

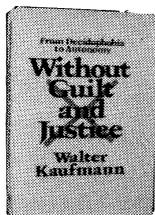
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WITHOUT GUILT AND JUSTICE: FROM DECIDOPHOBIA TO AUTONOMY

By Walter Kaufmann



The vast majority of men, according to Walter Kaufmann, are slaves—not through external compulsion, nor yet through willing choice, but precisely through the failure to make choices, to exert decisive control over their own lives. *Without Guilt and Justice* is a penetrating study of the nature of that failure and of the requirements of genuine freedom, self-direction, and personal autonomy.

Mankind is at a curiously inconsistent point in its history, Kaufmann observes: for the most part we have progressed beyond explicit religion, yet religious ways of thinking still predominate, at least in fields like politics and morality. Hardly anyone nowadays, if asked why he behaves as he does, would answer, "Because it is God's will," but most people still act as if they were under the purview of some higher, mystical authority. Such authority takes many forms, but one of the most common is justice.

The principle of justice dictates that men should be treated in certain ways not because such treatment will have desirable consequences, but simply because it is "deserved." This notion of "deserving" particular rewards and punishments, Kaufmann argues, has no basis in reality; it makes sense only within the context of religion. In today's world, justice serves primarily as a substitute for religion, i.e., as a psychological crutch for those who do not know how, and are afraid, to make their own decisions. It is an expression of what Kaufmann calls "decidophobia."

On the socio-political level, Kaufmann attacks both the liberals' and the conservatives' favorite forms of justice (distributive and retributive justice respectively), arguing that neither is consistent with rational decision-making. The purpose of laws, he points out, presumably is to alter people's behavior in certain ways; an obsession with giving people what they "deserve" can only obscure and interfere with this purpose. Thus, for example, "it makes sense to punish people for parking violations, but it does not make sense to insist that those who have violated various parking regulations have thus shown that they are wicked."

Similar considerations apply to guilt, which is a personal expression,

and emotional enforcer, of justice: "To say that anyone is, or feels, guilty is to say that he deserves, or feels that he deserves, punishment." Together, guilt and justice form a "two-headed dragon" that, in our culture, constitutes one of the most potent enemies of individual freedom.

The truly free man—the autonomous man—guides his life not by considerations of what he and others deserve, but by a scrupulous weighing of the probable consequences of his actions. He is future- rather than past-oriented; like a conscientious surgeon, he does not torment himself with guilt feelings over errors he has made, but instead tries to learn from such errors so that he can avoid repeating them. (Surgeons who do continually worry about how much blame they deserve for their mistakes, Kaufmann points out, become "neurotic menaces." The same is true, of course, in other areas of life.)

To those who insist that guilt feelings are necessary for the prevention of "anti-social" behavior, Kaufmann's answer is a masterpiece of quiet sarcasm:

Admittedly, there are some people whose social conscience depends on resentment and is ultimately rooted in self-hatred. When they make progress with their analyst and manage to have a satisfying sexual relationship, their political activism ebbs away. People of this type are rather like the earnest students of a decade or two earlier who used to say that a person who does not believe in God (or hell) simply has no reason for not committing rape or murder. They were deeply troubled and afraid of what they themselves might do if they ever lost their faith. Millions have discovered that one can care for one's fellow men and refrain from monstrous crimes without belief in hell or God. Surely, self-criticism and a social conscience can survive the death of guilt.

Autonomy, Kaufmann declares, does not mean a life free of conflicts or alienation; it does not even mean happiness, if happiness is taken as a state of pleasurable contentment. "Liberation involves a bitter knowledge of solitude, failure, and despair, but also the sense of triumph that one feels when standing, unsupported, on forbidding peaks, seeing the unseen." For those willing to pay the price, *Without Guilt and Justice* can be a profound help in achieving that sense of triumph. REVIEWED BY ROBERT MASTERS / *Philosophy—Psychology* (274 pages) / LR Price \$7.95

THE MYTH OF A GUILTY NATION

By Albert Jay Nock

The Myth of a Guilty Nation was first published in 1922. It is a restatement in the polished prose of Albert Jay Nock of the historical findings of the two earliest and bravest English revisionist historians, E.D. Morel and Francis Neilson, relative to the background of the First World War, and it is intended for a non-academic literary audience. In view of the tremulous and excessively apologetic introduction, one wonders why the current publishers even bothered to bring it out at all. Nevertheless, one must bow in thanks in their direction for making it available once more for the first time in half a century. Though originally subject to the disdainful denigration of the patrician historical establishment—in a singular display of overkill, since it was not even addressed to them—it might be noted that its reputation was gradually augmented. It eventually drew an appreciative accolade from no less than Harry Elmer Barnes (along with Neilson's *How Diplomats Make War*) in Barnes' celebrated *The Genesis of the World War* (1929).

Nock, smeared as a German apologist in what H.L. Mencken considered the least educable sector of the American public, academe, was palpably engaged in something of somewhat greater scope: a demon-

stration to a literate readership of non-specialists of the utter imbecility of the Versailles Treaty and its fundament, the thesis of Germany's unique war guilt, and their ominous portent for the future of Europe. It took several more years of trying to maintain the new status quo this iniquitous construct predicated (the veteran American diplomat William D. Bullitt was to characterize the Versailles Treaty as "the stupidest document ever penned by the hand of man") before the world got Adolf Hitler as a consequence.

Nock's is a civilized and succinct disquisition on the facts exposed by Morel and Neilson concerning the careful preparation for war on the part of those powers that ultimately clashed with the Germans, preparation made while feigning innocent unreadiness. At a time when almost the entire U.S.A. clung to the wartime propaganda of sole German responsibility for the war, Nock was almost alone (with the exception of John Kenneth Turner) in revealing quite the reverse. Those who admire the Nockian literary genius or those who want to start their study of revisionism at the beginning will welcome the republication of this book. REVIEWED BY JAMES J. MARTIN / *History* (114 pages) / LR Price \$12

MORE JOY: A LOVEMAKING COMPANION TO THE JOY OF SEX

Alex Comfort, Editor

In *More Joy*, Comfort & Co. reveal their eroto-political colors:

Some people might think that this is a prosperous middle-class book, meant to help prosperous middle-class white people experiment with sensuality. . . .

Quite the reverse is the case. . . . acquiring the awareness and the attitudes which can come from this experience doesn't make for selfish withdrawal: it's more inclined to radicalize people. . . .

. . . People who have erotized their experience of themselves and the world are, on the one hand, inconveniently unwarlike. . . and, on the other, violently combative in resisting goons, political salesmen, racists and "garbage" people generally. . . .

The obsession with money-grubbing and power-hunting is quite largely fueled by early distortions of body image and self-esteem. . . that carry over into a whole range of political behaviors, from hating and bullying people to wrecking the countryside for a profit you don't need and can't use. . . .

A generation that has erotized its experience will be radical. . . environmentalist, science-based (because you need to study human biology to know why you function) and hopefully as ungovernable by non-people as the American Colonies were by King George. If your widened self-experience and experience of others leave you an unreconstructed Middletown don't-carer, it wasn't [sic] widened enough or human enough.

Wow. When the puritanical rightists latch onto this declaration of erotized, make-love-not-war, anti-capitalist, eco-freakery, will we be inundated with "proofs" that sex is a Conspiracy plot!

Fortunately, the foregoing (and the attitude it characterizes) is but a small part of this companion to *The Joy of Sex*, which I reviewed in these pages last year. *More Joy* is a creation of the same team that gave us *TJOS*: Comfort, the mystery-couple authors (both MDs), and illustrators Charles Raymond and Christopher Foss. It follows *TJOS* in its topical, gourmet-cookbook format; it is written—with occasional exceptions, such as the

above quotation—in the same lighthearted, intelligent, non-pedantic style; and it is illustrated with the passionate sensitivity that made *TJOS* such a visual delight. In fact, to my eye, *More Joy* is even more pleasing. The pen-and-ink sketches that illuminate the text are more closely linked with the subject at hand, and the 32-page water-color portfolio is more vibrant than its *TJOS* counterpart.

But, while it has these things in common with *TJOS*, *More Joy* is a different and complementary volume. *TJOS* was largely about sexual technique; *More Joy* is primarily about the relational and developmental aspects of sex. In five sections—"The Language of the Body," "His & Hers," "Couples & Others," "Resources," and "Special Needs,"—the authors explore the potentialities of sexual openness and interpersonal relationships free of jealousy, possessiveness, and sexual stereotypes.

A vast array of means to "alter and improve human sex life, both at the physical and relational level" is considered, and includes enlightened and enlightening discussion of various modes of "group sex," which alone makes the book worth having. The authors' message about the relational aspects of sex is the same they advanced in *TJOS* about the physical: ". . . there is nothing to be afraid of, and never was. . . we manufacture our own nonsenses."

While the quotation that opened this review gives the lie to the authors' claim that they are not into sexual freedom "as an ideology," this does nothing to detract from the soundness of their suggestions for a fulfilling and hangup-free sex life. *More Joy* and *The Joy of Sex* together constitute the best package of sex information available in print. Even such "garbage" people" as libertarians will find them exciting and useful. And think of the fun of confounding both the neo-Marcusians and the moralizing conservatives! REVIEWED BY KARL T. PFLOCK / *Applied Psychology* / (220 pages) / LR Price \$12.95

THE RIDDLE OF THE PYRAMIDS SECRETS OF THE GREAT PYRAMID

By Kurt Mendelssohn

By Peter Tompkins

Here are two large, handsomely produced, lavishly illustrated popular books on the pyramids of Egypt. The casual browser would see little to choose between them, save that Tompkins' book offers more pages for less money. The critical reviewer, however, comes to different conclusions.

Mendelssohn is a German-born physicist with a long career at Oxford behind him. Widely traveled, he examined the pyramids at first hand in the 1960s. He wondered what had caused the collapse of the ruined pyramid at Maydûm. The landslide of 1966, at Aberfan, Wales, gave him his clue.

The builders of this pyramid, he tells us, started it as a step pyramid of the same type as Zoser's at Saqqâra, then converted it to a true pyramid by adding packing blocks and finishing off with a smooth surface of casing stones. But the treads of the steps of the earlier construction sloped down and out, and the packing blocks were not bonded to the stepped core. Hence, during one of the heavy rains that occasionally visit Upper Egypt, the outer construction came loose and cascaded down around the foot of the pyramid with a mighty roar. Vast masses of broken limestone lie there yet. (I suspect that a little earthquake may have helped.)

Mendelssohn gives a lot of metric and historic information on pyramids in general, illustrated by admirable diagrams. While, however, I will buy his explanation of the Maydûm pyramid, I am not so sure about his theory of the pyramids as a whole. He thinks that, while the pyramids were certainly used as mausolea for the kings (and not as astronomical instruments, Masonic halls, and other vagaries of the pyramidologists) their main purpose was to unify the nation, provide year-round employment, and keep the villagers out of mischief in the flood season, when they would otherwise be raiding each other.

