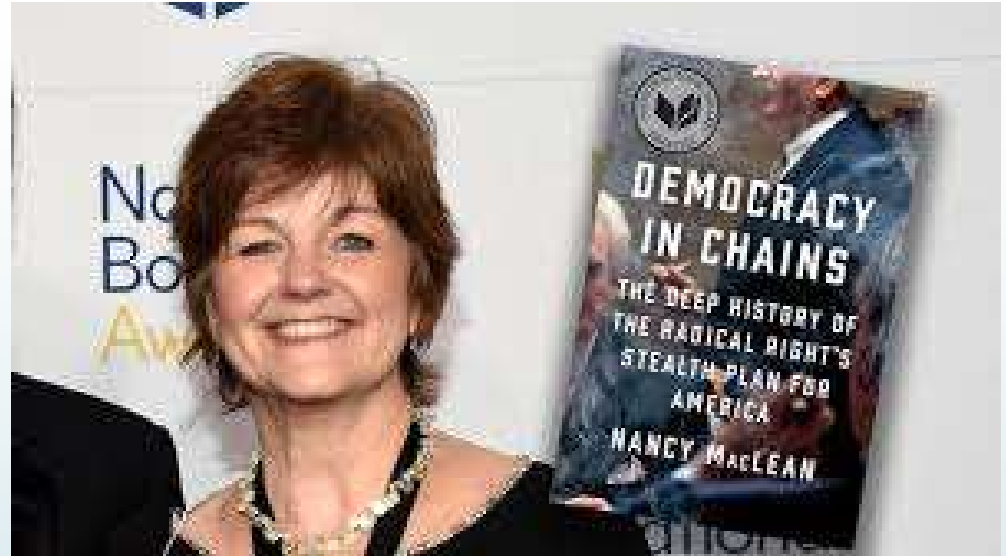


‘It’s the missing chapter: a key to understanding the politics of the past half century. To read Nancy MacLean’s new book is to see what was previously invisible.’

—George Monbiot, The Guardian



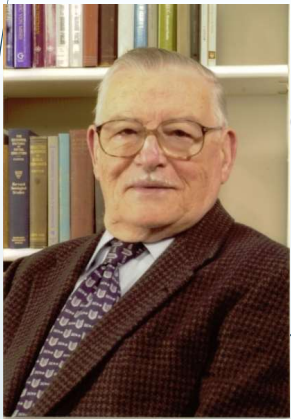
Democracy in Chains

The Deep History of the Radical Right’s Stealth Plan for America

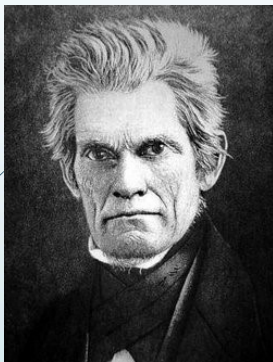
A Study Guide for the Book by Nancy MacLean

Prepared by Carl Davidson, 2019

Introduction: Naming the Stealth Planners, Their Roots, Strategy and Long-Term Goals



Buchanan (top),
Calhoun, (right)



Buchanan's home and seminar center at George Mason University

- Researching the history of Virginia's resistance to the Brown decision, MacLean came across a reference to **James McGill Buchanan**, a recently deceased economist and friend of the governor in 1954.
- Intrigued, she found many of his papers, unsecured, at his home at George Mason University, and she studied them.
- What she found was evidence of a long and ongoing **plot to overthrow democracy**, funded by the Koch brothers and rooted in segregation. It's hero was not James Madison, but **John C. Calhoun**, the antebellum philosopher of slavery.



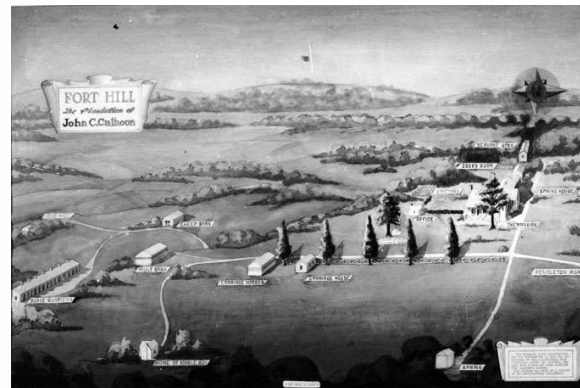
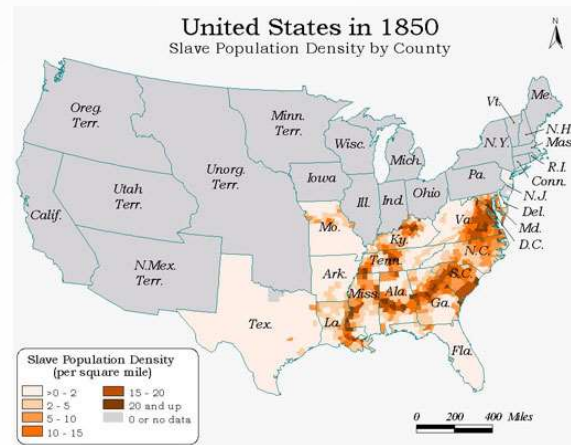
'Massive resistance' was the name of Virginia's opposition.

