employees to make room for the old ones when the strike ended. When Congress refused to pass legislation that would prevent employers from enjoying that right, Clinton issued 12954, which prohibited federal contractors from doing business with the government if they exercised that right. A court ruled that the order amounted to legislation as it would have been a regulation and only Congress should have the power to issue regulations.

President Clinton also went to war with Yugoslavia without Congressional approval. In 1998-1999 he issued three Executive Orders through which he waged the undeclared war. Order number 13088 declared a state of national emergency and allowed the government to seize Yugoslavian assets in America as well as cut off trade with that country. Then in March of 1999 he deployed the Air Force among the NATO forces that were bombing Yugoslavia before deploying ground troops in Macedonia and Albania. In April, he issued order number 13119, which designated Yugoslavia and Albania as war zones. The third Executive Order, 13120, allowed him to send reserve troops into active duty, all without the approval of Congress. Even though the President is the commander in chief, Congress as a coequal branch has the power to declare war. Yet Clinton used the Executive Order to bypass Congress, and like FDR before him, declared a state of emergency to further his agenda.

The President is the position from which a dictator is most likely to arise. So both Congress and the Supreme Court must hold his powers in check. The ability to declare a state of emergency, coupled with emergency powers that are granted to the President during a state of emergency make the rise of a dictator a very real possibility. Just as with war, Congress must be the one to declare a state of emergency, to prevent the President from abusing it to expand his own power. Past Presidents have already used Executive Orders to imprison a target group of people, confiscate sound currency, push agendas, and send soldiers into battle without the approval of Congress. Even if the current President would never abuse the Executive Orders, the power will inevitably outlive him and we cannot trust that the next President would be so kind. An Executive Order is a necessary and legitimate power, so far as it is used to direct the Executive Branch in enforcing the law, but it must never be used as an easy way to accomplish an agenda or to deprive Americans or any group of people of their human rights. Since the power of the President to issue Executive Orders is only vaguely defined in the Constitution, Congress must pass a bill that clearly defines what orders the President can and cannot issue in order to curb the current trend of abusing executive power.

The greater the power, the more dangerous the abuse. – Edmund Burke

Concentrated political power is the most dangerous thing on earth. – Rudolph Rummel

The object and practice of liberty lies in the limitation of governmental power. – General Douglas MacArthur

Concentrated power is not rendered harmless by the good intentions of those who create it. – Milton Friedman

The truth is that all men having power ought to be mistrusted. – James Madison

Free Market Alternatives to Healthcare by Neil McGettigan

Neil McGettigan is a member of Rutgers Libertarians and State President of the NJ Affiliate of the Objectivist Party, he currently is a SAS Sophomore majoring in History, and minoring in Philosophy.

Last March, against popular opinion, President Obama and the Democratic-controlled House and Senate passed the Patient Protection and Affordable Healthcare Act, "Obamacare". The sweeping bill was both hailed and hissed at for bringing about the expansion of governmental power and national debt (at least \$ 1 trillion over the next ten years(5)). Contrary to the shouts from the left, the federal government has been involved in healthcare since LBJ created a single payer healthcare system for the poor and elderly known as Medicare and Medicaid in 1965. Since then these programs have been careening down the third rail of American politics like a brakeless locomotive, powered by a budget twice the size of the military's and protected from the smallest cuts and criticism by politicians who see only election years on the horizon and not our nation's future insolvency. Even the so called capitalist Republicans when in power have done nothing to economize or reform Medicare and Medicaid, as demonstrated with George W. Bush's substantial increase of Medicare with the Prescription drug Act of 2003. Like the Democrats they have increased it with every chance they have been given. Though the great socialist experiments in the East collapsed over twenty years after giving their specimens famine and tyranny rather than a modern Eden; we in the United States are still looking towards them as a model for reforming healthcare. However, we should be looking at systems that promote individual choice and freedom, the things that make our nation great.

The most controversial (and unconstitutional) provision of the new healthcare bill is known as the individual mandate, which requires every American citizen (unless they qualify for Medicare) to purchase healthcare insurance or face a fine as high as 2.5% of their yearly income. On paper this appears as the perfect way to encourage (or coerce) Americans to cover themselves while insuring that free riders will have to pay.

The free market solution to this problem is to remove restrictions on purchasing insurance across state lines (4). When Massachusetts introduced an individual mandate in 2006, insurance prices doubled as special interest groups lobbied to insure that every disease, procedure and nose job was covered. States like Utah have health insurance as costly as the average cell phone bill because insurance companies there can sell minimum coverage insurance, allowing those in the lower-income bracket to sleep better, knowing that if they are hit by bus or suffer a heart attack they will not lose their home(2).

One of the main reasons healthcare prices have skyrocketed is due the lack of restraint in spending. Research at the Dartmouth Medical School indicated that as much as one-third of our nation's healthcare spending (approx. \$700 Billion, or 5% US GDP) is unnecessary (1). Capitalism is the economic system designed for the world's scarcity, if anything can reform Medicare and Medicaid it will be encouraging hospitals to act as for profit entities. Currently all hospitals in our nation act as non-profit corporations, and because of such a mindset they see no problem with operating in the red. Hospitals need to do what nearly every coffee shop and diner has done in the past decade, make more use of electronic information systems which will cut down the costly paperwork and mistakes from badly scribbled clipboards and allow patient medical history and diagnosis to be in a doctor's sight

with the touch of a screen. Within these hospitals patients would pay a flat fee for doctor's visit. If a test or procedure is needed the doctor will give an estimate by adding the set prices advertised. The patient, being a customer, can likewise shop around at other medical centers for the best price (3).

In India, some hospitals have emerged offering this model, staffed by doctors trained to US standards who perform births at just over \$50, at one tenth the cost of the cheapest heart surgeries in the US (6, 7). It should also be noted that if prices for most procedures only reach ten times what they are in India, then it will be possible for churches and community charities to assist and pick up the bills of those that can't pay as they did a century ago(3).

