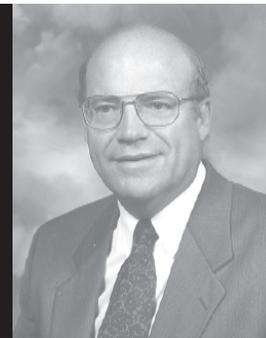




Dr. Fred Schwarz

The Schwarz Report



Dr. David Noebel

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The Socialization of America

by David A. Noebel

In retrospect, we might discover that 1883 was a most significant year. We're familiar with 1848 giving us *The Communist Manifesto* and 1859 giving us *The Origin of Species by Means of Natural Selection or the Preservation of Favoured Races in the Struggle for Life*. But 1883 gave us three portentous happenings. These seemingly unrelated happenings turned history toward socialism.

1. Karl Marx died on March 14, 1883, and was buried in Highgate Cemetery in London, England. The assumption that Communism died with him was logical since only six people attended his funeral. But the truth is that it had not yet begun its murderous journey through the 20th century.

2. John Maynard Keynes was born on June 5, 1883, in Cambridge, England. His political, economic, and moral influence continues to affect every American.

3. The Fabian Socialist Society was an offshoot of The Fellowship of the New Life, which was born in October 1883 in London, England.

Today's financial events illustrate that America is not exempt from being led toward socialism. Predictions differ, depending on one's perspective, as to whether this will be a socialistic paradise or a socialistic hell. Time will tell. In the meantime, we'd do well to listen to warnings from the past.

Russian thinker and author Fyodor Dostoyevsky offered the following take on socialism: "The future kingdom of socialism will be a terrible tyranny of criminals and murderers. It will throw humanity into a true hell of spiritual suffering and poverty."

Socialist George Bernard Shaw added: "You would be forcibly fed, clothed, lodged, taught, and employed whether you liked it or not. If it were discovered that you had not character and industry enough to be worth all this trouble, you might possibly be executed in a kindly manner."

That's probably why Margaret Thatcher added that the "problem with socialism is that you eventually run out of other people's money."

Today, we can link the U. S. House of Representatives—and its radical, progressive, socialistic societies and caucuses—directly to Karl Marx through Keynes and the Fabians.

Before identifying many of the House members caught up in the socialist web, however, let's first identify the major economic dogma of the early socialists.

Socialism is the economic system of both the Marxist-Leninist worldview and the Fabian Society worldview. John Maynard Keynes was a member of the British Fabian Society, whose American counterparts were the Intercollegiate Socialist Society and the League for Industrial Democracy. Their American voices were centered in the ideas of Norman

Founded in 1953, the Christian Anti-Communism Crusade, under the leadership of Dr. Fred C. Schwarz, has been publishing a monthly newsletter since 1960. *The Schwarz Report* is edited by Dr. David A. Noebel and Dr. Michael Bauman. The Crusade's address is PO Box 129, Manitou Springs, CO 80829. Our telephone number is (719) 685-9043. All correspondence and tax-deductible gifts (the Crusade is a 501(c)3 tax-exempt organization) may be sent to this address. Permission to reproduce materials from this *Report* is granted provided our name and address are given.

Thomas and John Dewey among others. Dewey, you may remember, was an early signatory of *The Humanist Manifesto* (1933) and its atheistic, socialist gospel.

Socialists are united in their desire to see capitalism destroyed, either forcefully or gradually, and most would rejoice if Christianity were destroyed along with it. Socialists and liberals generally see in Christians “an infallible marker of mental retardation.” (*Claremont Review of Books*, Winter 2008/09, p. 6)

The Christian worldview endorses sound or hard money, fiscal responsibility, saving for a rainy day, deferred gratification, paying off monthly credit card bills, living within one’s means, etc. Keynesian economics, by contrast, argues for consumption, extravagance, and not providing for the future, arguing that “the great vice is saving, thrift, and financial prudence.” (*Keynes At Harvard*, p. 63) Keynesians love huge national spending, debt, and high inflation—anathema to Christians and conservatives.

