A LIBERTY PRIMER

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William Alan Burris
1930 -2013

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David Hoesly
1943 -

★

Dedicated to government,
without whose constant inspiration
it might not have been written

★

Acknowledgement
The vital support of David Hoesly and the assistance of many other friends of liberty are very much appreciated.

★

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★ ★ ★ ★ ★ ★ ★ ★

An author cannot, for the life of him, judge correctly of what he has just written; he has to wait until lapse of time enables him to read it as though it were a stranger's, and he then discerns flaws where all had seemed perfect.
Herbert Spencer, 1850

★ ★ ★ ★ ★ ★ ★ ★

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A LIBERTY PRIMER

By Alan Burris

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Primer: 1. An elementary textbook. A book that covers the basic elements of any subject. (from Medieval Latin primarium *"basic handbook"); 2. A small amount of explosive used to detonate the main explosive charge.*

American Heritage Dictionary, 1979

★ ★ ★ ★ ★ ★ ★ ★

INTRODUCTION

Few of us need convincing that we personally should have liberty. But what about all those other people who are not as wise and saintly as we? Would liberty be bad for them? Can they be trusted to do the right thing if they weren't made to? Don't we already have liberty? What exactly does liberty mean, anyway?

Liberty is not just for Independence Day speeches. When we study liberty, we learn that it is the most urgent and important issue facing humanity. Considering that it affects each of our lives many times every day, it is surprising how little is generally known about it.

Liberty is the fundamental question of all human relations and morality. Liberty determines whether we will have peace, justice, progress, prosperity, health and happiness; or war, injustice, stagnation, poverty and misery.

There is a wealth of information and ideas about liberty, but it is spread among many sources. Often, only one narrow question is discussed, and you may need to know philosophy or economics to understand it. Many quotations are included in this book for the perspective they add, and for the enjoyment of the rich tradition of liberty.

Many people who care about liberty don't have the time to read everything and fit it all together. And the time could be better spent doing something to increase liberty, instead of everybody "reinventing the wheel."

But until you understand something, it is hard to get excited about it, or effectively to do anything about it. So the purpose of writing this was to pull together a simple, brief and persuasive summary of the case for liberty.

★ ★ ★ ★ ★ ★ ★ ★

There is hardly a matter of public concern that does not, sooner or later, raise the issue of liberty; not casually, peripherally, as one of a number of considerations to be taken into account, but as the basic and decisive consideration.

Gertrude Himmelfarb, 1974

★ ★ ★

I will be as harsh as truth and as uncompromising as justice. On this subject I do not wish to think, or speak, or write, with moderation. No! No! Tell a man whose house is on fire to give a moderate alarm; tell him to moderately rescue his wife from the hands of the ravisher; tell the mother to gradually extricate her babe from the fire into which it has fallen; but urge me not to use moderation.

William Lloyd Garrison, 1831

★ ★ ★

I call a fig a fig, a spade a spade.

Menander, 342 - 292 B.C.

★ ★ ★

I have come to bury Caesar, not to praise him.

Marc Antony, Shakespeare

★ ★ ★ ★ ★ ★ ★ ★

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I. LIBERTY AND LIBERTARIANS

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Is freedom anything but the right to live as we wish? Nothing else!
Epictetus, 50 - 120 A.D.

★ ★ ★

Every man has freedom to do all that he wills, provided he infringes not on the equal freedom of others.
Herbert Spencer, 1851

★ ★ ★

The only freedom which deserves the name, is that of pursuing our own good in our own way, so long as we do not attempt to deprive others of theirs, or impede their efforts to obtain it.
John Stuart Mill, 1859

★ ★ ★ ★ ★ ★ ★ ★

What Is Liberty?

Liberty is being free to do what you want without interference from other people. Along with the right to liberty goes the responsibility not to interfere with someone else's liberty and to pay damages if you do. Liberty means peaceful, tolerant, voluntary relations between people without force or the threat of force, and with respect for each other's property.

Almost everyone agrees that liberty is good. But it is important to define liberty because those who oppose liberty (for other people) often pretend that it means something else.

Liberty: 1. Exemption from slavery, bondage, imprisonment, or control of another. 2. Freedom from external restraint or compulsion.
Freedom: Quality or state of being free; as liberation from slavery, imprisonment or restraint.
Webster's Dictionary

Liberty: 1. The condition of being not subject to restrictions or control. The right to act in a manner of one's own choosing. 2. The state of not being in confinement or servitude.
Freedom: The condition of being free of restraints.
American Heritage Dictionary

Even those regimes which constantly and flagrantly violate the most elementary precepts of liberty feel obliged to pay lip-service to the idea by claiming for themselves another kind of liberty: "positive liberty," a "higher" freedom than "mere" freedom.
Gertrude Himmelfarb, 1974

Sometimes liberty is confused with the ability to do something. Being free to swim in the river doesn't mean that you are able to swim, only that no one will prevent you from swimming. Free is also used to mean the absence of something. Expressions like "freedom from hunger" are especially confusing because they are often used to imply

that some people have a right to enslave others to obtain necessities. This is the opposite of liberty. In this book, liberty and freedom are used interchangeably and only in the primary meaning of people not interfering with each other.

Who Are Libertarians?

In recent years, more and more people have become concerned about the loss of their liberty. People who believe in and love liberty are called libertarians. Probably most people would fit this definition, although they may have different ideas of what liberty is. A free society where people are not controlled by other people is called a libertarian society.

Libertarian: One who upholds the principles of liberty, especially individual liberty of thought and action.
Webster's Dictionary

Usually though, when we talk about libertarians we mean only those who identify themselves as libertarians and care enough to actively try to increase liberty. In this book, principled activists are called Libertarians with a capital L.

Up until this century, libertarians were also called liberals, but that word now has a different meaning in America. Not everyone who talks about liberty is a libertarian. For example, both conservatives and "liberals" generally want to take away more liberty than they would add.

My thesis is that no one can take an effective stand for liberty and its propagation whose stance is not libertarian.
Leonard E. Read

You don't have to join a group or have anyone's permission to be a libertarian or an activist. Many Libertarians promote liberty as individuals, while others feel that working with some of the many Libertarian organizations is more effective.

Why Read A Book About Liberty?

To aid the cause of liberty by yourself or as part of a group, it is very helpful to understand the principles of liberty and its benefits. And we need to know why the arguments against liberty are wrong. The only way to achieve and keep liberty is to help people become aware that liberty is the only moral basis for human relations, and that everything important depends on liberty. When enough people want liberty, we will have it.

If a nation expects to be ignorant and free,
it expects what never was and never will be.
Thomas Jefferson, 1816

We must make the building of a free society once more an intellectual adventure, a deed of courage.
Friedrich A. Hayek, 1967

The worst thing that can happen to a good cause is not to be skillfully attacked, but to be ineptly defended.
Frederic Bastiat, 1850

Questions

Even though we know that there are serious problems that need correction, we still naturally have some fear of change and the unknown. Mankind has far more experience with tyranny than liberty. Familiar tyranny can seem more comfortable.

The powerful influence of custom is in no respect more compelling than in this, namely, habituation to subjection.
Etienne de la Boetie, 1553

Since we have never enjoyed more than partial liberty, we want to know the answers to questions such as: How would liberty benefit people? What might a libertarian society be like? How would Libertarians solve social problems? How could liberty be brought about? And, what positions should we take on current issues in a non-libertarian world?

We're Still Learning About Liberty

While Libertarians agree on basic principles, and a great deal has been learned about these questions, there is still a lot of discussion and a lot yet to know. Many details about the future cannot be anticipated until we have experience with more liberty.

Trying liberty is not as risky as it might seem, for progress toward that goal will probably be a step at a time. After each step, we will know much more about the next. Anyway, while it is difficult to recover liberty once lost, tyranny is easily restored. If the power to run our own lives becomes too heavy a burden, there are many who are eager to take that power from us.

Liberty trains for liberty. Responsibility is the first step in responsibility.
William Du Bois, 1909

Has any race of men ever fairly tried even the humblest experiment of freedom and found it to fail?
Auberon Herbert, 1884

Many politicians of our time are in the habit of laying it down as a self-evident proposition, that no people ought to be free till they are fit to use their freedom. The maxim is worthy of the fool in the old story, who resolved not to go into the water till he had learned to swim. If men are to wait for liberty till they become wise and good in slavery, they may indeed wait forever.
Lord Macauley, 1800 - 1859

Many Libertarians are studying and writing about these questions, using the tools of history, philosophy, social and political science, psychology, and economics. Perhaps more has been learned and written about liberty in the last half of the 20th century than in all the centuries before.

This book will touch lightly on only a few of the ideas of the growing literature of liberty, and it is not possible to give credit to all those who contributed to these ideas. It is hoped that after reading it you will want to learn more, and want to become part of the libertarian movement.

In Germany the Nazis came for the communists, and I did not speak up because I was not a communist. Then they came for the Jews, and I did not speak up because I was not a Jew. Then they came for the trade unionists, and I did not speak up because I was not a trade unionist. Then they came for the Catholics, and I did not speak up because I was a Protestant. Then they came for me. By that time there was no one left to speak up for anyone.

Pastor Martin Niemoller, 1945

Note that to be a Libertarian it is not necessary to agree 100% with every "Libertarian" position, including those in this book. Libertarians are proud of the principled consistency of their positions, but this is not a lock-step movement of rigid fanatics. There is no leader whose teachings must be accepted on faith. Rather, we each seek to learn the truth and persuade others by reason.

Truth is the cry of all, but the game of the few.

George Berkeley, 1744

The truth shall make you free.

John 8:32

We are not afraid to follow truth wherever it may lead, nor to tolerate any error so long as reason is left free to combat it.

Thomas Jefferson, 1820

What Liberty Is And Isn't

Liberty is not concerned with what ***should*** be done or ***how*** to do it. Liberty is concerned with ***who*** should decide what to do, and what ***should not*** be done to others. The benefits of liberty flow from preventing injustice and releasing creative human energy, and not from specific solutions to problems.

The principles of liberty are the principles of morality, justice, ethics and human rights. As your rights can be violated only by force, including fraud, the study of liberty comes down to the question: "When is the use of force just, and when is it unjust?"

Others may seek to impose on everyone their views of a perfect world, a Utopia. But one person's utopia may be another's nightmare. Libertarians do not seek to impose their views on anyone. Each individual person is unique and should be free to pursue his or her own vision of happiness.

The only thing Libertarians have in common is the belief that they

have a right to have nothing in common.
John Northrup, 1982

There is only one success--to be able to spend your life in your own way.
Christopher Morley, 1922

Liberty is the possibility of doubting, the possibility of making a mistake, the possibility of saying "No" to any authority--literary, artistic, philosophic, religious, social and even political.
Ignazio Silone, 1950

If a man doesn't keep pace with his companions, perhaps it's because he hears a different drummer. Let him step to the music he hears, however measured or far away.
Henry David Thoreau, 1854

Progress is difference.
Herbert Spencer, 1844

Liberty And Individuals

We were all born little libertarians, resenting all imposed authority. As children, we were full of curiosity and full of optimism, excitement and joy about our future. Anything was possible! We were confident that when we were grown, we would build a better world. We questioned everything. We would abolish injustice and "sacred cows" that prevent people from achieving their potential.

However, there are enormous social pressures for conformity and against change. We have all been indoctrinated for years by parents, peers, teachers, journalists, employers, politicians and authorities in general, not to think for ourselves, but instead to think what others think.

We are taught that, to be accepted, we must go along and not question present arrangements. We should think of ourselves as members of our group, not as individuals. We should despise people who are different, or are not part of our group. The highest praise is that someone is obedient, never complains or criticizes, and is always content with his/her lot, and not seeking to change things. The worst criticism is that someone is different.

Those few who are able to resist the social pressures and retain the ability to think and act as independent individuals, the "mental survivors," are the source of the Libertarian movement.

Criminals are often described in news reports as "loners," suggesting that nothing better can be expected of someone who is not part of the crowd. When someone commits a crime who is too popular and "normal" to be described as a loner, there is great astonishment.

Yet the reality is often that while the "loner" is at home inventing, reading books, enjoying hobbies or listening to music, the criminals are with their buddies at a bar planning to rob their neighbors. Peer pressure is usually to

imitate the worst behavior, not the best.

The greatest crimes--war, genocide, concentration camps, persecution, lynching, organized crime,*etc.*--are the work of armies, mobs, bureaucracies, gangs, "religious" organizations, political parties, the Ku Klux Klan, and other "well-adjusted" groups of "team players."

On the other hand, all the things that are good, that have helped mankind, that make civilization civilized, were the work of individuals. The ideas, knowledge, art, music, literature, architecture, inventions--everything that has enriched our lives--were first conceived in the minds of individuals who were "different."

Often these benefactors of mankind were unappreciated and discouraged, if not persecuted or outlawed, because progress, of necessity, is unconventional. Progress means change that can be uncomfortable and threatening to those with a vested interest in the status quo.

This is not to suggest that being unsociable is desirable. After all, people need other people, and many good things can be accomplished only by cooperation. However, the prejudice against individuality, and against individual achievement, is unjustified, and really just another example of the psychological pressure to conform.

Liberty would foster peaceful social and economic cooperation. All individuals would benefit from the protection of individual rights, including the right to be an individual.

> *The disposition of mankind, whether as rulers or fellow citizens, to impose their own opinions and inclinations as a rule of conduct on others is so energetically supported by some of the best and by some of the worst feelings incident to human nature that it is hardly ever kept under restraint by anything but want of power.*
>
> John Stuart Mill, 1859

A Different Way To Look At Things

After people study liberty, they are able to see the world in a different way. Many report experiencing an intense feeling of personal liberation when they lost the burden of popular myths and fallacies. Even people who had already pretty much figured things out for themselves usually find that studying the great writings on liberty is like a blind person seeing for the first time.

They see how many issues that seem unrelated are really connected. They see through propaganda and politicians' doubletalk. They learn that applying reason and principles to their own experience is a better guide to the truth than the opinions of others. The solutions to many difficult problems become obvious. They find that much of what is commonly believed to be self-evident actually

makes no sense at all.

Common sense is not so common.

Voltaire, 1764

Nothing astonishes men so much as common sense and plain dealing.

Ralph Waldo Emerson, 1841

...a long habit of not thinking a thing ***wrong****, gives it a superficial appearance of being right, and raises at first a formidable outcry in defense of custom.*

Tom Paine, 1776

Things are seldom what they seem.

Sir William Gilbert, 1878

People studying liberty may be more upset when they really understand what is going on. But to have a better future, we must first recognize what is right and what is wrong with the present. And to solve a problem, it helps to understand the cause.

★ ★ ★ ★ ★ ★ ★ ★

It is natural for man to indulge in the illusions of hope. We are apt to shut our eyes against a painful truth, and listen to the song of that siren till she transforms us into beasts. Is this the part of wise men, engaged in a great and arduous struggle for liberty? Are we disposed to be the number of those who, having eyes, see not, and having ears hear not, the things which so nearly concern their temporal salvation? For my part, whatever anguish of spirit it may cost, I am willing to know the whole truth, to know the worst, and to provide for it.

Patrick Henry, 1775

★ ★ ★

To give up your individuality is to annihilate yourself. Mental slavery is mental death, and every man who has given up his intellectual freedom is the living coffin of his dead soul.

Robert G. Ingersoll, 1833 - 1899

★ ★ ★

Loyalty to petrified opinion never yet broke a chain or freed a human soul in this world--and never will.

Mark Twain, 1889

★ ★ ★ ★ ★ ★ ★ ★

Thomas Jefferson, 1743 - 1826

II. WHY LIBERTY?

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Liberty, a blessing so great and so desirable that when it is lost all evils follow thereafter, and even the blessings that remain lose taste and savor because of their corruption by servitude.

Etienne de la Boetie, 1553

★ ★ ★

Show the people, make it clear to their heart and understanding, that it is liberty alone that can lead us into this blessed path of peace and friendship; that it alone can still the strife and the hatreds; that it alone is the instrument of progress of every kind.

Auberon Herbert, 1906

★ ★ ★ ★ ★ ★ ★ ★

Everything Good Depends On Liberty

We all know that liberty is what makes life worth living, that it is essential for our happiness and for the fulfillment of our human potential. We are also aware that at least some liberty is necessary to sustain our existence, for life itself.

However, not everyone really understands that liberty is the supreme value that makes all other values possible, and that liberty is the foundation of ***all*** progress and of civilization. Some do not see that progress requires the freedom to try new things, and to reap the rewards of success or suffer failure. And unfortunately, many actually believe that liberty is bad for people; that it is the cause of problems instead of the solution.

All good things which exist are the fruit of originality.

John Stuart Mill, 1859

Freedom is nothing else but a chance to be better, whereas enslavement is a certainty of the worse.

Albert Camus, 1960

It is true that liberty is precious--so precious that it must be rationed.

Lenin, 1919

Perhaps the easiest way to prove the truth about liberty is to point out that the happiness and prosperity of the people in various countries is proportional to the liberty they enjoy. People always try to escape from countries with less liberty to those with more, sometimes at the risk of their lives.

Is More Necessarily Better?

But it is not as obvious that people in the countries with the most liberty would be much better off with even more liberty. Without freer countries for comparison, we are not even aware of how little liberty we really have. It's like

trying to imagine life a hundred years in the future. One of the main purposes of this book is to demonstrate the benefits of more liberty, and show that if there is such a thing as too much liberty, we are very far away from that point.

They who look upon Liberty as having accomplished her mission when she has abolished hereditary privileges and given men the ballot, who think of her as having no further relation to the everyday affairs of life, have not seen her real grandeur.

Henry George, 1879

Freedom has a thousand charms to show,
That slaves, howe'er contented, never know.

William Cowper, 1782

Liberty would not, of course, instantly produce a perfect world. It is impossible to prevent all crime, accidents and misfortunes, and liberty takes time for its good work. Liberty should not be measured against paradise, but rather against the best that any other system has produced.

Liberty is so superior that it is difficult to describe the improvements we could expect, without it sounding like a dream come true. But it is not an impossible dream. We can and should have these benefits for ourselves, for our descendants, and especially for the poor and unfortunate who have the most to gain from liberty.

Liberty is usually discussed only in negative terms--freedom ***from*** oppression, *etc.*--so the enormous positive benefits are not sufficiently appreciated. The examples below show why liberty is the most important and exciting issue of our time.

These benefits of liberty are listed here without details or explanation, to serve as an introduction to the rest of this book. It will be the primary task of later chapters to demonstrate that the lack of liberty is the leading cause of serious social and economic problems, and that, while no one can exactly foretell the future, there are convincing reasons to expect that liberty will produce all these benefits, and more.

Peace

Try to visualize what it would mean for the world to be completely at peace. In a libertarian world there could be no war or threat of draft conscription. The political and economic tensions that cause war would be eliminated, along with wasteful military spending, nuclear bombs, and the power to wage war.

There would be no national borders and everyone would be free to travel where they wished. The present large differences in the standards of living between countries would disappear with the increase in trade. Hunger would not be a problem. No longer would refugees lose their

lives escaping from tyranny, or suffer the heartbreak of separated families.

