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FROM NATION TO HOUSEHOLD
The Middle American Illusions of Sam Francis (and Pat Buchanan)

I

In a recent article in *Chronicles* titled "From Household to Nation. The Middle American Populism of Pat Buchanan," and in several syndicated columns, Sam Francis, the Clausewitz of the Right, presents a diagnosis of the present and outlines a strategy for a populist revolution to be initiated and led, as he believes, by Pat Buchanan. As can be expected of a man of his caliber, Francis' articles contain many brilliant observations, insights, and assessments, and Francis may even be correct in predicting that his brand of populism represents the wave of the future and will, if not now then in the not-too-distant future, topple our present globalist-social-democratic-neo-conservative ruling elite.

Yet Francis' analysis is flawed with so many misrepresentations, deceptions, internal contradictions, inconsistencies, and outright economic errors, that while it might help win a battle it can be safely predicted that his advice will ultimately lead to disaster and contribute to losing the entire war.

What Francis believes to be today's chronic political dilemma is this: "While the left could win Middle Americans through its economic measures, it lost them through its social and cultural radicalism, and while the right could attract Middle Americans through appeals to law and order and defense of sexual normality, conventional morals and religion, traditional social institutions, and invocations of nationalism and patriotism, it lost Middle Americans when it rehearsed its old bourgeois economic formulas. Middle American votes could be won by whichever side of the political spectrum was better at feeding anxieties over cultural rot or economic catastrophe, but neither an increasingly antinational and countercultural left nor an increasingly pro-business right could expect to stabilize Middle American political loyalties sufficiently to sustain a national coalition."

While something undoubtedly can be said for this diagnosis, I consider it fundamentally mistaken and will later explain why. However, if this diagnosis is accepted, the strategic conclusion that follows is indeed perfectly clear. In order to bring about a Middle American revolution, it is necessary to forge an ideological combination of the economic policies of the left and the nationalism and cultural conservatism of the right. In fact, this is what Francis proposes to do: to create "a new identity synthesizing both the economic interests and cultural-national loyalties of the proletarianized middle class in a separate and unified political movement." Such an ideological synthesis and movement has a name - national socialism. Understandably, Francis does not use this label for his populism. One could imagine the reactions of our professional thought and speech therapists if he had! The national socialist label is indissolubly linked with racism and antisemitism. The infamous German example notwithstanding, however, racism and antisemitism are actually *not* an integral part of national socialism, but rather accidental to it, and in identifying Francis' populist strategy as national socialism it is certainly not my intention to

smear Francis as a racist. Nonetheless, the fact remains that his program *is* a national socialist one; and even if one admitted that national socialism a la Francis would be preferable to the current internationalist-multi-counterculturalist socialism, the fact is that his program is still nonsense.

What Francis (and Buchanan) wants, and what he believes his Middle Americans want, is a combination of two policies. On the one hand, as for the socialist part of the program, he wants to keep most of the current social security policies and entitlement programs in place or even expand them. Why? Because, as a matter of fact, "the post-World War II middle class (is) in reality an affluent proletariat, economically dependent on the federal government through labor codes, housing loans, educational programs, defense contracts, and health and unemployment benefits." To account for this dependency, which Francis takes as an ultimate given, he explicitly defends the three core institutions of the current welfare-state system: social security, medicare, and unemployment subsidies (which in his view should be even higher than they are).

If this much is familiar, the programmatic innovation lies in the nationalist policies. The nationalist program, to be grafted onto the socialist core, consists of two major components - an economic and a cultural one. The central element of the first - Francis' National *Economic* Recovery Program - is the notion of a national industrial policy aimed at restoring a "manufacturing base" to America. The measures proposed to assure this include import tariffs to protect American jobs, especially in industries of national concern, and "to insulate the wages of U.S. workers from foreign laborers who must work for \$ 1 an hour or less;" export restrictions to prevent the export of jobs or industries declared to be in the national economic interest; and above all "fair" - government regulated - trade, instead of "free" - selfish and profit-driven private - trade to affirm the role of the U.S. government as the world's dominant military and economic power. In addition, membership in all supranational organizations not under complete U.S. control - the UN, World Bank, IMF, NAFTA, and GATT - is incompatible with the idea of national sovereignty and an American industrial policy and hence would have to be discontinued.