Prescription drugs are another matter. The FDA (being a part of the government) is influenced as much by public opinion, and special interests as scientific data. In order to ensure that the American public is not exposed to drugs with dangerous side-effects they run tests and trials that keep potentially life saving drugs off the market for decades. Because of these standards the American public often receives drugs with little side-effects because they lack strong effect. The now infamous pain killer Vioxx was taken off the market even though its negative side effects only appeared in less 1% of its users. There were patients at government hearings that begged for the drug to be kept on the market because it was the only effective pain killer for their severe arthritis (2). The US Government needs to stop banning drugs and substances that have some medical practicality, such as Thalidomide (which was shelved due to the severe birth defects it caused in the 1950s) has been found as treatment for leprosy. A better known example is marijuana, which has been proven as effective pain killer and anti-depressant. The government should not ban any substances with medical potentiality, because more substances lead to more possible medical treatments.

In an age where we have cracked the human genome, custom drugs tailored to the users DNA can be in be possible in the upcoming decades... that is if the government steps out of the way and allows pharmaceuticals and non-profit medical research foundations to experiment, and test and modify DNA and Stem cells. America has always processed vast amounts of ingenuity. Tearing down the red tape in biological research will allow America to compete and thrive in the 21st century. What America needs is not a medical bureau but a medical economy. When doctors and insurance companies compete, patients will win.

1. <http://www.cato-at-liberty.org/dartmouth-withstands-the-nyt-but-the-left-cannot-withstand-dartmouth/>
2. "You are Not Your Brother's Healthcare Provider" a speech and Q & A given by Yaron Brook in NYU, March 30th 2010.
3. <http://www.thefreemanonline.org/featured/health-care-a-future-free-market-alternative/>
4. <http://www.cato-at-liberty.org/cost-slashing-no-cost-shifting/>
5. <http://www.cato-at-liberty.org/obamacares-cost-could-top-6-trillion/>
6. <http://www.mim.monitor.com/downloads/Economist-LessonsfromaFrugalInnovator.pdf>
7. <http://www.timesonline.co.uk/tol/news/world/asia/article7125984.ece>

If you think health care is expensive now, wait until you see what it costs when it's free. – P.J. O'Rourke

Collectivist Stagnation: A look at how collectivism leads nowhere

Communists and their ilk frequently state the needs for social justice and that the market cannot provide for all the needs of people adequately. They present a string of bleeding heart causes (nevermind that it is the state that causes these hardships) and conclude that socialist forced collectivism must be enacted to accommodate these "needs". However, history has shown these various schemes to be abject failures. Proponents will bring up numerous examples, whether Native Americans or anarchist Spain or Israeli kibbutzes; sometimes the Soviet Union and the Peoples Republic of China as well. Marxism and collectivism lead to complete stagnation in an economy. They rarely, if at all, lead beyond farming. Participants find themselves plowing fields and doing little else.

Let us presume that the Native Americans indeed were collectivist. We can see the result of that: few advanced beyond hunter-gathering and basic agriculture (rudimentary at best for most groups). Thus, when the Europeans arrived, the Native Americans were no match whatsoever for the weaponry and disease brought to them. The natives actually showed an inclination towards acquiring weapons and other European technologies (horses), which would advance their societies, but ultimately, it was disease that did them in. They took their losses out upon their new neighbors, who did not like being attacked relentlessly and fought back, slaughtering the rest. There was little the market could do in this rapid decay. Anarchist Spain I am less familiar with, but we can see that it ultimately failed.

Israeli kibbutzes, once purported a great socialist marvel, are now a subsidized and largely decollectivized operation. The collectivist scheme appeared to work at first, but eventually received subsidies to put on a better theatre production. When left to their devices, kibbutzes were poverty-stricken hellholes. Everyone farmed or provided other basic needs, such as child care (someone needs to watch the kids as the grownups farm!). It would not be long before kibbutzniks realized their schemes were leading to "collective" personal stagnation. At first, they took it upon themselves to enter the greater market, producing goods for money that could advance their lives. This better life and the world just beyond the kibbutz became more attractive. People left kibbutzes in droves and they are now subsidized by money stolen from other Israelis. Today, they are more a tourist attraction or a museum than anything, not to mention externally marketist.

The Soviet Union is obviously gone today, but when it did exist, we know what happened. Lenin quickly and quietly realized that collectivism would not work. He cleverly adopted a "New Economic Policy", which reduced collectivism and opened the markets. Stalin later forced collectivism on unwilling Soviet citizens. This led to vast starvation and death, as well as stagnation. The Soviet Union did not really remain collectivist for much time. They saw the awful life it kept people in (as farmers) and marketism returned. In the 1980s, the Soviet Union was technologically where the West had been in the 1960s. The reason for Soviet Russia to have advanced beyond agriculture is due to internal and external marketism. The Soviet Union did have money after all, as well as vast resources to burn up before ultimately the house collapsed.

In China, a similar thing occurred, so I won't go into detail. Starting in the 1980s, Deng Xiaoping reduced collectivism and allowed the market to flourish. Over the next three decades, China began to surge from a farming backwater to a fierce, world power with a strong and still-growing economy. It will reach a painful ceiling at some point unless the collectivism and state interference are completely removed, but for now we can see the market fueling advancement for Chinese people.

Collectivism cannot advance far beyond farming. The market is needed to advance lives to where most people want them to be. The father of modern collectivism himself noted this, whether he realized it or not. Karl Marx famously stated the maxim "from each according to his ability, to each according to his need". Our needs are food, water, and shelter, and those are all collectivism can provide. If we have wants, the market must be utilized. Thus, Marx is completely correct in his assertions. His followers, however, have not realized that wants are not needs and Marxist policies will never produce anything beyond "needs".