Pyramid-building may have had these effects. But I doubt if any Pharaoh ever consciously thought: We need a great national project to unify the country, employ the peasants during the off-season, et cetera. Such modern ideas should not be foisted on kings of 5,000 years ago, who were more concerned with their own wealth, power, and glory in this world and the next and quite willing to make their subjects toil to secure these boons. With this qualification, however, it is a fine book.

Tompkins' book is something else. It deals in more detail with the history of the exploration of the pyramids, from al-Ma'mûn's invasion of Khufu's Great Pyramid in the ninth century to modern times. The author gives many interesting anecdotes.

Alas, Tompkins has read the literature extensively but uncritically. Works of serious scientific students like Borchardt and Petrie are given the same weight as the figments of pyramidologists like Davidson and occultists like Mme. Blavatsky. Their citations are all jammed in together in snippets, with neither logic nor organization. Tompkins accepts the professions of some of the pyramidologists, that the measurements of the pyramids (especially Khufu's) incorporate a whole encyclopedia of scientific data, such as the value of pi, the units of measurement of later historic times, the circumference of the Earth, and the dimensions of the Solar System.

This is reasoning backwards. There is no reason to think that the early Egyptians suspected the Earth to be round and therefore to have a circumference. As far as the evidence goes, they, like the early Sumerians, thought the Universe was shaped like the inside of a shoe box. They never got beyond this stage until Greeks and Babylonians, thousands of years after Khufu, taught them better.

It has been shown time and again that, with enough figures to juggle, one can extract cosmic results from unlikely material. Borchardt, as an anti-pyramidological joke, derived the base e of natural logarithms from the slope of, Sahura's pyramid. Barnard, by juggling the dimensions of the Temple of Artemis at Ephesos, got the Moon's diameter, the length of the lunar month, and the date of the building. A Professor Normal obtained equally portentous results from the blueprints for Building C of the Harvard Observatory.

The pyramids are remarkable enough, as achievements of a primitive technology combined with large manpower, efficient organization, and infinite patience, without such cultist whimsies. Tompkins dug up much interesting material, but he blew it. REVIEWED BY L. SPRAGUE DE CAMP / *History—Pyramidology* / Riddle (224 pages) / LR Price \$12.95 / *Secrets* (416 pages) / LR Price \$12.50

INTRODUCTION TO MUSICAL LISTENING: A GUIDE TO RECORDED CLASSICAL MUSIC

By John Hospers

PART V: ORCHESTRAL MUSIC FROM BEETHOVEN TO TCHAIKOVSKY

The symphonies of Beethoven have been so extensively played that they have really been overworked in comparison with equally great works by others (and by Beethoven himself) that have been neglected. There are so many recordings of these symphonies that the listener has a large range of choice. The recordings by Toscanini are still the most inspired and, in my view, definitive, but the sound quality, especially on high-fidelity equipment, leaves much to be desired. Of the symphonies of Beethoven to which the adjective "great" is universally applied, and balancing the quality of the recorded sound against the technical skill of the performers and, most of all, the quality of the conductor's interpretation, I would say that the on-the-whole best performance of the no. 3 ("Eroica") is by Barbirolli on Angel S-3641; of no. 4, by Ansermet on London 15055; and of no. 5, by Reiner on RCA LSC-2434 (with fine performances of some of Beethoven's great concert overtures on part of the other side). The no. 6 ("Pastoral") is matchlessly recorded by Bruno Walter on Odyssey Y7-30051, which, though old, makes every other recording of this work pale by comparison. If you cannot get it, get the Böhm recording on DGG-2530142. For the scintillating no. 7, Reiner is magnificent on RCA LSC-1991. The light no. 8 is most compellingly done by Casals (with Mendelssohn's equally melodic Symphony no. 4 on the other side) on Columbia MS-6931. The no. 9, of which the first movement is one of the towering achievements of music is performed to the dramatic hilt by Solti on "Beethoven: Symphony No. 9."

Of the piano concertos, the no. 5 is too much a pompous display piece for my taste, compared with the far greater subtleties of Mozart and his

his "Romeo and Juliet" (Op. 17), which Toscanini called "the most beautiful music ever written." Even though this may be a bit of an overstatement, the work is so lovely, and the entire love-music section so melting, that when you hear it you won't be able to disagree, you will just want to here it again and again for weeks. Toscanini's recording on mono has been discontinued, but a worthy successor is by the greatest contemporary interpreter of Berlioz' music, Colin Davis, on "Berlioz: Romeo et Juliette." I shall have a good deal more to say about Berlioz later in this series, when I discuss song, opera, and choral music.

The symphonies by Johannes Brahms are too well known to require much comment. The tense and electrifying no. 1 is best done by Stokowski on London 21090/1; the more "singing" no. 2 by Beecham (with the greatest of Brahms' overtures, the "Academic Festival," on part of the other side) on Seraphim S-60083; for the gentle "Sunset Glow" symphony, no. 3, Stokowski on Everest 3030 is more lyrical, Szell's on Columbia MS-6685 more dramatic (with Brahms' fine "Variations on a Theme by Haydn" on part of the other side); and finally, the monumental no. 4, perhaps the greatest of his symphonic works, is best done by Haitink on Philips 6500389. Brahms' violin concerto is, in my opinion, the greatest of all violin concertos, and is done with splendor by Szell and violinist Oistrakh on Angel 36032 (though the Ormandy-Stern performance is also excellent and has the lovely Mozart Sinfonia Concertante K. 364 on part of the other side). And his Piano Concerto no. 2 is, in my opinion again, the greatest of all piano concertos. This sculptured, towering work is done with equal mastery by Szell and Serkin on Columbia MS-6937 and Barbirolli and Barenboim on Angel S-36526. Not quite on a par with these, but still eminently worth hearing, is the double concerto (for violin and cello), best done by Walter, with Francescatti and Fournier on Columbia MS-6158.

A fine symphonist, and much more simple and direct than Brahms, is Peter Ilyich Tchaikovsky (1840-1893). His most powerful orchestral compositions are the popular "Romeo and Juliet," best done by Stokowski on London 21032, and the Symphony no. 6 ("Pathétique"), best performed by Guilini on Seraphim S-60031. Very fine works too, though less concentrated in their emotional intensity, are the no. 4, best done by Barenboim on Columbia M-30572, and the no. 5, by Stokowski on London 21017. His violin concerto is one of the loveliest of all violin concertos—a genre in which there is a paucity of first-rate works, but a plentitude of good performances, especially in this case—of which I prefer the Schippers-Francescatti recording (Columbia MS-6758), with an equally fine playing of the almost equally fine violin concerto by Felix Mendelssohn (1809-1847) on the other side. For those who like Tchaikovsky's bombastic Piano Concerto no. 1, I recommend the Kondrashin-Cliburn performance on RCA LSC-2252.

An entirely different aspect of Tchaikovsky's orchestral work is to be found in his ballet scores: "Nutcracker," "Sleeping Beauty," and "Aurora's Wedding"—of which "Nutcracker" especially is filled with enchanting singable melodies. Get the complete ballet conducted by Previn on Angel S-3788 (two discs) [Ed. note: reviewed in the December 1973 *Books for Libertarians* by R. A. Childs, Jr.], or the suite done by Bernstein on Columbia MS-6193.

There is a large number of famous but eminently forgettable nineteenth century orchestral works. (The public still dotes on inferior works of the nineteenth century and ignores masterpieces of the seventeenth and eighteenth.) Among them are Tchaikovsky's second and third piano concertos, almost all the orchestral works by Chopin, Schumann, and Liszt, and the almost incredibly crude and vulgar "Symphonie Espagnole" by Lalo. Most of the work of Saint-Saens (1835-1921) is also forgettable, except perhaps for the pompous but cumulatively impressive Symphony no. 3 for Organ and Orchestra, done with the greatest flair by Much on RCA LSC-2341.

Another minor figure with a large output is Rimsky-Korsakov, whose "Scherzade" is played again and again. If you want it, get the incomparable Beecham recording on Angel 35505. Rimsky-Korsakov did write one delightful, utterly spontaneous and exciting orchestral work, "The Russian Festival of High Easter," performed with verve by Ormandy along with other pleasant nineteenth century Russian pieces (by Tchaikovsky, Balakirev, Glinka, and Borodin) on Columbia MS-6875.

The final forgettable orchestral composer for this month is Caspar Frank, who wrote one good, but overplayed, symphony, which is passionately performed by Bernstein on Columbia MS-6072 and by Stokowski on London SPC-21061. (Next Month: *Orchestral Music of the Late Nineteenth and Early Twentieth Centuries*.)

Music IN REVIEW



BEETHOVEN: SYMPHONY NO. 9 IN D-MINOR, "THE CHORAL" (2 records) / LR Price \$10.50 (List \$11.96)

SCHUBERT: SYMPHONY NO. 9, "THE GREAT C-MAJOR" / LR Price \$5.95 (List \$6.95)

BERLIOZ: ROMEO ET JULIETTE (2 records) / LR Price \$14.95 (List \$15.96)

predecessors, but it is well done by Solti and pianist Ashkenazy on London 2404, four discs containing all five piano concertos; if you don't want the whole set, get the exciting Swedish performance on Rococo 2047, or failing that, the fine Bernstein-Serkin performance on Columbia M-31807. But it is the no. 4, with its probing introspective quality, that is the giant among Beethoven's piano concertos. The great Schnabel performance is now discontinued, and of those now available, the best done is by Solti-Ashkenazy, on the aforementioned London 2404; otherwise, I suggest Ormandy-Istomin on Columbia MS-7199. The violin concerto is a fine work, although minor Beethoven compared with the chamber works recommended in Part I of this series; but it is most feelingly done by Bruno Walter and violinist Francescatti on Odyssey Y-30042. For the great Beethoven overtures, get Szell on Columbia MS-6966 and MS-7068.

Schubert's style, like that of Chopin and Schumann, is so intimately wedded to chamber music that his orchestral works all suffer by comparison—with one great exception: the magnificent Symphony no. 9 in C. This amazing work, a total masterpiece of symphonic form (which Schubert never lived to hear performed), has an inexorable rhythmic drive that is simply beyond belief. And it grows on you continuously whether you have been hearing it for days or for years. Several "immortal" performances (immortal but for the fact that they have been discontinued) are the Sir Hamilton Harty on Columbia (78 rpm), the Furtwangler on Turnabout 4364 (mono), and the Toscanini (mono). There is, however, a superlative recording available, that of Szell on "Schubert: Symphony No. 9." The well-known no. 8 ("Unfinished") is best done by Walter on Odyssey Y-3031.

