

— ARE WE —  
ROME?

BY LAWRENCE W. REED

*Are We Rome?* is published under the Creative Commons  
Attribution 4.0 International License.

Printed in the United States of America

First printing, May 2015

Second printing, June 2017

Third printing, May 2018

FOUNDATION FOR ECONOMIC EDUCATION (FEE)

FEE's mission is to inspire, educate, and connect future leaders  
with the economic, ethical, and legal principles of a free society.

Join us online at [FEE.org](http://FEE.org)

[Facebook.com/FEEonline](https://Facebook.com/FEEonline)

[@feeonline](https://Twitter.com/FEEonline)

1819 Peachtree Road NE, Suite 300

Atlanta, Georgia 30309

Telephone: (404) 554-9980

Printing courtesy of Kathy Smith and Perpetua Printing



*There is an exceptionally beneficial and fruitful advantage to be derived from the study of the past. There you see, set in the clear light of historical truth, examples of every possible type.*

*From these you can select for yourself and your country what to imitate, and also what, as being mischievous in its inception and disastrous in its consequences, you should avoid.*

— Roman historian, LIVY





— ARE WE —  
**ROME?**

BY LAWRENCE W. REED

**M**ONUMENTAL SUMS FOR BAILOUTS. Staggering increases in public debt. Concentration of power in the central government. A mad scramble by interest groups with endless claims on the treasury. Mushrooming regulations on enterprise. Demagogic class warfare appeals. Higher taxes on the productive. Decline of virtues once widely embraced as essential for strong character. These things ring familiar in twenty-first century America just as surely as they dominated the ill-fated Roman welfare state of two millennia ago.

Both Rome and America were born in revolt against monarchy—Americans against the British, and Romans against their own kings. Wary of concentrated authority, both established republics with checks and balances, separation of powers, and protection of certain rights of at least certain people—if not all. Despite shortcomings, the establishment of the Roman Republic in the sixth century B.C., and the American Republic in the eighteenth century A.D., represented the greatest advances for individual liberty in the history of the world.

*The paramount lesson of the Roman experience is actually not peculiar to Rome. It may be, in fact, the most universal lesson of all history: No people who have lost their character have kept their liberties.*

The history of ancient Rome spans a thousand years—roughly 500 as a republic and 500 as an imperial autocracy, with the birth of Christ occurring during the transitional years in between. As demonstrated by the historian Thomas Madden in his 2008 book, *Empires of Trust*, the closest parallels between Roman and American civilizations are to be found in Rome's first half-millennium as a republic. We, in our day, can derive the most instructive lessons and warnings from that period. The tyranny of the empire came after the republic crumbled—the truly awful consequences of decay—which America can yet avoid.

The paramount lesson of the Roman experience is actually not peculiar to Rome. It may be, in fact, the most universal lesson of all history: *No people who have lost their character have kept their liberties.*

Roman society at the time of the Republic's founding was basically agricultural, made up of small farmers and shepherds. By the second century B.C., large-scale businesses made their appearance. Italy became urbanized. Immigration accelerated as people from many lands were attracted by the vibrant growth and opportunities the bustling Roman economy offered. The growing prosperity was made possible by a general climate of free enterprise, limited government, and respect for private property. Merchants and businessmen were admired and emulated.

No one should claim that Romans fostered a libertarian society. They took liberty to new heights in many ways by limiting the power of the State, but shortcomings were plentiful. This much is clear: The liberties they achieved were made possible, and sustained for centuries, by traits of character on which liberty always depends: courage, hard work, personal independence, and self-reliance.

Rome's remarkable achievements in sanitation, education, banking, architecture, and commerce are legendary. The city even had a stock market. With low taxes and tariffs, free trade and considerable private property, Rome became the center of the world's wealth. All this disappeared, however, by the fifth century A.D.; when it was gone, the world was plunged into darkness and despair, slavery and poverty.

Why did Rome decline and fall? Rome collapsed because of a fundamental change in ideas on the part of the Roman people—ideas which relate primarily to personal responsibility and the source of personal income. In the early days of greatness, Romans regarded *themselves* as their chief source of income. By that I mean each individual looked to himself—what he could acquire voluntarily in the marketplace—as the source of his livelihood. Rome's decline began when the people discovered another source of income: the political process—the State. In short, it was a *character* issue.

Rome rose to greatness on the pillars of strong personal character. It foundered when its people sacrificed character for less noble things like power and the false, temporary “security” of a handout.

When Romans abandoned self-responsibility and self-reliance, and began to vote themselves benefits, to use government to rob Peter and pay Paul, to put their hands into other people's pockets, to envy and covet the productive and their wealth, they turned down a fateful, destructive path. As the late Dr. Howard E. Kershner put it, “When a self-governing people confer upon their government the power to take from some and give to others, the process will not stop until the last bone of the last taxpayer is picked bare.”

