

FREE!! - BROUGHT TO YOU BY BUSINESSES LOYAL TO LIBERTY - FREE!!

Democracy
Reaches Its Limit
Cover Story

Complaint seeks to have Holder
disbarred after contempt
Page 4

Fixing what's broke
in our government!
Page 6



VOLUME 4, ISSUE 7 BY AND FOR FREEDOM LOVING ALASKANS



Democracy Reaches Its Limit

By Douglas French 07/11/12

Government finance at all levels seems to be unraveling. The city of Stockton, California declared bankruptcy. North Las Vegas, Nevada would be in the same boat if the state of Nevada allowed for it. Michigan's state government has taken over the management of four cities, and the state's largest city — Detroit — has a \$200 million deficit and has made a deal with the governor for the state to have a hand in fixing the city's financial problems.

On the federal level, the bond rating agencies — S&P and Moody's — have dared to downgrade the government's debt.

On the other side of the pond, Greece is an accident that keeps on crashing. Spain's government is propping up its banks with European Union help, so that these banks can keep propping up the government by buying the government's bonds — the equivalent of two drunks holding each other up. And the sad fact is Italy, Portugal and possibly France are not far behind.

In a recent interview, Hans-Hermann Hoppe — the author of the forthcoming *The Great Fiction: Property, Economy, Society and the Politics of Decline* — explained:

“... it is democracy that is causally responsible for the fatal conditions afflicting us now. The number of productive people is constantly decreasing, and the number of people parasitically consuming the income and wealth of this dwindling number of productive people is increasing steadily. This can't work in the long run.”

Auto Trim Design 2550 South Cushman 456-4800



BIGHORN ENTERPRISES LLC
P.O. Box 58095
Fairbanks, AK 99711-0095
Phone: (907) 451-7310
Fax: (907) 451-7312



THE WOODSHED PAGE 2

Democracy is just a wealth-distribution (and ultimately wealth-destruction) scheme that pits the taxpayers vs. the tax

eaters. In the case of Europe, Germany and the Netherlands produce and save, while Greece, Spain, Portugal and the rest consume. Eventually, a bankruptcy will bring to light the truth about democracy, which, Hoppe explains: "...is nothing more than an especially insidious form of communism, and that the politicians who have wrought this immoral and economic madness and who have thereby enriched themselves personally (never, of course, being liable for the damages they have caused!), are nothing more than a despicable bunch of communist crooks."

Over here, the day of reckoning for the US may not be far off. Alan Hall, writing for the May edition of *The Socionomist*, writes that the era of big entitlement spending in America is over. Since the Great Depression, government entitlements have exploded, up 17-fold, as a percentage of total personal income. Hall uses Elliott Wave nomenclature to describe the phenomenon:

"advance in entitlements from the Great Depression fits within a classic parallel trend channel drawn off the lows of waves 2 and 4. Elliotticians will also observe that wave 4 in entitlements is testing the upper parallel of the channel and needs only one more decline and rally to complete the pattern."

Socionomics is all about the collective mood of society and how it is reflected in financial markets, politics, fashion and so on. Hall points out that entitlement growth slows during positive mood changes (3% average gain) and accelerates dramatically (215% on average) during negative mood phases.

Americans are more dependent on government benefits than any time in history, according to Hall's work. "Seventy-five years of positive mood trend has entrenched the idea that the state can afford to support an ever-expanding percentage of its citizens, including even the more affluent," Hall writes.

Government help is not just for poor people anymore. Binyamin Appelbaum and Robert Gebeloff point out in a *New York Times* article that government benefits to the bottom fifth of households had declined from 54% in 1979 to 36% in 2007. Applebaum and Gebeloff write:

"The government safety net was created to keep Americans from abject poverty, but the poorest households no longer receive a majority of government benefits. A secondary mission has gradually become primary: maintaining the middle class from childhood through retirement."

The Congressional Budget Office (CBO) figures that with an aging population, the trend is clear: Benefit programs will increase nonstop for the next 25 years.

