

**How the
“New”
Welfare State
threatens
Society
and the
Free Market Productive
Economy**

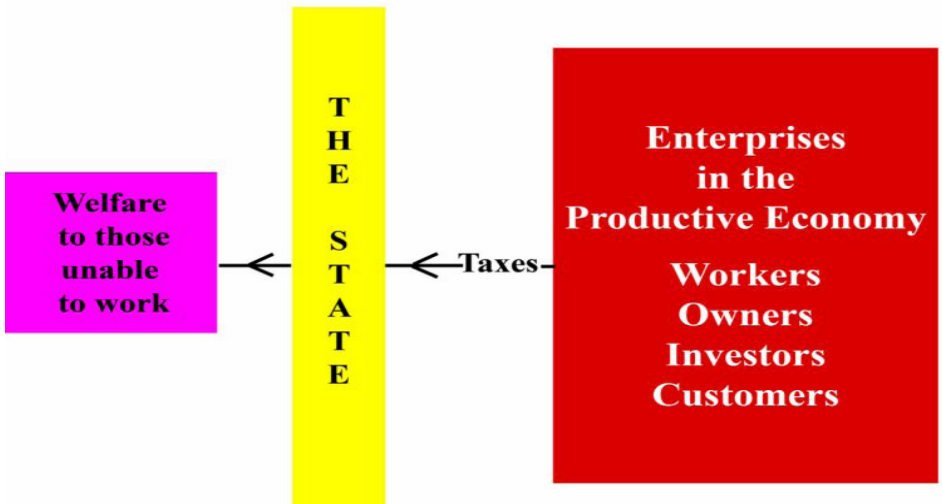
Daniel Caffrey 2018

The Welfare States began in the 1930's as a response to the social and economic catastrophe of Great Depression.

It was based on a simple principle. If you could not work whether by accident, illness, temporary unemployment, or infirmity you would receive sufficient income from the State to maintain you in comfort and decency.

Taxes would be taken for this purpose from those in work, from businesses and enterprises, from the Free Market Productive Economy.

This was the First Welfare State



This "First" Welfare State continued until the late 1960's. The political parties who brought it into being had their origin in the Trade Union movement. The parties had a membership which had real experience of the privations their members suffered during the depression and before.

The "Second" Welfare State began in the 1970's. It was started by an influx of members into the Trade Union political party.

These new members coming into the traditional Trade Union parties were very different from the traditional trade union members.

They had quite different concepts and ideas of work, society and the economy from the existing membership. The new ideas were not bottom up like those held by the Trade Unions. Their views had been derived from real life experience in the factories, mines and places of work.

The new members coming into the Labour Parties were top down thinkers. Their idea of what society and the workers needed to improve their conditions came from theories learned in their time at university.

Universities had changed radically in that period and the central theme of social theory was based on the post modern ideas of the 1950's and the conflict society model. It was a variant of socialism and Marxism. They brought into politics a whole new vocabulary.

The struggle between the Trade Unions and their members for a share of the fruits of the Free Market Productive Economy was set to one side. The new members widened the definition of a fair share of the fruits of the Free Market Productive Economy to the idea of systematic group "oppression"

It transpired the world was full of oppressed people and they were victims of all kinds of oppression not just "capitalism."

The definition of "oppression" was now widened to include some genders, some races, some ethnicity, the indigenous, the colonised and seemingly as an afterthought, the poor.

These victims needed justice, "Social justice.". The remedy was equality, diversity and multiculturalism.

Which group you belonged to was the most important thing about you.

The politics of identity crept into every aspect of interrelationship of individuals and the new groups with the state. Individuals could chose an identity from the offered choice of the oppressed.

The Trade Unions parties were transformed into vehicles to fight for "social justice".

The new "progressive" Parties maintained the Trade Union branding but sought to forge an alliance of the "marginalised", the

indigenous, the oppressed races, ethnicity, genders and gather a political coalition to gain government and access to the treasury. When the new members with their ideas formed in the rarefied atmosphere of the Universities preached the new story with a passionate certainty.

They knew what had to be done to achieve social justice. If they could control the state and levy taxes they could create equality, bring about social justice. It was unfortunate that they would have to leave the Free Market Productive Economy in place. The lesson learnt from the fall of communism and the failures of socialism everywhere was that only the Free Market Productive Economy created prosperity, taxes and added value. They could leave it in place and use the taxes to redistribute to their new voting blocks in the identity groups they had framed to support them.

The state was going to be the instrument to apportion social justice, salve the wounds of the victims of past, cure poverty current oppression and become the sole dispenser of compassion.

The new theory said that the victims of, colonialism, gender discrimination, race disadvantage, inequality and “poverty” caused by “capitalism” should receive recompense and redress from the state.

That entitlement could be lifelong and be taken up by your descendents.