TSA by Neil McGettigan

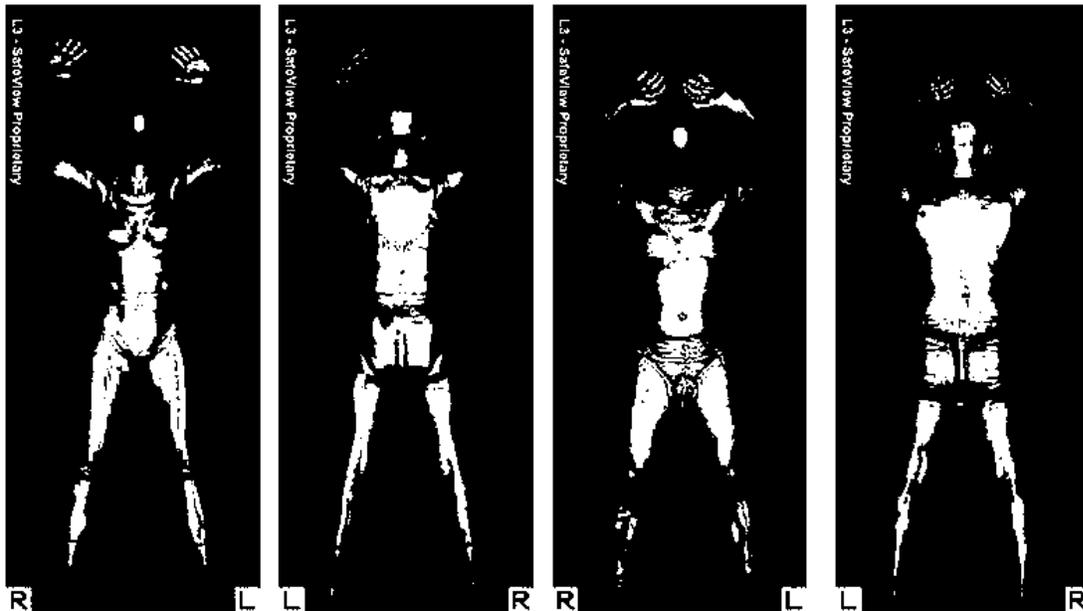
If you traveled this holiday season, you made sure not to pack a deadly pair tweezers or nail clippers, selected a pair of shoes not for their comfort or style but for the easy removal at the metal detector, and as you headed out grabbed your keys and cell phone and made sure to leave your dignity at the door, since such a notion could get in the way of beeping wands in gloved hands that stand in front of the departure gates. There sometimes is the quicker option of using the marvelous new body scanners that allow government agents to conduct a virtual strip search of your body in approx. 15 seconds. If you refused the scanner, or if the machine's operator found anything suspicious you may have then been fortunate enough to have been pulled to the side to have your body touched and groped by the helping hands of your friendly Transportation Security Administration agent, who received their job only after a 40 hour online crash course and 60 hours of on floor training.

Those upset by this negativity point out the necessity of such procedures in the post 9/11 world, however they fail to look at the actual effectiveness of airport security presided over by the government. In December 2010 a luggage screener at Huston airport missed a Glock pistol a passenger mistakenly packed into his carry-on bag. This shocking breach would carry no surprise in any of the Department of Homeland Security's memos, numerous tests conducted by federal government to rate the effectiveness of airport security found that approximately 90% of the time concealed explosives and guns were able to go through security undetected. Besides the obvious failure at preventing the most probable threat, found in the form of concealed knives and guns, the TSA is also unable to predict, or keep up with new methods of attack being devised by terrorists. The use of Backscatters X-ray machines began recently in November 2010 as response to Umar Farouk Abdulmutallab, who was found carrying concealed explosives in his underwear on board a flight in December 2008. The gradual implementation of the policy of removing your shoes at the metal detector was implemented only after Richard Reid nearly succeeded in igniting explosives hidden in his shoes midflight in December 2001. What the government seems to be unaware of is that there are many other targets besides airlines. In recent years, Russian trains have attacked numerous Chechnyan suicide bombers (the Chechnyans attack Russian trains, Russia then attacks Chechnyan villages) in 1995 members of the Japanese cult Aum Shinrikyo released sarin gas into Tokyo's subway system killing thirteen people. In May of last year Faisal Shahzad parked an SUV filled with propane and fertilizer in Times Square, had the detonator worked, the explosion would have been as massive as The Oklahoma City bombing in 1995. The method of terrorism is to use violence to demoralize an enemy, whether that means blowing up an oil refinery, or a school bus. The goal is to create a sense of fear within the population that cripples their day to day lives.

The measures being conducted by the TSA as of now are only a semblance of actual security. There have been many proposals for improvements; many have stated the US should model its security after Israelis. Without a doubt the Israelis do have one of the safest airport security systems in the world that selects travelers for screening based on their body language; the downside to this system is its cost, its implementation would require a near doubling of the bureaucracy and actual training of TSA agents. The Israeli system has been reported to have the tendency to profile international passengers. Profiling passengers is not affective because 1. Islam is a widespread faith with adherents of every nationality and ethnicity 2. Fundamentalist Muslims are not the only group willing to carry out terroristic acts, there are white supremacists like Oklahoma City bomber, Timothy McVeigh. What has worked is the diligence of the passengers and flight crew, whom both the shoe bomber and Underwear bomber were subdued by. Currently many passenger flights carry armed plain clothes Federal Air Marshals that blend with the crowd, the Flight Attendants and Pilots be trained should carry either Tasers or pepper spray. Thus the secret to airport security is to not tens of thousands of bureaucrats and agents reporting directly to Washington but rather the wary diligence of every traveling citizen.

