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the Southern Libertarian

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Rt. 10 Box 52A, Florence, S. C. 29501 May, 1984

Vol. XIII. No. 1

Henry Mark Holzer is, according to renowned free market economist Henry Hazlitt, "One of our most acute and learned scholars. His exposure of the many infringements of our constitutional liberties deserves the closest study."

An untiring courtroom battler for constitutional rights. Holzer is Professor of law and associate dean at the Brooklyn University Law School. He is the author of three books, The Gold Clause, Government's Money Monopolyand Sweet Land of Liberty? The Supreme Court and Individual Rights:

It was in his capacity as editor of "The Section 7201 Report on Tax Evasion" that he answered our inquiries on whether there were any legitimate arguments for tax evasion through the courts. Although he opposes "every conceivable tax right across the board". Professor Holzer has words of warning for the would-be tax protester.

D&S: We've been getting lots of mail from people who think they can avoid paying taxes by various constitutional arguments. Is it possible?

Holzer: I know their arguments. Income tax is voluntary. The 16th Amendment was never approved by the states. If you file you're submitting to the system. Claim the 5th Amendment on the whole return. Wages and salary are not income. As you know, the federal courts and the Supreme Court have addressed every one of those and shot everyone of them down.

D&S: What specifically is wrong with the 16th Amendment? People say that the 16th Amendment was never passed and that, therefore, income taxes are unconstitutional

Holzer: The 16th amendment was ratified by the states because it was put to the legislatures and each of the states ratified it. Then the Secretary of State declared, as is his obligation under the law, that it indeed had been ratified. The actual amendment reads as follows:

"The Congress shall have power to lay and collect taxes on incomes from whatever source derived, without apportionment among the several States and without regard to any census or enumeration." It doesn't say anything about salaries or wages not being income. The courts and the cases have interpreted that to include virtually everything. Indeed, the Internal Revenue Code itself spec-

ifies quite clearly what is taxable and what is not taxable. Virtually everything is income with the exclusion of gifts, the Nobel Prize and things like that.

D&S: What about this argument from the 5th Amendment that withholding denies the taxpayers' right to not to bear witness against himself?

Holzer: In other words, the 5th Amendment does indeed protect one from self-incrimination. You know as well as I do that merely filing a return and indeed filling out 95% of the return could not possibly incriminate anybody. That's just what the Supreme Court said. They



then refined this principle in cases like Garner v. United States, 424 U.S. 648. To spell it out, you have to answer all of the questions except that question or questions which would specifically incriminate you. There are other cases which have refined that even further. For example, you have to report how much you made but you don't have to report where you got it.

I don't know what tax protesters are talking about when they say you don't have to file a tax return and that if you did, it would be incriminating. Your name doesn't incriminate you, your address, your dependents, where you work, how much money you gave to charity and on and on and on. They don't incriminate you. The court cases are universal on this

I'm no champion of the tax system. I oppose every conceivable tax across the board. The fact is that I don't confuse that with what's in the real world. I'm awfully upset that I'm unable to fly by flapping my arms, but no matter how much I might desire to do that, I'm not about to jump off the roof of a six story building and tell myself I can do it simply because I want to do it.

That's the psychology of some of these honest people who want to stop paying taxes so badly that they just throw out all

which are the decisions in all the federal walk into court, say the magic words and courts and district courts or circuit courts that there will be revelation on the part of in three-quarters of the states. And these the court and that suddenly everything protestors go down one by one like ten pins. They're mostly people representing themselves and, as a result, they get con- of their law?

reason. I read the "advance sheets" at it. They think that all they have to do is will be fine.

D&S: Wouldn't it undermine the rule

"What I object to is sacrificial lambs. I object to people being misled and conned."

victed because of the positions they take. As a matter of fact, it's gotten so bad that yourself how somebody can seemingly the courts don't even write opinions any- believe that this is going to happen. Until more. They just cite previous cases.

that self-incrimination protection under which invited people, at my expense, to the Constitution allows them not to file, send in all sorts of protest literature. It's zeros. They say that they're being seleccommon law occupations are exempt from taxation. They say that protest re- the facts. turns can be filed to test the constitugroup that is called war protestors and they won't pay to support war. Some say it's a direct tax, not a portion among the states. They say it violates the Privacy Act. They say federal courts don't have up getting convicted.

You have to understand my position on this. I am not prepared to say that somebody doesn't have the right to be a martyr. If somebody wants to martyr themselves that's fine. I'm not going to quarrel with that and under some circumstances it might even be heroic, depending on one's one values and the cause. What I object to is sacrificial lambs. I object to people being misled and conned and emotionalized into being martyrs without knowing it, thinking that they have a chance. Then they have a shot

Holzer: Well of course it would. Ask just recently we've been giving business The arguments don't work. They say reply envelopes with our newsletter or if they file, not to answer and write quite apparent to me that there's an awful lot of people out there that believe in tax tively prosecuted. They're saying that the evasion very deeply. Now ask yourself how can they do that? It's so contrary to

I'm going to address this subject very tionality of income tax laws. They say the specifically. We've got to help these peofederal reserve system and the notes are ple because I've read these cases and the not constitutional and that federal reserve allegations they made. They're guilty notes are not income. There is a certain and they're going to jail needlessly. By the time they wake up, not only are they going to jail, but they are going to pay lawyers. Plus, if they're not filing or paying, there are substantial civil tax liabilities. There's a 50% fraud penalty, jurisdiction over tax crimes. It's just end-there's interest, various underlying less. Every one of them have been ruled charges. These protesters can be wiped against. What happens is that they wind out. It's terribly pathetic. And some people are making a living from this. Making a living out of tax protest movement is like selling seats on the Titantic. It's appalling and yet there are people out there doing just that. It's true and I really feel strongly about it.

