

***SUSTAINABLE DEVELOPMENT:  
THE HIDDEN THREAT TO LIBERTY***  
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**PUBLIC-PRIVATE PARTNERSHIPS, THE  
UNDERMINING OF FREE ENTERPRISE, and  
the EMERGENCE OF “SOFT FASCISM”**

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Over the past decade, the expression *public-private partnership* has crept into our public lexicon. What is a public-private partnership? What purposes were they supposedly created to serve? What, on the other hand, is free enterprise? Are the two compatible? In answering these questions we shall see that although advocates of public-private partnerships frequently speak of economic development, public-private partnerships really amount to economic control—they are just one of the key components of the collectivist edifice being built up around the idea of sustainable development. Within the economic arena of sustainable development is the emergence of what we might call *soft fascism*: a system that fits the dictionary definitions of fascism but whose totalitarian effects will be felt primarily by those who wish to walk their own paths in life rather than walk the paths the sustainable developers are in the process of laying down.

**1. Public-Private Partnerships.**

Advocates of public-private partnerships paint a rosy picture of them as free-market-friendly. From one of the main Web sites devoted to them comes the following, from a white paper published by the National Council for Public-Private Partnerships:

Public-private partnerships are a means of utilizing private-sector resources in a way that is a blend of outsourcing and privatization. PPPs can involve the design, construction, financing, operation and maintenance of public infrastructure or facilities, or the operation of services, to meet public needs. PPPs are often ‘financially free standing,’ i.e., privately financed and operated on

the basis of revenues received for the delivery of the facility and/or services. One key to this is the ability of the private-sector to provide more favorable long-term financing options than may be available to a governmental entity and to secure that financing in a much quicker time frame. Public-sector assets (including human resources and infrastructure) are often included. The agreement under which the PPP operates is closely governed by a contractual relationship between the public- and private-sectors, with the objective of utilizing the best skills and capabilities of each sector. The objective of a PPP is to provide a more efficient and cost effective means of providing the same or better level of service, at a saving to the public (both general and governmental).<sup>1</sup>

More briefly, in a follow-up report:

...PPPs are contractual arrangements under which the public and private sectors join together in a partnership to utilize the best skills and capabilities of each to better serve the public. Public-private partnerships are formed to meet an objective that any constituency would want—to provide the highest quality service at the most optimal cost to the public.<sup>2</sup>

In other words, according to their advocates, public-private partnerships use the financial resources of business (the private sector) to carry out activities or functions government (the public sector) has assumed for itself. Implied here is the recognition that private enterprise is more efficient than government. As one quoted expert put it, in arguing for the necessity of public-private partnerships:

Counties, states, provinces and communities have hit the ‘tax wall,’ meaning they have no more room to raise taxes. Doing so would either violate some constitutional or statutory limit, or send people and businesses packing for friendlier climes. In other cases, government simply has not kept pace with technology and productivity advances and must rely upon private enterprise to put its unique expertise to work.<sup>3</sup>

There are now thousands of public-private partnerships in place throughout the country, engaging in activities ranging from building roads and neighborhoods to providing water and wastewater services to renovating government schools to overseeing the management of real estate to providing health care. This number seems destined to grow in the immediate future. It is fair to say that public-private partnerships have been accepted without question by the ‘mainstream’ of both government and business.

This is because a new ‘paradigm’ for the relationship between the two has emerged, very gradually, over the past few decades. This ‘paradigm,’ of course, is that of sustainable development, which combines the power of the purse, one might call it, with the power of the sword. The resources of business (the power of the purse) are utilized to do the work of “governance” (the power of the sword)—with the former’s full cooperation and support. The reports we cited noted several examples of what appear to all intents and purposes to be successful public-private partnerships—successful, that is, in achieving the ends wanted within government. Expansionist or interventionist government—the idea that government should undertake responsibility for managing huge portions of a

country's economy and infrastructure—is taken for granted, but limits on the capacity of government to effect change by itself are acknowledged. The solution to the problem of the limits on the capacity of government, in the new paradigm, is to employ the resources of business, in a way that brings business fully on board and enlists it as collaborator—or partner. Of course, the larger the business the better, because bigger businesses tend to have deeper pocketbooks than smaller businesses. The critics of public-private partnerships usually cited in the favorable literature are not those who do not trust government but those who do not trust business. The latter see private-sector involvement as—in the words of one critic—“a plot to establish a completely free market with overtones of dog-eat-dog survival of the fittest, and culling of the weakest....”<sup>4</sup> I don't believe that “dog-eat-dog” laissez faire is on the public-private partnership radar screen. Far more credible allegations, however, can be mounted not just against public-private partnerships but against the ‘paradigm’ in which they are most at home. But first, we must do more of the historical detective work and identify more of the major behind-the-scenes players.

## **2. Public-Private Partnerships and Sustainable Development (Agenda 21).**

How did the enthusiasm for public-private partnerships begin, and what do they have to do with sustainable development?

We can trace the idea of the comprehensively planned society at least to Plato, who envisioned such a society in his *Republic*. In the *Republic*, there is a place for everyone and everyone knows his place. Properly educated philosopher-kings rule—because by virtue of their educations they are most suited to rule. This image of Utopia has gripped political thought for over two millennia, making it the scene of a long-term struggle between those who believed they held the keys to power and those who see power as dangerous. Those who believed they held the keys to power have tended to have the upper hand. In modern times we must cite the collectivism of Jean-Jacques Rousseau who, in his *Le Contrat Social*, invented the idea of a *general will* through which the individual could be “forced to be free.” And we could cite G.W.F. Hegel (author of *The Philosophy of Right* and other works), inventor of the idea of the state as the historical manifestation of the Absolute. In the Hegelian vision, the individual belongs to the state. Power triumphs supreme. Karl Marx, of course, famously said, “The philosophers have only interpreted the world ...; the point is to change it” (*Theses on Feuerbach*).

