

Democracy in Chains: The Deep History of the Radical Right's Stealth Plan for America

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The primary theme of *Democracy in Chains* by Nancy MacLean, a Duke University history professor, is that participation in American democracy by conservatives or libertarians threatens the destruction of American democracy by imposing restraints on the unlimited growth of government. She claims to have only realized this dire threat in “the early 2010s” when “something extraordinarily troubling had somehow entered American politics” (p. xv). Rather than the usual “bipartisan” support for the never-ending growth of government by both parties, a few “actions” of a few Republican governors and congressmen “seemed intended in one way or another to reduce the authority and reach of government....”

To Nancy MacLean this was “a fire bell in the night,” to borrow a phrase from Thomas Jefferson.

The alarming things that were so disturbing to MacLean were the actions of Wisconsin Governor Scott Walker attempting to save his state from bankruptcy by restraining the political clout of teachers' unions and other public employee unions; New Jersey Governor Chris Christie's criticisms of the teachers' unions in his state; opposition to proposals to allow voter registration without showing proper I.D.; and the existence of articulate arguments in opposition to more socialist central planning of health care (a.k.a. “Obamacare”).

Everything seemed to be going swimmingly, with the most far-left ideologue in history occupying the White House, and Democrat Party dominance of Congress, and then all of this happens. Leftists like Nancy MacLean claim to have been blindsided by political opposition that they thought had been completely neutered. So left-wing academics, armed with their generous government and (left-wing) foundation grants, immediately “tried to get a better handle on what exactly was driving this sortie from the right.” This sudden opposition to the practice of effectively granting unlimited powers to raise taxes to public employee unions, and critiques of socialized medicine, is un-American, un-democratic, and a mortal threat to the American way of life, she claims.

There's no need to panic, however, for MacLean claims to have discovered the root of the problem. Other leftist academics have attempted to uncover some kind of secret and sinister “master plan” to transform America into the dreaded (by the Nancy MacLeans of the world) free society by investigating the writings of Adam Smith, Milton Friedman, Ayn Rand, and F.A. Hayek, she says. But with no avail. “[S]uch inquiries ran aground, because none of the usual suspects had sired this campaign” (p. xvii). “The missing piece of the puzzle,” she victoriously

announces, “was James McGill Buchanan” and the Public Choice school of economics (p. xvii). This, she claims, is “the true origin story of today’s well-heeled radical right.” Without Buchanan and public choice economics, the “far right” would be “incapable of doing serious damage to American society” (p. xvii).

The mortal threat to MacLean’s cherished goal of the relentless push toward unlimited government (i.e., totalitarian socialism) that the public choice school supposedly poses is that it has taught a great many people a great deal about how government actually works. Once they understand the process, it then becomes possible to propose changes to the process—or to the constitutional rules of the game—that could re-impose founding-father-style constitutional limits on the growth of government. All those years of Hamiltonian manipulation of “the living constitution” by leftist government lawyers in black robes could conceivably be reversed!

Indeed, Buchanan himself often said that public choice was essentially a rewriting of much of the writings of men like James

Madison and Jefferson in the language of modern public choice economics (it was Jefferson who said that “the natural tendency of things is for government to gain ground and for liberty to yield”; and that government needed to be “bound by the chains of the Constitution”). He also was fond of saying that “no one could be a socialist” if they understood public choice theory. Perhaps Nancy MacLean is on to something here.

In Nancy MacLean’s mind, there’s nothing wrong with America’s government establishment employing vast resources educating people how to use the levers and processes of government to *expand* its size, scope, powers, and budgets. This is accomplished today with the help of the vast university system which has become one giant taxpayer-financed think tank for statism with only a handful of exceptions; through a “mainstream media” that seems every bit as propagandistic as *Pravda* was during the Cold War; hundreds of thousands of government bureaucrats at all levels of government, every one of which is a propagandist/lobbyist for bigger government; a K-12 school system that is thoroughly embedded with leftist political correctness; huge armies of political consultants, lobbyists, and paid propagandists; a popular culture that endlessly repeats anti-capitalist, anti-libertarian, and pro-statist themes; and thousands of government-funded nonprofit organizations, from the AARP to the Wilderness Society, that promote more interventionism and less freedom. On top of that are private foundations like Ford, Carnegie, and Rockefeller that have showered leftist academics with foundation grants for decades, not to mention the contributions of socialistic billionaires like George Soros, Ted Turner, and Bill Gates. For years, the Capital Research Center in Washington, D.C. published an annual study entitled *Patterns of Corporate Philanthropy* that documented that for every \$1 *corporate* foundations gave to a conservative or libertarian organization, between \$2 and \$3 was given to a left-of-center group.

