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VOLUME 6, ISSUE 1 BY AND FOR FREEDOM LOVING ALASKANS



## Will New Year be a New Dawn for Alaska Educational Freedom?

January 11, 2014 by Joe Balyeat, CPA <http://americansforprosperity.org/alaska/newsroom/>

*“There is no respect in which inhabitants of a low-income neighborhood are so disadvantaged as in the kind of schooling they can get for their children.”* (Nobel Prize-winning economist Milton Friedman)

Milton Friedman was devoted to freedom – his belief that human free choices and free markets unfettered by government restrictions produce the happiest, healthiest, wealthiest peoples throughout world history. Friedman’s belief in freedom of choice was nowhere more adamant than in the education marketplace – where government-run monopoly public schools often consign poverty families to multi-generational bondage to local failing education institutions. Alaska is fraught with examples from inner city to remote native regions.

Yet whenever Alaska education choice advocates push for legislation enabling low-income parents more freedom to place their children in the public or private school of their choice, government unions and educratic special interests immediately claim any reform would violate the Alaska constitution’s Blaine Amendment – which says *“No...public funds for the direct benefit of any religious or other private educational institution.”* Rather than debate the **many studies which show that both public and private schools perform better when they are competing against each other on a level playing field**, the Alaska education cartel simply hides behind this Blaine Amendment.

In order to pave the way for school choice reform, when they re-convene this month Alaska’s Legislature is considering giving Alaska voters the opportunity to vote on abolishing Alaska’s Blaine Amendment. And **School Choice reform is only one of the many reasons Alaska should rid itself of the Blaine Amendment.**

Consider that the US Supreme Court has already declared that *state constitution Blaine Amendments are unconstitutional*  
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*under the federal Constitution, because the 14<sup>th</sup> Amendment guarantees equal treatment under laws regardless of whether you are religious or not. No prejudicial discrimination is permitted... either for or against a religious organization. In *Mitchell v. Helms* (6/28/2000) the prevailing Court opinion declared – “hostility to aid to pervasively sectarian [religious] schools has a shameful pedigree that we do not hesitate to disavow. ... Opposition to aid to ‘sectarian’ schools acquired prominence in the 1870’s... the [Blaine] amendment arose at a time of pervasive hostility to the Catholic Church and to Catholics in general, and it was an open secret that ‘sectarian’ was code for ‘Catholic’... Nothing in the Establishment Clause requires the exclusion of pervasively sectarian schools from otherwise permissible aid programs, and other doctrines of this Court [i.e., equal protection] bar it. **This doctrine [Blaine Amendment], born of bigotry, should be buried now”.***

So, in addition to federal unconstitutionality, the second serious flaw in Alaska’s Blaine Amendment is that it’s rooted in religious bigotry. The **US Commission on Civil Rights** conducted a Washington briefing on “*The Blaine Amendment & Anti-Catholicism*” on 6/1/2007. Panelist Richard D. Komer remarked, “...*Blaine Amendments reek of religious discrimination. As such, they are illegitimate relics of a shameful past we have neither adequately acknowledged nor effectively remedied.*”

A third flaw with Blaine Amendments – The false narrative that such anti-religious prohibitions are somehow wise or prudent. Almost 70 years of American history prove repeatedly that religiously-neutral student support is effective, efficient, and productive. The GI Bill aids veterans to attend the religious or secular school of their choice... with amazing positive results. Child Care and Development Block Grants provided government aid irrespective of the religious (on non-religious) affiliation of the childcare institution... with similar positive results. And both federal and state Child Care Tax Credits subsidize parental choice of child care providers with direct credits offsetting expenses... regardless of the providers’ religious affiliations. These are three examples of numerous government aid programs over 70 years which succeeded despite clear diametric conflict with state Blaine Amendments. And the \$64,000 question is this... If religiously-neutral, competitive level playing fields are good for college programs, pre-school programs, after school programs, and summertime programs; why isn’t this also good for K-12 regular school programs? Here’s why – none of these other programs have powerful government unions lobbying against them, opposing any attempts to reform the monopolistic system. That’s the only difference. Politicians need to recognize that key fact and choose sides rather than feigning “constitutionality” crisis issues. And government union lobbyists need to start debating school choice on the merits of competition... try refuting the many studies which reveal improved public school performance in school choice marketplaces; rather than clinging to the shameful anti-religious bigotry known as the Blaine Amendment. Legislators should grant Alaska voters their right to vote on this reeking relic long past its time.