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ACCOUNTANTS AS CRIMINALS

by Robert Brakeman

All of America thinks of lawyers as criminals, and doctors too are usually thought to be heavily represented in the ought-to-be-in-Leavenworth category; while both groups are often thought to be composed of merry bands of thieves, doctors fare a little better in the public's estimation because even the super-cynics concede that most of them do something truly useful in return for their high fees and there's no such concession in the case of attorneys. Although it's powerfully tempting, there'll be no comment here on the accuracy of those perceptions (I've done that elsewhere); the subject here is another profession, one which doesn't have an atrocious reputation -- but which ought to, in at least one respect....

In modern America, by which I mean post-WW2 America, the country's accountants, virtually every one of them, whether CPA or plain-ol!-accountant, have spent every day of their lives committing fraud. I don't wish to be misunderstood; they haven't been making homest mistakes, saying things they thought to be true even though they were not - they ve been making dishonest mistakes, attesting to things they knew to be untrue, for personal financial gain. Fraud.

To understand just what they've been doing, it's necessary to understand inflation. If there's no room to comment here on the wonderfully interesting subject of the extent to which lawyers/doctors deserve their unsavory reputations -- a subject which could be handled fairly briefly -- there's obviously no room to outline in any detail the nature of the infaltionary process -- a subject which is a book-length one, and a multi-volume book-length one at that; those readers interested in gloomy tours through inflationland can find them in the elsewhere articles of the present author, in such introductory book-length treatments as Henry Hazlitt's What You Should Know About Inflation, and in such advanced work as Ludwig von Mises! The Theory of Money and Credit. In all of those writings, the "high points" (which is to say, the low points) of inflation's nature are these:

Inflation is a purposeful process, not an accidental one; those creating it are politicians - not business leaders and not union leaders and not farmers and not middlemen -- for only they have the power to produce the creation of new paper money which constitutes the inflationary process; those people (pols) want the inflationary process to be created because it is a method of seizing resources from the public -and one which is ever so much more pleasant than taxation, because it's so much less visible; the inflationary process robs everyone holding fixed-dollar assets in the economy (the primary ones being cash, demand deposit accounts, time deposit accounts, bonds of all kinds, pensions, annuities, and the cash value of life insurance policies -- anything payable in a certain number of paper dollars without reference to the purchasing power of those dollars) and distributes those stolen dollars to the beneficiaries of federal spending

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the Southern Libertarian Messenger

Robert Brakeman

A newspaper is not for just reporting the news as it is, but to make people mad enough to do something

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that these so-called profits are purely illusory, that they don't exist, that they're the product of a bookkeeping/inflationary illusion accountants decline to correct -- and that, of course, they shouldn't be taxed (even the Internal Revenue Code ought not to be irrational enough to tax that which doesn't exist)

I know that every one of my readers is kind-andgentle-spirited, so you of course are now saying that at least there's this much to be said on the side of accountants' truthfulness: Their attesting to lies on the profits-front at least is limited in its scope, because it doesn't apply in the cases of firms which have no inventories -- including those firms which produce services rather than goods, and which now dominate the American and other advanced economies. Do not leap to agree that you are thinking that -- for it's an inaccurate thing to think. The grossest lying of the profession occurs in connection with audits of firms having inventories of physical goods, but it also occurs in a slightly less virulent form in the auditing and certification of other firms as

well. Here's how: Let's leave the storm-door business, glamorous as it is, and enter the equally intriguing field of: Maid service. If we have a company which is in the business of providing maids to private homeowners, its profits obviously aren't going to be overstated due to the accountants' swearing on a stack of whatever book they hold dear that illusory inventory profits really exist. But they'll be grossly overstated in another way -- again assuming inflationary times -the kind of times experienced by every single country on every single continent in every single decade of the modern world. To gain perspective, think first of what happens in nominflationary eras - of what did happen in, say, the America of 1903. If the maid service has an invested capital (a shareholders' equity) of \$100,000, and if profits for a given year are such that each shareholder earns 10% on his money -well, he or she has earned 10% on that money; there is no "catch", no qualifying factor which destroys an illusion. The catch arrives only when inflation enters the picture. Let's assume 20% inflation per annum. Let us now also assume that Arthur Andersen or Coopers & Lybrand or Haskins & Sells or Ernst & Whinney or Seidman & Seidman or one of the other big firms certifies that our maid-service company earned 20% on equity that year (that is, 20% of the amount of capital invested in the business; that amount will almost always work out to a different percentage of sales, but let's keep this simple....) They are telling shareholders, in the annual report or whatever, that each of them has increased his investment by onefifth -- and of course they are lying. With 20% in-

ACCOUNTANTS AS CRIMINALS, continued

May, 1984

flation per year their invested capital is losing onefifth of its purchasing power every twelve months, and so all the 20% "profit" of the firm does is keep them even, keep them from losing andy of their capitalbut they haven't made a dime, in terms of real dollars, as opposed to nominal ones. That real/nominal distinction of course is the key to this whole sad analysis, for America's accounting profession could cleanse itself of its various high felonies by the simple expedient of adopting real-dollar accounting by reporting everything that they report adjusted for inflation. As long as they continue not doing that, accountants are surely the leading misleaders of the American public (excepting politicians, of course): They tell shareholders in corporations that their officers are deducting enough in depreciation allowances to replace equipment when it wears out, when in fact it will be necessary to dip into capital to replace it; they create inventory profits which don't exist -- and create along with them the "opportunity" for the stockholders to pay taxes on them; and they violently overstate profits in all firms (even those without appreciable inventories) and (A) make investors think they're getting ahead when they're not, and (B) allow them to pay taxes on "profits" they're not really making. Intelligent economic decision-making. for individuals, for firms, and for the American economy as an aggregate, requires accurate knowledge of what's happening at any given moment; by violently distorting our vision of where we are at any point in time, the accounting profession causes investors to make malinvestments, causes them to invest unwisely, causes them to do things they wouldn't do if they understood the reality the accountants are hiding from them. Since malinvestments are corrected, sooner or later, by recessions/depressions (those phenomena are nothing but corrections of previous errors of judgment), it can readily be seen that, as things now stand, accountants are not our friends