Socialists see capitalism as an evil economic system founded on the concepts of profit, individualism, private property, private business, freedom to buy and sell products and services, etc. Indeed, a working definition of capitalism is “the peaceful and free exchange of goods and services without theft, fraud, and breach of contract.” Capitalism is tailored to individual initiative rather than groupthink or community initiative. Nearly all inventions that have furthered the capitalistic enterprise and blessed humanity in the process have been the result of individual initiative rather than committee, group, or government activity.

Marx advanced the socialist cause by calling for social or public ownership of property and the abolition of private property. He believed that people were best suited to work on state farms, public parks, nationalized banks, or the government bureaucracy rather than for private employers, who would certainly take advantage of their employees, causing them both social and economic harm. Marx was an economic leech on fellow communist Engels, who supported him with his capitalistic father’s monies.

George Bernard Shaw represented the Fabian point of view by calling for “the socialization of the means of production, distribution, and exchange” to bring about an equal distribution of goods and services to all members of society and to make the State “the ALL of social

well-being.” The State “subsumes all economic life of the nation.”

In other words, socialism is an economic system that downplays the individual in favor of the group, social order, or the State. It is a system in which the State directs the economic activity of the social order through central planning and by placing economic activity under the jurisdiction of the State. Socialism is also known as collectivism or Statism and, to Marx, Communism.

Today, we call this economic system “interventionism” or Keynesism. Interventionism is a kind of socialism or communism, but without the destruction of the bourgeoisie (which were slaughtered by the millions by Soviet and Chinese communists). Today’s Fabians/Progressives/Radicals allow their capitalist enemies to create wealth, but acquire it by taxing them instead of slaughtering them (Marx’s “reign of terrorism on the bourgeoisie”). They are then free to distribute the wealth among the economically disadvantaged, the intellectual elites, and the superior governing classes.

Such (re)distribution of wealth ensures the favorable vote of the masses being fed, entertained, housed (with sub-prime loans) and doctored. ACORN (Association of Community Organizations for Reform Now) and socialism fit hand-in-glove just as Fannie Mae and Freddie Mac fit Barney Frank, Maxine Waters, and Chris Dodd to a “T.”

Most Americans are totally unaware that the U.S. House of Representatives crawls with a large, well-organized assembly of socialist organizations. These organizations are dedicated to (a) bringing about the destruction of the capitalist economic system (portrayed as greedy, conservative, religious, and/or filthy rich) and (b) slowly but surely bringing production, education, food, and health care under the complete control and regulation of the federal government.

A prime example of this governmental takeover is the carbon tax currently under discussion. It would punish business and industry’s use of gas and oil products (which according to Al Gore will warm the planet by one degree over the next 100 years) by “allow[ing] the federal government to ‘control every aspect of our economy,’ according to Christopher Horner of the Competitive Enterprise Institute” (*The Weekly Standard*, March 16, 2009, p. 17).

The Schwarz Report Bookshelf

To see a complete list of books recommended by the Christian Anti-Communism Crusade please check out our website at www.schwarz-report.org. This site also has back issues of *The Schwarz Report* as well as other great resources.

The legislators involved in this socialistic undertaking belong to one or more radical House organizations: the Progressive Democrats of America (6 House members), the Congressional Progressive Caucus (74 House members), the Congressional Black Caucus (43 House members), and the Democratic Socialists of America.

Incidentally, the Democratic Socialists of America do not identify their House members since they consider all members of the Congressional Progressive Caucus part of their membership due to the fact that “they both shared operative social democratic politics.” The most prominent national member of DSA is AFL-CIO President John J. Sweeney, who could well be the most powerful influence in the House of Representatives. And for the record, the Chairwoman of the Congressional Black Caucus is Congressional Progressive Caucus member Barbara Lee (CA-9). The interconnections between all these socialist-based organizations is staggering.

These organizations and their members quite literally comprise a Socialist Red Army within the very contours of the House of Representatives. According to the *Wikipedia* article on the organization, “The Congressional Progressive Caucus (CPC) is the single largest partisan caucus in the United States House of Representatives and works together to advance progressive [socialist] issues and causes. The CPC was founded in 1991 by independent [socialist] Congressman Bernie Sanders of Vermont, who remains a member as Senator. [The CPC] represents about a third of the House Democratic Caucus. Of the twenty standing committees of the House, eleven are chaired by members of the CPC.”

