

brought it up, that even convicted felons can continue to collect pensions from the hapless taxpayers!

On taxes (in addition to fees), Kaza is particularly effective, since he is a member of the House Taxation Committee. Kaza led the charge in battling against a bill raising income taxes by 30 percent, losing by 11 to 6 in committee, but helping to force the pro-taxers to pass a substitute compromise bill. On the floor of the House, Kaza co-sponsored the Kaza-Jaye amendment to roll back 1993 property assessments to the rise in the consumer price index (2.9 percent). One way of sneakily raising taxes, of course, is to raise assessments, and some Michigan communities raised property assessments by over 20 percent during 1993. The Kaza-Jaye amendment won handily by 58 to 43; unfortunately, this amendment was later stripped from the bill in a bipartisan compromise.

On other measures, Kaza heroically pushed the envelope. Thus, he was one of only four representatives to vote against increased pensions for state employees. Then, in another issue which should ring bells among Michigan voters, Greg Kaza introduced an amendment to strip \$1.2 million in tax dollars "for the college education of maximum security prisoners," in the supplemental appropriations bill for 1992-1993. Good God! Over a million dollars to provide college education for maximum security prisoners! The Engler machine, responsible for this outrage, helped deny Kaza's request for a roll-

call vote on the issue, after which his amendment failed on a voice vote by the cowardly legislators. Why not save the taxpayers the money and simply grant every rapist and murderer in Michigan prisons an immediate Ph.D? That, along with convicting police for attempting to do their duty (as in Los Angeles) should assuage the "rage" of the "community" and buy off some riots! After this fiasco, Kaza fought until the end, being one of 11 Representatives to vote against the entire supplemental appropriations bill.

Bravo Greg! And the next time Governor Engler appears on one of his handpicked stages, such as the Kempians Empower America of which he is a leader, why doesn't someone ask him about his support for free college education for rapists and murders? It would be interesting to see how this "conservative" or "progressive conservative" or whatever he calls himself these days, will reply. ■

On "Taking Responsibility" For Waco

by M.N.R.

I see that Attorney-General Reno and President W. J. Clinton are loudly "taking responsibility," even "taking full responsibility," for the massacre at Waco. I've often wondered: what exactly is "taking responsibility" supposed to mean these days? Does it mean that we

get to string them up for mass murder? Or what? ■

On The King Beating Trial: A Note

by M.N.R.

Most Boring Non-News Headline (and TV shows) of the Year: "LA Awaits Trial Verdict."

Best Comment on the 2nd Trial Verdict (by an old friend): "Well, I guess we should be grateful that they didn't have to try [Koon and Powell] five times before they got a guilty verdict."

And whatever happened to the ban in the Bill of Rights against double jeopardy? ■

Stealing the Pennies Off Dead Men's Eyes

by Llewellyn H. Rockwell, Jr.

When I think of taxes, I remember the old Jack Benny radio routine. A thief stops Benny on the street, points a gun at him, and demands, "Your money or your life." After a long pause, the famously frugal comedian says, "I'm thinking, I'm thinking!"

When the tax police take more of our money, so that the government has more to waste and do damage with, it also takes a little of our life, for this is the fruit of our labor. We might

want to spend it on a child's education, the care of our aged parents, or a donation to our church. But no, it has to go to D.C. for welfare and warfare.

Karl Marx wanted the "abolition of all right of inheritance." Like everything he advocated, this would be horrendously destructive. To real Americans, it is natural and just that parents be able to pass on their savings to their children. It also makes economic sense, for capital—the amount of which determines our national standard of living—is accumulated for this purpose.

So naturally, left-liberals have attacked inheritance, first because they are social levelers at heart, and second, because they can't bear to leave any private wealth untouched. As a result, our right to pass on our wealth to our descendants, or to charities, is hindered by a mare's nest of taxes at all levels of government.

Unfortunately, Bill Clinton, desperate for more tax revenues to fulfill his spending plans, sees an attack on inheritance as the path of least resistance. For despite broad heartland support, there is no lobby in Washington capable (or even much interested) in mobilizing against inheritance tax hikes. Like everything else politically good, opposition must come from the grassroots.

At the covert request of the Clinton administration, the *Washington Post*—according to Spiro T. Agnew, fit only for the bottom of bird cages—fired the first shot in the coming inheritance tax war. Increasing the federal inheritance tax, said the *Post*, could bring in many bil-

lions a year. The Clinton idea, which has been making liberals salivate for years, is to subject inherited property to the capital gains tax. In addition to present inheritance taxes, the property would be assessed on the basis of how much more it is worth now than when it was acquired, and taxed on that increase (which, thanks to the government's inflation, is fictitiously high or even illusory).