The remedy for poverty was not a well paid job in the Free Market Productive economy but sequestration in dependence on the state. As they did not understand how the Free Market Productive Economy worked the damage this would do to it was of no concern.

And the vehicle for this transition to a socially just, equal diverse, multicultural society was to be the “First” Welfare State.

They would change its language, redirect its aims, create a massive support system of well paid ancillaries to bring it about.

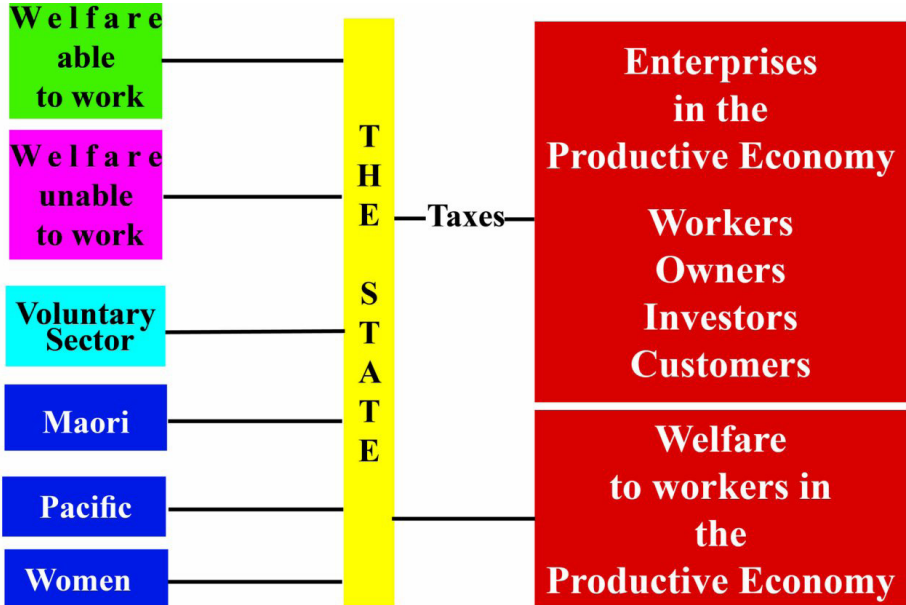
That they would lower the support the First Welfare state delivered to those who could not participate in the Free market

Productive Economy was not foreseen.

They would damage them without even noticing it.

And after 40 years the Second Welfare State designed by the academic theorists of the 60's 70's and 80's is now in place.

This is the Second Welfare State



To create social justice, to remove oppression, to cure poverty the state had permission to spend on “social” development.

To spend state funds on any group deemed “victims.”

For the first time in the history people who could work would get welfare from the state. If they were part of a group defined as victims of capitalism, “poverty”, colonial oppression, gender discrimination they could receive rewards from the state without having to contribute to it, by working.

The qualification was not that they could not work in the Free Market Productive Economy but that they could

demonstrate, poverty, oppression, past injustice, inequality and “marginalisation.”

The taxes to pay for it would come from the workers, and owners and customers in the Productive Economy.

The distinction fundamental to the First Welfare State founded in the 1930’s between those able to work and those unable to work faded away.

Ironically those who relied on the First Welfare State, the infirm, the sick the retired who desperately needed the help of the state got received less than they needed. The quality of life for those who could not work in the Free Market Productive Economy, the benefactors of the First Welfare State started to decline. The supply of Welfare needed by those who through age, infirmity, sickness dwindled to almost mere subsistence.

There was a limited budget. There were new mouths at the table..

Has it worked. No. It couldn’t.

The contrast of the offer in the Productive Economy for those able to work with what they get from the Second Welfare State tells it all.

Destiny of those able to Work

State Welfare System

No opportunity
No gain in experience
No career progression
Can’t own a business
No achievements no pride
No value added to society
Drain in tax
Income static & low
Restricted social circle
No hope
Low opportunity for children
Total dependence on the State

Productive Economy

Increasing Opportunities
Gaining Experience
Career Progression
Own your own business
Pride in achievements
Contribute value added
Contributing tax to society
Increasing Income
Friends at work
Hope
Opportunities for children
Own property
Independent of the State

The Second Welfare State failed everywhere it was tried and for all who received it. You could see this failure every place where the able bodied were marooned in state care.

You could see its outcomes for Outback Aborigines, Native Americans, First Nation Canadians. You could see it in the ghettos of St Louis, Baltimore, Manchester, Glasgow, Ballymun and Newcastle. In some places it was horrific. People who could work were thrown on the scrap heap of welfare. Their vote was sealed and bound to the Labour Party and the Second Welfare State.

The Second Welfare State was not pleasant.

Once able bodied people entered state care they passed into a limbo of unexamination and chaotic misery. Few stories seeped out about what life in the care of the Second Welfare State was really like.