If America were the only libertarian country, war would still be possible, but far less likely. We would have better defense at much lower cost. We would have friendly relations with all the people of the world, and be a shining beacon to light their way to liberty.

Prosperity

Wouldn't it be wonderful if the cost of living were cut at least in half with low taxes (or even no taxes) and no inflation? Think what this would mean for the poor!

Imagine a prosperity great enough to provide good employment for every person willing and able to work. A prosperity so great that those few who are too severely handicapped to support themselves (even with the tremendous demand for any kind of labor) would be compassionately and generously cared for by private charities overflowing with money.

Think about a rapidly expanding economy improving our real income each year, with the higher standard of living and increased leisure that would bring. With plenty of capital for new and growing companies, business competition would provide better quality, variety, safety and service.

With liberty, greatly increased progress in science could raise the quality of life, especially by improving health, eliminating disease and extending life spans. Every day, thousands die who could have been saved if we had had liberty for only a few years.

And imagine people's savings from high earnings, protected from taxation and inflation, enabling them to retire in comfort, dignity, and security, dependent on no one. Even better, the value of money might actually increase so that a dollar saved at age 20 would be worth more than four dollars at age 60, ***plus*** interest, and pensions steadily increased in purchasing power!

What if schooling really educated, and at less than one half of the present cost? Low cost transportation without congestion, and plentiful low cost housing would help, too. And how about a tolerant society with greatly reduced tensions between races, classes, and other groups?

Sound impossible? But these are only a ***few*** of the social and material benefits we could enjoy in a libertarian society! The source of all these benefits is liberty, the most precious benefit of all, without which all else is meaningless.

If a nation values anything more than freedom, it will lose its

freedom; and the irony of it is that if it is comfort or money that it values more, it will lose that too.
Somerset Maugham, 1941

Best Economic System

Wouldn't it also be great to have an economic system in which each person is rewarded for helping other people according to how much they appreciate the help? What if all parties to each purchase came out better off, with no losers and no one being exploited? And wouldn't it be nice if people were free to cooperate in any way they agreed to, without having to ask anyone's permission?

While we're at it, let's also specify that this economic system should abolish poverty, discourage all irrational discrimination based on factors such as race, religion, sex and ancestors; plus eliminate monopolies and pollution, and promote environmental conservation.

This is the economic system produced by liberty. Neither this system nor liberty have ever been tried, but we know they will work from our experiences with a little liberty. This untried wonderful economic system is called the free market.

Justice

We could have arbitration of disputes, such as accident liability, which would be speedy and inexpensive. Huge legal fees for routine service such as probating wills and real estate sales could be eliminated. We could afford justice.

Imagine criminal justice that was swift, effective, low cost and fair. And what if it were based on the rights of the victim with the emphasis on guilt and innocence--not legal technicalities? Why not completely compensate victims for their losses and suffering at the expense of the criminals?

How about humane sentences without prisons, that would really reform criminals and always be proportional to the crime? Shouldn't innocent people who suffered police abuse or were falsely prosecuted receive compensation from those responsible? Perhaps best of all, imagine the feeling of security with the crime rate reduced over 90%.

But in a libertarian society we could have true social justice with all these benefits and more. The libertarian system of justice is called restitution.

Catch

How liberty would bring all these benefits will be explained in later chapters.

There is of course a catch and some "sacrifice." The

catch is that we will have to work to achieve liberty and to hold it. The "sacrifice" is that each of us will have to give up trying to use government to run the lives of others and to live at their expense. But wouldn't it be worth it?

★ ★ ★ ★ ★ ★ ★ ★

As libertarians we say to the world: "Wake up and cut the cord. There is a world of infinite pleasure, variety and adventure open to the person with the courage to be free."

Jarret B. Wollstein

★ ★ ★

The greatest thing you can say about freedom is that you feel better when you're free. It's a more enjoyable state of life than to be either a slave or a master.

Karl Hess, 1982

★ ★ ★

Liberty is the prize, responsibility the price.

Dick Randolph

★ ★ ★

The blaze of truth and liberty may at first dazzle and bewilder nations which have become half blind in the house of bondage. But let them gaze on, and they will soon be able to bear it. In a few years men learn to reason.

Lord Macaulay, 1800 - 1859

★ ★ ★

God wills us free, man wills us slaves. I will as God wills, God's will be done.

Epitaph on gravestone of John Jack, *A Native of Africa, who died March 1773. Tho' born in a land of slavery. he was born free.*

★ ★ ★

Lift every voice and sing, Till earth and heaven ring, Ring with the harmonies of liberty.

James and Rosamond Johnson

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Milton Friedman, 1912 - 2006

III. HISTORY OF LIBERTY

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The history of the great events of this world is scarcely more than the history of crimes.

Voltaire

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Long Time Coming

The idea of liberty goes back at least 4300 years, to the earliest known use of the word. However, the lot of most of mankind for thousands of years has been subjection to the rule of a few. The main pattern of history has been the struggle between power and liberty. Often freedom has pushed back tyranny for a little while, only to be crushed again.

The history of civilized man is the history of the incessant conflict between liberty and authority.

Charles Sprading, 1913

We have buried the putrid corpse of liberty.

Fascist Dictator Benito Mussolini, 1934

Truth, crushed to earth, shall rise again.

William Cullen Bryant, 1839

Very slowly for a long time, and then more rapidly in the last 300 years, liberty has made progress. Many of the gross violations of liberty have become less acceptable. This progress has been due to the growth of understanding of the principles and benefits of liberty. The most important of freedom's battles have been fought with ideas.

The real advantage which truth has consists in this, that when an opinion is true, it may be extinguished once, twice or many times, but in the course of ages there will generally be found persons to rediscover it, until some one of its reappearances falls on a time when from favorable circumstances it escapes persecution until it has made such head as to withstand all subsequent attempts to suppress it.

John Stuart Mill, 1859

The history of the world is none other than the progress of the consciousness of freedom.

Georg Hegel, 1821

History?

It is truly said that history is written by the victors. And it is regularly rewritten by every succeeding regime that comes to power. The purpose is to glorify and justify power, and to indoctrinate subjects to make them more docile.

A review of history textbooks at ten year intervals makes

it appear that "truth, like beauty, is in the eye of the beholder." Until a few years ago, textbooks in one American southern state described slavery as "comprehensive social security."

As might be expected, the history of revolutions, rebellions and protests against power, and of the struggle for individual liberty, has been conveniently forgotten or distorted. Attention is lavished on the lives of rulers, and conflicts between rulers and those who wish to rule, but there is little attention to the people who suffered under their heel. This is especially true of textbooks intended for sale to government financed schools, and those written by professors employed by government financed universities. The exceptions, of course, are the romantic, sanitized stories of revolutions by which rulers came to power.

Who controls the past, controls the future; who controls the present controls the past.

George Orwell, 1948

Fortunately, in recent years, Libertarian scholars have greatly added to our knowledge of the history of liberty, and libertarian writings, long out of print, are being republished. We are learning that rulers were more cruel, selfish and treacherous than we thought, and that the struggle for liberty and resistance to oppression have been far more active than we thought. We are inspired by the words and deeds of our Libertarian ancestors and the heritage they have left us, and we are informed by their mistakes.

War Of Ideas

It is not possible to name all those thinkers who have contributed to the idea of liberty and its spread around the world, but a few examples will show how the idea has developed.

Aristotle wrote about democratic government. The authors of the Magna Carta wanted to limit arbitrary government. Thomas Hobbes had the idea of using logic to analyze the origin and justification of government.

In the late 1600's, John Locke made a major breakthrough by showing that legitimate government must have the consent of the people, who have the right to change or abolish it. Locke also developed a moral theory for property rights. His ideas led to a great increase in freedom in England and inspired the American Revolution, the first Libertarian Revolution. The Declaration of Independence is almost pure Locke.

The importance of ideas was also shown by Patrick Henry's speech to the Virginia Assembly and by Tom Paine's pamphlet Common Sense, which saved the revo-

lution by proving that monarchy was illegitimate.

Is life so dear or peace so sweet as to be purchased at the price of chains and slavery? I know not what course others may take, but as for me, give me liberty or give me death!

Patrick Henry, 1775

Of more worth is one honest man to society and in the sight of God, than all the crowned ruffians that ever lived.

Tom Paine, 1776

Adam Smith, the "father of economics," showed how the free market works to everyone's best interest. He also explained why government meddling in the economy always lowers the standard of living.

In the 19th century, many writers wrote about liberty. Four of the most important were Herbert Spencer and Auberon Herbert in England, Frederic Bastiat in France, and Lysander Spooner in America. In that century and in those countries, freedom produced the most rapid increase in prosperity--especially for the common person--in the history of the world.

Liberty And Prosperity

Before the industrial revolution, mankind lived on the edge of starvation, and survival was a greater concern than liberty. Despite the propaganda by aristocrats who did not wish to lose their serfs, working conditions, health and living standards were far better for factory workers. That is why people ***voluntarily*** left farms to work in factories. For peasants working in the "healthy" country under feudal "nobles," conditions were so bad that four out of five children died before age ten.

When liberty increased to the point where serfs could escape from the aristocrats to work in factories, there was a sharp improvement in the standard of living. At first the children had to work, just as they had on the farm, but as increased capital from profits improved productivity and wages, child labor declined. With the higher standard of living came more time and energy to think and strive for greater liberty. More liberty in turn produced even greater prosperity from the unchained energy of people.

Capitalism is not simply mass production, but mass production to satisfy the needs of the masses. The arts and crafts of the good old days catered almost exclusively to the wants of the well-to-do. But the factories produce cheap goods for the many. Big business, the target of fanatical hatred on the part of all contemporary governments and self-styled intellectuals, acquired and preserved its business only because it works for the masses.

Ludwig von Mises, 1958

Government long ago replaced nature as the primary obstacle to prosperity. The industrial revolution and the affluence we enjoy today were delayed at least ***hundreds***

of years by government oppression and capital destruction. Wars between rulers often destroyed the accumulated capital of a century. Without the institution of government, mankind long ago could have conquered all diseases, doubled the lifespan, and been colonizing the solar system.

The trader and the warrior have been fundamental antagonists throughout history. Trade does not flourish on battlefields, factories do not produce under bombardments, profits do not grow on rubble.

Ayn Rand, 1966

By the fifth century B.C., the empire, officially under the dominion of the Chou king, broke up into what were in reality small independent states... But the collapse of the monolithic state mechanism was compensated for by the development of individual factors... A multitude of philosophical schools came into being; migrant scholars began to play a great role in the life of society. This was a period of rapid cultural and economic growth. The language and writing systems of the different kingdoms were codified. The number of cities and towns increased rapidly.... The chronicles tell of cities in which carriages collided in the streets.... Large irrigation systems were constructed. A network of canals was built, connecting all the kingdoms of China. Implements of iron came into wide use.... Cities and whole regions specialized in producing different articles: silk, arms, salt. Under the influence of increasing trade links, almost all kingdoms began to mint identical coins.

Igor Shafarevich, 1975

But had not those wars given this particular direction to so large a capital, the greater part of it would naturally have been employed in maintaining productive hands, whose labour would have replaced, with a profit, the whole value of their consumption. The value of the annual produce of the land and labour of the country would have been considerably increased by it every year, and every year's increase would have augmented still more that of the following year. More houses would have been built, more lands would have been improved, and those which had been improved before would have been better cultivated, more manufacturers would have been established, and those which had been established before would have been more extended; and to what height the real wealth and revenue of the country might, by this time, have been raised, it is not perhaps very easy even to imagine.

Adam Smith, 1776

The thought of how far the human race would have advanced without government simply staggers the imagination.

Doug Casey, 1979

Those who desire power over their neighbors have always understood that misery and poverty work in their favor. On becoming prosperous and happy, people lose the fear and ignorance that held them down. They are no longer so easily convinced of the "Divine Right of Kings" to rule and plunder. Thus liberty and prosperity are closely related; each helps bring about the other.

Liberty Lost

"Eternal vigilance" is truly the price of liberty, and, sadly, it was not paid. Only a few years after the American

Revolution was won under the Articles of Confederation, the government of this moderately libertarian (in terms of limits on the power of the national government) charter was overthrown by power seekers and special interests we now call federalists, and replaced by one under a "Constitution".

A prime motive for imposing the Constitution was to give the central government taxing power to pay off bonds issued by the Continental Congress. The politicians and financial interests who had bought up large amounts of these almost worthless bonds stood to make an enormous profit if a way could be found for government to redeem them at face value. Banks stood to safely gain interest by making large loans to a new government with the power to borrow and tax for repayment.

A counter revolution also took place in France after the Monarchy was toppled in the French Revolution, but it was quicker and more violent. South American revolutions also followed a pattern similar to the American Revolution, with foreign tyrants being replaced by local tyrants.

Most Americans were against the Constitution, but it was imposed by deceit and threat of force. Americans, after all, fought for independence to achieve liberty, not just to change rulers. Only a tiny percentage (less than 5%) of the white male voting population actually voted on this issue. Many people in rural areas, who strongly opposed the Constitution, were unable to vote. Well over half the population (women, Indians and slaves) were not even permitted to vote on this document which begins with the words, "We, the people."

So only around 1% of the total population voted to approve the Constitution which is claimed to legitimize the present government. Although the Constitution partly protected liberty, it permitted the growth of a powerful central government.

When I see the right and means of absolute command conferred on any power, be it people, king, aristocracy, democracy, monarchy or republic, I say there is the germ of tyranny. The main evil of the present democratic institutions of the United States doesn't arise from their weakness, but from their irresistible strength.

Alexis de Tocqueville, 1835

I believe there are more instances of the abridgement of freedom of the people by gradual and silent encroachment of those in power than by violent and sudden usurpations.

James Madison, 1788

What's the Constitution between friends?

Timothy J. Campbell, 1885

Here Comes The Judge

The Constitution was still an inconvenience to those who

sought unlimited power. With no Constitutional authority to do so, the "Supreme Court" began to interpret the Constitution. These men, whose appointment, pay, working conditions, authority, and dismissal is controlled by politicians, and whose high positions and income depend on maintaining state power, have generally found that the Constitution means what those in power wanted it to mean, often directly opposite to the actual words. Lower courts, which are also creatures of the state, have perhaps been even worse enemies of liberty, especially in recent decades. For issues of state power and taxation, government judges have a strong conflict of interest with justice.

To have the trial a legal and true trial by jury, the presiding officers must be chosen by the people, and be entirely free from all dependence upon, and all accountability to, the executive and legislative branches of the government.

Lysander Spooner, 1852

The actual history of the Constitution, as everyone knows, has been a history of the gradual abandonment of all such impediments to governmental tyranny. Today we live frankly under a government of men, not of laws.

H. L. Mencken

It is true that a few "Supreme Court" decisions have favored liberty and the rights of individuals against the government, especially in the areas of speech, sex, religion, government discrimination and rights of the accused in criminal trials. However, this tiny countercurrent against the main trend serves a state purpose by helping gain the support of intellectuals and providing an illusion of liberty while suppressing it everywhere else.

I believe it was Napoleon who first sensed the ease with which, in modern society, the illusion of freedom can be created by strategic relaxation of regulations and law on individual thought, provided it is only individual, while all the time fundamental economic and political liberties are being circumscribed.

Robert A. Nisbet, 1975

This progressive restriction of all liberties in the case of certain peoples, in spite of an outward license that gives them the illusion that these liberties are still in their possession, seems at least as much a consequence of their old age as of any particular system. It constitutes one of the precursory symptoms of that decadent phase which up to now no civilization has escaped.

Gustave Le Bon, 1895

On the rare occasions when its decisions have favored liberty, the "Supreme Court" has made it very clear that its opinions were not based on respect for human rights. Instead, it was merely substituting its preferred policy for that of some other branch of government.

Courts have ruled that government can limit our liberty, regulate any aspect of our lives, and oppress any minority if there is a "substantial government interest." Our freedom of speech and other "civil" liberties are far more

restricted than it might appear to someone who has not personally felt the lash of government oppression.

Even political speech, which the First Amendment to the Constitution was especially intended to protect, is seriously restricted. For example, political contributions are limited and regulated, and detailed reports must be submitted to government. Violation and reporting errors can subject one to criminal prosecution. These political laws, designed, of course, to favor established politicians, severely inhibit unknown candidates in raising the money necessary to make their positions known to the public.

In America, as in other countries, radio and television broadcasters are either owned or licensed and regulated by government, to control speech. Speech which offends ruling groups but harms no one may be a political crime. Numerous American government agencies censor speech, such as the Postal "Service," CIA, NSA, FBI, FTC, FDA, SEC, Customs and the "Justice" Department.

Courts consider that speech related to earning a living (which they call "commercial speech") is not protected by the First Amendment to the Constitution, and that such speech can be regulated in any way government desires. The Constitution, however, makes no exceptions about freedom of speech.

For example, you cannot, without government permission, advertise to communicate with people who may wish to invest in your business, nor can you give advice to other people on certain subjects unless you possess a government license. You may not be allowed to teach children, even your own, without a state license.

Religion is also circumscribed by government. You can be punished for religious practices, such as polygamy or ceremonies involving drug use, that offend ruling groups. If your religion requires that you observe the sabbath on Saturday, too bad--political laws may require that you observe it on Sunday. Government may also require you to do things that are prohibited by your religion.

Political laws regulate your "morals" according to the religious views of the ruling group. Your house of worship must meet government building regulations. In general, freedom of religion applies only if your religion is the same as the dominant group, and if it does not interfere with "rendering unto Caesar."

Speech is not an absolute, above and beyond control by the legislature when its judgement, subject to review here, is that certain kinds of speech are so undesirable as to warrant criminal sanction.
U.S. Supreme Court, 1950

A Federal Court of Appeals recently ruled that the largest and most secretive intelligence agency of the United States, the National

Security Agency, may lawfully intercept the overseas communications of Americans even if it has no reason to believe they are engaged in illegal activities. The ruling, which also allows summaries of these conversations to be sent to the Federal Bureau of Investigation, significantly broadens the already generous authority of the N.S.A. to keep track of American citizens.

David Burnham, 1982

...we did not have to violate the Constitution. But when we did legislate, that is exactly what we did do. One section of the bill makes it a crime to identify a covert agent even if the identity was discovered from publicly available information and even if the person disclosing the information had not the least desire to harm the national interest.

Senator Daniel Patrick Moynihan, 1983

A carpenter who employed several workers at his shop near New Castle, Pa., declined to pay the Federal Social Security and unemployment taxes required of all employers. As a member of the Old Order Amish Church, he said, it was his belief that paying taxes was a sin. The carpenter, Edwin D. Lee, won his case in a Federal District Court in Pennsylvania. But in February 1982 the United States Supreme Court reversed the lower court. In an opinion written by Chief Justice Warren E. Burger, the Court said: "The state may justify a limitation on religious liberty by showing that it is essential to accomplish an overriding governmental interest." The Amish, the decision noted, are not required to "enter into commercial activity."