All of this is apparently a proper if not essential part of American democracy, but *not* the writings of James Buchanan and other public choice scholars, and certainly not conservative or libertarian foundations that would financially support such research and writing, even if their multi-million dollar donations are a mere pittance compared to the funding of the Left. Hence the

purpose of *Democracy in Chains* is to discredit and even defame Buchanan, the public choice school, and especially wealthy conservative or libertarian philanthropists like Charles Koch who have funded such research and education. The bulk of the book is a relentless critique, sometimes bordering on libel and slander, of James Buchanan and Charles Koch, the bogeyman of the American Left.

MacLean learned a great deal about Buchanan by spending what must have been weeks, or months, going through all of his personal files in “Buchanan House” on the George Mason

University campus. (When James Buchanan and his Public Choice Center moved from Virginia Polytechnic Institute to George Mason University in the mid 1980s the old president’s house was allocated to Buchanan as his office and was named “Buchanan House”).

MacLean boasts of how Buchanan’s intellectual heirs at George Mason left the door to Buchanan House unlocked so that someone like herself could rifle through all of the Nobel laureate’s private papers and files and use them to write a book that attempts to defame him. (She does call him a genius, but an “evil” genius).

The book is also an attack on libertarianism in general, as MacLean cherry picks quotations here and there from various libertarian-oriented writers, usually out of context, in order to critique and ridicule them. Oddly, there is only one mention of the most famous (non-academic) libertarian in the world, Ron Paul. MacLean mentions in passing on page 144 that, in the late 1970s, Ron Paul once voiced approval of a Reason Foundation proposal for city governments to put city services up for competitive bidding.

MacLean’s critique begins with a chapter about John C. Calhoun, of all people, who is not even cited a single time in Buchanan’s magnum opus (with Gordon Tullock), *The Calculus of Consent*. I never heard Buchanan mention Calhoun when I took his Ph.D.-level Public Finance course at VPI in the fall of 1977, or when I was a colleague of his for a few years at George Mason University in the 1980s. If he mentioned Calhoun in any of his writings, I am not aware of it. Neither is Nancy MacLean, apparently, for she does not present a single footnote to make the point that Buchanan was somehow following in Calhoun’s footsteps.

Nevertheless, Calhoun did write in the same philosophical spirit as Madison and other founders, and MacLean quotes Murray Rothbard (p. 2) to that effect. Buchanan did consider much of public choice theory to be derived from the kind of thinking possessed by the framers of the Constitution. Her discussion of Calhoun, however, is often distorted, just plain incorrect, and even cartoonish. For example, she claims that the only people in Calhoun’s South Carolina who would have been harmed by the 1828 Tariff of Abominations, which imposed an extortionate, 45 percent average tariff rate on imports, were wealthy plantation owners. The man who was supposedly Buchanan’s intellectual inspiration, she is saying, was a mere apologist for slave owners.

Such talk is simply a joke, for high tariffs on woolen blankets (100 percent), shoes, farm tools, leather goods, and myriad other consumer products negatively affected *the entire population*. Moreover, the Tariff of Abominations was a deeply regressive tax that imposed a harsher burden

on the lower-income people whom MacLean, as a card-carrying leftist, claims to be championing.

MacLean is also factually wrong when she calls South Carolina's opposition to the Tariff of Abominations "the first regionwide tax rebellion in U.S. history" (p. 6). The Pennsylvania Whiskey Rebellion (1791) and Shay's Rebellion in Massachusetts (1786) occurred decades earlier. The American Revolution itself was in part a tax rebellion ("Taxation Without Representation!"). Did the American colonists fight a revolution so that they could maintain the system of slavery that the king of England had imposed on them? This is what MacLean's logic, such as it is, would suggest.

These facts illustrate another falsehood in the book, namely, MacLean's assertion that such tax protests "did not arise where slavery was absent" (p. 7). Yes, they did, and they were led mostly by yeoman farmers in Pennsylvania and Massachusetts who protested the imposition of national whiskey and property taxes.

MacLean's apparent strategy here is to falsify history by insisting that all early-American tax protests occurred only to "protect slavery" for the wealthy "propertied class." She quotes another leftist historian who wrote incorrectly that "the anti-government rhetoric that continues to saturate our political life is rooted in [support for] slavery rather than liberty" (p. 7). This would imply that all of the anti-government rhetoric of the founders, including Jefferson's "train of abuses" in the Declaration of Independence, the writings of Thomas Paine, and much else was all designed only to "support slavery." What nonsense.