If dysfunction reared its head the bureaucracies now legion who administered it reasoned that not enough money was being spent in it. By now there was a myriad of state and non-government organisations delivering welfare to the able bodied and the number of state servants and charity supported helpers had expanded into multitudes. The solution to fix the problem was thought to be better coordination of state resources.

The new Second welfare state parties were no longer composed of the “workers” and the poor. They had made the migration from being their advocates to eventually being their case workers. The role of the party and the state was to help the helpless poor, the oppressed identities who needed their wise stewardship to accomplish the very minimal of human activities.

They had never experienced being a worker or being poor. Their concepts were entirely intellectual. They had no skin in the game. Some of the groups they purported to help suffered badly

Indigenous people

Billions was taken from the workers and owners in the Free Market Productive Economy and paid out to “oppressed” indigenous peoples. It did little good. They became wards of the state.

Sequestered in government dependency excluded from the one thing that could help them, well paid employment and ownership in the Free Market Productive Economy.

The thing that was lifting their fellow citizens out of poverty. The “support” became inter-generational. Farther followed son, daughter followed mother into the loving arms of the “caring” state.

The Second Welfare State was unbelievably expensive

Imagine a person of working age is suddenly incapacitated. They need adaption to their dwelling. They need help with cooking and bathing. They may need a state house. The support is intensive and costly. This is given by society because they cannot work. It is a real benefit to them and society.

Imagine someone loses their job. They need income support. They may need a state house. They need lunches, shoes and clothing for their children. It is expensive both in capital and ongoing expense. They cease producing goods and services They lower their purchases. They stop paying taxes and instead receive them. If they are locked out of a return to employment the burden on the suppliers of tax, the Free Market Productive Economy becomes gargantuan.

Even the “Capitalist” United States created a Second Welfare State as the unions lost direction of the Democratic Party and became composed of the new intelligentsia.

In the late 60’s Lyndon Johnson’s began a “War on Poverty” to build the Great Society. (Plainly society had lost the will or strength to build itself)

So far this has cost about \$23 trillion dollars. Poverty and homelessness has increased. The number not in work and dependent on some form of state assistance has reached nearly 100 million. The number on food stamps, needing state assistance to feed them and their families, has reached 45 million. And this continues even as the unemployment level fell and growth returned after the Great Recession. Poverty has not been cured by the State. It has worsened.

The main feature of the Second Welfare State, welfare for the Able Bodied,, passive welfare, call it what you will is its permanence.

The able bodied poor on passive welfare get a low fixed income no matter their skills, talents and ambitions.

If they stay in state dependence they will have the same purchasing power for life. The recipients of able bodied welfare have no discretionary income and a disposable income that doesn't meet the bills.

Leaving dependency meant they lose child care, working for families, tax credits and rental subsidy. Any gain from job was offset by the loss of their benefits. The welfare trap was set.

It turned out exiling able bodied people to "Passive Welfare" was not a blessing. Idle with no prospects many succumbed to drugs, alcoholism, depression, crime and domestic violence.

They lost hope. And in this they were realistic. On permanent welfare there is no hope. If you cannot work the First Welfare state is a blessing of a civilised society. If you can work and can see how much better your life would be if you were working the Second Welfare State is a curse

Their life was ruled by bureaucrats in the welfare office. However well intentional the bureaucrats goodwill was in short supply. There were rules, many and complex. The Second Welfare State was a crime ridden, drug fuelled, poverty stricken, seething failure.

As if state fostered dependency was not inflicting enough misery the state made things worse.

The State lost the ability to educate the lower deciles in the education system. A great number of the children entering the state education system from chaotic households in the limbo of the Second Welfare State were un-educatable.

Households which valued literacy and learning could thrive. But those where it was not present they could not. New job entrants from the children of passive welfare became unemployable. They went straight from school to welfare and were likely to stay there for life.

It didn't help that central banks lowered interest rates and flooded the world economy with \$14 trillion. The better off got cheap loans at 4% for asset bubbles. The able bodied on welfare could get loans from pay day lenders at 500%. A whole new industry of usurious debt lenders arose to meet the shortage in the weekly wage or the state benefit.

Local government and state planning laws made the building of houses well nigh impossible and city limit boundaries stopped urban expansion. Houses became un-affordable.

In a social engineering exercise the new "progressive" political parties attempted to change health outcomes for statistical groups. To cure tobacco smoking and the effects of alcohol by increasing excise duties. This dramatically deepened poverty. The poor in most well off countries pay over 45% of their income in Excise Duties.

To turn the screw tighter on the able bodied in Second Welfare States governments opened the floodgates of immigration. This depressed wages at the lower end of the scale. The able bodied on welfare had to compete for the jobs that might be their first step on the ladder out of dependency.

Government spending rose dramatically

The state was spending vast sums on able bodied welfare and missing out on the tax they would have received were the recipients employed in the Free Market Productive Economy and paying tax.

