America and Europe: Conflict and Power

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The second major reform was the expansion of rights claims by individuals. Entitlement claims are made from other individuals or from the state.¹⁹⁵ These constitute moral and legal claims. Rights are usually about protection of freedoms, properties, lives, living standards, health insurance and the like. They are an important and ongoing process within the current statist framework. Freedoms, liberty and equality are all important tenets in this extension of Rights.¹⁹⁶ Governments reference these terms and ideals in their appropriation of wealth to create huge statist redistribution schemes premised upon equality and national cohesion.

The third major reform has been the creation of corporatist welfare and the abandonment of laissez faire. Liberal economists have long argued that the economic growth provided by capitalism would raise the general welfare of all individuals. Socialist dogma has persuaded voters that this is simply not the case.¹⁹⁷ It promised conditions that would benefit the under privileged without deranging greatly the productive capacity of a market society. Government propaganda, which blames depressions or economic cycles on 'merciless' capitalism are at best a rewriting of economic and political history. The Great Depression of the 1930s was caused directly by government politics, ineptitude and interference in the markets, the inadequate supply of money and liquidity and the absurd policy of increasing interest rates and allowing banks to fail.¹⁹⁸ It had nothing to do with the supposed vagaries of liberal economics.

Governments have recast political ideology to convince voters that liberal economics and capitalism create devastating business cycles, depressions, the monopolies of the 'robber barons', and the usurpation of common interests by private speculators. Capitalism in short is re-modeled as a system that is iniquitous to national health and morality and is populated by men who have no regard for society's well being. The current spate of corporate malfeasance and improper accounting reporting is being cast in the same light. Such historical revisioning has further clouded the true picture of left vs. right in both practice and in reality and the benefits or demerits of increased socialization and the role of government support, involvement and influence in these historical business scandals. This intensive revisioning has certainly aided government regimes to increase their power if in fact obscuring party and ideological affiliation and veracity.

These ideals and misconceptions permeate our modern statist structure and the so-called 'Third Way', which has existed in the IPE since at least the 1951 Frankfurt declaration if not before. It is now embraced by mainstream politicians in Europe and the United States as a bridge between classical liberalism and coercive 'nationalsocialism'. The 1951 Frankfurt declaration reflects almost exactly the democratic socialism now prevalent in the West (summarized here only):

- Socialism does not require a rigid approach. The means are flexible to achieve social justice, freedom and world peace.
- Socialism must be democratic and democracy is reflected best through socialism.
- The immediate aims of socialism are full employment, social security and higher productivity.
- A fair distribution of income and property must replace capitalism.
- Public ownership may include nationalization, creation of new public enterprises, or producers and consumers cooperatives.
- Economic decision-making should be decentralized whenever this is compatible with centralized planning.
- Trade unions and cooperatives are necessary elements of democratic socialism.
- Socialism seeks to abolish legal, political, and economic discrimination, based on sex, regionalism, or racial and ethnic groupings.¹⁹⁹

Most governments have followed these 8 precepts. There is not one society within the OECD's ranks that does not have multifarious programs designed to more or less achieve what the Frankfurt convention set out to promote. These concepts today, combined with liberal-inter-governmentalism, liberal economics and realist policy define the 'new' socialism, or for media consumption what is termed the 'Third Way Ideal'. The modern variant of the Frankfurt declaration