As methodologists we would also have to cite those Fabian socialists who formed in the late 1800s and whose watchword was gradualism, as opposed to the violent tendencies of revolutionary Marxism. (We will say more about the Fabians below.) Characteristic of all these visions is that once implemented, the individual person does not own himself; he exists to serve the state or the collective. He is not to be allowed to direct his own paths, but is compelled down paths laid by those in power or their underlings. There have been a few incisive critiques of central planning of whatever sort, such as those of Hayek<sup>5</sup>; but collectivists have never allowed intellectual criticism to stand in their way. The sustainable development paradigm is a paradigm of comprehensive collectivist planning supposedly to safeguard the environment, as we have already seen (Michael Shaw's

article). The long-term goal here is what can be increasingly envisioned as an emerging world state with many facets (the three *E*'s of sustainable development being equity, economy, environment—with a prospective 'fourth *E*' being education). This world state will gradually subsume and eradicate nation-states until the phrase *United States of America* names not a sovereign country but a large tract of micromanaged real estate—at least half of which will be off-limits to human beings (Wildlands Project).

During the 1970s, with the growing realization that explicitly socialist planning was failing on a massive scale, the United Nations gradually turned its attention to the environment. Its advocates picked up on such notions as 'the limits to growth' promulgated by elite groups such as the Club of Rome.<sup>6</sup> The UN assembled the Brundtland Commission in 1983 to study the problem; in 1987, this commission released the report that officially defined *sustainable development* as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs."<sup>7</sup> This definition presumes that we can know the needs of future generations with sufficient specificity to act effectively. At a deeper level, it presumes that economic development cannot be left to the free choices of acting persons but must be managed—that is, controlled (via "governance"). The philosopher-king's impulse was very much alive—in billionaires such as Maurice Strong or longstanding UN-sponsor David Rockefeller Sr. The UN began to call for the centralization of economic development along with all resources—human as well as natural. It began to assume more and more of a role as emerging megastate, orchestrating the progression regionalizing of the world, policing the centralization process in the name of protecting the environment and safeguarding future generations.

Other components of the new paradigm steadily emerged. In the late 1970s a British scientist, James Lovelock, developed the so-called "Gaia hypothesis"—a renovated version of the old pagan faith in Gaia, Mother Earth.<sup>8</sup> This idea came to the attention of Prince Charles of Wales. Charles had already become preoccupied with environmentalism, and because of who he was, doors automatically opened to him. When he spoke, people listened—especially people with deep pockets. Prince Charles went on to create the Prince of Wales Business Leaders Forum, which promoted the concept of sustainable development within the multinational corporate orbit. The new organization, which held its first meeting in Charleston, South Carolina, in 1990, provided a major connecting link that brought international business on board with the United Nations Development Programme and the World Bank.<sup>9</sup>

*Agenda 21*, arguably the "bible" of the sustainable development movement, was unveiled two years later at the Rio Summit, in Rio de Janeiro. An immense, comprehensive document, it had chapters involving business and other nongovernmental organizations (huge foundations, nonprofit groups, sometimes extremely wealthy individuals) in the promotion of sustainable development. The idea of creating and strengthening public-private partnerships could not be clearer:

30.7. Governments, business and industry, including transnational corporations, should strengthen partnerships to implement the principles and criteria for sustainable development. 30.8. Governments should identify and implement an

appropriate mix of economic instruments and normative measures such as laws, legislations and standards, in consultation with business and industry, including transnational corporations, that will promote the use of cleaner production, with special consideration for small and medium-sized enterprises. Voluntary private initiatives should also be encouraged....

30.23. Large business and industry, including transnational corporations, should consider establishing partnership schemes with small and medium-sized enterprises to help facilitate the exchange of experience in managerial skills, market development and technological know-how, where appropriate, with the assistance of international organizations. 30.24. Business and industry should establish national councils for sustainable development....<sup>10</sup>

The following summer, 1993, President Bill Clinton signed an executive order creating the President's Council on Sustainable Development. That same year—a milestone year in this process—saw the creation of the World Business Council for Sustainable Development. The phrase *public-private partnership* itself appeared in 1996 at the United Nations Conference on Human Settlements, Habitat II, held in Istanbul. Dr. Wally N'Dow, Secretary-General of that conference, told businesswoman and author Joan Veon, “We have got to a point where we cannot not partner with the private sector, as governments, as the civil society, as NGOs, but also as people active in international development such as the UN.”<sup>11</sup> In the late 1990s, the so-called economic boom overshadowed (and diverted attention from) the fact that our economic system was being gradually bent in the direction the sustainable developers wanted it to go. This was the era of “reinventing government,” which was portrayed as a “devolution” of power to the local level, which was where the sustainable developers preferred to work in stealth.<sup>12</sup> It was easy once a critical mass of corporate players in each locale were on board. By the start of the 2000 decade, one city or town after another all across the country was bringing in “consultants” and having “visioning” sessions. Communities began to be transformed from within, typically with the full cooperation of mayors and other elected officials, other local government officials, business groups such as the local Chamber of Commerce, presidents of local colleges, and neighborhood-association groups. Plans with names such as Vision 2025 (used in both Tulsa, Okla. and Greenville, S.C.) would result from these sessions.

Few residents have seen the edifice of controls *gradually* being built around them, as offshoots of sustainable development such as the New Urbanism have taken root. Most (as I can attest from personal experience) have not heard the term *sustainable development*. But “partnering” came to be seen as a good idea. Thus public-private partnerships formed and began to create centers of activity with as much as possible in them—large and small businesses of all varieties, apartments, condominiums, schools, etc., often in very close proximity to one another. The New Urbanism promotes itself as creating communities centered around convenience. Those living and working in them are able to walk or bicycle everywhere: to work, to buy groceries, to attend classes. These “sustainable communities” are typically very automobile-unfriendly, with narrow, crooked streets, multiple speed bumps, and an absence of adequate parking. Residential

activity is tightly regulated—to the point of specifying what kinds of plants residents may place on their balconies.