One of the greatest of all composers is Hector Berlioz (1803-1869). His early "Symphonie Fantastique" is easily forgettable compared with his other work, but it is excellently done by Ansermet on London CS-2101. His beautifully expressive tone-poem for viola and orchestra, "Harold in Italy," is best done by Ormandy (and Pasquale, violist) on Columbia M-30116. But if you have to select only one orchestral work by Berlioz—and I shall call it orchestral though it contains a few choral passages—let it be

MACRO-ECONOMIC THINKING & THE MARKET ECONOMY

By Ludwig M. Lachmann

A TIGER BY THE TAIL: THE KEYNESIAN LEGACY OF INFLATION

By F. A. Hayek

If we here at LR were disposed to believe in miracles, we would certainly classify the awarding of the 1974 Nobel prize for economics to F. A. Hayek as such! Perhaps this event is a harbinger of the coming ascendancy of Austrian economics...? In any event, LR is pleased to offer Walter E. Grinder's excellent disquisition on why such an ascendance is long overdue. Future issues of LR will carry similar reviews by Mr. Grinder, and we hope you will be looking forward to them as much as we are.

It is generally acknowledged by most economists—from one end of the ideological spectrum to the other—that the government's conduct of recent economic policy has been on almost all counts an abysmal failure. However, it has yet to be candidly and publicly conceded that all of the activist economic policy of recent decades has been constructed and implemented within the parameters and guidelines laid down in an establishment, neoclassical economic dogma—a comprehensive set of interventionist economic principles almost universally accepted by the same economists who are now railing at the failure of the policy constructed from those very same principles. Nonetheless, an important crack in the united macroeconomic front has been made with the admission that the policies are wanting and the neo-Keynesian establishment economics does not have a ready answer to explain either the causes or cures of such contemporary economic phenomena as inflationary-recession.

Suggested Additional Readings

For the Austrian critique of "methodological holism" and, at the same time, a positive and cogent presentation of methodological individualism see:

Hayek, **The Counterrevolution of Science: Studies on the Abuse of Reason**
Hayek, **Individualism and Economic Order***

Mises, **Theory and History: An Interpretation of Social and Economic Evolution***

On the various macroeconomic distortions or "business cycle effects" resulting from monetary expansionism see:

Hayek, **Monetary Theory and the Trade Cycle***

Hayek, **Profits, Interest and Investment, and Other Essays on the Theory of Industrial Relations**

Hayek, **Prices and Production**

Mises, **The Theory of Money and Credit***

Mises, **Human Action***

Rothbard, **Man, Economy and State**

On both the theory and the historical effects of attempting to stabilize the "price level" by monetary expansionism prior to the 1929 Crash and during the subsequent depression see:

Phillips, McManus, and Nelson, **Banking and the Phillips Cycle**

Robbins, **The Great Depression**

Rothbard, **America's Great Depression***

*Available from LR. See "Back List."

There is nothing ideological in the foregoing account of the confusion reigning in the land of contemporary economic theory, for what we are reporting is not that the government has entered into an altogether improper domain, although this is, of course, painfully true from a libertarian point-of-view. Neither are we considering the fact that the economic managers are inefficient. Rather, we are dealing with an implicit admission that current macro theory has *failed* across the board, i.e., that the economic managers, and even their academic counterparts, *do not know what they are doing*. They do not, and under the current methods and theories they cannot, understand the *real* factors that they are trying so desperately to deal with. The reality of economic law has the Keynesian/neoclassical paradigm on the ropes, waiting for the cumulative political-economic contradictions to swing that last crunching blow, after which the theoretical edifice which has served as the singular source of policy prescription for the past 40 years will collapse in the corner whimpering, "In the long run we really do die, don't we?"

Clearly, however, all is not lost. Simply because establishment economic doctrines have failed to achieve a harmonious and productive industrialized socio-economy, it does not follow that it cannot be done, nor does it mean that the managers must be given more time and more power to achieve what they have not yet achieved over four decades of ever-increasing power. There, already exists an alternative paradigm

ready to replace the current combination of blundering foolishness and vested-interest intrigues. The Austrian school of economics has a long and honorable tradition, and it has amassed an impressive track record in the explanation of macroeconomic dislocations. Professors F.A. Hayek and Ludwig M. Lachmann must now be considered the co-deans and elder statesmen of this rich and fertile tradition. These two little books by Hayek and Lachmann take the reader immediately to what are, perhaps, the two major problems of current economic theory and policy. The first is the crucial theoretical mistake: holism. And the second is a policy which, as we shall see, is to a not insignificant degree a result of the holistic error: inflationism.

Both Hayek and Lachmann are strict methodological individualists, i.e., they proceed from the axiom that all economic phenomena can and must be traced back to the preferences, expectations, and plans of individual economic actors. Only *individuals* make economic decisions, i.e., choose among alternatives, plan, and act.

It is true that economists of other schools of economic thought (e.g., the Chicago school) genuinely consider themselves to be methodological individualists, and indeed they often are, as long as they restrict their area of discussion to the domain of microeconomic analysis. But the further they stray into the world of macroeconomics, the more they leave behind the methodology of focusing on the individual as the unit of economic analysis.

This is the problem that Lachmann calls "Neo-Classical Formalism." By this he means an unhealthy concentration on aggregates or "wholes," treating them not as abstractions or mental tools fashioned to help cope with large numbers or amounts of data, but as *real* and, therefore, amenable to quantitative manipulation. Hence the Hayekian term "holism," or what Professor von Mises called the process of "hypostatization."

We are all familiar with the argument that the whole is greater than the sum of its parts. This seems to be weak logic under any circumstances. When applied to the social sciences, it becomes sheer disaster. For instance, "society" becomes greater, and by implication more important, than the individuals who constitute it. We all know where such collectivistic attitudes have led in the past. Libertarians have good reason to suspect that those economists who are bound to the methodology of holism are not *essentially* economists (interpreters and explainers of economic processes) and that they should be regarded as latent political-economic manipulators who deserve the most careful and suspicious observance.

But let us now focus our attention on an aggregative whole which is somewhat less cosmic in its dimension than the whole called society, but, nevertheless, a whole which when taken too seriously can and usually does lead to a great deal of economic confusion and, ultimately, to considerable human misery. With the constant contemporary references to inflation, the wholesale and consumer price indices, price stability, et cetera, it might seem strange to ask the question, "Is there a price level?" But Austrians unabashedly ask just that question. Austrians, of course, recognize that there exist statistical methods of determining "in general" whether the cost of living is becoming dearer or not, whether the purchasing power of the currency is rising or declining, et cetera, and that these methods can from month to month be applied with something approximating "precision." But they emphatically deny that there is a precise "price level" which can and ought to serve as an integral element in formulation and evaluation of economic policy. At best, the "price level" is a very rough "ball-park" estimate of relative aggregate change between two necessarily very close points in both time and economic condition. What the Austrians are predominately concerned with is the composition of the aggregate, i.e., the constituent elements which are the reality of the aggregate and the various interrelationships of these elements.

For decades "Neo-Classical Formalism" has entailed an undue concentration on the "general price level," with an eye toward the attainment of an era of "price stability." Beginning mainly with the work of Irving Fisher and continuing at present with that of Milton Friedman, the history of economic thought has witnessed what Murray N. Rothbard has rightly

(Continued on page 5)

Lachmann— (Continued from page 4)

called a “fetish” of price stability. If price level has any meaning at all, it can have that meaning for only one particular moment in time, i.e., each historical moment is unique and necessarily has its own set of unique price relationships. Each historical price index, if a meaningful one can be compiled at all, is an outgrowth of the whole array of unique exchange relationships in unique demand and supply situations and with a unique supply of money—in relation to which the market participants each, and in the aggregate, will have unique psychological attitudes, i.e., the demand to hold cash will change with changing circumstances. The upshot being that, even if there is an intelligible price index or price level, it will have very little, if any, meaning over time.

The use of the price-level concept in a program to promote “price stability” has proved disastrous in two ways: (1) it has drawn the attention of economists away from *real* macroeconomic problems (i.e., changes in the real structure of production due to changes in either time preferences or, more particularly, because of these and other monetary interventions), and (2) it has helped to usher in and exacerbate the age of inflation.

Sudha R. Shenoy, the brilliant young economist who is rapidly becoming “Vienna’s” own Mrs. Robinson, offers a short but penetrating introduction to the excellent Hayek selections which she has compiled in *A Tiger by the Tail*. She underscores the destructive results of increasing the money supply in order to maintain a “stable price level.” She trenchantly observes that, once started, a seemingly innocuous policy of maintaining any given “price level”—either by increasing bank credit or by deficit spending—leads to either a policy of ever accelerating inflation to ward off the day of reckoning, or to a halt to money supply increases with the ensuing politically difficult and socially painful period of price readjustment, i.e., depression. (Hence, Hayek’s apt term “a tiger by the tail.”)

Deep within the esoteric and “unpractical” world of methodology, there lurks the holistic source of a policy prescription which, when carried to its logical conclusion, leads ineluctably to conditions of economic chaos. These chaotic conditions, in turn, widen the doors to statist and morally wavering “technicians,” further enabling them to usher in such anti-libertarian policies as comprehensive price controls, tariffs and exchange controls, and universal price indexing.

Professor Lachmann has for too long been a neglected member of the Austrian school (even by many Austrians), but he has generated numerous journal articles and several books, each of which has contained significant additions to and refinements of the Austrian tradition. In *Macro-*

Economic Thinking and the Market Economy, Lachmann steps center stage into the controversy currently raging in the world of macroeconomic thought. This controversy is between the MIT, Samuelson-Solow, “Neo-Classical Formalists,” on the one hand, and the Cambridge, Sraffa-Mrs. Robinson, “Neo-Ricardians,” (Lachmann’s happy tag for many of the quantitative-objectivistic-holistic trends in economic thought), on the other hand. The central controversy, which often appears as a veritable arcana of abstract, economic doubletalk about the nature of profit, the switching of production technique, the reswitching of the same, et cetera, is presented by Lachmann in an eminently clear and succinct manner. He also points out the deeply disturbing implications of the subject for politico-economic policy. He subjects both sides to a devastating Austrian critique. Here, at the mainspring of current macroeconomic thinking, we find the source of a number of deep problems currently plaguing macroeconomic theory. Lachmann goes into them all: a submergence of the real and individual causative factors of socio-economic phenomena under the guise of “scientific” abstractions and aggregates, a misunderstanding of the source and nature of both profit and interest, and a total misapplication of such mental constructs as “Market Production Function,” “Growth Equilibrium,” and others.

In these works, Hayek and Lachmann present the reader with a convenient introduction, first, to several of the most pressing macroeconomic problems of the day, and, second, to what must be considered a radical but eminently sound and systematic analysis and approach to solving many of today’s economic problems. In both of these books, the reader will quickly see that the Austrian school has a ready alternative for the current macroeconomic miasma. This analysis involves all levels of abstraction, and working one’s way through them is often difficult and momentarily perplexing. Nevertheless, as with any worthy intellectual undertaking, the aesthetic returns alone are often sufficiently rewarding. However, for the libertarian, the policy prescription offered by the Austrian paradigm will surely evoke an even greater sense of thrill and satisfaction. For, *only* the Austrian paradigm can and does consistently advance a *totally* unhampered market as the only viable and consistently libertarian alternative.

