popular than outright taxation. But the end result is the same. *The governmental debt is just as surely a claim against private property as though the title had already been transferred, as it would have been under direct taxation.* The only question yet to be answered pertains to how and when the government will exercise its control over what it already has confiscated.

Theoretically, the government could print enough new money to cover pension checks of $100 each month and continue to do so indefinitely. The result would be a continuous process of runaway inflation until soon a mere $100 would command practically nothing in goods or services. The eventual collapse no doubt would be the "biggest and best" in our history, though certainly not without precedent in countries such as Germany, France, and China.

The pensioners probably would become exceedingly unhappy as their pensions dwindled in buying power. They would likely demand periodic increases in pensions to keep pace with the inflation of prices of the goods and services required by pensioners. This would help speed the pace of inflation and hasten the end of private enterprise. To all intents and purposes, governmentally sponsored runaway inflation of the currency amounts to exactly the same thing as governmental ownership and control of all wealth. With such a monopoly of wealth, the government would hold absolute control over all industry, all production, all workers, all wages. And the government could issue purchase coupons to any person — child, worker, pensioner — in whatever amounts it had promised, for whatever share of the "general welfare" the slide rule might indicate.

And so, in the final analysis, any governmental guarantee of pensions to all means absolute governmental control of all

things and all persons. Such is the "welfare state," stripped of its verbal enchantment and bared for its new role of distribution "to each according to need" and from each according to his aptitude as a serf under governmental edict.

The Touch of Midas

King Midas was an imaginary king. Human governors of men cannot "put the touch" on any thing or any person, and produce gold. No man acquires productive capabilities by becoming a public official. He only acquires the power to seize the fruits of the efforts of other individuals. Government may preserve the right of an individual to consume what he has produced or it may deny him that right — it may protect the institution of private property or destroy it. A government which professes to follow a middle road, between these opposites, can distribute the advantages of capitalism only to the extent that it also imposes upon the people the burden of collectivism. Such effort, at simultaneous preservation and destruction of a thing, is bound for frustration.

In a liberal society the sole function of government is to defend the right of all persons to enjoy liberty — to restrain those individuals or groups who refuse to respect the right of other persons to own property.

Under a collectivist society, the government destroys all property rights of persons — makes each individual a servant of the government, dependent upon the government for his entire livelihood. With the exception of the director-general, all citizens would be of equal subservience and of equal dependence. Each citizen would be guaranteed the full security of slavery in a society where all, except the one who rules and a few of his cronies, are slaves.

Governmental "social security" programs have no place in