But the Socionomist folks at Elliott Wave Intl. believe there will be a major negative mood extreme around 2016, and there will be a reversal of historic proportions four years from now.

Even the Treasury Department concedes there will be a problem by 2080, when entitlement expenditures could exceed 60% of GDP, "making the federal government's fiscal path even more unsustainable..."

However, government's largesse will hit the wall long before then. Entitlement spending reached 102% of total federal tax receipts last year, so paying for the rest of government is covered by borrowing and printing, only allowed because of the dollar's reserve currency status. But the last grain of sand is about to hit the bottom of the reserve currency hourglass.

Professor Hoppe doesn't make his points with graphs and waves, but instead uses logic to theorize that democracy is not the wonderful system that American presidents spend so much money and so many lives spreading around the world.



Small Engine Sales & Service
Fairbanks, Alaska

More than a saw shop - We work on all brands of small engines
 Alaska owned and operated

(907) 452-6318
 1-800-478-7318
 Fax (907) 452-6883
 127 Minnie Street
 Fairbanks Alaska

Democracy, simply, in Hoppe's view, decivilizes society. Civilized people save and plan so as to take care of themselves and their families in the present and future. Fiscal conservatism and prudence is valued in a nondemocratic society, as are sound ethics. Democracy undoes the tendency for people to act cooperatively and responsibly.

Politicians constantly look to appease voters with more benefits to care for them from cradle to grave, so as to win the next election. At the same time, the bureaucracy that hands out the benefits grows larger and larger and is unaccountable to anyone — especially voters.

As the old saying goes, “No matter who wins, the government is always elected.”

In order to distribute these benefits, the government must violate property rights. Government produces nothing; it must take from one group in order to give to another. Hoppe makes the case that individuals are powerless to protect themselves from government theft and view taxation as they would natural disasters. This alters the behavior of producers, who will tend to be less future-oriented, given that government is constantly stealing from them.

This continuous theft, overtly through taxation and subversively by way of inflation, raises the producers' time preferences, and they divert resources from producing future goods to present consumption. Over time, democracy leads to a lower level of capital being accumulated. With less capital, society is not only poorer, but less civilized.

In *Democracy: The God That Failed*, Hoppe explains:

“if government property-rights violations take their course and grow extensive enough, the natural tendency of humanity to build an expanding stock of capital and durable consumer goods and to become increasingly more farsighted and provide for evermore distant goals may not only come to a standstill, but may be reversed by a tendency toward decivilization: Formerly provident providers will be turned into drunks or daydreamers, adults into children, civilized men into barbarians and producers into criminals.”

So what has kept this destructive force — democracy — alive for so long? Ironically, capitalism. Hoppe responds: “That the whole democratic house of cards has not yet completely collapsed speaks volumes about the still tremendous creative power of capitalism, even in the face of ever-increasing governmental strangulation. And this fact also allows us to conjecture about what economic ‘miracles’ would be possible if we had unimpeded capitalism liberated from such parasitism.”

So many people mistakenly tie democracy and capitalism together, when in fact democracy keeps capitalism from making all producers prosperous. Laissez-faire is not a matter of electing the right person; it means simply “leave it alone,” something politicians cannot seem to do.

Regards,

Douglas French, for *The Daily Reckoning*



We are free not because we claim freedom, but because we practice it. ~~~ William Faulkner



**Like to Write?
Have Something to Say?
Ready to Raise Your Pen for Freedom?
Send Your Submissions to:
thewoodshededitor@gmail.com**

Complaint seeks to have Holder disbarred after contempt vote

By Laura Prabucki Published July 12, 2012 FoxNews.com

Fallout from the Operation Fast and Furious scandal continues to spread, as Attorney General Eric Holder faces a new call to be disbarred or penalized after he was found in contempt of Congress.

A formal complaint was filed last week with the Washington, D.C., Office of Bar Counsel -- of which Holder is a member. The letter was submitted by gun-rights advocates and bloggers David Codrea and Mike Vanderboegh, who have reported extensively on Operation Fast and Furious.