From here, the reader will almost certainly want to go on to find out more about the Austrian analysis and prescriptions. As a guide for those in search of such economic enlightenment, I have compiled the suggested reading list here. I hope you find it useful. REVIEWED BY WALTER E. GRINDER / *Economics* / *Macro-Economic Thinking* (56 pages) / LR Price \$2.50 / *Tiger by the Tail* (124 pages) / LR Price \$4.75

THE DISPOSSESSED

By Ursula K. Le Guin

The Dispossessed is a science-fiction *tour de force*, an ambitious philosophical novel that powerfully presents a heroic vision of life. This is achieved through the story of one man’s journey from his native world to the planet of his ancestors’ origin, his pursuit of personal destiny and his resolve to bring down the walls of ignorance and fear that separate the two worlds.

The speculative context of the story is as follows: Idealists fleeing the governments of the planet Urras settle on nearby Anarres, a barren, arid world, where they build communal anarchism, a society in which moral choice, custom, and mutual aid replace laws and property, and conceived by its people as a permanent revolution serving the one “law” they acknowledge: the law of human evolution. They survive and slowly increase their numbers, but 170 years of always uncertain struggle severely tests their society. Pragmatism erodes the idealism, custom hardens, bureaucracy sets in, and public opinion tyrannizes the individual conscience.

Shevek, a pioneering theorist in the physics of time, comes to a first-hand understanding of the malignant forces that have taken root in his society when he discovers that his own unorthodox work in time theory is being denied publication by professional envy and shunted aside as socially useless. The value of his work is hailed only by scientists on Urras—hated Urras, from which, with few exceptions, Anarres has kept strictly isolated. In response to an invitation from one nation on Urras, Shevek decides to go there, hoping—with the stimulation of peers—to finish a general temporal theory, to discover the truth about Urras, enshrouded by now in legend, and above all, “to shake up things, to stir up, to break some habits, to make people ask questions”—to behave like an anarchist!

Alienated from his own society, he is going as an alien to a nation of government and property that he has been taught all his life embodies the antithesis of his own society—a nation, moreover, that he has been warned is eager only to acquire his theories for its particular uses. But this is the risk he chooses to take for the *idea* and for his right to pursue it where necessary and to share it with everyone. As the story unfolds, the

challenge to his ability to understand the world to which he has taken his quest resolves into a challenge to the integrity of the quest itself—to Shevek’s integrity.

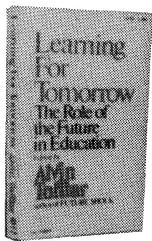
The communal anarchism on Anarres is vividly realized through the attitudes and behavior of its people. The ideas they discuss are felt by them as being central to their identities as anarchists; thus the story avoids propagandizing. And they make mistakes, there is vigorous disagreement among them, as befits their society. But it is in key relationships—of man to woman, adult to child, teacher to student—and in the very fluidity of relationships, the directness of speech and atmosphere of trust, the unspoken knowledge that each one is free and responsible, that the central ideas of mutual aid and moral choice come alive. The practicality of their syndicalist economy is questionable, but they embody the authentic spirit of libertarianism. And when Shevek’s journey brings him to Urras, his experience of that society becomes a telling critique of our own, especially the consumer culture assented to by many libertarians today.

The dramatic drive of the novel, however, originates in Shevek’s quest for a theory of time that will integrate sequence and simultaneity—causality and the simultaneous presence of all possibility. Time is the grand theme that informs every other issue raised in the story—time in relation to ethics, choice, human relationships, psychological stability, happiness, aesthetics, and the evolution of humanity on all its far-flung worlds.

The Dispossessed is subtitled “An Ambiguous Utopia.” For in the society of Anarres the classic idea of utopia—a static condition of social-political perfection—combines with its antithesis—dynamic change—to achieve permanent revolution. And Shevek—the anarchist, the idealist who regards the pursuit of his destiny and the transformation of society as one complex act—is the dramatization of utopian life. REVIEWED BY RICHARD EVERS / *Science Fiction* (341 pages) / LR Price \$7.95

LEARNING FOR THE ROLE OF THE FUTURE

Alvin Toffler



There are very few people who are writing on education today who would defend the schools as they are presently structured. But it would also seem that there are very, very few individuals who have come to the realization that the entire philosophy and structure of schools at all levels, from grade school through the university, is devastatingly irrational and should be entirely eliminated and replaced with a rational philosophy and system. Thus we continue to encounter

many books which emphasize that scholastic matters are in need of considerable improvement or alteration, without ever realizing that much of what they recommend as needed changes would automatically occur in a rational environment.

Although this limited perception of what is really wrong with schools is held by the vast majority, many are attempting to see what improvements can be made within the present system, realizing that this system will regrettably, but certainly, be with us for some years to come. Eighteen authors from widely varied fields have expressed their views on one particular aspect of change which they would like to see introduced into the schools—the notion of future time—and their essays on this subject have been incorporated into a stimulating book, *Learning for Tomorrow: The Role of the Future in Education*.

Some of the basic points which the authors are attempting to emphasize involve such matters as the need for a drastic change in educational methodology, that is, the way in which information or a learning experience is dealt with by both teacher and student. They would like to see more use made of such things as classroom theater, games, and roleplaying, which would be particularly suited to incorporating ideas concerning the future in their studies. Since the future is unknown, but predictable in many cases, this playing-acting or pretending could allow for greater freedom of thinking about future possibilities and help individuals consider more seriously what type of future they would like to see as well as possibly bring about.

A number of the writers realize that the very concept of the future can be closely tied in with motivation for learning. If a student realizes that his or her actions may help to alter the future, this student may well be motivated to learn more about the present in order to see what actions might be taken now to bring about a future that would be more desirable to him. And the fact that studies involving a consideration of the future would very likely be quite interesting to most individuals, at least some aspect of their schooling could be enhanced, and their minds stimulated and excited, by introducing the concept of the future as a new motivational factor.

Another most significant idea which is brought out by writers in *Learning for Tomorrow* is that of values. They realize that it is essential that students gain a real understanding of the meaning of values and then proceed to establish their own values so that they will know how to set their goals and direct their future activities. How refreshing it is to see this fundamental concept of values, so critical to the well-being of each individual, again occupying a place of importance in the thinking of writers on education. One can only hope that this emphasis on values would be a positive matter, but in the distorted academic setting this is somewhat unlikely. True values, or rationally determined values, are hard to come by in a dictatorial environment, which is the situation in every scholastic institution.

Alvin Toffler, author of *Future Shock*—which is in my judgment one of the most thought provoking books to come out in many a year—is the editor of *Learning for Tomorrow*, and he contributed the first chapter of the volume, "The Psychology of the Future." Toffler has been involved with futurism for many years, and thus his remarks are particularly interesting and perceptive. Two examples of his thinking clearly display his depth of understanding of what is currently going on in schools and what the introduction of the concept of the future would do to alter the status quo. He writes:

I believe that the schools and universities, with their heavy emphasis on the past, not only implicitly convey a false message about the future—the idea that it will resemble the present—but also that they create millions of candidates for future shock by encouraging

the divorce between the individual's self image and his or her expectations with regard to social change. More deeply, they encourage the student to think of his or her "self" not as subject to change, growth or adaptation, but as something static.

As a biologist, I was particularly struck by Toffler's comment that "it is precisely this ability to visualize futures, to generate and discard thousands upon thousands of assumptions about events that have not yet—and may never—become reality, that makes man the most adaptive of animals." How true! And therefore how necessary it is that one gain every advantage of becoming more and more adaptable to one's environment in a time when the rate of change is increasing at a frantic and ever-accelerating pace. A serious consideration of the future is unquestionably an adaptive advantage to those who wish to live long, psychologically sound and happy lives.

It should be made clear that none of the authors of the essays in *Learning for Tomorrow* could be classified as libertarian, but many of their comments or the subjects of their articles would meet with either agreement or interest from freedom-loving individuals. Also, some of what is said will be vehemently disagreed with, or, at least, considered highly questionable. One such example would be the remark by Benjamin D. Singer in his article, "The Future-Focused Role-Image": "The movement from personal autonomy toward external dependence which the drug cult and neo-mysticism (the current astrology fad, for example) so well illustrate is a symptom of a compensatory regression generated by temporal disorientation." Undoubtedly there are many who would have far different explanations for the lack of personal autonomy displayed by most humans (not just the visibly aberrant young), but at least Singer's idea is worth considering and possibly adding to the list of explanations for this complex phenomenon.

ONE OF THE MOST distorted and collectivist essays in the book is "Why Women See The Future Differently From Men," by Pauline B. Bart. She argues that our societal conditioning will highly influence how we will view the future, and that the conditioning of men and women is so different that they are bound to see the future differently. There is surely some truth in this assertion, but when she goes on to recommend needed changes in the future in order to avoid this varied conditioning she shows her true colors. She quotes Phyllis Chesler, with whom she undoubtedly agrees, as saying that women must "gradually and ultimately dominate public social institutions in order to insure that they are not used against women." (Will women then use them against men?) She goes on to quote Chesler as saying: "I happen to think that science must be used to either release women from biological reproduction—or to allow men to experience the process also"—thereby attempting to completely ignore the millions of years of evolution that have led to the separation of the sexes and their different roles in reproduction. How desperately and determinately some feminists will show their hatred of self and of others (men) by the seeking of dominance (through control of public institutions) and a twisting or altering of nature. Most tragic!

But all that Pauline Bart has to say is not bad. She remarks that children have always been considered as property by their parents and have therefore never been treated as separate human beings. Children therefore live in a world in which their rights, which are theirs by their nature, are almost completely obliterated, both in the home and at school. Just a brief consideration of the laws which apply to juveniles clearly demonstrates that these laws give parents unquestioned control over their children until their late teens—a type of control very similar to that maintained by dictators over their subjects. Parents can even physically abuse their children to a serious degree and often be considered in the right for inflicting this punishment on their progeny. And, of course, when a child enters a school all of his or her rights are left behind, and he or she then begins the torturous experience of living only with privileges which are dispensed by those in authority, privileges which the student is constantly reminded will be revoked unless he or she does exactly as told.

As long as children are forced to continue to exist in this authoritarian circumstance, both at home and at school, the degree of physical, psychological, and mental harm that will be incurred by these innocent victims will be incalculable. And yet we keep thinking that somehow we can have a future of rational and mentally healthy humans when all the while we allow the continued expo-

R TOMORROW: UTURE IN EDUCATION

ler, Editor

sure of the young to a tragically distorted environment in which they cannot help but be severely crippled. Is it not logical that we must be absolutely sure that the rights of the young are carefully guarded and protected if we ever expect rights to be insured for adults?

In emphasizing this point, Howard Kirschenbaum and Sidney B. Simon write in their essay, "Values and the Futures Movement in Education": "Everyone wants his children, when they grow up, to be able to guide their lives as mature, responsible citizens. Yet, at every turn of their education, most young people's choices are so proscribed and limited that they never have the chance to learn to guide their lives until they are thrown in the water and told to swim. By that time, it is often too late." And we can see that it is often too late simply by observing what has gone on and what continues to go on in this troubled and chaotic world.