*Gradually* is a key word above. Those who have wished to transform entire societies from their foundations upward learned two lessons some time ago. The *first* is that proceeding slowly and working piecemeal accomplishes more than attempting to foment revolution. The Fabian Socialists adopted gradualism as a pragmatic alternative to revolutionary agitation when they formed in Great Britain in 1883. They took their name from Quintus Fabius Maximus, the Roman general noted for his tactics of delaying the decisive strike against an enemy as long as possible. Their description of what they intended to do: penetrate and permeate. They founded very few institutions of their own (although the London School of Economics is an exception). They preferred to transform existing ones from within. Eventually they became the dominant presence in the British Labour Party. Today, Tony Blair is a member.

The influence of Fabian socialism on U.S. history should not be underestimated. The Wilson Administration was permeated with Fabian socialists and their associates. The Fabians had realized early on that Americans would not warm to the term *socialism*; they responded by ceasing to use it and instead forming (for example) the League for Industrial Democracy, chaired by John Dewey.<sup>13</sup> John Maynard Keynes, architect of the so-called “mixed economy,” was also a member. There can be no reasonable doubt that Fabian gradualism influenced the development of the environmentalist movement in the United States. Fabians in large foundations such as Ford helped bankroll it. This brings us to the *second* lesson, already mentioned. Pure socialism, as we noted, was proving unworkable. It simply could not produce. Capitalism could, however. It made sense to allow capitalism to develop and to exploit its transformative potential via the Schumpeterian concept of “creative destruction.”

Thus Fabian socialism actually penetrated the direction business itself took, especially in the 1980s, with the creation of, e.g., enterprise zones: capitalism allowed and even encouraged but kept on a leash.<sup>14</sup> The idea was to build up a form of capitalism that would transform itself into socialism via the collectivization of its participants through, e.g., self-directed work teams. As our economy seemed to improve for a while during that period, few noticed the collectivism that permeated the thinking of the “mainstream” about work and economic development. We began to hear catchy phrases such as, *There’s no ‘I’ in ‘team.’* Education had become entirely group-focused through group projects and group grades. Thus the business personnel turned out would have no moral center other than the collectivist one. It also became increasingly vocation-focused—a point we shall explore in more detail below. Its products would be easily sold on the environmentalist agenda via arguments ranging from the supposed rights of future generations to allegations of global climate change. With an impoverished educational background, younger generations were vulnerable to what the sustainable developers wanted. This offers the best explanation of how businesses—large and small—were persuaded to get behind an agenda one would otherwise think they would repudiate as contrary to their best interests. Arguably the edifice of regulations contributed massively

to driving business overseas, taking our job base with it when keeping jobs in America simply became too expensive.

If one needs examples of public-private partnerships, one can find hundreds. Consider one area: *transportation*. In the Richmond, Va., area, plans were launched for a western loop around the town. A “creative state law” called the Public-Private Transportation Act was quickly passed, allowing the Virginia Department of Transportation to “partner” with a private company based in Danville to the south to develop the highway. The Virginia transportation commissioner lauded the project: “It is another fine example of government and business working together to provide a major public works project in a way that saves taxpayer dollars and takes much less time to complete than we’ve come to normally expect.”<sup>15</sup> There are two questions we would need answers to: was the highway really a necessity, and if so, could the private sector have handled it still more quickly and for a still lower cost? To indicate that there may be more than meets the eye to public-private partnerships in the realm of transportation, consider the Trans-Texas Corridor (TTC)—or as some are calling it, the NAFTA Superhighway. This project, still in the planning stages, would extend Interstate 69 (which currently runs from Port Huron, Mich., on our border with Canada, to Indianapolis) down through eastern Texas to our border with Mexico. The TTC could conceivably pull in other major interstate highways such as I-35 or I-45 (the exact pathway through Texas is still far from decided)—over 4,000 miles of highway in all, involving also rail lines and utility networks, very possibly the largest engineering project in U.S. history.<sup>16</sup> Such a project would facilitate one of the goals of the little-known Security and Prosperity Partnership of North America (SPP), signed by our President Bush, Mexico’s President Vicente Fox, and outgoing Canadian Prime Minister Paul Martin. This partnership between states has the explicit intent of breaking down the borders between them and bringing about a “regional economic integration” that could only be a precursor to regional “governance” by unelected bureaucrats.<sup>17</sup>

Or consider again *education*. In some cases, the use of public-private partnerships to facilitate the construction of more government schools has been promoted.<sup>18</sup> On other occasions, public-private partnerships actually get involved in instruction and curriculum development themselves, sometimes beginning with very small children, e.g., the Child Care Partnership Project. This entity serves as a kind of incubator for public-private partnerships between state-level child care administrators and businesses, nonprofits, foundations, and other groups.<sup>19</sup> Education, unsurprisingly, is a preoccupation of elite groups such as the World Economic Forum, which sponsored the Global Education Initiative. Consider:

Education for the next generation of the world’s growing young population is an urgent priority not only for the governments around the world, but also for all of society. For the private sector in particular, an effective education system is critical for economic growth and development in building a skilled labor force, increasing the purchasing power of citizens and improving productivity. Education goals such as equity, access and reducing gender disparity, coupled with issues such as poverty and hunger that are prevalent in many developing nations, pose a complex development challenge that demands a bold new

paradigm. This paradigm is based on collaborative public-private partnerships that leverage the key strengths of all of society's stakeholders such as the global and local public and private sectors and community based civil society.

