



The Center for _____
SOCIAL LEADERSHIP

Robin Hood, Or Prince John?

Overcoming a Problem Worse Than Socialism

Oliver DeMille

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About The Center for Social Leadership

The Center for Social Leadership (CSL) is a think tank and action organization dedicated to building [social leaders](#) for the 21st Century.

Humanity is experiencing dramatic changes. Traditional leadership is broken. Conventional human organization based on hierarchies and formal authority is outdated. Technology has transformed the way we interact and enhanced our ability to have impact—for good or ill. The Center for Social Leadership was formed to steer these changes to improve the health of society, preserve freedom, and ensure peace and prosperity for humanity. A new vision of leadership is needed. Not the old, hierarchical, positional, authoritative, privileged-elite leadership, but a new democratic, action-determined, service-oriented leadership. Through this social leadership mankind can achieve unprecedented happiness and fulfillment.

Learn more and engage with CSL by [reading our e-book](#) and joining our mailing list at www.TheSocialLeader.com.

“It’s not about someone doing everything. It’s about everyone doing something.”



When the government takes middle-class tax money and bails out big bankers, automobile manufacturers and other big businesses paying out huge multi-million dollar bonuses, that's not socialism. Socialism, like Robin Hood, proposes to take money from the middle and upper classes and redistribute it to the poor. But during the Great Recession, the lower and lower-middle classes found it much harder to make ends meet. Many lost their jobs, and even their homes.

Where is Robin Hood when they need him? Where is *their* socialist bailout?

Whether or not you subscribe to the socialist ideal (and I decidedly do not), a careful consideration of the social and economic climate of the U.S. is warranted. What is really happening? Talk radio and conservative television hosts have railed about the "rise of socialism," but in reality something else is going on here.



When socialistic programs are introduced, the lower classes benefit and the upper-middle and upper classes pay the bill. But in our time, *precisely the opposite* has happened. In addition to increasing woes for the lower and lower-middle classes, the upper classes actually *benefited* from the economic downturn. The [number of millionaires grew 16 percent](#) during the Great Recession; and those with a [net worth over \\$5 million grew 17 percent](#).

So why are conservatives and Tea Partyists bantying about the S-word so much? And after all is said and done, what

difference does it make what we call it?

While the “socialism” furor may be linked to the health care debate and other left-of-center proposals of the Obama Administration, a deeper look shows that socialism is not the real culprit. It is critical to understand that this distinction is not just a talking point for politicians and pundits to discuss on Sunday morning talk shows, or for academics and intellectuals to publish in scholarly journals.

By misdiagnosing the problem, we are also applying the wrong remedies and can never hope for improvement. We are all the day vigilant against the small-time con of Robin Hood, and Prince John plunders us while we sleep.

What is Socialism?

The technical definition of socialism is government ownership of the major means of production in a society. American Liberalism, in contrast, believes that there should be both a private and a government sector, and that the government should highly tax and regulate the private sector. While both of these are anti-conservative, they are not one and the same, and the difference is critical.

American Liberalism does believe in limits, checks and balances; it believes in a separate private sector. Socialism believes in none of these; it believes that the government should run the entire economy. Obama Administration involvement in bailing out banks and auto companies certainly had liberal and even socialist overtones, but the top banks

quickly paid back government loans and went back to private ownership.

In this sense, to label this as socialistic is not accurate. Again: this is not question of semantics, but speaks to the very heart of the issue and how we should respond. (More on this later.)

In the wake of the economic meltdown, the government drastically increased regulations on large and small businesses. This regulatory activity is a basic value and tool of liberalism. While liberalism seeks to ever increase regulation on private businesses, socialism seeks to own most and eventually all the companies in a nation. Polls showed the Obama Administration to be left of the American populace in regard to fiscal and other types of regulations, but all within liberal rather than socialistic definitions.

It may be well argued that this distinction is simply a question of degrees; but even in that paradigm the differences demand a greater understanding of and tailored responses to the liberal and socialist encroachments on freedom and prosperity.

If It Quacks Like A Duck...

Another reason many called Great Recession policies “socialist” is that government actions caused private businesses to shed employees at the same time that the government was hiring. When the media shared the numbers showing that average private salaries are less than the average government employees make, the “socialism” name-calling was a

natural angry response. [The Economist predicted growing political battles](#) between taxpayers and government employees in nearly all nations.