It remains only to be asked why they do what they do. A minor reason is surely incompetence. Accountants and economists are not the same people, and it is a rare CPA who's had any serious economic training -and the ones who have had any have generally learned not economics, the body of knowledge which would allow them to understand the inflationary process, but rather the socialism-which-passes-for-economics in most umiversities. Still, at the policy-making levels of the big accounting firms, the highest levels, there is enough competence in general and economic competence general nature and in most of its specific provisions. in particular to assure us that -- these people know what they're doing, know that the financial documents which they certify as accurate are ridiculously misleading. Another minor reason is inertia. The current rules of the accounting profession, the rules promulgated by such bodies as the Financial Accounting Standards Board and the American Institute of Certified Public Accountants, largely date from the days when we had a stable economy, a non-inflationary economy. It is inevitable that those rules would hang on for a long time into the new (inflationary) era -- long after they've not only outlived their usefulness, but also become downright dangerous. But, the fact remains that those rules could be changed any time those controlling the profession wished to do so, and since at least the key (most intelligent) people in the business realize that they should have been, an explanation is still needed of why they haven't been.

The most likely candidate is this one: For the

accountants to do what ought to be done would be to radically antagonize the government - and the accounting profession is just as much government-controlled, through licensing, as the professions of law and medicine. The fact that one does not become a CPA unless approved by a government-approved licensing board is not disputable, so let's focus on the other point: Admitting that the accounting profession is no more likely to want to offend the government than the legal profession, why would same inflationaccounting do that? For two reasons, the first a symbolic/intellectual/propaganda one, the second a very practical dollars-and-cents one: #1 Honest inflationaccounting would be the equivalent of the accountants placing a large red flag on every document saying, This is what the government is doing to your money, and your savings, and your bonds, and your pension ... " #2 Honest accounting would also make it clear that all kinds of "profits" thought to exist really don't -and would create powerful pressures to end the taxation (which invariably means the voting blocs which keep the regime in power); that process, once begun, leads to massively distorting effects on the economy, eff fects which, on the one hand, grievously misdirect production, and, on the other, make economic calculation impossible, for both business decision-makers and consumers; and, once begun, the inflationary process can have only one of two possible results -neither of them attractive: If the government backs off (that is, re-acquires some samity and stops inflating the currency fairly early in the process). the economy will readjust, come back to an even keel, through a painful recession -- and if the hacks persist, and continue the inflation as a means of avoiding the inevitable correction (recession), hyperinflation, followed by the total destruction of the currency and then a massive correction (depression) will be the result.

Out of that gloomily accurate catalogue of horrors, we need only to extract one item for our purposes here: Inflation's effects on economic calculation and the direction of production - for it is in those areas that accountants have made themselves parties to fraud with amazing regularity. Consider first:

Depreciation. When a corporation issues a quarterly or an annual report, or when it issues the mandatory SEC documents in connection with a new debt or equity (bond or stock) issue, a key line-item is depreciation. It is "key" because of the Internal Revenue Code. That collection of laws, insane in its does, accidentally, occasionally toss up a rational provision -- and the allowance for depreciation is one of them. That allowance simply takes cognizance, in the tax law, of two interrelated facts: First, equipment and buildings wear out; and second, the amount by which they wear out each year is just as much a cost of doing business that year as the amount paid in wages to employees. So, the tax code allows that amount to be deducted from gross profits before arriving at net profits -- the amount on which a tax

Consider the case of a (small) corporation whose pre-depreciation profit is \$100,000, and whose only piece of depreciable property is a single lathe which when new cost \$50,000. If the estimated life of that particular lathe is 10 years (the government has strong opinions on the life of approximately everything, and will be happy to tell you what the life of your equipment is), the corporation will be allowed to assume that the depreciation in the lathe's value

May, 1984

Right To Own Income

While the U.S. citizen has many

legal and constitutional rights, in

one major area he has no legal or

constitutional protection. Ameri-

can workers have no constitutional

income for their own use. The only

portion they get to spend is that

which is not taxed away by the

income. What has happened to jus-

Congress can be curbed by an

brief, and concise amendment.

ing, jeopardize the monetary sys-

tem and probably destroy democ-

racy. Logic and prudence dictate

At present time, no Presi-

dential candidate is making this an

issue, and the news media ignore

this lack of a constitutional right.

If this concept could be placed on

restrictions on Congress' ability to

sense?

federal or state government.

right to retain any portion of their Blue Laws Relegated

The poor have legal rights to state's Blue Laws had not seriously

food stamps, housing subsidies; the affected me until recently, since

criminal has the right of an at- my family has long been ac-

torney and a speedy trial. The customed to traveling to nearby

workers have no legal or constitu- N.C. towns to do our Sunday after-

tice, fair play, or just common freshman, to his dormitory at a

when the 16th (income tax) Amend- in 107-degree weather to discover

ment to the Constitution was no air conditioners or fans were

amendment to the Constitution, that we could help him unpack in

which would limit the federal tax a room with temperatures in ex-

liability of any citizen to 45 cess of 110 degrees. Before 5 p.m.,

percent of the taxpayer's gross we had visited four drug and/or

income. This would be a clear, grocery stores, all displaying large

Allowing Congress to tax While all of the clerks were sympa-

possible arrest.

to public vote.

I got it.

If you're enjoying this fine

find others of the same ilk,

without restriction is to invite the thetic with our plight, none was

government to become overbear- willing to sell us a fan and risk

adopted. The overbearing power of available in the dormitory.

This idiosyncrasy developed semester. We arrived in Columbia

tional right to any part of their noon shopping.

Overlooked In Law

Student To Hot Dorm

The long controversy over our

In August, we took our son, a

Columbia college to begin the

We set out to purchase a fan so

electric fans at reasonable prices.