The vision for the Global Education Initiative (GEI) was conceived during the World Economic Forum's Annual Meeting 2003. Together, business leaders of the Information Technology and Telecommunications Community of the Forum launched an initiative to create new sustainable models for education reform in the developing world through public-private partnership.<sup>20</sup>

All of this has a pleasant, futuristic ring to it. But as a prospective model for the education of the next generation, consider what subjects are not mentioned: personal finance, for example. "Increasing the purchasing power of citizens" without also teaching them personal finance, i.e., money management, from their youngest ages is a recipe for a citizenry saddled with debt—which is essentially what we have in America today. Also not mentioned are mathematics, logic, history, basic government (including Constitutional limitations on government), basic economics, or even basic literacy. School-To-Work education, of course, emphasizes vocation at the expense of academics, i.e., traditional subject areas. It integrates exceedingly well into the new paradigm. Vocationalism in education makes sense, if one's goals are social engineering. It will turn out human worker bees who lack the mental tools to think about the policies shaping their lives. Michael Chapman and Sen. Michele Bachman (R-MN) have argued that public-private partnerships effectively embrace a state-planned economy. They involve a system that first integrated education and government via the Goals 2000 Educate America Act, then education and business via the School-to-Work Opportunities Act and finally business and government with the others via the Workforce Investment Act. Public-private partnerships built up through these three thus have had the sanction of federal law with bipartisan support. "Together, these laws align and consolidate all local, state and federal policies, programs, and funding into a single state-managed economic system."<sup>21</sup> Among the casualties of this system are traditional academic subjects, which are relegated to the status of decorations as job training is ratcheted up. Students are compelled to select a "career cluster" as early as the eighth grade. As they near graduation they find themselves sent to work sites for labor training instead of in classrooms learning reading, mathematics, history, government, and so on.

Public-private partnerships are fundamentally different from previous organizations and collaborations that have involved business. Their goals are also different. While having adopted the language of markets and seeming, at times, to further markets and economic development as an ends in themselves, their widespread adoption is bringing about a form of "governance" that is alien to the founding principles of the United States (Constitutionally limited government, government by consent of the governed) and inimical to individual liberty. We have begun to see government not by consent of the governed, but "governance" (i.e., control) by committee, and by bureaucracy. This brand of "governance" employs an arsenal of tricks imported from behavioral psychology, such as the use of Delphi technique to coerce a "consensus" by intimidating and marginalizing critics. It has no problem using Hegelian dialectic to achieve desired results in a city or town. Hegelian dialectic in this context involves the triad of *crisis, reaction, response*.<sup>22</sup>

Manufacture a *crisis*, such as allowing levels of development in certain areas of a city to result in intolerable levels of traffic congestion. This yields a predictable *reaction*, as the public demands that the city or county (or both) do something. What they do is adopt “smart growth”—the *response*, the goal desired by the sustainable developers all along.

When those techniques fail, as they will occasionally, developers resort to legalized theft. If an existing business or even an entire neighborhood is the way of, e.g., a sustainable project, that business or neighborhood must go. The neighborhood is declared “blighted” under local ordinances and eminent domain is employed. Arguably, the sustainability agenda has paved the way for the obliteration of private property rights in America. The educational wing of this agenda assures the graduation of citizens who do not know what private property rights are, as they will have job skills but no knowledge of such ideas or their historical and philosophical origins or justification. The Supreme Court’s *Kelo v. New London, Ct.* decision of early summer 2005 set off alarm bells, but should have surprised no one following the gradualist progression initiated by the Fabian socialists. This decision permitted the use of eminent domain, traditionally reserved for public goods such as the building of a road or a library or a school, to be employed for private development. Since last summer we have seen, moreover, numerous other methods to use (or misuse) eminent domain to take private property away when it stands in the way of what a private developer (often in partnership with a governmental entity) wants. It is becoming clear that individuals who stand in the way of the advancing sustainability agenda risk being *forced* from their land.

### **3. Free Enterprise Revisited.**

What, precisely, is free enterprise? It arises from a philosophical view of the world, one which (whether rooted in the Judeo-Christian tradition or Aristotelianism or—as seems the most credible route, in a fusion of the two) understands human beings as standing in a specific relationship to the rest of reality, including the environment. The universe does not take care of us. But it does work according to regular laws. We use our minds to discover and improve our understanding of these laws. Our survival depended on this. It was always contingent on specific courses of action, the ends of which were water, food, shelter, and so on. Moreover, only individual persons can take action; the necessary cognitions go on only in individual brains, not within a “collective.”<sup>23</sup> Thus from the standpoint of human action “collectives” don’t exist! Individuality is the bottom line for us—although individuals obviously derive great benefit from extended families and a life within stable, thriving villages and towns.

The need to use the environment to survive is simply a given. If this is evil, then human survival itself is evil (I think many of the so-called “deep ecologists” actually believe this!). We find raw materials and turn them into useful products. Human action thus transforms the useless into the useful. Acting on what was previously a “commons” creates property, that which I have transformed and made my own. Thus emerges the idea of ethically defensible property rights: if I find a large piece of white stone and from that stone I carve a bust of the philosopher John Locke, my mind guides my physical labor and creates something that wasn’t there before, and I have the right to consider it

my private property. If I homestead a tract of land, turning it into a field where crops may be grown and harvested, I have the right to consider that field and its fruits my private property. Private property rights are rights of exclusivity. I am ethically allowed to protect and defend my land from invaders. This is where private property and property rights come from. The totality of labor (physical or otherwise) guided by intellect, transforming the useless into the useful, is *production*.

I may produce for myself alone, but in the company of others I need not do so. Human beings are a diverse lot, with many talents. We both enjoy and are healthier in the company of others than in total isolation, except for the occasional hermit. As we come together in villages and towns, therefore, we recognize our different talents and divide our labors. I produce a surplus of what I am best at producing and trade that surplus voluntarily for the product of others who are doing what they do best. It may be that I am unable to produce this surplus myself, and must find others to assist me—laborers or employees in newly created jobs. I thus earn my living through voluntarily trading the fruits of my productive labors to those who want it in exchange for the fruits of the productive efforts of others that I need but cannot produce all by myself. When currency is established (backed by precious substances, of course!), this process undergoes a quantum leap in simplicity, as we need no longer a barter system involving our best guesses at the relative worth of our various products. Instead, the price of my products, the value of labor (wages I pay my workers—or am paid, in case I am one of the workers), are determined within the open market by what others are willing to pay. As my village or town develops, it may be presumed that I am not the only person, e.g., growing and harvesting crops. If others offer a better price than I do for the same products, then other things being equal, I must offer the best for a competitive price or be faced with losing out.