New York Times, February 27, 1983

Confining sexuality to lawful marriage, forms a pattern so deeply impressed into the substance of our social life that only Constitutional doctrine in those areas must build upon that basis.... The right of privacy most manifestly is not an absolute. Thus, I would not suggest that adultery, homosexuality, fornication and incest are immune from criminal enquiry, however privately practiced. So much has been explicitly recognized in acknowledging the State's rightful concern for its people's moral welfare.

U.S. Supreme Court, 1961

But if he demands a right to obtain the books and pictures he wants in the market, and to foregather in public places--discreet if you will, but accessible to all--with others who share his tastes, then to grant to him his right is to affect the world about the rest of us, and to impinge on other privacies....what is commonly read and seen and heard and done intrudes upon us all, want it or not.

U.S. Supreme Court, 1973

If I were to tell you there was a country that didn't let its residents travel abroad and didn't let dissidents come in, that licensed the importation of books and magazines, and that refused to permit the publication of data which might help foreigners, you wouldn't think that country was the United States. But the truth is these controls are all in place and operating, and it's only by the grace of the fact that we're not in a crisis situation that the screws aren't being tightened.

Burt Neuborne, 1983

Courts have arbitrarily borrowed from English Law such despotic doctrines as "sovereign immunity," which exempts rulers (including judges) from personal responsibility for their actions and from the laws that control their subjects; and "police power," which says that the government can

do anything it wants if it has some kind of excuse.

That the king can do no wrong is a necessary and fundamental principle of the English Constitution

Sir William Blackstone, 1769

When it is laid down as a maxim, that a king can do no wrong, it places him in a state of similar security with that of idiots and persons insane, and responsibility is out of the question with respect to himself.

Tom Paine, 1791

When the President does it, that means that it is not illegal.

President Richard Milhous Nixon, 1977

The U.S. Supreme Court ruled yesterday that police officers and other government officials who lie on the witness stand have an "absolute immunity" from lawsuits by defendants convicted because of the false testimony.

Democrat and Chronicle, March 8, 1983

$6 million civil rights lawsuit is dismissed
Judge cites immunity for social workers

Times-Union, March 15, 1983

The U.S. Circuit Court of Appeals in separate decisions yesterday dismissed lawsuits by a group of Vietnam War protesters and a New York Times *correspondent claiming to be victims of illegal government spying. The court refused to permit the anti-war activists or* Times *reporter Harrison Salisbury to sue U.S. intelligence agencies for allegedly spying on them as part of the CIA's "Operation CHAOS" during the Vietnam War.*

Democrat and Chronicle, Sep. 22, 1982

The last barrier to tyranny, the ancient common law right of juries to determine if a law is just, as well as to decide guilt, has been arbitrarily suppressed by judges. Courts are now out of control, usurping power and arbitrarily imposing the judges' ***personal*** opinions on the people.

If the jury have no right to judge of the justice of a law of the government, they plainly can do nothing to protect the people against the oppressions of the government.

Lysander Spooner, 1852

A jury's use of a dictionary to clarify the meaning of the word "legal" has cost an accident victim a $762,784 judgment awarded by the panel in a civil trial.... Ruling that jurors should use the evidence presented and instructions from the judge instead of the dictionary, the state's second-highest court ordered a retrial of the case.

New York Times, March 6, 1983

There is no proposition so absurd but that some judge, sitting on some bench, has at some time solemnly proclaimed it to be the law.

Edmund Morgan

We no longer have freedom of contract. Citizens who make voluntary agreements among themselves cannot expect them to be upheld by courts. There are many things to which we are not permitted to agree, and courts will interpret contract provisions according to "public policy" rather than the intent of the parties. In other words, contracts are what judges personally think they should be, not what they say.

Even when courts have decided in favor of the people against the government, government has often ignored the

decisions and continued actions and persecutions which have been declared illegal.

And How Would We Get Along Without Bureaucrats?

With the enormous growth of government, more and more power has been given to unelected bureaucrats. In order to increase their production of new laws, legislators now delegate, without even constitutional sanction, their law-writing power to bureaucrats.

Within broad legislative guidelines, a single bureaucrat can write laws, called regulations, harming millions of people. Without even legislative approval, bureaucrats write laws called "executive orders," *etc.* The proper name for bureaucrats arbitrarily writing laws is despotism.

Because laws and regulations cannot be written for every possible circumstance, and circumstances can change, in order to expand political control over our lives bureaucrats have also been given discretionary authority to decide each citizen's case by their whim (and political influence?).

By selective and arbitrary enforcement of more laws and regulations than anyone can comprehend, bureaucrats are effectively civil masters rather than civil servants.

The more corrupt the state, the more numerous the laws.
Tacitus, 56--120A.D.

And who can know what the law really is? In the United States we have over 50,000 laws, most of which conflict with each other...and no lawyer or judge pretends that he knows ten percent of them; yet the layman may be held to a strict obedience of any or all of them, and if he pleads that he did not know the law, he is told that ignorance of the law is no excuse for its breach.... All of this is good for government officials, but bad for the citizens who carry the load. Rulers have always profited by the mistakes of individuals, and have always made conditions such that mistakes were unavoidable.
Charles T. Sprading, *1913*

I remember seeing recently a calculation that the poor American is staggering along under a burden of some two million laws; and obviously where there are so many laws, it is hardly possible to conceive of any items of conduct escaping contact with one or more of them.
Albert Jay Nock, *1928*

With their power to crush any individual, we live at their sufferance. If they have not yet come for us, it is only because it is not yet our turn. Appointed for life and almost impossible to fire, they are beyond the control of not only citizens, but even the politicians who appoint them.

An especially sinister trend has been to empower bureaucrats to set up numerous special "administrative law" courts in which the bureaucrats act as prosecutor, judge and jury. In many government agencies, bureaucrats can

arbitrarily impose fines on citizens without even the pretense of trial. The huge legal cost of appealing these judgements is a severe penalty itself, even if you win.

Innocent people are intimidated into accepting without protest unjust punishment. They fear far greater punishment that can be arbitrarily imposed by bureaucrats, against which they are financially unable to defend themselves.

Laws and regulations are increasingly vague. Even if you knew what they are, you still wouldn't know what you could and couldn't do. Thus there is no way to avoid punishment if you displease those in power. No matter how careful you are, it is almost certain that within the last 24 hours you have unknowingly broken political laws for which the total penalties could be large fines and years in prison if you were prosecuted.

A favorite totalitarian police state technique throughout history has been the use of numerous and vague laws to crush dissent and terrorize society into fearful conformity.

These prisons (North Vietnamese) are all the same; the name of the game is to unstring their victims with fear and polarize them with guilt. There are always more rules than can practically be obeyed, always a tripwire system to snare you in a violation that the jailers can brand as moral turpitude.

Admiral James Stockdale, 1982

Today, the power of government is growing rapidly with no upper limit in sight. Every increase in government power creates more economic, social and foreign problems, which are then used as excuses for ever bigger government.

Governments adore having emergency powers: that is why they have emergencies in the first place.

Richard Needham, 1977

It is the Nature of Power to be ever encroaching, and converting every extraordinary Power, granted at particular Times, and upon particular Occasions, into an ordinary Power, to be used at all Times, and when there is no Occasion; nor does it ever part willingly with any Advantage.

John Trenchard and Thomas Gordon, 1722

But whether the Constitution really be one thing, or another, this much is certain--that it has either authorized such a government as we have had, or has been powerless to prevent it.

Lysander Spooner, 1870

Government power causes conflict, chaos and instability. Any political system must move toward either more oppression or more liberty.

There is no other alternative to totalitarian slavery than liberty.

Ludwig von Mises, 1952

Comeback

In this century, the most influential libertarian thinkers

have been Ludwig von Mises, Ayn Rand, and Murray Rothbard. The first half of this century was almost a "Dark Age" for libertarian thought, but Rand's novels--especially Atlas Shrugged--and her Objectivist philosophy sparked a renewal. Mises, and the "Austrian" school of economics he led, were rediscovered. Rothbard expanded and integrated Mises' economic thought with libertarian philosophy.

In the last half of the 20th century, the Libertarian movement has rapidly grown from a handful who could (and did) meet in Rothbard's living room, to tens of thousands of activists with hundreds of authors, books, and publications.

War Of Ideas Today

Those who oppose liberty often say that Libertarians want to return to some time in the past when the standard of living was much lower. In some respects, there was more liberty in a few countries in the 18th and 19th centuries, and Libertarians do want that liberty back and much more.

But it is absurd to suggest that Libertarians want to roll back the material progress made since then. It's like claiming that we want everyone to speak Chinese because we admire the economic liberty of Hong Kong. Liberty was responsible for the most rapid progress in history, and we can have that *rate* of progress again, starting from where we are now. Libertarians want to advance, not retreat.

The guiding principle that a policy of freedom for the individual is the only truly progressive policy remains as true today as it was in the nineteenth century.

Friedrich A. Hayek, 1944

It is important to recognize that those who hate and fear liberty, and want to rule their fellow human beings, are not concerned with ethics. People willing to rob and impose their views on others by force certainly won't hesitate over a little thing like lying. Superior people, they feel, are above such weakness, and "great ends justify immoral means."

They claim that big lies, such as that liberty is an obsolete idea of the past, are justified by the importance of their staying in power. The hidden suggestion is that big government is responsible for progress, rather than its enemy, as history clearly shows.

The rulers of the state are the only ones who should have the privilege of lying, either at home or abroad; they may be allowed to lie for the good of the state.

Plato, 428 - 348 B.C.

Truth is whatever benefits the State: error is whatever does not

benefit the State.

Nazi Minister Robert Ley, 1890 - 1945

The truth is that all-powerful government is hardly a new idea. It is a discredited ancient idea that has been the norm throughout history. The only things new about it are new excuses to try to justify it, and new, more efficient techniques of oppression.

The new plundering barbarians are clothed in business suits instead of armor. They may be your seemingly peaceful and friendly neighbors. Instead of looting and burning villages, they talk and write in legal and bureaucratic jargon. They demand power to exploit us in the name of compassion for the poor and unfortunate, rather than demanding tribute to avoid slaughter.

Those who accuse Libertarians of wanting to live in the past are actually the ones who long to return to feudalism when the peasants knew their place. And they would bring back the primitive economy that went out with feudalism.

We show you the better way. We ask you to renounce this old, weary, hopeless way of force, ever tearstained and bloodstained, which has gone on so long under emperors and autocrats and governing classes, and still goes on today amongst those who, while they condemn emperors and autocrats, continue to walk in their footsteps, and understand and love liberty very little more than those rulers of an old world.

Auberon Herbert, 1906

Liberty is the fresh new idea that offers hope to mankind. And liberty is the ***only*** hope. Every conceivable form of political power has been repeatedly tried and has consistently failed. Despite the many reverses, the long trend of history is on the side of liberty.

Another distortion of history along the same line is the idea that government has gradually gotten larger over time in response to the needs of more complex economies.

We were the first to assert that the more complicated the forms assumed by civilization, the more restricted the freedom of the individual must become.

Fascist Dictator Benito Mussolini, 1883 - 1945

I believe that in every part of our complicated social fabric there must be either national or state control.

President Theodore Roosevelt, 1910

There are two things wrong with this theory. One is that there is a long history of government economic interference. It's not new. For example, wage and price controls have been repeatedly imposed for over four thousand years (despite 100% failure). The present Russian socialist economy seems almost free by comparison with the socialist regimes in China 8000 years ago, or ancient Egypt, Mesopotamia, and Peru under the Incas, *etc.*

Consider the France of Louis XIV. Every person had his or her place

in society and kept to that place. The economy was carefully planned. State officials decided what industries should be established, and where in France or its colonies they should be located. Imports and exports were carefully regulated. Prices were set by political figures. Governmental committees prescribed what patterns were to be woven at the State-owned tapestry works at Aubusson; indeed, four long years of negotiation preceded the giving of permission to introduce "backwarp" into fabrics. Some two thousand pages were required to list the rules and regulations which were passed between 1666 and 1730 controlling the textile industry. The contemporary socialist would have been perfectly at home in such an environment!

John K. Williams, 1982

If we consider the period in the history of mankind which followed the rise of the state as an institution, we find the manifestations of socialism, practically speaking, in all epochs and in all civilizations.

Igor Shafarevich, 1975

The collectivists imagine their theories were created by the German Karl Marx. As a matter of fact, we find them in detail in the writers of antiquity.

Gustave Le Bon, 1898

Socialism is as old as human society itself--but not older.

D. Koigen, 1901

The other thing wrong is that the more complex the economy, the more intolerable are rigid government laws and regulation. Even a simple farming economy cannot be centrally controlled without disaster. Certainly the crude tools of government are ill suited to regulate a complex and rapidly changing modern economy. Big government is a dinosaur.

What's New?

Tyranny has changed in one way since the American Revolution. Formerly, there was less effort to hide the fact that the purpose of government is to exploit the subjects for the benefit of the rulers. Subjects were just part of the loot from conquests. Tyranny was more obvious.

I am the state.

King Louis XIV, 1651

After its right to exploit us was challenged, government became more sophisticated. Government is now supposed to be not only good for us, but to actually ***be*** us! We can't steal from ourselves, now can we?

Any excuse will serve a tyrant.

Aesop, 550 B.C.

A man is none the less a slave because he is allowed to choose a new master once in a term of years.

Lysander Spooner, 1870

Why shouldn't we believe this? After all, we believed for thousands of years that "nobles" ***inherited*** the right to plunder us. We shouldn't let a little thing, like the fact that in all of history there has never been a just and benevolent government. cause us to doubt.

Government is actually the worst failure of civilized man. There has never been a really good one, and even those that are most tolerable are arbitrary, cruel, grasping and unintelligent. Indeed, it would not be far wrong to call the best, the common enemy of all decent citizens.

H. L. Mencken

Yet still we hug the dear deceit.

Nathaniel Cotton, 1705 - 1788

Pattern Of History

There are only three basic types of government: a few plunder everybody as in a monarchy or a fascist or communist dictatorship; everybody plunders everybody (with a few getting most) as in a democracy; or nobody plunders anybody, as in a libertarian society.

A common pattern of history has been that after someone seizes power he becomes dictator for life--a king. When the king or his descendants become weak, the "nobles" demand more power and loot. As more and more people try to live by plunder, the burden on the people becomes greater.

Finally, a "reformer" leads the people in a revolution. Then the "reformer" finds out how much fun it is to live by plunder, becomes a dictator and starts the cycle again.

Or, the "reformer" institutes democracy and everybody is happy and prosperous for a while. Soon, those who want power, and those who envy the successful, start working together to use government to plunder the "rich."

The "rich" are always a minority, so they can't do anything about it. Then other groups want to share the loot. The definition of "rich" expands to include almost everyone. Everybody plunders everybody and nobody works hard, because there is no point to it. Finally the economy begins to collapse, and, in desperation, people demand a strong leader who becomes a dictator and....

A beggar upon horseback lashes a beggar on foot.
Hurrah for revolution and cannon come again!
The beggars have changed places but the lash goes on.

William Butler Yeats, 1936

The big question is: Will this pattern keep repeating, or can a better pattern of human relations emerge that doesn't include exploitative government? Perhaps in a few more centuries, government as we have known it will be seen as a transitory institution which was characteristic of a certain era of human development, just as we now view the stone age. Will the decay of government permit civilization to advance, or will government cause the decline of civilization?

Those bands of robbers having parcelled out the world and divided it into dominions, began, as is naturally the case, to quarrel with each

other. What at first was obtained by violence, was considered by others as lawful to be taken, and a second plunderer succeeded the first....As time obliterated the history of their beginning, their successors assumed new appearances, to cut off the entail of their disgrace, but their principles and object remained the same. What at first was plunder, assumed the softer name of revenue....From such beginning of governments, what could be expected but a continual system of wars and extortion? It has established itself into a trade. The vice is not peculiar to one more than another, but is the common principle of all.

Tom Paine, 1792

The State has its root in time and will ripen and rot in time.
Henrik Ibsen, 1882

The Libertarian Movement

Libertarians, being individualists, try to bring about more liberty in different ways. Some act individually by voting, or refusing to vote, by talking to friends, by giving lectures, by writing everything from letters-to-the-editor to scholarly articles and books, or by civil disobedience, such as tax resistance.

Under a government which imprisons any unjustly, the true place for a just man is also a prison...the only house in a slave state in which a free man can live with honor.

Henry David Thoreau, 1849

Others choose to act through educational organizations such as the Society for Individual Liberty, which began in 1969, or through the Libertarian Party, which was founded in 1971 for political action.

Although the Libertarian Party is only a small part of the libertarian movement, it is the most organized and visible. It is active in all 50 states. Since its founding, it has doubled about every three years in the usual indicators of political success such as vote totals, numbers of candidates and supporters, and financial contributions. This increase in political support approximately parallels the growth of the libertarian movement as a whole.

All mankind yearns for liberty, and the libertarian movement and its principles are not limited to America. Since the American Revolution, oppressed people all over the world have looked to America for inspiration and guidance.

Unfortunately, we have betrayed their trust and led them back toward tyranny. But now the renewed American Libertarian movement has inspired growing Libertarian organizations to spring up in many other countries. There is now an international movement working to free the world. No Libertarian can be completely free as long as anyone anywhere remains in slavery.

★ ★ ★ ★ ★ ★ ★ ★

America is the place where liberty must survive to set the example for the rest of the world. That's why I am working for the Libertarian

Party in America. It is truly an international movement and we have an opportunity now, an opportunity to change the world.

Alicia Garcia Clark,
Libertarian Party National Chairwoman, 1982

★ ★ ★

Wishing to be free, I cannot be, because all the men around me do not yet wish to be free, and, not wishing it, they become instruments of my oppression. The true, human liberty of a single individual implies the emancipation of all; because,...I cannot be, feel, and know myself really, completely free, if I am not surrounded by men as free as myself, and because the slavery of each is my slavery.

Mikhail Bakunin, 1867

★ ★ ★

Injustice anywhere is a threat to justice everywhere.

Martin Luther King, 1963

★ ★ ★

The flames kindled on the Fourth of July, 1776, have spread over too much of the globe to be extinguished by the feeble engines of despotism; on the contrary, they will consume those engines and all who work them.

Thomas Jefferson, 1821

★ ★ ★ ★ ★ ★ ★ ★

George Mason, 1725 - 1792

IV. PRINCIPLES AND PHILOSOPHY OF LIBERTY

★ ★ ★ ★ ★ ★ ★ ★

We hold these truths to be self-evident, that all men are created equal; that they are endowed by their Creator with certain unalienable rights; that among these are life, liberty and the pursuit of happiness.

Declaration of Independence, 1776

★ ★ ★ ★ ★ ★ ★ ★

It All Starts With An Idea

Philosophy is the source of our ideas about justice, law, ethics, and political platforms. Ideas can have major consequences, good and bad. The American and French revolutions would not have happened without the philosophy of liberty, especially the ideas of John Locke and Tom Paine. Millions of people have been affected because Karl Marx wrote a book about the philosophy of communism, and because Adolf Hitler wrote a book about national socialism.

A spark can light up a prairie fire.

Mao Tse-Tung

A pyramid far loftier than that of old Cheops could be raised merely with the bones of men who have been victims of the power of words and formulas.

