



# JEFFERSONIAN GROUP

## CHAMPIONS OF FREEDOM AND SELF RELIANCE

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### The Source for Freedom and Self-Reliant Information<sup>1</sup>

Thomas Jefferson defined *rightful liberty* as “unobstructed action according to our will within limits drawn around us by the equal rights of others—I do not add ‘within the limits of the law,’ because law is often but the tyrant’s will, and always so when it violates the right of an individual.”

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#### Tax Reform or a Tax Revolution

We have been presented with several Tax Reform proposals from Republican Presidential candidates; all appear to involve a reduction in income tax rates. Senator Rand Paul has proposed the elimination of all Social Security and Medicare Taxes with a replacement of the current income tax regime with a 14.5% flat tax on all incomes. Under Senator Paul’s plan, he

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<sup>1</sup> Each Jeffersonian Group, LLC ([www.jeffersoniangroup.com](http://www.jeffersoniangroup.com)) publication is intended solely for information purposes and is not intended nor does it purport to provide legal, tax, individual investment advice, estate planning advice, insurance advice or business advice. In addition, information and analysis is compiled from sources believed to be reliable but such accuracy cannot be guaranteed. Readers should do their own research and consult with expert legal, tax, insurance, business and financial counsel before taking any action.  
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believes that we would be able to file our tax returns on a postcard and this would lead to the abolishment of the IRS.

There are three problems with all the Tax Reform proposals that are being floated around. First, as long as a tax on incomes exists, the IRS does not go away. Even if we are able to file our tax returns on a postcard, we would still have to prove our income.

The definition of “incomes” is a moving target. Can we use the cash method of accounting or do we have to use the accrual method? If we purchase equipment used in our business and it lasts more than a year, can we deduct it or do we have to depreciate it? If we have to depreciate it, what method do we use and over how long? Can we use the completed contract method of accounting or do we have to use the percentage completion? How are “ordinary and necessary business expenses” defined? The term “incomes” is not a simple concept... we have been arguing over it throughout most of the last century.

Secondly, as long as the income tax exists, all of us will continue to be forced to waive our 4<sup>th</sup> Amendment right to be secure in our papers and effects; and, our 5<sup>th</sup> Amendment right not to be forced to be a witness against ourselves. This is a fraud perpetrated against all tax-paying Americans for far too long... it should be stopped as soon as possible.

And finally, history has proven that Tax Reform does not work... it does not last. Since 1913 through 2012, there have been at least 56 Tax Reform bills; a Tax Reform Act passed about every two years when a new Congress is sworn into office.

Not only does Congress pass income tax legislation often, they attach income tax law changes to other unrelated bills on an ongoing and regular basis.

We need a **Tax Revolution** not Tax Reform! Tax Reform has proven, over and over again, that it never lasts; it just does not work! We must repeal the 16<sup>th</sup> Amendment, which gave Congress the power to tax incomes “from whatever source derived,” and take away the ability of Congress to tax all incomes. **This is the only permanent solution to end Tax Slavery.**

We can do this! By convincing 38 State Legislatures to support such an Amendment—removing power from Washington DC and bringing it back to State and local governments—we bypass Congress altogether.

A Tax Revolution—the repeal of the 16<sup>th</sup> Amendment—would create unprecedented wealth and an abundance of new jobs. The \$2-trillion held offshore by U.S. corporations would come back home. Businesses worldwide would be scrambling to move their corporate headquarters to the United States.

By repealing the 16th Amendment, we would begin to restore economic freedom; and, come much closer than we have ever been to reducing poverty to extremely low levels in the United States.

At Jeffersonian Group, we are going to do what we can to make this happen. Stay tuned... we may need your help... no money... a Petition is in the works, which we would like everyone to sign, including family, friends, neighbors and associates!