Thus *free enterprise* comes into being, and is sufficiently open-ended to allow for change and development—but not so open-ended as to incorporate oversight on the part of agencies acting from the outside. Its participants will likely be suspicious of change for the sake of change. They will, above all, not trust concentrations of power. How does government get into the act? Some, of course, don't think we need government at all (e.g., theoretical anarchists or “anarcho-capitalists”). We can't presume, however, that everyone will respect the private property rights of their neighbors, or that their neighbors will have the means to defend their rights on their own. Nor can we presume that our town won't be invaded from outside. So we have the option to create an institution that encodes specifically enumerated rights for all: to life, to liberty (to use one's mind and undertake the actions necessary to sustain one's life), and to private property (to assume full control over the fruits of one's actions or labors and also full responsibility, or strict liability). This institution sets up an enforcement mechanism, but prohibits itself from interfering with its citizens' rights. Its sole purpose of protecting rights both from threats from within and from threats from without, and punishing lawbreakers (rights violators). Education will be a serious and essential business in such a community: who, indeed, watches the watchers? Education will include the warning that the world is not necessarily a safe place. It will encourage what is today called *exceptionalism*: the idea that one's own system of government, economic system, culture, etc., are special, which

can be rationally justified *if and only if* the rights so enumerated really match the conditions for sustaining life and creating prosperity through peaceful transactions and relations. If those whose business is educating the young succeed in transmitting this exceptionalist view to the next generation, then should invaders threaten, our town of free men and women will have no trouble organizing to defend itself. Moreover, we will *never* launch an unprovoked attack on another town that hasn't threatened us.

Under such arrangements, government will indeed be a small and limited entity. It will represent its citizens, not presumed interests of its own. Its functions will remain few—carefully defined by a written document designed to *enumerate* (not *invent*) the rights of its citizens, set out how those who initiate force and fraud against others are to be punished, and protect the integrity of its borders. Nowhere among those functions will be found the activity of providing subsidies to the small businesses continually emerging around new ideas or in competition with existing ones. Such subsidies can only be obtained through a system of legalized theft from producers—or borrowing from banks through a system of fractional money, also resulting in the equivalent of theft as currency is debauched. Legitimate government will not expropriate the productive efforts of some to give to others—nor will it “partner” with some in order to give them a special competitive advantage, as a reward for furthering some aim of its own. (I would argue, based on the history of our own civilization, that there are certain endeavors that everyone should undertake the responsibility of keeping an eye on, the best example being *banking*, but such concerns are outside the scope of this article.<sup>24</sup>) Government, finally, will not form “partnerships” with any of the myriad endeavors comprising civilization for the purpose of undertaking agendas and projects not mandated in its founding charter, or constitution, because they do not stem from its mandate to protect life, liberty, and private property.

#### **4. Public-Private Partnerships and Home-Grown “Soft” Fascism.**

We should see from the preceding section that public-private partnerships do not fit into the conceptual model of free enterprise. A free society has no need for them and should shun them as illicit, prosperity-draining sources of collusion, corruption and theft. When they appear, we should be vigilant to the possibility—*probability*—that something has gone badly wrong *even if the language of free enterprise is still used*. Let us pass the reins of the argument into Joan Veon's hands, for she has done as much as anyone to document the specifically fascist tendency at work here. Veon explains:

A public-private partnership will always have as its goal a business-making venture that requires some form of “governance.” The question is, since the players will vary in experience and wealth, who has the most power? We know from life itself that whoever has the most money has the power. For example, when a public-private partnership is comprised of governments such as the County Department of Environmental Initiatives, the State Department of Environmental Resources; a number of private entities such as a land trust (foundation) and the Nature Conservancy (nonprofit); along with a corporation such as Black and Decker, the players with the most money control the partnership. In this case, it would be the Nature Conservancy with assets of over

\$1 billion, and Black and Decker Corporation with a capitalization of \$1.6 billion. Representative government loses.<sup>25</sup>

By this method, then, citizens are deprived of private property rights and control over their lives and business activities. When private companies must compete in an open market for the best employees and for customers, that is free enterprise capitalism (or *laissez-faire*). However, when they form partnerships with government, or when either one “partners” with foundations or nonprofit sector entities, or even, I would argue, are legally able to borrow money from banks created according to the fractional reserve system, free enterprise is compromised. The economic system begins its move from a one based on liberty and productivity to one based on control and plunder. If corporations have the most money—as is often the case—they will obtain levels of power that make them as dangerous as any government not on a constitutional leash.

*Fascism* is the name we give to the ideology which merges the power of the purse (business, foundations, nonprofits) with the power of the sword (government) in order to create policy, impose it by methods ranging from subterfuge to force, and take a society in a desired direction. *Webster's New Collegiate Dictionary* defines *fascism* as “a political philosophy, movement, or regime that exalts nation and often race above the individual and that stands for a centralized, autocratic government headed by a dictatorial leader, severe economic and social regimentation, and forcible suppression of opposition.” Perhaps still better:

Fascism adheres to the “philosopher-king” belief that only one class—which is by birth, education, or social standing—is capable of understanding what is best for the whole community and putting it into practice.<sup>26</sup>

Thus fascism tends to develop when those in business who want unearned wealth or power join forces with would-be philosopher-kings with that Platonist vision—or become one and the same, under the Platonist assumption that they and their selected cohorts are most fit to rule. At first, the system is not overtly totalitarian. Those with newfound power want as many people as they can to accept their leadership without being forced. Joan Veon quotes Bertram Gross from *Friendly Fascism*:

Although the classic fascists openly subverted constitutional democracy ... they took great pains to conceal the Big Capital-Big Government partnership. One device for doing this was the myth of “corporatism” or the “corporate state.” In place of geographically elected parliaments, the Italians and the Germans set up elaborate systems whereby every interest in the country—including labor—was to be “functionally represented.” In fact, the main function was to provide facades behind which the decisions were made by intricate networks of business cartels working closely with military officers and their own people in civilian government.<sup>27</sup>

Today’s public-private partnerships have these same ingredients even if the main power players have changed. Veon argues persuasively that the process of “reinventing government” that took the country by storm during the Clinton years is the best means of

understanding the political environment in which public-private partnerships are most at home.

