

Libertarian Party of Hawaii

News

July 2011

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Coming events:

Libertarian Party of Hawaii Executive Committee Meeting

When: SUNDAY, JULY 17, 2011, 6:00PM–7:00PM

Where: [JIM HENSHAW'S HOUSE](#)
649 KANAHA STREET
KAILUA, HI

All Libertarian Party members are invited.

Jim Henshaw
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Recommended Links:

Advocates	theadvocates.org
Antiwar	antiwar.com
Freedom Library	freedomlibrary.org
Freeman Online	thefreemanonline.org
Foolish Things Salon	thefoolishthings.net
Future of Freedom Foundation	fff.org
Grassroot Institute of Hawaii	grassrootinstitute.org
Hawaii Reporter	hawaiireporter.com
Independent Institute	independent.org
International Society for Individual Liberty	isil.org
Jonathan Gullible	jonathangullible.com
Lew Rockwell	lewrockwell.com
Libertarianism	libertarianism.com
Libertarian Party	lp.org
Libertarian Party of Hawaii	libertarianpartyofhawaii.org
Liberty Unbound	libertyunbound.com
Mises Institute	mises.org
Reason	reason.com
Small Business Hawaii	smallbusinesshawaii.org
Spiked! Online (our British brothers)	spiked-online.com

I Did Not Know Taxpayers Should Fund Such Things

by Danny de Gracia, II

Action movie fans may recall a certain scene in the movie “Gladiator” where actor Djimon Hounsou plays a slave that visits the Roman Coliseum for the first time and remarks, “I did not know men could build such things!” As I consider the firestorm of political controversy surrounding the NFL Pro Bowl and the suggestion that Governor Neil Abercrombie was wrong for not spending \$4 million in tax dollars to secure their presence in Hawaii, I can’t help but say in awe, “I did not know taxpayers should fund such things!”



Unfortunately as many of you know, taxpayers are paying for more and more with each passing year. Before 2011 is over, the Federal government will have spent almost \$4 trillion dollars. In 1911, the budget was only \$691 million dollars. We are witnessing our dollar devalue, our savings disappear and our friends and neighbors working harder and harder just to make ends meet. Libertarians know that every dollar government spends is a dollar taken away from someone else’s labors. But how many of the “political class” know that every dollar they spend is a dollar that could have been spent by you and me on food, medicine, job creation, capital acquisition or just plain enjoyment?

When I heard prominent Republicans like former Lt. Governor Duke Aiona joining voices with talk radio host Rush Limbaugh to demand that the Hawaii Tourism Authority (HTA) be given \$4 million in our taxes to pay for the NFL: Pro Bowl, it became apparent to me that our elected officials *don’t* know and probably don’t care that every dollar they spend is our money. But this also raises another question: how is it that a party that claims to be for free markets and limited government can also advocate subsidizing the NFL?

Republicans say they were against taxpayer funded bailouts of Wall Street banks and the automobile industry and demonize Democrats for throwing taxpayer dollars to corporate special interests. Republicans mocked President Barack Obama’s inaugural address for calling state spending “investment.” But when Governor Neil Abercrombie said he was against giving \$4 million dollars in taxpayer money to the NFL Pro Bowl, the “no bailout, free market” Republicans suddenly cried bloody murder that Abercrombie would dare to withhold state funds from a \$9 billion dollar football industry.

Aiona boasted that Gov. Abercrombie’s failure to release the tax dollars reflected a lack of “business acumen” and hinted that an Aiona administration would never have “offended” the NFL by denying them or the HTA tax dollars. Anyone who followed the Aiona gubernatorial campaign will recall that he, like so many other Republicans, claimed to be for accountability in government and fiscal restraint. Yet in 2009 when the State Auditor’s official report slammed the HTA for sloppy contracts and added that “the effectiveness of taxpayer funds spent on promoting Hawaii’s most important industry [tourism] cannot be

demonstrated” Aiona – the man who knows best about “business acumen” did not treat HTA or Gov. Lingle with the kind of rebuke he gave Abercrombie. Rush Limbaugh, who was so concerned about Hawaii tourism and American industry, was likewise nowhere to be found when that report came out.

Much to the dismay of many of my long standing Republican friends, I wrote a letter to the Star Advertiser in which I argued that this pattern of selective outrage can only mean that the Republicans are not genuinely interested in limited government or free market, but are instead interested only in playing people against each other for electoral gain. The rebuke and condemnation - or as Libertarians might call it, "blowback" - which was leveled against me was swift and sharp.