MacLean found documents proving that Charles and David Koch gave millions to Buchanan and others to train rightwing cadres.



A political philosopher of some skill, John Calhoun (1782-1850) took to right to property as the mother lode of freedom, including property in slaves. Slavery, in his view, was a 'positive good' to be expanded. He was the far right of the antebellum political spectrum.

- Calhoun's plantation, 'Fort Hill,' (lower right) worked **some 70-80 slaves**, mainly growing cotton. Some were skilled at other trades.
- Calhoun was a **military leader** as well as an enslaver. He fought in the War of 1812, and was Secretary of War for a time, and also Secretary of State.
- He was twice Vice President under both John Quincy Adams and Andrew Jackson.
- Among his **political theories** are minority rights and interests, concurrent majorities and minorities, nullification and subsidiarity.

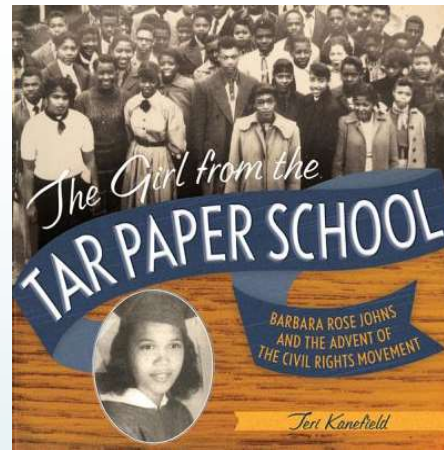


Prologue: The Marx of the Master Class

Chapter 1: There was 'no stopping us now'

In 1951, Black students in Prince Edward County go on strike against inequality in public schools

- The 1954 'Brown vs. Topeka' decision was not just about Kansas, but included five school districts.
- One was the **R.R Morton school** in Virginia's Prince Edward County.
- Students there, led by 16-year-old **Barbara Johns**, went on strike for better schools and an end to Jim Crow,
- **Thurgood Marshall** bundled their case with Brown and finally won in the Supreme Court in 1954.
- But the '**Byrd Organization**' of Senator Harry Byrd and his elite allies, Governor Thomas Stanley and James J Kirkpatrick, editor of the state's major newspaper, **planned 'massive resistance.'**



ATTORNEYS FOR NEGRO PLAINTIFFS—Left to right: Thurgood Marshall, Oliver W. Hill and Spottswood Robinson III. (Harold Boulton, attorney, is not shown.) This picture was taken at the Virginia State Bar. Marshall, Hill and Robinson appeared for the plaintiffs.



Virginia's 'Massive Resistance' Plan

Calhoun's political theories were dug up from the grave to oppose Supreme Court and **shut down the state's schools**



- ▶ Virginia's Senator Henry Byrd (upper left) and Governor Tom Stanley (lower left), along with newspaper editor James J Kilpatrick (right) counter-attacked the Supreme Court.
- ▶ Their defiance was **written in Calhoun's theories** of states rights, nullification, special rights for propertied minorities, and false claims of proven racial superiority and inferiority of white and Black.
- ▶ **The 'Stanley Plan'** called for shutting down the entire state school system, or any integrated school, along with the suspension of any school officials aiding desegregation.
- ▶ The Stanley plan was legally defeated by 1959, but 'passive resistance' continued until another court decision in 1964. But **the Byrd oligarchy still made waves** across the South.



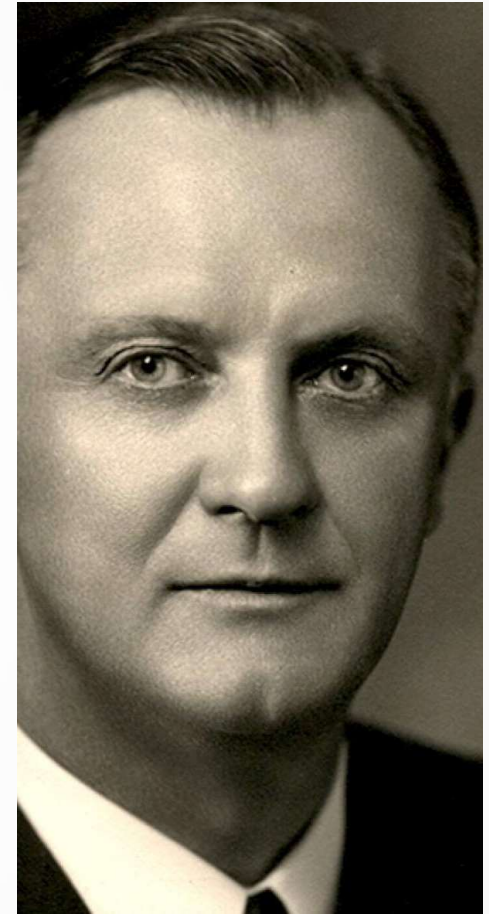
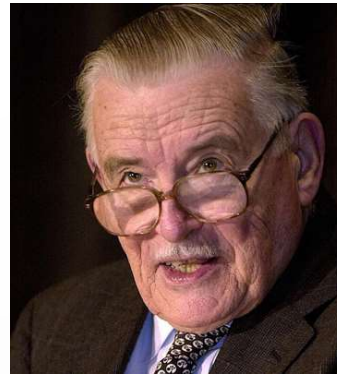
The last line of the young woman's sign reads 'Let's talk to Russia about this,' since ongoing segregation put the US on the defensive in the Cold War.