These policies would have to be complemented by a National *Cultural* Recovery Program aimed at restoring to America what it has lost under the reign of the current internationalist-socialist power elite; that is, a genuine American national identity and a 'cultural base' of traditional Western principles of law and order as well as of rules of conduct, moral judgment and aesthetic sentiment. Most immediate among the various measures proposed to bring this about is a fundamental change in immigration policy. To protect and restore a national American identity, the present egalitarian and multicultural 'non-discriminatory' immigration policy, which has transformed some parts of the U.S. into tax - Middle American - funded foreign lands occupied and spoiled by human refuse from around the globe, would have to be ended at once. All illegal immigration, in particular across the Mexican border, would have to be made physically impossible. Legal immigration should be reduced to a small fraction of its present number of about one million per year, and even a five-year moratorium on all immigration should be considered. In any case, as had been the case until 1965, U.S. immigration policy should become again highly selective and discriminatory regarding the quality and cultural compatibility of its immigrants - with the predictable outcome of a systematic pro-European immigration bias. In addition, the branches and agencies of the federal Leviathan responsible for the ideological promotion of the current cultural rot and moral destruction - such as the Department of Education, the Endowment of the Arts, the ~~EOEC~~, and in particular the imperial federal judiciary and especially the Supreme Court - should be closed or cut down to constitutional size; and

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instead of promoting "anti-white and anti-Western" propaganda, "militant secularism, acquisitive egoism, economic and political globalism, demographic inundation, and unchecked state centralism," a national socialist government would promote a spirit of "America First," which "implies not only putting national interests over those of other nations and abstractions like 'world leadership', 'global harmony', and the 'New World Order,' but also giving priority to the nation over the gratification of individual and subnational interests." In accordance with this national socialist spirit of *Gemeinmutz geht ueber Eigenmutz* - public interest trumps private interest - ~~as~~ diverse programs and practices as "foreign aid", "affirmative action," as well as "profit maximization" should be abolished or modified. Foreign aid implies putting the interests of foreign countries above those of one's own country; affirmative action policies - quotas and set-asides based on race, gender, etc., - place subnational group interests above the national interest; and the capitalists who possess "no loyalty to any country anymore, or any particular values other than the bottom line," place selfish private interests above the interest of the nation. Hence, all of these practices are incompatible with national socialist culture. ✓

II

Regarding this national socialist vision, two questions arise. Is it true, as Francis claims, that this is what Middle Americans really want? I am convinced that the answer to this question is negative. They want quite a few of his policies, but definitely not the entire package. Before turning to this sociological question, however, first a more fundamental economic question must be addressed: Assuming for the sake of argument that Francis is correct about the wishes of Middle Americans, is it possible to combine the various socialist and nationalist measures which he wants to combine, and reach the goal he wishes to achieve of "reducing the leviathan to its constitutionally legitimate powers" and restoring America to its past position as the greatest country on earth, militarily, economically and culturally?

Francis does not feel the need to raise this question, because he believes politics to be solely a matter of will and power. He does not believe in such things as economic laws. If only people want something, and they are given the power to implement their will, everything can be achieved. Ludwig von Mises, whom Francis admittedly never studied but still feels comfortable to malign as a representative of that dreadful "acquisitive economic individualism" which must be swept away, characterized this belief as 'historicism', the intellectual posture of the German *Kathedersozialisten*. But 'historicist' contempt and ignorance of economics, and in particular of 'long-dead Austrian economists,' as showcased in Francis' articles, does not alter the fact that inexorable economic laws exist. "In fact," as Mises writes, "economic history is a long record of government policies that failed because they were designed with a bold disregard for the laws of economics." In light of economic theory, Francis' national socialist program is just another of such bold but impossible dreams. ||

Francis' program contains three fundamental economic errors. The first one is his belief that it is possible to maintain the core of the present welfare state system and at the same time promote a renaissance of traditional Western civilization and culture. Both of these objectives are incompatible. Socialism, whether full-blown or reduced to its core, cannot be combined with traditional morals, values, and institutions. One can have one or the other, but one cannot have both. No social institution is more traditional and fundamental for the development of conventional morals and conduct than the family. Indeed, as Francis reminds us, "economics' ...