Present policy, said the envious *Post*, benefits "the better-off."

Liberals tried to enact this same idea in 1976 (an act of "courage," said the *Post*), but decency overcame the Congress, and the bill was defeated. Now the grave robbers are back.

A man who started a \$1,000 business in 1950, and turned it into a \$10 million firm, could not hand it on to his son without millions more in taxes, on top of already high federal, state, and local death taxes. The property would have to be sold, or at least heavily mortgaged. Even family heirlooms, insofar as they are reported to the government, would be subject to the same capital gains tax.

Liberals claim the present law—which only taxes capital gains after death and before distribution—contains a loophole. In fact, the entire value of the property is already after-

tax, since it represents what the government didn't grab during the person's life. If Clinton gets his way, all bequested property will be taxed yet again. (Since his mother, according to the *Washington Times*, is a gambler who spends every day at a race-track near Hot Springs, Arkansas, he may figure he has nothing to lose.)

Here, as always, the tax increasers assume a static economic model when making their predictions of increased revenue. They assume that people will go on investing and saving no matter what the government does to them. But they won't. And we will all be the poorer for it.

Most modern economists—their minds warped by left-wing Nobel Prize-winner

Franco Modigliani—assume parents don't save for their kids. (Just one example of the nuttiness of most economists.) But free-market economists of the Austrian School recognize the strength of the "bequest motive" for saving. We all want our children to have better lives than we did, and inheritances help make that possible. Often, in fact, this desire is stronger than the desire to consume for ourselves. Many fathers are more willing to work and save for their children than to accumulate for a possibly short retirement.

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In addition to erecting disincentives to saving and investment—as if we needed more!—increased inheritance taxes also alter family relations, and not for the better.

One incentive for adult children to care for their elderly parents—an incentive already undercut by present taxes and Social Security—is a favorable will. With parents and grand parents less able to pass on their wealth, young people would, on the margin, have even less regard for their elders' well-being. Churches and other charities will also receive less money through bequests, another socially ruinous consequence.

And any increased taxes will go into the maw of an already monstrously large government. Compare the utility of that to having the money stay in the families of successful people with the mental constitution to preserve and increase it.

The war for American independence began as a revolt against a British inheritance tax. Afterwards, the federal government imposed some death taxes, but only for the purpose of funding wars, and always temporarily. It wasn't until after the First World War that such taxes became permanent.

This "Progressive Era" was dominated by many changes in the direction of socialism. We got peacetime income taxation for the first time, a central bank to water down the value of our money, and, not surprisingly, an attack on inter-generational wealth accumulation.

Such reforms followed up on more of Karl Marx's ten steps to communism as listed in the *Com-*

munist Manifesto. In addition to the "abolition of all right of inheritance," he recommended "a heavy progressive or graduated income tax," and the "centralization of credit in the hands of the State."

The cost of present inheritance taxes—federal, state, and local—is already extremely high. Great fortunes have been devastated, beautiful properties

lost, ancestral homes abandoned, traditions forgotten, families weakened, and immense wealth not created. That's why, instead of increasing these deadly taxes, they should all be repealed.

For many people, the idea that a person can own property that he has not "earned" is wrong. But who is to define what is earned and unearned? A good upbringing, not to mention

More Quotes That Need No Comment

"He was our Gandhi," said Democratic state Senator Art Torres, a prominent Chicano politician from Los Angeles' Eastside, upon hearing news of [Cesar] Chavez's death. "He was our Dr. Martin Luther King. It's hard to find people like him who epitomized the spiritual and political goals of a people." — *Los Angeles Times*

"We've lost total sense of proportionality here. But this is all politics, and I've come to expect it," said one aviator who was vigorously interrogated by [Tailhook] investigators but has apparently been cleared.

"We've been criminally maligned, subject to criminal misconduct by the investigators, and I think we're all fiercely resentful," he said. "I don't know one person who's been through this process who's been accorded the rights and respect that any civilian would have had or that any woman in this incident was accorded." — *Los Angeles Times*

The well-earned animosity toward [Clarence] Thomas among some elements of the right surfaced in his Supreme Court confirmation. In an article in the conservative magazine *Chronicles*, Llewellyn Rockwell called Thomas a "racial victimologist" and a "pre-1975 liberal," and even mocked his life story, as recounted in his Senate testimony. "As to the outhouse, a fixture for many white and black Southerners of the time," Rockwell wrote, "there is only one way it can become 'unworkable and unusable.' When nobody cleans it out." — David Brock, *The Real Anita Hill*.