The legalized plunder of the Roman welfare state was undoubtedly sanctioned by people who wished to do good. But as Henry David Thoreau wrote, “If I knew for certain that a man was coming to my house to do me good, I would run for my life.” Another person coined the phrase, “The road to hell is paved with good intentions.” Nothing but evil can come from a society bent upon coercion, the confiscation of property, and the degradation of the productive.

*When Romans abandoned self-responsibility and self-reliance, and began to vote themselves benefits, to use government to rob Peter and pay Paul, to put their hands into other people's pockets, to envy and covet the productive and their wealth, they turned down a fateful, destructive path.*

In the waning years of the Roman republic, a rogue named Clodius ran for the office of tribune. He bribed the electorate with promises of free grain at taxpayer expense, and won. Thereafter, Romans in growing numbers embraced the notion that voting for a living could be more lucrative than working for one.

Candidates for Roman office spent huge sums to win public favor, then plundered the population afterwards to make good on their promises to the rent-seekers who elected them. As the republic gave way to dictatorship, a succession of emperors built their power on the huge handouts they controlled. Nearly a third of the city of Rome itself received public relief payments by the time of the birth of Christ.

The historian H. J. Haskell describes this tragic turn of ideas and events: "Less than a century after the Republic had faded into the autocracy of the Empire, the people had lost all taste for democratic institutions. On the death of an emperor, the Senate debated the question of restoring the Republic. But the commons preferred the rule of an extravagant despot who would continue the dole and furnish them free shows. The mob outside clamored for 'one ruler' of the world."

It's frightening to consider how easily a sturdy people, when they let their guard and character down, can be bought and paid for by the welfare state. And once they sell themselves for that mess of pottage from politicians, it's not easy to turn back.

Speaking of the emperor Augustus, who ruled from 27 B.C. to 14 A.D., and who tried to reduce the free wheat program by briefly introducing a means test, Haskell cites the emperor's biographer and contemporary: "[H]e was inclined to abolish forever the public distribution of grain, for the people had come to rely upon it and had ceased to till the fields; but he had not proceeded further in the matter because he was sure that, from a desire to please the people, it would be revived at one time or another."

[ *It's frightening to consider how easily a sturdy people,  
when they let their guard and character down,  
can be bought and paid for by the welfare state.* ]

In response to a severe money and credit crisis in 33 A.D., the central government extended credit at zero interest on a massive scale. Government spending in the wake of the crisis soared.

In 91 A.D., the government became deeply involved in agriculture. Emperor Domitian, to reduce the production and raise the price of wine, ordered the destruction of half the provincial vineyards.

Following the lead of Rome, many cities within the empire spent themselves deeply into debt. Beginning with Emperor Hadrian early in the second century,

municipalities in financial difficulty received aid from Rome and lost a substantial measure of their political independence in the bargain.

The central government also assumed the responsibility of providing the people with entertainment. Elaborate circuses and gladiator duels were staged to keep the people happy. One modern historian estimates that Rome poured the equivalent of \$100 million per year into the games.

Under Emperor Antoninus Pius, who ruled from 138 to 161 A.D., the Roman bureaucracy reached mammoth proportions. Eventually, according to the historian Albert Trever, "the relentless system of taxation, requisition, and compulsory labor was administered by an army of military bureaucrats... Everywhere were the ubiquitous personal agents of the emperors," employed to crush tax evaders.

There were plenty of taxes to evade. Emperor Nero is said by Roman historian Gaius Suetonius in *De Vitae Caesarum* to have once rubbed his hands together and declared, "Let us tax and tax again! Let us see to it that no one owns anything!" Taxation ultimately destroyed the wealthy first, followed by the middle and lower classes. "What the soldiers or the barbarians spared, the emperors took in taxes," according to historian W. G. Hardy.

[ *Romans first lost their character.  
Then, as a consequence, they lost their liberties  
and ultimately their civilization.* ]

Late in the third century, Emperor Aurelian declared government relief payments to be a hereditary right. He provided recipients government-baked bread (instead of the old practice of giving them wheat and letting them bake their own bread), and added free salt, pork, and olive oil.

Rome suffered from the bane of all welfare states—inflation. The massive demands on the government to spend and subsidize created pressures for the multiplication of money. Roman coinage was debased by one emperor after another to pay for expensive programs. Once almost pure silver, the denarius, by the year 300, was little more than a piece of junk containing less than five percent silver.

Prices skyrocketed and savings vanished. Businessmen were vilified even as government continued its spendthrift ways. Price controls further ravaged a

battered and shrinking private economy. By 476 A.D., when barbarians wiped the empire from the map, Rome had committed moral and economic suicide.

Romans first lost their character. Then, as a consequence, they lost their liberties—and ultimately their civilization.

I close with an old story whose relevance to the Roman one will be clear in a moment. It's about a band of wild hogs which lived along a river in a secluded area of Georgia. These hogs were a stubborn, ornery, and independent bunch. They had survived floods, fires, freezes, droughts, hunters, dogs, and everything else. No one thought they could ever be captured.