### **The American Dream**

The American Dream, the dream of freedom, was probably in the hearts and minds of humankind from the beginning of time. On April 6, 1320, 450-years before Thomas Jefferson enshrined the American Dream in our Declaration, the Scots signed their own Declaration:

“It is in truth not for glory, nor riches, nor honours that we are fighting, but for freedom—for that alone, which no good man gives up but with his life.”

I would suggest to you that the American Dream began in December 1620 when the Pilgrims arrived on the Mayflower. They came for religious freedom, for a better life.

In 1720, an Irishman writing back home to Ulster, expressed his reason for coming to America:

“Tell all the poor folk of ye place that God has opened a door for their deliverance. . . all a man works for is his own, and there are no revenue hounds [i.e. no IRS] to take it from us here; there is no one to take away yer Corn, yer Potatoes.”

As Charles Adams explained, the real cause of the American Revolution can be traced back to the reason many immigrants came to America—they sought freedom from taxation.

Our ancestors came here for religious freedom, freedom from taxation and for economic freedom. Thomas Jefferson defined economic freedom and the only purpose for legitimate government when he wrote:

“. . . a wise and frugal government, which shall restrain men from injuring one another, which shall leave them otherwise free to regulate their own pursuits of industry and improvement, and shall not take from the mouth of labor the bread it has earned. This is the sum of good government and this is necessary to close the circles of our felicities.”

Although the American Dream can be traced as far back as the arrival of the Pilgrims in 1620, Thomas Jefferson codified the American Dream in the Declaration of Independence:

“We hold these Truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty, and the Pursuit of Happiness. . .”

“In the decade following the Declaration of Independence, every state but South Carolina and Georgia prohibited or heavily taxed the slave trade, which was outlawed in 1808 under the provisions of the U.S. Constitution.”<sup>2</sup>

The Civil War Amendments<sup>3</sup> ratified in 1865 and 1868 expanded individual freedom for many more Americans. Our ancestors were on the right path—more freedom, less slavery and involuntary servitude.

Americans continued on their path along the road towards more freedom with the ratification of the 15<sup>th</sup> Amendment in 1870, giving all men the right to vote regardless of their color. Women were finally given the right to vote with the ratification of the 19<sup>th</sup> Amendment on August 18, 1920.

Unfortunately, the path along the road to individual freedom for everyone met a fork-in-the-road in 1913. Instead of taking a right turn and continuing on the path towards freedom, we veered left, starting the decline of the American Dream for many today.

The progressive era began in the early 1900’s and reached its peak in 1937. Socialism was the new philosophy—through science and technology, the rich and powerful, along with the properly schooled (e.g. indoctrinated), were thought to be able to mold and control the masses, making a better life for everyone.

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<sup>2</sup> Jim Cullen, *The American Dream*, 49, Oxford University Press (2004).

<sup>3</sup> The 13<sup>th</sup> Amendment, ratified on 12/06/1865 states, “Neither slavery nor involuntary servitude . . . shall exist within the United States, or any place subject to their jurisdiction;” and the 14<sup>th</sup> Amendment ratified on 07/09/1868 reads, “. . . No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any State deprive any person of life, liberty, or property, without due process of law; nor deny to any person within its jurisdiction the equal protection of the laws. . .”

So what happened in 1913 that caused us to reverse course back to the “Old World” philosophy?<sup>4</sup> First, the 16<sup>th</sup> Amendment was ratified, giving Congress the power to tax incomes from whatever source derived, followed immediately by the first constitutionally allowed income tax. Those in support of the 1913 income tax stated that it would never amount to much; that the income tax would only affect the rich. They also stated that the top rate would never be greater than 10% because that would be confiscatory—besides, the American people would never stand for it! The maximum income tax rate has gotten as high as 94%.

Our Founders considered an income tax tantamount to slavery. In 1751 baron de Montesquieu’s book, *The Spirit of Laws*, was published in English. He explained that taxes on the sale of merchandise were more natural to liberty. Direct taxes and taxes on the wages of labor were dangerous and natural to slavery. In 1776, Adam Smith described taxes on the wages of labor a capitation tax (head tax), a direct tax, a bad tax, and an income tax is “absurd and destructive.” Today, we have traded chattel slavery for tax slavery. Slaves illegitimately owned by benevolent masters were able to work and buy their freedom for themselves and their families. Under Tax Slavery, there is no freedom, it never ends. We are at the mercy of those in control of government.