When the CPC claimed 64 members in 2006 (now 74 and gaining), the leftist publication *The Nation* boasted, “The largest ideological caucus in the new House Democratic majority will be the Congressional Progressive Caucus, with a membership that includes New York’s Charles Rangel, Michigan’s John Conyers, Massachusetts’s Barney Frank and at least half the incoming chairs of House standing committees” (*The Nation*, November 12, 2006).

These current eleven chairs are CPC members: George Miller (CA-9)—Chairman of the House Education and Labor Committee; Henry Waxman (CA-30)—Chairman of the Committee on Energy and Commerce; Bob Filner (CA-51)—Chairman of the House Veterans Affairs Committee; Barney Frank (MA-4)—Chairman of the House Financial Services Committee; John Conyers (MI-14)—Chairman of the House Judiciary Committee; Bennie Thompson (MS-2)—Chairman of the House Homeland Security Committee; Nydia Velazquez (NY-12)—Chairwoman of

the House Small Business Committee; Charles Rangel (NY-15)—Chairman of the House Ways and Means Committee; Louise Slaughter (NY-28)—Chairwoman of the House Rules Committee; Bob Brady (PA-1)—Chairman of the House Administration Committee; and Edward J. Markey (MA-7)—Select Committee on Energy Independence and Global Warming.

As of February 20, 2009, the Co-Chairs of the CPC are Raul M. Grijalva (AZ-7) and Lynn Woolsey (CA-6). The Vice Chairs are Diane Watson (CA-33), Sheila Jackson-Lee (TX-18), Mazie Hirono (HI-2), and Dennis Kucinich (OH-10). Incidentally, the CPC website was “hosted by the Democratic Socialists of America” until 1999, a group affiliated with the Socialist International which was founded by Karl Marx, Saint-Simon, and Fourier!

The Commission for a Sustainable World Society is one of the Socialist International’s sub-organizations. Until President Obama picked Carol M. Browner as his global warming czar, Browner was a member in good standing of the Socialist International. Upon her appointment, her name and biography were removed from its website “though a photo of her speaking June 30 to the group’s congress in Greece was still available” (*The Washington Times*, January 12, 2009, p. 1). We can expect Browner to manipulate and push for every piece of socialist legislation to advance the defeat of capitalism and the imposition of more government on the American people. Oil, natural gas, coal, and nuclear energy represent capitalism, and we can expect Congressional socialists to do everything in their legislative power to thwart their discovery, drilling, usage, and distribution. Socialists promote wind(mill) power because they know it alone cannot meet the energy needs of a capitalist economy and will, therefore, hasten the death of capitalism.

Browner will enjoy a great deal of support from the newly appointed Secretary of Labor, Hilda Solis, who is also a member of the Congressional Progressive Caucus. And when Browner needs further help, she can rely on the committee chairs, co-chairs, and vice chairs listed above to assist her in using the global warming/climate change scare to bring the United States of America into a socialistic world governing body. She can also count on former CPC member Nancy Pelosi (who is already manifesting dictatorial tendencies) to drive the socialist agenda as fast as humanly possible. Pelosi’s San Francisco district (CA-8) is synonymous with socialism/ progressivism/ collectivism/statism/leftism/radicalism that in turn are synonymous with scientific socialism/communism/Marxism/Leninism/Maoism.

We have yet to address the ideological role played by

John Maynard Keynes in the demise of American capitalism and Christian influence. Anyone with a Christian, conservative bent fears the reality that the United States is falling headlong off the cliff into socialism and all that this will entail. It is no secret that the radical left is both anti-capitalist and anti-Christian. Marx would be, no doubt ecstatic, realizing that his life's work of dethroning God and destroying capitalism are about to be accomplished.