She then makes numerous analogies to today's libertarian intellectual critics of Big Government, arguing that they of course are not slavery defenders, but their motives are not much better—they are merely paid intellectual prostitutes defending the super-rich. The academic recipients of multi-million-dollar government or (left-wing) foundation grants, on the other hand, are assumed to be as morally pure and objectively honest as the driven snow.

Like all radical socialists, MacLean is a harsh, sneering critic of private property, following in the footsteps of Marx and Engels who called for the "ABOLITION OF PRIVATE PROPERTY" in *The Communist Manifesto*. She repeats her mantra in several chapters that libertarian defenders of property rights are really only defending the rights of perhaps the top one-half of one percent of income earners—the wealthiest of the wealthiest. Not even the "one-percenters," she says, but the one-half-of-one-percenters. Who needs private property if only the wealthiest of the wealthy, who became wealthy in the first place by exploiting the rest of us, benefit from it?

That was supposedly true in Calhoun's day, as it is today, she insists. She cites Mises, Rothbard, Hayek, and Friedman as though she has read their writings on property rights, but she either hasn't or chose to ignore them. Mises was especially clear when he wrote in *The Free and Prosperous Commonwealth* (p. 67) that "Private property creates for the individual a sphere in which he is free of the state. It sets limits to the operation of the authoritarian will.... It thus becomes the basis of all those activities that are free from violent interference on the part of the state. It is the soil in which the seeds of freedom are nurtured and in which the autonomy of the individual and... material progress are rooted." Secure property rights are a prerequisite for

market exchange, market prices, the division of labor, and the human civilization created thereby.

Like other advocates of unlimited powers of the central state, MacLean also falsifies the history of nullification and interposition by asserting that the idea began with Calhoun, and was only meant to defend slavery. But as Tom Woods (2010) shows in his book, *Nullification*, the American colonists were the first nullifiers. Jefferson and Madison then adopted the concept in the Virginia and Kentucky Resolutions of 1798 that nullified the outlawing of free political speech through the Sedition Act that was being enforced by the Hamiltonian Federalist Party. Northern states nullified the Fugitive Slave Act, and Ohio nullified the chartering of branches of the Bank of the United States within its borders. New Englanders cited Jefferson's Kentucky Resolve to justify nullifying President Jefferson's trade embargo and to decline participation in the War of 1812.

McLean also falsely asserts that Calhoun was the first to talk of two conflicted classes in terms of net taxpayers (producers) and net tax consumers. This, too, was not original with Calhoun, but was introduced to American political philosophy by Jefferson and others who were familiar with the writings of the French "Industrialist School" of such writers as Augustin Thierry, Charles Comte, Charles Donoyer, Antoine Destutt de Tracy, Benjamin Constant, and Jean-Baptiste Say (Raico, 2006). Nor was Calhoun the lone American writing about what is known as libertarian class analysis; William Leggett, the owner and editor of the *New York Post* during Calhoun's time and a well-known abolitionist, was a prolific libertarian writer who also wrote of the injustice of empowering "net tax consumers" to plunder their fellow citizens.

MacLean really did her homework after spending all that time in Buchanan House, for a good portion of the book is a biographical sketch of James Buchanan, beginning with his birth in Gun, Tennessee in 1791. She briefly discusses his intellectual exodus from Middle Tennessee State Teachers College (triple major in English, Economics, and Mathematics), his time on the staff of Admiral Nimitz during World War II, the University of Tennessee (Master's degree in Economics), the University of Chicago, University of Virginia, UCLA, Virginia Polytechnic Institute, and George Mason University. She discusses at length the Thomas Jefferson Center for Political Economy and Social Philosophy that Buchanan founded at the University of Virginia, which produced many fine scholars in the classical liberal tradition.

Throughout the book, MacLean strains mightily to distort Buchanan's views to make him sound as outlandish as possible. For example, on page 49 she quotes Senator Harry F. Byrd of Virginia as having been opposed to *any* government borrowing at all for "public investments" and then writes that Byrd "would have applauded the book on public debt that Buchanan was writing at the time." She is implying here that Buchanan shared this view of debt, which he did not. If she had read Buchanan's book on public debt she would have learned that he approved of government debt for infrastructure, for example, as long as the taxes to service the debt were earmarked for that purpose.

There is a long-winded discussion of the resistance to desegregation of education in Virginia in the 1960s, which seems totally irrelevant to the supposed theme of the book, or to anything

Buchanan was writing about at the time. Again, her purpose here seems to be to argue that the origins of modern libertarianism are in the Virginia opponents of desegregation. “In these final hours of the massive resistance [to desegregation] era . . . can be found the seed of the ideas guiding today’s attack on the public sector and robust democracy alike,” she writes on page 72.