1913 was a terrible year for those who believed in freedom. In addition to the ratification of the 16<sup>th</sup> Amendment and the passage of the slave/income tax, the 17<sup>th</sup> Amendment was also ratified. The 17<sup>th</sup> Amendment took power away from the State legislatures by providing for the popular election of Senators by the people, moving the American Republic towards Democracy.

What is Democracy? Two wolves and one sheep deciding what to have for dinner: Freedom is a well-armed sheep contesting the vote.<sup>5</sup> Aristotle described Democracy as merely tyranny by the many.<sup>6</sup> Dr. Durant stated, Democracy is now taking “its turn in the misgovernment of mankind.”<sup>7</sup>

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<sup>4</sup> Rose Wilder Lane, *The Discovery of Freedom, Man’s Struggle Against Authority* (1943): “The Old World remained brutal, bloody, inhumane and indecent for six thousand years, because never in all that time did men escape from planned economies long enough to establish a reliable food supply.”

<sup>5</sup> This statement has been attributed to Ben Franklin but, my understanding is that the term “dinner” was not used in Franklin’s time. However, this is something that Franklin may have said, which has been altered over time. In addition, Thomas Jefferson in numerous letters has referred to most governments existing in his time and throughout history as “Wolves over Sheep.” I’m inclined to believe that this explanation of Democracy and Freedom was, at a minimum, inspired and believed by Jefferson and Franklin.

<sup>6</sup> See Aristotle, *Complete Works*, Volume V, Book IV - Politics.

<sup>7</sup> Will & Ariel Durant, *The Lessons of History* (1968).

And, Dr. Hans-Hermann Hoppe wrote,

“After more than a century of compulsory democracy, the predictable results are before our very eyes. The tax load imposed on property owners and producers makes the economic burden even of slaves and serfs seem moderate in comparison.”<sup>8</sup>

The belief in and conversion to a Democracy, rather than sticking with a Constitutional Republic with guarantees to protect our inalienable rights to Life, Liberty, and Property, has contributed to the destruction of the American Dream for many people today.

As if this wasn't enough, the progressives that controlled government in 1913 made sure that Congress passed the Federal Reserve Act of 1913, creating our central bank. Since the Federal Reserve Bank came into existence, the purchasing power of the U.S. dollar has lost 96% of its value. This has occurred due to federal spending and printing money out-of-thin-air, which is no longer exchangeable or convertible into gold, silver or any other commodity.

As Dr. Milton Friedman explained, all federal spending not paid for through current taxes represents a hidden tax. This hidden tax directly impacts the poor and middle-class.

Dr. Friedman also stated, “Only government can take perfectly good paper, cover it with perfectly good ink and make the combination worthless.” He was referring to our “Federal Reserve Note,” the U.S. dollar!

Continuing our decline of the American Dream, the 18<sup>th</sup> Amendment was ratified in 1919 prohibiting the manufacture and distribution of alcohol.<sup>9</sup> Instead of protecting individual rights, special interests were able to use Democracy to force their views and morals on to everyone else. Our ancestors finally came to their senses on December 5, 1933 repealing the 18<sup>th</sup> Amendment with the ratification of the 21<sup>st</sup> Amendment.

The progressive era began in the early 1900's and reached its peak in 1937. It was thought that through science and the planned economy, poverty would be eliminated and the world would be a better place. In pursuit of this objective, the Supreme Court gave up protecting individual freedom and private property rights in 1937. They deferred to Congress and the States, allowing government at all levels to regulate and tax our labor, our pursuit of happiness and our property. I thought we were endowed with certain unalienable rights?

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<sup>8</sup> Hans-Hermann Hoppe, *Democracy, The God That Failed* (2007).