Zygmund Dobbs conducted the research for *Keynes at Harvard* (KeynesatHarvard.org) and summarizes the political, moral, and economic slant of Keynes and his friends at Cambridge University: "Singing the Red Flag, the highborn sons of the British upper-class lay on the carpeted floor spinning out socialist schemes in homosexual intermissions. . . . The attitude in such gatherings was anti-establishmentarian. To them the older generation was horribly out of date, even superfluous. The capitalist system was declared obsolete and revolution was proclaimed as the only solution. Christianity was pronounced an enemy force, and the worst sort of depravities were eulogized as 'that love which passes all Christian understanding.' Chief of this ring of homosexual revolutionaries was John Maynard Keynes. . . . Keynes was characterized by his male sweetheart, Lytton Strachey, as 'a liberal and a sodomite, an atheist and a statistician.' His particular depravity was the sexual abuse of little boys."

Keynes, like Marx, had a fixation that should have been a clue to his character. Marx practiced phrenology (the study of bumps on one's head), and Keynes practiced chiromy (the study of people's hands). After studying the hands of Charles Darwin's brother, Sir George, Keynes remarked, "His hands certainly looked as if they might be descended from an ape."

Overall, Keynes despised free or private enterprise, considered homosexuality superior to heterosexuality, sought to replace the gold standard with fiat paper money which was more easily produced by government printing presses, did not believe in the family unit, despised "savings" as a stumbling block against the march of socialism, called on the state to control the number of children per family.

The Keynesian economic formula fits all totalitarianisms, including Fascism, Nazism, and Communism. Sir Oswald Mosley, for example, was a Fascist leader and a member of the Fabian Society. Lauchlin Currie, a prominent Keynesian advocate, was a Soviet spy and an economic aide to F.D.R. Joan Robinson, a Marxist economist, assisted Keynes in some of his economic writings, arguing, "the differences between Marx and Keynes are only verbal." (*Keynes At Harvard*, p. 68; also see Mark Skousen, *The Making of Modern Economics*, p. 433)

Keynes also had a strong relationship with the notorious Soviet spy Harry Dexter White. Keynes considered White to be "the central figure in the Keynesian manipulations in the United States." Harry Dexter White just happened to be the Assistant to the Secretary of the U.S. Treasury. Even after White was exposed as a Soviet spy, Keynesians to this day "see nothing wrong in White's Soviet role," a "typical . . . attitude of Fabian socialist elements toward the whole coterie of spies and Fifth Amendment communists in the United States" (*Keynes At Harvard*, p. 83).

It was Keynes himself who admitted that by "a continuous process of inflation, governments can confiscate, secretly and unobserved, an important part of the wealth of their citizens. By this method, they not only confiscate, but confiscate arbitrarily: and while the process impoverishes many, it actually enriches some [e.g., Al Gore]. The process engages all of the hidden forces of economic law on the side of destruction, and does it in a manner that not one man in a million can diagnose."

Thus it is astounding that Larry Summers, head of President Obama's National Economic Council and former president of Harvard University, when asked by Charlie Rose "what idea, what person has most influenced your thinking on how to deal with this [financial] mess?" without hesitation answered "Keynes."

Following the economic advice of Keynes (huge government spending, debt, and inflation) is kissing the American capitalist system goodnight! His advice is what every socialist would give, even though clear-thinking, common sense Americans know that excessive debt and excessive spending are the main ingredients that created this current financial mess (with the help of Congressional Progressives like Barney Frank hatching socialist schemes in the House of Representatives).

When Whittaker Chambers took up his sling and aimed his rock at Communism, he admitted that he hit "something else." What he hit "was the forces of that great socialist revolution, which, in the name of liberalism, spasmodically, incompletely, somewhat formlessly, but always in the same direction, has been inching its ice cap over the nation for two decades."

That inching is fast becoming a rout with national and international socialists alike thinking their best opportunity to strike a deathblow to the greatest, freest economic system in all of human history is now.

Because capitalism has raised more human beings out of poverty than all other economic systems combined, we should remember the wisdom of Robert Heilbroner, a former Marxist economist who changed his position before

the fall of the Berlin Wall: “The Soviet Union, China, and Eastern Europe have given us the clearest possible proof that capitalism organizes the material affairs of humankind more satisfactorily than socialism: that however inequitably or irresponsibly the marketplace may distribute goods, it does so better than the queues of a planned economy; however mindless the culture of commercialism, it is more attractive than state moralism; and however deceptive the ideology of a business civilization, it is more believable than that of a socialist one.”