Defeated in Court, Virginia's Oligarchs Retrench

Colgate Darden decides to form segregationist and hard right cadre schools for more protracted resistance and political warfare.

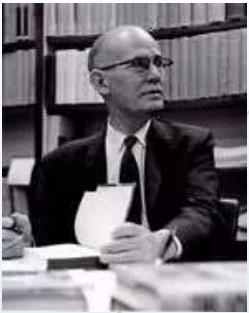
- Darden, (right) congressman, former governor and present of the University of Virginia, is part of the elite Byrd machine.
- His goal is **to keep Virginia under the rule of its aristocratic top 10%**, using legal and economic stratagems. The Virginia elite (above) rested on Black labor.
- These include **gerrymandering, union busting and voter suppression.**
- To train a new cadre, Darden invites James McGill Buchanan (lower center) to **take over the UV school of economics.**



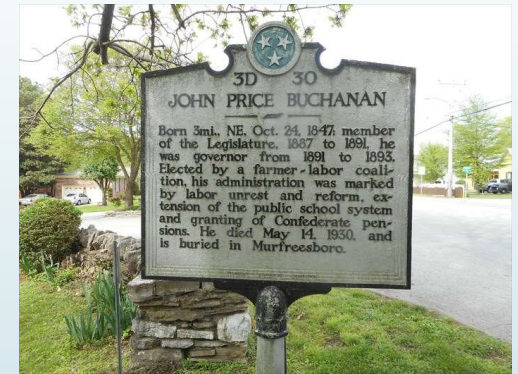
Top left: Virginia's young aristocrats 'coming out. Low left: Black labor, the source of their wealth.

Chapter 3: A Country Boy in the Windy City

Buchanan Rises from Ruined Southern Gentry to the 'Chicago School' of rightwing libertarian political economy

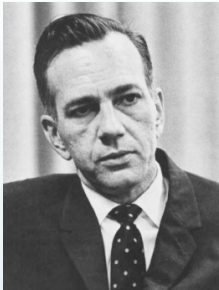


- Buchanan's grandfather, John P Buchanan (lower left) was elected governor as a Populist, but he was **thrown out after he sided with the troops crushing labor** and farmer protests. The family's status sank.
- As a young man, Buchanan was attracted to the **'Southern Agrarians'** school and their chief poet, Donald Davidson, (top left).
- These 'agrarians', while segregationists, tried to find **the 'third school'** between defense of slavery and an end to Jim Crow.
- While tracing their roots to Jefferson, like him, **they rarely did any plowing or planting themselves**, but relied on convict labor and debt peonage. A romanticized painting of their vision is the lower right.
- Buchanan later **dropped agrarianism** at the University of Chicago. Were he came under the influence of **Frank Wright and Frederick Hayek** (near right). His devotion to their thinking led him to visit Chile to help **the fascist Pinochet regime** in economic policy.
- Buchanan can be seen as a **transitional link** between Calhoun's philosophy and modern neoliberal libertarianism.



Buchanan's Economic Specialty: Public Finance

He wanted to reinterpret the topic in order to shrink it to a bare minimum



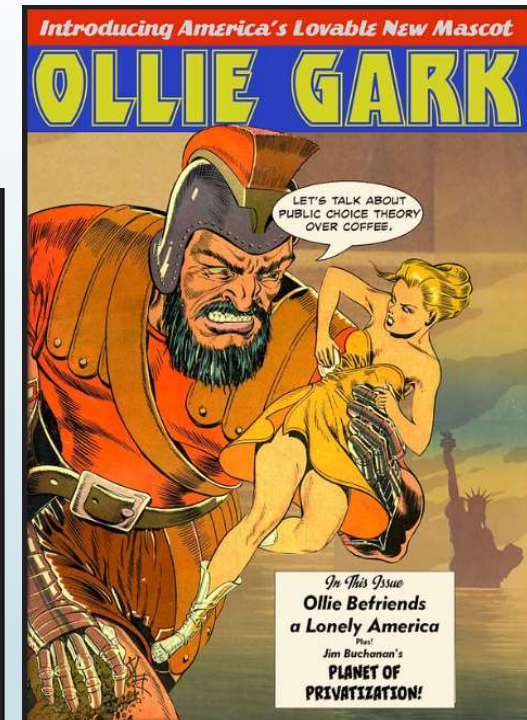
- Buchanan partnered with G. Warren Nutter to start the **Virginia School** of political economy at UV in 1957.
- They updated older theories by **Knut Wicksell** (lower), a left leaning European economist who argued government base on monarchy could never serve the working class.
- They twisted this to say that all politicians and government employees **could only act in their own interests**, not the taxpayers, so it was best to drive both—state employees and taxes—toward zero.
- Education Secretary DeVos is trying to use these ideas today to **get rid of public schools** with charters and home schools.