Gustave Le Bon, 1895

The ideas of economists and political philosophers, both when they are right and when they are wrong, are more powerful than is commonly understood. Indeed, the world is ruled by little else.

John Maynard Keynes

The world is ruled by ideas, not interests. When men seek to serve their interests, it is what they think their interests are that really moves them, and this is determined by their ideas. However ideas always take time to achieve their effect. This time-lag is one of the most important of social phenomena. When politicians and journalists declare their belief in what they think is the dernier cri (last word), *it turns out to be an idea that conquered the intellectual world years earlier.*

Arthur Shenfield, 1982

Philosophy determines and explains what you do, what is happening to you, and what your future will be, if any. You can help make a better future by spreading the word of a better philosophy.

Libertarianism is the philosophy of liberty. It is not merely a political philosophy, but also a far deeper personal philosophy--an ethical way of life.

Morality

Libertarians believe in free will, the idea that people can make choices. We don't have time to consider all the angles for every little decision. So we use philosophical

principles, called morals or ethics, to guide us in our relations with other people.

The moral principles of liberty have two different applications. One is to answer the question of when it is right and wrong to use force. This application is called law and justice, and is the primary concern of this book. Government claims a monopoly of justice and the use of force. Therefore, politics, which is the issue of the proper use of government force, has to be the focus of attention. The application of libertarian principles to human relations when force is not involved, unfortunately does not yet have a name.

Libertarians derive their moral principles, and prove the morality of liberty, by starting with a self-evident truth. If you accept that truth, all libertarian principles logically follow. To reject the morality of liberty, one must reject either that truth or logic. While a self-evident truth cannot be proven, contradiction defies all human experience and leads to an absurd and impossible position.

Every man is fully satisfied that there is such a thing as truth, or he would not ask any question.

Charles Pierce

Life

One self-evident truth is that the most important thing for an individual is *life*, without which there is nothing. Thus life is the standard for morality. The object of life is happiness and self-fulfillment, which are what make it worthwhile. What helps your life is moral and right; what hurts it is immoral and wrong.

What distinguishes humans from other forms of life is the ability to reason and to learn from experience. We do not have instincts to guide us, so to survive and prosper we have to use our minds. We can develop our mental faculties only by exercising them with freedom to make and act on our own individual decisions.

Life has a different meaning for humans than it does for other forms of life. Human life is not merely biological existence. Human life is living as a human--that is, as a self-directed rational being.

A person confined since birth, alone, suspended in a dark and soundproof feeding machine, would be helpless if liberated, little more than a vegetable. Such cradle-to-grave total "welfare" would be the most monstrous crime that could be committed against an individual.

You are what you think, and if you don't think, you can eat all the meat in Kansas City and still be a vegetable.

Russell Baker, 1982

True, the confined person would not know suffering,

hunger, fear or unhappiness. Yet neither would *it* ever know joy, love, excitement, pride of accomplishment, or any other self-fulfillment or happiness. It would have been deprived of *its* identity and humanity. It could be said only to exist, not live. Life without liberty is meaningless.

Liberty is essential for being human and experiencing happiness and self-fulfillment. You cannot be fully human or happy and fulfilled if others use force to prevent you from peacefully doing what you want or to make you act against your will. If you cannot do what you need to do and avoid what is harmful, you may not even survive.

The right to your life is useless without the right to support yourself. So you also have the right to use your mind and body to produce what you need, and to own and use what you produce. Only you have a right to decide what is good for you.

Those who hold that life is valuable, hold by implication, that men ought not to be prevented from carrying on life-sustaining activities.... Clearly the conception of "natural rights" originates in recognition of the truth that if life is justifiable, there must be a justification of acts essential to its preservation.

Herbert Spencer, 1884

Self-Ownership

You can also start with the truth of ***self-ownership***, that you own your body.

Ownership means control. You have a free will which no one but you can truly control. Your will controls your mind and body. While other people, by rewards and penalties, may strongly influence your decisions, they cannot control your will.

Some people argue that we do not have free will, that our every thought and action is predetermined by heredity and environment. Which of these two is believed to be the more influential seems to depend mostly on the political program being advocated.

Those who wish to demonstrate their own superiority and their "right" to discriminate against their "inferiors" think heredity is controlling. Those who wish to justify molding us into ideal people believe that our environment controls what we are.

While both of these factors obviously greatly influence what we think and do, our free will has final control. Those who reject the concept of free will might be asked why they act as though there is such a thing.

If indeed we were robots controlled by only the laws of physics and chemistry, why are they trying to persuade us that they are right? Why do they want us to let them run our lives? If everything in our futures is predetermined,

why worry about anything, or even do anything, since nothing can be changed?

We must each ultimately decide the question of free will for ourselves by looking into our own minds. Two pieces of evidence for free will, however, are very persuasive.

One is that everyone on earth acts as if they believed in free will. The other is that while the chromosomes that determine our heredity control the size and general configuration of our brains, they do not contain more than a tiny fraction of the information needed to control the pattern of connections between brain cells.

Either you have free will and are therefore a self-owner, or there is no such thing as you, and all is meaningless. Trusting that you will agree, the author assumes the truth that we have free will.

As you own your body, then you have the right to use it as you wish and to own your labor. This means you must own what you produce with your labor. It also means that ***you own, and are responsible for, all the consequences of your actions, both good and bad.***

Thus, it is immoral for anyone to murder you, injure you, enslave you, or to steal what you produce, which is your property.

Every man has a property in his own person. This nobody has any right to but himself. The labor of his body and the work of his hands are properly his.

John Locke, 1690

The man who produces while others dispose of his product, is a slave.

Ayn Rand, 1963

Neither slavery or involuntary servitude...shall exist within the United States.

13th Amendment, 1865

Free Trade

As you own your labor, you have the right to voluntarily trade your labor, or what you produce, for things you need that other people produce. No one has any right to force you to do anything or to prevent, regulate, or interfere with your trade in any way. You have a right to cooperate with other people or to make binding agreements.

You can delegate your rights to others, for example to a surgeon to operate on you, or to someone to collect money owed you. You can also give your property to others if that makes you happier. You may will your property to whomever you wish. The legal term for these rights is freedom of contract.

Responsibility

These moral principles give you the right to be free of interference from other people. You cannot, however, justly claim these rights unless you also respect the same rights of others. To claim a right as a ***human*** right, it must be universal, applying to all humans everywhere, at all times. If you don't recognize the rights of others, you contradict your own claim to rights as a human. Thus, these principles prohibit people from violating each other's rights. All human relations should be peaceful, honest and ***voluntary***.

> *We hold that the one and only true basis of society is the frank recognition of these rights of self-ownership; that is to say, of the rights of control and direction by the individual, as he himself chooses, over his own mind, his own body, and his own property, always provided that he respects the same universal rights in others.*
> Auberon Herbert, 1897

The morality of respect for the liberty and rights of others is also clearly demonstrated by the benefits to the lives and security of everyone. We all gain enormously by peaceful ***voluntary*** cooperation with each other. It makes possible the growth of knowledge and the division of labor upon which our standard of living depends. Without ***any*** respect for human rights, we could sink below the level of savages, and perhaps the human race would disappear.

Obligation

Associated with every right is a corresponding obligation. For example, our right to our lives means that we have an obligation not to murder others.

In discussing rights, it is sometimes helpful to consider them from the obligation viewpoint. Thus, our right to liberty is also our obligation not to enslave others. Even those who oppose liberty would probably be embarrassed to favor slavery.

An alleged right, such as a "right" to food, is more clearly understood when expressed as an obligation of some people to provide free food to other people. Once this point is made, the nice-sounding claim that there is a "right" to food can be exposed as a claim that there is a "right" to enslave.

No Right Of Interference

Another way to show the justice of liberty is to ask: What right does anyone have to violate another person's liberty? Surely the burden of proof should fall on those who claim such a right. Even if such a right existed, how could it be limited to a few people? Special rights cannot be ***human*** rights. If everyone had the right to do as they wish to

other people, then there would be no rights, justice, or morality.

Similarly, if you don't own your body, then it must be owned by certain other people or by everybody. How did certain people get to own you? If everybody owns everybody, then how can any decisions be made? Everybody running everybody else's business would be the most intolerable tyranny, if it were possible.

Free will and the ability to use reason to make conscious decisions are what distinguish humans from other animals. For someone to deny your right to make your own choices and to set your own goals for your life, is to deny that you are human.

Unless it can be shown that you are not human, that you do not have a right to live, and that somehow other people own your life and body, reason proves that only liberty is moral and just. Liberty is not a favor or privilege given by some authority who can take it away, but is your natural right as a human being.

If we are self-owners, neither an individual, nor a majority, nor a government can have rights of ownership in other men.
Auberon Herbert, 1897

Rights of Groups

Only individuals can live, die, think, decide, act, enjoy or suffer. It is a convenient use of language, which saves words, to speak of groups of individuals doing these things. We can say that our group admired the sunset. But groups can do nothing--***they exist only in the mind.*** What actually happened was that ten individual persons admired the sunset together.

Collective names for groups of persons, such as society, people, nation, crowd, gang, mob, family, community, the rich, the poor, intellectuals, proletariat, teachers, *etc.* are just that, names for collections of individuals with different minds, bodies and wills.

It seems obvious that these names do not mean that groups of individuals become a single person with only one body, mind and voice. However, people called collectivists pretend that people in such groups are like cells in the body.

Their theory, collectivism, is that groups have rights, but the individuals who make up a group do not. They believe that individuals are not self-owners, and do not have free will. The group owns, and therefore has a right to control, individuals. The group is responsible for the actions of its members.

Collectivists assert that obligations to groups are created

without our consent, by the facts that we are all humans and we live together in society. They say things like, "we are not merely our brother's keepers--we *are* our brothers!" It's a clever slogan, and the idea that we are not individuals unfortunately appeals to many people, but it's nonsense.

Humans are not mindless cells that are part of some mythical larger organism, which it is our function to serve. We do not all live or die as one. We may prefer to cooperate with each other in society because of the advantages, but we are individuals who can choose to live independently, or to associate with some other group. Our interests may differ from other people's. There is no higher value than our individual lives. A group cannot have rights that are superior to those of any of the individuals that are included.

Stripped of the usual verbal camouflage of benevolence, the argument for collectivism is that "we are one," and therefore some people have a right to do whatever they wish to other people. The only problem with this argument is that the premise is obviously not true, and, even if it were, the conclusion does not logically follow.

If it seems unbelievable that anyone would offer such a silly argument, try this experiment. Find a collectivist (They are, unfortunately, easy to find. They are the ones who say, "we as a society should do thus and so," or, "we have an obligation to society"). Keep asking appropriate questions. When the collective names and other evasions are nailed down, there will be no other argument.

So many men, so many opinions: every one his own way.
Terence, *ca.* 190 - 159 B.C.

Using the collective noun with a singular verb leads us into a trap of the imagination; we are prone to personalize the collectivity and to think of it as having a body and a psyche of its own.
Frank Chodorov, 1959

The all-important issue in the world today is individualism versus collectivism.
Sir Ernest Benn

Collectivism

Collectivism is today the main philosophy of those who oppose liberty and individual rights. This doctrine is used to "justify" most of the evils of the world.

For example, if collectivists are offended by certain people in their group, they believe that exterminating the offenders is not immoral; it is like removing a diseased appendix for the good of the body. Similarly, if some members of a group offend, the entire group should be punished, just as a person might be punished for what his

fingers did.

Note that voluntary collectivism is not harmful to others if practiced only among those who agree. For example, some people prefer to live in a commune where ownership and labor are shared. The great advantage of liberty is that everyone can live as he or she wishes.

What is wrong is to use collectivism to justify imposing one's values on other people by force. That is the usual meaning of collectivism, and the meaning that is used in this book.

Treating people as members of a group rather than as individuals leads to irrational discrimination or favoritism based on characteristics such as race, religion, ancestry, area of residence, family, economic class, occupation, sex, age, culture, nationality, tribe, *etc.*

Under collectivism, it makes no difference who ***you*** are and what you do. What matters is the group of which you are a member. If the consequences weren't so tragic, collectivism would be ridiculous, when you consider that each of us is at the same time a member of thousands of different groups.

In the actual practice of collectivism, unless the group is very small, those in control have all the rights and everyone else has no rights, only duties. Those in control are said to represent the "collective will." In the extreme form of collectivism, individuals are denied the right to own property (which is said to be owned collectively), to keep any of the fruits of their labor, or to make any decisions. In short, the group, or rather its rulers, own your body.

> *It is thus necessary that the individual should finally come to realize that his own ego is of no importance in comparison with the existence of his nation as a whole...and that the higher interests involved in the life of the whole must here set the limits and lay down the duties of the interests of the individual.*
>
> Adolf Hitler

> *Gemeinnutz vor Eigennutze (The common good before self)*
>
> Nazi Slogan

Collectivism is morality turned on its head. The only possible basis for morality, individual rights, is rejected by collectivists. And individual rights are not replaced by any limitation on what the collective, or those who act in its name, may do to its members or to other collectives. The collective may do whatever it wishes. ***Collectivists do not recognize any moral restraints on the collective.***

So a convenient language usage has been turned by those who seek power, into a tool of oppression. "Leaders" train people to think of themselves and others only as members of a group, and to forget their individual identity and human rights. Inspired by collectivism, people learn to

sacrifice themselves "for the good of society, the 'nation,' the tribe, *etc.*," to hate people they have never met, and to commit savage acts against innocent neighbors--things they would never think of doing if they saw themselves and others as individuals.

The idea of collectivism didn't start with the "Communist Manifesto" by Karl Marx. It has, since the beginning of history, been the dominant philosophy of the world. The theory and practice were described in essentially modern form by Plato (the Republic) in Greece and by Shang Yang in China around the fifth century B.C. It was, for example, the philosophy of feudalism and monarchy in Europe and the caste system in India. In such systems, your status in life, whether you were king or slave, had nothing to do with you, but rather your group, often a hereditary group.

Throughout history, all over the world, people indoctrinated with the philosophy of collectivism have slaughtered, maimed and persecuted each other. People who under different circumstances might have been good friends are taught to hate each other enough to do these horrible things for nothing more than a difference in ancestors, religion, area of birth or residence.

Our culture is so soaked with collectivism that we are not very surprised by even the greatest atrocities it inspires. We accept as normal that people kill each other because of events that happened in the past, long before their birth, for which they could not possibly have individual responsibility.

Collectivism is the barbaric philosophy of war, the human sacrifice, the extermination of the bourgeois, the lynch mob, apartheid, killing hostages, the Kamikaze squadron, class warfare, the concentration camps of the Holocaust, the Jonestown mass suicide, the bigot, and all socialists, whether labelled communist, fascist or "democratic." And it is the philosophy of government.

Collectivism is not inherently democratic, but on the contrary, gives to a tyrannical minority such powers as the Spanish Inquisition never dreamt of.

George Orwell, 1944

To act on behalf of a group seems to free people of many of the moral restraints which control their behavior as individuals within the group.

Friedrich A. Hayek, 1944

Underneath every white robe is a National Socialist brownshirt, and inside every brownshirt is a Klansman.

Michigan Klan leader, 1980

One of their number had escaped, and the camp leader, Standartenfuhrer Fritsch, had chosen 10 men at random to be taken to the "hunger bunker," an underground cell block where prisoners

were murdered by starvation.

New York Times, October 11, 1982

Constance, West Germany -- Police started investigating yesterday the remains of 192 people believed to be mental patients murdered by the Nazis and stashed in a cemetery basement for 40 years.... Local police said they believe the ashes were the remains of victims of a Nazi plan to rid Germany of mental defectives, sexual deviants and "undesirables" in 1940-41.

Democrat & Chronicle, January 16, 1983

Collectivism has so penetrated our thinking that many people who despise the evils listed above still unconsciously view the world from a collectivist perspective and express themselves in its terms.

For example, conservatives who claim to be anti-collectivist justify laws restricting individual rights in order to "save the family," a collective group. See how easy it is to fall into this verbal trap! Perhaps the principle would be more obvious if government (as it has in the past) made divorce a capital offense to "protect the family." At least it could be fairly obvious to those on death row for committing the "crime."

Even those who have suffered most cruelly from the effects of collectivism often do not understand the principle and support some other form of collectivism as the solution to their misery.

For example, many survivors of the concentration camps of the national socialist (Nazi) holocaust were ardent socialists without seeing the contradiction of trying to oppose national socialism by recreating the same system under a different name. They did not understand that ignoring individual rights by treating people as members of a collective leads directly to death camps for dissenters and minorities which offend the larger collective.

Different collectives may select different minority collectives for persecution and liquidation, but the principle remains the same. And some minorities have ***always*** been selected for persecution when there has been no moral restraint on force. Prejudice, bigotry and persecution are only effects: collectivism is the ***cause***.

Society is an abstraction, a figure of speech. It is not a person, and it has no rights. Only individuals can have rights. ***People cannot delegate to a group, or the leaders, rulers or agents of a group, rights that they do not themselves possess.***

The most serious violation of this principle is the claim by employees of governments that they have a right as agents of the state to do things which would be clearly immoral if done by people acting individually. But government is merely a group of people who possess no rights

superior to the rights of any individual. When they extort, rob, defraud, oppress, assault, kidnap and murder, they cannot escape ***personal*** moral responsibility by pretending that ***their*** crimes were committed by, or authorized by, the collective.

When the rights of individuals are violated for "the common good," it simply means that some people are being sacrificed for the benefit of some others, normally those in power. It is a contradiction that "social justice" can be accomplished by injustice to individuals.

Human rights do not depend on numbers. What is wrong for one individual to do to another is wrong for ten, a hundred or a million.

Social justice should not contradict individual justice, either in theory or in practice.... It's pretty callous to forcibly deprive me of the fruit of my labor for the benefit of some other individual who didn't sweat my sweat. I don't consider that social justice.

Walter Williams, 1982

Natural Law

The principles of liberty are sometimes called natural law or natural rights. What is meant by natural law or rights is that there are certain moral rules that ***ought to*** be followed by people in dealing with each other, because these rules are derived from the requirements of human nature. Thus, natural law is superior to any political law. In case of conflict, the political law would be immoral and invalid.

In the Declaration of Independence natural law was expressed by Thomas Jefferson as "certain ***unalienable rights***, among these are life, liberty and the pursuit of happiness." Earlier in 1776, the Virginia Bill of Rights, authored by Libertarian George Mason, stated natural law in more detail, declaring: "That all men are by nature equally free and independent, and have certain ***inherent rights***, of which, when they enter into a state of society, they cannot, by any compact, deprive or divest their posterity: namely, the enjoyment of life and liberty, with the means of acquiring and possessing property, and pursuing and obtaining happiness and safety."

True law is right reason conformable to nature, universal, unchangeable, eternal...whose prohibitions restrain us from evil.... This law cannot be contradicted by any other law, and is not liable either to derogation or abrogation. Neither the senate nor the people can give us any dispensation for not obeying this universal law of justice. It needs no other expositor and interpreter than our own conscience. It is not one thing at Rome, and another at Athens; one thing today, and another tomorrow; but in all times and nations this universal law must forever reign, eternal and imperishable.