Little wonder that Winston Churchill painted socialism as a philosophy of failure, a creed of ignorance, and a gospel of envy whose inherent virtue “is the equal sharing of misery.”

John Maynard Keynes (1883-1946)

Charlie Rose: “What idea, what person has most influenced your thinking on how to deal with this mess?”

Larry Summers: “Keynes. Keynes and those that followed him.” February 18, 2009. Posted on the Rush Limbaugh website, February 19, 2009.

1. “Veritas [foundation] feels that without doubt the following study will prove that the Keynesian ‘system’—if it can be called a system—is the primary economics system being taught in Harvard. Veritas also feels that ‘Keynesian economics’ is a misnomer. It is not economics. It is a leftwing political theory.” Zygmund Dobbs, Research Director, *Keynes at Harvard*. New York, NY: Veritas Foundation, 1963. p. 2.

2. “Even Whittaker Chambers ... admitted: ‘The simple fact is that when I took up my little sling and aimed at Communism, I also hit something else. What I hit was the forces of that great socialist revolution, which, in the name of liberalism, spasmodically, incompletely, somewhat formlessly, but always in the same direction, has been inching its ice cap over the nation for two decades.’” *Ibid.* p. 3

3. “Keynesism is so-called after John Maynard Keynes, British economist (1883-1946). His teachings are today considered an ideological base for British and American Socialists.” *Ibid.* p. 8

4. “No matter what phase of left-wing infiltration we study, be it in government, in information media, in foundations, in labor unions, or whether we deal with Keynesian socialism, neo-Marxian socialism or with Bolshevik communism, the tracks lead inevitably to Harvard University.” *Ibid.* p. 8

5. “There are three main trends of socialist thought in the Western world. They are: the communist soviet brand; social democratic neo-Marxism; and Keynesian theories which are actually an extension of the [British] Fabian movement. Curiously, Keynesism proved to be adaptable to the Fascists as well as the Socialist world.” *Ibid.* p. 10

6. “The socialist lectures conditioned the young minds to hate capitalism as an outmoded and cruel system; the second phase was to despise and distrust individual capitalists as exploiters and reactionaries who oppose social improvements; and thirdly the fledgling radical is hooked by clever ‘scientific examples’ and formulae which prove to him that the present social order is predestined to collapse and socialism is foreordained to take its place.” *Ibid.* p. 13

7. “Almost the entire membership identified as belonging to the first Ware cell (Soviet spy ring—ed.) came out of the Harvard Law School: Alger Hiss, Nathan Witt, Lee Pressman, John Abt, and Henry H. Collins Jr. Harry Dexter White and Lauchlin Currie were teachers (Economics teachers—ed.) as well as students at Harvard.” *Ibid.* p. 14

8. “Today [British] Fabians use the teachings of John Maynard Keynes as their catechism of political economy. The American Fabians have slavishly installed Keynesism as the new faith, both in the Universities and in Government bureaucracy. To lay bare and dissect these premeditated deceptions is the true task of the political science of our day.” *Ibid.* p. 40

9. “Huge tax-free Foundations, such as the Ford, Carnegie, and Guggenheim Foundations, backed by billions of dollars, became the nesting places of Keynesism.” *Ibid.* p. 41

10. “At the age of 20 (1903) Keynes became a member of a Fabian group at Cambridge which was headed by G. L. Dickinson, a prominent Fabian Socialist. As an undergraduate, Keynes, imitating his father, expressed strong opposition to the principle of private enterprise (*Laissez-Faire*.)” *Ibid.* p. 43

11. "This was in line with the general attitude of the Fabian Society, which favored government run by the Civil Service and not a government responsive to the electorate." *Ibid.* p. 44

12. "It was during this period (1913) that Keynes adopted the concept of eliminating gold as a standard of the monetary system of the nations of the world. His notion of a managed currency (that he sold F. D. R. on twenty years later) was an old socialist catch-all, espoused by the Fabians since the turn of the century. It is a fundamental concept of State-Socialism." *Ibid.* p. 44, 45