<sup>9</sup> My thesis is that the 18<sup>th</sup> Amendment was itself unconstitutional. The only Amendments authorized under a Constitution of Liberty are: (1) That increase individual freedom and private property rights; (2) decrease government power and ability to tax and regulate; and (3) are merely of a technical or administrative nature that do not infringe on inalienable rights. For example, the Constitution could be amended to cut the salaries of the President and Congress in half; and, to eliminate all federal benefits and pensions for the sole purpose of discouraging a career in politics.

The American Dream, the dream of freedom, has been lost to many Americans. It has been lost to those that pay little-to-no income taxes; it has been lost to those that live from paycheck-to-paycheck; it has been lost to those entrenched in our social-welfare state; and, the American Dream has been lost to those that cannot find good jobs and to those lacking the knowledge to create their own businesses in an unfriendly and highly regulated environment.

The American Dream will also disappear for the middle and upper classes if drastic changes are not made. Furthermore, as stated by John Whitehead,

“Thanks to an overabundance of 4,500-plus federal crimes and 400,000-plus rules and regulations, it is estimated that the average American actually commits three felonies a day without knowing it. In fact, according to law professor John Baker, ‘There is no one in the United States over the age of 18 who cannot be indicted for some federal crime.’ That is not an exaggeration.”<sup>10</sup>

You and I may be living the American Dream today for many reasons. Maybe we started our careers early before taxes and regulations got so out-of-control; maybe we inherited some money or a business from our parents or grandparents who were successful because there were no regulatory barriers back then; or, maybe we worked extremely hard and entered government-approved businesses or careers.

If you and I irritate the wrong bureaucrat or a member of the power-elite, the American Dream, which we have been allowed to live by our government, can just as easily be turned into an American Nightmare.

We must ask ourselves, will our children and grandchildren be as lucky as we have been?

As Jefferson wrote in 1826,

“The mass of mankind has not been born with saddles on their backs, nor a favored few booted and spurred, ready to ride them legitimately, by the grace of God.”

The American Dream is dying. To save the American Dream for ourselves and our posterity, we must come together like our Founders did in 1776. We must do whatever is necessary to restore our “unalienable Rights . . . [to] Life, Liberty, and the Pursuit of Happiness.”

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<sup>10</sup> John W. Whitehead, *Battlefield America* (2015); see also Harvey A. Silverglate, *Three Felonies A Day, How the Feds Target the Innocent*, available through Amazon.com, Kindle Edition and paperback.

As Dr. Will Durant stated,

“. . . known history shows little alteration in the conduct of mankind. The Greeks of Plato’s time behaved very much like the French of modern centuries; and the Romans behaved like the English. Means and instrumentalities change, motives and ends remain the same . . .

On one point all are agreed: civilizations begin, flourish, decline, and disappear—or linger on as stagnant pools left by once life-giving streams.

Politically, Rome was at nadir [in decline] when Caesar came (60 B.C.); yet it did not quite succumb to the barbarians till A.D. 465. May we [the United States] take as long to fall as did Imperial Rome!”<sup>11</sup>

The great experiment in individual freedom, the American Dream, is in substantial decline and “may yet be defeated by the high birth rate of unwilling or indoctrinated ignorance.”<sup>12</sup>

Will we come together and revive the American Dream, the dream of freedom; or, will we remain passive and succumb to our indoctrination of ignorance?

### **A Strategy to Obtain Financial Independence**

The most commonly misunderstood investment strategy, that can lead to financial independence and early retirement, is not publicized by the large brokerage & investment banking firms or the financial planning community at-large. Why? Because they can’t make any money if you use this strategy.

In fact, the Securities and Exchange Commission (SEC), in its effort to supposedly protect you, the consumer, has forbidden the Companies that offer this program from actively marketing it. Perhaps, the Insurance, Brokerage, and Banking Industries had some influence in this decision?