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## **Bret Bohn: Medical Prisoner Over 60 Days in Anchorage, Alaska**

Posted by: [Allison Martinez](#) Posted date: **January 01, 2014**

**<http://freepatriot.org/2014/01/01/bret-bohn-medical-prisoner-60-days-anchorage-alaska/>**

While many of us had Christmas and New Years, the family of 26-year-old Bret Bohn has held a vigil across the street from Providence Hospital, Anchorage, Alaska as they have most of this fall. Fighting some of the coldest temperatures of the season, they have held a vigil in an attempted to have their son released from the hospital.

**THE WOODSHED PAGE 2**





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It has been 60 days. There has been no diagnosis, no second opinion, and Providence has custody of him.

The hospital won't let his parents in to see him. Other family members are being given very limited access. He has requested release and does not want to go to Boston for treatment.

He is being held as a medical prisoners. The family has appealed to the hospital staff to release him, to no avail. They have tried Governor Parnell—who only blocked the family from Facebook and refused their calls.

Providence called for an emergency hearing Thursday after Christmas. They want to force the transfer of Bret to John Hopkins Research Facility in Boston, MA. This is totally against Bret's and his family's wishes.

Based on statements on their Facebook page, I have attempted to construct the details of the event according to the family's statements below.

*"I Lorraine Phillips am the mother of Bret Bohn who is a 26 year old healthy young man with no other health problems other than his nasal polyps/smell disorder. His father and I brought Bret into the ER at Providence Hospital on October 16th, 2013 because he had not slept for 7 days (insomnia) there Providence release Bret to us the same day subscribed him medication that we as parents thought would help him sleep. Brought him home where he had suffered one seizures, and still did not sleep (now 11 days) his father and I brought Bret back to Providence Hospital ER on October 20th, 2013 where he had been given more medication and suffered three more seizures and was taken into ICU. He has not had seizures to date since he got out of ICU the day of October 22nd, 2013.*

*Bret is held against his will and those of his parents. We begged the doctors to stop medication after Bret had not slept for 24 days they agreed and Bret finally got sleep and was doing better. Father and I were stripped of Bret's legal documents and then Providence resumed medication & restricted visitation on family and friends to one hour or less.*

*Because Bret has no insurance, John Hopkins Medical Research facility is the only one that would accept Bret." Bret's parents have repeatedly stated they will gladly cover ALL of Bret's local medical care, but not a medical TRIAL TESTING FACILITY(on the other side of the country).*

*Providence told Bret's parents "Bret May not ever come home".*

*Another cat scan (makes 4th known) performed on Christmas Eve in preparation to transfer to John Hopkins Research Facility. All against Bret and his families wishes. Bret's arms are completely covered with puncture from the forced meds given intravenously. 22 known drugs being administered to Bret, all against his and his families demands. His pupils are dilated fully most of the time from the forced meds. For almost 60 days there was no diagnoses.*

*No visitation as of December 25th. Family and friends are begging to visit Bret but they have him in complete isolation to date.*

*Father called on December 30th was told by Providence fifth floor nursing staff Bret was not there and they could not give any information to him regarding his care. We are very hurt and fear for his life because Bret has continue to decline in the very hands that we trusted to help Bret. Please continue to pray for Bret and for a change of heart of those caring for Bret. Bret himself has and continues to pray for the doctors and staff that they may have some compassion on him.*

*Providence plans to force the transfer to John Hopkins Medical Research Facility. There, they plan to administer trial drugs and perform a biopsy of his brain for research.*

*The family has demanded a second opinion.*

*The family has demanded transfer to another hospital.*

*Bret and his family have demanded that the drugs be stopped immediately.*

*There was NOTHING wrong with Bret that weaning off of the nasal prescription would not have cured.*

*All demands have been denied by Providence Hospital.*

*Pray for Bret and his family. Providence Hospital has systematically removed their rights and have arranged for Bret to be removed from the state and family. He will be reduced to a Guinea pig and butchered until his death.*

A Facebook page for the cause has been established to keep people informed on events related to Bret Bohn's release and medical condition.