Betsy DeVos says:

Public education is a "closed system, a closed industry, a closed market. It's a monopoly, a dead end."

No, Betsy. Public Education is not a monopoly. Public Schools are run by locally elected School Boards. They have open meetings and all their financials are accessible to the public. Every public school is a valued asset owned by the taxpayers of the community. Schools are not an "industry" or a "market." They are a place where neighborhood children come together to learn. **It's not a dead end. It's where futures are made.**

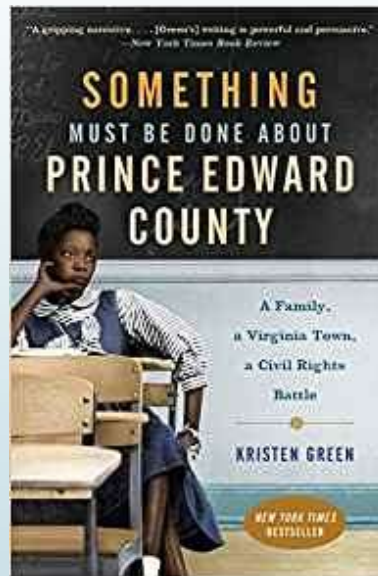


'Let's talk about public choice theory over coffee' –Anti-Buchanan comic

Chapter 4: Let the Chips Fall Where They May

Virginia's public schools shut down for years, replaced with 'private academies' for whites with state 'scholarships'

- ▶ Virginia in 1957 **abolished all public schools** rather than integrate.
- ▶ Private 'academies' were set up across the state with '**voucher scholarships**' for white students.
- ▶ Black parents, helped by Quakers, tried to set up a few makeshift schools for their children.
- ▶ Prince Edward Country, nearly all Black and poor, **had no schools at all**. Eventually court orders, both federal and state, forced them open. By 1960, a '**crippled generation**' of youth suffered for the reactionary economic policies of Buchanan.
- ▶ **Buchanan** had to keep a low profile for arguing for even harsher conditions where he would 'let the chips fall...' by having no state funding at all.

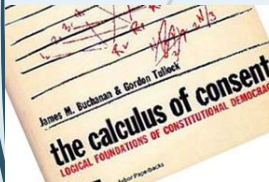


Prince Edward county school (right) locked up because it would not agree to segregation.

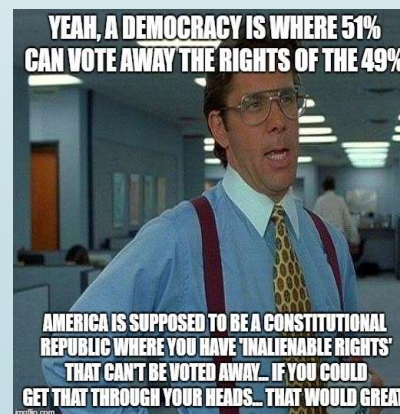
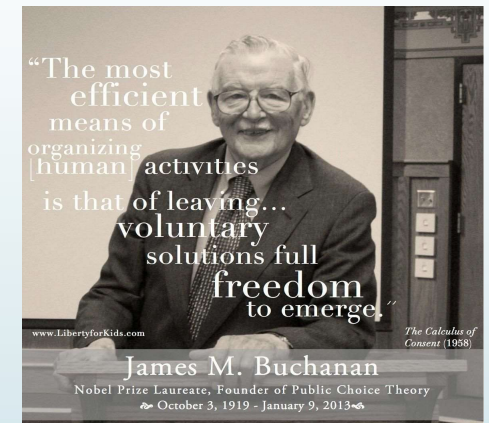


Chapter 5: To Protect Capitalism from Government

Launching the 'Public Choice' School of Thought to organize a 'Leninist Cadre' for the Right Wing



- ▶ Buchanan formed an early partnership with **Gordon Tullock**, (left) another University of Chicago economics graduate and US intelligence officer, to write '**The Calculus of Consent.**'
- ▶ The book was a manifesto for **neo-Calhounist** political economy in an age of wage slavery. **It opposed majority rule as leading to 'rent seeking'** on the part of mass, popular organizations.
- ▶ The two were **alarmed by expanding the ranks of voters** by abolishing the poll tax. They argued for other measures to repress voting
- ▶ Praised in rightist circles, the two were funded by the William Volker Fund **to train and organize a cadre** of young followers in universities and think tanks across the country.



Chapter 6: A Counter-Revolution Takes Time

From Surging and **Crashing with Goldwater** to Isolation and Defeat at the University of Virginia



- Buchanan and Tullock were drawn to the Goldwater movement. Tullock approached **William F Buckley** (middle left) for help in starting a rightist youth group, **Young Americans for Freedom**.
- YAF backed Goldwater with great energy and **backed the Vietnam War** (upper right), but Buckley, seeing Goldwater's defeat, addressed YAF to prepare for it, take a longer view, and minimize any disillusion.
- **Milton Friedman** (lower left) added his voice both Goldwater and 'Public Choice' in these years.
- With the Goldwater defeat, U VA tilts to LBJ liberals and isolates Buchanan's department. Angered, he leaves and **resettles his center at UCLA's Economics Dept**, which aimed to be 'the Chicago School of the West.'