As Dr. Milton Friedman once said, “it is not the government that needs to protect the consumer, **it is the consumer that needs to be protected from government.**”

The investment strategy uses Einstein’s Theory of Compound Interest and it can be started with less than \$500. You can implement this strategy without any help from a broker, financial planner, or any other professional. If you have \$10,000 available today, you may be able to watch it grow into \$5,000,000 using Einstein’s Theory of Compound Interest.

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<sup>11</sup> Durant, *supra* note 7.

<sup>12</sup> *Id.*



For example, if you take \$10,000 and invest it in a great business by buying its stock; if when you buy the stock, the annual dividend paid, based upon your purchase price of \$10,000 is \$500 or 5%; and, the Company raises its dividend payment each year by 10% each and every year for the next 30-years, you would have over \$5-million without an increase in its share price.

The key point to remember from this example is that when you purchase the stock for \$10,000, the annual dividend yield is \$500 or 5%. If the stock price rises or falls any time after you purchase it for \$10,000, you will still receive the same dividend of \$500 for the first year; and, if the Company raises its dividend yield by 10% each and every year, you will receive a dividend of \$550 the second year, \$605 in year three, \$666 in year four, ad infinitum, regardless of any changes in the share price.

The only safe way to take advantage of Einstein's Theory of Compound Interest is through DRIP's, Dividend Reinvestment Programs. DRIP's are made available by hundreds-of-companies who are not allowed to actively market their programs. Even when you find out about these DRIP's, the SEC requires that the explanation of these programs meet certain standards so as not to mislead you, the consumer. In other words, this is SEC code to force the Companies to purposely mislead you by not adequately explaining the real benefits of this type of strategy, that benefits both you, the consumer, and them, the Company.

There are over 100 companies that have paid and increased their annual dividend payments for 25-years straight. ExxonMobil (XOM), for example, has paid a dividend for 117 years in a row; over the past 25 years, their average annual increase in its dividend payment has been 8.2%.

Coca-Cola (KO) has paid and raised its annual dividend by an average of 9.4% over the past 25 years; AFLAC (AFL) by an average of 17.3%; Johnson & Johnson (JNJ) by 11.5%; Lowe's Companies (LOW) by 25.8%; Wal-Mart ((WMT) by 16.5%; and McDonald's (MCD) by 22.1% on average, for the past 25 straight years.

You do not have to go to a financial planner or a stock broker to find this information. It is available for free through the DRIP Resource Center (<http://dripinvesting.org>); click on Info/Tools/Forms to review and download the current list, *U.S. Dividend Champions*.

As I mentioned in our last newsletter, get the book by Marc Lichtenfeld, *Get Rich With Dividends, A Proven System For Earning Double-Digit Returns*; it is available through Amazon.com; isn't almost everything?! Dr. Mark Skousen, an economist and the gentleman responsible for FreedomFest, had this to say, "... investing in stocks that pay steady and rising dividends will make you a fortune you can enjoy while you're still young!"

If you are interested in avoiding the ravages of inflation when it returns, providing a nice cash flow after 10 years, and are desirous of obtaining financial independence, you should consider

opening an online brokerage account with a discount broker (e.g., E\*TRADE, TD Ameritrade, Schwab, etc.).

For example, you can start by opening an account with E\*TRADE with \$500 and buying 10 shares of a Company with a share price of \$40; pay \$9.99 in brokerage fees and still have \$90 left in cash.

Once you have opened your account with an online discount broker, begin investing in great businesses that offer DRIP's, that have paid and raised their annual dividend payments consistently for at least 10-to-25 years straight.

Make sure the brokerage firm lets you reinvest the dividends without cost; and, after you have acquired the DRIP stocks, you must direct the brokerage firm to automatically reinvest the dividends for you; usually you can do this within 24-to-48 hours after you purchase the stock.