Since the basic theme of *Learning for Tomorrow* is the introduction of the concept of the future in education, Wendall Bell attempts in his essay, "Social Science: The Future as a Missing Variable," to show exactly how this idea of the future can be infused into anthropology, psychology, economics, sociology, and political science. For teachers of these subjects his comments would certainly be informative and helpful, since it is one matter to want to incorporate ideas about the future in a course of study and quite another to know exactly how to go about it. Another essay along this same line is "Tomorrow's Curriculum Today," by Michael McDaniels, but here the emphasis is placed on what to do about the introduction of the concept of the future in the upper grades of high school. Both essays are well written and definitely useful.

But never fear, there are also articles in this book giving those in the humanities and the sciences guidance in introducing the future into their disciplines. We might say that there is something for everyone.

There are many who argue that not only can the consideration of the future be incorporated into existing courses, but one could well introduce into the curriculum one or more courses dealing specifically with future time. Such a course was offered in 1966 at Melbourne High School near Cape Kennedy, and it is described in detail by its teacher, Priscilla Griffith, in her article, "Teaching the Twenty-First Century in a Twentieth-Century High School." This account is most interesting and would serve as an excellent source of information for anyone wishing to introduce or teach a course in futuristics.

FOR SCIENCE-FICTION buffs there is included an essay by Dennis Livingston called "Science Fiction as an Educational Tool." In this fascinating discussion by an individual who has obviously read extensively in science fiction, we find much support for the idea that science fiction can well enhance a student's sense of the future and be of great value in helping him to gain the ability to cope with rapidly changing times. Livingston argues that "reading science fiction can serve as psychic preparation for a world of accelerating change, a kind of acculturation to future shock." This would be just one additional way to avoid biological stress and thereby enhance one's present and future existence.

Certainly libertarians would agree with Livingston when he states that "whatever the realism in holding out to the reader some reassurance that individualism and a sense of self-worth can survive even in the technocratic age, it is significant for students of the future that such ideals are widely prevalent in science fiction, and at the present time, find favor among many of the more articulate and sensitive members of society." Many of the latter are intellectually oriented individuals of diverse political persuasions—and a significant number are libertarians. But then it is logical that freedom-loving individuals would look to the future in many respects, since real freedom is something of the future and something to be planned for and worked toward.

After reading *Learning for Tomorrow*, one cannot help but wonder why the many contributors to it did not ask such questions as: Why has the concept of the future been so long in being introduced into the curriculum of schools? Why is it that there is such difficulty in getting the curriculum of almost any school altered so that it will be up to date and suitable to present demands? Why didn't they stop to think that at the present time a curriculum is rarely based on customer (student) demand? And why didn't at least a few of these writers, who recognize the authoritarian struc-

ture of schools and colleges, realize that in any dictatorial environment there is a strong built-in resistance to any innovation that might threaten the power structure?

But then it would seem that too few people really fully perceive the true nature of the academic setting, and therefore cannot grasp just how evil and destructive of human well-being every academic institution is. Most cannot seem to understand that the entire operation of schools is *completely backwards*. That instead of having the scholastic institutions and the teachers or professors evaluating and grading the students (who are really customers, although they are certainly not treated as such), it is the students (and their parents, in the case of very young children) who should be evaluating the teachers in order to see if they are getting their money's worth for the service of instruction which they are purchasing, and evaluating the institution to see if it is providing the kind of education that the individual customer wants and is willing to pay for.

Most people do not seem to realize that it is the student, as customer, who should be deciding what is to be studied, when it is to be studied, and just how much effort will be put forth in this endeavor. (In other words, students should possess full freedom of choice as regards the development of their minds.) Nor do most realize that the only courses that should be offered in any instructional institution are those which arise out of genuine demand expressed by individuals who are free to choose what subjects they will take according to their individual interests or needs; that no grade structure need exist in an educational establishment; or that any course could usually be open to any individual, regardless of age or experience, thereby doing away with the restraints now placed on students who wish to take an "advanced" course but who are prevented from doing so by those in authority.

WHAT MOST PEOPLE do not understand is that as long as schools and colleges remain authoritarian institutions evaluating the students (who are now victims without rights in the academic setting) by means of grades, and as long as they continue to grant degrees, tyranny will reign in academia. And no matter what changes one might consider as beneficial to the learning process, whether it be the introduction of futuristics or any other subject matter into the curriculum, that this will be either slow in coming or else prevented from being incorporated in the school offerings by those who feel it to be a threat to their positions of privilege.

Yet there is a solution to this dilemma in education, and this solution is to eliminate the dictatorially operated schools and colleges and replace them with education businesses. That is, businesses that operate like any other business that is out to attract and satisfy customers. The entire operation of offering instruction to individuals desiring this instruction should be done by means of openly competing, private, profit-making businesses that will have no alternative but to keep their offerings up to date and taught in the best possible fashion (unlike the present schools and colleges where the teachers or professors can perform their tasks abominably and yet retain their jobs—often due to tenure—and where the curriculum often remains relatively static).

What is really needed is to pry the academic world loose from its "ivory tower" and bring it into the real world, that is, put education in the business community, since it is only in the business community that education can be conducted in a rational, and thus moral, manner.

And who will then evaluate the knowledge that an individual has? Only a prospective employer has this right, since he must be able to determine what an individual knows in order to fill a particular position. Evaluation must always lie in the hands of those who are paying for a good or a service, whether this be the student who is paying for the service of instruction or the employer who is paying for the knowledge and ability of a job applicant. To have it any other way is to end up with just such a tyrannous educational system as we now have, a system which has caused inestimable harm to almost all human beings.

Kirschenbaum and Simon, in their essay dealing with values, express so well what should be done (without realizing how to achieve it) if education is ever to benefit those who are exposed to it. They point out that:

(Continued on page 8)

LR Essay Review — (Continued from page 7)

we need to create environments in which young people can make choices—about their beliefs, about their behaviours, and about the course of their own education—in which they have the opportunity to look at alternatives, weigh consequences, and make their own choices, look at the actual consequences and then go through the whole process again. There is no shortcut. We can't teach people to make responsible choices unless they are given the chance to make real choices.

But choices involve rights, and it is rights that have always been denied children in the dictatorial academic realm. It is time to abandon this irrational academic structure, so that at a future time we may be able to witness the coming into existence of a society in which rights are firmly established and protected, particularly for those who are most damaged by their absence, the children. REVIEWED BY THOMAS JOHNSON / **Education** (421 pages) / **LR Price \$2.95**

A DOLL HOUSE

By Henrik Ibsen

Long one of Henrik Ibsen's most popular plays, *A Doll House* is as fresh and thought-provoking today as it was when it was first produced nearly a century ago. Although often touted as a "women's lib" piece, *A Doll House* in fact deals with the much broader issue of human liberation.

The play revolves around the activities of Nora Helmer, a skilled practitioner of Fascinating Womanhood who has developed her little girl act to heights fortunately not often reached nowadays. The object of all her fluttering is her husband Torvald, who cannot even be dignified by calling him a male chauvinist pig—he is simply a shallow, self-centered creep who treats all human beings with equal unconcern.

The relationship between Nora and Torvald is built on a foundation of fantasy: he sees her as a "little creature," "little bird," "an expensive pet," "squirrel," "skylark"—everything except a grown woman with three children. She plays her part to the hilt, and for Nora it is a part, an act; very early in the play it becomes obvious that Nora is an intelligent and resourceful woman who was able, when Torvald fell ill early in their marriage, to borrow the money necessary to move the family to Italy for a year and thereby save Torvald's life. It is a measure of her skill at manipulation and his willingness to be manipulated that when the play begins she has been paying on the loan for six years and Torvald has not the vaguest idea that anything is going on!

Eventually Torvald finds out about the loan and the fact that she had to forge her father's signature to get it. Even though he has often declared his willingness to bleed and die for her, he is not willing to face a forgery rap for her—"no man can be expected to sacrifice his honour, even for the person he loves"—and it suddenly dawns on Nora what a lie she has been living, first with her father and then with Torvald. After the forgery scare is past, Torvald wants things to go back to normal, but she has had it; she is unwilling to continue as a doll, living in a doll's house. Declaring that her most sacred duty is to herself, not her husband and children, she leaves: "I must try to satisfy myself which is right, society or I." Torvald just sits there stunned. One almost feels sorry for him, just as one almost cheers for Nora.

A Doll House is not a play with clear-cut good characters and bad characters, and therein lies its fascination. Nora and Torvald are both responsible for the deceit they have been living, and even though Nora is on the right track by play's end, she has not really grasped her complicity in the affair. Ibsen's skill at bringing out nuances of character is superb, and of course, the action is much more complicated than this short review could possibly indicate—*A Doll House* can truly be read with pleasure many times. [Ed. note: The volume offered by LR contains, in addition to *A Doll House*, three other Ibsen plays: *The Wild Duck*, *Hedda Gabler*, and *The Master Builder*.] REVIEWED BY LYNN KINSKY / **Fiction** (384 pages) / **LR Price \$9.95**

AN AFTERWORD FROM Readers, Authors, Reviewers

Race

Many of us will be heartened by your publication of Dr. Eysenck's excellent review of John R. Baker's *Race* [LR, August 1974]. Baker has indeed written "an important and impressive work which will undoubtedly become the classic book on the subject of race for a long time to come." I would add the words "definitive" and "magisterial" in describing it.

In fact to my mind Baker has done for the *biology* of race what Robertson has accomplished for the *politics* of this subject in his *Dispossessed Majority*. Both of these books should be on the bed table of every man of influence in our Western Civilization. There has ceased to be any excuse for shilly-shallying on the matter of genetic differences, or for allowing the leadership of certain groups so to dominate our opinion-forming agencies that our people continue in ignorance of the truth.

For thousands of years the classes-masses conflict has been a worldwide battle which can no longer be regarded as inevitable. Science has given us the facts, and human society must now be restructured accordingly. Differences in status are not primarily due to social injustice and are not a cause for enmity or revenge. Nor can the "principle of redress" in fairness be used to penalize individuals or groups in a current generation for the mistakes and mis-matings of other lines of descent through the distant past.

I cannot help wondering why courageous scientific pioneers like Shockley still move defensively along one narrow genetic groove when a wide-ranging book like Baker's is available to silence the major part of their opposition. It is rather like fighting a pride of

lions with a pistol when a machine gun is waiting in the wings. Moreover, it would be my view that those who are guilty of leading the cover-up in this situation are more to be censured than any Watergate criminal—the damage they have done, and are doing, is greater.

Let me quote here a statement by another pioneer who, like Shockley, is a Nobel laureate, and, like Baker, is a life scientist. In his recent book, *Civilized Man's Eight Deadly Sins*, Konrad Lorenz writes:

It is an indisputable ethical truth that all men have an equal right to the same chances of development, but this truth is all too easily converted to the untruth that all men are potentially equal. . . . The fallacy of supposing that, given the proper conditioning, anything may be demanded of a person, anything made out of him, underlies many of the deadly sins committed by civilized mankind against nature, including the nature of man, and against humanity. If a universally accepted ideology, and the politics ensuing from it, are founded on a lie, this is bound to have disastrous effects. The pseudodemocratic doctrine here under discussion undoubtedly bears a considerable part of the blame for the moral and cultural collapse that threatens the Western world.

