



THE PROBLEM WITH RICH REPUBLICANS

"As riches increase and accumulate in few hands, as luxury prevails in society, virtue will be in a greater degree considered as only a graceful appendage of wealth, and the tendency of things will be to depart from the republican standard. This is the real disposition of human nature." --Alexander Hamilton, 1788

I recently had a brief debate with a friend, who is a successful venture capitalist. Our debate was about the obligations associated with free enterprise capitalism. After all, history records that Liberty inevitably devolves into tyranny where rights are not balanced with corollary responsibilities.



I asserted that one of his partners, who amassed a great fortune from "payday loans," had ethical and moral obligations attached to his wealth -- as do we all. My purpose in positing that such responsibilities exist was not to stand in judgment of his business partner, though I believe "pay day" loans do some good and a lot of harm. My purpose was to suggest that, to sustain Liberty, each of us, no matter what our net worth, should discern and honor those obligations.

(If you are not familiar with "payday loans," they are cash advances until the next payday, which include extremely high "fees" on top of interest, which combined, are equivalent to an annualized interest rate

of more than 360 percent. Venders target mostly low income groups and many of these loans extended far beyond the next payday.)

My friend feigned SHOCK that I would suggest such responsibilities exist, given my unmitigated [support for free enterprise](#), my fervent defense of the accumulation of wealth and my condemnation of Leftist [class warfare politics](#). He acted as if the mere mention of such obligations was tantamount to supporting [Democratic Socialism](#).

Of course, he knew better than to question my life-long devotion to Liberty, including first and foremost, my advocacy for [Rule of Law](#) and the foundational tenet of free enterprise which sustains our Republic. His reaction framed a false dichotomy that often emerges in response to the question of rights and responsibilities associated wealth -- a defensive response.

There is an abundantly clear distinction between ethical and moral obligations according to the dictates of one's conscience, and Leftist endeavors to enforce their interpretation of those obligations through implementation of socialist economic policies, the latter inevitably resulting in trickle-up poverty. But we must elucidate those differences, not obfuscate them.

[What obligations are associated with wealth?](#) [Post Your Opinion](#)

The failure of socialist doctrine was evident long before the word "socialism" became part of the common lexicon. In 1766, for example, Founder Benjamin Franklin wrote in "Management of the Poor," "I am for doing good to the poor, but I differ in opinion of the means. I think the best way of doing good to the poor, is not making them easy in poverty, but leading or driving them out of it. In my youth I

travelled much, and I observed in different countries, that the more public provisions were made for the poor, the less they provided for themselves, and of course became poorer. And, on the contrary, the less was done for them, the more they did for themselves, and became richer."

Unfortunately, that lesson is lost on the Left today, as they endeavor to undermine the authority of our Constitution by replacing [Rule of Law](#) with [rule of men](#), and enacting economic policies that are anathema to Liberty.

On the other hand, the relationship between wealth and Liberty has also been long known. As Alexander Hamilton wrote in 1788, "As riches increase and accumulate in few hands, as luxury prevails in society, virtue will be in a greater degree considered as only a graceful appendage of wealth, and the tendency of things will be to depart from the republican standard. This is the real disposition of human nature."

Unfortunately, that lesson is often lost on conservatives, who believe that our Constitution can survive the absence of ethical and moral obligations. But as John Adams wrote in 1776, "Statesmen...may plan and speculate for Liberty, but it is Religion and morality alone, which can establish the Principles upon which Freedom can securely stand. The only foundation of a free constitution, is pure Virtue, and if this cannot be inspired into our People... they will not obtain a lasting Liberty."

In the context of free enterprise, ethical and moral obligations, though subjective, are irrevocably linked to wealth and Liberty. How we respond to those obligations will, in large measure, determine whether our Republic can transcend the "[Fatal Cycle of Democracy](#)": From bondage to spiritual faith; From spiritual faith to courage; From courage to Liberty (Rule of Law); From Liberty to abundance; From abundance to complacency; From complacency to apathy; From apathy to dependence; From dependence back into bondage (rule of men).