derives from Greek words meaning 'household management,' and the purpose of economic life .. is not simply to gain material satisfaction but to support families and the social institutions and identities that evolve from families as the fundamental units of human society and human action." If this is so, it must be regarded as inconsistent to support any and all measures which weaken, erode or even destroy the institution of a family. But this is precisely what the socialist core institutions that Francis wants to keep in place have done and continue to do. Compulsory government 'insurance' against old age, illness, occupational injury, unemployment, etc., involve the collectivization (nationalization) of individual and family responsibilities. By relieving individuals of the responsibility of having to provide for one's own income, health, safety, and old age, the range and temporal horizon of private provisionary action will be reduced, and the value of marriage, family, children, and kinship relations will be lowered because they are needed less if one can rely on 'public assistance.' In particular the 'social security system' weakens the traditional intergenerational bond between parents, grandparents, and children. The old no longer have to rely on the assistance of their children if they have made no provision for their own old age, and the young (with typically less accumulated wealth) must support the old (with typically more accumulated wealth) rather than the other way around, as is typical within families. Consequently, not only will people want to have fewer children - and indeed, birthrates have declined by half since the onset of modern 'welfare' policies - but much of what Francis considers so deplorable about the present, and to be signs of cultural rot and moral degeneration, will be systematically promoted. The respect which the young traditionally accord to their elders will diminish, and all indicators of family dysfunction, such as the rates of divorce, illegitimate birth, parent, spouse and child-abuse, single parenting, singledom, alternative lifestyles, and abortion, will increase.

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The second fundamental error in Francis' populist program is his belief that one can pursue protectionist measures and at the same time strengthen the economic and military position of one's own country. Both of these objectives are incompatible, too. In support of his claim to the contrary, Francis cites examples of free-trade countries that lost their once preeminent international position, such as 19th-century England, and of protectionist countries which gained preeminence, such as 19th-century America. In doing so, Francis falls prey to the *post hoc, ergo propter hoc* fallacy, however, and his inference is no more convincing than if one were to conclude from the observation that rich people consume more than poor people that it is consumption that makes a person rich. Indeed, Francis gives no indication that he has understood what is actually involved in defending his thesis. Any argument in favor of international protectionism - rather than free trade - is simultaneously an argument in favor of interregional and interlocal protectionism. Just as different wage rates exist between the U.S. and Haiti or China, for instance, such differences also exist between New York and Alabama, or between Manhattan and the Bronx and Harlem. Thus, if it were true that international protectionism can make an entire nation prosperous and strong, it must also be true that interregional and interlocal protectionism can make regions and localities prosperous and strong. In fact, one may even go one step further. If Francis were right, his argument would amount to an indictment of all trade and a defense of the thesis that everyone would be the most prosperous and strongest if he never traded with anyone else and remained in self-sufficient isolation. Certainly, in this case no one could ever lose his job, and unemployment due to 'unfair' competition would be reduced permanently to zero. Yet in thus unfolding the ultimate implication of the protectionists' argument, its complete absurdity is revealed. For such a 'full-employment society' would not be

prosperous and strong; it would be composed of people who, despite working from dawn to dusk, would be condemned to poverty and destitution or death from starvation. Francis' international protectionism, while obviously less destructive than a policy of interpersonal or interregional protectionism, would result in precisely the same effect and be a sure recipe for America's further economic and military decline. Some American jobs and industries would be saved, but such 'savings' would come at a price. The standard of living, and the real income of the American consumers of foreign products would be forcibly reduced. The cost of all American producers who employ the protected industry's products as their own input factors would be raised and they would be rendered less or uncompetitive. Moreover, what does Francis think foreigners can do with the money they have earned from their U.S. imports? They could either buy American goods, or they could leave it here and invest it; and if their imports were stopped or reduced, they would buy fewer American goods or invest smaller amounts. Hence, as a result of saving some inefficient American jobs, a far greater number of efficient American jobs would be destroyed or prevented from even coming into existence. Thus, it is economic nonsense to claim that England lost its former preeminence because of its free trade policies. It lost its position *in spite* of its free trade policy, and *because* of the socialist policies which took hold in England during the last third of the 19th century. Likewise, it is economic nonsense to claim that the rise of the U.S. to economic and military preeminence in the course of the 19th century was due to its protectionist policies. The U.S. attained this position *in spite* of its protectionism, *because* of its unrivaled internal laissez-faire policies. And America's current economic decline, which Francis would halt and reverse, is also not the result of her alleged - in fact not-existent - free trade policies, but of the circumstance that America, in the course of the 20th century, gradually adopted the very same socialist policies that had ruined England earlier.