I was told that I had an “8th grade understanding of economics” and that “getting \$40 million in visitor spending in exchange for \$4 million in taxes is a nice investment.” Yet the Republican who said that to me obviously didn’t know that profit is determined by time preference in society and when the economy is bad (as it is now) people delay consumption and liquidate bad investments. These things must occur in order for recovery to occur. The fact that the Pro Bowl isn’t in Hawaii without government subsidy means that the Pro Bowl – by itself – is unprofitable and a competent grasp of economics (and as well as true “business acumen” for that matter) should tell us that if we can’t afford it, we shouldn’t have it.

I was told by another Republican that he “didn’t see how getting \$40 million in exchange for \$4 million in taxes wasn’t fiscally conservative.” I responded that even if we dumped a billion in outside cash on Hawaii in exchange for \$4 million in taxes the effect would be inflationary because increased money supply chasing after the same goods and services without new production. No one could respond to this.

At the end of the day what exchanges such as these and others tells me is that Republicans – in general – hold approximately the same worldview as the Democrats which they so ferociously oppose. On so many positions the Republicans are walking contradictions. They claim to support free market but want taxpayers to pay for the Pro Bowl. They claim to be the defenders of the Constitution, yet they firmly support the idea of extrajudicial killings, rendition, torture and like Mitt Romney, “see nothing wrong with the Federal Reserve.” Republicans are firmly in support of nearly everything they vocally oppose.

Hawaii and America deserve better than this. The two parties have proven their competence in tyranny and established their incompetence in freedom. Between the two, we see a monopoly of state aggression. All of you know this, but its time that the rest of our country found out about it. Talk to your neighbors, share the message and stand for liberty. If a hardcore neoconservative like me can turn towards liberty and the free market, anyone can. God bless you and God bless a free Hawaii!

Danny de Gracia is a journalist who writes for the Hawaii Filipino Chronicle and a member of the Waipahu Neighborhood Board.

Our own [Ken Schoolland](#), past Chair of the Libertarian Party of Hawaii, his wife Li, also a past Chair, & daughter Kenli have been touring Europe & teaching free market ethics along the way. The following are reports from their trip.

Greece on Strike

By [Kenli, Li, Ken Schoolland](#)

June 28, 2011

A general strike is expected across Greece today. For major cities such as Athens, this is expected to make a challenging life more difficult. In a village on the outskirts of Volos in the north, it shouldn't be crippling, but the debate is still intense.

The owner of a small, one-star hotel tells us that she has to lock her doors for the first time in her life. Neighbors used to be able to wander casually into each other's homes unannounced, but not any more. There is fear.



Few trust the banks any more. Older folk are closing their accounts and keeping the cash at home, easy prey to an increasing numbers of thieves roaming the back streets and alleys. But the petty thieves are nothing compared to the official thieves at the pinnacle of political power.

Daily scandals emerge in the news about this politician or that well-connected official who started public service with humble means and who now rides around in a 70,000 euro (\$100,000) Lexus. Deals made with German banks for big projects and infrastructure vanished once the loans were signed.

This hotel owner feels secure enough. Unlike so many other hoteliers who took government sponsored loans to upgrade and expand, she has no debt and could close her doors today and still live comfortably.

Another woman in Rhodes complained that the government paid half of the expansion and upgrades at the big hotels, new furnishings and rooms, but the small hotels were turned down. They were told that it was because the big hotels had more employees, but the real reason was suspected to be corrupt political clout.

In front of the parliament at the Syntagma Square in Athens a few days ago, a massive rally of citizens were continuing the month-long protest against the budgetary reforms that are being imposed by the International Monetary Fund (IMF), the European Union, and the big banks. "They are trying to sell off everything of Greece to the big banks...the water, the monuments, the countryside!"



Unemployment is very high in Greece, tourism is off, and several workers said they were planning to go elsewhere for jobs, perhaps to Bulgaria or Serbia. At the same time the police were confining the activities of the angry artists and firemen on the streets of Athens, the police were also rallying from all across the country in defiance of cuts to their own pay.

A young, naïve protestor in front of the Parliament explained to a blogger's camera the solution was to stop using money. "If we'd all have a smile and a change of heart, we could do what we want and all live well together. There's enough food, clothing, and shelter if we'd just learn to share." Everywhere one can see the graffiti of the anarchist left, "Profit = Theft". To a great many of the youth, dressed in their finest fashion and sporting high-tech computers, motorcycles, and cameras, the villain is "capitalism" and the solution is just getting the correct person at the helm of government. They hate the corrupt system, but have no notion of what should replace it. Indeed, "Who is John Galt?"