13. "Keynes did not keep his Socialist convictions to himself in those days. His opposition to the private enterprise system was well known to London society. Clarence W. Barron, then publisher of the *Wall Street Journal*, while in London in 1918, made the following observation: 'Saw Professor Keynes of the British Treasury . . . Lady Cunard says Keynes is a kind of Socialist and my judgment is that he is a Socialist of the type that does not believe in the family.'" *Ibid.* p. 45

14. "Singing the Red Flag, the highborn sons of the British upper-class lay on the carpeted floor spinning out socialist schemes in homosexual intermissions. . . . The attitude in such gatherings was anti-establishmentarian. To them the older generation was horribly out of date; even superfluous. The capitalist system was declared obsolete, and revolution was proclaimed as the only solution. Christianity was pronounced an enemy force, and the worst sort of depravities were eulogized as 'that love which passes all Christian understanding.' Chief of this ring of homosexual revolutionaries was John Maynard Keynes. . . . Keynes was characterized by his male sweetheart, Lytton Strachey, as 'A liberal and a sodomite, an atheist and a statistician.' His particular depravity was the sexual abuse of little boys." Zygmund Dobbs, "Sugar Keynes." See Google "John Maynard Keynes: Lavender & Bolshevik." Or <http://members.tripod.com/~BioLeft/keynes.htm> For further information on Keynes' homosexual behavior note A. L. Rowse, *Homosexuals in History*. New York, NY: Macmillan Publishing Co. Inc., 1977, p. 271f. Also, Mark Skousen, *The Making of Modern Economics: The Lives and Ideas of the Great Thinkers*. Armonk, NY: M. E. Sharpe, 2001, p. 325

15. "In this same work [*The End of Laissez-Faire*] Keynes showed an early bias (1924) against savings and investments as economic virtues. From virtues he trans-

formed them into evils . . . Fabian Socialists have long considered those who saved and invested as a stumbling block against the march of Socialism." *Keynes at Harvard*, p. 49

16. "Keynes concept of controlling society extends beyond political and economic matters. He even advocates social control of the number of children per family." *Ibid.* p. 49

17. "Keynes is a Socialist that does not believe in the family. Naturally, in order to control the birth rate the State must break up the family as an independent and free unit." *Ibid.* p. 50

18. "Margaret Cole, English Fabian revolutionary, has stated: 'We Socialists used Keynes and the U.S.S.R. as touchstones.'" *Ibid.* p. 60

19. "The entire Keynesian apparatus is based upon the principle of control and regulation by government. . . . Capitalism should now be regulated and controlled by a central authority. . . . One of the central themes in Keynes' system is a condemnation of the principle of 'savings.' . . . Here is [Keynes'] General Theory in a nutshell, with its transvaluation of all values. The great virtue is Consumption, extravagance, improvidence [not providing for the future]. The great vice is saving, thrift, and 'financial prudence.'" *Ibid.* p. 63

20. "The concept of eliminating savings is not an economic one but a political one. If there are no savings there is no private money for investment. Without private investors the government must provide investment capital. If the government provides for investment it has the power to dictate the conduct and processes of those who need investment capital. . . . All this is demagoguery and claptrap. It differs from the Marxist brand only in technical detail." *Ibid.* p. 64,65

21. "Another major prop of Keynes' theory is Mrs. Joan Robinson. . . . What Keynesians do not say is that this lady is considered in international communist circles as one of the world's outstanding Marxists. Mrs. Robinson has widely publicized the fact that the differences between Marx and Keynes are only verbal. She later wrote: 'The time, therefore, seems ripe to bridge the verbal gulf.'" *Ibid.* p. 68

22. "Keynesian leftists. . . are confident that a great national debt and continuing inflation plus enormous internal and foreign commitments assure the continuance of Keynesian operations for generations to come regardless who is in power." *Ibid.* p. 77