Once at UCLA, Buchanan found himself in the midst of students protests (right) and a battle over academic freedom and Angela Davis.

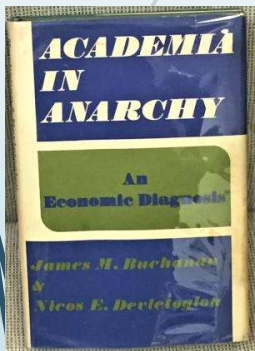


Huge Rally at UCLA Attacks Ties to S. Africa

By LAURIE ROCKLUND, Times Staff Writer
 Several thousand UCLA students protested University of California investments in South Africa on Thursday at a peaceful but spirited rally that administrators said was the largest political protest they had seen on campus since the Vietnam War.
 After the noon rally, students marched through school administration headquarters in Murphy Hall, and several hundred staged a sit-in in the hallway. More than 200 students to stay all night in the hallway in support of the long-term plan to withdraw the \$17 billion it has invested in companies that operate in South Africa, where apartheid is government policy.
 Administrators decided to allow the 200 to do sit-ins to remain in Murphy Hall for the night and to keep police away so there would be

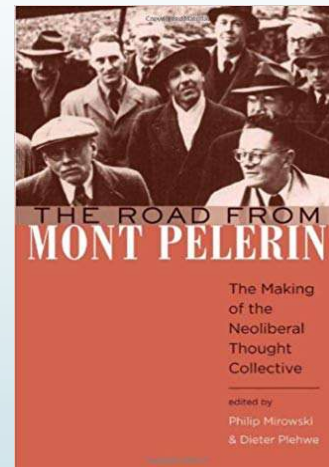
Chapter 7. A World Gone Mad

Buchanan runs up against Angela Davis and the 1960s rebels, and **trades 'liberty' for 'order'**



- ▶ Buchanan arrives at UCLA when it fires its most popular professor, Angela Davis. **He supports the firing** and more, the crushing of dissent.
- ▶ With Nicos Devletoglou (top left) he authors **a new book promoting a factory-like model for universities**—faculty are workers to do what they are told, students are customers who pay their own way, and rich funders are fully in charge. He has a hard time finding a publisher, until **neoon Bill Kristol** comes to the rescue.
- ▶ Buchanan can't stand UCLA, and heads **to Virginia Polytechnic Institute**, whose rightwing chancellor puts him in touch with some very wealthy, far right patrons.
- ▶ The effort **to train a new generation** of neo-Calhounist neoliberals is further along its way.

Clockwise: Philosophy Chairman **Don Kalish** supporting Angela, who eventually wins the case against her firing. Buchanan's '**Mont Pelerin Society**,' an international group of co-thinkers. **Richard Mellon Scaife**, who give Buchanan \$250,000 yearly for his cohort. **John M Olin**, who give Buchan access to very deep pockets

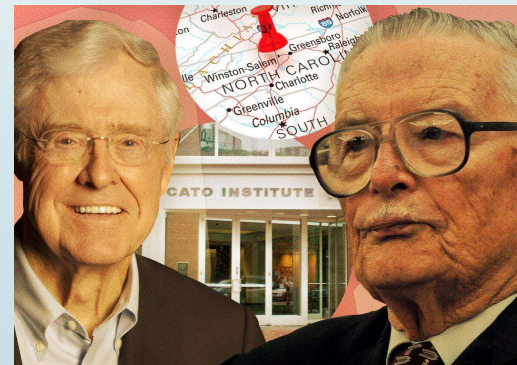


Chapter 8: Large Things from Small Beginnings

Seeding a '**Counter-Intelligentsia**' with Serious Money and Strategic Goals



- In 1973, Buchanan, speaking in Richmond to the international Atlantic Economic Society, clued his audience in **on a semi-secret 'strategic plan.'** Small scattered 'Public Choice' centers weren't enough. A much larger and well-connected and well-funded effort was need to counter all the 'thought centers' in the US media and the academy.
- Anticipating setbacks from Watergate, he looked for links with people around Reagan, and found them in people like **Richard Larry** (upper left) of the **Scaife Money**, who could also connect him with **Ed Meese**, about to work for Reagan.
- Buchanan's goals were long-term, and **included helping to set up the CATO Institute** at the top, to deploying public choice economists at community colleges, where they could **recruit student cadres** (upper right) with zero to few connections with the enemy camp, the Eastern Establishment.
- Meese also connected Buchanan **with Henry G. Manne** (lower left), an emerging figure at the George Mason University Law School. Among other odd theories, he advocated that 'insider trading' ought to be legal.
- Manne had a lot of connections to old money, but he connected the 'strategic plan' with some fast-rising and very wealthy new kids on the block, **the Koch Brothers**.