Though my friend's investment partner has the legal right to accumulate wealth making "payday loans," that does not exclude ethical and moral questions regarding how he makes his money and to what benefit or detriment of others. He is free to make and dispense with his wealth as his conscience prescribes, as we all should be, but he is not free from his ethical and moral obligations as they pertain to the future of Liberty.

Too often, conservative leaders, like my wealthy venture capitalist friend, hide from mentioning wealth-related obligations for fear of offending those who butter their bread. But the average [donation in support](#) to *The Patriot Post* from our grassroots ranks is less than \$50 -- so we are not beholden to wealthy donors -- that we would object to having more of them would. Moreover, many of the donations we receive are truly sacrificial, which calls into question why we don't have more support from wealthy folks.

Unfortunately, too many wealthy Americans insulate and isolate themselves from the overarching ethical and moral dictates that inform the consciences of most our [Patriot countrymen](#). They are content to let grassroots Patriots carry the burden of sustaining the Liberty foundation of free enterprise, and they do so at great expense to the future of Liberty.

[Does the aggregation of wealth without acknowledging the corollary responsibility pose a threat to Liberty? Post Your Opinion](#)

Of course, the question of what constitutes "rich" is [subjective](#) and varies widely across our nation -- for everyone has more than someone. (It is worth noting that by the living standards of the majority of people on Earth, our "poor" are rich.)

Barack Hussein Obama, in his [classist rhetoric](#), claims that couples earning more than \$250,000 per year and individuals earning more than \$200,000 are rich. In reality, however, a lifestyle that most people consider "rich" -- living within gated communities; owning multiple homes; commuting in private aircraft, boats and expensive autos; recreating with other rich and

famous folks (Obama's lifestyle) -- requires a much higher income and substantial net worth.

A well-kept secret is that there are plenty of rich on the Left, and because of the seductive nature of wealth and its influence on those who hold it, they have wealthy conservatives badly outnumbered.

Inheritance welfare, like government welfare and [dependence upon the state](#), has produced generations of [Useful Idiots](#). In terms of their foundational character, liberals who are dependent on inherited wealth and welfare recipients who are dependent on the state for their sustenance don't embrace self-reliance as the essential ingredient of a free society.

Unfortunately, too often there is little that distinguishes wealthy liberals and conservatives because both groups tend to be very disconnected with the grassroots Americans upon whom they are totally dependent. Of course, limo-liberals are burdened with the hypocrisy of holding great wealth while advocating socialist policies for everyone else, while conservatives advocate free enterprise. For the elitists on the Left, wealth is evil only when in the hands of those who hold opposing philosophies and world views.

Parenthetically, I should note that one of the wealthiest conservatives I know (net worth more than \$500 million), is also one of the most humble people I know. He lives in a modest house (just one), drives a modest vehicle, and now retired, spends every day hard at work giving his fortune away to effective human service ministries. Fortunately, there are other notable examples of humble charitable philanthropy among conservatives.

So, what does all this have to do with Mitt Romney, a rich white guy who amassed millions as a venture capitalist, if he wins the Republican nomination?

Well, presidential elections tend to be decided by Independent voters in the gap between Republicans and Democrats, and that will be more true than ever in 2012. Thus, it is important to understand that the concentration of wealth in America concerns a much

broader cross section of voters than just Leftist occupiers. According to reputable polling firms, a substantial majority of Americans are concerned about the aggregation of wealth, particularly of the "Wall Street" variety.

Obama and his [Leftmedia sycophants](#) have succeeded in elevating classism to equal standing with concern about the economy, blaming economic woes on "the rich."



The recent criticism of Romney's role at Bain Capital is a strawman, a classist proxy target for Obama if he opposes Romney. The fact is, neither Bain Capital nor Romney were, or are, heartless leveraged buyout liquidators. Under Romney's tenure, Bain created more than 100,000 jobs. Romney has his faults, but he is not "vulture capitalist" as he has been labeled.