23. “Stuart Chase, representing the Fabian socialists in the United States proposed Keynes as the socialist ideal long before Keynes wrote the *General Theory* in 1936. Chase outlined the Keynesian principle of abandoning the gold standard in 1932. . . . Chase called his book *A New Deal*. It was written in 1931 and published in 1932. Franklin D. Roosevelt borrowed this socialist slogan as a label for his administration.” *Ibid.* p. 78,79

24. “Curiously, the authorities used by Chase in his book *The Economy of Abundance* (1934) were G.D.H. Cole, J.A. Hobson, Julian Huxley, Bertrand Russell, J. M. Keynes, John Strachey, and H.G. Wells, all spawned by the British Fabian Society.” *Ibid.* p. 79

25. “An analysis of Keynesism in the United States is incomplete without a discussion of the role of Harry Dexter White while Assistant to the Secretary of the U.S. Treasury. Harry White was considered by Keynes as the ‘central figure’ in Keynesian manipulations in the United States. White played a major part in organizing Keynes’ pet project—the International Monetary Fund. In the interim Harry Dexter White was exposed as an active Soviet spy. . . . To this day, Keynesians see nothing wrong in White’s Soviet role. . . . This eulogy of Harry Dexter White was printed three years after he was exposed as a Soviet spy—typical of the attitude of Fabian socialist elements toward the whole coterie of spies and Fifth Amendment communists in the United States.” *Ibid.* p. 83

26. “The line between fascism and Fabian socialism is very thin. Fabian socialism is the dream. Fascism is Fabian socialism plus the inevitable dictator.” *Ibid.* p. 87

27. “The Keynesian formula fits all totalitarianisms. Juan Peron’s dictatorship in Argentina used the Keynesian technique as authority in economic and political matters. . . . Nehru traces the beginning of his interest in socialism to his Cambridge days when the Fabianism of Shaw and the Webbs attracted him. . . . The Nazis did admire the Keynesian theme whereby the government has authority over the whole economic life of the nation. . . . Sir Oswald Mosley, current Fascist leader was a leader of the Fabian Society at a time (1930) when Keynes’ ideas were already the officially accepted Fabian line.” *Ibid.* p. 89, 90

28. “Shortly before his death Schumpeter concluded that the basic leftist ideologies are based not on science but on a vision.” *Ibid.* p. 96

29. “At the end of his life Keynes wrote: ‘We were not aware that civilization was a thin and precarious crust erected by the personality and will of a very few [actually by a governing class] and only maintained by rules and conventions. It did not occur to us to respect the extraordinary accomplishment of our predecessors in the ordering of life or the elaborate framework that they had devised to protect this order. We completely misunderstood human nature, including our own.’” A. L. Rowse, *Homosexuals in History*. p. 277

30. “By a continuous process of inflation, governments can confiscate, secretly and unobserved, an important part of the wealth of their citizens. By this method, they not only confiscate, but confiscate arbitrarily: and while the process impoverishes many, it actually enriches some. . . . The process engages all of the hidden forces of economic law on the side of destruction, and does it in a manner that not one man in a million can diagnose.” John Maynard Keynes, *Economic Consequences of the Peace* (1920) .

—Prepared by David A. Noebel, February 20, 2009

The New Socialists

by Mark Hyman

I lived and worked in London in the late 1980s. One evening I attended a dinner party in the weeks leading up to the 1988 presidential election. In attendance were guests from several European nations.

During a conversation I shared my concerns over the outcome of the presidential race. When I finished speaking, an Italian guest leaned in my direction and chided me for my concerns. “You Americans are so silly,” he admonished. “You are worried over which capitalist to vote for: the Democrat or the Republican. In Italy we have real choices. Do we vote for the capitalist, the socialist or the communist?”

I wish that Italian guest could have joined me at a recent gathering in which a state legislator lectured me over the state of the economy. The state, she said, should have the right to confiscate the financial assets of individuals and businesses to provide for the betterment of those without. Her husband added, “It is a criminal act to have money and not spend it so that the government can get its share.” My, how times have changed.