Another outlandish falsehood in *Democracy in Chains* is MacLean’s statement on page 79 that “the major deficiency” of the Virginia School (i.e., the Public Choice School), is “the failure to search for empirical tests of the new theories.” If MacLean had looked at any one issue of the journal *Public Choice* she would have learned that this is unequivocally untrue. Public Choice became very mainstream, and Buchanan was awarded the Nobel Prize for his part in it, precisely because there had been hundreds, or thousands, of published econometric tests of its propositions. Bob Tollison alone, Buchanan’s most prolific student, authored and co-authored literally hundreds of academic journal articles that were econometric tests of various hypotheses drawn from public choice theory. I personally attended every weekly Public Choice seminar, and every economics department seminar, at VPI from September 1976 to June 1979 as a graduate student and can attest that at least 90 percent of all the papers presented there contained some kind of empirical test. MacLean’s assertion is preposterous.

It’s hard to believe that with all the effort that went into this book, sitting in Buchanan House for weeks on end, she never once looked at an issue of *Public Choice* on the shelf in Buchanan’s office.

Among the mountain of falsehoods in this book is the further statement on page 98 that public choice scholars involved in the rent-seeking literature “depicted as rent-seeking *any* collective efforts by citizens or public servants to prompt government action that involved tax revenues” (emphasis added). This is another silly falsehood. Buchanan and Tullock were not anarchists; they were proponents of limited, constitutional government who generally approved of the use of taxation for the constitutional functions of government. This viewpoint is quite pervasive in the rent-seeking literature for anyone who looks for it. This literature is highly empirical, as most of public choice research is, yet MacLean falsely claims that it only involves “hypothetical scenarios with no true research—no facts—to support them . . .” (p. 98).

MacLean discusses Buchanan’s departure from the University of Virginia after Gordon Tullock was denied a promotion to full professor for the third time, an act that Buchanan believed was an outrage, considering Tullock’s achievements and reputation in the economics profession at the time. MacLean basically slanders the late Gordon Tullock by quoting an anonymous person who supposedly called him a “twit;” writing that “he was an awful teacher;” and “his publication record—apart from the book he coauthored with Buchanan—was undistinguished.” He didn’t deserve the promotion, in other words, so there must have been some other reason for Buchanan’s departure from Virginia.

I took Gordon Tullock’s Ph.D.-level seminar course in Public Choice in the fall of 1977 with some of the survivors of the first year of the graduate economics program at VPI (about half dropped out or flunked out after the first year). *The Calculus of Consent* was one of the textbooks

and Tullock, being a University of Chicago-trained legal scholar, conducted the class like a law professor—or at least like the Harvard law professor portrayed in the movie *Paper Chase*.

He would come to each class with a couple of questions that were of the sort that they could have been final exam questions, research paper topics, or even dissertation topics in public choice. He would arbitrarily hand one of us a piece of chalk, and instruct us to stand in front of the rest of the class at the blackboard and explain how we would go about answering the question. It became a team effort, led by the professor, to think through the problem. He was always helpful and encouraging, sharing his great learning with us. He was not an “awful” teacher.

As for MacLean’s smear that Tullock’s publication record was “undistinguished,” she should have taken ten seconds or so to Google “Gordon Tullock vita.” She would have discovered that by the time Buchanan and Tullock left Virginia Tullock had published *six* books, not one (*The Calculus of Consent* with Buchanan; *The Politics of Bureaucracy*; *The Organization of Inquiry*; *Toward a Mathematics of Politics*; *Private Wants, Public Means*; and *The Logic of the Law*). In addition, he had published four articles in the prestigious *Journal of Political Economy*, four in the *American Economic Review*, and others in the *Quarterly Journal of Economics*, *Economic History Review*, *Oxford Economic Papers*, *Economic Journal*, *Western Economic Journal*, *Il Politico*, and *Social Science Quarterly*, among others. All while founding and editing *Public Choice* and refereeing at least half of all the articles himself.

The second half of *Democracy in Chains* is mostly about Charles Koch, the network of conservative and libertarian organizations that he has funded, and his relationship, such as it was, with James Buchanan. MacLean accurately states that after spending many millions of dollars over some three decades, Koch’s efforts “produced few results” (p. 127). She details how Koch worked with Murray Rothbard to co-found the Cato Institute, but says nothing at all about how Koch later confiscated Rothbard’s shares in the organization and disassociated himself with Rothbard. No mention is made of this, or of the reasons why the two men had a falling out. She does get much of the Koch story *backwards*, however, by saying that Charles Koch insisted that his well-funded minions remain “uncompromisingly radical” (p. 145). That, in fact, is why Rothbard was booted—he *was* in fact uncompromisingly radical whereas Koch, who moved the Cato Institute from California to Washington, D.C., was not. He wanted to pursue a patently *un-radical* plan of trying to teach free-market and libertarian principles to the Washington, D.C. bureaucracy—at least *in a watered-down and compromised form* that would not be too offensive to them.