Francis' third error is his belief that the program of economic and cultural nationalism will lead to a reduction in the size of the federal Leviathan and the restoration of the old American republic. In fact, Francis' economic and cultural nationalism is as incompatible with a constitutional republic as is the current program of economic and cultural internationalism. His policies would lead to the replacement of one ruling elite by another and a systematic reorganization of the central government, but the overall size of the leviathan would be left untouched or would increase even further. A few governmental departments and agencies would be abolished and their powers presumably returned to the states or the people. In addition, it also has been suggested that the federal inheritance tax be completely scrapped. But while this measure would indeed contribute and be a step in the direction toward the goal of strengthening families and traditional morals and conventions, there are far more measures contained in Francis' national socialist program which have an opposite effect. First off, the tax relief granted with one hand would be immediately taken back with the other in the form of higher tariffs. Tariffs would not be used "as additional taxes," Francis assures us, but there also would be no overall tax cut. Rather, like the current ruling elite, Francis and a national socialist elite are dedicated to the ideal of 'revenue neutrality,' that is, the view that no reform should ever involve the government spending less than presently. Hence, tariffs are seen "as substitutes for federal taxes." Yet given that Francis wants to maintain the socialist core institutions, and there is then little room left for any major federal tax break, one must be wondering how realistic even this commitment to revenue neutrality is, and whether tariffs will not end up becoming "additional taxes" after all. Also, while Francis' nationalism would imply a significant change in U.S. foreign policy, it is difficult to imagine how this change could lead to anything but an increased military

budget. To be sure, a national socialist government would end the futile crusade, begun with Woodrow Wilson and World War I, of making the world safe for democracy and acting as a global good Samaritan and would not have implicated the U.S. in such foreign adventures as the Gulf War, and the Somalian, Haitian, and Bosnian missions. But its commitment to the ideal of "international fair trade," including the idea of forcibly opening foreign markets to American products to assure 'reciprocity,' involves the risk of other possibly even further-ranging and costly foreign entanglements. In fact, because the protectionist policies which Francis advocates will further erode and weaken the international economic standing of the U.S., the likelihood of intergovernmental conflict - of international trade and currency wars - would be sharply increased.

Lastly, Francis' economic nationalism - of import and export controls in the service of a national industrial policy - is incompatible with cultural nationalism. Contrary to his own intention of restoring a distinctly American national-cultural identity, Francis' economic policies would lead to an expansion of the realm of politics and the promotion of particularistic and factional interests. Presently, as Francis notes (but absurdly blames on the reign of an unchecked capitalism), an intimate alliance between big business and big government exists wherein both plutocrats and politicians advance their own interests at the expense of Middle Americans. Yet how can Francis possibly believe that this sorry state of affairs could be fundamentally changed if the central government assumed the power of enacting a national industrial policy?! Contrary to national socialist mythology, in subordinating economics (private concerns) to politics (national concerns as interpreted by the federal government) people do not become any less selfish but pursue their selfish interests through political instead of economic means. *Pace* Francis, the characteristic feature of a market economy and of laissez-faire capitalism is that producers may pursue their own interests exclusively by at the same time benefiting consumers as the voluntary buyers of their products, and that in so doing they may neither impose physical damage on any third party and its property nor physically restrict any third party's attempt to attract voluntary consumer purchases. In distinct contrast, a national economy a la Francis implies that the harmonious relationship between producer and consumer interests will be systematically dissolved. Producers can promote their interests without benefiting and even by harming consumer interests if only they are officially recognized as producers of national importance. And instead of being subject permanently to competition by other producers, which compels every producer to strive to improve the quality and/or lower the prices of his products, producers in a 'national economy' may advance their own interests by excluding other actual or potential producers from competition altogether or by compelling them to join a national producers' cartel with uniform product prices and quality standards if only they succeed to persuade the government that such measures are in the national economic interest. As deplorable as the current situation is (and as little as it has to do with capitalism), there can be little doubt that with a national industrial policy matters would not much change, or they would even become worse. The attempts by businessmen, interest groups, and lobbyists to shape government policies to their own advantage would persist, and the influence of big business and the corporate elite in particular on national politics would likely grow even stronger. And contrary to Francis' intention, the Middle American alienation from and disaffection with the national government would continue, and in particular the idea of a nation, and a genuine American identity and patriotism would be lastingly discredited.