The money you invest in these great businesses should be for the long term, which I define as at least 10 years. You should look at the money invested in these companies as unavailable or gone forever. Ideally, you would let the dividends reinvest for 10-to-30 years; the longer the better, depending upon your age and needs. Your goal is to generate an income stream of dividend payments that will support your lifestyle without having to sell your DRIP stocks.

This is the only way available today to put the magic of compound interest to work for you; the sooner you start the better! You can start with as little as \$500. But, the key to success is to start now!

One final point--the typical retirement planning strategies pushed by many financial planners do not work—if you follow their advice and buy the financial products they are pushing, you may outlive your money.

When I worked for one of the “Big Four” accounting firms, we had numerous investment bankers and syndicators as clients. The joke floated around back then was: If the Broker makes money and the Syndicator makes money, two out of three ain't bad!

Use this DRIP strategy to achieve financial independence and live a prosperous retirement, leaving a fortune to your children and grandchildren.

### **An Investment Portfolio for Everyone**

I hope I have convinced you that taking control of your financial affairs is not only important for your future financial health, but, it is easily achievable; and, ultimately, it will be quite satisfying to have control of your financial affairs back in your own hands, where it belongs. To become

more comfortable using this DRIP strategy, it is important to establish some basic guidelines that are easy to apply. Because of this low interest rate environment, combined with high stock valuations, it may be difficult to find great businesses you can buy today with a 5% dividend yield. So, what do I look for?

The key to this DRIP strategy using Einstein's Theory of Compound Interest is to get started as soon as possible; the longer you have, the greater your success.

But first, before I outline some basic guidelines, I'd like to provide you with two real-life examples of what can happen to you if you violate these guidelines and overpay for a great business that offers a DRIP.

The first example is the purchase of 100 shares of the Walt Disney Company (DIS) in January 1986 for \$11,262. Because of the stock splits over 30 years, this 100 shares had turned into 4,800 shares worth \$480,600 in February 2015. We did not turn this investment into \$5,000,000 because we failed to follow the basic guidelines. But, the average annual return over 30 years was 139%.

On November 30, 1994, 100 shares of the Coca-Cola Company (KO) was purchased for \$5,112; on June 16, 2015 these 100 shares have increased to 2,105 shares worth \$84,390 due to dividend reinvestment and stock splits in less than 21 years. The average annual return for 21 years is 74%.

What Broker, Financial Planner, Money Manager, Mutual Fund, or, what Annuity product, has a track record of average annual returns of 74% over 21-years and 139% over 30-years?!?

My point is this: Even if you overpay for a great business---that provides a DRIP, that has survived wars, depressions and recessions---over time, you will still come out way-ahead-of-the-game! Your long term returns should easily beat every financial professional, especially when you factor in their fees.

You must get started immediately. Because of this low interest rate environment and high stock prices, as a general rule-of-thumb, the current dividend yield to invest in a DRIP stock should be around 2.5% or greater, with a Company that has consistently paid and raised its dividend each year, on average, by 9% or greater.

For example, Lowe's Companies (LOW) has paid and raised its dividend for 25-years, on average, 25.8% per year. But, with a current dividend yield of 1.2%, the stock price is too high for now. On the other hand, McDonald's Corp. (MCD) currently yields about 3.5% based upon its current price, plus, it has paid and raised its annual dividend for 25-years, on average, by 22.1%. Therefore, under my guidelines, any new money invested in DRIP's would go to acquire McDonald's stock, not Lowes.

The twelve stocks that will provide all the diversification you could possibly need for safety; and, to start you on the path to financial independence are these:

<b>Company</b>	<b>Share Price</b>	<b>Yield</b>	<b>Years Paid</b>	<b>Avg. Incr.</b>
• AFLAC, INC. (AFL)	\$61.56	2.60%	25-Yrs	17.3%
• Coca-Cola Company (KO)	\$41.38	3.30%	25-Yrs	9.4%
• Colgate-Palmolive Co (CL)	\$67.80	2.30%	25-Yrs	11.2%
• ExxonMobil Corp (XOM)	\$81.76	3.60%	25-Yrs	8.2%
• Intel Corporation (INTC)	\$29.10	3.20%	22-Yrs	Excellent <sup>13</sup>
• Johnson & Johnson (JNJ)	\$100.37	3.00%	25-Yrs	11.5%
• McDonald's Corp (MCD)	\$97.01	3.50%	25-Yrs	22.1%
• Microsoft (MSFT)	\$46.92	2.70%	12-Yrs	Above Avg. <sup>14</sup>
• Procter & Gamble (PG)	\$82.19	3.30%	25-Yrs	9.8%
• Sysco Corporation (SYY)	\$36.27	3.30%	25-Yrs	12.7%
• Wal-Mart Stores (WMT)	\$73.10	2.70%	25-Yrs	16.5%
• Walt Disney Company (DIS)	\$119.58	1.10%	Regular Stock Splits <sup>15</sup>	

To buy 100 shares of each of the above great businesses would cost you approximately \$84,000. If this was your goal based upon your investment capital, I would suggest that you initially purchase 25 shares of each immediately; then purchase the remaining 75 shares of each stock over the next 4-to-6 months. If your goal is to purchase 1,000 shares of each, use the same approach; purchase 250 shares of each stock immediately, then purchase the remaining 750 shares over the next 4-to-6 months.

<sup>13</sup> Actual average increase not computed but, it is considered Excellent by [www.dividata.com](http://www.dividata.com); another free site to obtain information on Companies that pay and raise dividends.

<sup>14</sup> *Id*; rated above average.

<sup>15</sup> See Newsletter Issue 7-2015, dated February 10, 2015, for reasons why I like Disney; it is available for free on our website, [www.jeffersoniangroup.com](http://www.jeffersoniangroup.com).

Remember, you need to get started. If you only have \$500, buy 10 shares of Coca-Cola or 10 shares of Microsoft or 10 shares of Intel. If you have contributed \$5,500 to an IRA, select three or four of these companies and purchase 10-to-25 shares of each.

Once you acquire these stocks, enroll in the respective DRIP's within 24-to-48 hours, so that the dividends will automatically be reinvested at no additional cost to you.

If you have any questions, go to our website ([www.jeffersoniangroup.com](http://www.jeffersoniangroup.com)) and send us an email. We will attempt to answer all questions in future newsletters or blog posts; time permitting and depending on your question, we may answer you directly.

### **How We Can Save America**

In addition to promoting individual responsibility and self-reliance, our goal at Jefferson Group is to restore economic freedom in the United States; and, abolish the IRS and eliminate the federal income tax by repealing the 16<sup>th</sup> Amendment.

While working on my J.S.D. (Doctor of Science of Law), I have developed a thesis on how the Constitution should be interpreted based upon the premise that all individuals have unalienable rights to Life, Liberty, and the Pursuit of Happiness. For example, under a Constitution of Liberty, which is what our Founders left us, the only amendments that would be allowed would be authorized under the following three criteria:

- (1) The amendment proposed would increase individual freedom and private property rights; or
- (2) decrease government power and its ability to regulate and tax; or
- (3) is merely of a technical or administrative nature, which would not infringe on individual freedom or private property rights. For example, the Constitution could be amended to cut salaries in half for the President and Congress; and, to eliminate all federal pensions and benefits for the sole purpose of discouraging a career in politics.

Constitutional scholars like to point to the U.S. Constitution as being imperfect, imprecise, and full of ambiguity. Then many of them discuss the pros and cons of seven basic methodologies available for interpreting the Constitution: (1) Textualism; (2) Founders' Intent/Originalism; (3) Doctrinalism; (4) Precedent; (5) Structuralism; (6) Balancing; and (7) Prudentialism.

On the surface, all this sounds reasonable. In reality, they are providing substantial cover for justifying complex analysis, while granting more and more power and authority to Government. As a result, individual freedom and the protection of private property rights has, for all intents and purposes, disappeared.