What, precisely, do we mean, *soft* fascism? This notion can be understood only in the context of the “fourth E” of sustainable development: *education*. While a full treatment again goes beyond what we can do here, American history discloses two broad philosophies of education, what I will call the classical model and the vocational model.<sup>28</sup> The classical model incorporates the full scope of liberal arts, including history and civics, logic and philosophy, theology, mathematics as reasoning, economics including personal finance and money management. Its goal is an informed citizen who understands something of his or her heritage and of the principles of sound government and sound economics generally. The vocational model considers education sufficient if it enables to graduate to be a tradesman or obedient worker. History, logic, etc., have little to contribute to this, and so are ratcheted down, as in the School-To-Work model. Mathematical education, for example, will be sufficient if it enables students to use calculators instead of their brains. Government schools, over recent decades, have been increasingly bent in the direction of the vocational model. This is known colloquially as “dumbing down.”<sup>29</sup>

The result of this process is a graduate who will follow his leaders, be they governmental or corporate, directly into public-private partnerships because, having no knowledge of their problems both economic and constitutional, he has no other points of reference. His scope is present-focused or near-future-focused. He will go along as did those Germans, schooled according to the Hegelian model of education that subordinated the individual to the “needs” of the state or of society. This model arguably began to be incorporated into government-sponsored schools at their beginning, when Horace Mann visited Prussia in the 1840s, and eventually evolved into the vocational model. In our situation, vocational programs “school” students to fit the needs of the “global economy” seen as an autonomous, *collective* endeavor, instead of educating individuals to find their own ways in the world, shaping the economy to meet *their* needs.

This system is fascist since it involves corporations and governments working together to make policy; it is *soft* fascist because (due to the lack of genuine education) it is not overtly totalitarian. Tyrannical controls are barely needed, because among the mind-controlled workers and future workers there is little resistance. Most go along, fearing unemployment. After all, as George Orwell once observed, “Circus dogs jump when the trainer cracks his whip, but the really well-trained dog is the one that turns his somersault when there is no whip.”<sup>30</sup> Soft fascism thus employs behavior modification rather than obvious acts of tyranny. It is guided by an incentive system rather than overt acts of coercion: operant conditioning, a product of several decades of behavioral psychology to which the classical fascists were not privy. Thus for much of the population, there is no whip. Those who do not turn their somersaults—perhaps out of a realization that their choices have been artificially reduced—are marginalized and eventually able to find only menial jobs. Lack of resources renders them effectively helpless—their punishment for nonconformity, in the behavioral psychologist’s sense. The “system” is effectively insulated against their criticisms, which as Orwell also observed, will not be read in

places where they threaten the governing class. This class will have the Platonist philosopher-kings at the helm, overseeing public-private partnerships involving big government, big business, big foundations, with the full backing of the mainstream media, approximately 90 percent of which is owned by a half-dozen huge corporations. This explains why you will not encounter criticisms of public-private partnerships or of the idea of sustainable development in any mainstream media outlet today.

## 5. Implications and Concluding Remarks.

We should make no mistake about what we are dealing with here. Public-private partnerships are a central manifestation of sustainable development, along with education for “sustainability.” Sustainable development is itself one (albeit a very large) manifestation of a larger tripartite goal, the goal of the would-be philosopher-kings who seem themselves as most fit to rule. They are bringing about a *permanent revolution* employing Fabian methodology (penetrate, permeate, transform from within, quietly, quietly)<sup>31</sup> employing Orwellian doublespeak wherever necessary. We are seeing—if we know what to look for—an expansive agenda, decades old, bankrolled by evil men with very deep pockets. The tripartite goal:

(1) global economics, built up as managed-capitalism in order to exploit the enormous wealth available through corporations of all sizes, especially multinational and transnational;

(2) global government seen as necessary to regulate trade within this global economy, also built up through progressive regionalization, as “the end run around national sovereignty, eroding it piece by piece” proceeds apace<sup>32</sup>; and

(3) a global pagan religion based on principles such as the Gaia hypothesis and what can be found in the Earth Charter.

This is not a “conspiracy theory,” even though you will not hear it reported on the 6 o’clock news.<sup>33</sup> It is as much a fact as gravity. It is not even *hidden* from us; the documents supporting such claims, penned by their own advocates, are readily available to anyone willing to do some elementary research.<sup>34</sup>

Achieving (1) means (for example): appearing to advance global free trade while actually destroying private property rights, existing prosperity, and government by consent of the governed. It has involved employing pseudo-free trade agreements (e.g., NAFTA, CAFTA, FTAA, etc.) and other devices where necessary (e.g., SPP) to bring about a migration of power to transnational organizations such as the UN, GATT, the WTO, the Bank for International Settlements and the World Economic Forum, among others. It is important to realize, with a nod to Orwell, that in the contemporary setting, “free trade” no more means *free* trade than *freedom* means *slavery*. This does it exclude allowing “pockets” of economic free choice if they serve special purposes, such as locally

owned small businesses being forced to close when people choose to shop at the newly opened Wal-Mart.

Achieving (2) calls for the erosion and eventual elimination of national sovereignty, a natural outcome of the processes just sketched. The gradualist regionalization process was championed by Zbigniew Brzezinski in his book *Between Two Ages*.<sup>35</sup> This book laid out the entire agenda that has been pursued under the Orwellian “free trade” rubric in the chapter entitled “The Third American Revolution.” Gradualist regionalization was again championed at Mikhail Gorbachev’s first State of the World Forum in 1995. Arguably it has been almost achieved under the auspices of the European Union, and its advocates in our hemisphere are using the EU as a model to create a “North American Union.”<sup>36</sup>

Achieving (3) means: either undermining Christianity by continuing to limit its capacity to influence the culture while promoting paganism and an egalitarianism of faiths (possibly excepting Islam), or hijacking it. In the case of the latter, millions of ordinary churchgoers who would never be tempted by overt paganism can be made to serve the purposes of globalism. It will be sufficient to lure unsuspecting (because again poorly educated) churchgoers into a “spirituality” based exclusively or almost exclusively on feelings, so that as members of “faith-based” organizations they will be caught up in public-private partnerships without question. They will be led to support the agenda of the UN and other globalist bodies without realizing it.