Body scanners arguably pose more threat to our nation than Al-Qaeda; the unquestioning sacrifice of liberty in the name of security is seed of all dictatorships. The Fourth Amendment confirms “The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated, and no Warrants shall issue, but upon probable cause, supported by Oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized” In this day and age the constitutionality of state actions are hardly considered, as evidenced by former house speaker Nancy Pelosi who responded with a sarcastic “Are you serious” when asked whether mandated health insurance was constitutional . Since the Patriot Act in 2001, we have lived in a nation where the government can read our emails and text messages without the warrant of a judge. If our society has reached the point were groping or electronic strip search has become commonplace than what does that say of our Republic? Are we already at the point where national security requires the state to monitor the words in our emails and our body cavities on scanner screens? This façade of security will do nothing but destroy any remaining semblance of individual privacy.

They who can give up essential liberty to obtain a little temporary safety, deserve neither liberty nor safety. – Benjamin Franklin



Source: Wikimedia – Public Domain

It stands to reason that where there's sacrifice, there's someone collecting sacrificial offerings. Where there's service, there's someone being served. The man who speaks to you of sacrifice, speaks of slaves and masters. And intends to be the master. – Ayn Rand

The war on "terror" will never be over, it will just change locations. Like the war on drugs, prostitution, pornography, and the many others that will follow, it is a war on humanity. These wars will never be won; the State will just keep creating new boogiemens to frighten us with. The sheep will anxiously anticipate the next fall guy the State offers up as a sacrifice for the war on whatever happens to be next. Be careful, the next pawn could be me or you. – Mike Wasdin

The War on Drugs: Costly, Ineffective and Unnecessary by Matt Simcha

Most agree that wars should only be fought against nations that are an immediate threat to our safety and freedom. However, forty one years ago, the U.S. declared a peculiar war that rages on to this day, claiming thousands of casualties and costing over \$40 billion per year. This war is being fought against a very different, and not very intimidating opponent; plants that can temporarily alter our perception. Yes, I am talking about the infamous War on Drugs. Any politician who calls for all drugs to be legalized is immediately cast out by the public and no longer taken seriously. This is a shame, because there are two ways to look at the issue that both lead to the same conclusion: The War on Drugs needs to end.

The first way to look at drug war is from a philosophical viewpoint; that is, realizing that drug use is a victimless crime. When a person does drugs, who is the victim? Who needs protection from this act? Ultimately, it is no one else's business what a person decides to put in his/her body. You may argue that drug laws are actually meant to protect drug *users* from drug *sellers*, but this ignores two key facts: One, that users make a conscious choice to purchase and use drugs, and two, that arresting and punishing a person, and taking away his freedom, is in no way protecting him. Let me conclude this argument by posing the following question: Would you feel any less safe if drugs were legal?

From a more pragmatic perspective, it is abundantly clear that the costs of the War on Drugs greatly outweigh its benefits (if there are any). As previously mentioned, more than \$40 billion per year are spent on the War on Drugs in the U.S.; this means that over the course of your lifetime, if this figure holds constant per capita, you will pay approximately \$10,000 to aid the cause. Is it worth it? Even if you think it is worth that kind of money, surely you must consider the staggering loss of life to be a huge downside. The drug war allows extremely violent black markets to flourish, as they have no competition from legitimate business. These violent cartels are estimated to result in thousands of American deaths every year. Consider this: When alcohol prohibition was repealed, the homicide rate fell by nearly 50% in the coming years. It rose back up again tremendously in 1970 when the modern day War on Drugs was enacted. And what have we gotten for this hefty price, in both money and human lives? Has drug use been greatly curbed in our society? I'll let you answer that one.

To conclude, the drug war is wrong and harmful on multiple levels. It is a violation of personal freedom. It does not serve the intended purpose of law, which is to protect citizens from being harmed. It is extremely costly, in dollars and in lives. It has proven to be ineffective. The mountain of evidence in favor of drug legalization is too much to ignore. We need to put aside irrational fears and face this issue with cold, hard logic. In doing so, we will realize that the best solution is to put an end to the War on Drugs.

No drug...causes the fundamental ills of society. If we're looking for the sources of our troubles, we shouldn't test people for drugs, we should test them for stupidity, ignorance, greed, and love of power. – P. J. O'Rourke

You might be a Libertarian if...

If you think taxes are ridiculously high, you might be a Libertarian.

If you think that the problem with civil servants is that too many of them are neither civil nor servants, you might be a Libertarian.

If you think that there are way too many laws about way too many things, you might be a Libertarian.

If you believe in the Bill of Rights, you might be a Libertarian.

If you believe that no one should go to jail for smoking flowers, you might be a Libertarian.

Source: rlibertarians.tripod.com

Uniformed Citizens Unite Against Free Speech by Neil McGettigan

It was near the start of class here at our fair University that a representative of NJPIRG came to advertize their organization. I normally would have taken little notice of such a speaker, I know of NJPIRG, and as my presence in this publication indicates I do not share their views on how we can better our society. At first I took calmly prepared and unpacked little notice of what she said, I had heard it all before, but her remarks on NJPIRG's latest crusade against *Citizens United*, which she described as a terrible ruling that gives the evil corporations a voice and thus were responsible for the Republican victory in November sized my attention and anger. It took much of my energies to contain myself from standing up and voicing my disagreement with this false, but common view of the Supreme Court's judgment.