Allison Martinez writes as the "Arctic Conservative" lives in northern Alaska. An economist by training, AC lives as an economic refugee on the edge of the country.



## **Current Fed Policy: An Exercise in Keynesian Folly**

**Mises Daily:** Monday, January 06, 2014 by John P. Cochran [mises.org](http://mises.org)

In his *The General Theory of Employment Interest and Money*, John M. Keynes criticized, without citing or mentioning him explicitly, Hayek's (Austrian) primary policy recommendation: the best way to avoid a bust is prevention. Hayek knew that avoiding the credit-created boom prevents the associated malinvestments and over-consumption while boom-bust cycles will be avoided through prevention or significant reductions in credit creation.[1] Keynes, however, thought differently:

*Thus the remedy for the boom is not a higher rate of interest but a lower rate of interest! For that may enable the so-called boom to last. The right remedy for the trade cycle is not to be found in abolishing booms and thus keeping us permanently in a semi-slump; but in abolishing slumps and thus keeping us permanently in a quasi-boom.*

A good interpretation of the Bernanke Fed monetary central planning since the end of the "Great Recession" with its near zero-interest rate policy coupled with multiple rounds of quantitative easing (QE) driven by apoplithorismophobia, is that the Fed has been attempting to follow Keynes's advice.[2] The way to avoid a new slump is to keep interest rates low for as far as the eye can see as a way to overcome a lack of "animal spirits" and thus sustain a quasi-boom. As long as inflation is low, no harm, no foul. In fact, as the thinking goes, a little more inflation might be beneficial.

Comments by Peter Schiff in Reaction to the Federal Reserve Policy Statement "following the Fed's announced limited tapering of QE III support this interpretation of Fed intentions." Schiff points out, "There can be little doubt that today's Fed announcement is an epic attempt at rhetorical audacity. The message they hope to convey is that they are tightening monetary policy by loosening it." He then points out, "There is little evidence to suggest that the trends are self-sustainable. But seemingly strong data had made the arguments in favor of continued QE increasingly untenable. As they could no longer stay the course the Fed had to do something. Ultimately they decided to play it both ways." Schiff then explains what is unstated, but between the lines — continued ease is the Fed's intent:



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But these “Open Mouth Operations” likely represent the full inventory of the Fed’s policy options. I suspect that when the economic data begins to disappoint, the Fed will quickly reverse course and increase the size of its monthly purchases. In fact, today’s Fed statement was careful to avoid any commitments to additional tapering in the future. It merely said that further changes in the amount of purchases will be dependent on the data. This means that QE could go in either direction.

If yields move much higher I feel that the Fed will have to intervene to bring them back down. In other words, the Fed will find it much harder to exit QE than it was to enter.

Austrians long ago showed the folly in such policies. Hayek’s lead essay in *Profits, Interest and Investment* (1939) provides an early Austrian response to Keynes’s nonsense.[3] In what is one of Hayek’s most difficult articles, Hayek explicitly argues that such a policy will ultimately not only fail to achieve its stated objective, but will lead to significant long-run harm to the economy. The policy might temporarily appear to increase employment, but the effect is an illusion.[4] Credit creation and artificially low interest rates, even if applied to an economy with currently unused resources still misdirects production leading to boom-bust episodes and higher future unemployment. Adrián O. Ravier updates these arguments in his two excellent *QJAE* articles, “Rethinking Capital-Based Macroeconomics” and “Dynamic Monetary Theory and the Phillips Curve with a Positive Slope”. In the first, Ravier provides

an explanation of why expansionary monetary policies fail in the longer term to solve the unemployment problems associated with recessions. This extension provides a fresh perspective on the debates between Hayek and Keynes in the 1930s and over “quantitative easing” today.

In the second article, Ravier shows:

While it is true that after the boom and bust the economy returns to the natural rate of unemployment, the crucial point is that the “natural rate” at the end of the cycle is quite different from the one evident at the start. This requires an “Austrian” Phillips curve with a positive slope.