III

Even if Francis were correct in his diagnosis of the present age and the desires of Middle Americans, one must conclude from the outset that their political agenda is self-contradictory nonsense. What they both want *cannot* be accomplished. They must set themselves either different goals (if they are unwilling to change their means); or more likely - since the first alternative would involve a rather awkward or even impossible change of mind - they must choose a different set of means.

Assuming that Middle Americans are in fact fed up with the current countercultural rot and moral degeneration and desire the restoration of traditional Western standards of civilized conduct, and that they wish to see America become once again that 'shining city on the hill,' proud, prosperous, and strong - what combination of means - which program - can reach these goals, provided that Francis' program cannot? The answer is 'a program of nationalist-capitalism or capitalistic nationalism.' Like Francis' national socialism, the national capitalist program has an economic and a cultural component. The similarities of both programs lie in their cultural components. Both are proponents of cultural conservatism and traditional family-centered morality; both are decidedly Western and propose that America was -and should be - a white-European-Christian-male dominated civilization; and hence, both oppose all multi-counter-cultural-egalitarian measures and policies. Both programs differ fundamentally, however, regarding the economic policies which they would combine with this cultural conservatism. National socialism would combine its cultural conservatism with the economic policies of the left. But as was explained, these two programmatic elements are incompatible and cannot be successfully combined. In distinct contrast, national capitalism tries to combine cultural conservatism with traditional American laissez-faire capitalism as proposed by old-fashioned 'Austrian' school economists from Boehm-Bawerk to Mises and Rothbard - the mortal enemies of the socialists of all stripes from Marx on up to his present social-democratic-liberal-neo-conservative followers. In so doing, the national capitalist program has from the outset the distinctive advantage of combining what can - and indeed must - be combined if one wishes to reach one's set goal.

The recognition that traditional family-based moral and the existing welfare institutions are incompatible is one of the cornerstones of the national capitalist program. If one wants to restore traditional morals, then the entire structure of social security schemes must be dismantled, root and branch. The current internationalist-counter-cultural ideological superstructure is largely the result of the successive destruction of the economic substructure of private households - and household economics and family welfare - by compulsory 'social' economics and welfare. If one wants to get rid of the countercultural superstructure, first and foremost its economic basis - the socialist core institutions - must be eliminated, and households and families must be restored to their traditional economic function. Cultural conservatism requires as its economic substructure a capitalist order of independent private household economics.

But capitalism also requires, as its ideological superstructure, profound and wide-spread cultural conservatism. This insight represents the other cornerstone of the national capitalist doctrine. While a capitalist economy imposes constraints and discipline on the conduct of individuals which *promote* the development of cultural conservatism, capitalism does not - and did not in the past - preclude the development of countercultural, progressive, anti-Western, anti-white, and anti-male ideologies. The economic substructure or 'basis' influences but does

not *determine* the ideological superstructure. Yet if the autonomous ideological superstructure resting on a capitalist economy becomes predominantly anti-Western-multiculturalist, the capitalist base cannot then remain intact for long and will begin to erode. Thus, to prevent this the national capitalist program emphasizes cultural matters as much as economic ones from the outset.

These two insights into the incompatibility of traditional Western morality and socialist economics and the cultural requirements of capitalism determine other policies, both domestic and foreign.

In accordance with the latter insight into the cultural requirements of a capitalist economy, national capitalism agrees with Francis' populist demand of ending all federal government involvement in educational matters. Further, it insists that all 'public' - tax-funded - education be abolished and that education once again be made subject to the control of parents and their wishes and values, rather than those of bureaucrats, teachers, and unions.