Baker's *Race*, freed from the suffocating suppression of our current media, can at one stroke rid us of this ideology and the collapse it is causing.

CARLETON PUTNAM
McLean, Va.

In his review of *Race*, H. J. Eysenck seems to join John Baker in missing the significance of the libertarian premise that man *really is free*. This huge debate as to whether the inferior test scores of Afro-Americans are due to hereditary or environmental factors becomes meaningless if an individual is capable of rising above the definition of himself that his heredity and environment seek to impose on him. The question then is really, does the genetic factor set a ceiling on how far up a person can come. That black geniuses do in fact

exist should sufficiently answer that question.

I think it ill behooves libertarians to hold any *idée fixe* that would interfere with the evaluation of any man for what he actually is or what he may be capable of becoming.

MARTIN P. CHOATE
San Francisco, Calif.

I would like to see some discussion (beyond your review of Wild's book some time ago) as to just where points of contact and disagreement between contemporary libertarians and existentialists lie. For the most part the objectivist dogmatism about reason is only vaguely irritating to me in your review. But I personally draw the line when it leads to Eysenck's calm acceptance of Baker's statement "one of these subraces advanced to an impressively high level of culture and here again the Negrids fell behind."

It is clear from the context that entire cultures are being judged by the classic dogmas on cognition, viz., reason is the highest level of human existence. Therefore to demonstrate racial superiority we measure cognitive ability.

I disagree with the premise and therefore the conclusion. Apparently we are to admire, for example, the highly centralized authoritarian Roman model based on the reason of Stoicism over the relatively libertarian societies of Africa.

DAVID CLENDANIEL
Walla Walla, Wash. 99362

Thank you for sending a copy of *Books for Libertarians*, with a long and favorable review of my book entitled *Race*.

It is a strange fact that those who think as we do most nowadays call ourselves "Libertarians," since the fine old term "Liberals" has lost its original meaning (Libertarians), first in the U.S.A. and now here in Great Britain, and has come to mean exactly the opposite!

JOHN R. BAKER
Kidlington, Oxford, U.K.

Letters from readers are welcome. Although only a selection can be published and none can be individually acknowledged, each will receive editorial consideration and may be passed on to reviewers and authors. Letters submitted for publication should be brief, typed, double spaced, and sent to LR, 422 First Street, S.E., Washington, D.C. 20003.

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(Continued on page 10)

Of "Flunking Students" & "Mealy-Mouthed Professors"

I expected the kind of reviews on Objectivism in your [August 1974] issue to be what they turned out to be.

First, how can one compare the intellectual stature of Rand and Rothbard? Miss Rand's achievements involve a philosophic level far beyond Mr. Rothbard. Their premises, in fact, appear to be opposite: Objectivism does not lead to anarchism. Second, a "comprehensive" attack by libertarian anarchists on limited government does not constitute a valid attack. Mr. Childs writes as if an attack per se is proof of error. But Mr. Childs' review fairly characterizes Objectivism (though Nathaniel Branden no longer speaks for Ayn Rand's philosophy) compared to Mr. Masters' article.

To begin with, necessarily those who have a predominantly subjectivist psychoepistemology are going to have difficulty with a philosophy advocating a focus solely on objective reality. The "psychological straight-jacket" is the attempt of a mind committed to *whim* finding itself having to check itself against *objective* standards. The "paralyzing" is the conflict of contradictions between such a mind and Objectivism.

Mr. Masters notes as "deeply insightful" and "particularly devastating" Ellis' rejection of the morally earned character. I refer you to John Galt's speech in *Atlas Shrugged* for understanding the Objectivist theory of self-esteem, and what, and who, Ellis (and, evidently, Mr. Masters) is attacking.

One last word. I once wrote in response to an article in the University of Maryland newspaper that "Libertarianism is a coalition of anarchists, classical liberals, disaffected conservatives, flunking students of Objectivism and new leftists in a volatile mixture of rationality and irrationality which can only foster the latter while obliterating the former." After your two reviews on Objectivism, I stand by that evaluation.

EDWARD L. SCHEIDERER
Rockville, Md.

LR has proved a very stimulating publication and I commend you highly on its content. Of all the libertarian publications I have read, LR is the most interesting and serious-minded. It is unfortunate that my first communication with you should be of a negative nature.

Regarding Robert Masters' review of the book *Is Objectivism a Religion?*, by Albert Ellis, I can only be appalled by the respectful treatment that was given to portions of Ellis' book. While correctly rejecting much of Ellis' reasoning, Masters seems quite pleased with Ellis' attack on what Ellis regards as Objectivism's "deification" tendencies.

Ellis' thesis was basically that because Objectivists are profoundly dedicated to that which they value they are religious. Because they value such things as the philosophical principles of Objectivism, Ayn Rand's fictional heroes, Ayn Rand herself, uncompromised liberty, etc., they must be considered "religious." According to Ellis this is because traditionally devout advocates of various religions hold their values seriously, have heroes and are deeply psychologically involved in their values. Therefore Ellis concludes that Objectivists are religious, because devoutly religious individuals and Students of Objectivism have a few attributes in common. So, since religious people have quality A and Objectivists have quality A, Ellis concludes that Objectivists = religionists. Even the most naive logician could see the fallacy involved here.

This similarity is of an extraordinarily trivial nature compared to the fundamental difference between the two doctrines expressed in the broadest of epistemological dichotomies: faith vs. reason.

If non-Objectivist libertarians are puzzled by Students of Objectivism, it is probably because they fail to grasp that *value worship* is a central attribute of the Objectivist's sense of life and ethical motivation. Probably much of the "wishy-washiness" of modern intellectuals and educators has rubbed off on many libertarians, because it unfortunately pervades the libertarian movement. Ayn Rand seems dogmatic and "absolutistic" to them because it is considered unintel-

lectual and unscientific nowadays to take a firm, absolute stand on any issue.

But a cultural trend does not repeal the law of identity, and I intend to remember that it can't. In my career as a professional philosopher, I will not sacrifice to mealy-mouthed professors my vision of value, this absolutistic earth, and John Galt.

AL PENNINGTON
Honolulu, Hawaii

Masters Replies

I am not sure what Mr. Scheiderer means by a "predominantly subjectivist psychoepistemology"; however, my own observation has been that those who experience major conflicts in trying to apply Objectivism to their lives are often serious, honest people who are genuinely concerned with knowing the truth and with living meaningfully. I hope Mr. Scheiderer would not write such people off as "committed to whim" (although I am not sure what that means, either).

As to the theory of self-esteem, I confess that I do not see anything very attractive about the notion that one must "earn" the right to consider oneself worthy of living—which is exactly what Objectivism maintains. But Mr. Scheiderer does not pursue this issue, so neither shall I.

Mr. Pennington represents Ellis as arguing "that because Objectivists are profoundly dedicated to that which they value they are religious." In fact, Ellis organizes his case around ten different "characteristics of the religiously minded person," none of which have anything to do with dedication to values (unless one considers, e.g., "intolerance of opposition" or "unrealism and anti-empiricism" essential to being dedicated to values). I wish Mr. Pennington well in his career as a professional philosopher, but I hope he displays higher standards of intellectual precision in that career than in his letter.

ROBERT MASTERS
New York, N.Y.

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■ Last month we incorrectly listed the price of Irving Kristol's *On The Democratic Idea In America* as \$5. The correct price is \$2.45. Anyone who overpaid for this title is invited to write the *LR* Mail Order Book Service to receive credit for their overpayment.

■ Dr. Adam V. Reed's review of *Human Information Processing*, which appeared in our August issue, contained some unfortunate typos: in the first paragraph, "unpublished" should have been "unpublicized"; in the third, "Professor Ray Human" should have been "Professor Ray Hyman"; and a comma should have appeared after "other" in the last line of the fourth. *LR* apologizes to Dr. Reed and our readers for these products of faulty human information processing.

■ If you need a speaker for your club or social meetings, seminars, university forums, or whatever, contact the Society For Individual Liberty Speakers Bureau, P.O. Box 1147, Warminster, Pa. 18974. Don Ernsberger and David Walter have put together a roster which includes Jerome Tuccille, David Friedman, Murray Rothbard, Robert LeFevre, Leonard Liggio, John Hospers, Toni Nathan, Fran Youngstein, Tibor Machan and D. T. Armentano.

■ With the next issue of *Libertarian Review*, the *LR* Mail Order Service will begin gradually reducing its list of books and records to approximately half the present size. If you have been wanting to purchase certain

titles, but have been procrastinating, now is the time to buy them, as they may not be available later. We especially urge those who receive the mid-month listing to take advantage of the additional discounts offered to obtain titles that will be discontinued soon.

■ **FREE CATALOG:** Those of you who do not have a *BFL* catalog—which describes over 200 books, records, and tapes available through our mail-order service—may receive one free with any order placed from this month's *LR*. If you would like to have one of these handy references, just write "catalog" on your order form.

■ *LR* is happy to again make available two titles which have long been absent from our back list: A new edition of *Planning for Freedom*, containing the original 13 addresses, essays from the well-known second edition, and new essays in memory of Ludwig von Mises, sells for \$3. The other book is the Tannehills' famous *Market for Liberty*, which sells for \$2.50. Only about 300 copies of this edition are still around, and when that stock is depleted, it is likely the book will not be available, except in the very expensive Arno Press edition.

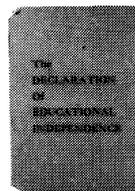
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REVIEWERS FOR THIS ISSUE: **L. Sprague de Camp** is a grand master of science fiction and fantasy, whose stories have delighted readers for nearly four decades. He is also the author of many popularizations of science and technology, including *The Ancient Engineers*. **Richard Evers** is a Seattle free-lance writer and science fiction devotee. **Walter E. Grinder** teaches economics at Rutgers University and is an associate editor of *LR*. **John Hospers** is professor of philosophy at the University of Southern California and an associate editor of *LR*. **Thomas Johnson** is professor of biology at Mary Washington College in Virginia. He has a major interest in education, and his articles on the subject have appeared in *The Freeman*, *Reason*, and the *New Guard*. **Lynn Kinsky** is editor-in-chief of *Reason* and a graduate student in sociology at the University of California at Santa Barbara. **James J. Martin** is a leading revisionist historian and the author of *American Liberalism and World Politics*. **Robert Masters** is a free-lance writer living in New York City. **Karl T. Pflock** is *LR* managing editor.