That has always been the Cato Institute’s business plan.

In the middle of her discussion of Koch, MacLean inserts a diversion chapter to take one more swipe at Buchanan by noting that he, like Milton Friedman, had accepted an invitation from faculty members to speak at a Chilean university after the overthrow of the socialist government there in the 1970s. (The faculty members were University of Chicago graduates). He offered advice to the Chilean students and faculty about a balanced budget, an independent central bank, and the importance of some kind of system of constitutional checks and balances. MacLean uses this narrative to repeat once again the ridiculous falsehood that “there was no empirical research”

in the public choice literature (p. 158) in order to make the argument that Buchanan was spouting nonsense to his Chilean hosts. The main purpose of this diversion chapter is apparently to once again attempt to imply that “libertarianism” is really an evil, stealthy, centuries-long plot to benefit dictators and billionaires at the expense of the rest of society. And MacLean claims that it is public choice economists who lack facts and evidence!

One interesting and informative part of the book is MacLean’s discussion in the last two chapters of how Charles Koch and his lieu-tenant, Richie Fink, talked seventy-nine-year-old James Buchanan into lending his name to an organization on the George Mason campus that would become essentially a lobbying arm of Koch Industries. The James Buchanan Center, funded by a \$10 million grant to George Mason University in 1997, was staffed mostly by non-academics who conducted “outreach” programs for “Senators, Congressmen, and state legislators, legislative staff and regu-lators...” (p. 199). Some academics were involved, but they were in the minority, writes MacLean. Most were apparently Richie Fink’s political cronies from the D.C. corporate lobbying world.

Buchanan was not happy with this arrangement. MacLean uncovered a September 17, 1998 memo from Buchanan to Fink in the files at Buchanan House in which Buchanan wrote: “Quite frankly, I am pissed off.” What was being done under his name “verges on fraud and surely, at a minimum amounts to exploi-tation of me, of you, of JBC [the James Buchanan Center], of the university” (p. 201). “Buchanan had been played like a fiddle” by Koch and Fink, writes MacLean, and she is right. Buchanan retired to his farm in Blacksburg soon thereafter.

Buchanan was not the only George Mason faculty member who was disgusted with the Koch/Fink gambit. The late Charles Rowley, a distinguished public choice and law and economics scholar whom Buchanan had brought from England to George Mason and the Public Choice Center in 1985, wrote on his blog in 2012 that Richie Fink, Charles Koch’s top “strategist,” was “a third-rate political hack” and “a man who is very appropriately named” (p. 209). “Far too many libertarians have been seduced by Koch money into providing intellectual ammunition for an autocratic businessman,” he wrote. Many libertarians understood this, Rowley said, but remained silent because “too many of them benefit financially from the pocket money doled out by Charles and David Koch.”

When Buchanan died in 2013 Nancy MacLean attended the memorial service for him in Fairfax. “[N]either Koch nor Fink... bothered to attend his memorial service,” she noticed. “Why should they? His days of usefulness to them had passed” (p. 204).

MacLean’s concluding chapter repeats for about the hundredth time her neo-Marxist, *ad hominem* theme that the whole history of classical liberalism, or libertarianism, is that of a small number of people working as paid apologists first for slave owners, and now for billionaires who want to use the powers of the state to line their own pockets at the expense of the rest of society. This is perhaps why, in a book about libertarianism in America, she completely ignores Ron Paul’s extraordinary, worldwide popularity; the millions of voters who wanted him to become president; his voluminous writings and speeches; and the millions of dollars of spontaneous individual contributions to his campaigns based on nothing more than his recitation of libertarian

economics, defense of civil liberties, and his advocacy of a foreign policy of national defense instead of offense.

MacLean also completely ignores the educational institution that Ron Paul is most closely associated with, the Mises Institute, and the more than two dozen Mises institutes around the world (Chafuen, 2014). Not to mention the thousands of independent libertarian scholars, bloggers, columnists, authors, radio and podcast hosts, television personalities, and others. Acknowledging the existence of any of this would contradict her hoary Marxist-inspired, *ad hominem* theme that opponents of socialism and defenders of freedom and property rights are all “capitalist tools,” paid liars for corporate plutocrats. This reality also makes her conspiracy theory of “the radical right’s stealth plan for America” appear to be simply crazy.