The complaint says it appears Holder has violated the rules of professional conduct after he was found in contempt of Congress last month for not complying with the House Oversight and Government Reform Committee subpoena seeking documents pertaining to the administration's handling of Fast and Furious.

That operation, run by the Bureau of Alcohol, Tobacco, Firearms and Explosives, was launched in 2009 with the hope of catching Mexican drug cartel kingpins by allowing the sale and transfer of some 2,000 weapons. Two of those weapons later turned up at the murder scene of U.S. Border Patrol agent Brian Terry in 2010.

The filing makes reference to D.C. Bar Counsel rules and claims the attorney general violated the ethics code by "engaging in conduct involving dishonesty, fraud, deceit or misrepresentation" and "conduct that seriously interferes with the administration of justice."

Though President Obama has claimed executive privilege over the documents in question -- in turn attempting to protect Holder from prosecution -- Brian Darling, senior fellow in government studies at The Heritage Foundation, suggested the complaint is on solid ground.

"It is clearly a reasonable basis for a complaint against Eric Holder to say 'you are in charge of the Justice Department, the Justice Department is refusing to produce documents that were subpoenaed by Congress and as a result you were held in contempt to Congress not once, but twice'," he said.

Others say there is no basis for the complaint. '

"Because this particular complaint is written as if the attorney general had already been convicted of a crime, I think it will likely be rejected on its face," said Michael Frisch, former member of the D.C. Bar Counsel and current Georgetown Law School professor.

A similar complaint against Holder is expected to be filed in New York state, where he's also licensed to practice law. Experts say due to the fluid nature of the Fast and Furious investigation, it's unclear if or how soon the complaint would be acted on.

There is all the difference in the world
between treating people equally
and attempting to make them equal.

- F.A. Hayek



"One of the options that (the) bar counsel has is to defer its investigation pending the outcome of some parallel proceeding -- whether it be a civil proceeding, a criminal proceeding or an internal investigation by some other agency," Frisch said.

Darling said the bar can "take it up" as this develops, "maybe in the next year."
The Justice Department downplayed the complaint.

"These are specious claims that ignore the facts and can only be described as frivolous. It appears to be a desperate attempt by some factions to drag out the destructive, political games that Americans are rightly fed up with," spokeswoman Tracy Schmalzer said.

High-profile figures are no stranger to disbarment proceedings. Presidents, vice presidents and famous attorneys have all been removed from different states' bar associations.

Back in 2000, Arkansas' Supreme Court Committee on Professional Conduct asked for the disbarment of former President Bill Clinton, saying he lied about his affair with Monica Lewinsky. A deal was reached and Clinton lost his Arkansas law license for five years. He also was forced to resign from the Supreme Court bar.

Former President Richard Nixon was disbarred in New York for obstruction of justice in the Watergate scandal.

Former Vice President Spiro Agnew was disbarred because of bribery and tax evasion charges. Durham District

Attorney Mike Nifong was kicked out in North Carolina for "prosecutorial misconduct" related to his handling of the Duke University lacrosse case.

And F. Lee Bailey, defense attorney in the O.J. Simpson murder trial, was disbarred in two states after he was found guilty of seven counts of attorney misconduct by the Florida Supreme court.

Depending on the jurisdiction, a lawyer could be banned for life or could later reapply to the bar. According to American Bar Association statistics, some 800 lawyers were disbarred in 2010.





SERVING ALASKANS FOR OVER 30 YEARS

BUY & SELL
gold and silver bullion
ALASKA RARE COINS

(907) 452-6461

M - F 8:30 - 5:30 - SAT 10:00 - 5:00

551 2nd AVE, SUITE B, FAIRBANKS 99701



Fixing what's broke in our government!

Posted by Keith C. Westbrook on June 5, 2012 at 10:30am

What no Democrat or Republican will admit needs to be done or how to do it! In listening to the latest back and forth from both sides with the Democrats lying and the GOP responding, it is obvious that neither side of this equation is willing or equipped to put forth the plan that we need to stop the progressive socialist utopian destruction of America. I have shown that since the "Great Society" legislation of 1965 the government has grown 464.4% from 411 federal agencies and offices to 1909 federal agencies and offices while the population from the 1960 census to 2010 census shows a population growth from 179,323,175 to 308,745,538. or 55.36%.