Cicero, 106 - 34 B.C.

No human laws are of any validity if contrary to the law of nature;

and such of them as are valid derive all their force and all their authority mediately or immediately from this original.
Sir William Blackstone, 1767

They listened, trying to understand Jonathan Livingston Seagull. He spoke of very simple things--that it is right for a gull to fly, that freedom is the very nature of his being, that whatever stands against that freedom must be set aside, be it ritual or superstition or limitation in any form. "Set aside," came a voice from the multitude, "even if it be the Law of the Flock?" "The only true law is that which leads to freedom," Jonathan said, "There is no other."
Richard Bach, 1970

Non-Aggression Principle

A modern summary of natural law is the non-aggression principle that ***no one may initiate force against another person or their property***. The reason for the word "initiate" is that force can be morally used in self-defense against force.

Another, perhaps clearer and more complete, way to state the non-aggression principle would be: ***No one has a right to use force against another person except as necessary for self-defense***. Note the use of self-defense rather than the word defense by itself. The reason is that if an aggressor attacks someone else, you have no right to use force to help defend the victim without the victim's agreement. If the victim wants your help, then the force you use against the aggressor becomes morally justified by the victim's right of self-defense.

Even Libertarians who do not accept the philosophical concept of "natural law" would agree that the non-aggression principle expresses their personal convictions.

People who do not believe in using force even for self-defense are called pacifists. Pacifism implies that aggressors' rights of life and self-ownership are greater than their victims', a position most Libertarians find hard to accept.

Some Libertarians confuse libertarianism with pacifism. While a pacifist would have to be a libertarian, a Libertarian may or may not also be a pacifist. In an ideal Libertarian society, there would be no distinction in practice, because if no one initiated force, there would be no occasion to use force in self-defense. We live, however, in the present real world, where aggression is commonplace, so that claiming the right of self defense is an important difference.

Libertarians may seem to make too big a thing about force, but the use or threat of force is the only way anyone can violate your human rights. ***The concept of initiating force is the clear dividing line between just and unjust. All Libertarian positions are consistent with the non-aggression principle***. If a position on an issue

conflicts with the non-aggression principle, it is not Libertarian.

Force, Breach Of Contract And Fraud

It should be noted that, to Libertarians, the word "force" means more than violence such as hitting someone with a club. It includes any physical action such as stealing your property by picking it up and carrying it off, denting your car fender, or polluting your water.

When we speak of using force against someone, against means to harm or to attempt to harm their property (including their bodies), without their permission. Without harm or intent to harm, the use of physical force is not unjust. And if someone agrees to be "harmed," for example to be cut by a surgeon, it is not unjust.

When people agree to exchange property, including their labor, and one performs as agreed, but the other doesn't, it is called breach of contract. This is a form of force, because someone has used force to take property that was not earned, and to prevent the other party to the contract from receiving what is due.

Fraud is a criminal breach of contract where there is a deliberate intent to obtain property unjustly. Deception is used to reduce the resistance to the theft.

The Libertarian definition of force also includes the threat of force, as in the crime of extortion, but does not include social or economic pressure. Persuasion, refusing to buy or sell (boycotting), or refusing to employ, be employed, join, cooperate, or associate are not unjust. No one has a right to force you to do, or not to do, any of these things for their benefit, no matter how much it may inconvenience them.

Slavery

The exact opposite of liberty is slavery. Slavery is involuntary servitude. To many people, slavery means only black slavery in the South, where some people held others as property in nearly total subjugation, rather than forced labor in general. But for Libertarians, whenever someone's labor is stolen by force, it is slavery. Thus, black slavery, being forced to spend time filling out government forms, or to pay taxes from the earnings of your labor, are different in degree, but not in principle.

What is essential to the idea of a slave? We primarily think of him as one who is owned by another. To be more than nominal, however, the ownership must be shown by control of the slave's actions--a control which is habitually for the benefit of the controller. That which fundamentally distinguishes the slave is that he labors under coercion to satisfy another's desires. The relation admits of

sundry gradations.... The essential question is: how much is he compelled to labor for other benefit than his own, and how much can he labor for his own benefit? The degree of slavery varies according to the ratio between that which he is forced to yield up and that which he is allowed to retain; and it matters not whether his master is a single person or a society.

Herbert Spencer, 1884

The principle of slavery is that someone else owns your body, and therefore what you produce with the labor of your body. Partial slavery may not be as bad as total slavery, but it is still slavery, and it is still immoral. Libertarians are against slavery in any form. Those who oppose liberty are advocating slavery, whether they realize it or not.

If some men are entitled by right to the products of the work of others, it means that those others are deprived of rights and condemned to slave labor. Any alleged "right" of one man, which necessitates the violation of the rights of another, is not and cannot be a right. No man can have a right to impose an unchosen obligation, an unrewarded duty, or an involuntary servitude on another man. There can be no such thing as "the right to enslave."

Ayn Rand, 1963

Where Slavery is, there Liberty cannot be; and where Liberty is, there Slavery cannot be.

Charles Sumner, 1864

Violations Of Natural Law

At this point, the practical question is, what if someone ignores natural law and uses force to violate your rights? The general answer is that you have the rights of self defense and restitution for violated rights. Without the right to defend your body and other property against aggressors, human rights could not exist.

Pacifists may choose not to exercise this right, but if someone initiates force against you, you have the ***right*** to use force against him/her to ***prevent*** or ***stop*** the violation of your rights. The force you can morally use is limited to what is reasonably ***necessary*** to stop the aggression.

You can also use force, as necessary, to capture a criminal to assure that restitution is made, to obtain restitution for violations of your rights you were unable to prevent, or to recover your property from someone else's possession. If the victim wants you to, and if you wish, you can use force as necessary to protect someone being attacked.

In other words, you normally shouldn't shoot people for walking on your lawn. However, it would not be unjust to shoot them if they pulled a gun and threatened to use it on you if you tried to make them get off your lawn; or if they were carrying burglar tools and a weapon in the middle of the night.

It has been suggested that violence in self-defense

should be proportional to the crime, on the theory that the use of force is justified by the criminal's forfeiture of the rights he is violating. It is true that a criminal forfeits rights, not proportional to, but equal to those he has violated, because of the victim's just claim to restitution for violated rights. However, the amount of force which can morally be used in self-defense, to recover stolen property, *etc.*, is justified by the right to prevent and correct the violation of rights, *not* by the size of the violation.

The idea of defensive force being limited in proportion to the crime is immoral and impractical. It would mean that an individual could not resist small thefts by a gang of strong thieves, and serious crimes that could easily be prevented would justify violence far in excess of what is needed to stop the aggression.

Unnecessarily injuring a criminal would violate the criminal's rights, and restitution for the injury should be deducted from the restitution owed by the criminal to the victim. The victim might even owe the criminal in extreme cases.

The victim, however, should have the benefit of the doubt about the amount of force which was necessary to stop the aggression. And necessary force is not determined by facts that are learned after a rights violation has taken place, but by what reasonably appeared necessary at the time. If someone is being threatened with what she believes to be a gun, she can justly shoot in self-defense, even though the gun later proves to be a toy. Criminals assume the risk of being misunderstood.

Threats

This last example leads to the general question: What actions can you morally take when you are threatened, but not physically harmed?

There are three kinds of threats: threat of aggression, threat of aggression to force obedience, and threat of accidental harm.

With the first kind of threat, the problem is to determine the line between a threat and actual aggression. You have a right to use force to defend yourself against aggression, but not if there is only a threat that there might be aggression.

For example, you have no right to use violence against someone who threatens to kill you until he actually takes steps that prove that he intends to carry out his threat. Thus, if he then runs toward you brandishing a knife, you don't have to wait to defend yourself until the point of the

knife pierces your flesh.

A more difficult example is armed invasion by a foreign power. At what point does preparation for war (such as a buildup of troops and weapons on the border, and propaganda to inflame war passions) cease to be a threat, and become aggression? At what point are you morally entitled to attack to prevent their attack?

Obviously, in this example and many others which can be imagined, there can be no simple rule to separate threat from aggression in progress. Each case must be judged on the particular facts and circumstances.

An important circumstance is convention. Those actions which are considered to signal aggression are determined by convention, which varies from culture to culture. A threat to "kill the umpire" might be meaningless at sports events where such threats are commonly made but no actions taken, whereas in a culture where threats were always carried out, the same threat could be considered equivalent to an attack.

Whether the second kind of threat, one made to force obedience, is serious would also have to be interpreted by customs. If this kind of threat is serious, it is the equivalent of initiating force, and force may morally be used in self-defense.

For example, in the American culture, if someone said to you, "I have a gun in my pocket and I will use it to kill you if you do not give me your money," you are entitled to use violence if necessary to defend your property (including your body). If it was intended as a practical joke, the joker assumes the responsibility for harm to himself and others under most circumstances, because in America these words customarily prove serious intent to harm.

A good example of the third type of threat is the threat you feel because your neighbor is storing large quantities of dynamite on her property. Your concern is the possibility of harm from an accidental explosion.

The Libertarian answer is that your neighbor has the right to peacefully do whatever she wishes on her land so long as her actions do not harm your property. You could morally use force to prevent actions and seek restitution only if her activities were *certain* to cause you harm in the future. Examples of future harm would be damming a stream so that your land will be flooded, or disposing of toxic wastes in a manner that will, in time, contaminate your well.

If there is no certain future harm, then only voluntary solutions are moral. The most common solution in a

Libertarian society would probably be to mutually contract with neighbors not to own dangerous property, engage in dangerous activities, or to do anything that is agreed to be undesirable. Failing a satisfactory agreement, the options would be to buy the neighbor's property or to move away from the risky area.

Light Aggression

Some Libertarians are troubled by what they believe to be a problem with applying the non-aggression principle. We all, by necessity, do things in our everyday lives that might be considered the initiation of force. How could we live in society if these actions were prohibited? Is natural law impractical?

The extreme example sometimes given is that when your neighbor turns on a light, particles of light, called photons, will "strike" you and your property. Is this aggression, and if so, could it justify violence in self-defense?

If there is no harm there is no aggression. If the light turned on was only a small light bulb in the daytime, it is hard to imagine how its light would cause harm. A light at night might, under some circumstances, cause harm. However, focussing a large searchlight on someone's home at night to interfere with their sleep would (except in unusual circumstances such as scaring off a burglar) be harm, and would constitute aggression. Attacking someone with a dangerous laser light certainly ***would*** be aggression.

It may be argued that the problem of drawing the line between aggression and peaceful behavior is still not solved because "harm is subjective and differs from person to person." But even though we cannot read minds to know how much they suffered from an aggression, it is still subject to reasonable proof.

Every day courts and arbitrators resolve such questions. Property damage can be demonstrated by physical evidence and a value put on it by the victim and expert testimony. Bodily injury can be shown by medical bills and testimony. Mental suffering can be inferred from the jury's experience, expert testimony by psychologists, and by testimony about the victim's behavior before, during and after the aggression. The burden of proof of damage is, of course, on the plaintiff, who seeks to justify the use of force to secure restitution.

As a practical matter, most people who desire the benefits of living close to others will tolerate a reasonable amount of harm (for example, noise from a neighbor's lawnmower or dog) because they wish others to tolerate

the harm they cause by normal activities.

The right of self-defense may need to be invoked when one's tolerance is seriously abused. But, to invoke this right in response to every trivial annoyance visited upon a person by his/her neighbors would be to abuse the right. Most people do not abuse the right to self-defense in this manner. They realize that to do so is to invite retribution in kind.

Present laws against "disturbing the peace" are enforced in a similarly lenient fashion. People generally do not call the police every time they are subjected to annoyances which might be technically illegal. They wait until they believe they are suffering serious aggravation.

So the non-aggression principle meets the natural law test of not producing unreasonable conclusions even when applied to extreme cases. It is both just and workable.

Means And Ends

We have all heard the phrase "the ends don't justify the means." It is obviously a little confused, because if ends don't justify means, what can? Actually, of course, the only reason to use means is to achieve ends. But then how do we tell bad means and ends from good?

The Libertarian answer is that there is only one end--defense against aggression (which includes obtaining restitution)--that can justify using force as a means. Otherwise, we can justly use any means we choose for any ends we choose.

Some people say that the initiation of force is justified to advance their particular "noble" cause. But they have no basis for claiming that someone else's use of force to get their way is not also justified. As soon as it is accepted that force is ever justified, other than to repel force, the only question left is "Who is stronger?"

Those who desire to "benefit" others by using force to impose their "ideal social system" or "true religion" have abandoned the principle which justifies their own right to not be similarly treated by a stronger group.

Unfortunately, violence and conquest are deeply rooted in human culture. We worship warriors who win. In this age when mental ability has replaced brute force as the key to success and defense, we still admire and envy physical strength more than intelligence.

We tend to think in terms of victory and dominance over others. In business we tell of "beating" competitors, rather than better pleasing consumers. A popular recreation is watching or participating in imitation combat in which the

enemy is defeated, "whipped," or "crushed."

Achieving our desires by work, trade and persuasion often seems slow, boring, frustrating and generally unpleasant. We want it now! Many think if only they had power over others, they could gratify their desires without all that toil, inconvenience and self-discipline. Others would then be forced to labor for their benefit, and they would have only to decide what they wanted them to do. They think, what a wonderful world that would be!

The problem, of course, is that others may not think that world is so wonderful, or want power themselves. This produces armed conflict, death and destruction, and everyone suffers. Liberty, peace, justice, prosperity and the progress of civilization depend on our redirecting our energy from violence to production, trade and voluntary human relations.

However, people continue to judge means according to their views on the desirability of the ends. Too often they see issues in terms of group conflict, or "class war," rather than in terms of principles of right and wrong. They ignore the fundamental question: Who has the right to decide? And people continue to believe that the initiation of force is justified by their desire for power to impose their will on others.

The aggressor's ends may vary from control of personal and social behavior, to economic exploitation, to the pleasure and ego gratification of power. Because of the misguided notion that conquest can improve security, the end purpose of aggression may even be self-defense.

But whatever the ends for which power is to be used, aggression is never a just means for achieving them. Power, the control of others by force or threat of force, is itself unjust. It is simply another word for enslavement. Until the non-aggression principle is accepted by enough people to effectively outlaw aggression, the horrors of war and all the human misery inflicted by power cannot be ended.

Conflict

Every day, somewhere around the globe, people are being killed and mutilated in wars. We are constantly threatened by war between nations equipped with weapons that can slaughter people by the millions.

Some progress has been made. People are more concerned about war and many are determined to do something about it. War and other gross abuses of human rights are becoming less acceptable. Even absolute dic-

tators now have to consider public opinion.

But people don't understand the cause of war and what has to be done to end the threat. Some believe that armaments are the problem, and that their existence causes people to use them. But if they are so motivated, people will always find ways to kill other people. The ancients managed to slaughter whole nations, men, women and children, with primitive weapons. What must be changed is our motivation to use weapons.

Many people also believe that the solution to war is to impose on everyone else on the planet their favorite political, social and economic system. What they do not wish to see is that trying to seize world power to impose anybody's utopian system would mean world war. Not everybody can be persuaded, because people are different, and one group's utopian dream is another's nightmare.

Any political, social or economic system based on power will produce conflict. There will be conflict because some people will always have more power than others, and because the only purpose of power is to harm some people for the benefit of others. ***Whenever human relations are based on force rather than on voluntary actions, there will be conflict and injustice.***

Within a number of nations, bullets have been replaced by ballots for determining the stronger group, which will have power. Elections may reduce the bloodshed and enlarge the ruling group, but they do not change the principle that some people are ruling other people by force, and they do not reduce the exploitation of the weaker group by the stronger.

Whatever the advantages of democracy, one of its disadvantages is that it seems to make it easier to forget the fact that every government action is based on the initiation of force. Apparently this is because a substantial number of people have approved of government use of force to achieve certain ends. Also, like all governments, the force used is largely the threat of force, rather than active force, and so is out of sight.

Many people are actually surprised by the idea that government is based on force. They just thought that people obeyed laws and did what government officials ordered, because everyone is supposed to. They have never considered that the consequences of not obeying are being assaulted, kidnapped and even murdered by those in power.

We are so used to the idea of using political power to attempt to solve social and economic problems, that when

somebody suggests a solution to a problem, it is automatically assumed that it is to be imposed by government force, or paid for by taxes collected under threat of force. A completely voluntary solution, requiring no government force at all, is considered a novelty that probably won't work. Also rarely considered is the fact that ***nothing can be justly solved by initiating force***, and the harmful effects always exceed any benefits.

There are only two ways in which people can obtain what they need to sustain their lives. One, the Libertarian way, is to labor to produce their needs, or to produce for others' needs and live by peaceful voluntary trade.

The second way is to seize by force the fruits of other people's labor; in other words, live by enslaving others. People who choose this unjust way to live might be described by a number of words, but one of the most appropriate is predator.

What is vital to understand is that hiring other people, such as professional robbers, to use violence on one's behalf does not change the moral character of living by slavery. Not even if the gangsters call themselves government.

Men range themselves on one or the other side in any particular case, according to the general direction of their sentiments, or according to the degree of interest which they feel in the particular thing which it is proposed that the government should do, or according to the belief they entertain that the government would, or would not, do it in the manner they prefer: but very rarely on account of any opinion to which they consistently adhere, as to what things are fit to be done by a government.

John Stuart Mill, 1859

I regard government action and voluntary market action as diametric opposites, the former necessarily involving violence, aggression and exploitation, and the latter being necessarily harmonious, peaceful and mutually beneficial for all.

Murray Rothbard, 1969

The only practical, as well as the only moral solution for conflict, and all the problems that afflict mankind, is liberty. Liberty means respect for natural human rights as expressed by the non-aggression principle. And that, in turn, means peace, justice, tolerance, health, happiness and prosperity.

To persuade the human race of this truth is the purpose of the worldwide Libertarian movement. Just that simple, and that difficult. But it's the ***only*** chance we have to turn the course of history away from continuing destructive conflict and, ultimately, disaster.

It is plain that force does not belong to a civilized world, that it is a mere remnant of barbarism, and (except as a defense against force) that we must allow it to find no place in our organization of society.

Auberon Herbert, 1897

State power, no matter how well disguised by seductive words, is in the last analysis always coercive physical power.
Felix Morley, 1949

Avoid Lifeboats!

It should be noted that natural law applies to normal society where people can support themselves and where cooperation produces more for everybody. In certain rare disaster situations a different morality called "lifeboat ethics" ***may*** (there is no consensus on this) apply. In such disasters there is not enough to support everyone and the supply cannot be increased, so some will not survive. To maintain their lives, people may then fall back to the more primitive law of nature, survival of the strongest and fittest. Those who oppose liberty would, however, also apply this primitive principle to normal life and destroy civilization.

Paternalism

No one has a right to initiate force for any purpose. Therefore, adults may ***not*** be forcibly prevented from doing stupid or offensive things that do not violate the rights of others, or from risking injury, injuring themselves, or even committing suicide. It is ***their*** bodies, and ***their*** lives and ***their*** property.