Given a remit to develop society there was no limit to the expenditure that could be justified. As a result all Governments in who ran the Second Welfare state model ran up unsustainable debt. The costs to the state of millions of able bodied people on welfare was horrendous. In Australia 47% of households are dependent on the state. In the United states 47%, and in the UK 52%. The share of the German budget devoted to welfare is now 52%.

It hurt the lower earners in the Productive Economy

With an increased burden on Free Market Productive Economy wages at the lower deciles stagnated. The lowest earners earned barely more than welfare.

Instead of a reasonable gap between welfare and employment they were nearly aligned.

If you consider for instance what would have happened if the \$23 trillion spent on the war on poverty, the Great Society had been left in the Free Market Productive Economy. What it could have been used for you see the effects of the Second Welfare State.

This is what the \$23 Trillion could have done

What The Free Market Productive Economy can Do	What the State Can't do
Value add to raw material capital investment and skilled labour	State does not add value
Create new growing enterprises.	The state cannot create new enterprises.
Create more employment, more taxes and better welfare to those unable to work.	The state cannot create new taxable income
There would have been new jobs	The state can't create jobs
New goods and services and more value added.	The state cannot create goods and services.
Profits would have been earned and new capital investments made increasing productivity.	The state doesn't make investments or increase savings. It spends.
Better training and skill improvement in hands on tacit knowledge.	The state cannot provide experience in the real world
The Productive Economy could have generated more exports	The State does not export anything.
Sponsored social enterprise and charities	The state does not generate donations.

Poverty among able bodied people would have been negligible.

Instead of the extraction \$23 trillion from the Productive economy to spend on poverty maintenance the money would have generated well paid jobs making welfare to able bodied people almost unnecessary.

The able bodied now on welfare could have enjoyed what their fellow citizens in the leafy suburbs enjoy. Well paid employment, the ownership of businesses and lives full of hope and endeavour and independence from the state.

What they had once enjoyed before the social engineers commenced their management of identities, groups and advanced the idea that the State can uplift people out of poverty. That the state can create equality.

The comparisons with countries with a Free Market Productive Economy who did not pay welfare to the able bodied was stark. There the people were lifting themselves out of poverty. Six hundred million Chinese and six billion elsewhere had been lifted out of poverty by their Free Market Productive Economies. The idea of paying people for past and current “oppression”, levelling down incomes and payment to those who could work was thought ridiculous.

Poverty in advanced economies where the state taxed the Free Market Productive Economy to lift people out of poverty was in fact **creating and exacerbating poverty** in the midst of plenty.

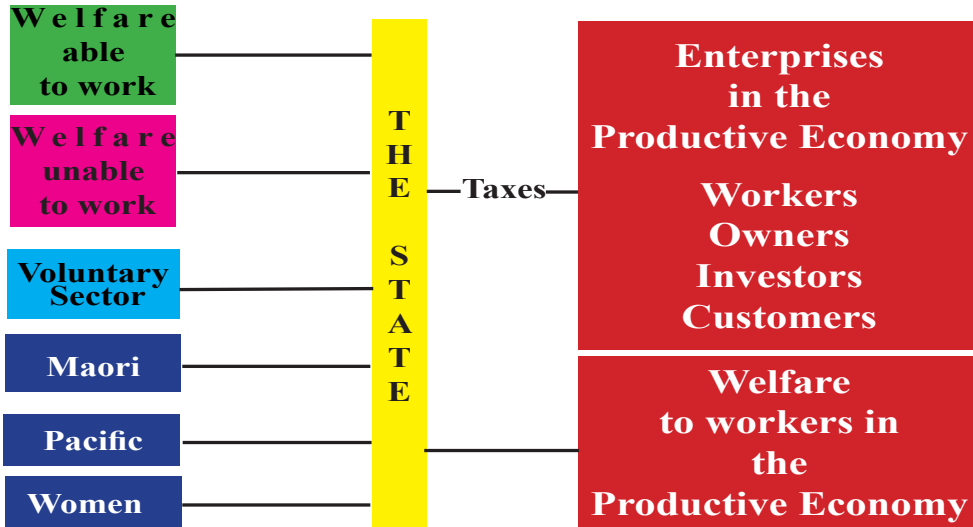
According to the new story of the progressive elite this was impossible. Poverty was caused by capitalism.

But where were the voices against this re configuration of the welfare state. The political parties who had been formed to defend and advance the Free Market Productive Economy? The Conservative Parties, the Tories, the National Party.

The Second Welfare state was eating the seed corn of the Free Market Productive Economy. The taxation burden was eating the futures of the unemployed and the enterprises. They needed each other.

The defenders of the Free Market Productive Economy went silent.

Here is why.



Look at the diagram again.. This time consider them as voters. There were now more voters dependent on the state than there are in the Free Market Productive Economy.

Furthermore advances in efficiency was lowering the numbers engaged in some sectors of the Free Market Productive Economy. Agriculture dropped from 60% of the work force to 3%. Industrial workers are now only 12%.