It has now become fashionable for America's socialists to come out of the closet. Elected officials advocating ideological viewpoints that would have elicited derision and laughter only a few months ago are now emboldened to openly promote socialist policies. They feel safe because America's chief executive has embraced an agenda that is quickly moving America toward socialism in which the goal is to have all power vested in the state and any dissent is quashed.

Exhibit No. 1 is President Barack Obama's claim that "the federal government is the only entity left with the resources to jolt our economy back into life." Rather than provide tax and regulatory relief for businesses that would actually jumpstart the economy, Mr. Obama's \$787.2 billion "stimulus package" is crammed full of wasteful spending measures that hew to a social engineering agenda that includes government central planning at its very core.

The bill has \$575 billion in new spending measures that do not invite businesses to invest, expand or create jobs. Incentives to spur consumer purchasing of big ticket items such as homes and automobiles were drastically scaled back in the final bill passed by Congress. Instead, a dramatic increase in welfare payments was wedged into the legislation.

The rise in welfare payments and the \$400 per person "refund" that will go to the 42 percent of Americans who do not pay any federal taxes make good on Mr. Obama's promise to "spread the wealth."

Mr. Obama easily pushed this deeply partisan legislation through the Democratic Congress even though no government has ever been able to tax the people into prosperity and the world landscape is littered with failed governments that embraced a socialist agenda. Mr. Obama's frequent calls throughout the campaign for "economic justice" surely have Karl Marx smiling in his grave.

Exhibit No. 2 is Mr. Obama's grossly naive call for universal health care. His failed Health and Human Services Secretary nominee, Tom Daschle, promoted a U.K.-style of socialized medicine. I experienced firsthand the U.K.'s National Health Service, an appalling system of rationed health care. Not widely reported is the U.K.'s flourishing trade in private health care outside the NHS that does not require consumers to wait months or years for routine tests and treatments that people in America can receive on a same-day basis.

Mr. Daschle's call for a centralized medical records system controlled by the federal government should have privacy advocates up in arms. However, most disturbing is a provision in the stimulus bill establishing a National

Coordinator for Health Information Technology that would, in the words of Mr. Daschle, ensure doctors only prescribe "[medical] treatments [that] are the most clinically valuable and cost effective." Such policies are eerily reminiscent of the political left's eugenics movement promoted by Planned Parenthood founder Margaret Sanger.

Exhibit No. 3 is the Democratic effort to silence critics. Michigan Democratic Sen. Debbie Stabenow, whose husband was an executive with the now-bankrupt Air America liberal talk radio operation, has joined a growing list of Democratic elected officials who have vowed to disable the few conservative broadcast media outlets by imposing the inappropriately-named "Fairness Doctrine." Sens. Chuck Schumer, Dick Durbin, Tom Harkin, and John Kerry have joined House Speaker Nancy Pelosi and former President Bill Clinton among others in vowing action that would effectively shut down criticism of their brand of government.

Another proposal Mr. Obama is expected to push in the coming weeks is "card check"—the elimination of the secret ballot in labor union voting that would allow union thugs to coerce and intimidate workers. One only has to look to the "Winter of Discontent," the era of British Prime Minister Jim Callaghan in the late 1970s, to see how corrupt labor unions sent that country into a massive economic tailspin.

There's a distinct Politburo ring to the Obama administration proposal to move the census from the Commerce Department to the control of White House Chief of Staff Rahm Emanuel, perhaps the most partisan politician to work in the White House in a decade, where claims of executive privilege could mask mischief.

Mr. Obama's bona fides of traveling in socialist circles are well-established even though not well-reported by the major news gatekeepers. His membership during the 1990s in the "New Party," an offshoot of the Democratic Socialists of America, his learning at the knee of childhood mentor and lifelong Communist Frank Marshall Davis, and his consorting with unrepentant terrorist and socialist William Ayers speak volumes.

Mr. Obama worked for years as a community organizer applying the tactics of dyed-in-the-wool socialist Saul Alinsky and he was a faithful 20-year parishioner of the Rev. Jeremiah "G.. d... America" Wright.

Yet, it is no longer Mr. Obama's history that should worry Americans. Rather, it is the future of America he envisions where equal opportunity and success are to be replaced by the bare minimum and equal outcome.

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