That is a growth differential of 409% yes our government has grown more than 4 1/2 times larger than it was in 1965 to perform the new duties it took away from the states. The federal government over the last 47 years under the umbrella of that legislation and the massive federal government build up has added more than 100,000 new laws and federal regulations to enforce it and its subsequent socialist utopian programs with only one intended net effect, keep the ruling classes ruling while subjugating our rights and freedoms. And to implement and manage them they created a vast departmental bureaucracy to control it and us that has been choking the life from this Republic. This massive federal bureaucracy must either be reduced or completely phased out or we will never recover completely and we will be forced to watch as we become the very thing they want us to be, subjects of a socialist Marxist state. ("we already are")

The 1500 agencies and offices that have been created since then have been adding trillions to the cost of government and are now so fiscally insolvent that we currently borrow 40 cents on every dollar just to pay their bills. In 1965 the federal debt was \$317,273,898,983.64. That's billion with a B. Today it is 15,728,863,898,758.00 that's trillion with a T.

Yes that is correct while our population has grown by 55% our debt per person has grown by 500%! Our debt thanks to the unchecked and unregulated growth of our federal government is 25 times more per man, woman and child even with the offset of the population growth. That is a staggering number almost 16 trillion dollars in less than 50 years with the democrats running the show for 40 of them. The debt burden in 1965 for every man, woman and child was less than \$2000, it is now \$50,108.00 or 25 times more than it was before their legislation started us down the path to the progressive socialist utopian nightmare we are now living in.

There are other factors as well like the fact that it now costs business' more in regulatory expenses than their tax burden. In 2010 the tax burden to business' in both state and local taxes was 1.4 trillion dollars, the cost of compliance of federal regulations was 1.75 trillion. Yes we as Americans now absorb the expense of 3 TRILLION DOLLARS of pass thru costs from business' in America with 80% being federal tax and regulatory based.

The Federal Register is the document that compiles all the federal rules and regulations that businesses are required to comply with. As of 2010 the Federal Register was 81,405 pages long. Federal regulations serve as a hidden tax on the economy. Costs imposed by regulation do not end up on any Federal budget, nor do they add to the national deficit. However, 81,405 pages of regulations strain the economy by creating huge costs that business are obligated to meet. To fix the problem we must start down sizing and eliminating multiple agencies and departments to match our

THE WOODSHED PAGE 7

population growth and actual regulatory needs not the political infrastructure created by the Democrats to enforce their socialist agenda onto America.

I would start by eliminating the departments of Education, Energy, Environmental Protection, Transportation, Health and Human Services, Agriculture, Labor, Homeland Security, Housing and Urban Development and the General Services Administration and pass their operations and funding back to the states with the states keeping the tax funding they now send to Washington to be wasted and abused. I have identified these 10 agencies because they have all demonstrated extreme fiscal malfeasance and since their inception have all had a negative effect on every single area where they have imposed themselves. Since the Dept. of Ed. H.S. graduation rates and over all science and math scores are down over 40%, since the dept. of energy the cost of energy has increased 326% while the reduction in domestic energy production of all types has decreased by 29%. I can continue this fact based performance evaluation for several thousand pages but it would only re-enforce their incompetence.

I would downsize all other agencies and offices that are not deemed necessary to carry out the Constitutional Responsibilities as defined by the Federalist papers to be necessary for the functioning of the government. I would eliminate the base line budgeting mechanisms and roll back spending to 2000 levels and then introduce a balanced budget amendment that only allows budgetary increases to match stated inflation based on preceding years inflation numbers.

All federal regulations enacted that have not been voted on by both houses and the POTUS will be suspended until reviewed for their cause and effect and any that can and should be the purview of the states shall be returned to the states for individual consideration and enforcement or annulment. All future federal regulations must pass house over sight and be deemed necessary by the states affected by them.

End Presidential Executive orders and czars, all "cabinet posts" will be vetted and approved by both houses with majority vote rules in effect.