We need to get serious about incentivizing small and mid-size businesses. For example, a recent version of the health care bill would have required businesses with twenty employees and a \$1 million/year budget would have to add \$300,000 to its annual costs or pay \$40,000 in fines.

Result: at least two employees would be let go and twenty people would still not have health insurance.

To say nothing of the fact that these individual employees will still have to buy their own insurance or pay additional fines.

It's anybody's guess how it will all shake out as the health care law undergoes endless tinkering over the next who-knows-how-long, but it's worth asking the question: How, exactly, does this help unemployment?

In fact, it dis-incentivizes entrepreneurship and hiring, and encourages people to go on government programs. This certainly *feels* like socialism.

And big business is facing similar challenges. For example, Intel's chief executive Paul Otellini said that [the U.S. is driving](#)

[away businesses and employers:](#)

“The things that are not conducive to investments here are taxes and capital investment credits. A new semiconductor factory at world scale built from scratch is about \$4.5 billion—in the United States. If I build that factory in almost any other country in the world, where they have significant incentive programs, I could save \$1 billion.”

How many jobs are we sending to other countries because of our high taxes? This was clearly not a hypothetical situation; Intel built its latest factory in China. Said Otellini:

“And it wasn’t because of the labor costs either. Yeah, the construction costs were a little bit lower, but the cost of operating when you look at it after tax was substantially lower...”

What does it mean when China’s communist business environment is more inviting to U.S. companies, more conducive to their growth, than the United States? When did regulations and taxes in the U.S. make doing business *in China* attractive? The U.S. now ranks #40 out of forty industrialized nations in appeal to business.¹

It’s almost as if the U.S. government doesn’t *want* business to succeed or grow, and only thinks that [government spending](#) and government jobs are the solutions to economic challenges.

¹ Source: Thomas Friedman, [“A Word From the Wise.”](#) *The New York Times*, March 3, 2010.

This is easy prey for conspiracy hunters, but I don't think Washington is capable either of such ubiquitous cleverness or cooperation. I think it is much more likely when it comes to preserving freedom, they are simply not minding the store. Other pressing needs have our leaders distracted, and the expedient responses they recur to also happen to militate against our future freedom and prosperity—and specifically, against [free enterprise](#).

No wonder so many people are angry at recent presidential administrations. No wonder so many are crying “socialism.” How can we defend against the allegation that our government purposely wants private businesses to fail or flee the U.S.? Instead of promoting incentives that bring more business and jobs, the government is promoting higher taxes and regulations like health care that make business success more difficult.

More government regulation, increased government hiring and increased government social programs demanding ever higher taxes: these are features not only of liberal policies, but of a [growing aristocracy](#).

Socialism *Versus* Aristocracy

Predictably, most Americans today who actually have an opinion on the matter readily conjure the twentieth-century enemy of free enterprise, socialism, rather than the older, forgotten eighteenth- and nineteenth-century evil of aristocratic rule. But the fact that lower classes are struggling more than ever while the upper classes are increasing their wealth during economic downturns is a clear sign that aristocracy is the issue.

Consider this: in socialist cultures celebrity and fame are denigrated; in aristocratic societies they are esteemed and celebrated. We clearly love celebrity at levels far beyond socialistic, conservative or even liberal societies. Aristocracies and monarchies are the domain of such infatuation with fame, get-rich-quick schemes and the lottery mentality. Like Shakespeare's Antonio, we just *know* our ship is about to come in.

Conservatives traditionally invest in building businesses and like-minded community, liberals in educational degrees, professional excellence and credibility, and socialists in government positions. Like characters in an Austen novel, in aristocracies like our modern America those in the lower classes fantasize about some punctuated leap in their "prospects"—from marrying rich to the modern equivalent of winning on Survivor, American Idol, The Amazing Race, The Bachelor or some other concocted scenario where the fate of the aspirants largely lies with those in power. Note that in pyramid schemes there are a few winners at the top but thousands of hopeful and willing enablers the rest of the way down.

Why the Difference Matters

The debate between socialism and aristocracy is more than just semantical.