So conservative political parties signed up to the Second Welfare State. They feared the wrath of voters. The new Political parties had mustered the forces and numbers of the aggrieved.

Their story of the oppressed, the unequal, the victims of capitalism had been well disseminated by their equally university educated compatriots in the media and in the elite had persuaded voters and the aggrieved that the solution to their “deprivation lay in the hands of the state. They had a story of woe and misery caused by capitalism.

The new story, the new political theories had elevated victims to sacred status. They were untouchable. The new progressive story was powerful. And the majority of voters believed it. The academic elites, political elites advanced the story on every front. It was fused into the marrow of their being. And who could resist a story like theirs. They were virtuous, helping the poor, the downtrodden, the victims of capitalism that capitalism had left behind.

They traded on the human instinct for compassion. It was as powerful as the story of communism and socialism and trade union government which had enthralled billions for decades.

Those who once championed the free enterprise economy were scared of the shrieks of the media and lobby groups that they were cruel and heartless.

The new ideas, progressive stories, theories were hazy, ill defined. There was no central dogma or catechism one could refer to. The language was vague but appealing to those who had no experience in the Free Market Productive Economy.

There was total media and propaganda effort to substantiate them. They were difficult to subject to reasoned argument.

The new theory of what government could do, what it could actually achieve grew mighty state bureaucracies. **As the state took more responsibility for the care of millions of people it claimed to be the sole spokesperson for society.**

It took control of almost every aspect of what people said, did, eat, smoked and drank. The most commonplace aspects of human behaviour were regulated and proscribed. The political and academic elites knew what was good for us and we were going to do it. They had a story that worked.

We live under the rule of experts. Statistically categorised by our minders who frame the totality of our lives and the policies under which they think we should live.

Our assigned relationship with the state not as an individual citizen. We were to be dealt with in the category of our group identity.

The outcome has been what Jeffrey A Tucker calls a re configuration “of the relationship between the individual and the state and between society and its governing institutions.”

”What they wanted was what is today called the managerial state. Objective and scientific experts would be given power and authority to build and oversee large-scale state projects. These projects would touch on every area of life.

They would build a cradle-to-grave welfare state, a regulatory apparatus to make all products and services perfect, labour law to create the perfect balance of capital and labour, huge infrastructure programs to inspire the public (highways! space! dams!), fine tune macroeconomic life with Keynesian witchdoctors in charge, a foreign-policy regime that knew no limits of its power, and a central bank as the lender of last resort.”

“The institutions built by the paternalistic, urbane, and deeply smug social democrats are being captured by interests and values with which they profoundly disagree.”

“It was a gigantically invasive state, administered by elite bureaucrats, blessed by intellectuals, and given the cover of agreement by the universal right of the vote.”

Jeffrey A Tucker Open Your Eyes Fee.org

This new “democratic socialism” of the Second Welfare State was stunting the growth in the Free Market Productive Economy consigning working age people to the ghetto of welfare. It had not solved the problem of poverty. It was actually increasing it by it’s extractions from the Productive Economy and consigning the able bodied to permanent welfare. They had constructed a mighty Second Welfare State with tremendous spending and political power.

The old ideological battles of socialism and communism faded away. Trade Unionism in the Free Market Productive Economy fell to a small fraction as workers in the Free Market Productive Economy realised their future lay with prosperous and developing enterprises. There was a new story in play and the new ideological divisions had to be framed against its reality.

The old political parties from left to right had signed on to the new welfare state.

The State and society were now melded together.

The state was now our guardian. It would direct almost every aspect of our lives and take as much as it wanted from the Free Market Productive Economy and dispense it as it saw fit.

Those who worked, managed and invested in the Free Market Productive Economy would work hard to pay for it. That was the role assigned to them.

They belonged to no identity group. The story of the Free Market Productive Economy would be lost in the cacophony of state immiseration.

***“These are the ideological battle lines of the future,
not Left vs. Right
but
freedom vs. all forms of government control.”***

Jeffrey A Tucker Open Your Eyes Fee.org

**Impact of Tax and Excise Duty on low Minimum and Average Wage
Figures as at August 2018**

Beneficiary Single over 25	Yearly	Weekly
Income	\$11,197	\$215
Income Tax	1,175.68	\$24
Income after tax	\$10,022	\$191.34
Regressive taxes		
Tobacco	\$5,512	\$106
Alcohol	\$260	\$5
GST	\$520	\$10
Total regressive taxes	\$6,292	\$121
Total all tax	\$7,467.68	\$145
Income after all tax	\$3,370	\$70.34
Tax, Excise as % of Income		67%