Not only is it unjust to use force to interfere with the lives of others against their will, but there is no reason to believe that it would be beneficial, and every reason to believe it would be harmful. Each of us is unique. There has never been anyone exactly like you, and there will never again be anyone exactly like you. What is good and bad for each of us is not exactly the same as for anyone else, and is often very different. No one can know, better than we, what is good for us, or run our lives better than we can. If we permit someone to run our lives, they will make mistakes, just as we would. We can be sure only that the decisions they make for us will be better for them.

The only purpose for which power can be rightfully exercised over any member of a civilized community against his will, is to prevent harm to others. His own good, either physical or moral, is not sufficient warrant. He cannot rightfully be compelled to do or forbear because it will be better for him to do so, because it will make him happier, because in the opinions of others, to do so would be wise or even right. These are good reasons for remonstrating with him, but not for compelling him or visiting him with any evil in case he do otherwise.
John Stuart Mill, 1859

Children's Rights

Libertarians have long been concerned about children's rights. They believe that children have rights which are not

recognized and which are often violated by both the state and parents. But work still needs to be done to clearly demonstrate the logical application of the principles of liberty to children (and also some adults) who are incapable of taking care of themselves.

The Libertarian issue is, as always: when is force morally justified? What rights do parents, children and outsiders have, and what are their obligations to each other, that can morally justify the use of force to maintain?

The general Libertarian view is that parents do not own children as property, but rather are trustees with the right and responsibility to act in their children's best interests. As trustees, parents are responsible for their children's actions. They can, if persuasion fails, morally use the minimum force necessary to prevent children from injuring themselves or others, risking injury, or damaging property. As long as children are supported by parents or live on their property, parents have a right to enforce reasonable rules. But what are reasonable rules?

Many Libertarians also believe that when children have the desire and capability to support themselves independently, they have a right to terminate their parents' or others' trusteeship. (And trustees have a right to terminate their responsibility if they wish, as soon as children can support themselves independently.) Thus, running away from home should not be a crime, and trustees should not have the right to force children to return.

In other words, in this view, once children are able to make their own way in the world, the relationship between them and trustees should be voluntary, as it is now after an arbitrary age such as 21. Also, parents and children both should have the right at any time to transfer (including to sell) the trusteeship to anyone willing and capable of accepting the responsibility.

Why should children not have the same rights and responsibilities as an adult of equal competence? The problem, of course, is to define competence and capability of self-support. But difficulty in application does not invalidate a moral principle.

It is argued that the main practical effect of applying these concepts would be that children and their trustees would have far better relationships than at present--relationships more often based on mutual love and respect. There would be far less child abuse if trusteeships of unwanted children and brutal parents could be more easily transferred. The additional abuses that might occur would be far outweighed by the abuses prevented. More liberty

would also mean fewer adults psychologically crippled by oppression during their childhood.

Other people have a right, if they wish, to go to the aid of a child who is clearly being abused, just as they have a right to go to the aid of any victim of aggression who desires their help. But do other people, or the state, have a right to substitute their judgement of what is best for a dependent child for that of the trustee?

We find the rights of children to be deducible from the same axiom and by the same argument as the rights of adults, while denial of them involves us in perplexities out of which there seems to be no escape.

Herbert Spencer, 1850

Abortion

There is no Libertarian consensus on applying moral principles to the issue of abortion. Probably Libertarian attitudes are similar to those of the general public.

Some feel that it is a question of when the fetus is entitled to the rights of a person--conception, beginning of brain activity, birth, after high school graduation, *etc.* Others feel that the real question is, "What obligation does a woman have toward an unwanted 'parasite' and why?" If there is an obligation, does it change as a result of rape? It ***is*** generally agreed that people have not initiated force by refusing to help someone, ***unless*** they are responsible for the person's predicament. So---?

If there is an obligation to provide support, ***and*** a fetus has the rights of a person, then an abortion resulting in its death would be murder. If a fetus is a person but there is no obligation to provide support, then causing its death by expelling it from the body would not be unjust. However, killing the fetus-person unnecessarily by the abortion process, or deliberately afterwards, would be murder.

If a fetus is a person and born alive, a case could be made that in the absence of an obligation to support a fetus to adulthood, there still might be an obligation to not cause death by failure to notify people willing to assume responsibility. It would be immoral to cause helpless persons to die by putting them in a position where other people could not offer help.

If a fetus is not a person, then abortion could ***not*** be unjust.

Given the present serious doubts, it does seem that unless someone clearly demonstrates that abortion is unjust, it should not be a cause for punishing women and physicians.

People opposed to abortion should note that abortion

might be much less frequent or almost non-existent, after repeal of laws preventing mothers from selling their trusteeship of unwanted babies. If there were a financial compensation and reward for bearing children for adoption by infertile people who desire children, the incentive for abortion would be reduced.

As you can see from the questions about children's rights and abortion, there are still plenty of problems left for new Libertarian thinkers to solve. Maybe you will be the one to come up with the obvious solution that everyone else has overlooked.

Libertarian Personal Ethics

The heading of this section may be misleading. But, as noted earlier, there doesn't appear to be a good term for moral principles where force is not involved. Personal ethics has this meaning in common usage, but this is not correct according to professional philosophers and dictionaries.

There is no theory of "Libertarian personal ethics" generally accepted by Libertarians. The ideas of Ayn Rand and John Stuart Mill have been very influential on this subject, and Nathaniel Branden and Peter Breggin have also made substantial contributions. Some Libertarians will argue that libertarianism should be only a political philosophy. So the ideas in this section are offered simply as a proposal.

Libertarian personal ethics should be based on the same standards of life and self-ownership as Libertarian justice. All human relations should be voluntary. Therefore, initiating any action intended to circumvent the will of another non-aggressive person is unethical.

When force is not used, you have the freedom to do or not do what ***you*** want. However, without using force, others may still pressure you to do what ***they*** want by harassment, intimidation, deceit, lying and psychological manipulation, for example, making you feel guilty.

Such psychological pressure to make you behave against your will is immoral and unethical, but not unjust. In other words, you have no right to respond to those tactics with force. The ethical response would be to refuse to cooperate or associate. The primary penalty for unethical behavior is the loss of trust, friendship and respect, including self-respect.

The acts of an individual may be hurtful to others, or wanting in due consideration for their welfare, without going to the length of violating any of their constituted rights. The offender may then be

justly punished by opinion, though not by law.
John Stuart Mill

If you are trapped in a situation from which it is not practical to withdraw, it would then be ethical to lie to, intimidate, psychologically manipulate or scream at the offender to end the harassment. Such non-violent methods may of course also be used for self-defense against physical aggression. The same principles apply if you wish to aid a victim who desires help.

Just as force is moral only as necessary for defense against force, psychological pressure is moral only when used to the minimum extent needed for defense against force or psychological pressure. Note that if harassment included threats of force, physical interference with your freedom, or violation of your property rights, it would amount to force and could justify using force in self-defense.

It is ethical to try to persuade others to behave as you wish, but any pressure or deceit to make ***non-aggressive*** people do so ***involuntarily*** is unethical. If persuasion fails and someone's behavior is intolerable, it is ethical to terminate the relationship. You have a natural right to freedom of association, and to form or terminate voluntary associations for any reason.

Organized boycotts (refusing to associate or trade) and other forms of protest, such as picketing and demonstrations, are ethical if in self-defense against unethical actions of the persons who are the target of the protest. Note that the "self" in "self-defense" means that the protesters must either be the victims, or have the victims' approval, in order for the protest to be ethical.

Use of social or economic pressure against an individual for any reason--other than to correct unethical behavior--is unethical. This may seem to be a very thin moral line to draw, because there is nothing unethical if one person, or a number of people, individually decide that they do not care to associate with someone, although the effect may be devastating socially or economically.

An organized or cooperative protest, however, goes beyond refusal to associate, in that it tries to intimidate the target person and his/her supporters, or to cause them harm. What makes this unethical is the ***intent*** to pressure someone to act against his/her will.

Common examples of the use of such unethical pressure are to impose on an individual (against his/her will) political, religious, economic and social values, especially conformity with peer group beliefs and behavior.

Protection, therefore, against the tyranny of the magistrate is not enough: there needs protection also against the tyranny of the

prevailing opinion and feeling, against the tendency of society to impose, by other means than civil penalties, its own ideas and practice as rules of conduct on those who dissent from them; to fetter the development and, if possible, prevent the formation of any individuality not in harmony with its ways, and compel all characters to fashion themselves upon the model of its own.

John Stuart Mill, 1854

The Truth

There is no right to the truth, that is, no right to force other people to provide complete and correct information against their will. If you have a contract with someone to furnish you with certain correct information, and the information proves false, you have a just claim to restitution for the cost of the information and any damage you suffered. Force may be used if necessary to collect restitution.

However, if someone lied to you or failed to keep a promise, that is, gave you free incorrect information, you can't be owed any more than it cost you--which is nothing. While deliberately trying to deceive you is unethical, it is your responsibility to evaluate the truth of what you are told, just as you do for other information received by the senses.

Under normal circumstances, we all benefit from being honest and sharing information with each other. So, most of us are trained from an early age to be forthright, and to feel guilt about lying. And we want to be respected and have our word accepted.

The problem is that some people will try to take advantage of our training and integrity by demanding information which is none of their business, or which may be used to harm us. In particular, those who wish to exploit and oppress will try to use our honesty to control us.

But we have no obligation or moral duty to provide any information we do not wish to. If we are put into a situation where psychological pressure, or worse, is applied to make us respond against our will, we can lie with a clear conscience. The moral question is not: Should we lie or tell the truth? It is, rather: To whom do we owe our honesty?

Come on then you who wish to break my will by your will, and try your arts. You can torture me by the rack,...but the truth you shall not press out of me, for I will lie to you because I have given you no claim and no right to my sincerity.

Max Stirner, 1806 - 1856

Lying is not an absolute evil. Telling the truth becomes unethical when it allows an oppressor to hurt us or other innocent persons. Under such conditions, we tell the truth out of cowardice. Honesty by itself, then, is not an ethic. It is a necessity if you want to create

voluntary relationships, but it is a liability if someone has imposed an involuntary one upon you. You have the right to lie, exactly as you have a right to use force, in order to escape oppression.
Peter R. Breggin, 1980

Slander and libel are unethical dirty tricks. But they are not unjust, as there is no force involved, and no one has a property right in the opinions of others. Therefore, it is not moral to use force to stop slander and libel, or to collect damages.

The present libel and slander laws work against those who cannot afford to sue, because people tend to assume that lies about them are true. After repeal of these laws, the public would no longer tend to automatically believe everything they read or hear.

These laws also unjustly permit the rich and powerful to punish the poor for revealing the truth about them. Poor people cannot afford to prove their innocence in this very costly type of lawsuit. Even if they win, they suffer a crushing financial loss. There is no freedom of speech to tell an unflattering truth about someone, if you can't afford litigation.

Blackmail, selling the withholding of true information, also does not involve force, and is not even unethical. In fact, a free market for information on misdeeds might help curb immoral behavior.

Human Relations

Libertarians do not believe that anyone should be ***forced*** to help someone else against their will.

Still, the percentage of Libertarians who like to help people in distress is at least as high as, and probably higher than, that for the general population. But they feel that charity is a personal decision.

Libertarians think that you should do nice things for others out of love for particular persons, or love of your common humanity, or because it makes you feel good. We should act in consideration of other people's needs, feelings and plans for reasons of rational self-interest, including self-respect.

Those who do not feel joy from being kind to others are perhaps more to be pitied than those they refuse to help. However, there is no moral duty of altruism, which is the sacrifice of one's interests for the interests of others.

However selfish soever man may be supposed, there are evidently some principles in his nature which interest him in the fortune of others, and render their happiness necessary to him, though he derives nothing from it but the pleasure of seeing it.
Adam Smith, 1776

Libertarians tend to rejoice at the success and hap-

piness of other individuals, rather than resenting others' good fortune. They hate poverty, human misery, injustice and wasted lives. Libertarians understand the economic principle that everyone is benefitted by anyone's earned success.

Libertarians enjoy the rich diversity of humanity without feeling threatened by it. They have no desire to force others into their mold. While Libertarians deplore intolerance and irrational discrimination, they know that using force to try to improve human relations is immoral and just makes things worse. And Libertarians understand that nothing can benefit others, as well as themselves, as much as working for liberty.

Altruism

There is a glaring inconsistency in altruism as a standard of moral behavior. If the ideal is to sacrifice for others, then 100% good persons would have to give away even the necessities of life and devote no effort to their own needs. So a perfect person would be dead and unable to do good works. And it is not enough to say that the concept has to be applied with a little common sense, for *if* it is your primary moral duty to sacrifice for others, you have no right to anything for yourself. Altruism is meaningless as a moral standard if it is to be applied at one's discretion when it's convenient.

Some will excuse this contradiction by pointing out that many good things, such as eating, are bad when carried to extreme. But this confuses an ***action***, such as eating, with the ***moral principle***, which would be something like--to sustain life, eat the proper amount of the right foods. Unless a principle is good and true for even the most extreme examples, it is either incompletely stated, or not a principle.

The self-contradiction of altruism has caused an enormous amount of human suffering. People either act in their own interest and suffer guilt and loss of self-esteem, or act against their self interest and suffer from frustration, depression, resentment and anger at the beneficiary. Usually people act both for and against their self interest, and suffer all these harmful emotions. It turns people into hypocrites.

What a huge psychological burden could be lifted from humanity if everyone understood that their only moral duty is to respect the natural rights of others, and that they could help others far more by acting only in their own ***rational*** self interest!

The irrationality of altruism is apparent when a person who produces very little is honored for giving a meager portion to charity, while another person who benefits other people far more by high production to satisfy their needs at low cost, is condemned for greed if the production--and the capital needed to achieve it--are not given away. In short, sharing suffering is noble, but ***preventing*** suffering is ignoble and "selfish." The essence of altruism is not to help others; it is to sacrifice oneself.

There is a reason why altruism is so often praised despite its inconsistency and the harm it does. It is an important psychological weapon of those who hate liberty and wish to exploit us.

Many people believe that altruism means kindness, benevolence or respect for the rights of others. But it means the exact opposite: it teaches self-sacrifice, as well as the sacrifice of others, to any unspecified "public need;" it regards man as a sacrificial animal.
Ayn Rand, 1962

No man need sacrifice himself to others, but neither should he sacrifice others to himself.
John Hospers, 1971

Motivation

You may notice throughout this book a frequently repeated theme. It is that ***everyone*** (Libertarians included) is motivated by what each ***believes*** to be in their individual interest.

Our actions may sometimes turn out to be mistakes with unpleasant consequences that we do not anticipate, but we always intend that they will make us happier. When people act irrationally, it appears rational to them or they want to avoid the discomfort of thinking. Even suicides act on the belief that zero is better than minus.

If we are honest with ourselves, we will admit that even giving money to charity is done for basically "selfish" reasons--it makes us feel good to help others because we love our fellow human beings; or it makes us feel good because it increases our self-esteem by showing that we are good people; or it makes us feel superior to the less successful; or it relieves our feelings of guilt about being more successful than others; or it will impress other people with our generosity, causing them to esteem us more highly; or it helps keep beggars off the streets where they would be an uncomfortable sight and an annoyance; or it simply stops people who are soliciting for charity from bothering us, *etc.*

If it seems "uncharitable" to say that we give charity out of self-interest, then consider also the uncomfortable sense of obligation most of us feel when someone has done us a

favor. We look forward to the opportunity to repay, or even better, to more than repay so the positions will be reversed.

Even though the persons who have been kind to us would almost certainly be happier with only our thanks and gratitude, being grateful is more difficult for most of us than climbing Mt. Everest. Indeed, not repaying the kindness, and instead frequently expressing gratitude, would be the real self-sacrifice. How much happier we would be, basking in the glow of others' gratitude and enjoying the warm feeling of self-worth of the benefactor.

If we are not in a position to repay favors, we may resent and avoid the givers. And there is no greater pest than a relentless do-gooder to whom we do not wish to be obligated, or whose ideas of help are contrary to our wishes.

I love my fellow creatures--I
do all the good I can--
Yet everybody says I'm such a
disagreeable man!
And I can't think why!

Sir William Gilbert, 1884

Sometimes, the greatest act of friendship may be to refuse to give charity to a friend if it would prevent the achieving of independence, dignity and a feeling of self-worth. Just as loaning someone money is to risk losing a friend, giving charity can be a good way to make an enemy. There is an old Asian saying, "Why do you hate me? I never helped you!"

So, for those who are not in serious need, it is usually true that it is better to give than to receive. Making ourselves happier by making others happier is nothing to be ashamed of, although it would be nice if we also graciously permitted others to do us favors now and then, even if we don't want the favors. Almost no one likes being an object of charity. The great advantage to mutually beneficial trade is that it allows mutual dependence with dignity and friendship.

Looking at the question from the viewpoint of the receiver helps us to understand the motivation of the giver. The point is that our actions are not divided into those due to altruistic self-sacrifice which is supposedly good, and those due to self-interest which is supposedly bad. Instead, ***all*** our actions are due to what we think is our self-interest. We can do wonderful moral things out of self-interest, and we can do terrible immoral things out of mistaken self-interest.

Why is it that actions motivated by profit are often automatically thought to be bad, when they are responsible for most of the good things of the world, including food,

shelter and clothing? And why is it that non-profit organizations are automatically considered beneficial, or at least well-intentioned? The great atrocities of history were committed by non-profit organizations such as political organizations and armies. One earns a profit by helping others, not by killing them. In contrast, non-profit motives--such as seeking power, unearned wealth, fame and influence--often lead to war, oppression, fraud and deceit.

Self-interest is not limited to concern for more money and physical possessions. It includes anything we believe will make us happier. It may involve intangible things like viewing beautiful scenery, meeting interesting people, experiencing romantic love, enjoying the respect and friendship of others, understanding nature, being famous, or helping others to be happier.

Unfortunately, many people believe that it is in their interest to have power. They enjoy compelling other people by force to act against their will, or deceiving people into surrendering their will.

Exploitation

Exploitation is a term often used by enemies of liberty to suggest that there is something wrong with free voluntary trading for ***mutual*** advantage. But the correct meaning of exploitation is ***unethically*** taking advantage of another person. So it is really the enemies of liberty, the power lovers who prefer force and fraud, who are the exploiters.

People who understand their self-interest are difficult to exploit, even by strong force. Therefore, exploitation, especially widespread continuing exploitation, normally depends on deceiving us about what our own interests are, and/or persuading us that it is wrong to act in our self-interest. We are bombarded every day of our lives with propaganda (sometimes unknowingly by people who have been misled) which is designed to lower our resistance to exploitation.

Those who work so hard to get us to believe that acting in our own interest is wrong are hypocrites. Those who are so critical of our "selfish" motives are themselves motivated purely by selfish reasons such as the lust for power or influence. The exploiters, who understand human nature all too well, know that if we realize ***their*** motivations, they will fail.