The case of *Citizens United vs. Federal Election Commission* started in the 2008 when a Conservative non-profit corporation known as Citizens United produced an anti-Hilary Clinton documentary that they wanted to distribute on cable networks. Citizens United thought they would be able to air the film without breaking FCC and campaign laws because Michael Moore was able to advertise and distribute his popular anti-Bush film, *Fahrenheit 9/11* during the 2004 election. The FCC claimed that the *Bipartisan-Campaign Finance Act (aka McCain-Feingold Act)* which prohibited all corporations, both profit and non-profit from using their funds to create political campaign ads prevented Citizens United from broadcasting it; the lower courts, in line with years of jurisprudence, ruled against them. Eventually the case went to the Supreme Court as a First Amendment issue. Then Solicitor General Elena Kagan argued on behalf of the government that the power and influence of corporations were a threat to democracy—that although corporations consist of and are run by collectives of individuals, they do not have the same first amendment rights. During the oral arguments, Kagan admitted that the wording of McCain-Feingold gave the FCC the power to ban books, however even though the government had the power to do so; it would never exercise such power⁶. What Kagan said was that the same government that allowed literature to be banned on the subjective notions of obscenity up until the 1960s, the same government that has resorted to every legal means to silence the dissenting voice of Wikileaks, would never take advantage of such a law. The Justices, after hearing their now current peer's naïve reasoning, ruled in favor of Citizens United because they were afraid that such a legal precedent could be abused by the government to silence political speech of organizations like NJPIRG.

It stands as a testament to NJPIRG's legal illiteracy that it has vowed to launch an all out campaign against this law, even though non-profit political organizations like their own have the most to gain. NJPIRG has other opinions. Now with the current legal change they can form temporary political corporations and run advertisements in which they can voice their concerns so long as they identify themselves. Many organizations such as labor unions and Tea Party groups did just that in the recent election⁷. There is a reason for the First Amendment's ranking in our nation's founding document, the right of an individual or a group of them to voice their concern and petition is the very foundation of a free society. Citizens United was not Exxon vs. Democracy, rather Individual Rights vs. Tomorrow's Tyranny. If the unbridled power of the state is ever ruled in favor of, we can thank the blind wisdom of jurists

⁶ (Shuchman 2010) (Sun 14)

⁷ (Helper 2010)

like Kagan. Whether this dictatorship comes as Republican, Democratic, or bi-partisan (or if it ever comes to existence at all) we can find solace as equals in silence.

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Restriction of free thought and free speech is the most dangerous of all subversions. It is the one un-American act that could most easily defeat us all. – Justice William O. Douglas

Free speech is meaningless unless it tolerates the speech that we hate. – Henry J. Hyde, U.S. Congressman

If the freedom of speech is taken away, then dumb and silent we may be led, like sheep to the slaughter – George Washington

When they took the 4th Amendment, I was quiet because I didn't deal drugs.

When they took the 6th Amendment, I was quiet because I am innocent.

When they took the 2nd Amendment, I was quiet because I don't own a gun.

Now they have taken the 1st Amendment, and I can only be quiet. – Lyle Myhr

More you might be a libertarian if...

If you believe that just about everything should be bought and sold on an open market except politicians, you might be a Libertarian.

If you your glad you don't get all the government you pay for, you might be a Libertarian.

If you think the US Constitution is the only contract with America you need, you might be a Libertarian.

If you think the only gun permit you need is the Second Amendment, you might be a Libertarian.

If the only way you can tell a left winger from a right winger is by which one of their hands is in which one of your pockets, you might be a Libertarian.

If you think polluters should pay for the environmental damage they cause, you might be a Libertarian.

Source: rlibertarians.tripod.com

Libertarian Jokes (Source: Yahoo! Answers, link: <http://tinyurl.com/5rfyz55>)

Q: How many libertarians does it take to change a light bulb?

A: None. If the light bulb needs to be changed, the market will take care of it.

A libertarian is a conservative who has been arrested. A libertarian is a liberal who learned economics.

Gun Laws: Leaving Liberty Defenseless by Neil McGettigan

On December 20th 2010, Governor Chris Christie pardoned Brian Aiken, a Colorado man who was arrested in January 2009 for carrying two registered unloaded handguns in the trunk of his car as he moved to New Jersey from Colorado. Many might point at this and say, rules are rules, and he broke the law and deserved a decade long jail sentence. However Brian Aiken had not broken the law, his guns were registered, and he had researched federal and NJ laws for transporting firearms, even phoning and confirming with NJ State Police to confirm what he found on the internet was correct. In NJ, obtaining a permit to purchase a gun is difficult, to obtain a permit to carry one is near impossible, and even though Brian was respecting state law he found himself behind bars. Because state law gives permit allowing citizens to purchase guns, they are only allowed be found possessing them in the following circumstances: 1. The guns are in the person's residence, 2. The guns are being on a shooting range, 3. The guns are being transported to/from a firing range to the person's residence (the laws are more complex when it comes to transporting guns to/from hunting grounds). Aiken defended himself with the last clause, the Judge presiding over his trial refused to answer the jury's questions on multiple occasions if such a law even existed, and the Judge refused testimony from the police officer Aiken contacted to ensure he followed the law. Aiken's conviction was not just a failure of our justice system; it shows the failure of NJ gun laws⁸.

Many reading this article many think that guns are evil devices that serve no purpose other than to murder spouses, maim their owners and kill Bambi's mother. This view that guns are highly hazardous beyond reason is blatantly false, as Freakonomics author and economist Steven Levitt has pointed out "if you own a gun and have a swimming pool in the yard, the swimming pool is almost 100 times more likely to kill a child than the gun is", twice as many children die from football related injuries than school shootings. There is also a commonly held idea that guns are used to commit more crimes than they prevent, this goes against research, in 1994, criminologists Gary Kleck and Marc Gertz published a study estimating that guns are used 2.5 million times a year in self defense, that's over 6,800 times a day!⁹ There is also a common misconception that the presence of firearms increases violence. Switzerland, the nation that has compulsory gun ownership has one of the world smallest rates of gun crime¹⁰. If this isn't convincing enough, in the 1990s homicide rates dropped significantly, the often cited cause is the implementation of Wilson and Kelling's Broken Windows approach to law enforcement. What is interesting was that amount of guns in the nation during that decade increased by 40 million.¹¹

To those that say guns have no place in modern America ask Otis McDonald, a 76 year-old African-American who took Chicago's handgun ban to the Supreme court and had it overturned because he knew he could not rely on the police to protect him, nor the criminals in his neighborhood to follow the new law¹². You should also ask the hundreds of LGBT individuals that belong to the Pink Pistols, a gay pro-gun organization that sees "Gun control is the theory that Matthew Shepherd explaining to the local sheriff how his attackers got those fatal bullet wounds is morally superior to Matthew Shepherd hanging from a fence post in Wyoming."