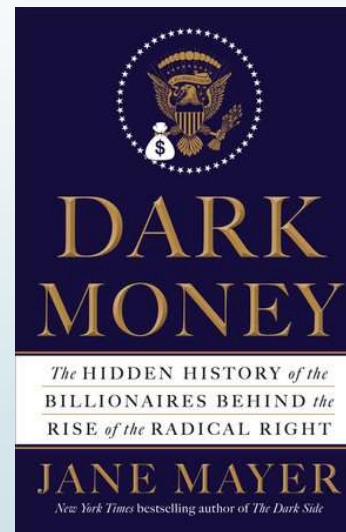


Chapter 9: Never Compromise

How Buchanan **Merges with the Koch Brothers**, worth over \$100 Billion, and Helps Shape Their Anti-Government Aims



- Fred Koch (left) became rich by inventing a better way to turn crude oil into gasoline, but was challenged and blocked by corrupt courts and cartels in the US.
- Ironically, he went abroad and **made millions by helping Stalin** with oil fields (upper right) then the **Nazis** with oil fields (lower right).
- After WW2, he re-centered in Kansas and expanded his wealth, but turned his hatred of government into founding the **John Birch Society** and opposing the Supreme Court for the Brown Decision (lower center).
- His two sons, Charles and David (left) thought the JBS too wacky, but began **searching for new ways to promote libertarian views**.

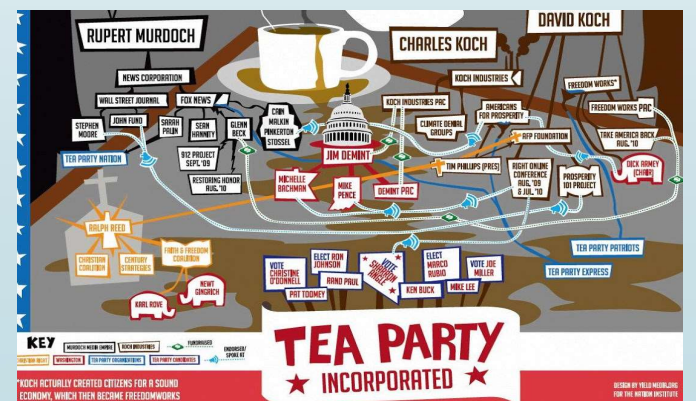


How Reactionary Are the Koch Brothers?

Very, more than many think. While willing to work slowly and in small steps, **they would prefer tyranny (theirs) to GOP statism or democracy of any sort.**

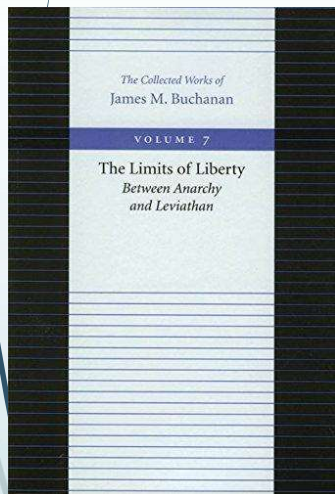


- Influenced by their Dad, who grew to hate the USSR and the Nazis--after taking their money—as well as the US since the New Deal, the sons started from the views of **Ludwig von Mises** (upper left) and **Ayn Rand** (middle), that the state itself **was an evil renter-seeker** after their money.
- The Koch's also **opposed corporations as sellouts** to the state, and dismissed corporate CEOs as 'the hired help.' Koch Industries **remain privately held**.
- The brothers teamed up will rightwing **anarchist Murray Rothbard** (lower left), who also urged them to **study Lenin in building a revolutionary cadre organization**, together with Buchanan.
- David Koch ran for VP on **the Libertarian ticket** to find and recruit cadre, but launched **the Tea Party** to take over the GOP from within, **purging it** of economic nationalists, populists and statist conservatives in due time.
- Their legislative goals are **to privatize or simply abolish elements of government**, save for minimal armed forces and courts, piece by piece. Nearly all restriction on private wealth are to be removed, at all levels, using **the ALEC group** to pass bills in state legislatures. Carlson attacks them from the nationalist view (upper right)
- The Koch political network (lower right) has **more employees than the entire GOP**. Buchanan thinks it over.



Buchanan's 'Limits to Liberty'

Conflicted by politics, the economics professor turns to philosophy, and digs himself into a hole



- Buchanan retreats to his farm in Blacksburg, VA to ponder, given both market and government failure, where **an acceptable compromise between anarchy and 'Leviathan'**, the corporate welfare state, might be.
- But starting from '**Each person seeks mastery over a world of slaves**' (John Calhoun in a nutshell) and controls 'on the behavior of others **so as to force adherence to his own desires,**' he couldn't find one. So despotism becomes the alternative.
- The riddle arises because **he ignores a tenet of the classic liberalism he claims to uphold:** markets work because mutual advantage is sought with mutual respect. Remove the 'mutual' for one-sidedness, and it falls apart. **Hence 'Democracy in Chains.'**