If this type of situation makes

Frank Powell or any other law

enforcement official in our state

more creditable, so be it, but those

of us who have encountered such

incidents have our own opinions. I

for my son, but I certainly will not

be moronic enough to reveal how

DOLORES A. JONES

ACCOUNTANTS AS CRIMINALS, continued

for the year in question is \$5000. Since that amount, a cost of doing business, must be deducted from income before figuring the amount on which a tax is due (final profit), the company will only pay taxes on \$95, 000. The theory behind all of this (amazingly rational) stuff is that the company will thus be able to set aside \$5000 each year for ten years -- just enough to allow it to replace Whatever is wearing out Whenever it wears out.

All of that "stuff" (one should go out of one's way to speak disrespectfully of everything in the I. R. Code) works out wonderfully well in nominflationary times, and in nominflationary times accountants are honest people -- or at least they're no more dishonest than any other large group of people, they're not criminals as a class. When, however, the Federal Reserve Board's money-printing machinery gears up to the point at which 5/10/15/20% inflation sloshes across the country, accountants do become criminals as a class, and their criminality derives from their universal willingness to certify obvious lies as entirely accurate. All of those annual reports and quarterly reports and new-issue reports mentioned above are worthless -- will not be accepted by either the SEC or the investing public - without the certification of a recognized accounting firm. That certification is simply the statement of the accountants that they have examined the data found in the document in question and found the whole thing to be in order.

And that is just the point: In inflationary times not

a corporate document is prepared which isn't radically out of order on the score of depreciation. Using the same example again, we have a corporation with profits, before depreciation is considered, of \$100,000 -- and we still have \$5000 worth of depreciation each year; but now let's add yearly inflation of 20% (a figure being approached in America as this is written, and one which has long since been passed by such European degenerocracies as Britain and Italy.) On the basis of the printed figures, the firm is being allowed to exclude from taxable income enough each year to allow it to replace the lathe when it wears out; but the figures lie, and the accountants know it as they certify them as correct. The reality is this: At 20% inflation per year, at the end of ten years the cost of the lathe will have increased by 200% -- it will have tripled in cost. The firm has not been allowed to write off/set aside enough to replace that lathe, it's only been allowed to sock away enough to pay for one-third of a new one; the company will no doubt be able to do many wonderful things with one-third of a lathe (I'm phrasing that facetiously, but the firms's situation will be just as bad if it begins with three whole lathes and is only able to replace one). When the time comes to replace that lathe, it will have to dip into capital to do it, or borrow to do it. For the moment, what matters is that accountants are attesting to the truth of something which is self-evidently false -they are saying the firm is allowing enough for depreciation when it's clear nothing of the kind is

happening. With the extraordinary importance of depreciation in modern accounting, and tax law, and corporate planning, this bit of consistent lying on the part of the accounting profession would be enough to -putting it very gently -- give them a very bad name; but there's more, more of the same. Once again, it's inflation which makes liars out of them....

Let's return once again to that wonderful little exemplary firm which was so helpful to us above. Assume now that the boys and girls who run the place are in the aluminum storm-door business (no, I don't know why I picked that business; must've just struck me as a glamorous business). Assume also that during the course of a year their average inventory of stormdoors is \$100,000 worth. When that inventory is evaluated on January 1, it goes down on the books just as it ought to, as \$100,000 worth; the accountants in attesting to that amount have managed to stay honest through an entire day of the new year; and, if the times are non-inflationary, they'll still be honest folk on December 31, when they once again assign a value to those piled-up (or however you store them) storm-doors. But (and you just know this "but" is leading to more CPA criminality) if there is 20% inflation, what will happen is this: On January 1 the storm-doors will be assigned a value of \$100,000 -- and on December 31 those same SDs, those same storm-doors which changed in any way, will be given a value, by our heroic accountants, of \$120,000. That wondrously-appearing \$20,000 difference represents profits in the eyes of the IRS, and the firm will pay full taxes on it, just as they would on any other kind of profits. Just as they would on "real" profits I might have said, for it's perfectly obvious of those non-existent profits, and thereby rob the pliticians of what they most admire -- our money. Though the intensity of inflation makes it likely the profession will move a little in the direction of honest inflation accounting, their terror of the government makes it certain they'll not do anything like what they should do. They will continue to lie to us -- but we can live with that; all we need do is perform our own inflation-correction on each document a CPA certifies as "true".



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The number of tax protesters is presently too many to count.

-Roscoe Egger Jr. IRS Commissioner



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one of the political platforms of either party, it would rapidly become a national issue. KENNETH H. DIETER CONTACT

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crosspollination, is loaded with reviews of small press items culled from the best minds in punk, humor, anarchy, science fiction, and who knows

FACTSHEET FIVE

Mike Gunderloy, 41 Lawrence St. Medford, MA, 02155 for a sample copy of the current FF.

nude.

Dunboyne—who insisted that her trial went ahead —jailed Penny for a month. And he told her at Inner London Crown

A BEAUTIFUL ballet teacher Court:
"You should understan" was jailed yesterday — for that if you go round biting a cop who wrongfully biting police officers—an offence that is far too arrested her when she was prevalent nowadays particularly in London-you

Shapely Penny Littlewood was There was a struggle in frogmarched down a street, naked off — and Penny bit PC and handcuffed, by the officer and Angus on the hand. a girl PC.

police were wrong to detain 29-year- daylight to a police van old Penny — and the prosecution 80 yards from her home. old Penny — and the prosecution Prosecutor Peter Ross offered to drop the case against her.
But yesterday judge Lord Patrick illegally arrested.

lose your liberty.'

Penny claimed she was

A girl PC. handcuffed and frog-A court heard last week that the marched naked in broad

Prostitutes play tricks with red light

CLEVELAND (AP)—A red light in a red-light district was working too well, say police who discovered that motorists were being stopped because prostitutes were tampering with the signal.

Patrol cars were sent to Prospect Avenue and East 22nd Street at about 2 a.m. Tuesday after complaints that a traffic light wasn't working. A dispatcher said some prostitutes had broken into a control box and set the traffic light on red, apparently to give them a better opportunity to solicit motorists.

Despite police efforts, a section of Prospect Avenue stretching east from downtown has long been an area of heavy prostitution acitvity.

