

## WAITING FOR GULAG

*Ask not what the government can do for you. Ask what the government is doing to you.—David Friedman*

Ever wonder what the government will be doing to *you* in, say, five years? Well, the answer is as close as your nearest news magazine or city newspaper. Read the statements of government officials and of personages who might be included under the heading "The Power Elite"—every once in a while one of them will make a perfectly outrageous statement about future public policy such that you'll say to yourself, "Oh, people will never go for *that!*" Days will pass and you'll see little or no commentary in other news sources about the statement—no letters to the editor or anything—and finally the incident will pass from memory. Then maybe in six months you'll notice some other VIP making a similar statement; then presto! the next news in a year or so is that Congress is holding hearings to consider implementing the policy. Next thing you know it's law—and people accept it as the progressive thing to do.

What you will have witnessed is the phenomenon of the trial balloon. Sent up by The Powers That Be to gauge public reaction to a proposed scheme, the appearance of a trial balloon can also serve to alert defenders of freedom that if they don't get busy they're going to lose another one. Watching for balloons as well as for their cousins, the denials (a denial consists of a well-placed government official denying he was contemplating taking some action, as a prelude to him taking that action. Remember when the Nixon administration kept saying they'd *never* impose wage and price controls?), is rather like watching a train coming over the horizon when you're tied to the track—at least you're not going to be surprised. And maybe you can even be rescued.

The period of time from trial balloon to ghastly reality seems to be about five or six years. The first trial balloon about the "necessity" for national health insurance if the medical profession didn't shape up appeared around 1969 (the version I spotted was buried in the back of the *New York Times*) and the second appeared about six months later (in the front part of the *Times*). Now, in 1975, the debate is over *which* national health insurance we'll get, not whether. A similar sequence was followed with regard to the FDA's imposing restrictions on the sale of vitamins, except in that case the trial balloons were

noted and the group to be shafted was large and vocal. Some opposition was generated, with the result that the restrictions haven't gone into effect yet.

Now, within six months of each other, two trial balloons have gone up which, if ignored, could have rather ominous implications for all of us. The first occurred last fall when then Attorney-General William Saxbe charged that local police weren't doing a very good job of preserving law and order and ventured the opinion that if something weren't done to bring down crime rates the American people would be demanding a national police force within five years. Not that *he* wanted to see such a thing happen, of course, but . . .

Then the second occurred in late February of this year when Frances G. Knight, director of the State Department's Passport Office, said in a published interview, "It is my considered opinion that the U.S. Government owes every American citizen a true, recorded national identity to protect him from criminal impersonations. . . . I predict that national registration eventually will come to this country because it will be demanded by citizens who are sick and tired of supporting nontaxpaying criminals and illegal aliens."

Now the newspaper reports of the interview generally tried to dismiss Ms. Knight as a bureaucrat long overdue for retirement who is simply interested in expanding her department. While that may be true, her statement has the ring of an idea whose time may unfortunately come. Notice the mention of citizens having to support nontaxpaying criminals—do you think she simply means murderers and muggers who forgot to file their 1040? Maybe I sound paranoid but at a time when there's talk about the Social Security System having to be funded out of general revenues, when inflation is getting out of hand because too much unbacked money is circulating, when the IRS admits that vast numbers of people are evading taxes and that an active Tax Resistance movement is underway, I think she means tax evaders (who are criminal by definition). And what better way to sell the idea than to imply that everyone else will be able to pay less if only these "dead-beats" were caught. (If that doesn't convince people she has the part about catching illegal aliens—everyone *knows* how they are taking jobs from Americans and helping to cause the high unemployment.)

Now, you can expect that the IRS, if

asked, will deny that they'll use the internal passports and the data bank that will go along with them for any large scale crackdown on tax resisters—after all, the idea wasn't theirs—it was Ms. Knight's over in the State Department. Of course they'll ask that tax data be included in the data bank just so they can catch a few big Mafia types, and data on international currency transactions will help the border patrol catch some of those illegal aliens that are sending money back to Mexico—but, they'll say, even if they wanted to they don't have the manpower to track down every person in the country who decides not to hand over his earnings to the government.

That's where the National Police force comes in. *That*, of course, will be instituted because of rising crime rates, which local police, no matter how hard they try, just can't bring down. (Never mind that a major source of figures on crime rates is the FBI, a Federal agency, or that the *actual* crime rate *might* be going down even while the *reported* crime rate is going up because more people are calling in the police and/or the police are keeping better records, or even that inflation is causing the price of goods to rise so that what was a petty theft-misdemeanor five years ago is now a grand larceny-felony). Once instituted, a National Police Force will presumably be available for lots of jobs—checking I.D.'s, hauling in tax resisters and draft evaders, etc.

Of course, I hope all of this is just paranoid imagining on my part: certainly I'm doing a lot of speculating based on some trial balloons. But remember: the trial balloon that isn't burst when it first appears gets tougher and stronger until it turns into a ball and chain. You can't say you weren't warned!