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THE BUSINESS COMMUNITY: RESISTING REGULATION

by Charles Koch

The majority of businessmen today are not supporters of free enterprise capitalism. Instead they prefer "political capitalism," a system in which government guarantees business profits while business itself faces both less competition and more security for itself. As California Governor Jerry Brown puts it, "Sometimes businessmen almost operate as though they'd feel more comfortable in a Marxist state where they could just deal with a few commissars who would tell them what the production goals were, what quota they had. . . . I am really concerned that many businessmen are growing weary of the rigors of the free market." *New York Times* columnist William Safire agrees with this sobering analysis: "The secret desire of so many top-level managers for controls and regulated monopoly is never openly stated. . . . But today's managerial trend is not toward accepting risk. It is toward getting government help to avoid risk."

Even Henry Ford II has pointed out that "it's not just liberal do-gooders, Democrats, unions, consumerists and environmentalists who are responsible for the growth of government. It's also conservative politicians who favor increased defense programs, especially if the money is spent in their own districts. It's bankers and transporters and retailers and manufacturers who want protection from competitors. It's insurance companies that lobby for bumper and air bag regulations that might lower their claims costs. It's even, if you'll forgive me, car dealers who

want state government to protect them from the factory or from new dealers in their territory."

But that is only the tip of the iceberg. It was support from a large portion of the business community, including the Chamber of Commerce and the National Association of Manufacturers, which enabled Nixon to impose wage and price controls in 1971. Much earlier, bankers succeeded in pushing through legal prohibitions on the payment of interest on demand deposits. Moreover, the steel industry has just caused the government to set minimum prices on imported steel.

Businesses often fight bitterly against deregulation, as well as urging new controls. Despite support by both liberals and conservatives in Congress, deregulation of the airline industry has bogged down under heavy pressure from the airlines themselves. Deregulation of the trucking industry has buckled under pressure from the American Trucking Association.

My own industry, oil, is no different. Over the past five years our company has participated in dozens of hearings on regulatory matters before the Federal Energy Administration and the Department of Energy. At virtually all of these hearings, a number of oil companies have come down on the side of state regulation. Secretary of Energy James Schlesinger summed it up: "The oil industry loves regulation and has been in love with it for many years." Precisely so.

Businessmen have always been anxious to convince a gullible public and an opportunistic Congress that the free market cannot work efficiently in *their* industry, that *some*

governmental planning and regulations would be in the "public interest." Indeed, much of the government regulation which plagues us today has come only after businesses have begged and lobbied for it. Nearly every major piece of interventionist legislation since 1887 has been supported by important segments of the business community.

This old business strategy of accommodation with government paid off in the past to some extent, perhaps, but today it falls on its face. Business now suffers as much as the rest of society from the adverse consequences of its own interventionism—the exhaustion of the "reserve fund" predicted by the great economist Ludwig von Mises. Passed at the behest of business, regulations boomerang. A refiner may procure price controls on his purchased crude oil, yet later he experiences shortages and even may find price controls slapped on his own gasoline to capture his politically derived "excess" profits. Oil pipeline companies invite the DOE in to study regional pipeline needs, hoping that their particular project will be favored. But in the future, Washington may well make *all* pipeline decisions, and even build all pipelines.

Businessmen should realize that the more regulated an industry becomes, the less it can cope with changing conditions in the world. It is no coincidence that the four *lowest* ranking industries in return on capital today (airlines, railroads, natural gas utilities, and electric utilities) are also the most highly regulated.

The final stage of political capitalism is even worse. Richard Ferris, president of United Airlines (an exception in his industry) predicts, "Continued governmental control will mean airline service as you know it today will be seriously jeopardized. And, as service and equipment deteriorate, you will stand by helplessly as the threat of nationalization becomes reality." In the electric utility industry, a number of states have already organized agencies to take over from private utilities unable to finance needed additional generating capacity.

Even business's dwindling successes in achieving precisely the regulatory scheme desired by them do not guarantee future control. Just the opposite often occurs. Politically derived benefits for business cause hardships for other special interest groups, who apply pressure on the regulators to turn the regulatory weapon around.

Thus, the business community is growing more and more aware of the shortcomings of this strategy as more and more firms directly suffer the aftereffects of their own pathetic schemes. Moreover, examples of the ultimate consequences of interventionism, especially the plight of the railroad industry in the United States and major industries in Great Britain, are awakening businessmen to their own

probable fate.

Businessmen are also becoming justifiably concerned with the rapidly growing anti-business sentiment in this country. Recent public opinion polls show that a large portion of intellectuals and the general public believe that business—especially big business—has undue political power, which it uses to stifle and smash competition and to control prices.

The liberation of business

But business *can* free itself from this predicament, if only it *will*. As the Wall Street Journal recently noted, "Despite the blows they have suffered in the political arena [businessmen] still have the capacity to be highly influential in the political sphere. But they will not bring about

such a reversal unless they are able to put aside short-term concepts in favor of those longer-term considerations. . . . We may be reaching the point where American businessmen will have to decide whether they *really* believe in the market system. If they don't, it is hard to see who will muster the political forces to defend it against its very real and often intensely committed enemies." In spite of business's sullied record in defending free enterprise, there are large numbers of businessmen who want nothing more from government than to be left alone.

It is no coincidence that the four lowest ranking industries in return on capital today (air, rail, natural gas, and electric utilities) are also the most highly regulated.

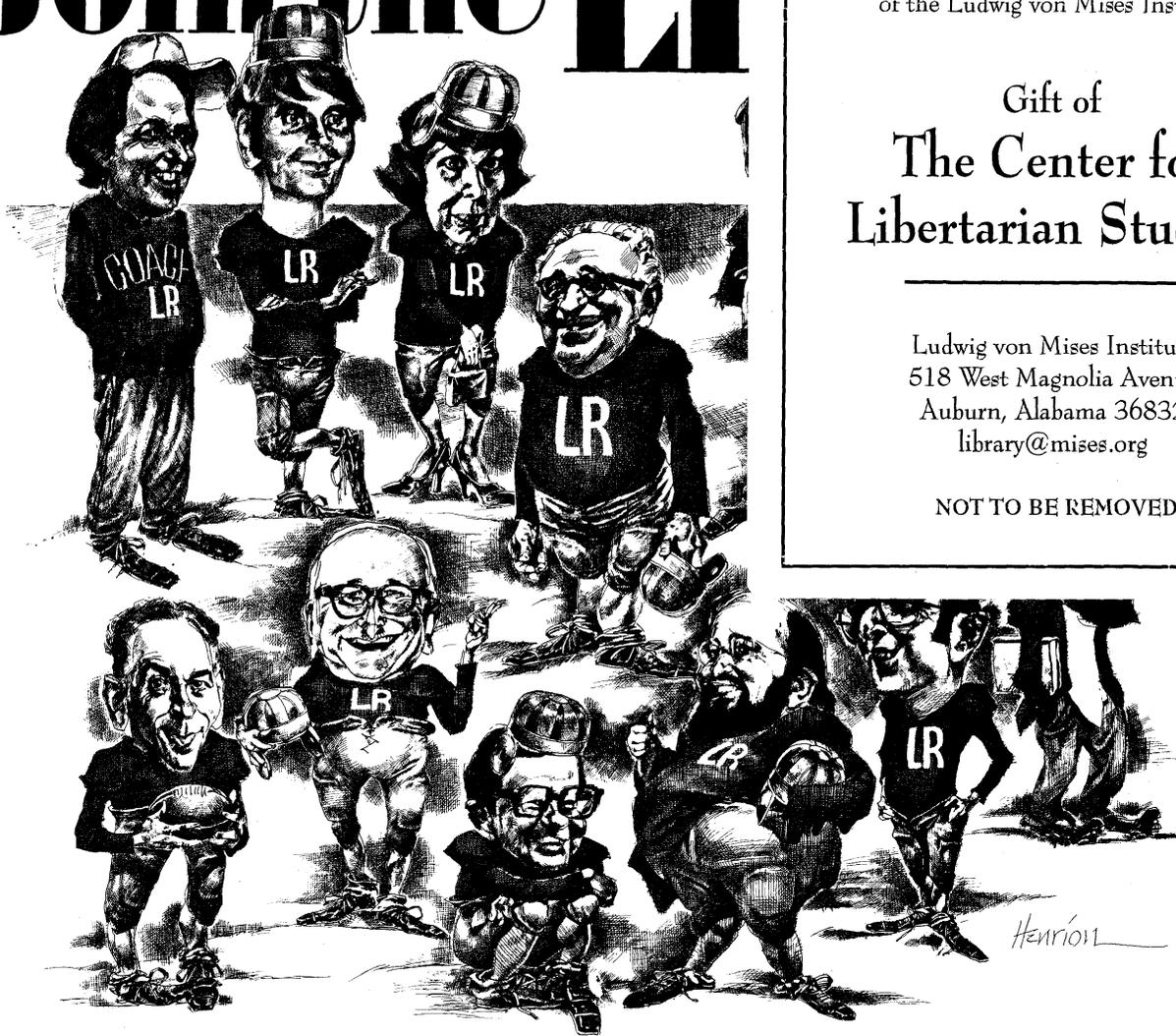
And these numbers are growing quickly today.

To survive, business must develop a new strategy. The great free-market and Nobel Laureate economist F.A. Hayek has prepared a guide for us:

Almost everywhere the groups which pretend to oppose socialism at the same time support policies which, if the principles on which they are based were generalized, would no less lead to socialism than the avowedly socialist policies. There is some justification at least in the taunt that many of the pretending defenders of "free enterprise" are in fact defenders of privileges and advocates of government activity in their favor, rather than opponents of all privilege. In principle the industrial protectionism and government-supported cartels and the agricultural policies of the conservative groups are not different from the proposals for a more far-reaching direction of economic life sponsored by the socialists. It is an illusion when the more conservative interventionists believe that they will be able to confine these government controls to the particular kinds of which they approve. In a democratic society, at any rate, once the principle is admitted that the government undertakes responsibility for the

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status and position of particular groups, it is inevitable that this control will be extended to satisfy the aspirations and prejudices of the great masses. There is no hope of a return to a freer system until the leaders of the movement against state control are prepared first to impose upon themselves that discipline of a competitive market which they ask the masses to accept. The hopelessness of the prospect for the near future indeed is due mainly to the fact that no organized political group anywhere is in favor of a truly free system.

Before businessmen can serve as effective defenders of individual liberty and the free enterprise system, it is first necessary for them to learn precisely what free enterprise *is* and what it *is not*. We must do our homework; we must comprehend "the philosophic foundations of a free society." Only then will we have the necessary resolve to carry out the difficult task ahead.

Armed with understanding, businessmen can confidently proceed with the new strategy, which is composed of three parts: business/government relations, education, and political action

1. Business/Government Relations—The first requirement is to practice what we preach. People see our inconsistencies and—quite justifiably—simply don't believe businessmen anymore. How discrediting it is for us to request welfare for ourselves while attacking welfare for the poor. Our critics rightfully claim that we want socialism only for the rich.

Our credibility cannot be regained if we continue to file, hat in hand, to Washington while mouthing empty, insincere platitudes about free enterprise. We cannot continue to have it both ways. Government will not keep granting us favors on the one hand, while allowing us to run our own businesses as we see fit, on the other. *We must stop defending existing interventions and demanding new ones.* This might well diminish the impetus for new regulations and win new allies for us among intellectuals, legislators, and the general public.