Ironically, the square is circled by a vast army of entrepreneurs from other, much poorer countries. These diligent survivalists clerk the booths and march the sidewalks peddling the food, drink, and sunglasses to a crowd of spoiled, new age revolutionaries.

There is intense anger with Prime Minister George Papandreou and his Socialist Party. Protestors explained that they supported and voted for Papandreou when he came to power because he said he would clean up the corruption. Now they scoff at these empty promises.

The hotelier near Volos said Papandreou won the last election because his opponent said there wasn't money enough for all the spending promised by the Socialists. When asked for whom she voted, she replied, "None of them. They're all liars."

A working man, Giannelis Panagiotis, told us, "They are all babies. This whole nation had their hand out when money was offered from the European Union. We need to stop being babies, go back to being poor, and rebuild from the beginning by relearning how to produce wealth by ourselves. Greece has all the natural resources and wealth, but it isn't being used to produce anything."



The best summary is from Jason Zafolia, the Greek Representative of the International Society for Individual Liberty, "The responsibility for the present bad situation in my country has to do exclusively with our political system of statism or mixed economy according to which the state could make us live beyond our economic means.

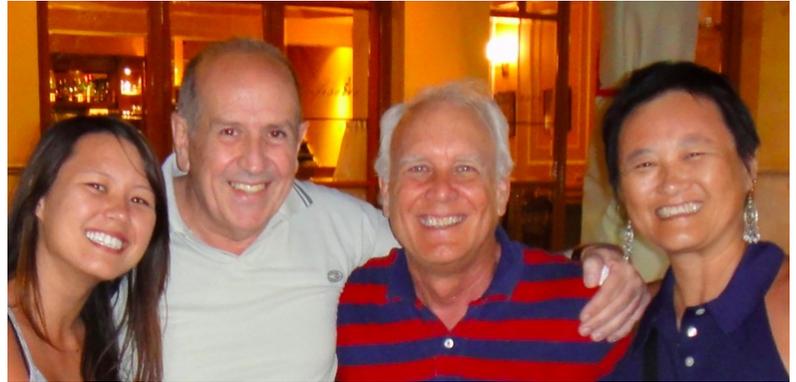
"The Greek politicians of the last 30 years were demagogues without principles and ideology, increasing the size of the public sector by taking more civil servants, more public spending to pressure groups and, of course, more debt in order to gain elections.

"The population encouraged that because from the school years they were taught that the state can solve all our problems. And now how can the present government ask for the money back from the Greek citizens? As you have seen from yesterday's demonstrations, it's not that easy.

"As Frederic Bastiat wrote in his book, *The Law*: 'When plunder becomes a way of life for a group of men living together in society, they create for themselves in the course of time a legal system that authorizes it and a moral code that glorifies it.'"

In the midst of the crowd a cry went out as the runners from Sparta completed their four straight days journey by foot to join the protest. Yet, visiting Thermopylae a few days later, where the few, staunch 300 Spartans faced off against a vastly greater Persian army in 480 BC, we felt a chilling reminder of the devastating impact of betrayal.

The Spartans were ultimately defeated by one of their own who sold out to the Persians and led them through a secret path in the mountains. Today the betrayal is by their own politicians.



Kenli, Giannelis Panagiotis, Ken, Li

Italian Graffiti Train: Lessons for Hawaii?

By Kenli, Li, and Ken Schoolland

Hawaii authorities announced the purchase of Italian railroad cars to run across the beautiful Oahu plain from Kapolei to downtown Honolulu. So perhaps a glimpse of Italian trains in Roman suburbs today can give a feeling of what the future holds for Hawaii.



What we rode daily were steel-on-steel behemoths that were dragged with ear-splitting screech and clang. Colorful, both inside and out, with fashionable graffiti and years of filthy grunge, these cars offered nauseating aromas and occasional seating.

Is this an unfair comparison? Surely no more unfair than the multimillion dollar “educational campaign” that was run on behalf of pro-rail politicians over the past few elections. Perhaps Oahu seating will be available on Hawaii trains...since ridership expectations are overly optimistic.

Can't happen in Hawaii? Consider the effect of a very costly Hawaii rail system that, even before overruns, will be more expensive than the new Panama Canal. The overwhelming tax burden can do to the Hawaii economy what has already happened to the Italian economy. Only the economies of Zimbabwe and Haiti grew more slowly than Italy in the decade 2001 to 2010 and a quarter of young people are jobless [*Economist* 6-11-11].