Pensioner Single	Yearly	Weekly
Income	\$24,078	\$463.04
Income Tax	\$3224	\$62.17
Income after tax	\$20,854	\$401
Regressive taxes		
Petrol Tax	\$780	\$15
Tobacco Tax	\$5,512	\$106
Alcohol Tax	\$520	\$10
GST	\$520	\$10
Total regressive taxes	\$7,436	\$143
Total all tax	\$10,660	\$205
Income after all tax	\$13,418	\$258
Tax, Excise as % of Income		56%

**Impact of Tax and Excise Duty on low Minimum and Average Wage
Figures as at August 2018**

Minimum Wage \$31,270	Yearly	Weekly
Income	\$34,320	\$660
Income Tax	\$4,476	\$86
Income after Income tax	\$29844	\$574
Regressive taxes		
Petrol	\$1040	\$20
Tobacco	\$5,512	\$126
Alcohol	\$780	\$15
GST	\$520	\$10
Total regressive taxes	\$7,852	\$151
Total all tax	\$12,328	\$237
Income after all tax	\$21,992	\$423
Tax, Excise as % of Income		36%

Average Wage	Yearly	Weekly
Income	\$49,000	\$942
Income Tax	\$7,720	\$148
Income after tax	\$41,280	\$794
Regressive taxes		
Petrol	\$1,300	\$25
Tobacco	\$5,512	\$106
Alcohol	\$780	\$15
GST	\$1040	\$20
Total regressive taxes	\$8,632	\$166
Total all tax	\$16,352	\$314
Income after all tax	\$32,648	\$628
Tax, Excise as % of Income		33%

Quotes discovered as part of Research

“Taxpayers have spent \$22 trillion on [President Lyndon B.] Johnson’s war [on poverty]. Adjusted for inflation, that’s three times the cost of all military wars since the American Revolution.”

Yet despite this spending, the poverty rate has hovered between 10 and 15 percent for the last 40 years.”

Robert Rector - Senior Research Fellow Heritage Foundation

MORE than 1.4 million people in Ireland are receiving social welfare payments, ranging from unemployment assistance to child benefit, according to new figures seen by the Sunday Independent.

Nearly €3 out of every €10 in gross current expenditure allocated by the Government goes on social welfare.

In all, the Government spent €12.1bn in 2005. Old age payments during 2005 came to €2.9bn - or 24 per cent of the total. An extra 7,517 people became eligible to draw a contributory old age pension.

Another big group were widows, widowers and one-parent families which increased by 8.5 per cent to more than €998m.

Jerome Reilly

The Independent February 25 2007

“For example, real commonwealth expenditure on childcare has increased from \$1.8 billion in 2002-03 to just less than \$7bn, so that spending per child under the age of five has literally trebled; yet there are few signs of any social returns from massively boosting outlays... Equally, real commonwealth school spending per school-aged child has doubled since 2002-03, but the proficiency level of lower performing students has barely increased, while that of higher-performing students has dropped.

And in healthcare too there is a great deal of “flat-of-the-curve” spending, which yields no health benefits, and evidence of widespread waste.”

Henry Ergas

Quoted by Andrew Bolt Herald Sun April 25 2016

Quotes discovered as part of Research

“There were 235,000 homeless Americans between 18 and 30 in 2014, making up 24 percent of the nation’s homeless population. That was up from 226,000 in 2007, when the age group made up 20 percent of the total homeless population, according to the Department of Housing and Urban Development.

It is not a small number. Even after accounting for every government assistance program — housing subsidies, food stamps, help with the electricity bill — nearly 16 million Americans still fall below 50 percent of the poverty line, measured by the Census Bureau’s revamped poverty measure that includes the effect of government support. That translates to roughly \$8.60 per person per day for a family of four. That group is six million people larger than half a century ago.

... a share that has refused to shrink despite five decades of economic growth.

..... By believing the poor are not exerting enough effort, we allow ourselves not to care. This permits politicians — and voters — to go normally about their business while 16 million Americans live on \$8.60 or less a day.”

**Eduardo Porter Electing to ignore the poorest of th -poor
NYT Economic Scene 17 11 2015**

““Here’s what taxpayers currently fund to help families with children:

\$1.15 billion in accommodation assistance

\$182 million in childcare assistance

\$260 million in hardship support

\$1.25 billion for the DPB

\$16.9 million for out of school care

\$267 million in child support

\$1.93 billion in family support

\$494 million for in work tax credits

\$176 million for paid parental leave

\$32 million for parental and family tax credits

\$1.58 billion in early childhood education subsidies”

David Farrar KiwiBlog

Quotes discovered as part of Research

“Nearly one-third of New Zealand children are in households that depend on a benefit. About 409,000 New Zealanders get all their income from welfare. We spend 250 per cent more on welfare than we do on education. Since 1960 welfare spending per head, in inflation-adjusted dollars, has increased fivefold. “

Bruce Logan Maxim Institute 2005

“Spend evaluations systematically underestimate costs and overestimate. Governments think the cost of each taxpayer dollar spent is \$1.