BAILIFFS have been called in to collect school dinner money arrears.

Hard-up families are being visited at home and ordered to pay up - or face the ordeal of going to court.

strongly urge that this issue be put Out of 20 families visited so far, twelve hare been taken to Incidentally, I did not leave court.
The shock move by Columbia without obtaining a fan

Toty-controlled Essex County Council has under furious

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NUDIST & NATURIST Families - Naturally

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publication and would like to FURIOUS wife Carol Blake-

borough is kicking up an almighty stink . . . because her husband was jailed for hurling a dead rat at a court official.

Her hairdresser husband, Ron, 30, brushed with the law when rub-

his two salons. He dumped a pile of

bish went uncollected at

litter outside council offices in Bridlington, Yorks.

Libertarianism the answer

Editor: Once again The Alligator has joined the other starry-eyed liberals in calling for the banning of handguns. Once again I am forced to reply to one more solution that sounds awfully good, but turns out awfully bad.

No, it's not because I have a handgun collection to protect. I am a complete and utter pacifist, whose only recourse is to "squeal." I don't believe in any weapons. and that includes using my hand to break bricks.

It's because I believe that it is in our best interest for the criminal element to believe that there might, just might, be a gun with its name on it in the hands of its next potential victim. Never mind if there's no handgun within 500 miles of their next potential victim. Never mind if there are submachine guns in every other

CHILDREN-

in order to practice the kind of ITIZENSHIP TO KEEP AMERICA FREE.

Now, study the chapter called "The White Man's Burden & Fighting the Red Menace in parkest

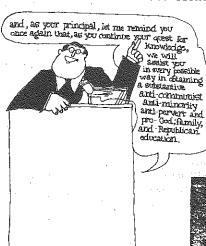
Africa; and your homework is to write a Bour page essay on why mercennics are an important part in daznse of the Free World....

house in Gainesville.

But that brings us to the clincher. I am telling you point-blank that every questionable activity legalized in a libertarian society would slowly dry up. Heroin addicts will overdose before they steal from us like they do now. Prostitution won't make enough to be worth it. Handgun owners will accidentally shoot themselves or their associates. You name it, it withers.

The venom that produces handguns is coming from somewhere, rest assured. Some of it came from that Alligator editorial. You may go where your Band-aids lead you, and I will continue to go to the initiation of force. Period.

Allen Sawver Gainesville



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The Correspondent Hammering Home a Point

ROCHESTER, N.Y. (AP) - A cabinetmaker thought he could put a dent in a \$2,4000 tax bill by paying with six new carpenter's hammers, but Internal Revenue Service officials were quick to knock down that

Robert Suarino of suburban Perinton said a few months ago he watched scribing how the Pentagon worth \$8.

your hard-earned money and to pay my taxes."

Your Constitutional tabloid for accurate, timely, and informative news to defend your Constitutional, economic, and personal rights.



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JAMES ALAN WINTER Managing Editor (406) 721-5497

WASHINGTON — A Pentagon study of long disa television newscast de tance calls by the Defense Intelligence Agency shows once paid \$400 for a hammer the military's spies spent about \$25,000 a month in calls to a New York City "Dial-a-Porn" number. "The government takes according to a UPI dispatch.

The Pentagon's inspector general estimated the squanders it any way they "potential monetary impact" from the porn calls to be want," Suarino said. "Well, about \$300,000 a year. The fun's over, though, if a hammer is worth \$400 to because the inspector general recommended that an them, then I've got six here electronic block be placed against the New York number and the Pentagon complied. But, get ready tax-For Sale: NCR399 payers and tax resistors, to keep the spyboys from Call 803/6698345 getting off on our money costs the following: a \$150 installation fee plus a \$15 monthly charge.

£3,000 windfall shock

By SUN REPORTER

DISABLED George Thompson's struggling business crashed after the taxman sent him a £3,000 refund . . . then snatched it back

George, who ran a small TV rental firm, queried the windfall because he already OWED the Inland Revenue £2,000.

But tax officials at Ashton-under-Lyne, Greater Manchester, told him: "We don't make mistakes."

And 51-year-old George used the cash to settle up with his former partner's family and pay off other outstanding commitments.

But, three months later, tax chiefs told him they wanted the money back.

They said George owed them £5.000 PLUS interest on the £3,000 pay-out George offered to pay £110 a

week-but was turned down. Bailiffs called on 500 of his

customers' homes to reclaim TV

Homes

George said at his home in Audenshaw last night: "I knew they were wrong but they just would not admit it.

"I needed to settle the financial arrangements with my partner's family and I got to thinking that this payment was a refund caused by the business going in my name only."

He added: "It's the taxman's mistake that has forced me out of business for so small an amount."

Day-care centers have been traced as the source of disease outbreaks in many communities, "reminiscent of the presanitation days of the 17th century," says Dr. Stanley H. Schuman of the Medical University of South Carolina. The diseases include epidemic jaundice from hepatitis A, dysentery, and others spread by organisms that thrive in the intestines.

Statistics show that about 11.4 million youngsters nationwide are in day-care -5.1 million in private homes with a non-relative, four million at home with a relative or non-relative and 1.9 million at

'During the first five weeks of enrollment in a day-care center, a child experiences an average diarrheal attack rate of 25 percent," Schuman says. The day-care setting is conducive to transmission of disease because day-care proprietors have "they serve more meals and snacks than

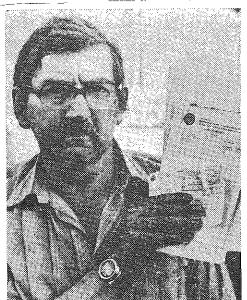
A tax accountant is a person who solves a problem you didn't know you had in a way you don't understand.

And his wife Emma said: "They've finished his livelihood by raising his hopes — then stripping us of everything."

Event

Former business rival David Dean added: "George brought a homely David touch to the job - even going out at midnight to get a telly fixed

"The customers thought the world of him and we are all upset how he's been treated.'



