

AMENDMENT XVI

Forty-three years later in 1913, the **Sixteenth Amendment** helped open the floodgates to the massive federal bureaucracy we have today as it brought in a new source of revenue: the income tax. Recall that up to that point there were not supposed to have been any direct taxes from the federal government upon the people unless apportioned by population.

Unfortunately, this constitutional provision was not always followed. In July of 1861 with the Civil War in its early days, President Lincoln worked with Congress to pass the Revenue Act, which imposed a flat 3% tax on incomes over \$800. The rates were then raised twice in the next three years.⁷ This income tax was patently unconstitutional but survived anyway until the early 1870s when the time-limited law was allowed to expire.

In 1895 upon reviewing a later attempt to re-impose an income tax, the Supreme Court confirmed the Constitution's plain language—that any direct taxes were to be apportioned among the states based on their populations.⁸ The growing federal government couldn't abide such limits though, so Congress proposed and the states ratified the Sixteenth Amendment to change all that. For the first time, the federal government could legally tax individual incomes directly.

According to a PBS study, at least 60% of Americans were exempt from the income tax at first (and that figure is arrived at using the most conservative estimate of inflation since 1913).⁹ As happens today, the public accepted it because on average someone else was paying the bulk of the bill. Even at its inception the income tax was designed to be

progressive—that is, to take progressively more of a person’s income the higher that income is.

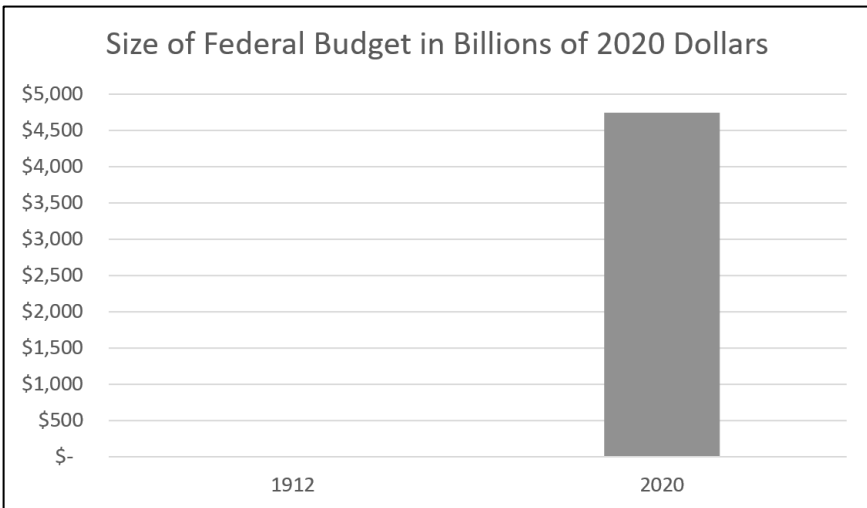
In other words, a progressive tax is calculated to “soak the rich” while excusing the poor. And naturally, those who pay little or nothing for services have little or no incentive to keep the budget under control. Instead, they’d prefer *more* free services. It’s just human nature. That’s why the top 1% of earners paid over 37% of the federal income taxes in 2016.¹⁰ And the top 50% of earners paid about 97% of the income taxes while the bottom 50% paid only about 3%.¹¹ The fact that some people receive a great many services while only paying a small part of the bill almost guarantees that they will be willing to increase the taxes on the other half.

Since the passage of the federal income tax, those with lower incomes have become convinced that those with higher incomes are not “paying their fair share” simply because they have more resources to begin with. This is the rhetoric of class warfare, and it is fueled by envy. It is exactly what was envisioned by Karl Marx when he warned the upper class in his *Communist Manifesto*, “In one word, you reproach us with intending to do away with your property. Precisely so; that is just what we intend.”¹²

This attitude of the modern era stands in stark contrast to the American Dream, which was the hope—for centuries—that with diligence and application of one’s God-given abilities, anyone had the capability to rise above his early station to a higher standard of living.

Where would we be without the Sixteenth Amendment? Just think how much smaller the government would be if it were still funded through tariffs and duties. And think how much

more liberty the people would enjoy as they could decide how to spend, invest, and donate the fruits of their labors rather than having bureaucrats in Washington decide for them. I would agree with Howard Phillips, the founder of the Constitution Party, who said, “Every additional dollar of Federal spending is one less dollar of liberty for American families and individuals.”¹³



This chart compares the federal budgets from the year before the income tax and the current year. While the 1912 column appears to be missing, it is just too small to appear. Its total would be roughly 18 billion in present-day dollars.¹⁴

AMENDMENT XVII

The **Seventeenth Amendment** was ratified in 1913 and also brought important changes to our form of government, but they may not have been obvious at the time. On the surface the Seventeenth Amendment changed how senators are elected, but the consequences of its passage went deeper. Up until its ratification, senators had been chosen by the state legislatures and were thus accountable to them. If the national government began encroaching on state responsibilities, the senators were there to stand up for their states.

Since the ratification of the Seventeenth, however, senators have been directly elected by the people of each state. That means they only answer to the voters just like the representatives. Gone is the check that was put in place with representatives' being answerable to the people and senators' being answerable to the state legislatures. Now our senators are more like super-representatives, many of whom join wholeheartedly in the contest to secure votes from the citizenry by seeing who can give away the most government benefits. If that seems unfair, just consider the outcry there has been anytime anyone has proposed a reduction in the rate of growth—not even a true budget cut, just a lesser increase—for any federal program.¹⁵

In 1913 ratifying the Seventeenth Amendment probably looked like a superficial difference; there were still two senators per state. But changing their method of election changed their focus. And with no one left to stand up for the separation of powers between the states and the federal government, we began to see the development of the monolithic structure we have today.

AMENDMENTS XVIII AND XXI



Executive Committee of the New Hampshire Women's Christian Temperance Union, 1888. Ladies of the WCTU worked to educate people and to combat one of the great evils of their day (and ours)—intoxication.

Only six years after the Seventeenth Amendment, the **Eighteenth Amendment** was ratified in 1919 and banned the manufacture, sale, transportation, importation, and exportation of intoxicating liquors. This was known as prohibition. According to the Heritage Foundation, prohibition was widely supported by Congress, by businesses, and by individuals.¹⁶ The temperance movement had worked hard for many years, and this was the fruit of their labors. Unfortunately, the states didn't want to enforce the laws. They missed the tax revenues that prohibition cost them, and organized crime rose up to fill the void for those seeking alcohol.¹⁷ So prohibition lasted just under fifteen years before being repealed by the **Twenty-First Amendment**.

Notably, the question of repeal was important enough that the amendment itself specified it should be ratified by conventions in the states rather than just by the state legislatures. Congress wanted the people to have the opportunity to speak directly to the issue, and speak they did. Prohibition was reversed.

AMENDMENT XIX

The **Nineteenth Amendment** focused on a single issue—that a woman's right to vote could not be denied at either the state or the national level. Prior to this amendment the Constitution did not prevent women from voting, but it left voting regulations to be determined by each state. (At the time it was ratified in 1920, twenty-seven states allowed women to vote while twenty-one did not.)¹⁹

In colonial America laws largely restricted voting to free men who also owned a certain amount of property. These landowners were paying the bulk of the local taxes and so had