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POLITICS

It has been a long time since the 9/11 atrocity. At the time we took it as an attack by demented authoritarians upon modern prosperity and freedom. The World Trade Center was the symbol and some 3,000 lives were taken. It was not the first time that authoritarians in a fit of malice had destroyed what they can't stand. Ordinary people being free and prosperous.

A remarkable example was the attack upon Antwerp, the commercial and financial capital of the world, in 1572. The Spanish Crown was as usual out of money and allowed their troops to sack Antwerp. Some 7,000 men, women and children were slaughtered as 1,000 buildings were destroyed. In letters from the time, an Italian wrote home with some astonishment that Dutchmen were faithful to their wives. A merchant from Paris wrote that at the moment he arrived in Antwerp, his serfs became free men, you could openly criticize the government and – what's more – when you left you could take all your money with you.

Very admirable conditions that for some reason or other are still hated by authoritarians. Today's Democrats and their mania for control through any means and any persuasion are yet another example. Following the 9/11 atrocity, too many academics from universities in America and Canada got their 15 minutes of fame by explaining to the media that "Americans got what they deserved."

The following are excerpts from articles we published in October 2001:

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WEEK ENDED FRIDAY, OCTOBER 12, 2001

Nine-Eleven: In clinical terms, the WTC massacre is an enormous shock event and it is now in the market. As it is the most devastating attack on the financial centre in over 400 years, it is natural to consider that the very worst presents an outstanding opportunity on the return to normality.

As we have been noting, the moves in stocks, bonds, spreads, and the curve, as well as in industrial commodities, are within the renewed adversity expected from mid-September until mid-December.

Our view is to trade the swings and respect the "normal" trends consequent to a New Era.

An earlier example of a power-mad political leader backed by authoritarian clerics attacking the World's financial centre occurred in the early 1580s. Spain couldn't

tolerate the freedom of thought, trade, and religion as typically found in important financial and commercial cities. At the time, it was prosperous Antwerp.

Like the 20th Century, the 16th experienced a vicious struggle as the authoritarian and dark side of human nature got out of control and was compelled to eliminate freedom. The Protestant leader, William of Orange, was demonized and, when he fell on the second assassination attempt, the authoritarian rabble danced in the streets. As Antwerp was ravaged by war, the market moved to Amsterdam and Dutch merchants built more ships to intercept Spanish bullion shipments from the New World.

Despite the greatest inflows of gold and silver in history, the anti-business Spanish crown's ambitions suffered no patience and borrowed massively. It went broke three times during the 16th Century.

Spiritually and financially exhausted, Spain capitulated in 1609 and went into a long decline. The year 1609 was the peak in inflation and the consequent disinflationary pressures prompted an era of business and financial innovation that ended in a dramatic climax in 1618.

That the authoritarian Russian Empire became similarly exhausted at the highest commodity prices in 100 years in 1989 and a new era followed seems beyond coincidence.

Freedom will again prevail and authoritarians in all countries and political parties will be accorded the "dust-heap" of history.

WEEK ENDED FRIDAY, OCTOBER 19, 2001

POLITICS

It has been appropriate to describe politics of the past 100 years as aggression by the authoritarian and dark side of human nature against the productive and apolitical side. Last week, we outlined the previous example (in 1580-84) of an authoritarian state ravaging the world's financial capital in Antwerp. Backed by a tyrannical clergy, Spain, although chronically insolvent, could not tolerate freedom of thought, trade, and religion as typically found in the financial capital.

Another evil attack of the period was the St. Bartholomew's Day Massacre of August 24, 1572. Not all of France was authoritarian, but those who were Protestant and productive found themselves on the wrong side of official intolerance and King Charles IX instructed "[K]ill all the Huguenots in France." Sanctioned political murder became massive and included women and children. In some instances, the slaughter was used to settle personal affairs. Will Durant's description is elegant: "***Murders previously meditated could now be perpetrated with impunity; harassed or ambitious wives or husbands took the opportunity to rid themselves of unwanted mates; relatives too slow to die were pointed out as Huguenots by prospective heirs.***"

The Spanish ambassador reported, "***As I write, they are killing them all ... sparing not even the children. Blessed be God.***"

The number of murders during August 24 – August 27 is estimated at 5,000 to 30,000.

This compares with the estimate of 100 million political murders over the past 100 years. Essentially, these have been committed by authoritarian leaders upon their own citizens. Lenin, Stalin, and Mao all enjoyed the admiration of the Western intelligentsia.

Fortunately, the Tantrum Generation that has dominated politics in all Western democracies has not been totally successful in emasculating the abilities of England and America to defend free society.