Progress on the first two areas began at least in the 1940s, which saw both the creation of the UN and GATT; it began to pick up speed in the 1970s following the publication of Brzezinski’s book and David Rockefeller’s creation of the Trilateral Commission. The 1980s saw the creation of enterprise zones, under the realization that carefully managed capitalism would more easily evolve into a workable global socialism than the “actually existing socialism” in places such as the Soviet Union, the collapse of which was engineered under the watchful eye of globalist Mikhail Gorbachev. In the 1990s, with NAFTA and the WTO, this agenda accelerated rapidly, and has continued to the point where it can be argued that we have, in fact, sacrificed a substantial fraction of our national sovereignty as well as seen much of our middle class destroyed.<sup>37</sup> A description of progress on the third again exceeds the scope of this article, but arguably also began to in the late 1940s when the pseudoscientific, Rockefeller-bankrolled Kinsey reports advocated a naturalistic, morally neutral vision of sex. By implication this attacked the idea of a connection between Judeo-Christian morality and sexual activity, giving rise to the sexual revolution.<sup>38</sup> This was also the period when bogus interpretations of the First Amendment by the Warren Supreme Court forcibly removed prayers from government schools, which from the beginning served as repositories of social engineering. In other words, what George Herbert Walker Bush called the ‘new world order’ is no longer merely emerging, it is practically here, almost unnoticed—and *being willingly embraced by a lot of people who from lack of proper education do not know any better.*<sup>39</sup>

Public-private partnerships are a key component of this overall process. They invariably involve “governance,” working under the assumption not merely that government cannot

get the job done but that *freedom* cannot get it done. In so doing, they effectively merge large business and large governments in ways characteristic of fascism. Combined with education that stresses vocation at the expense of subjects such as history, logic, personal finance, comparative economic systems, etc., they presage the rise of home grown *soft* fascism with which an unthinking mass will readily comply. Ultimately, this system threatens Americans with the equivalent of totalitarian controls—just in case those who stop their somersaults lead to the coming of the whips.

The globalist plan for the world will, of course, eventually fail; the economics it requires (of massive borrowing and theft through redistribution of the world's resources) is out of accord with the requirements reality places on us if we are to achieve genuine freedom and lasting prosperity. It will not fail immediately, however, and if allowed to run its course will wreak havoc across the entire globe, after having destroyed the one civilization that gave the globe ideals of liberty worth emulating. Exposing the growing edifice of controls on individual freedom contained within sustainable development through public-private partnerships is necessary if we are to get rid of this hidden threat to liberty in our lifetimes, and begin the job of restoring individual liberty and private property rights. Hopefully this paper—and this session—has provided a worthy contribution to this effort.<sup>40</sup>

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<sup>1</sup> “For the Good of the People: Using Public-Private Partnerships To Meet America’s Essential Needs,” A White Paper on Partnerships Prepared by the National Council for Public-Private Partnerships, 2002, p. 4.

<sup>2</sup> “Critical Choices: The Debate Over Public-Private Partnerships and What It Means For America’s Future,” a White Paper Prepared by the National Council for Public-Private Partnerships, 2003, p. 5.

<sup>3</sup> “For the Good of the People,” p. 6.

<sup>4</sup> *Ibid.*, p. 18.

<sup>5</sup> E.g., *The Road to Serfdom* (Chicago: University of Chicago Press, 1944).

<sup>6</sup> Cf. D. Meadows et al., *The Limits to Growth* (New York: Macmillan, 1974).

<sup>7</sup> *Our Common Future: The World Commission on Environment and Development* (Oxford, UK: Oxford University Press, 1987), p. 8, 43.

<sup>8</sup> J.E. Lovelock, *Gaia: A New Look At Life on Earth* (Oxford: Oxford University Press, 1982).

<sup>9</sup> For details see Joan Veon, *Prince Charles: The Sustainable Prince* (Oklahoma City: Hearststone Publishing, 1997), ch. 2; see also p. 125.

<sup>10</sup> Agenda 21, ch. 30, <http://www.un.org/esa/sustdev/documents/agenda21chapter30.htm>

<sup>11</sup> Joan Veon, *Prince Charles*, p. 38.

<sup>12</sup> Cf. Robert P. Hillmann, *Reinventing Government: Fast Bullets and Culture Changes* (Murchison Chair of Free Enterprise, no date).

<sup>13</sup> For a good history of Fabian socialism see Rose L. Martin, *Fabian Freeway* (Santa Monica, Calif.: Fidelis Publishers, 1968).

<sup>14</sup> Cf. Stuart Butler, *Enterprise Zones* (New York: Universe Books, 1981). This work openly credits a Fabian for the concept:

On 20 June 1978, Sir Geoffrey Howe [a Fabian], Member of Parliament and spokesman on economic issues for Britain’s then-opposition Conservative Party, delivered a speech on the problem of blighted inner-city neighborhoods.... Sir Geoffrey ... suggested that many, perhaps most, of the problems experienced by depressed neighborhoods in central cities were due to the erection of bureaucratic, tax, and other obstacles by the very governments that were seeking to revive these areas.... He went to lay out a radical solution, to which he gave the name ‘Enterprise Zones.’ Within these zones, he said, everything possible should be done to maximize economic freedom.... By so doing, he argued, a process of economic and social experimentation would be set in motion that

would restore inner cities to their former role as centers of creativity and opportunity.... Similar lines of thought and conclusions had been developing in academic and other circles for a number of years on both sides of the Atlantic. Enterprise Zones were, in effect, a political package emanating from the work of many writers and many projects around the world. For instance, *in his speech Sir Geoffrey paid warm tribute to the thinking of Professor Peter Hall, an authority on urban planning and a former chairman of the Fabian Society, a leading intellectual group in Britain committed to democratic socialism....* (pp. 1-2, emphasis added).