⁸ <http://reason.com/archives/2011/03/01/brian-aitkens-mistake>

⁹ <http://gunowners.org/fs0404.htm>

¹⁰ <http://news.bbc.co.uk/2/hi/europe/1566715.stm>

¹¹ <http://gunowners.org/fs0404.htm>

¹² <http://reason.com/archives/2010/07/01/aftermath-mcdonald-v-chicago>

The Bill of Rights was drafted along with the Constitution because many intellectuals at the time understood that the federal government would crush individual rights if they were not defined. The reason why the second amendment is second in the document is due to its reinforcing of the first amendment. By allowing citizens to have access to weapons, it made it more difficult for the government to suppress the people. The validity of the statement can be seen from recent events, right now the people of Libya have armed themselves and risen up against the tyrant Mummur Ganddafi, while unarmed demonstrators in the People's Republic of China wanting the same changes as the people of Tunisia and Egypt were quickly suppressed, just like they were in 1989 when tanks literally rolled over students demonstrating in Tiananmen Square.

A few pithy slogans on guns (Anonymous):

1. An armed person is a citizen. An unarmed person is a subject.
2. A gun in the hand is better than a cop on the phone.
3. Six-shooter: The original point and click interface.
4. Gun control is not about guns; it's about control.
5. If guns are outlawed, can we use swords?
6. If guns cause crime, then pencils cause misspelled words.
7. If guns cause crime, then matches cause arson.
8. Free men do not ask permission to bear arms.
9. If you don't know your rights, you don't have any.
10. Those who trade liberty for security have neither.
11. The United States Constitution (c) 1791. All Rights Reserved.
12. What part of "shall not be infringed" don't you understand?
13. The Second Amendment is in place in case they ignore the others.
14. 64,999,987 firearm owners killed no one yesterday.
15. Guns only have two enemies: Rust and Politicians.
16. Know guns, Know peace and safety. No guns, no peace nor safety.
17. You don't shoot to kill; you shoot to stay alive.
18. 911 – government sponsored Dial-a-Prayer.
19. Assault is a behavior, not a device.
20. Criminals love gun control – it makes their jobs safer.
21. Only a government that is afraid of its citizens tries to control them.
22. You only have the rights you are willing to fight for.
23. We don't enforce unconstitutional laws; we REPEAL them.
24. When you remove the people's right to bear arms, you create slaves.
25. The American Revolution would never have happened with "gun control."

Jury Nullification: Invalidating Laws by Aakash Dalal

"I consider trial by jury as the only anchor yet imagined by man, by which a government can be held to the principles of its Constitution." - Thomas Jefferson

After the passage of the 18th Amendment to the Constitution and the Volstead Act, the sale and transportation of alcohol became prohibited in the United States. Jurors in criminal cases involving the sale of alcohol faced a multitude of ethical questions: Is it moral to imprison a person for distributing a liquid? Who is the victim of this supposedly criminal act? If a crime has no victim, is it a crime? For the majority of Americans, the answers to the aforementioned questions were, at least in the context of alcohol, obvious. By selling or transporting alcohol, a person hasn't impeded upon the rights of anyone else and should not be arrested, charged, or convicted of a crime. Fortuitously, for some bootleggers, many juries during the Prohibition Era chose to acquit anyone charged with transporting or selling alcohol. The jurors ignored the existing laws and made their own judgments as to whether the actions in question should be considered criminal. This led to the eventual passage of the 21st Amendment, which repealed the 18th, as politicians realized that it would not be feasible to continue to prosecute people for something that the majority of Americans did not oppose.

The exact process that led to the repeal of alcohol prohibition is now being used to slowly invalidate modern drug laws. In December of 2010, a Montana jury pool refused to convict a man who had been charged with possessing marijuana. When the district judge presiding over the case asked potential jurors whether they agreed with the law, only five out of the group of 27 raised their hands making it impossible for the judge to seat a jury and expect a conviction. The jurors, who were adamantly opposed to Montana's marijuana law, which makes it a crime to possess any amount of marijuana, effectively nullified the law and prevented the state from imprisoning a man for a victimless crime. By taking a valiant stand, these jurors invalidated a law and sent a clear message to prosecutors in Montana who wish to cage people for frivolous reasons.

John Jay, the 1st Chief Justice of the US Supreme Court, stated that jurors possess "a right to determine the law as well as the fact in controversy." Simply defined, jury nullification is the idea that jurors can void laws which they hold to be immoral, unjust, or irrational. It is a common misconception that juries solely decide whether a law was obeyed or disobeyed. Despite what authoritarian judges may claim, juries decide whether a law is just or unjust, moral or immoral.

While defending John Hancock against charges stemming from violations of the English Navigation Act, John Adams said regarding the abilities of the juror, "it is not only his right, but his duty to find the verdict according to his own best understanding, judgment, and conscience, though in direct opposition to the direction of the court." During the American Revolution, juries regularly acquitted colonists convicted under British laws and before the Civil War, juries acquitted abolitionists and slaves accused of violating the Fugitive Slave Act.

In practice, jury nullification isn't a daunting task to accomplish. After a jury pool is chosen, the prosecution and the defense attorneys will both interview possible jurors during a process called voir dire. If you want to be chosen as a juror, it would be best not to mention the phrase "jury nullification" and to answer questions as innocuously as possible. Considering that attorneys now use social networking websites to determine the backgrounds of jurors, it might make sense to update the privacy settings on your accounts. Once you are sworn in and sent to deliberate, you can very easily hang the jury leading to a mistrial after which the defendant may be retried. In order to actually nullify the law in question, however, you must inform the other jurors of the concept of jury nullification and convince them to acquit the defendant after which the defendant may not be retried because of the "Double Jeopardy" clause of the 5th Amendment.

