



Written by on December 28, 2010

## On the Dangers of Deficits and Perpetual Revenue

In the Debates in the Federal Convention of 1787, Mr. Mason of Virginia, suggested:



the necessity of preventing the danger of perpetual revenue which must of necessity subvert the liberty of any Country. If it be objected to on the principle of Mr. Rutledge's motion that public credit may require perpetual provisions, that case might be excepted: it being declared that in other cases, no taxes should be laid for a longer term than \_\_\_\_ years. He considered the caution observed in Great Britain on this point as the palladium of the public liberty.

Mason was reflecting a common fear among America's Founders that giving government the right to go into debt to fund any of its projects could destroy any free state. A permission was eventually granted in the Constitution for fear of its need in war time, as was the case in the War for Independence. That we use it today to fund big-government socialism seems to validate their fears. However, the question is, was it really a flaw in the Constitution or are we flawed? both our corrupt representative on the one hand and our ignorant and less than vigilant citizenry on the other?

Here's the catch: It was discussed in the previous day's debate (August 17, 1787) that the Constitution had several powerful checks against an abuse of this power. 1. The federal budget had to be re-approved annually. 2. In the case of the military, every two years. 3. The House, that is the representatives of a hoped-for vigilant citizenry, served only two-year terms and could be voted out if ever they abused that power.

These checks served well for 126 years. Then during the days of the Woodrow Wilson Administration the United States created the unconstitutional, pro-Marxian Federal Reserve Bank (an exclusive banking monopoly held in private hands), adopted the graduated income tax, and repealed the vital check on socialism that the election of U.S. Senators by their state legislatures was, in part, designed to perform. Next, in 1933, Democrat President Franklin Delano Roosevelt, in violation of the Constitution (and without the required amendment for such a change), removed us from the gold standard. While in 1971 Republican President Richard Nixon finished the job ending the direct convertibility of the dollar to gold. Finally, came the era of entitlement programs, which don't come up for an annual vote (in violation of the Constitution) but are now perpetual rights, such as: Social Security, Medicare, Medicaid, and a host of other programs.

Two of these changes came by Amendment to the Constitution and thus required the support of the people after a considerable debate. The rest certainly could have been avoided or reversed by a vigilant citizenry. Unfortunately, millions of our citizens clamored for the free handouts an increasingly socialistic state doled out; and campaigned for and voted in politicians who would rob "rich" Peter to pay "poor" Paul — as serious a moral flaw in the public virtue as ever there was — and still do.



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So again, was the document flawed, as some suggest, or is it more to the point that the government's abuse of its power to borrow coincided with a decline in our national morality, a decline in the education and eternal vigilance among the citizenry and the leaders they elect; and along with that, or because of that, our nation's foolish left turn down the road of Marx and Keynes and Lenin?

I prefer to believe the latter. For no constitution, no matter how good (and ours is the best of the best) will long survive an ill-educated and morally corrupt people. It will take a moral, educated, and politically active people to turn things around.

*Source: Madison's Notes on the Debates in the Federal Convention of 1787, August 18, 1787 (spelling modernized). George Mason IV (1725–1792) was an American patriot, statesman, and delegate from Virginia to this Constitutional Convention. Along with James Madison, he is called the "Father of the Bill of Rights." He insisted on clear protections for state and individual rights in the Constitution. He did not sign that document, in part, as a result of their lack. His efforts, therefore, led to the insertion of a Bill of Rights as one of the first items of business in the new government. Back in 1776, he authored the Virginia Declaration of Rights.*

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