During an artificial boom, employment may initially decline. However after a return to “normalcy,” unemployment may actually be higher than what would have been the norm before the policy-induced boom.

Joe Salerno cautions that besides the long run risks discussed above, an artificial low interest rate environment based on deflation fears may actually be preventing a healthy recovery.[5] Salerno points out:

For recovery to begin again, there needs to be a *steep rise* in the “real,” or inflation-adjusted, interest rate observed in financial markets. High interest rates do not stifle the recovery but are the sure sign that the readjustment of relative prices required to realign the production structure with economic reality is proceeding apace. The mislabeled “secondary deflation,” whether or not it is accompanied by an incidental monetary contraction, is thus an integral part of the adjustment process. It is *the* prerequisite for the renewal of entrepreneurial boldness and the restoration of confidence in monetary calculation. Decisions by banks and capitalist-entrepreneurs to temporarily hold rather than lend or invest a portion of accumulated savings in employing the factors of production and the corresponding rise of the loan and natural rates above some estimated “true” time preference rate does not impede but speeds up the recovery. This implies, of course, that any political attempt to arrest or reverse the decline in factor and asset prices through monetary manipulations or fiscal stimulus programs will retard or derail the recession-adjustment process.





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Current Fed policy is a policy of illusion, or better yet, of delusion.

John P. Cochran is emeritus dean of the Business School and emeritus professor of economics at Metropolitan State University of Denver and coauthor with Fred R. Glahe of *The Hayek-Keynes Debate: Lessons for Current Business Cycle Research*. He is also a senior scholar for the Mises Institute and serves on the editorial board of the *Quarterly Journal of Austrian Economics*.

[1]For a more detailed discussion of Keynes and the Austrian see the my “ Capital-Based Macroeconomics: Austrians, Keynes, and Keynesians” which is an un-gated draft version of a forthcoming chapter in P. J. Boettke & C. J. Coyne (Eds.), *Oxford Handbook of Austrian Economics*. Oxford: Oxford University Press.

[2]See also central banking to central planningby John H. Cochrane

[3]see Hayek's Critique of The General Theory by David Sanz Bas

[4]See *Unemployment and Monetary Policy: Government as Generator of the “Business Cycle.”* San Francisco: Cato Institute. PDF on request.

[5]A Reformulation of Austrian Business Cycle Theory in Light of the Financial Crisis, p. 38.



## **The Nuns and the President**

By Judge Andrew Napolitano <http://tenthamentcenter.com/2014/01/16/the-nuns-and-the-president/>

When the Framers were putting together the Constitution in Philadelphia in the summer of 1787, they knew the states would not adopt it without written guarantees that the new central government would respect natural rights. The supporters of the Constitution promised political leaders in the states that the written guarantees would soon be added as amendments, and they were. By late 1791, the Bill of Rights was ratified and added to the new Constitution.

The purpose of the Bill of Rights was to assure all in America that their natural rights — areas of human choices for which a permission slip from the government cannot be required and in which the government cannot coerce compliance with its wishes — would not be impaired by the federal government. Since the ratification of the Fourteenth Amendment, the natural rights protected in the Bill of Rights generally have been insulated from interference by the states, as well.

All natural rights are of paramount importance to all persons. They are individualized personal gifts from the Creator and have been recognized as such in American law since Thomas Jefferson wrote in the Declaration of Independence that we are endowed with them by Him.

One of those rights guarantees the free exercise of religion. Indeed, the Free Exercise Clause in the First Amendment was written to ensure that the new government could not coerce persons to behave differently than their religious views informed their consciences or punish them for not conforming to a government-mandated religious orthodoxy. Generally, for almost 230 years, the federal government left us alone to choose freely our religious practices and to worship as we believe. Until now.

Today, the free exercise of religion is under attack by the government. When Congress enacted the Affordable Health Care Act — I prefer to call it Obamacare because it is President Obama’s brainchild, his signature legislation, and because there is nothing affordable about it — members of Congress must have known that the law would impose obligations

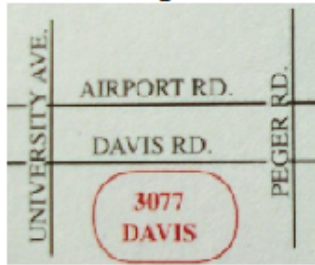
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upon persons that would force them to engage in behavior in violation of their religious beliefs. Obamacare, which has been upheld by the Supreme Court under a superficial and novel theory that permits the feds to regulate natural rights by taxing us when we do not do as they have commanded, requires all employers of 50 or more persons to obtain health insurance coverage for all of their employees that pays for birth control via contraception, sterilization and abortion.