Selfishness in people and in nations is the greatest hindrance to world progress and prosperity in this 20th Century.
World Goodwill Commentary. 1973

This explains why exploiters try to narrow the definition of self-interest to include only money and other forms of

wealth, honestly gained by production and trade. Acceptance of this narrow definition would allow exploiters who are not engaged in productive activities to maintain that they are altruists, not influenced by vulgar materialism.

Interestingly, exploiters do not seem to feel that there is anything wrong with material gain from plunder and exploitation. It's bad only if it comes from honest work. "Noble" aristocrats, those exploiters of old, felt that production and trade were for only the common people, not "gentlemen." Would-be aristocrats feel the same way. They may claim concern for the working class, but it is not in their long term plans to be part of it.

But self-interest *does* motivate such desires as imposing on others one's own views of the perfect society. How glorious a feeling it is to be part of such a noble effort! Won't it be wonderful to see everyone having to dance to our tune? And how satisfying it will be to watch those who thought they were better pulled down from their high positions! What fun to make them suffer! At last we will have a social system where *we* will be important and people will have to give us the respect we so richly deserve. What makes us superior to ordinary people is our devotion to our noble cause without concern for personal gain! Such are the "unselfish" motives of the exploiters.

Whenever you hear someone say that *they* are interested *only* in what is good for *you*, be confident that it will be much better for them, at your expense. When they sing the praises of sharing, caring, compassion or poverty and the simple life, be assured that what they really want is to take your property from you. The poverty will be good for you, but somehow not for them. The money in your pocket which they believe is corrupting you, will of course be used by them for only good works!

Exploiters are elitists. They believe that they have a right to impose their views on others because they are superior to others. They hold in contempt the masses in whose name they claim to act.

They aren't interested in *your* opinion about what is good for you; they already know. It never occurs to them that your knowledge of your own needs and circumstances is far greater than theirs could possibly be, or that your needs might be different from those of other people.

But does it not show a greater love for fellow human beings for one to want each of them to have what will make her/him happiest, rather than for them to have what one feels they should want?

A good test of would-be exploiters is that they will claim

to be acting ***unselfishly*** in your interest, or in the interest of some collective, such as society. You can be certain that they are exploiters if they will ultimately need to initiate force to achieve or maintain their goal. This is ***always*** the case if the desired program is to be implemented or financed by government.

Usually the plan to use force is not revealed or acknowledged until it can no longer be concealed. You will simply be asked to support some wonderful reform by voluntary persuasion of others, or to help protest injustice.

The real goal will be to build an organization by persuasion or deceit, which is strong enough to impose the desired program on those who don't agree. Tell-tale words are: "required," "mandatory," "compulsory," "compliance" and "policy." If there is any doubt about the intent to initiate force, a good question to ask is: What will happen to dissenters and those who will not cooperate with the program?

Politicians, bureaucrats, religious fanatics, business people who seek government privileges and monopolies, socialists, and other reformers of society are good examples. They may actually (though not often) give up some material prosperity to play the role of social uplifter. But seldom will they admit that they are in it only for themselves--to obtain the gratifications of power and influence.

Your Choice

There is much more to the philosophy of liberty, and some applications will be discussed later. Philosophy may not be your thing, but you cannot avoid one of two choices. Not deciding is still a choice, for it means letting someone else decide for you.

One decision to make is whether there ***is*** a morality, that is, an absolute right and wrong, or whether there is nothing but power. Many people justify the latter choice by saying that they are being "practical" and not rigid. Practical really means unprincipled.

A thing moderately good is not so good as it ought to be. Moderation in temper is always a virtue: but moderation in principle is always a vice.

Tom Paine, 1793

There can be no compromise on moral principles. In any compromise between food and poison, it is only death that can win. In any compromise between good and evil, it is only evil that can profit.

Ayn Rand, 1962

Not only is liberty moral, but there can be no morality without liberty. If one is not free to choose, one cannot be moral or immoral. Those who would regulate the conduct of others by force to "improve their morals" are self-

defeating.

A principled person can, of course, be forced to do something wrong when the only alternative is worse, but an unprincipled person does not care about the difference between right and wrong. "Practical" people just want what they want, without the restrictions of principles.

Might is right, and justice there is none.

Walther Von der Vogelweide, 1170 - 1230

Unprincipled persons have no guide to improve themselves or the world around them. If they are in power, they can do with others as they please. If someone else is in power and violates their rights, they cannot demand justice, for they believe there is no such thing as justice. They may use the word "justice," but they are being hypocrites, twisting the word to mean whatever they wish to impose on others.

If justice be not a natural principle, then there is no such thing as injustice, and all the crimes of which the world has been the scene, have been no crimes at all.

Lysander Spooner, 1882

Truth must of necessity be consistent.

Herbert Spencer, 1850

The Nazi trial at Nuremburg in 1946 legally established that there is an absolute right and wrong. The defense that the Nazis who committed atrocities were only obeying the law and following lawful government orders was rejected. A world in which there is no right and wrong would be a terrible place in which to live.

Finally, every day you must answer by your actions the basic libertarian question: Who shall decide? Will you run your life, or will someone else? Will you violate the rights of others to decide for themselves? Will you be a thinking human, or a puppet?

★ ★ ★ ★ ★ ★ ★ ★

I am freeing man from the restraints of an intelligence that has taken charge, from the dirty and degrading self-mortifications of a chimera called conscience and morality, and from the demands of a freedom and personal independence which only a few can bear.

Adolf Hitler

★ ★ ★

To abandon self-ownership is to become corrupt and servile in spirit, and for the servile and corrupt there are no great things possible.

Auberon Herbert, 1897

★ ★ ★

He who lets the world, or his own portion of it, choose his plan of life for him has no need of any other faculty than the ape-like one of imitation.

John Stuart Mill, 1859

★ ★ ★

The greatest thing in the world is to know how to belong to oneself.

Montaigne, 1580

★ ★ ★

A wise man neither suffers himself to be governed, nor attempts to govern others.

Jean de la Bruyere, 1645 - 1696

★ ★ ★ ★ ★ ★ ★ ★

Ayn Rand, 1905 - 1982

Murray Rothbard

V. LIBERTY AND PROPERTY RIGHTS

★ ★ ★ ★ ★ ★ ★ ★

Whatsoever then he removes out of the state that nature hath provided, and left it in, he hath mixed his labor with, and joined to it something that is his own, and thereby makes it his property. It being by him removed from the common state nature placed it in, hath by this labor something annexed to it, that excludes the common right of other men.

John Locke, 1690

★ ★ ★

We claim that the individual is not only the one true owner of his faculties, but also of his property, because property is directly or indirectly the product of faculties, is inseparable from faculties, and therefore must rest on the same moral basis, and fall under the same moral law, as faculties.

Auberon Herbert, 1897

★ ★ ★ ★ ★ ★ ★ ★

Rights

Without property rights, no other rights are possible. The difference between a free person and a slave is property rights. Slaves do not own their bodies or what they produce with the labor of their bodies.

Even if a person owned his or her body and labor, what good would it do without the right to own what is produced? Without the right to own food, clothing, and shelter, and the means to obtain them, you cannot live except at someone else's pleasure.

This does not mean that anyone is entitled to take these things by force from producers. Only that each individual has a right to own what he/she produces.

No human rights can exist without property rights. Since material goods are produced by the mind and effort of individual men, and are needed to sustain their lives. If the producer does not own the result of his effort, he does not own his life. To deny property rights means to turn men into property owned by the state. Whoever claims the "right" to "redistribute" the wealth produced by others is claiming the "right" to treat human beings as chattel.

Ayn Rand, 1962

To own means to control property and to be free to use, exchange and dispose of it as one wishes. Holding a "title" to property is not ownership, if someone else controls its use.

For example, suppose you have to regularly pay someone to use "your" land. This person determines the rent and charges more if you improve the land. You have to pay for his water and sewer lines even if you don't use them. He controls what you use the land for, what you can build on it and how your building must be built, who can

live or work there, and how the property is maintained.

Further suppose that he can force you to sell your property to him at any time at a price he determines. You are allowed to sell the property to others if he approves, but the price is greatly reduced by the required payments and restrictions.

You could hardly be called the owner in this situation. You would really be a tenant. Now, think about property taxes, zoning, building codes, eminent domain laws, *etc.*, and ask yourself who really owns America.

Property also is an appendage to liberty; and 'tis as impossible for a man to have a right to lands or goods, if he has no liberty, and enjoys his life only at the pleasure of another, as it is to enjoy either when he is deprived of them.

Algernon Sidney, *ca* 1680

If what is called the state may forcibly take one dollar or one shilling out of what a man owns, it may take what it likes up to the last dollar or last shilling. Once admit the right of the state to take, and the state becomes the real owner of all property.

Auberon Herbert, 1897

Every man holds his property subject to the general right of the community to regulate its use to whatever degree the public welfare may require it.

President Theodore Roosevelt

How Free?

We can measure our liberty, and our enslavement, by how much we get to keep and own of what we produce. In other words, how much of the fruits of our labor is stolen?

We also lose liberty if we are not free to use our labor as productively as we could. What we are prevented from producing is also stolen in violation of our rights.

In America today, 40% to 50% of our labor is taken from us by force as "taxes." In addition, an unknown but huge amount is taken by laws and regulations. Government laws and regulations force us to waste our labor and resources, and transfer wealth from less preferred to more preferred people.

Our labor is stolen every time we fill out a government form, every time a truck makes a return trip empty because of regulations, every time we pay more than the free market price for food because of government price supports and production restrictions, or every time we pay more for almost everything because of tariffs and import quotas.

Government-produced inflation has run over 10% many years. Inflation is a tax and also "redistributes" income, just as if government had taxed someone to benefit another.

Capital is transferred from those who would have received it on the market, to those whom the government

prefers, by government guaranteed or subsidized loans to business and foreign governments, by private investment in tax sheltered businesses, and by banking, pension and securities regulation.

All such economic interference has the same effect as collecting and redistributing taxes, and must be considered part of the government take.

The total has to be far more than half of all we produce--at least two-thirds. So Americans, living in one of the freest countries in the world, are still more than half enslaved. And the percentage constantly grows!

If we optimistically estimate that the Russians are 10% free, and that we are 35% free, consider the tremendous difference in standard of living that the 25% increase in property rights has made. Then think of the difference having another 25% or more freedom would make in our standard of living.

Seizing the results of someone's labor is equivalent to seizing hours from him and directing him to carry on various activities. If people force you to do certain work, or unrewarded work, for a certain period of time, they decide what you are to do and what purposes your work is to serve apart from your decisions. This process whereby they take this decision from you makes them a part-owner of you; it gives them a property right in you. Just as having such partial control and power of decision, by right, over an animal or inanimate object would be to have a property right in it.

Robert Nozick, 1974

Today, nobody sees, or wishes to see, that in our time the enslavement of the majority of men is based on money taxes, levied on land and otherwise, which are collected by government from the subjects.

Leo Tolstoi, 1900

Thus substantially all the legislation of the world has had its origin in the desires of one class of persons to plunder and enslave others, and hold them as property.

Lysander Spooner, 1882

Human Rights?

Sometimes those who oppose liberty try to separate human rights from property rights. But property rights ***are*** human rights, and ***all*** human rights ***are*** property rights! The reason some try to separate them is to separate you from your property.

The idea is that somehow you are guilty for producing so much, and so others who "need" your property are justified in stealing it. Human rights, they say, are "more important than property rights." Their "human rights," however, mean enslaving others to serve them.

Depriving people of property is depriving them of the means by which they live--the freedom of the individual citizen to do what he wishes with his own life and to plan for the future.

John Hospers, 1971

Thinkers and writers who would deny property rights or create political rights over private property, are the ultimate heralds and harbingers of dictatorship.

Hans F. Sennholz, 1982

The human rights of freedom of speech and religion are really part of your property rights to your body (self-ownership). And what good is it to have these rights if you lack the material means to exercise them? What is freedom of the press without the right to own paper or press, or to sell what you print? The importance of property rights to "civil" rights becomes obvious when you consider the effects of not having property rights in communist countries.

The feminist movement provides a good illustration of the identity of human rights and property rights. The struggle for women's rights has been a struggle for property rights. Most important was the right of women to own themselves rather than being the property of fathers and husbands.

Then there was the right of married women to own property in their own names, to make contracts for property, and to own a share of joint assets after divorce or death of the husband. More recently, women's ownership of their labor has been recognized by the elimination of many of the labor laws designed to restrict women's ability to market their labor.

It is impossible to look upon a man as free, so long as others have unlimited command over his property. It is impossible to separate the rights of action from the rights of acquiring and possessing. A man acts through and by means of the various substances of the world, and if he is not free to acquire and own these substances as an individual, neither is he free to act as an individual.

Auberon Herbert, 1897

There we organized our anti-slavery Society, and when the journals of the day refused to publish our constitution and by-laws, we bought a press for a paper of our own.

Rev. Thomas James, 1833

"Collective" Property

The history of liberty is the history of individual property rights. Until the last few hundred years, the common people rarely enjoyed private ownership. Indeed, most were slaves who were themselves treated as the property of others.

The most ancient and primitive system of property ownership is collectivism, where property is held in common by a group of people. In this system, an individual can use property, including one's own body, only when the privilege is granted by the collective. This privilege is temporary and at the pleasure of the collective. Everything that is pro-

duced becomes the property of the collective. There is no right to transfer the privilege to use property by trade, gift or inheritance.

The Dukhagini in the Dinaric Alps were living in the same obedience to their Law of Lek. I tried for hours to convince some of them that a man can own a house. A dangerously radical woman of the village was demanding a house.... Obstinately anti-social, she doggedly repeated, "With these hands, my hands, I built up the walls. I laid the roof stones with my hands. It is my house..." I said that in America a man owns a house. They could not believe it; they admired America.... They questioned me shrewdly. I staggered myself by mentioning taxes. I had to admit that an American pays the tribe for possession of a house. This seemed to concede that the American tribe does own the house. I was routed; their high opinion of my country was restored.

Rose Wilder Lane, 1943

The ugly little secret of collective ownership is that it really means ownership by those in power, usually only a few people. Collectivism in practice is ownership of everything, and ***everybody***, by those who rule in the ***name*** of the collective.

Collectivism is the philosophy proposed to justify power over others--rule. It is only an excuse for ownership (control) by the few. It was the theory of power in savage tribes, feudalism, monarchies and empires. The primitive collective system of ownership is still in use to varying degrees in every country in the world. The purest examples to be found today are communist countries and a few isolated tribal societies.

People ought to possess all wealth and riches of the earth together and on equal terms and also use them together and equitably.

Jean Meslier, 1664-1729

As late as 1776, no one in France could own even so much as a pigeon, unless he happened to be a person of "royal birth"--a king, a prince or a noble.

Henry Grady Weaver, 1947

All violence is aimed at the property of others. The person--life and health--is the object of attack only in so far as it hinders the acquisition of property.

Ludwig von Mises, 1922

Liberty is not possible when the right of ownership of the fruits of one's labor is denied by force. Liberty is the right to peacefully own one's life, body, labor and justly acquired property. So, the progress of liberty depends on progress away from the idea of collective ownership toward recognizing individual property rights.

Not only liberty, but all progress in our standard of living depends on progress in protecting individual property rights. Ownership by the many instead of the few makes possible the market. The market, and the information it transmits about human needs and resources, in turn makes possible the division and specialization of labor, which is

the basis for prosperity and the elimination of the grinding mass poverty characteristic of collective ownership.

Under collective ownership there is not only no freedom to create and innovate, there is also no right to own any reward for improving the lives of others. Thus there is no incentive for progress. Collectives and their rulers, of course, always use their power to resist change and progress, because of the threat to authority.

It has been argued that individual property rights to land would ultimately restrict freedom, and are therefore unjust. The fear is that if all land were privately owned, people without land could exist only by permission of the landowners.

All that is necessary to dispose of this "no room to stand" argument is to turn the coin over and observe that the argument applies even more to collective ownership. The reply is usually something like, "Oh, but a collective wouldn't be that mean!"

But collectives have denied millions of people the right to exist by liquidating them, so denying an individual the use of any collectively owned land seems quite probable. Certainly it seems much more probable than that large numbers of individual landowners, many of whom are doubtless eager to make money by renting space, would ***unanimously*** combine to deny someone space to live. The "no room to stand" argument is as persuasive as the argument that if all farmers weren't employed by the government they might conspire to deny somebody food.

Importance Of Principles

Indian land rights, revolutionary land reform, rights to fish and to mine the bed of the oceans, and rights to transmit radio or TV on different frequencies of the airwaves, are only a few of the important issues of property ownership that can be justly decided by libertarian principles.

Ownership

Natural objects like land, trees, fruit, and minerals can be of no use to humans until they become property. If something is unowned, no one has a right to use it, or, if everyone owns it, it is impossible to get permission to use it. Someone must own (control) it exclusively to use it.

Even when property is owned in common by a group of people, it can be used by only one person at a time. This is especially obvious in the case of things which are consumed, such as food. While clothing can be worn by

different people at different times, it cannot be worn by more than one person at a time without some difficulty.

Space cannot be occupied by more than one person at a time. Even shelter, the warmth of a fire, or a vehicle which can accommodate several users at a time, have their capacity and the convenience of other users reduced by each individual user. So when several people are using property at the same time, each is really the owner, if only temporarily, of the portion he/she is using.

When property is temporarily used with the permission of the owner by gift or contract, the user has the rights of ownership which were granted. For example, when you lease an apartment, you have the exclusive rights of ownership for the term, except as restricted by the lease.

In short, nothing can be used without the user having exclusive control (ownership) of what is being used. Even if you are in a large group of people viewing beautiful scenery, no one else can stand where you are standing or have exactly the same view you have.

The main reason for explaining why property must be owned to be used, is that people who oppose liberty often say that property, or certain property, should not be owned by anyone or should be owned in common. What they are really proposing is a different system for determining which individuals will get to own (exclusively use) what.

But as long as there are humans, property rights cannot be eliminated--they can only be stolen. Those who propose to do so are trying only to justify robbery, exploitation and power over others.

Property is justly owned when it is obtained by voluntary transfer of title from the previous just owner. Examples of methods of voluntary transfer are exchange (such as sale, barter or rental), gift or bequest in a will.

Once property is justly owned by someone, it then can be justly owned by other people. But how does it become justly owned property in the first place?

First Ownership

Nothing in nature benefits humans without labor, if only to pick a fruit and put it in one's mouth. Land and objects first become owned by someone's labor improving the property for human use and identifying it as owned by that person.

He that is nourished by the Acorns he pickt up under an Oak, or the apples he gathered from the Trees in the Wood, has certainly appropriated them to himself. No Body can deny but that the nourishment is his. I ask then, When did they begin to be his? When he digested? Or when he eat? Or when he boiled? Or when he brought them home? Or when he pickt them up? And tis plain,

if the first gathering made them not his, nothing else could. That labour put a distinction between them and common. That added something to them more than Nature, the common Mother of all, had done; and so they became his private right. And will any one say he had no right to those Acorns or Apples he thus appropriated, because he had not the consent of all Mankind to make them his? Was it a Robbery thus to assume to himself what belonged to all in common? If such a consent as that was necessary, Man had starved, notwithstanding the Plenty God had given him.