Libertarians and anarcho-capitalists may question the legitimacy of a government run court, but the simplest and most potent method of changing existing laws is jury nullification. Jury nullification is completely legal within the United States and jurors cannot be punished for their individual or collective verdicts. More powerful than a vote during a Presidential, Senatorial, or Congressional election, a single Not Guilty vote can hang a jury and set a wrongly charged person free.

If the jury feels the law is unjust, we recognize the undisputed power of the jury to acquit, even if its verdict is contrary to the law as given by a judge, and contrary to the evidence ... and the courts must abide by that decision. – US v Moylan, 4th Circuit Court of Appeals, 1969

The pages of history shine on instances of the jury's exercise of its prerogative to disregard instructions of the judge. – U.S. vs. Dougherty, 1972

The jury has the right to judge both the law as well as the fact in controversy. – John Jay, Joint-author of the Federalist Papers and first U. S. Supreme Court Chief Justice

In matters of conscience, the law of the majority has no place. – Mohandas Gandhi

When a legislature undertakes to proscribe the exercise of a citizen's constitutional rights it acts lawlessly and the citizen can take matters into his own hands and proceed on the basis that such a law is no law at all. – Justice William O. Douglas

Petty laws breed great crimes. – Ouida

There comes a time when a moral man can't obey a law which his conscience tells him is unjust. – Martin Luther King, Jr.

Bad laws are the worst sort of tyranny. – Edmund Burke

An individual who breaks a law that conscience tells him is unjust, and who willingly accepts the penalty of imprisonment in order to arouse the conscience of the community over its injustice, is in reality expressing the highest respect for the law. – Martin Luther King Jr.

Good people do not need laws to tell them to act responsibly, while bad people will find a way around the laws. – Plato

I know of no method to secure the repeal of bad or obnoxious laws so effective as their stringent execution. – Ulysses S. Grant

There is no crueller tyranny than that which is perpetrated under the shield of law and in the name of justice. – Charles-Louis de Secondat, Baron de Montesquieu

It is not the business of the law to make anyone good or reverent or moral or clean or upright. – Murray N. Rothbard

Depleting Natural Resources? A Free Market View by Kevin Rutter

Over recent years people have become increasingly concerned with the depletion of natural resources, fearing that if we use these resources too quickly, they will eventually become exhausted, causing serious concerns. However, if you look at the situation from a libertarian viewpoint using free market economics, it becomes clear that this assumption is far from the truth. According to basic economic principles, if there is less of a good (as there would be as natural resources get used up) the supply will decrease. Since this occurs, the price of the natural resources (let's use oil for example) will rise. The key to this process is that the price will rise to the point where consumers no longer want to purchase oil. Due to this economic imbalance, firms will find more oil to increase supply, either by means of developing new techniques to find it in the first place, or more efficient ways to use the oil that we already have. Then, as we find more oil, the prices will lower again, and consumers will begin buying. So, in fact, oil will be automatically protected by the free market from depleting completely.

Over time, this process explained above will continue over and over, with the prices rising with low supply and falling again when new resources are found. While it does seem tempting to view our resources as finite(which causes a panic) this free market view presents a much more logical outlook on how to handle our natural resources. This view is not just limited to economics however, and has considerable implications for other areas of research. One of these areas is politics, or more specifically: environmental policy.

One main idea of this view is that the free market is allowed to function by itself, meaning that there isn't government regulation that interferes with this natural, self-contained process. The great thing about this situation is that government regulation isn't needed, although it may seem at first glance that it is. The government stepping in will only cause conflicts of interest (ex. people trying to pass environmentally friendly legislation just to please their party/lobbyists), unnecessary spending (of which we certainly don't need more), and finally more red tape than anyone can imagine. This is just the tip of the iceberg of the problems that government intervention will cause in environmental economics, but the main concept remains the same: it is unnecessary for the government to get involved in the situation in the first place and therefore they shouldn't.

The question of why the government feels the need to get involved is also important, and I believe that the answer is quite simple. In this time of increased environmental concern, your elected representatives want to be the ones to save you all from the 'big bad' companies. If they can pass legislation limiting the use of natural resources, they can say that they 'did something good' for us, and that by intervening in this free market process they were merely doing what was 'morally right'. However, this is absurd. This line of thought is akin to seeing a perfectly working machine and saying, this can't last for much longer, let's slow the parts down so it runs slower, which will make the machine last longer. Yes, you will be causing the machine to last longer, but at what cost? The machine no longer works as it was intended! By interfering with the free market in regard to natural resources, the government is not only slowing down the well-oiled machine that is the free market, but it is in fact ruining what is a perfectly well working machine.

Another implication is that by allowing this free market process to run its course, it will be spurring crucial research and development. This research and development will make the process of acquiring natural resources noticeably easier. One benefit of increased research and development is that it will make the business and consumer exchange easier, significantly reducing costs for both. Why is all this important? This free market view implies that natural resources will take much longer to become exhausted than most of the general public assumes. Again, this is not to say that we will never run out of resources; that would be irrational. However, it does mean that we have much more time than we first expected. This extra time will afford us the chance to create other substitutes for our natural resources, and plan on how to best use what we have left.

The Gold Standard by Vighnesh M. Raman

The gold standard was the system that the world used for trade purposes before it was replaced by fiat (paper) money. My goal is to show that the gold standard is a superior system to fiat money by addressing 6 main criticisms to it. My responses are based on a lecture given by Joseph Salerno at the Mises Institute, and that lecture can be found on YouTube.