In the red . . . George with tax demands

Anti-pleasure

Our organization, Puritans Against Pleasure (PAP), applands the efforts being made to stop drug smuggling at Greater Pittsburgh International Airport.

Of course, we realize that this will require additional expense to taxpayers for more inspectors, as well as a loss of personal liberty. Also, there are likely to be more robberies and muggings as the reduced drug supply drives up drug prices and polheads must resort to theft to get the money. But this is a small price to pay to stamp out the pleasure they enjoy in getting high. Our motto, as you may know, is "Pleasure is sin; pain is virtue.

PAP is trying to deprive peo-ple of other pleasures as well. We hope to shut down Liberty Aveme soon. Then we will move on to legal pleasures such as the Pennsylvania Lottery, liquor, tobacco, coffee, tea and football.

The only pleasure we favor is the pleaure of depriving others of

RICHARD D. FUERLE

NORTHWEST FREEDOM NOTEBOOK

"an independent newsletter serving freedom-minded individuals in the Pacific Northwest"

Della Scott, editor

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auote of the week

"Now that 'public policy' forces schools to hire gay teachers, will homosexuals also be forced on our churches? And what's to keep government from padlocking your church and jailing your pastor if they don't preach 'public policy.'

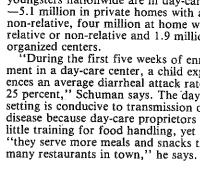
"Don't let the government fool you that it's only going after phony religions which cheat the government and break laws. Using that reasoning, a church claiming its leader was a carpenter who rose from the dead might have been rejected as phony, too.

"If we let the government assault on religion continue unchecked, you and I will soon see the day when the only churches left will be those which toe the government line on how to use Jewish and Catholic relief funds, racial and sexual quotas, homosexual rights, abortion, missile deployment and nuclear

- Rep. George Hansen, in a fundraising letter for the Coalition for Religious Freedom. Hansen and the Coalition perceive the recent removal of the tax exempt status of Bob Jones University as a sign of "powerful government forces...moving quickly to smash the constitutional guarantees" of religious freedom. Bob Jones University, a private fundamentalist Christian school, lost its tax exempt status on account of racially discriminatory admissions



"Twinkle, twinkle, little budget!" "How I wonder how we'll fudge it!"



POLL

BOSTON - The Rev. Jesse Jackson and Senator Alan Cranston (D-Calif.), candidates for the Democratic presidential nomination, appeared on January 30 at a candidates' forum jointly sponsored by the Boston Lesbian and Gay Political Alliance and the Cambridge Lesbian and Gay Alliance. Representatives for four other Democratic candidates -George McGovern, Walter Mondale, Gary Hart and Ernest Hollings - also participated in the forum, which included speeches and questions from the audience. And although only Democratic and Republican candidates had been invited, representatives for the New Alliance Party's Dennis Serret and the Libertarian Party's Robert Bergland came to speak

Robert?

Officials Deny Truth About School Violence

I read with interest the comments of Principal Young and board member Mizell concerning President Reagan's radio address on violence in our schools.

began to suffer. Said Congress-Two years ago a friend's daughter, majoring in education, ob-Georgia: "The correlation beserved classes at C.A. Johnson son advised her to wear no makeup academic deterioration is Minorities contribute disproand very plain, loose-fitting almost perfect." In other clothes. At no time was she to be alone in the halls with the students; she was advised to pass through them only when classes were in session.

It is people like Mr. Young and Mr. Mizell who are responsible for the deterioration of education in our schools. Are they afraid to speak the truth for political reasons or just plain ignorant of their surroundings?

JIM HALL



here we are planning the biggest traffic than their counterparts in iam country."

The SOUTHERN LIBERTARIAN MESSENGER

Looking

Ahead

Dr. George S. Benson

President

NATIONAL EDUCATION PROGRAM

Oklahoma City, Oklahoma

WHAT WENT WRONG

In the current dialogue over

the sad state of government

education, the general recom-

mendation is to spend more

money to correct the situation.

The evidence indicates exactly

the opposite — liberal spending

has helped create the problem.

Over the last thirty years we

have spent more money on

education than has the rest of

Before the federal govern-

ment started "throwing"

money at the school systems of

the nation, there were rising

Just as soon as federal aid to

education began in a big way in

1965, academic achievement

man Lawrence McDonald of

words, the more federal

proof is embodied in the fact

that private schools are outper-

forming government schools by

far. Private schools have very

little money; many have ab-

solutely no federal or state aid.

A 58,000 student study con-

ducted by University of Chicago

sociologist, James S. Coleman,

found "that students of private

and parochial high schools - 10

percent of the nation's total -

learn more and behave better

The study found the reasons

for higher achiev tent in non-

government sch 'ls to be:

public classrooms . . .

academic results.

the worse the results.

levels of academic achievement

among high school seniors.

the world combined.

"Fewer disciplinary problems, tougher courses, lots of homework. . ." So much for the need for more money to upgrade government schools.

One of the main reasons private schools are doing so well in educating youngsters is, they stay away from government as much as possible. Performance is designed to respond to parents' requirements, not those of professional educa-

Deterioration of government schools is the result of: reduced academic standards; escalating costs, largely caused by teacher unionism; incompetence of many teachers; an almost total lack of discipline, resulting in truancy, vandalism, unkempt appearance, and widespread immorality, ranging from sexual misconduct to drug abuse.

Now what has been the root cause of all these subproblems? Too much government interference; cafeteria style selection of subjects for graduation; too little emphasis on the fundamentals such as English, science and math; too little homework; too many easy electives counted toward graduation.

In catering to minorities and other special interests we have diluted curriculums and tween federal involvement and lowered academic standards. portionately to disciplinary problems. Administrators are intimidated by fear of being involvement, the worse are the labeled "racist" or prejudiced.