Buchanan and philosopher Geoffrey Brennan, Blacksburg, Virginia, 1989

Chapter 10: A Constitution with Locks and Bolts

*Buchanan Gets to Implement His Ideas in **Pinochet's Chile***

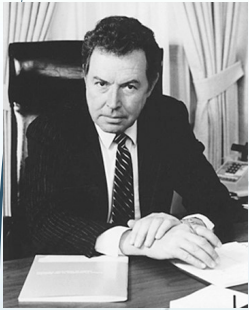


- After his bloody coup (upper right), Pinochet (left) **invited the Mount Pelerin Society, including the 'Chicago School'** of Hayek and Friedman, to come to Chile and restructure the economy and constitution. **Buchanan was included.**
- While Friedman took the limelight (lower right, talking with Pinochet), **Buchanan did most of the behind-the-scenes detailed 'dirty work'** of rewriting and replacing a long list of constitutional measures.
- Highlights of his handiwork: **abolishing effective unions, abolishing social security** for individual IRAs, ending the minimum wage, closing public schools, firing public teachers or exiling them to remote areas. **Most important was restricting the franchise of workers and the poor** and requiring elite minorities to veto any laws benefiting the majority.
- The ironic summary was Buchanan had **set aside the system of 'checks and balance' for 'locks and bolts' against popular democracy.** After Pinochet's ouster and death years later, some of these were changed, but some still stand due to the tough legal barriers to change he had designed.



Chapter 11: Democracy Defeats the Doctrine

How a Rinky-Dink College in a Shopping Mall Became the '**Pentagon of Conservative Academia**', then Ran into a Brick Wall

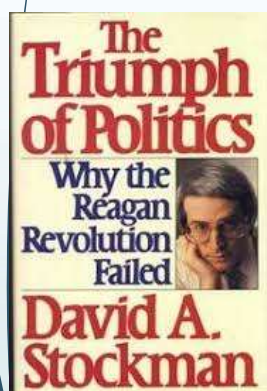


- ▶ UV Blacksburg tried to convince Buchanan to add data-minded economists to his department but he refused. So **George Mason University lured him away**. George W Johnson (upper left), GMU president, had a vision of supplying libertarian-leaning graduates to the GOP in nearby DC.
- ▶ With Buchanan on board, the Koch brothers, and their think tanks, **poured millions into GMU**, vastly upgrading its facilities (lower right).
- ▶ With the victories of Reagan and Thatcher, **neoliberal cadre were in demand**. From the White House down, many were hired. But despite some early victories, they ran into obstacles in the political world.
- ▶ Reagan's Budget Director, **David Stockman** (middle) was to be the bearer of bad news.

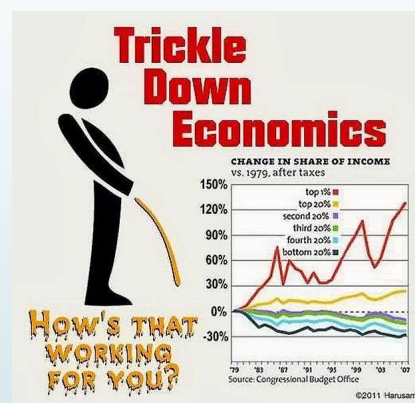


Reagan's 'Revolution' Meant Repealing FDR's 'New Deal'

But a vast majority of voters, even those who thought themselves 'conservative,' **opposed all attempts to get rid of Social Security, veterans benefits, and more**



- While Reagan was celebrating the Kemp-Roth tax cuts (upper right), Stockman **discovered there would be no 'balancing' them by cutting entitlements** like Social Security and Medicare. Any proposals were 'dead on arrival.'
- Stockman said 'telling the truth' to voters would mean telling them could have what they considered important, but it would require the tax codes of a '**moderate social democracy.**'
- With that message, he was soon out of a job, and Reagan was **stuck with high deficits.**
- The only options were to **create fear about social security** piece by piece,, and find ways to reduce the power of voters.