This overlooks the huge cost of raising tax dollars.

Empirical estimates of “deadweight losses” -- the costs of distortions to citizens’ work, consumption, savings and investment decisions that taxes cause, plus tax collection costs -- are typically 30c-plus per dollar raised. Therefore, the \$322 billion that governments tax us causes \$100 billion in deadweight losses -- a massive 9.2 per cent of GDP. Yet spend evaluations ignore this.”

Paul Kerin April 01, 2008

New Agenda for Prosperity conference paper

www.melbourneinstitute.com/conf2008

‘A household in the bottom 10 per cent pays 43 per cent of its income in tax, but the average household and a household in the top 10 per cent both pay 35 per cent – eight per cent less than the bottom 10 per cent.’

UK Office for National Statistics (ONS)

<http://www.equalitytrust.org.uk/news/96-public-favour-more-progressive-tax-system>

“A Universal Basic Income would redefine the relationship between individuals, families, communities, and the state by giving government the role of provider. It would make work optional and render self-reliance moot. An underclass dependent on government handouts would no longer be one of society’s greatest challenges but instead would be recast as one of its proudest achievements.”

Oren Cass Bloomberg June 17 2016

<http://www.nationalreview.com/article/436621/universal-basic-income-ubi-terrible-idea>

Quotes discovered as part of Research

“Back in 1948, when inflation had rendered meaningless the minimum wage established a decade earlier, the unemployment rate among 16-17-year-old black males was under 10 percent. But after the minimum wage was raised repeatedly to keep up with inflation, the unemployment rate for black males that age was never under 30 percent for more than 20 consecutive years, from 1971 through 1994. In many of those years, the unemployment rate for black youngsters that age exceeded 40 percent and, for a couple of years, it exceeded 50 percent.”

Thomas Sowell Socialism For the Uninformed
townhall.com 31 5 2005

“Failure by state agencies to solve the problems of poverty and welfare dependency actually results in the allocation of greater resources to those agencies, when they have already proven themselves poorly adapted to solving the problem.”

John Tamahere
Address to Knowledge Wave Conference.

“The State is never going to get anywhere preaching to its citizens about responsibility, self-control and the need to think about the future when these are, to the State itself, alien concepts.”

Fintan O’Toole
‘We don’t believe enough in the future not to stuff ourselves with what’s in front of us now’
Irish Times Jul 22 2014

Quotes discovered as part of Research

“The state has become a vast and intricate system of patronage, whose influence very few can entirely escape.

It is essentially corporatist: the central government, avid for power, sets itself up as an authority on everything and claims to be omniscient both morally and in practice; and by means of taxation, licensing, regulation, and bureaucracy, it destroys the independence of all organizations that intervene between it and the individual citizen.

If it can draw enough citizens into dependence on it, the central government can remain in power, if not forever, then for a very long time, at least until a crisis or cataclysm forces change”

Theodore Dalrymple *How Not to Do It*

Nothing works in the omniscient state. *City Journal* Winter

The modern overloaded state is a threat to democracy: the more responsibilities Leviathan assumes, the worse it performs them and the angrier people get—which only makes them demand still more help.

John Micklethwait, Adrian Wooldridge, *The Fourth Revolution*,

“In the process of course, the state is either granted or arrogates to itself (or, of course, both) ever-greater powers. A bureaucratic monster is created that takes on a life of its own, that is not only uneconomic but anti-economic, and that can be reformed only at the cost of social unrest that politicians naturally wish to avoid. Inertia intermittently punctuated by explosion is therefore the most likely outcome.”

Theodore Dalrymple

Is “Old Europe” Doomed? February 6th, 2006

“The cost of U.S. regulations is now larger than Germany’s economy, amounting to a \$4 trillion loss to the American economy.”

Mercatus Center at George Mason University.

<http://mercatus.org/publication/cumulative-cost-regulations>

Quotes discovered as part of Research

“The only way to break the vicious cycle of disadvantage and dysfunction is to build capabilities through economic and social development based on engagement with the real economy.”

Noel Pearson

“In the past, discussions of inequality stressed raising up those at the bottom; today, it’s all about bringing down those at the top.

A truly forward-looking discussion would examine how to grow a productive economy, create jobs and raise living standards for all.

In contrast, a Piketty-style debate over ‘who is getting the biggest share’ of a stagnant economy is a navel-gazing distraction with zero progressive content.”

Sean Collins The American Situation blog.

“The intellectual wants the whole society to be a school writ large, to be like the environment where he did so well and was so well appreciated. By incorporating standards of reward that are different from the wider society, the schools guarantee that some will experience downward mobility later. Those at the top of the school’s hierarchy will feel entitled to a top position, not only in that micro-society but in the wider one, a society whose system they will resent when it fails to treat them according to their self-prescribed wants and entitlements.”

Robert Nozick

Why Do Intellectuals Oppose Capitalism?