What concerns me more about Romney is that 26 of the 29 members of Congress who received the largest contributions from Bain executives since 2000 were Democrats. Indeed, Bain executives were major supporters of Weiner, Franken, Kerry and Kennedy. Of course, most of the money flowing from Wall Street to Washington supports Democrats.

Romney has politically leveraged his fortunes made at Bain by rightly claiming his business experience is a substantial qualification for the office of president. However, he needs to frame his wealth in the context of the obligations incumbent upon it. Unfortunately, to date, he has avoided doing so. He must acknowledge that there are legitimate concerns about the implications of wealth aggregation on Liberty, and the only way to defuse those concerns is to address them directly.

[Can Romney win over Independent voters without confronting questions about wealth, head on? Post Your Opinion](#)

Obama's compulsory socialist solution for addressing those concerns was outlined by Karl Marx: "From each according to his abilities, to each according to his needs."

Historically, however, it is the voluntary Christian context for wealth that is most compatible with Liberty as "endowed by our Creator." Long before the tyranny of statist Marxism emerged, a far superior framework for the ethical and moral obligations connected to wealth was outlined in the Gospel according to Luke, "From everyone who has been given much, much will be expected; and from the one who has been entrusted with much, much more will be asked."

It is that context to which Romney subscribes (with the subscript of the Book of Mormon). Thus, he has the moral authority to discuss the obligations associated with wealth.

However erroneous, Obama's classist rhetoric on [economic disparity](#) has been very effective, and will be central to his political strategy in the upcoming general election. Like a cruise ship captain who detours from his authorized course, the deviation from the constitutionally authorized course of Liberty and free enterprise, by Obama and his Leftist and Republicrat supporters in Congress, will sink our ship.

If Romney is the nominee, he must boldly make the distinction between the inherent moral and ethical obligations of wealth *within the framework of Liberty*, as opposed to Obama's socialist agenda. His accumulated wealth is his "Achilles' heel," and Obama will paint him to be the antithesis and adversary of "working Americans." Romney will grease the skids for Obama to win the class warfare debate with Independents unless he frames that debate in the context of "rights and responsibilities."

To be clear, Romney does not "owe" anyone an explanation or justification for how he made his wealth or how much he has accumulated, but if he wants to defeat Obama, he must disclose his financial records, and stop hedging. In the inimitable words of Samuel Adams in 1775, "The public cannot be too curious concerning the characters of public men."

Mr. Romney has released his 2010 tax return which indicated an income of \$21 million and donations of \$3 million, mostly to the Mormon Church. From a grassroots perspective, giving 15 percent of a \$21 million income does not fall into the category of sacrificial giving, as in the Biblical story, "The Widow's Mite" in Luke 21:2. One would think that Romney, knowing that his tax records would be an issue, would have given *much more* for charitable purposes in recent years, so as to at least feign great generosity. Perhaps enough Independents are prepared to vote *against* Obama, if Romney is on the Republican ticket, and overlook his meager giving in service to others. Obama will, undoubtedly, make an issue of the fact that Romney paid less than 15 percent in capital gains taxes in 2010. However, one should note that capital gains taxes are paid on the remainder of corporate income, after it has already been taxed once, at 35 percent. So Romney's effective tax rate is closer to 50 percent. That notwithstanding, Obama will twist Romney's income and tax rate into prime fodder for class warfare.

The bottom line on "the rich" is this: Regardless of individual net worth, virtue related to wealth is shaped not so much by what we own, but by what owns us. This is universally true, regardless of your faith: "For where your treasure is, there your heart will be also." (Luke 12:34) The real issue is not wealth, but stewardship of that wealth. Too many wealthy Americans of all political stripes live substantially isolated from the day-to-day realities of most our countrymen, and that is a great liability to the future of Liberty.