Fortune magazine for March The solution: Get the federal 12, 1979, came to the same congovernment out of the education business! Education is a clusion: The more federal aid, state and local matter. The The April 20, 1981 issue of U. alternative is continued S. News & World Report highlights more evidence that schools. money is not the answer. That

Why do people sink whaling ships, release dolphins. bovcott yeal.?

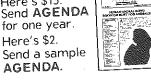
Haven't you ever wondered whether we really need to exploit animals and nature the way we do?

A movement is being built to challenge these forms of exploitation and the cultural attitudes that go with them. Nature alienation wounds our society; the healing requires political action.

Read about it in AGENDA, the independent, bi-monthly newsmagazine of the rapidly growing animal rights/liberation

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"I do not believe we can avoid serious and unacceptable risk of nuclear war until we recognize—and until we base all our military plans, defense budgets, weapon deployments, and arms negotiations on the recognition—that nuclear weapons serve no military purpose whatsoever. They are totally deterioration and more private useless -except only to deter one's opponent from using them."

a new quarterty journal of approx. 36 pages devoted to studying - not just reporting - issues and events of interest to libertariana. Subscription \$6 a year.

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Ouarterly Civil Liberties Journal for...

...activists in the Freedom Movement.

Robert S. MacNamara Secretary of Defense September 1983

-Defense Monitor



Taxpayers' Bloc Gets Ignored

By JOAN BECK

May, 1984

Presidential candidates trying ceive for decades. to staple together enough constiyet to file.

and wallet are sorely in need of the deliver for the deliver f could go like this:

"Fellow Taxpayers: You, who

taxes - money you may not re- money.

tuencies to win a nomination and liberally dispensed from Washing- oppressive and unfair that it pay besides the income tax. Inbiggest group of all: the 144 milton for tens of thousands of wordrives an increasing amount of dustry Week recently estimated
lion people who will have filed surely describe as much attention off the books. An estimated also income tax forms by April 16 and surely deserve as much attention off the books. An estimated \$100 of all wages and salaries in various the several million more who have from politicians as your benefi- billion a year in taxes now goes taxes; 39 percent of all earnings ciaries. It's time your rights were uncollected - enough to cut the went to the federal government in Those who have just taken the recognized and your needs con-largest budget deficit in history 1982 and 20 percent to state and annual Form 1040 beating in mind sidered as well as those of the down to manageable size. And, local taxing bodies. Taxes, the

"Many of you are rightfully their inherent value. are the primary support of the angry and distressed about your federal government and the major annual struggle to fill out your tax vasion of privacy that now goes need those dollars that are so source of all its public-spirited forms. Something is urgently with tax collection. Why should skillfully extracted from your largess, deserve better of your wrong with a tax system that you have to tell the federal govern- paychecks to meet the mortgage country than you are getting. You needs 25 different tax forms for ment how much you gave to your payments or repair your roof or are the victims of a 5,105-page Tax individuals, along with 37 ex-church or paid your doctor? IRS fix your old car or send a child to Code complicated beyond human planatory booklets, most of them Commissioner Roscoe L. Egger Jr. college. Most of you are working comprehension and tax forms that incomprehensible even to the col-says he's counting on new com- as hard as you can just to keep up. can stump CPAs. Taxes take from lege-educated. Millions of Ameri-puter technology to improve tax And the harder you work — even you more of the fruits of your labor cans must not only pay taxes but compliance and catch tax evaders, if you take a second job or add than landlords historically ex- hire accountants to figure them something to send shudders down another wage-earner to the family

tracted from serfs. You must even out. It's easy to resent the time the spine of anyone who cherishes pay taxes on your Social Security taxes take almost as much as the personal privacy.

"You, who earn the billions so about a tax system so complicated, you totaled up all of the taxes you some campaign liniment that could go like this:

The dollars for which you worked are being made more for tax people more than food, clothing shelter reasons than because of and beautiful and so hard.

"If you itemize your tax deduc-

"You have a right to be angry tions, you probably got a jolt when

"Most of you aren't the 'rich' "Of course you resent the in- who can afford to be soaked. You the more you are penalized by higher taxes.

"It's easy to understand why so many of you support the bills that have been passed by a majority of state legislatures calling for a constitutional amendment requiring a balanced federal budget. You know that without some such redress in the balance of power, taxpayers will usually lose out to the special interest groups always besieging Congress for more of your tax dollars. That you feel it necessary to try such a risky and unprecedented move shows how helpless you feel to make yourselves heard.

"It's time politicians and lawmakers give taxpayers as much attention and help as they do every other special interest group. They've earned it."

Enosburg Board Discusses Barcomb House In Private

by Bun O'Shea

ENOSBURG - The monthly for four hours Tuesday, nearly half of that time spent behind closed doors with state in tax payments partly and colorful village activist. and other matters.

After the session school School Board for back taxes system. Feb. 23, 1983. She charges that was an illegal action with no bids made, no money checks passed between parties, no warrant, and no mail notification to her of the public sale. Mrs. Barcomb has entered in County Superior Court what she calls a "tax fraud" suit against the town clerk, tax collector, and the school board members

excepting Peter Gervais. Ms. which lies next to the falls in Barcomb was not present at Enosburg, Ms. Barcomb says Tuesday's meeting which she feels embattled in her own School Board meeting went on banned press and public in home. "But it's going to take executive privilege. She admits to being behind throw me out", says the feisty

officials over the ownership because she had a stroke and Ms. Barcomb has contacted title of May Barcomb's home was crippled for a year. Now state officials on behalf of she claims her tax payments other causes before in are current, but officials have Enosburg. Her action in officials would only say "we're not cashed her checks. Her Superior Court is being with George O'Brien, chief of Social Security is \$211 monthly brought by herself acting as the property division of the Vt. and her income is very limited, her own attorney. Tax Dept., and John Barber of but she says her principal tax the Vt. Office on the Aging payments have been made by was apparently an effort registered mail, excepting of Barcomb, 71, whose refuses to pay because her property was sold to the house has its own septic

A BOOK that tells people how to commit suicide may be outlawed.