If revenues don't cover expenses, Hawaii officials can follow the Italian example and tap tourists to make up the difference. Upon our arrival in Rome we purchased one-euro tickets from our hotel and innocently embarked at a station with no ticket machine, no entry stamp, and no personnel. When we disembarked, four train police approached and slapped us with a 150 euro (\$217) fine for not having stamped our tickets.

Ignorance of the law is no excuse, insisted the officials. But they were flexible and would accept 50 euros cash on the spot or we could forfeit our passports and appear in person at the police station after the holiday. This would cost us three times as much.

The opportunity for corruption already exists in Hawaii, as exhibited by our politicians. Next will come the negative impact on tourism.

What Is "Fair"?

by [Don Crawford](#) | Posted June 15, 2011 in [Libertyunbound.com](#)

When taxes are under discussion, we often hear a call for rich people to “pay their fair share.” The message is that tax rates on those with higher incomes should be raised to make sure that fairness is achieved. However, if we look at this honestly, as a real-life ethical issue, we will have to conclude that people with higher incomes are already paying *more* than their fair share. Let’s try a thought experiment.

Suppose we are part of a group of friends from work who decide to go out to dinner together. “We” includes the owner of the business, the new person in the mailroom, and two of us in between. We choose a nice restaurant and enjoy our meal together. For some reason we cannot get separate checks and are given one large bill. What are some fair ways to pay for this meal — and what are some unfair ways?

Normally what happens is this: each person puts money into the kitty based on what he or she ordered. Often after the check goes around the table it isn’t quite enough because people forget to add in enough money to cover the tip or their second drink or the taxes or something. So the check goes around again while everyone refigures the cost and puts in a little more. So each pays based on what each received. That is what we ordinarily regard as fair.

Now suppose the bill isn’t itemized and we can’t find out what each person received and therefore what each person owes. People might try to guess, but generally we feel that one fair way is for each to pay the same amount. If we do that, we recognize that people who ordered a more lavish dinner or an extra bottle of wine will be getting more than their fair share, but still the same amount for each person seems close to fair. So each person paying the same amount without regard to any other criterion looks fair to us. This is equivalent to a per capita or per person tax. But that is not how we do taxes in America. We don’t all pay the same amount or the same amount per person, do we, despite the fact that it’s impossible to construct an itemized list of each taxpayer’s liability for government services received?

So let’s go back to the arrival of the unitemized bill for the group’s dinner. How should we divide it up fairly?

When the check came, the boss could offer to pay for everyone’s dinner. That would be voluntary, private charity. But imagine if, when that happened, the new mail oom guy said, “Wow. This is great. I got this fabulous meal for free. I propose we do this every night! How many people are in favor?” Perhaps most of us who received the boss’ charity would vote to make him give it more often, but that would be clearly unfair.

The boss would be well within his rights to say, “You guys can do this again if you want, but count me out. I’m not interested in paying for everyone’s meal night

after night.” Would it be fair or right to claim that he must do so because it was a “majority vote?” People shouldn’t just be able to vote to oblige others to give them things, should they? In normal, face-to-face interactions, in a small group of four people no one would dream that three people should “vote” to make the fourth person pay for them. Why does it become right when we do it through the government?

Now imagine this. Imagine that someone in the group said, “Let’s take a vote. Who thinks we should base what we pay on how much income each of us has? Wouldn’t that be fair?” Several things come to mind right away. First, it’s extremely rude to require people to tell you what they earn. It is simply not anyone else’s business. But we do it as a country when we make people fill out their income tax returns so that a progressive tax can be levied. We intrude in a way we ordinarily don’t think is right or fair — because we do it through the government. Does that make it fair?

Second, voting on this proposition doesn’t seem right, because the boss makes more than any of the rest of the group, and will always have to pay more, yet he has only one vote. So of course, voting for this proposition is self-serving for everyone else. It is the same as the other case, when the boss was made to pay the whole tab: we are voting to force the boss to subsidize us.

Charity performed voluntarily is one thing. It is common for people who are better off to pay a bit more than their equal share, voluntarily. But where do the lower paid people get the right to vote to *force* the higher paid person to pay more? Does that strike you as fair? Again, what if we voted to regularize it by law, so that he had to do it every night? Would that make it fair?