The first criticism to the gold standard was that it was unable to accommodate an ever-growing economy, which was why we switched to fiat money. The reasoning is that we need more money to accommodate a greater exchange rate. However, as Mr. Salerno points out, the US underwent great economic growth during the 1880's, and we had a gold standard at the time as well. It didn't impede rapid industrialization (which was responsible for the economic growth). The supply of goods outstripped the gold supply, but there was still growth and there was in fact, a deflationary trend, causing prices to fall. From 1880-1896, the wholesale price fell by 30% and real income rose by 85% and this growth was only interrupted by major periods of war. If the supply of goods increases and the quantity of gold in the money system is fixed, the demand for money rises. The cost per good falls and the purchasing power of a unit of money increases with relation to that good. The shortage of money is only temporary because market forces adjust the price of the good and purchasing power of the money, and all of the goods can be sold at a profit due to falling costs. An example in recent history would be the hi-tech industries in which production (supply) outstripped the rate of inflation, resulting in falling costs, encouraging the expansion of those industries.

Another criticism is that the quantity of money is arbitrarily determined (not determined by a central authority such as the Fed). In a genuine gold standard, the quantity of money will be determined by the costs of production (i.e.: mining the gold), and the demand for money. If producing gold becomes cheaper, the supply will increase and prices of goods would rise (inflation). The gold industry would expand (creating more jobs), and gold will be used more in other industries (jewelry or dentistry), thus society would benefit. If on the other hand, the value of gold increased (deflation), costs would fall and it would become cheaper to mine gold. If mining gold became cheaper, the supply would increase and the prices would rise back towards their previous levels. Therefore, the quantity of gold money is not determined arbitrarily, but by market forces (costs and demand), instead of by some central authority deciding what it should be. In fact, it is the fiat system of currency that is based on the arbitrary whims of a central authority.

A third criticism is that the gold standard is a government price fixing scheme (the price of gold is fixed). To realize why this is not this case, one must know that if a genuine gold standard were used, money would be gold. During the nineteenth century, when most of the world was under a genuine gold (or silver) standard, the world's nation were essentially under the same currency, and only gave different names to describe their own unit of currency (\$1 dollar = 1/20 oz gold, 1 British pound = 1/4 oz gold, 1 franc = 1/100 oz gold). The bank notes, which were analogous to the modern dollar bill were simply certificates issued by banks, which could be redeemed for a given amount of gold stored in that bank. The notes could be used to buy things, but the participants of the transaction wouldn't be deluded into thinking the bank note was actual money. Therefore, the gold standard was not a price fixing scheme.

It is also argued that an international gold standard would subject an individual nation to bouts of inflation and deflation. The reasoning behind this is that increased productivity in one nation would cause another to lose money to it, thus resulting in a trade deficit on the part of the less productive nation. However, inflation or deflation are defined as increases or decreases in the money supply within a closed area, and in an international gold standard, the closed area would not be a single nation. Even if a trade deficit occurred, it would be a redistribution of wealth, and people in the more and less productive areas will alter their spending habits to maximize their utility. Such redistributions of wealth can occur in the US where the unit of currency is the dollar.

Money will flow out from the less productive state and into a more productive state, causing incomes to rise and fall. So the gold standard may cause bouts of inflation and deflation, but paper money, which can be printed with ease, along with fractional reserve banking, will cause it.

A fifth criticism to the gold standard, claimed by Adam Smith, is that it involves high costs in mining the gold, as well as high opportunity costs due to gold being diverted from other industries. He argued that paper money allows us to divert gold to capital goods, which makes us more productive. However, the costs of the gold standard are justified on the basis that they prevent government from inflating the money supply. It's true that if we could trust government to not do so, then gold money would be unnecessary, but that is sadly not the case. In fact, periods of war are often accompanied by inflation as the government prints more bills to finance its wars. As it prints new money, government spending increases. Paper money has an even greater cost to it than gold, because its easy printing subjects a country to a business cycle of inflation followed by a recession. It is clear that gold is a more secure store of wealth since people tend to buy gold when confronted with the threat of recession. One could make the case that the gold standard ties the hands of government, making it too costly to finance wars, and as a result the world would be more peaceful under a gold standard.

The final criticism I am going to address is that the gold standard results in high interest rates, which discourage investment and retard economic growth. However, as previously discussed, the gold standard does not retard economic growth. This is a Keynesian argument against the gold standard, because it would prevent the government from increasing bank reserves and manipulating interest rates. Of course, a paper money system in which the government can artificially lower interest rates, would allow a business cycle to occur. A central bank's manipulation of interest would result in a misallocation of resources, and that would not be beneficial.

When one reads into the gold standard and compares it with fiat currency, it will become clear that it is fiat money that is responsible for the country's major financial problems. A return to the gold standard would put a limit on government spending, and we would no longer have to trust politicians to limit spending. Inflation and deflation would be rare and less extreme and the government would not be able to manipulate the interest rate. Most importantly, the gold standard would be a safe guard against major depressions and the loss of wealth from the declining value of money.

The gold standard would keep you from printing money and destroying the middle class – Ron Paul

It maintains a stable currency and a stable value. If the Fed concentrated more on stable money rather than stable prices... They push up new money in stocks and in commodities and in houses, and then they have to come in to rescue the situation. They create the bubbles, then they come in and rescue it, and they do nothing more than try to do price fixing. Capitalism depends, and capital comes from savings, but there's no savings in this country, so this is all artificial. It creates the misdirection and the malinvestment and all the excessive debt, and it always has to have a correction. Since the Fed has been in existence, the dollar has lost about 97% of its value. You're supposed to encourage savings, but if something loses its value, why save dollars? There's no encouragement whatsoever. [...] Gold is 6000 years old, and it still maintains its purchasing power. Oil prices really are very stable in terms of Gold. [...] Both conservatives and liberals want to enhance big government, and this (current system of fiat money) is a seductive way to tax the middle class. – Ron Paul