Attorney General Sir Michael Havers, QC, is seeking a High Court ban on the book, which has already sold more than 10,000 copies.

The £6 book, entitled A Guide To Self Deliverance, is supplied by the Voluntary Euthanasia Society, formerly

was apparently an effort registered mail, excepting American Party initiated by the state on behalf sewer charges which she American

The State

the County Courier

somebody bigger than them to

The American Party of South Car-With the School Board now olina has elected a Rock Hill man as dle" in free enterprise. holding the deed to her house its new chairman and a Columbia resident as vice-chairman.

> party's chairman during the party's drugs. state convention in Columbia April 7. Anthony Aremia of Columbia was elected vice-chairman, and Dixon D. Winchester of Rock Hill was nominated by the party as a candidate for restricted. the 5th Congressional District seat held by Rep. John Spratt.

Positions adopted by the party for the 1984 race include:

Government should not "med-

The United States should break off relations with China because it is Charlie Alexander was chosen the allegedly the major source of hard

> Schools should be under local control.

M Ownership of guns not be legally

M Abortion be allowed only to save the mother's life.

By DAVID SHELLEY Staff Writer

Democrats and Republicans will not be the only candidates for Congress in the sixth district this year. For the first firms, the Libertarian Party will be fielding a candidate.

Hugh Thompson of Darlington was nominated Saturday at the South Carolina Libertarian Party Convention in Columbia.

Thompson, a physician at McLeod Regional Medical Center in Florence, said he will stress the party's principles in his campaign.

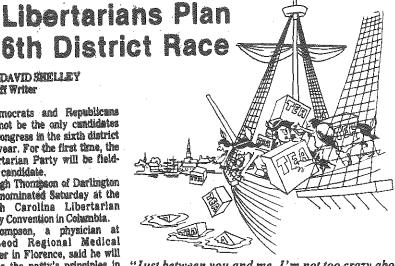
"I am dedicating my campaign to promoting freedom," he said. To a varying degree, Libertarians are opposed to government and its restrictions on individuals and business.

Sixth District Party Chairman John Harllee said the district delegation voiced its support for Thompson before he was nominated by acclamation.

"Active campaigning will begin shortly and will continue until the election in November." Harliee said.

Also nominated was Steven Davis of Gramling, who will seek a seat held by U.S. Sen. Strom Thurmond, R-S.C. Robert Madden of Greenwood and Ray Pike of Pauline were nominated Libertarian candidates in the third and four congressional districts, respectively.

Thompson became the sixth announced candidate for Congress in the sixth district.



"Just between you and me, I'm not too crazy about taxation with representation either!"

Libertarian: Demos, GOP Steal

Presidential candidate David Bergland says Republicans and Democrats are stealing money from the American public to fund their presidential

Bergland, the Libertarian Party's nominee, said at a news conference that his party pays for its own

campaign.

"We will have a campaign budget of \$1.5 million to \$3 million," he said. "That's far less than the Republicans or Democrats, but we do not take stolen property.

"The Republicans and Democrats will take about \$100 million from the American taxpayers this year for their campaigns through government matching funds and other programs. We Libertarians say taxation is theft, and this is why we take no matching funds."

Bergland, in Columbia to attend the state Libertarian convention today, was his party's vice-presidential nominee in 1976.

Libertarian candidate discusses what he would do as president

By Tom Breen washington times staff

thumb press 1980

Pretend it is Jan. 20, 1985, and that someone named David Bergland has been elected president of the United States.

In this scenario, Mr. Bergland has defeated Republicans and Democrats to become the nation's first Libertarian Party president.

He faces a Congress controlled by Democrats and Republicans, so what does he do?

Well, there are a number of things a president can do without these bureaucrats survive? Congress' approval," Mr. Bergland said in a recent interview.

"I'd terminate draft registration, pull the troops out of Lebanon, put out notice that we would begin to reduce our military presence around the world, release people in prisons who are there for victimless crimes such as tax evasion and drug use, and then I'd have lunch."

And after lunch, Mr. Bergland? "I'd start developing a no-firststrike nuclear policy and begin telling everyone in most federal agencies to start looking for work, because I'd shut down most of those agencies."

But, Mr. Bergland, how would

"If they had any skills, they'd get jobs in the private sector," he said.

"I want to live in a free society," Mr. Bergland said during a brief campaign stop in Washington. "That means that what government does and has been doing for a long time should be stopped. The Libertarian Party is the only organized political movement in the country that is working for everyone's liberties."

One of the things government does. Mr. Bergland said, is to take "40 percent of everyone's earnings" for taxes.

Mr. Bergland's anti-government views represent the essence of Libertarian philosophy: that government prevents people from living freely and becoming masters of their own destinies.

CONSERVE ENERGY



Libertarians at the grassroots level, numbering about 300 in South Carolina, can be effective team members by enlightening people on the Libertarian philosophy, Bergland said.

A survey taken in California, he said, showed that 61 percent of those polled had heard of the party. Only 3 percent had an understanding of the Libertarian philosophy,

"They mistake people like Ronald Reagan for Libertarian," he said, eliciting loud laughs from the group. "'You Libertarians' are going to take votes away from good, conservative Republicans,' they say.'

But, he said, "There's no place on the traditional spectrum that is one hundred percent committed to the belief that people have the right to control their own lives, their own property."

Bergland said Libertarians are not personally restrictive, like Republicans.

Neither are they economically restrictive, like Democrats.

They stand apart, he said, believing in total freedom, both economically and personally.

Libertarians call for neutrality, peace and free trade between the United States and foreign countries, he said. They are against military aid in foreign countries and oppose any increase in taxes, including Gov. Dick Riley's proposal to raise the state's sales tax by 1 cent on the dollar to fund education improvements.

They believe that the federal income tax should be abolished.

On the issue of education, the party believes anyone who pays for the education of any student should be given a \$1,500 tax credit, until the federal income tax is repealed.

In the 1980 presidential election, candidate Ed Clark took 1 percent of the vote.

BURN A BUREAUCRAT