Whatever freedoms or rights we may now have are subject to change or restriction after each election. We are now subject to the whims of the power-elites and the bureaucrats that control government.

Based on my thesis, that individuals have inalienable rights, there are only two possible ways to interpret the Constitution:

(1) Under the Freedom Doctrine – This method assumes that individuals have inalienable rights to Life, Liberty, and the Pursuit of Happiness. To interpret the Constitution under this method, one has to believe in Jefferson’s definition of Rightful Liberty, “unobstructed action according to our will within limits drawn around us by the equal rights of others.”

(2) The Master-Slave<sup>16</sup> Doctrine – This is the approach used today, justified by many Scholars, who believe they know better how to organize a society. There are always a select few who should rule over the masses, especially if they can convince the majority to go along with them. Following this approach is why seven different methodologies are needed to justify departures from the philosophy of individual freedom set forth in the Constitution written by our Founders.

By 1937 the Supreme Court abandoned its responsibility to protect individual freedom and private property rights in favor of granting government more and more power. Thomas Jefferson warned us that this would happen:

“To consider the judges as the ultimate arbiters of all constitutional questions is a very dangerous doctrine . . . one which would place us under the despotism of an oligarchy.

Our judges are as honest as other men, and not more so. They have, with others, the same passions for party, for power, and for privilege of their corps. . . the germ of dissolution of our federal government is in the constitution of the federal judiciary; an irresponsible body working like gravity by night and by day, gaining a little to-day and a little to-morrow, and advancing its noiseless step like a thief, over the field of jurisdiction, until all shall be usurped from the States, and the government of all be consolidated into one. . .

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<sup>16</sup> The Master-Slave relation taken from Friedrich Nietzsche.

when all government . . . shall be drawn to Washington as the center of all power, it will render powerless the checks provided of one government or another, and will become as venal and oppressive as the government from which we separated.”

Here’s James Madison’s take,

“It will be of little avail to the people, that the laws are made by men of their own choice, if the laws be so voluminous that they cannot be read, or so incoherent that they cannot be understood . . .”

Let’s consider the Supreme Court. We have nine Justices who are among the top lawyers in the Country from two of the top law schools, Harvard and Yale. Many of their decisions have been 5-to-4 and 6-to-3 majority opinions; even among the minority and majority opinions, the Justices falling into either camp, tend to issue their own separate opinions while arriving at the same conclusion. However, they use a different argument or approach than the other members within their respective camps.

If nine of the top legal experts in the United States can’t agree on what the law is, how are the rest of us supposed to know what the law is?! The *Rule of Law* spoken about by our political leaders does not exist in the United States; it disappeared in 1937. We may not be ruled by a King but, we are subjugated to the whims of a President, 535 members of Congress, and 9 Justices sitting on the Supreme Court.

In the “Old World” superstition and religion were used to control the masses. Only the clergy was allowed to read and interpret the bible and they were allied with the kings or despots. Today, superstition and religion have been replaced by democracy and government-controlled compulsory education. Only scholars and the Supreme Court are allowed to interpret the U.S. Constitution and they are allied with government.

The progressives are dead wrong—they are pushing a program of socialism that goes back to Plato—if they continue to be successful, the federal government of the United States will implode like every other empire throughout history.

Real progress would be a “revolution in the enlightenment of the mind and the improvement of character”<sup>17</sup> resulting in the right of each of us to be left alone and not be told what to do.

Here at Jeffersonian Group, we are working on several projects , i.e. a petition to repeal the 16<sup>th</sup> Amendment and a book about how to interpret the Constitution to save the Republic of the United States. We will need your help to promote these projects—stay tuned!

Until then, spread the word—let’s not be happy with “indoctrinated ignorance!”<sup>18</sup>

Dum spiro, spero—While I breath I hope.

Slainte mhath,

Robert G. Beard Jr., C.P.A., C.G.M.A., J.D., LL.M.

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<sup>17</sup>Durant, *supra* note 7 at 72.

<sup>18</sup>*Id.* at 101.