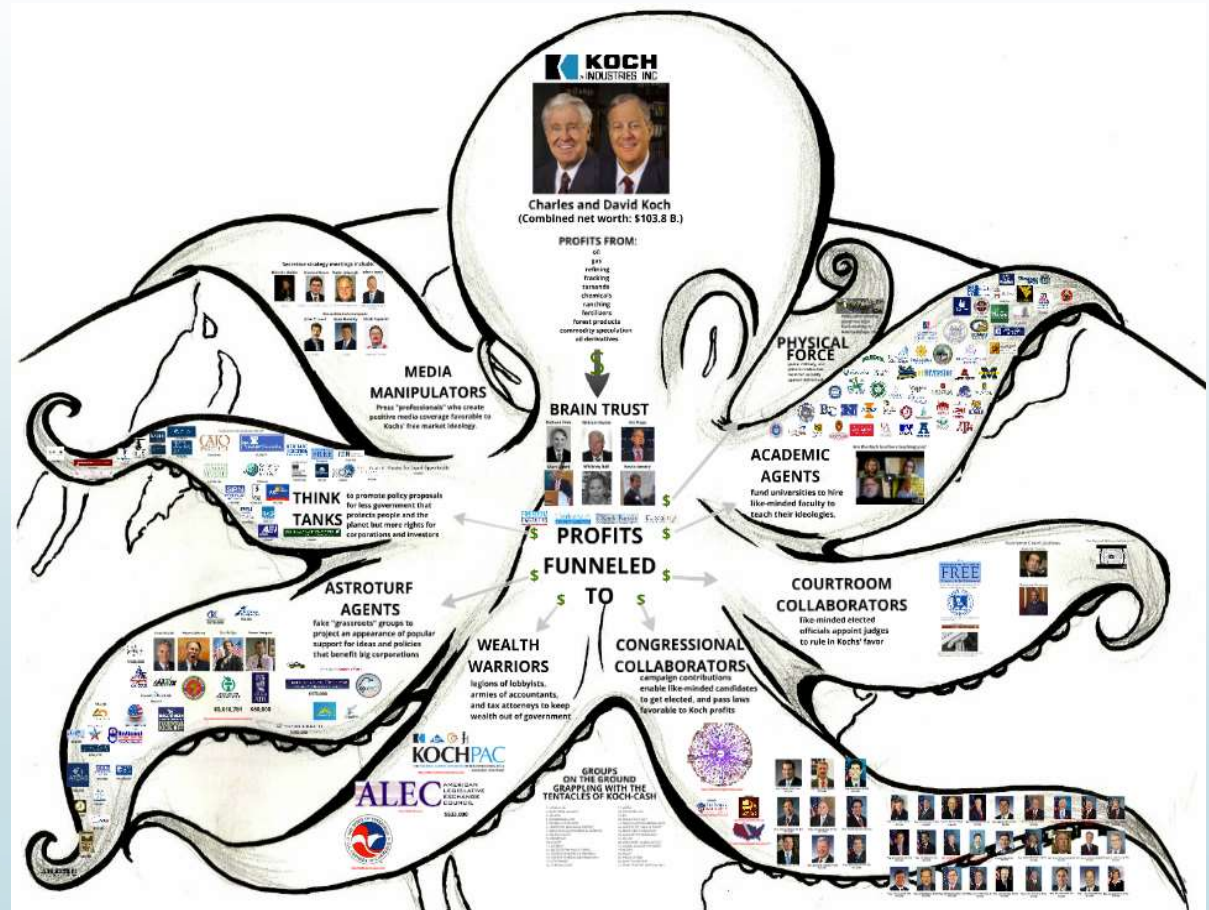
People soon figured out that 'Reaganomics' (above left) meant moving money from the working class to the upper class.

Chapter 12: The Force Propelling Columbus

Frustrated, the Koch's Enlist Dick Arme **Change 'The Rules' by Hook or by Crook**



- Gingrich's rise to House speaker, and GOP control of the Senate, seemed to offer massive gains, but they were **blocked by Clinton** (top).
- The Koch's then partnered Buchanan with House Majority Leader Dick Arme (Center) and Henry Manne, GMU (below), **to create secretive 'hardball' fronts to push the privatization agenda**. Manne trained 40% of all new federal judges.
- Team Koch's enemy was 'socialism,' to them meaning simply any money spent to regulate property or to help people, apart from police, judges, and a military. **To do this, they had to reduce voters and voting, working state-by-state through ALEC (right) and the 'Freedom Caucus' in the House.**

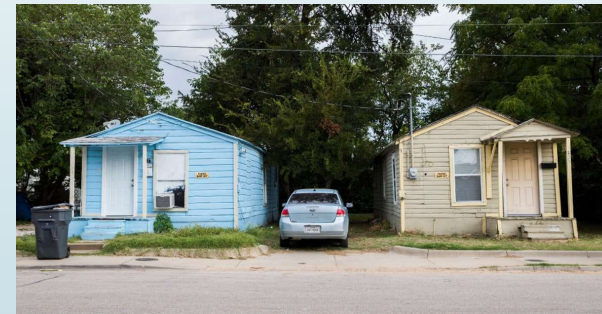
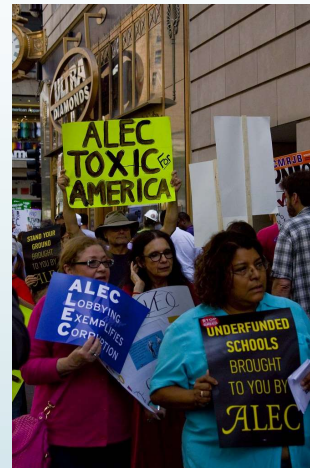


Conclusion: Get Ready

Even some libertarians are blushing at **the stealth and trickster methods** the Koch's are using to get to **the 'liberty' of the rich and strong** to crush the multitudes kept weak



- ▶ Charles K Rowley (upper left), part of Buchanan's team, **balked at the Koch methods** of secretly changing 'the rules.'
- ▶ But Tyler Cowen (middle), Buchanan's GMU successor, was all in favor of the hard line. **'Some will flourish, others will fall.'** He suggested migration to 'cheap' Texas for the poor.
- ▶ If stymied by the designated rules, he also held out the Pinochet (lower left) option of **forcing people to live without a safety net**. The working class would then be 'freed' from government, even at the point of a gun and growing insecurity.
- ▶ Thus **John C. Calhoun** has been updated for the 21st century.



Clockwise: Protest vs. ALEC bills, Flint mothers against ALEC-backed water poisoning, 'Something like Texas' for workers out of luck, Tea Party protest to back GOP 'Freedom Caucus' cutbacks