Moreover, national capitalism also advocates a drastic change in current immigration policies not unlike that proposed by Francis. In both views, the current third-worldish-multi-cultural immigration policy must be considered suicidal. It erodes and will ultimately destroy the cultural foundation of the American economic system. Instead, both programs advocate a highly restrictive immigration policy carried out with the utmost concern for the preservation of the American national character as a uniquely Western - European-White-Christian-Male-centered - civilization. However, their means of bringing this about are not quite the same, because their ideas concerning a nation and nationalism significantly differ. Francis' socialist nationalism is a top-down nationalism; that is, it is considered a matter of course that it will and must be the central government which assumes the power of determining a uniform national immigration policy. The error contained in this view has already been explained: centrally enforced nationalism cannot but lead to the discreditation of the idea of a nation. In contrast, capitalist nationalism is grass roots nationalism. Nationalist sentiments - the cultural identification with a larger extra-familial population - are viewed as the natural outgrowth of the process of voluntary association and disassociation of independent families and households. As such, nationalism or patriotism do not require a central state at all. The nation with which a person identifies can extend beyond the borders of any particular state, or it may be smaller than the extension of any state. Based on this view of a nation and nationalist sentiments, national capitalism considers families and households and the institutions arising from them (communities, associations, clubs) as the social units which should ultimately decide all immigration matters (just as families, not the central government, should be considered the ultimate decision makers in all 'social security' and education matters). Indeed, from the viewpoint of national capitalism, the immigration issue is only a subproblem of a more general and far-reaching question: of spatial integration (approximation) and disintegration (distancing). Currently, the American cultural identity is threatened not only by the central government's multi-cultural policy of inter-national immigration, but also by its multi-cultural policy of intra-national (domestic) migration, i.e., federal non-discrimination or affirmative action laws. Both policies lead to forced integration and thus should be discontinued. The authority to admit or exclude anyone from any territory should be stripped from the hands of the central government and re-assigned to the states, counties, cities, towns, villages, residential districts, and ultimately to the owners of private households and their voluntary associations. One would be well on the way toward this goal of restoring freedom of association and exclusion as it is implied in the idea and institution of private property

and households, if towns and villages could again do what they did as a matter of course until well into the 19th century in the U.S.: to post signs regarding entrance requirements to the town, and, once in town, requirements for entering specific pieces of property (no beggars, bums, homeless, but also no Moslems, Jews, Catholics, Blacks, Chinese, Mexicans, etc.), and to kick out those who do not fulfill these requirements as trespassers. The central government's authority regarding international or domestic migration should not extend beyond its own - federal - property (and the extent of federal property, if it is to exist at all, should be negligible); and insofar as the central government is concerned with the security of the national border, it should act as the trustee of domestic household owners and protect them from the invasion by all undesirable persons and admit only those individuals who have been invited onto their territory by private residential owners.

In accordance with the first insight into the economic foundation of traditional Western morality and culture (and its distinct grass roots nationalism), however, the national capitalist program then differs sharply from Francis' national socialism in its economic policies. Domestically, besides eliminating the entire social security system and thus restoring individual (family) responsibility and relieving producers of an ever more oppressive tax burden, the national capitalist program involves first and foremost the abolition of all federal regulatory agencies - FCC, ICC, OSHA, EPA, etc. - as well as of the FED, the government's money counterfeiting machine. Steadily increasing taxes and regulations as well as continuous paper money inflation are the main culprits for America's economic decline. To restore her to economic preeminence, America must once again become the freest - most *laissez-faire* - economy in the world and the dollar must be based on and defined as a fixed quantity of gold. This, more than anything else, would further strengthen genuine American patriotism.

Moreover, as far as foreign affairs are concerned, the program of a nationalist - American - capitalism involves two interconnected principles: free trade (rather than protectionism) and isolationism (rather than foreign interventionism). As explained, protectionism and prosperity are incompatible, and government restrictions on imports and/or exports do not promote but rather undermine the development of patriotic sentiments. But isn't free trade also incompatible with immigration restrictions? This is what the current ruling elite as well as Francis would have us believe: the former in supposedly wanting to combine a policy of "free immigration" with "free trade," and the latter in advocating a combination of "restricted immigration" and "restricted trade." Both are wrong in their contention, however, and "restricted immigration" and "free trade" are not only perfectly compatible but even mutually reinforcing. In order to recognize this, it should first be noted that not even the most restrictive immigration policy or the most exclusive form of segregationism has anything to do with a rejection of free trade and the adoption of protectionism. From the fact that one does not want to associate with or live in the neighborhood of Blacks, Mexicans, Haitians, Chinese, Koreans, etc., it does not follow that one does not want to trade with them from a distance. On the contrary, it is precisely the absolute voluntariness of human association *and* separation - the absence of any form of forced integration - that makes peaceful relationships - free trade - between culturally, racially, ethnically, or religiously distinct people possible. Further, even if it were the case that real incomes would rise due to "free immigration," it does not follow that immigration must be considered "good." Material welfare is not the only thing that counts. Rather, what constitutes "wealth" (well-being) is *subjective*, and one might prefer lower material living standards and a greater distance from other people over higher material living standards and a smaller distance.))