One day, a stranger came into town not far from where the hogs lived, and went into the general store. He asked the storekeeper, "Where can I find the hogs? I want to capture them." The storekeeper laughed at such a claim, but pointed in the general direction. The stranger left with his one-horse wagon, an axe, and a few sacks of corn.



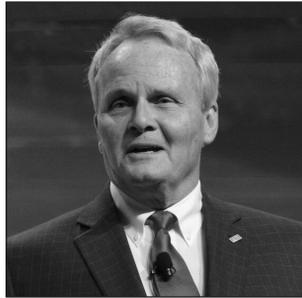
Two months later he returned, went back to the store, and asked for help to bring the hogs out. He said he had them all penned up in the woods. People were amazed, and came from miles around to hear him tell the story of how he did it.

"The first thing I did," the stranger said, "was to clear a small area of the woods with my axe. Then I put some corn in the center of the clearing. At first, none of the hogs would take the corn. Then after a few days, some of the young ones would come out, snatch some corn, and then scamper back into the underbrush. Then the older ones began taking the corn, probably figuring that if they didn't get it, some of the other ones would. Soon they were all eating the corn. They stopped grubbing for roots and acorns on their own."

"About that time," the stranger continued, "I started building a fence around the clearing, a little higher each day. At the right moment, I built a trap door and sprung it. Naturally, they squealed and hollered when they knew I had them, *but I can pen any animal on the face of the earth if I can corrupt them enough to depend on me for a free handout!*"

I'll say it one more time for emphasis: *No people who have lost their character have kept their liberties.*





Lawrence W. Reed

LAWRENCE W. ("LARRY") REED became president of FEE in 2008, after serving as chairman of its Board of Trustees in the 1990s, and both writing and speaking for FEE since the late 1970s. Prior to becoming FEE's president, he served for 20 years as president of the Mackinac Center for Public Policy in Midland, Michigan. He also taught economics full-time (1977-1984) at Northwood University in Michigan, and chaired its Department of Economics (1982-1984).

Reed holds a B.A. degree in economics from Grove City College (1975), and an M.A. degree in history from Slippery Rock State University (1978). He holds two honorary doctorates, one from Central Michigan University (public administration, 1993), and Northwood University (laws, 2008).

A champion for liberty, Reed has authored over 1,000 newspaper columns and articles, as well as dozens of articles in magazines and journals in the United States and abroad.

His writings have appeared in the *Wall Street Journal*, *Christian Science Monitor*, *USA Today*, *Baltimore Sun*, *Detroit News*, and *Detroit Free Press*, among many others. He has authored or co-authored nine books, including *Real Heroes: Inspiring True Stories of Courage, Character, and Conviction*; *Excuse Me, Professor: Challenging the Myths of Progressivism*; *A Republic—If We Can Keep It*; *Striking the Root: Essays on Liberty*; *The Great Hope*; and *Are We Good Enough For Liberty?* He is frequently interviewed on radio talk shows and has appeared as a guest on numerous television programs, including those anchored by Judge Andrew Napolitano and John Stossel on Fox Business News.

Reed has delivered at least 75 speeches annually in the past 30 years—in virtually every state, and dozens of countries from Bulgaria to China to Bolivia.

His best-known lectures include, "Seven Principles of Sound Policy," and "Great Myths of the Great Depression," both of which have been translated into more than a dozen languages.

His interests have taken him as a freelance journalist to 81 countries on six continents. He is a member of the Mont Pelerin Society, and an advisor to numerous organizations around the world. He served for 15 years as a member of the board (and one term as president) of the State Policy Network. His numerous recognitions include the Champion of Freedom award from the Mackinac Center for Public Policy, the Roe Award from the State Policy Network, the Nassau Institute Freedom Award, and the Distinguished Alumni award from Grove City College.

Reed is a native of Pennsylvania, a 30-year resident of Michigan, and now resides in Newnan, Georgia.



THE FOUNDATION FOR ECONOMIC EDUCATION (FEE) is the premier source for understanding the humane values of a free society, and the economic, legal, and ethical principles that make it possible. At FEE, you're connected with people worldwide who share those values and are inspired by the dynamic ideas of free association, free markets, and a diverse civil society.

Explore freedom's limitless possibilities through seminars, classroom resources, social media, free online courses, and exciting daily content at *FEE.org*. Learn how your creativity and initiative can result in a prosperous and flourishing life for yourself and the global community. Whether you are just beginning to explore entrepreneurship, economics, or creating value for others, or are mentoring others on their journeys, FEE has everything you need.

FEE is supported by voluntary, tax-deductible contributions from individuals, foundations, and businesses who believe that it is vital to cultivate a deep appreciation in every generation for individual liberty, personal character, and a free economy.

**WE INVITE YOU TO ADVANCE LIBERTY WITH US. | VISIT *FEE.ORG***