Then we should advocate the repeal of existing regulations in our industries, as well.

Never ask for tighter regulation of a competitor even if he has the advantage of being less regulated than you are. This starts the suicidal cycle which ends in the destruction of both. Instead we should concentrate on loosening our own regulations. We should defend our own right to be free of unjust regulations, and not try to shackle competitors. Strategically, the critical point is to fight to eliminate, rather than continue, all interventions, even those that provide short-term profits. Only by rigidly adhering to this policy can we begin the step-by-step process of freeing ourselves.

Taxes are particularly troublesome, especially since many free market businessmen believe that tax exemptions are equivalent to subsidies. Yet morally and strategically, tax exemptions are the *opposite* of subsidies. Morally, lowering taxes is simply *defending* property rights; seeking a subsidy is asking the government to *steal* someone else's property for your benefit. Strategically, lowering taxes *reduces* government; subsidies *increase* government. Nor is it valid to say that reducing your taxes simply shifts your

"fair share" of the tax burden to someone else. There is *no* "fair" share. Our goal is not to *reallocate* the burden of government; our goal is to *roll back* government. We should consistently work to reduce *all* taxes, our own and those of others.

Finally, we should *not* cave in the moment a regulator sets foot on our doorstep. Put into practice Henry Manne's recommendation that "the business community utilize available techniques of legal adversary proceedings to announce publicly and vigorously, both as individual companies and through associations, that they will not cooperate with the government beyond the legally compelled minimum in developing or complying with any control programs." As he urges, "publicize as widely as possible the inevitable inefficiencies, mistakes, and human miseries that will develop with these controls . . . help the public understand that morality, in the case of arrogant, intrusive, totalitarian laws, lies in the barest possible obedience and in refusal to cooperate willingly beyond the letter of the law." Do not cooperate voluntarily; instead, resist wherever and to whatever extent you legally can. And do so in the name of *justice*.

2. Education—Business's educational strategy has been guided more by concern with short-term "respectability" and acceptance by the establishment than with long-term survival.

We have voluntarily supported universities and foundations who are philosophically dedicated to the destruction of our businesses and of what remains of the free market. *This must stop.* We must stop financing our own destruction. Period.

Even when business has supported "free enterprise" education, it has been ineffectual because businessmen have had little understanding of the underlying philosophy or of a meaningful strategy. Businessmen have spent their money on disasters such as buying a "free enterprise" chair at their alma mater and watching in dismay as the holder teaches everything but free enterprise.

Also largely wasted has been the money contributed to those private colleges who make free enterprise noises, but have failed to produce competent graduates dedicated to establishing the free enterprise system. There are too many of these.

The development of *talent* is, or should be, the major point of all these efforts. By talent, I mean those rare, exceptionally capable scholars or communicators willing to dedicate their lives to the cause of individual liberty. To be effective, this talent must have the knowledge, skill, and sophistication to meet statist adversaries and their arguments head on, and to defeat them. They must have the desire and commitment to unceasingly advance the cause of liberty. Statists have succeeded while we floundered because they've had *their* talent, their cadre, to develop and sell *their* programs. During the 15 years I have been actively investing my time and money in reestablishing our free society, our biggest problem has been the shortage of talent. When conscientious, dedicated scholars or communicators worked on a project, we were effective; when they weren't available, we failed.

Thus, business must concentrate its support on those few institutes and university departments that have effective programs for producing a libertarian cadre.

Our own direct defense of business, particularly our media advertising, has been either bungling and pitifully ineffectual, or else downright destructive. We have substituted intellectual bromides for a principled exposition of a point of view. We have taken a conciliatory attitude. Our ads have apologized for profits.

We have accepted the fallacious concept that the corporation has a broad "social responsibility" beyond its duty to its shareholders. We have been made to feel *ashamed* of private ownership and profits, and have been hoodwinked into characterizing government regulation as "virtuous" and in the "public interest." As a typical example, the Advertising Council, backed by most of the major U.S. corporations, goes so far as to describe regulation as, "the promotion of fair economic competition and the protection of public health and safety." What simple-minded nonsense!

Instead of this bankrupt approach, we need to go on the offensive. We need to cast aside our desire to be popular with our colleagues and the establishment intellectuals, to cast aside our fears of reprisals by government. We need to advertise that the market system is not only the most efficient, it is also the *only moral* system in history. We need to attack government regulation for wreaking havoc on those it is allegedly designed to help—those least able to fend for themselves. We need to stigmatize interventionism as being intrinsically *unjust* because it deprives individuals of their natural right to use their lives

and property as they see fit. We need to defend the right of "capitalist acts between consenting adults," in the words of Robert Nozick.

A recent demonstration of the need for arguments beyond the standard one of efficiency is the recent Supreme Court decision upholding a Maryland law (passed at the bidding of a service station dealers' association) barring oil producers and refiners from operating service stations. The Court found that, "regardless of the ultimate economic efficacy of the statute, we have no hesitancy in concluding that it bears a reasonable relation to the state's legitimate purpose in controlling the gasoline retail market. . . ." The determinative defense of business will rest not in arguments from efficiency, but in arguments from *justice*. To claim that the *state* has the right to "control the gasoline retail market" is totalitarian nonsense.

We must demand the same principled behavior of our organizations as we do of ourselves and our companies. When, for example, the Committee for Economic Development advocates "that public-private partnerships must be

an essential part of any national urban strategy," business should *withdraw its support*. It should do the same if the Chamber of Commerce continues to promote government intervention under the philosophy espoused by a former president: "It's not possible or desirable to remove *all* the regulations."

New business organizations should be set up which refrain from asking for state protection and subsidies, and which, going further, criticize, expose and lobby against instances of political capitalism, of "the partnership between business and government." Only such organizations can help business regain the respect of the American people. In fact, a group of us is launching just such an organization, *The Council for a Competitive Economy*.

Such an organization will help businessmen avoid blunders similar to the Wichita Chamber of Commerce when it heavily promoted a one-billion-dollar coal gasification plant, which would have been partially owned by Wichita and subsidized by Washington. The people of Wichita rejected Chamber propaganda that the plant would not cost *them* anything and voted it down. Again, such an organization will help prevent blunders such as the business community in California opposing Proposition 13. These blunders create an image of business in cahoots with government to tax and exploit

the people. Milton Friedman describes this as business following "its unerring instinct for self-destruction."

Business should also stop shackling the free-market position with antilibertarian stands such as hostility to civil liberties and an interventionist foreign policy. What a spectacle it is for the same people who preach freedom in voluntary economic activities to call for the full force of the law against voluntary sexual or other personal activities! What else can the public conclude but that the free-market rhetoric is a sham—that business only cares about freedom for itself, and doesn't give a *damn* about freedom for the individual?

The public reacts at least as negatively to business calls for still further foreign adventurism. What other feelings can we expect from people taxed and conscripted to save our foreign investments or to enlarge our foreign profits? We should take *our own* risks abroad, and not expect them to be borne by the American people.

Businessmen have been the first to support any sort of foreign adventurism, if only it is sold under the rubric of

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We need to cast aside our desire to be popular with our colleagues and with the establishment intellectuals, to cast aside our fears of reprisals by the government.

"national security." If business really wants a free market/private property system it must resist government's foreign interventions as well as its domestic interventions. Businessmen must realize that the *single* greatest force behind the growth of government is foreign adventurism and its daughter—war. America cannot both be policeman to the world and have a free domestic economy; they are mutually exclusive. Our classical liberal forebears in England who struggled for free trade and laissez-faire realized this—the peace movement and the free trade movement are one and the same.

3. Political Action—Businessmen should be involved in politics and political action—from local tax revolts to campaigns for Congress and the presidency. But we should apply the same standards of understanding and principled behavior as in the other parts of our strategy. We must discard our lesser-of-evils approach to politics. This has brought only the continued growth of government.

Many businessmen who *do* see the need for a new strategy still hold out hope that the Republican Party will become "The Liberty Party," that this is its "philosophical heritage." If this is our only hope then we are doomed. The Republican Party is the party of "business" in the *worse sense*—in the sense of business accommodation and partnership with government. Historically, it is the party of wage and price controls, of high protective tariffs, of cartelization, of subsidies, of special privileges to business. And worse, the Republican Party is and has been a party of foreign interventionism and adventurism. This is scarcely the heritage upon which to build a "Liberty Party!" It is the embodiment of the *old* strategy which has failed so miserably.

Other free enterprise businessmen, grasping the futility in attempting to change the Republican Party, have eschewed political action altogether. They have concluded instead that, since ideas determine actions, we should limit our strategy to developing and spreading ideas. It is undeniable that ideas do determine actions and that we should refine and apply our ideas. But ideas do not spread by themselves; they spread only through *people*. Which means we need a *movement*. Only with a movement can we build an effective force for social change.

Our movement should have as its goal the fulfillment of the ideal of the free and independent entrepreneur. To accomplish this, our movement must destroy the prevalent statist paradigm and erect, in its stead, a new paradigm of liberty for *all* people. Our movement must avoid the faulty strategy of conservatives, whose acceptance of statist premises has caused their proposals to be simply moderate versions of the original statist schemes. Our movement must struggle for the realization of the principle of the free market rather than settle for immediately obtainable reforms. For, as Aileen Kraditor writes, "To criticize the (radical) agitator for not trimming his demands to the immediately realizable—that is, for not acting as a politician—is to miss the point . . . the more extreme demand of the agitator makes the politician's demand seem acceptable and perhaps desirable in the sense that the adversary may prefer to give up half a loaf rather than the whole. Also,

the agitator helps define the value, the principle, for which the politician bargains. The ethical values placed on various possible political courses are put there partly by agitators working on the public opinion that creates political possibilities."

Such a movement already exists, the *libertarian movement*. Libertarianism offers the only systematic worldview that supports the ideal of the free and independent businessman. It only remains for businessmen to support this movement. How each businessman can best support it depends on his own abilities and resources.

Businessmen should not only support the movement's educational and single-issue activist arms. We should also support—with time and money—the Libertarian Party, the movement's political, mass action arm. The Libertarian Party is a vital organ of the libertarian movement, even if it *never* elects anyone to major office. It exposes large numbers of people, whose interest in questions of government intervention is limited to election time, to free market ideas. And, when we do get a significant number of votes for a libertarian candidate or on a libertarian issue, as with Proposition 13, people do listen. The Party causes libertarians to apply their philosophy to topical political issues, and to *act*. In sum, the Party transforms libertarianism from purely a political philosophy to a movement, to a force for radical social change.

Business *can* survive, but it *cannot* survive without the help of businessmen. By fighting against interventions, however profitable, by advocating a principled, philosophical defense of the free enterprise system, and by becoming a part of the libertarian movement, businessmen can, with pride, be a vital force in restoring our free society. To date, businessmen have not seen fit to do so. Whether businessmen do so in the future may determine whether business, indeed, has a future. Or deserves to.

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