<https://www.libertarianism.org/publications/essays/why-do-intellectuals-oppose-capitalism> 1 Jan 1998

“Policymaking is easy, if it ignores reality. And the problem we have is not only that policymakers craft policies designed to fail, but that citizens in a democracy do the same. The desire to do something is overwhelming. The solution is derived from interests and not connected with the reality of the problem. The result is that nothing is done.”

George Friedman June 20th 2016

Quotes discovered as part of Research

The liberal mind-set has therefore led to a conception of government that conservatives view with deep suspicion. In the liberal worldview—and you see this magisterially embodied in the philosophy of John Rawls—the state exists in order to allocate the social product. The rich are not really rich, because they don't own that stuff. All goods, in liberal eyes, are unowned until distributed. And the state distributes the goods according to a principle of fairness that takes no account of the moral legacy of our free agreements or of the moral effects of a state-subsidized underclass.

...;..... On the liberal view, therefore, government is the art of seizing and then redistributing the good things to which all citizens have a claim. (This may seem hard on the rich, but in fact it is psychologically convenient for them, since it removes the obligation to account for their wealth.) On this view government is not the expression of a preexisting social order shaped by our free agreements and our natural disposition to hold our neighbor to account.

It is the creator and manager of a social order framed according to its ruling doctrine of fairness and imposed on the people by a series of top-down decrees. Wherever this liberal conception prevails, government increases its power, while losing its inner authority.

It becomes the “market-state” of Philip Bobbitt, which offers a deal to its citizens in return for their taxes, and demands no loyalty or obedience beyond a respect for the agreed terms of the deal.

Roger Scruton: The Good of Government
www.firstthings.com/article/2014/06/the-good-of-government“

The list of our newfound rights is almost endless, but ten conversations with ten different Progressives will yield ten different sets of absolute rights. Perhaps the only common thread among them all is the demand that the state coerce all members of society into paying for all the goods and services to which we now have a “right.”

Yonathan Amselm

The Formlessness of Progressivism <https://mises.org> 30 12 2015

Quotes discovered as part of Research

“Scarcely anyone interests himself in social problems without being led to do so by the desire to see reforms enacted. In almost all cases, before anyone begins to study the science, he has already decided on definite reforms that he wants to put through.

Only a few have the strength to accept the knowledge that these reforms are impracticable and to draw all the inferences from it.

Most men endure the sacrifice of the intellect more easily than the sacrifice of their daydreams. They cannot bear that their utopias should run aground on the unalterable necessities of human existence.

What they yearn for is another reality different from the one given in this world ... They wish to be free of a universe of whose order they do not approve.”

Ludwig von Mises

“In a progressive country change is constant; and the great question is not whether you should resist change which is inevitable, but whether that change should be carried out in deference to the manners, the customs, the laws and the traditions of a people, or whether it should be carried out in deference to abstract principles, and arbitrary and general doctrines.”

Disraeli’s speech in Edinburgh in 1867

“Scarcely anyone interests himself in social problems without being led to do so by the desire to see reforms enacted. In almost all cases, before anyone begins to study the science, he has already decided on definite reforms that he wants to put through. Only a few have the strength to accept the knowledge that these reforms are impracticable and to draw all the inferences from it.

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Ludwig von Mises

Quotes discovered as part of Research

“If man is not to do more harm than good in his efforts to improve the social order, he will have to learn that in this, as in all other fields where essential complexity of an organized kind prevails, he cannot acquire the full knowledge which would make mastery of the events possible.

He will therefore have to use what knowledge he can achieve, not to shape the results as the craftsman shapes his handiwork, but rather to cultivate a growth by providing the appropriate environment, in the manner in which the gardener does this for his plants.

There is danger in the exuberant feeling of ever growing power which the advance of the physical sciences has engendered and which tempts man to try, “dizzy with success”, to use a characteristic phrase of early communism, to subject not only our natural but also our human environment to the control of a human will.

The recognition of the insuperable limits to his knowledge ought indeed to teach the student of society a lesson of humility which should guard him against becoming an accomplice in men’s fatal striving to control society – a striving which makes him not only a tyrant over his fellows, but which may well make him the destroyer of a civilization which no brain has designed but which has grown from the free efforts of millions of individuals.”

Hyak

Nobel Prize Speech December 11 1974 speech.

“It must be first of all recognized that the condition of things inherent in human affairs must be borne with, for it is impossible to reduce civil society to one dead level.

Socialists may in that intent do their utmost, but all striving against nature is in vain.

There naturally exist among mankind manifold differences of the most important kind; people differ in capacity, skill, health, strength; and unequal fortune is a necessary result of unequal condition. “

Leo X111 Rerum Novarum

Further Reading Books

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Charles Murray	Coming Apart
Christopher Lasch	The Minimal Self in Troubled Times
Dianne West	The Death of Grown Up
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The End