—LYNN KINSKY

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## IMAGERY

*(Wind. Is swelling in her skirt.  
A pulsing of the temple.  
Nerve-ends tremble with a blade  
of grass along her inner leg.  
His mouth along her shoulder.)*

W. G.

# foreign correspondent

## THE REMARKABLE PROGRESS PARTY

Taastrup, Denmark. In the beginning of January we had another general election in Denmark, only one year after the last election which made the tax-negating Progress party the second largest party in the Parliament (and which was described in my column in the May 1974 REASON).

This new election was in principle caused by the difficult economic situation which is well known in all parts of the industrialized world, but which for specific reasons inherent in the Danish politico-economic structure has been worse here than in most other countries.

The economic difficulties manifest themselves in such convincing results as increasing inflation (over 16 percent per year), increasing debt to foreign countries and, most alarmingly, an increasing rate of unemployment which is now approaching 15 percent (as compared to about 2 percent in the beginning of 1974).

In this connection it is relevant to point out that the increase in wages in Denmark during the period 1969-1974 has been 105 percent accompanied by an increase in taxes during the same period of 177 percent (make your own guess about the cause-effect relationship involved) as compared to, say, Sweden with an increase in wages of 70 percent (taxes 83 percent) and the U.S.A. with an increase in wages of 36 percent (taxes 55 percent). Add hereto that the government during 1974 put a severe restraint on public building expenditure and it is not difficult to understand that in combination with the "oil crisis" industry has been forced to cut down production.

Furthermore the round of central bargaining between unions and employers for the wages for the next two years started in late 1974 with the unions requiring a 25 percent increase in wages and the employers requiring a standstill. The government proposed to intervene into the negotiations, but Parliament could not agree to its plan and writs were issued for an election.

The outcome of the election was not very encouraging. The left wing parties gained some seats (but are still far from having the majority); there are still 10 parties represented and the difficulties in reaching agreement on anything (which have been very marked in the past year) have not diminished, as can be seen from the fact that it has not yet (the beginning of February) been possible to form a satisfactory government. The Progress party

lost 4 seats and now has 24 (out of 175) which makes it the third largest party as the liberal government party gained enough support to make it the second largest with 42 seats (the Social Democratic party is still the largest with 53 seats).

The continuing success of the Progress party is, however, remarkable. Particularly when one considers that during the past year when the party has been represented in Parliament, it has been avoided by all the other political parties as if its members were carriers of some infectious disease, resulting naturally in very little political influence. Furthermore the news media have almost all agreed to continue to make the Progress party their scapegoat and in TV interviews its representatives have been treated with more hostility and less fairness than what is shown to the Communist party.

And, finally, Mr. Mogens Glistrup, the leader of the Progress party and so far still its only outstanding figure, has been put on trial and charged with tax evasion on his own and his clients' account. It is a serious affair which may cost him a huge amount of money, up to four years of prison, withdrawal of his right to practice as a lawyer (he has the greatest law office in the whole country) and of course put an end to his political career.

Mr. Glistrup himself claims that he has not committed any unlawful acts and that the process is politically inspired in order to get rid of him and his troublesome ideas. The charge itself is very complicated for a nonlawyer (and for lawyers also, for that matter) to look through, but the essential ingredients as understood by a layman are as follows. It seems that the main issue is that the money transactions made by Mr. Glistrup and his clients are claimed to be merely fictive and only carried out in order to evade income taxes and that this is against the "spirit of the law." Whether this is true or not, I am not capable of judging, but it sure is interesting to make a comparison with those social workers who are proud of proclaiming that one of the most important aspects of their job is to find all possible loopholes in the welfare laws so that they can get the greatest amount of money and help to their clients. And surely nobody is dreaming of charging *them* with anything!

As for the question of whether the case is political, one may of course argue that *if* its main point is to establish that Mr. Glistrup

has acted contrary to a not too evident intention of the law, then it could be classified as political, but it is not thinkable that it is inspired by some obscure political plot (and, incidentally, the supreme court has already determined that it is not a political case). However, it is more than plausible that the case was brought against Mr. Glistrup (and not somebody else who might have violated the spirit of some law) because he provoked the authorities and the whole country by stating publicly that he could and did manage to avoid paying taxes by cleverly exploiting the existing laws.

But this whole legal tangle does not seem to affect the voters to any large degree. In spite of all the denunciations of the press, the unwillingness of the other political parties to cooperate with the Progress party and the lawsuit which probably will drag on for years and thereby drain quite a lot of Mr. Glistrup's working capacity from his political work, there is still about 13 percent of those that voted who believe that his party is needed on the political scene—and now, less than a month after the election, the opinion polls show that the Progress party has already regained the support that it had in the 1974 election. (continued to page 32)

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