The respondents to Buckley's essays include... Murray Rothbard (a Buchanan supporter who is positively frightening in his call for full-scale abolition of the New Deal) — Paul Berman, self-proclaimed "anarchist," in *The New Yorker*

There is no Bosnia. There was the former Yugoslav Republic of Bosnia, but it no longer exists. Now we have our Serbian Republic, and no one can sign that away. — Miroslav Vjesdica, Member of the Parliament of the Serbian Republic (ex-Bosnia.)

"Was it [Somalia] worth it?" Army Specialist Thomas Woods asked... "How many Americans did we lose? Seven? Well, not one of those lives was worth it. I could see going to a place to help a country out, but only if that country is willing to help us back. Heck, a lot of these people didn't even help us help them." — *Los Angeles Times*

high intelligence or strong will, is not something anyone earns, anymore than slums, stupidity, or laziness. That some people have things other do not, regardless of perceived "merit," is a fact of life. The attempt to level such opportunities only enhances envy and socialism.

Besides, inherited property, and the privileges that come with it, is not always permanent. As in the Biblical parable, some sons squander their inheritance. In the market economy, this property eventually gets into the hands of people who value it more, and will increase it. But when the state confiscates the property, the money is always dissipated.

In the coming war over inheritance, who will defend the "rich," i.e., anyone who—after the multitude of life taxes—has anything left and seeks to pass it on? For the envious, it is enough to say that only the "better-off" benefit from present policy. And certainly, if this idea is carried off, there will be fewer of them for liberal Democrats to worry about.

Ultimately, the attack on inheritance is part of a broader attack on private property, driven by the horrible notion of "economic equality." As Spanish political philosopher G.F. de la Mora argued, the attempt to impose economic equality "discourages self-improvement and productivity, destroys personality, substitutes arithmetic for justice, mutilates liberty, reduces creativity, alienates morality, decapitates the formation of the best, contradicts equality before the law, and to a certain degree, political equality."

To put it another way, the common purse snatcher is a scoundrel, but grave robbing has always been considered far worse. It is hardly surprising that our political masters, who should be used as dumb bombs in the next attack on Iraq, would want to enact the fiscal equivalent of grave robbing. While we are still around to do something about it, we should let them know what we think about the plundering of our children's inheritance. ■

SBA and the Gays

by L.H.R., Jr.

Two days before the celebrated gay-lesbo march on Washington, a gathering took place at Small Business Administration headquarters, which tells us much about the irrationality of government intervention as well as the real goals of the homosexual lobby.

With the blessing (if you'll excuse the expression) of its management, the SBA's homosexual employees held an office party in honor of the gay march. And chief counsel Doris Freedman told them to march right up to the loan window, for the agency would now be stamping Yes! on sexually diverse loan applications. As gay SBA official Don Kraft said, "the door is open." And so is the taxpayer's wallet.

The SBA gives lush grants and low-interest loans to politically connected small businesses. The other 99.5% get their reve-

nue from the market. But by putting politics rather than economics in charge, the SBA makes most of us poorer (except the recipients of its largess). This is not counting the many loans that go belly-up, nor the other funds lost through the agency's storied fraud and mismanagement.

SBA's Kraft says the agency should make gay loans because "we have programs that help other groups." That's true. The SBA extends its welfare to blacks, Hispanics, women, the disabled, etc. But rather than expand this damaging victimhood, we should roll it back.

Even if we don't, how will the SBA know for sure? Not all gays look like the characters who chanted that they were "here" and "queer" during the march. This action subsidizes open gays as versus closeted ones, which may be part of the purpose. In addition, if someone is declined for a "straight" payoff, can he re-apply for a "gay" one?

Besides, isn't there something haywire about a victim group that defines itself solely in terms of its sexual activities? What's next, civil rights for self-abusers? Besides, the median household income of gays is 42% higher than that of heterosexuals. Along with their high incomes, gays have few if any family responsibilities, and when they start businesses, they have a ready customer base of other gays, many of whom prefer to patronize their fellows.

The real problem is not the SBA's funding of gays, however, it is the entire concept of government subsidies for business. If