

Inescapable Fundamentals of American Exceptionalism

In 2014 publishers will submit high school U.S. History books in Texas, which says these must cover American exceptionalism in relation to "LIBERTY, EGALITARIANISM, INDIVIDUALISM, POPULISM, and LAISSEZ-FAIRE." That should include these **positive instances** in blue, and **negative instances** in red.

LIBERTY

Distrust of government as a potential threat to human rights, which come from God and restrain rulers

- Taxation by consent of property-owners
- Presumption of innocence
- Speedy trial by jury of peers
- Due process of law before property seizure
- Liability for unlawful property seizure
- No standing army in peacetime without consent
- No quartering of troops in private homes
- Freedom of travel in peacetime
- Regular legislative sessions
- Resort to arms against tyrants when parchment barriers fail

In the English Glorious Revolution, Parliament forced the king to respect these rights. The American Revolution – a conservative counter-revolution – protected them from abridgment by Parliament.

Texas requires high school U.S. History books to "analyze and evaluate the text, INTENT, meaning, and importance of the Declaration of Independence and the U.S. Constitution, including the Bill of Rights" (emphasis added)

The U.S. Bill of Rights repeats this view that the state may endanger liberty.

LIBERTY UNDER THE CONSTITUTION

Shared sovereignty – an oxymoron – institutionalized in federalism, mixed government, and separation of powers, due to a pessimistic view of human nature – These check and balance popular sovereignty itself.

Logical silence on secession – If a state can secede, it is sovereign. If it cannot, the federal government is sovereign. The Constitution's silence on the right to secede affirms shared sovereignty in government.

Conflict over whether the "necessary and proper" clause means *absolutely necessary*, or *convenient*, and *nowhere prohibited* – Strict constructionists as well as loose constructionists believe in implied powers.

ROOTS OF CONSTITUTIONAL LIBERTY

Constitutional, not federal, supremacy – Constitutional laws are supreme. Unconstitutional federal laws are null and void. The people, not the federal government, are the final arbiter of constitutionality. If the federal government has the last word on its constitutional powers, Jefferson said, the federal government and not the Constitution is supreme. States too must sit in judgment of federal powers under the Constitution, in order to protect the people.

Difference between lawful states' rights *under* the Constitution, and unlawful state sovereignty *over* the Constitution – Instances of the former involve original intent and strict construction, such as reserving police powers to the states, and Maryland's attempt to tax the 2nd Bank of the U.S. Instances of the latter include the Nullification Crisis and secession. Confounding lawful states' rights with unlawful state sovereignty falsely implies Appomattox repealed the 10th Amendment.

EGALITARIANISM, INDIVIDUALISM, POPULISM

The Great Awakening as an incubator of the American Revolution and political freedom

- Protestantism uniquely limited government.
 - Colonial church polity encouraged self-rule:
 1. Lack of a bishop in America meant lay control of Anglican churches.
 2. Congregationalism brought local autonomy.
 3. Presbyterianism implied republicanism (representative governance).
- Calvinist covenant theology nurtured constitutionalism.
- A spiritual revival fostered self-determination.
 - United colonies in a common experience

- Reaffirmed Protestant individualism (priesthood of all believers; right of each to interpret Scripture)
- Emphasized equal opportunity for salvation (free will over predestination in Methodism)
- Stressed democracy, anti-elitism, faith over reason (the educated few intellectualize, but all can believe)
- Expanded most those denominations (Baptists, Methodists) seeking disestablishment
- A pessimistic view of human nature (innate depravity) favored checks and balances in government.

LAISSEZ-FAIRE

All 13 colonies privately founded, funded – Jamestown and Plymouth prospered only by ending joint labor and a shared common storehouse, and adopting private land ownership and the individual profit motive.

Fluid class lines / economic and social mobility up and down / open opportunity and unequal achievement due to individual differences / no general popular envy of the rich – Legal equality results in economic inequality.

Original intent to deny government sovereignty over money – This was classic Jeffersonianism-Jacksonianism.

- The Constitution forbade states to emit bills of credit or to make anything but gold or silver legal tender.
- The Constitutional Convention rejected bids to empower the federal government to charter corporations (specifically, banks) and to emit bills of credit. Government charters banks to borrow from them, selling them its bonds. Banks in turn make additional interest-earning, profit-making, paper-money loans backed by those bonds, expanding the money supply.
- Bank charters thus license stealthy cuts in purchasing power and shift net wealth from citizens to banks. The Constitution's original intent opposed this theft via inflation. The claim that banks boost prosperity by "making more money available" is the quantity-of-money fallacy, which mistakes more currency for more purchasing power. In fact, each new dollar buys less.
- Inability to inflate also barred redistributing wealth and funding a welfare state through deficit spending.

Oft-repeated scenario where "Europe's extremity is America's opportunity," from colonial times (e.g., Britain's "benign neglect") to the Napoleonic Era (e.g., the Louisiana Purchase) to U.S. Caribbean interventions and Panama Canal construction to WWs I and II (e.g., the dollar's "exorbitant privilege" as world reserve currency) to the Cold War and beyond (e.g., the "new fiat dollar diplomacy") – U.S. repudiation of the international gold standard in 1971 had unique momentous long-term unintended consequences.

Texas requires high school U.S. History books to "describe the emergence of monetary policy in the United States, including the Federal Reserve Act of 1913 and the SHIFTING TREND FROM A GOLD STANDARD TO FIAT MONEY." (emphasis added)

Traditional free trade assumed the gold standard would balance imports and exports. Ending dollar redeemability in gold to settle international trade accounts, while maintaining its status as the world reserve currency, let the U.S. buy from other nations *without selling* to them, paying in fiat money. That "globalization" meant permanent ("structural") trade imbalances, where industries shifted from America to Asia to cut wages and production costs. Such *consumption without production* (evident in ballooning trade deficits), undisciplined by the gold standard, "deindustrialized" the U.S.

Protecting the non-gold backed dollar as the world reserve currency in international trade after 1971, while still debasing it to fund a welfare state, drove American foreign policy. The U.S. struck a bargain with Arab states in 1973. They would accept only dollars for oil, thereby multiplying international demand for unbacked greenbacks. The U.S. guaranteed them military aid and protection from their foes, in particular Israel; plus it ousted Saddam Hussein in Iraq and Moammar Khadafy in Libya, and punished Iran, for challenging petrodollar hegemony which, if gold-backed, would not have been at risk.

Many textbooks claim that only loose constructionists believe in implied powers, which Jefferson's *Opinion* to George Washington on the 1st Bank of the U.S. disproves.

Most textbooks confuse or misrepresent these concepts.