Thus the direct connection between enterprise zones and Fabian socialism and the rise of managed or controlled capitalism. I am grateful to Terry Hayfield for having first brought this material to my attention.

<sup>15</sup> "For the Good of the People," op. cit., n. 1, pp. 10-11.

<sup>16</sup> See, e.g., <http://www.corridorwatch.org/ttc/cw-corridor.htm> for more details.

<sup>17</sup> See <http://www.spp.gov>.

<sup>18</sup> See e.g., Ronald D. Utt, "How Public-Private Partnerships Can Facilitate Public School Construction." Washington, D.C.: The Heritage Foundation, 1999. Cf. also the literature cited in Utt's bibliography.

<sup>19</sup> At <http://nccic.org/ccpartnerships/resource.htm>.

<sup>20</sup> At <http://www.weforum.org/pdf/JEI/Summary.pdf>.

<sup>21</sup> Michal J. Chapman and Senator Michele Bachman, "How New U.S. Policy Embraces a State-Planned Economy," <http://www.edwatch.org/pdfs/US%20planned%20economy%20-v1.2c%20pdf.pdf>.

<sup>22</sup> Originally, of course: *thesis, antithesis, synthesis*: uniting opposites to achieve a sought-after goal without the participants' knowledge.

<sup>23</sup> As Ayn Rand correctly observed, "There is no such thing as a collective brain," *Capitalism: The Unknown Ideal* (New York: Signet, 1966), p. 16

<sup>24</sup> But see G. Edward Griffin, *The Creature From Jekyll Island* (Westlake Village, Calif.: American Media, 1994), for the best historical account of how central banking cartels have effectively wrecked this republic's finances.

<sup>25</sup> Joan Veon, *Prince Charles*, p. 41.

<sup>26</sup> *Ibid.*, p. 86, quoting William Ebenstein, *Today's isms: Communism, Fascism, Capitalism, Socialism* (Englewood Cliffs, N.J.: Prentice-Hall, 1972), p. 67.

<sup>27</sup> *Ibid.*, pp. 84-85; quoting Bertram Gross, *Friendly Fascism* (Boston: South End Press, 1980), p. 11.

<sup>28</sup> For a detailed account cf. the author's *In Defense of Logic*, in preparation.

<sup>29</sup> For a very detailed, authoritative account cf. Charlotte Thomson Iserbyt, *The Deliberate Dumbing Down of America* (Ravenna, Oh.: Conscience Press, 1999); cf. also John Taylor Gatto, *The Underground History of American Education* (New York: Oxford Village Press, 2000/2001), B.K. Eakman, *The Cloning of the American Mind* (Lafayette, La.: Huntington House, 1998), and Sheldon Richman, *Separating School and State* (Fairfax, Va.: Future of Freedom Foundation, 1994).

<sup>30</sup> George Orwell, "British Press Circus Dogs," *Tribune*, July 7, 1944 (currently available at <http://www.orwelltoday.com/orwellwarcircuspress.shtml>.)

<sup>31</sup> Terry Hayfield has developed the concept of permanent revolution to describe our times; cf. especially his article "The Permanent Revolution," *The Idaho Observer*, January, 2003, <http://proliberty.com/observer/20030115.htm>.

<sup>32</sup> Cf. Richard N. Gartner, "The Hard Road to World Order," *Foreign Affairs*, April 1974. *Foreign Affairs* is the flagship journal of the Council on Foreign Relations.

<sup>33</sup> Cf. James H. Fetzer, "Thinking About 'Conspiracy Theories,'" in *The 9/11 Conspiracy* (Chicago: Catfeet Press / Open Court, forthcoming) or at <http://www.scholarsfor911truth.org/fetzerexpandedex.htm>.

<sup>34</sup> In fact, this evidence was available long before the rise of the Internet. In the 1950s Congress set up the Reece Commission, or the Special Committee to Investigate Tax Exempt Foundations, which found that the huge fortunes accumulated under the names Rockefeller, Carnegie, Ford, and so on, "were today being used to destroy or discredit the free enterprise system which gave them birth." See Rene Wormser, *Foundations: Their Power and Influence* (New York: Devin-Adair, 1958). Quote is from p. vii. For a good summary cf. Joan Veon, *The United Nations' Global Straitjacket* (Oklahoma City: Hearthstone, 2000), pp. 61-104, which goes into far greater detail about how public-private partnerships further empower the powerful than can be done in a paper of this length.

<sup>35</sup> New York: Viking Press, 1970.

<sup>36</sup> Cf. *Building a North American Community*, published in 2005 by the Council on Foreign Relations.

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<sup>37</sup> Cf. also Alan Tonelson, *The Race To the Bottom* (Boulder, Colo.: Westview Press, 2002); William Norman Grigg, *America's Engineered Decline* (Appleton, Wisc.: The John Birch Society, 2004).

<sup>38</sup> For Kinsey cf. Judith Reisman, *Kinsey: Crimes and Consequences, the Red Queen and the Grand Scheme* (Fairfax, Va.: Institute for Media Education, 1998).

<sup>39</sup> Again I say emphatically: the actual documentation for these “conspiratorial” sounding claims is immense, for those willing to go to the trouble of seeking it out.

<sup>40</sup> I am grateful to my associates Michael Shaw and Henry Lamb for their participation in this project, and to the former in particular for long phone conversations relevant to the subject matter of this paper. I am also indirectly grateful to Terry Hayfield whose ideas on what he calls the *permanent revolution* (an expression inherited from Marx and Trotsky) influenced the direction of this paper, especially the idea that the Fabian-directed building up of “global capitalism” has become a means to world socialism and eventually communism (the real thing, as opposed to the state-capitalism of the Soviets). The usual disclaimers apply.