Now no where in this have I stated that Social Security or Medicare and Medicaid have to be eliminated or changed but they should be removed from their federal bureaucratic oversight and re-instituted as stand alone departments with both state and federal oversight shared and administered. Their fiscal mismanagement and the use of the sequestered funds being diverted to the general fund must not go unpunished and must be monitored by outside auditing agencies that are directly answerable to the voter, that is why state run auditors responsible for all of the accounting is necessary. Also an immediate return of all of the funds diverted from Social Security and the guilty parties forced to make restitution, even their heirs and beneficiaries should be held responsible just like any other fiduciary would be. As the title indicated fixing what's broke in our government will take the effort of every American who believes in the Republic and the Constitution and its return to Rule of Law from rule of man.

Until we elect citizen statesmen in lieu of career politicians who are not part of the ruling class that is destroying us as the current 2 party system is, solutions based on the facts will not be presented and our decline will continue.

In Freedom,

Dr. Keith C. Westbrook Ph.D. President Conservative Party Florida



**Alaskans for Limited
Government PAC**

P.O. Box 58161
Fairbanks, AK 99711-0161
(907) 488-9802
aklg.org

Paid for by Alaskans for Limited Government PAC
P.O. Box 58161, Fairbanks, AK 99711-0161,
(907) 488-9802 Gregg C. MacDonald Jr., Treasurer



Dick Randolph State Farm

LOOKING FOR SAVINGS WITHOUT SACRIFICING SERVICE?



Our mission is to help people avoid the **TWO BIGGEST** financial mistakes in life, **Not properly insuring what they have, and Failing to plan for the future.**

CALL US AT: (907) 456-7787 12th & Cushman, Fairbanks AK - 48 years

You Can Pick Up The Woodshed from these Great Interior Alaskan Businesses

Chowder House 206 Eagle Ave

Ajimi Japanese Restaurant 550 3rd St

Mayflower Buffet 414 3rd St

Sentry Hardware & Sporting 250 3rd St. Ste. 6

Rod's Saw Shop 127 Minnie Street

The Diner 244 Illinois St.

Big I 122 N Turner St

KFAR 819 1st Avenue Suite A

Alaska Rare Coins 551 2nd Ave. Suite B

Soapy Smith's Restaurant 543 2nd Ave.

Custom Leather & Gifts 535 2nd Ave

River City Cafe 523 2nd Ave

Elegant Memories Antiques 511 2nd Ave

Far North Tactical 7th and Lacy

Larson's Locksmith & Security 1249 Noble St.

Dick Randolph Insurance Agency 12th and Cushman

Jim Bradbury State Farm Insurance 1401 Turner

Big State Autosales 1805 S Cushman

Mr Pawn and Loan 2117 S Cushman St.

Ranch Motel 2223 S Cushman St.

Just Haircuts 2319 S Cushman St.

Auto Trim Design 2550 South Cushman St

Six Robbles' Inc. 3060 S Cushman St.

Gene's Chrysler Dodge Jeep 3400 South Cushman

Advanced Printing 612 30th Ave

Arctic Fire and Safety 702 30th Ave

Holm Town Nursery 1301 30th Ave.

Northern Power Sports 1980 Van Horn Rd.

ABS Alaskan Inc. 2130 Van Horn Rd.

Altrol 2295 A Van Horn Road

Alyeska Tire 3250 Peger Road

RCTIC RV 3013 Peger Rd.

Base Camp Eatery 3226 Airport Way

Taco Azteca 3401 Airport Way

Model's Enterprises 3568 Geraghty Ave

Compeau's 4122 Boat St

The Woodway 1830 RJ Loop on College Rd. 35

Alaska Fun Center 1817 College Rd.

S&W Radiator 1625 College Rd.

Ichiban Noodle Restaurant 400 College Rd

Siam Square, 59 College Rd # 202

Northland Hearing River Mall, 29 College Rd.

Seekins Ford Lincoln Mercury 1625 Seekins Ford Drive

McPeaks 771 Badger Rd. North Pole