This unfair situation is equivalent to the flat income tax that people propose from time to time. The flat tax would have everyone pay the same percentage. If you made more money, you would therefore pay more, whether you received more from the government or not. When we take this down to the personal level in our thought experiment, basing the fair share calculation on someone’s income level is embarrassingly unfair, yet it is criticized as being not fair enough. They aren’t paying their fair share, that’s true. They are paying *more* than their fair share.

But instead of having a flat tax, which requires people to pay more if they earn more, we have a tax system in which the *percentage* goes up as they earn more. The harder they work, the more money they make, the higher the percentage of their income is taken. The federal income tax percentage goes up to 35% for some people, while others, with lower incomes, pay 10%, and many pay nothing at all. Yet people are calling for the top tax brackets to go even higher, so that wealthy people will be required to “pay their fair share.”

Well, how will we know when fairness is achieved? How will we establish the “fair share”? We will take a vote, of course — because that’s really the fair way to decide.

Don Crawford lives in Portland, OR where he manages a group of 6 charter schools.

Letters:

Where's Al Capone when we need him?

This 'war on drugs' continues to prove what I have said for decades - there is nothing so bad that it can't be made worse by government interference!

The 'war on drugs', the 'war on poverty', the 'war on terror', I could go on and on. None of them are anything but miserable failures that have cost taxpayers untold billions with no benefits in return.

Americans need to learn that government is the SOURCE of problems NOT the solution!

Al Capone rose to power because of prohibition. Had that insane law never been enacted, we would never have heard of him. Passing a law against something - alcohol, drugs, sex, etc has always shown to be a dismal failure. I am a child of the 60's - I saw it all. Pot, cocaine, LSD, mescaline, heroin, you name it, I saw it being sold and used. I personally was one of the few who never got involved in drugs. I had every opportunity in the world, but I decided early on that it wasn't for me. Which is probably why I'm still relatively healthy and alive today! But the point is that nobody I ever knew didn't do drugs because it was illegal! If you wanted drugs, the legality of it was of no concern. A large percentage of the cops were know drug users themselves!

Dave Wethington
Honolulu

Let's Get Together

I came across your Editorial, "How Many of Us Are There?" in Libertarian Party of Hawaii June newsletter. Mahalo for putting this out there. It mirrors our feelings exactly.

My husband and I are libertarians who live in West Hawaii and are particularly interested in discovering like minded individuals here. I'm encouraged to read that you've found around 120 such individuals around the islands. I would be very interested in a copy of this list to see who lives here. For my part, I would be happy to share the results of my own quest here on the Big Island.

Mahalo!
Debbie Roberts

Note from the Editor:

Getting In Touch

In the interest of freedom loving people getting to know & coordinating with one another, we will be instituting a neighbor list in future issues of this newsletter. If you would like to be listed send your name & brief contact information, like an address or telephone number.

You need not be a Libertarian Party member, although we find that preferable.

Pat Brock,
Editor & Publisher, Libertarian Hawaii News
PO Box 1866, Kihei, HI 96753
pbrock@hawaii.rr.com



We invite you to join The Libertarian Party

Believing in and understanding of the pledge is central to Libertarianism.
You may join by signing below:

"I certify that I oppose the initiation of force to achieve political or social goals."

Signature

Date

Salutation: Mr. Miss Mrs. Ms. Dr.

First Name: * _____

Last Name: * _____

Address: * _____

Apt./Suite No.: _____

City: * _____

State: * _____

Zip Code: * _____

Phone: _____

Email: * _____

Membership in the national Libertarian Party: \$25 per year

Make check out to: **Libertarian National Committee**

Mail form & check to: 2600 Virginia Avenue, NW
Suite 200
Washington, DC 20037

Or click: www.lp.org/membership

Your dues includes: **The quarterly LPNews newspaper**
The Monday email bulletin

Membership in the Libertarian Party of Hawaii: \$20 per year

Make check out to: **Libertarian Party of Hawaii**

Mail form & check to: 713 Ulumaika Street
Honolulu, HI 96816

Or click: www.LibertarianPartyofHawaii.org/membership

Your dues includes: **The monthly Libertarian Hawaii News**

Contributions welcome.

Federal law requires political committees to report the name, address, and occupation and employer for each individual whose contributions aggregate in excess of \$200 in a calendar year.
Political contributions are not tax-deductible.

Employer: _____

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I also acknowledge that this contribution is made from a personal account for which I have the legal obligation to pay, and is not made by a corporate or business entity.