The technically inaccurate label of socialism allows the educated media and the elite establishment to patronize and condescend to the "uneducated" who push for change. It allows government officials to dismiss the "uncouth dissenters"

while maintaining their conviction that “they” (the [“educated,”](#) the most “talented,” most “intelligent” ones) **know what the nation needs and those whose opinion really matters** (the “educated,” the most “talented,” most “intelligent” ones) **are completely in favor of their proposals.**

Unfortunately, those citizens who put aside apathy and stand up to make a difference find themselves always frustrated because they fight the wrong battle. If socialism is our problem, the perpetrator is the political leaders promoting socialist policies, and the philosophical left is to blame. But if aristocracy is the challenge, then the two parties are *both* culprits in the promotion of a privileged class. If aristocracy is the challenge, the citizen is his own worst enemy as he does not pay the price to rise above the mediocre education of our schools or to see beyond a complicit, dumbed-down media designed more for entertainment than positive impact on freedom and prosperity.

If we think socialism is the enemy, we will put our effort into electing different leaders, only to discover that Washington’s problems continue and increase no matter whom we elect. By misdiagnosing the problem, we are using the wrong treatments and failing to get better.

No matter how active and engaged voters are, from the left or the



right or the middle, if we continue to think that socialism or capitalism is our problem then all our efforts will continue to be impotent. Very little will change in Washington and our problems will continue to grow.

Virile and Viral

If we realize, in contrast, that aristocracy is the real problem and that electing an upper class from either party will only worsen the problem, we can shift focus and consider what is really needed. And the answer, the real solution, will become clear: As long as we live in a society of upper and lower classes, our freedoms and prosperity will continue to decline.

The solution is not to just elect a different leader, but for all American citizens to once again obtain the kind of education that allowed regular farmers and shopkeepers to study the federalist papers and listen to and consider eight-hour debates during the Lincoln-Douglass era. If we think the problem is socialism, we will consider [great education](#) benign and ineffectual.

But if we know the real problem—that people in both parties and in all social strata are enabling a growing aristocratic power over our society—then we will realize that simply electing a better senator or president is not nearly enough of a solution.

True: Socialism and aristocracy share many symptoms, so electing the best leaders is still vitally important to stem big government. But the real, unseen issue is aristocracy. And until the American people realize this and more of us get the

same quality of education as the CEOs, judges and presidents, the problems will continue to grow. Above all, it is education that determines class levels. Entrepreneurship is another path to leadership.

This doesn't mean that we need all enroll in the Ivy League. In truth, the greatest classics of history are still the true library of freedom, wealth and leadership. Virtually every town library has the great texts of liberty and success available.



The question is, do Americans value our freedom enough to end the rise of aristocratic rule by becoming greatly educated ourselves? Will we step up to our responsibilities as citizens and qualify ourselves for our role as the overseers of government by learning about freedom, leadership, economics, [human nature](#) and the other great ideas of mankind?

As our society is on track for disaster from numerous threats (to our food supply, availability of fuel, decaying infrastructure, dependency on programs that have poor prospects for future funding, terrorism, failing economy) we all know that somebody needs to **“Do something!”** We have been caught in the binary trap of either expecting someone else to “fix it” or expecting that we can make a difference just by making our voices heard.

But our moral authority and our ability to impact our society's direction will come not from complaining about the ideas or performance of those who have stepped up to lead, but from actually *having* the answers to society's ills. We can't just

protest that the world simply *must* turn back the clock two hundred years. [New leadership is needed by today's American citizens.](#)

If we revere the American founders and idealize their accomplishments, we must move beyond hero worship and actually *do as the founders did*: we must apply a profound understanding of sound principles to the establishment of policies and forms that directly apply to our complex and critical situation *today*.

This we can do, just as the American founders did in their day. As I have said elsewhere: Getting a world-class education and [running successful businesses](#) is “doing something.” It is my opinion that it is precisely the “something” that is called for today, and that any other solution which does not include a better educated populace has a different outcome than liberty and justice for all.

It is time for an [entrepreneurial approach](#) to getting an individualized, superb, great, innovative leadership education in the classics. Each of us can do it, and the future of our freedoms depends upon it.

If the current [growth of American aristocracy](#) is allowed to continue, our future is destined to be less free and more harshly lacking in opportunity than any socialistic society. The criticism of “socialism” is certainly negative; but unless we change course, the aristocracy that our grandchildren and their children inherit will be something far worse.

About the Author



Oliver DeMille is the founder and former president of [George Wythe University](#), a founding partner of [The Center for Social Leadership](#), and the author of [A Thomas Jefferson Education](#). Presently, he serves as a mentor directing graduate and doctoral programs and devotes a majority of his time to writing. Oliver is a popular keynote speaker, writer and business consultant. He is married to the former Rachel Pinegar. They have eight children.

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