Second and even more important, however, it should be noted that, contrary to the impression created of the existence of an analogy between "free" immigration and "free" trade, and "restricted" immigration and "restricted" trade, the phenomena of immigration and trade are different in one fundamental respect such that the meaning of "free" and "restricted" in conjunction with both terms is actually a categorically different one. The fundamental difference between immigration and trade is that while people can move and migrate, goods and services cannot. Or put differently, while I can migrate from one place to another without anyone else wanting me to do so, goods and services must be transported or shipped from place to place, and this cannot occur unless both sender and receiver agree on the relocation. Trivial as this distinction may appear, it has momentous consequences. "Free" in conjunction with trade then means trade by invitation of private households only; and "restricted" trade does not mean protection, but invasion and abrogation of the right of individual households to extend or deny invitations to their own property. In contrast, "free" in conjunction with immigration does *not* mean immigration by invitation of individual households, but unwanted invasion; and "restricted" immigration actually means, or at least can mean, the protection of private households from unwanted invasion. Hence, in advocating free trade and restricted immigration one follows in fact one and the same principle: of requiring an invitation for people as for goods and services.

Nor is there any inconsistency involved in advocating both free trade and isolationism. In this regard, our current rulers as well as Francis want us to believe otherwise, too. The current rulers would combine free trade with internationalism and interventionism, whereas Francis would combine protectionism with 'America-firstism' and isolationism. Yet both of *these* combinations are inconsistent. As for the former, it is false to claim that free trade requires bilateral or multilateral government treaties or international organizations. Free trade can be achieved at any time, simply by unilaterally refraining from any restriction or regulation regarding the inflow and outflow of goods and services across state borders; and regardless of how other governments will respond, such a policy always and invariably benefits whoever engages in it. Intergovernmental trade agreements and organizations such as the IMF, the World Bank, NAFTA, GATT, and the WTO, have in fact nothing whatsoever to do with free trade. Instead, they represent examples of "managed trade," which typically benefits big government-connected businesses at the expense of small unconnected businesses. Francis plainly errs when he refers to these internationalist institutions and agreements as the result of free trade policies (in fact, he may even have to be accused of intellectual dishonesty because he knows that the most rigorous and uncompromising critique of these institutions and agreements has come from those dreaded free-market-trade Austrian economists). Free trade and internationalism are incompatible. Free trade and nationalism - the withdrawal from all international organizations - are not. And as for the second - national socialist - combination, it is wrong to claim that a foreign policy of America first is consistent with protectionism. As indicated, protectionism does not protect and strengthen, but rather damages and weakens America. Foreign goods and services (unlike foreign people) do not arrive on American shores without having been demanded by Americans. In preventing Americans from buying from whomever they wish and forcing them to buy American made goods even if they would have preferred not to do so, divisiveness instead of harmony is created among Americans, and the emotional attachment to and individual identification with America is reduced. Hence, only unrestricted free trade as advocated by national capitalism is compatible with America first patriotism.

IV

If only a program of national capitalism can restore America to its former economic and cultural preeminence, merely one final question remains to be answered: Is there sufficient support for this program in public opinion; or if such a support is currently lacking, is this program appealing enough such that it might catch fire among the Middle American masses?