The Little Sisters of the Poor are an order of Roman Catholic nuns who have taken vows of poverty, chastity and obedience. They operate nursing homes for those who cannot afford them and employ more than 50 persons. The sisters have objected to the requirement that they must pay for health insurance coverage that provides for birth control, as those payments directly violate Catholic teachings and beliefs.

In a pluralistic society, one would expect that the government would accommodate the sisters.

In a free society in which everyone who works for the government takes an oath to uphold the Constitution, the feds have a legal obligation to accommodate them. In a political society in which many Catholics are Democrats who elected the Congress that gave us Obamacare, one would expect an accommodation. But we expect in vain, as the federal government has resisted the sisters mightily and asked the courts to turn down their pleas.

What is wrong with Obama that he would employ lawyers to do this? For starters, he does not believe in natural rights. He accepts the perverse view — known as positivism — that our rights come not from God, but from the government. This is not an academic argument, as, in the president's world, if the government is the source of freedom, then the government can restrict it. This is, of course, the opposite view from that of Judeo-Christian values, the Framers, the Constitution and American law; thus it violates the oath of office the president took.


But just as troubling as his attitude about the origin of personal freedoms is the president's attitude about the exercise of personal freedoms. Throughout his presidency, he has taken the position that he, and he alone, possesses the power to dispense with the obligations of federal laws when they are too burdensome and even to ignore them. He has bombed other countries without congressional approval, spied on all Americans without lawful warrants specifying any of them, enforced environmental regulations that Congress declined to enact, and declined to enforce or delayed the onset of sections of Obamacare that offend his friends. He has done this for political reasons when his colleagues and supporters have asked it of him.

So, what about the nuns? Nuns who own no personal property, nuns who spend their lives ministering to the poor, nuns who will never have the need for contraceptive or sterilization or abortion services, nuns not involved in politics but deeply committed to well-formed consciences? Can he give them a break, too? In a word: No. His Department of (political) Justice has vigorously resisted the nuns and even mocked them. It has demanded that they assert in writing what their religious beliefs are and that they permit others to pay for the contraceptive, sterilization and abortion services they do not want, cannot use and profoundly condemn.

Our post-Obamacare world is dangerous for people informed by conscience and presupposing respect for natural rights. Where are the Catholic Democrats in Congress who voted for this monstrosity? Why are they silent or tacitly with the

president? Where are all good people of conscience in this great clash between the nuns faithful to God and the president to politics?

If the government can tax you and me and selfless nuns for fidelity to long held religious beliefs while exempting others because of their fleeting political beliefs, then the Free Exercise Clause of the First Amendment is meaningless. And our rights are in the hands of a congressionally enabled tyrant.



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**Things which caught my eye** By Tim Sovde

China's continuing accumulation of gold bullion signals a conscious decision to distance it self from the irresponsible spending and monetary policies of the US.

*China imported around 861.40 metric tons of gold via Hong Kong in the first eight months of the year, more than double the 361.02 tons during the same period last year, new data from Hong Kong Census and Statistics Department showed.*

*The People's Bank of China, the central bank, last stated its gold holdings in April 2009, when they stood at 1,054 tons.*

*The World Gold Council has estimated that Chinese imports this year will top 1,000 tons—believed to be a record amount.*

**Arpan Mukherjee**

<http://blogs.wsj.com/moneybeat/2013/10/10/chinas-hunger-for-gold-triggers-speculation-about-reserves/>

Locally it was interesting how the DEC handled public input and information meetings for the proposed DEC Air Quality Regulations. The DEC did a great job of informing the public when a Open House was scheduled. Open Houses do not allow public comment. The venue with open public comment was poorly noticed. Only the good offices of Representative Tammy Wilson notified the public when their voices could be heard at a DEC scheduled event.