Francis denies that this is or could be the case. He refers to the nationalist-capitalist program as "Old Right conservatism" and describes it as "a body of ideas that appealed mainly to businessmen of the *haute bourgeoisie* and their localized, middle-class adherents, a social base that 20th-century social and economic transformations effectively wiped out. Old Right conservatism defended a limited, decentralized, and largely neutral national government and the ethic of small-town, small-business, Anglo-Saxon Protestantism. As the social base of the Old Right withered in the post-Depression and post-World War II eras, the political and intellectual right essentially divorced itself from these declining interests and forces and evolved new and far less socially rooted ideologies that represented almost no one outside the narrow academic and journalistic circles that formulated them." His reply thus merely repeats the already familiar theme: Once upon a time, before the arrival of the modern welfare state, the old-right-national-capitalist program had a social and economic basis, and hence might have made some sense; but today, with an all-pervasive welfare state in place and a proletarianized government-dependent middle class, such a program possesses no social basis whatsoever, and accordingly there exists no hope that it could ever catch fire. With this answer, influenced undoubtedly by his teacher James Burnham and Burnham's intellectual beginnings as a socialist, Francis betrays a simple materialist-determinist theory of history. That is, Francis shows himself as holding essentially the same view of history as that expressed by Marx: *das Sein bestimmt das Bewusstsein* ('the material basis determines consciousness and ideas'). Contemptuous of philosophical and economic analysis and reasoning, Francis, unlike Marx, does not trouble himself to offer any support for this daring thesis. But assertions are no arguments. If Francis had read Mises before criticizing him, he could not only have saved himself from impossible political programs, but he also might have noticed a gaping hole in this historical materialism. For if it is the economic basis which determines what people think, how does one explain the *transition* from the older pre-welfare to the modern welfare-state system?! This transition would seem to be impossible and miraculous - unless one held the view that ideas are *autonomous*, and that it is ideas which determine history and the social and economic basis (rather than the other way around). Yet if ideas caused the current morass, then ideas - an ideological change - can also get us out of it. From the fact that Middle Americans are today ensnared in numerous compulsory social 'insurance' and government hand-out schemes, it does not follow that they cannot possibly come to the conclusion tomorrow that they would be better off eliminating them.)))✓

Besides being true (effective with respect to one's goal), as a mere matter of empirical fact the "Old Right" national capitalism appears to be more popular among Middle Americans than Francis' (false and ineffective) national socialist alternative. The recent political contest between Dole, Forbes, and Buchanan in the run for the Republican presidential nomination, is only the latest indication of this fact. Dole represented the ruling bi-partisan establishment and the status quo of internationalist social democracy. Both Forbes and Buchanan represented anti-establishment forces. Forbes combined the standard cultural leftism of the neo-conservatives with a pro-capitalist economic program. Buchanan, Francis' hero and hope, combined moral and

cultural conservatism with national socialist economics. Before ultimately winning the contest, Dole - the established order - was on the verge of defeat. This indicates again what Perot had already revealed before: that the democratic-republican establishment is no longer invincible. The objective condition for a populist revolution exists! On the other hand, Dole did finally succeed, and the initial success of Buchanan in New Hampshire and Forbes in Arizona could not be repeated or bettered elsewhere. This indicates not so much that Dole's establishment program has any popular appeal, but rather that something essential was missing from the anti-establishment alternatives represented by Buchanan and Forbes. What was missing was the third - and the only viable - alternative to the ever more obviously bankrupt present system: the combination of Buchanan's cultural conservatism with Forbes' pro-capitalist agenda of lower taxes, privatized social security, and the gold standard. Neither Buchanan's nor Forbes' program has sufficient appeal among the alienated Middle American masses to inspire a populist revolution against the incumbant tyrants. Both programs lead - quite appropriately - to 'cognitive dissonance' in the minds of most reflective Middle Americans (thus dampening one's enthusiasm for either one). Forbes' program created dissonance by combining American capitalism with cultural leftism, because most Middle Americans sense that old-fashioned American capitalism and leftist-egalitarian policies such as 'free' immigration, affirmative action, non-discrimination laws, and so-called civil rights do not fit together. And Buchanan's program created dissonance by combining traditional American culture and values - the view and vision of America as a Western-European-Christian-white-family-based-and-male-centered civilization - with anti-capitalist pronouncements, because most Middle Americans also sense that traditional American culture and civilization does not sit well with attacks on the rich, inherited wealth, and the idea of elites and of a 'nobility' (whether hereditary or natural), with protectionism, anti free-and-foreign-trade pronouncements, anti-business posturing, and a cozying up to labor unions. What was conspicuously absent was the program that combined and synthesized the 'strong' parts of the Forbes and the Buchanan message - the parts responsible for the emotional attachment to either program - to a consonant and harmonious ideological system of Western cultural conservatism, grass roots American nationalism, pro private-property-capitalism-families-and-households, pro sound money (gold), anti tax, and anti license-and-regulation. Forbes' and Buchanan's limited success and ultimate defeat do not indicate that they might be any more successful in the future, but that the ruling elite could have been brought tumbling down and crushed - and can in the future - if only there were someone - preferably with Buchanan's charisma, charm, and character - representing national capitalism.