John Locke, 1690

Under natural law, one may justly take possession of previously unowned property by use, because there is no initiation of force against another person. Once a person owns property, no one would have a right to initiate force to interfere with that person's actions and plans, or to steal the labor that has been used to make the property useful. American homesteading law, where settlers owned land by farming it, is an example of this principle.

Only the first ***user***, not the discoverer, can justify excluding others. The discoverer can be compensated for his/her daring and effort by having the first chance to ***use*** land, minerals, *etc.*, and the ability to sell information about the discovery. Mere knowledge of the existence of unowned property is not sufficient for ownership.

For example, many people are aware of the existence and location of planets. But one can possess part of a planet only by going there and making use of it by investing labor in its improvement (assuming other rational beings didn't get there first).

Initial ownership of land and objects thus depends on first use. But title is acquired only to the land and things reasonably necessary to the use

This doesn't mean, for example, that a farm established in an unowned territory must have every square foot cultivated immediately. It would mean only that the size of the farm should be limited to what is needed for an efficient farm and expected expansion.

What the principle does mean, however, is that plowing an unowned field does not give title to the center of the earth and a slice of the universe above. Non-conflicting uses of the ground underneath and the sky and space above can be "homesteaded" by others if the land surface owner doesn't use them first. For example, airplanes can fly over your land if they aren't too noisy and satellites can be parked in any unoccupied space. However, no one has a right to pollute the air you breathe.

If you are using underground water to supply your well, or drawing water from a river that passes through your land, no one has a right to use that water so that your

supply is diminished or the water quality is affected to make it unsuitable for your purpose. On the other hand, if you are not using, or planning to use, the water or oil beneath your land, others have a right to drill from their land, to draw it off.

It may surprise some city dwellers, but useful land is not found--it is created by human labor. First, it must be identified as property by notice to others, such as signs or fences, and mapped. Access to, and into, the property must be provided, for example, roads. Often it must be drained or irrigated, cleared, graded, fertilized, its pests controlled and a source of drinking water provided. In modern times other utilities are usually required. Land requires human labor before it has value for satisfying human needs, and if neglected it can quickly revert to a useless condition.

Land may be justly owned without using it for some specific purpose such as agriculture, mining, industry or housing. For example, with suitable notice to others, land may be kept in its virgin state as a nature preserve for enjoyment of its scenic beauty, camping, hunting, or preservation of wildlife. Or land may be fenced off to reserve it until future development for its highest use becomes economic. Note that all these uses still will require some labor for maintenance.

Bodies of water can also become owned by first use. However, unless you also own all the land access, others would have the right to homestead the body of water for non-conflicting uses. So in practice you could totally own, and control all uses of, only landlocked lakes and ponds where you also owned the shore all the way around. If you owned fishing rights in a part of a river, others could still use it for transportation, swimming, *etc.* But they could not use it as a sewer if that affected your fish catch.

Fishing grounds in open bodies of water could also be homesteaded by regular use. Widespread development of property rights in fishing grounds could end problems of overfishing because property owners would have a strong interest in cooperating to maintain their resource. From the conservation viewpoint, it would be ideal if all animals, birds and fish, even those which are migratory, could be included in a property rights system.

Oudtshoorn, South Africa - Today 97% of the world's ostrich population is found in the Oudtshoorn district, and it is the only area in the world where organized farming with these domesticated birds takes place.

Antero Pietila, 1983

If you find a deposit of minerals or oil on the floor of the

ocean and start mining the deposit, it is yours. No one has a right to interfere with your operations. However, others would have a right to sail through, or fish in, your area if it did not interfere with your mining.

If you were the first to use a part of the electromagnetic spectrum to broadcast radio, TV, *etc.*, that frequency would be yours so far as the range of your broadcast. The same frequency might be "homesteaded" in different parts of the world far enough apart to avoid interference. The only requirement for becoming the owner of any frequency would be to use it without interfering with any existing frequency owner. This is the system of frequency ownership that was naturally developing for radio before government seized control.

Once ownership is established it is not necessary to continuously use the property. But if property is clearly abandoned, it may be homesteaded by others.

Rights Of Ownership

The key questions: Who shall decide? and When are rights violated? can be determined by property ownership. You have the right of exclusive control of your property. No one has a right to use your property without your permission, or to prevent you from controlling it. If anyone does these things or steals or physically damages your property, including your body, they owe you restitution (see Chapter XVIII). The natural law principle of non-aggression is violated whenever anyone takes, uses or damages your property against your will.

Where do my rights end? Where yours begin. I may do anything I wish with my own life, liberty and property without your consent; but I may do nothing with your life, liberty and property without your consent.

Jarrett Wollstein, 1970

Pollution, for example, is a property rights violation. Such apparently difficult problems as reconciling free speech with falsely crying, "Fire!" in a crowded theater, are easily resolved by property rights. In this case, disturbing other patrons or causing a panic by crying, "Fire!" is a violation of the property rights of the theater owner

On your land, you make the rules. You have the right to exclude anyone from your land for any reason.

As will be discussed later, many social problems and much injustice and economic inefficiency are caused by government ownership of land, coastal waters, rivers, lakes, air, broadcast frequencies, roads, *etc.* When such resources are owned, at least in theory, by everyone, there is no way to resolve conflicting uses without arbitrarily dis-

criminating against some of the "owners." Economic inefficiency, waste and destruction results because government allocation of resources is based on political influence rather than the free market. People conserve property when it is their own.

On land owned by government, individual rights are greatly reduced. Those who control government exercise on government property the landowner's right to arbitrarily control access and use, in addition to their legal power over citizens. In America where government owns approximately 40% of the land, and most bodies of water, this causes a great loss of liberty.

The science of mine and thine--the science of justice--is the science of all human rights; of all a man's rights of person and property; of all his rights to life, liberty, and the pursuit of happiness.
Lysander Spooner, 1882

Economic liberties and civil liberties are inalienably linked together...when government has a monopoly on property, it also has a monopoly on the expression of ideas.
Dick Randolph, 1982

Breach Of Contract

Breach of contract occurs when people have exchanged ownership of properties (which may include the property of money or of labor), but one of the properties is withheld from its rightful owner. Fraud is a form of breach of contract where there was never any intent to deliver the property contracted for.

Failure to do as promised is immoral lying, but is not unjust. However, when any force is used to prevent owners from controlling their property, it is unjust. The key to solving breach of contract problems is knowing if a contract was made to exchange property ownership, and the description of the properties (including services) exchanged.

Contracts

A binding contract is made when one party offers to exchange and the other party accepts by performing as agreed. While the principles are simple, the applications may be complex. What constitutes an offer and an acceptance, and the exact description of the properties exchanged, depend on conventions of language and custom. Honest disputes may require arbitration to determine and interpret facts in any system of law.

Many contracts are only implied. For example, if you get into a taxi and simply announce a destination, it is understood that the driver will take you there and you will pay the established fee. On the other hand, when very valuable

properties are exchanged, it is customary to spell out the contract in detail in writing, so an oral agreement would probably not be binding.

Contracts for future performance must be unconditional to be binding. An offer may be withdrawn anytime before it is accepted. However, ownership effective at some future time may be exchanged now in a binding contract. And an option--the right to make a future exchange--may be exchanged in the present time.

The ownership rights transferred by a contract must be as described, including any warranty. Often, the description is not stated in detail, but understood to conform with custom unless noted otherwise.

Almost no one intentionally agrees to be physically harmed. So, unless it is otherwise stated, it is always implied in any contract that the object sold, or the employment offered, does not involve any normally unexpected health or safety hazard.

In other words, there should be no unusual hazard. If something is generally known to be dangerous when used in a certain way, the seller would have no liability for accidents caused by that use. For example, gasoline is known to be inflammable, so a gasoline seller would not be responsible for gasoline burns.

If something is sold for a particular use and causes an accident when properly used for that purpose, there is a breach of contract unless the hazard is disclosed or the contract specifies that there is no liability. Note that if it is used contrary to directions, or for a different purpose, the user assumes the liability.

If the seller knows that something sold is likely to cause injury, and fails to disclose that to the buyer, the seller has committed the crime of fraud. If the seller intends for the purchase to injure the buyer--for example, has added poison to food that is sold--then the crime is assault or murder, or attempted assault or murder if no injury results.

For example, if you buy a hammer, it is a breach of implied contract if what is delivered is not suitable for driving nails, or has a hazardous defect such as a loose handle. On the other hand, if you buy an object that looks like a hammer, either "as is" or labelled, "Dangerous--do not use for driving nails," it is your hard luck if the object is not useful as a hammer, or you injure yourself using it to drive nails. Contracts are binding for property as described, not as expected or hoped.

If you bought a hammer from a store and were injured by its loose handle, your breach of contract claim is a-

gainst the store, not the manufacturer. The store would have to claim restitution from the manufacturer, depending on that contract. If the store did not have enough assets to pay you restitution, then you could take over the store's claim against the manufacturer. But if the manufacturer sold the hammer "as is" to the store, the manufacturer would not be liable.

The most difficult warranty problems come about when a hazard is unknown and unexpected by the buyer and seller. In some cases, a product causes injury so infrequently, or after so long a time, that it is impractical to find out the danger in advance. And, of course, weird accidents can happen even with the safest products. No human action is without risk.

But who should bear the cost of unexpected accidents? For example, asbestos dust has been found to be associated with cancer that occurs decades after exposure. Can the victims claim restitution? The answer depends on the contract. If the asbestos were simply ordered and sold as asbestos, the user would bear the consequences of use in a way that caused cancer. Finding the safe ways to use asbestos would be the user's responsibility.

On the other hand, if the asbestos were sold as insulation and that use resulted in cancer, the seller would be liable, unless specified otherwise in the contract. Contrary to present political laws, the seller's liability is not because of any negligence, or because the seller might have more money than the buyer. There may have been no possible way for the seller to learn of the hazard. But the seller sold the product as suitable for insulating, and there was an implied warranty that it could be safely used for that purpose.

However, the user would have no claim for restitution if the contract specified that the seller would not be liable, or if the asbestos were sold for a safe use, but harm was caused by not following directions or by use for a different purpose. Note that the buyer always assumes the cost of the safety risk, either by paying the cost of the seller's insurance through a higher price, or by personally assuming the risk. This is reasonable, because the buyer also enjoys the entire benefit of the product.

Information

Information is a valuable property sometimes requiring great labor to obtain. No one is morally obliged to give away any property, including information.

If you bought a valuable antique at the price of junk from

someone who didn't know its value, there is no breach of contract or fraud, whether or not you knew its value. Similarly, if the buyer paid you a high price for junk, mistakenly thinking that it had a much higher market value, there is no fraud unless you falsely represented it as valuable antiques. Without such just rewards for correct information, there would be tremendous waste and economic inefficiency, for there would be little incentive to discover and learn.

If to be ignorant were as safe as to be wise, no one would become wise.

Herbert Spencer, 1850

Market values of goods and services, which depend on people's changing subjective desires and preferences, cannot be owned, as no one can own the opinions of others. So if the value of someone's business is lowered because a competitor offers a better product or lower price, it is not immoral. Similarly, if the value of your house goes down or up because of people's opinions about the neighborhood, you would neither have a claim against, nor owe money to, your neighbors, unless there were a valid contract.

Restitution

Persons injured by breach of contract have a right to restitution to restore them, as nearly as possible, to their condition before their rights were violated. Restitution is normally in the form of money or other property, and should compensate for not only the value to the rightful owner of the property not delivered, but also losses caused by the failure to deliver, including inconvenience and collection costs. Because breach of contract is unjust, the victim has a right to use force to the extent necessary to obtain restitution.

Forging a check, making a counterfeit gold coin and lying are not in themselves unjust. But the use of such methods to unjustly withhold the property contracted for from its rightful owner, shows criminal intent and makes it fraud.

Note that in the case of fraud, like any breach of contract, restitution is not accomplished merely by the return of the victim's original property, unless the victim agrees. For example, if you purchased a gold coin which turned out to be counterfeit, you are owed a genuine coin or its market value, plus damages, not just the return of your purchase price.

With the exception of fraud, breach of contract is usually caused by disputed terms or unanticipated events which make it impossible, or far more costly, for the defaulters to perform as intended. When physical property is withheld,

its new owner has a right to seize it and also money restitution for costs and damages. This cannot be done, however, when the property is a personal service.

Sometimes it is simply impossible for the person owing the service to perform it within the agreed time limits, because of death, injury, sickness or external causes. But it is agreed by almost everyone, including Libertarians, that no one can justly be compelled to personally perform in some specific way, even if possible. The natural law justification, however, is not clear. In any case, full restitution by definition eliminates any claim to specific personal performance.

Stolen Property

If property is stolen, the owner has a right to recover it from whoever possesses it, even if that person is not the criminal and unknowingly purchased it. However, the owner must be able to prove his/her just title to that particular property.

For example, if a criminal stole your money or TV, and gave it to an innocent person, you could not claim return unless you could show it was the identical bills or TV.

Even if you recover your property, the criminal still owes you restitution for collection costs and other damages.

Note that the dictionary defines the word "title" as "the union of all the elements which constitute ownership" and "that which justifies a just cause of exclusive ownership." Title has nothing to do with government, which may certify titles, but does not create them.

Dead Right

A very important question of property rights is: Who owns stolen property long after the owner and thief are dead? Usually this question is raised only about real estate because other kinds of property usually can't be identified or are used up after a long time. Natural law offers a moral way to resolve just land titles out of the mess caused by thousands of years of colonizing, conquest and crime.

The typical issue is: your ancestor's land was stolen by force, usually with the aid of government, and you now wish to claim it from its present innocent occupants.

The burden is on you to prove the theft and that, if the theft had not happened, you would have a just title. If you proved your ownership, the land would be yours. However, you would have to permit removal or destruction of, or buy, any improvements owned by the innocent occupant. In many areas of the world, records exist which would provide

a moral basis for "land reform."

If you can prove only that it was stolen, but not that it is yours, the land would be unowned and available for ownership by the homesteading principle. Normally the present *occupant* (not necessarily the "owner") would be the homesteader and would get a just title. If the present occupant were the thief, and the rightful owner could not be found, *e.g.*, dead without heirs, the thief should be evicted and the land homesteaded by the first person to move in and use it. This would usually be the person proving the theft.

In much of the world, there are great variations in the amount of land owned by individuals. Differences in landholdings which are due to differences in individual skills, effort and choices (not everybody wants to be a farmer), are not unjust.

But a lot of injustice remains after those individual differences are taken into account. The injustice results from not following the Libertarian principles of just ownership--initial ownership of unowned land by first use and voluntary transfer of that title.

Instead, governments usually claimed ownership of all unowned land and bodies of water. Then large areas were granted to "nobles" in return for their support of the government. The "nobles" in turn enriched themselves by hiring the landless to work the land, or by renting the land.

Land rental took several forms, such as sharecropping, fixed rental with payment in money or produce, and "selling" the land and taxing the "owner" (sound familiar?). This latter method was the primary system used by England for colonizing America.

This feudal land system broke down in America because of the need to attract settlers and because of the vastness of virgin land. So the holders of land grants from the English crown were unable to retain control of their huge estates.

In many other countries, however, most of the land is still controlled by the heirs of the aristocrats who obtained the original government grants. The landless are still almost slaves. These land titles based on conquest rather than first use are unjust.

The just remedy would be to transfer the *land* title (not improvements which belong to innocent people) to whoever is actually working the land, without any compensation to the holders of unjust titles. The innocent holders of the unjust titles would, however, acquire a just title to the land they were using themselves by the same "homestead"

principles that apply to their employees and renters.

Another just form of "land reform" would be transfer of land as payment of restitution to those who have been oppressed by the owner's use of force.

These are only a few examples of how natural law offers just solutions to practical problems. Much more is known, but many applications are only beginning to be studied.

Auberon Herbert, 1838 - 1906

John Locke, 1847 - 1889

VI. ECONOMICS AND LIBERTY

★ ★ ★ ★ ★ ★ ★ ★

If we were directed from Washington when to sow and when to reap, we should soon want bread.

Thomas Jefferson

★ ★ ★

It is the highest impertinence and presumption, therefore, in kings and ministers to pretend to watch over the economy of private people. They are always, and without exception the greatest spendthrifts in the society. Let them look well after their own expense, and they may safely trust private people with theirs.

Adam Smith, 1776

★ ★ ★ ★ ★ ★ ★ ★

Liberty Is Just

Reason proves that liberty is the only moral basis for human relations, and that slavery and aggression are unjust. Libertarians defend liberty because it is an unalienable human right. For Libertarians, no other argument for liberty is needed. What is right and what is wrong does not depend on public opinion or the power of rulers to enforce their will. And justice does not depend on its economic benefit.

In contrast, others who claim to favor more liberty, including some conservatives, usually rely on economic arguments. Most often, the economic arguments are used only to show the advantages of greater economic liberty and not for personal liberty.

Economics provides powerful arguments for liberty, but there is a great danger in relying on only economics. There is little problem as long as it is based on the individual. And valid economic theory must be based on individuals, because only individuals make economic decisions.

However, when economists consider groups of people, there is a temptation to call for the sacrifice of some individuals for the "common good" and to open the way for government oppression. Because economics has been so often used to excuse government interference in the economy, it is also known as "political economy."

If individual rights are ignored, an economist might conclude that the way to benefit "society" is to kill the sick and elderly. Basing economics on the "common good" is known as "utilitarianism." The "utilitarian" slogan, "the greatest good for the greatest number," is a formula for tyranny and genocide.

Any attempt to consider the individual as a human value makes it impossible to think of the problem in political terms.
Jacques Ellul, 1967

And Liberty Benefits Everyone

Economics is the study of how individuals make decisions about what actions to take to fill their needs and desires. The laws of economics are based on the same truths of human nature as liberty--that the most important value is life, and that we own ourselves. Thus it is not surprising that liberty, both economic and personal, can also be completely justified by economic logic.

In other words, liberty is not only just; it produces the highest possible standard of living for everyone.

To understand why this is true, it is helpful to realize that no two people have the same opinion about what is important for a good living. To a lover of classical music, rock might be just an unpleasant noise, and vice versa. Only the individual knows for certain what will make him or her the happiest.

Of course we don't get everything we want. Nature doesn't provide anything without some labor, and we have only so much time, energy, and talent. To enjoy the highest possible standard of living, we need the freedom to use our resources most effectively to produce or trade for what will give each of us the most satisfaction.

Best For Whom?

Now suppose that government comes along and says that what you want isn't what really is best for you. If you agree, fine. Your standard of what you want is changed, but you are still free to get as much as possible of what ***you*** want.

But if you are forced against your will to do something different, you are worse off by the only standard that counts--***your*** standard. Someone can force you to be better off by their standard, but not by yours.

One of the great fallacies of government is that there is only one standard of what is best, instead of as many standards as there are people.

A key economic law is that value is subjective--that is, value is the personal opinion of each individual. No two people value the same thing exactly the same, and each person's values change with circumstances, sometimes from moment to moment. No matter how obviously good or popular an idea may be, there is always at least one person somewhere for whom it would not be best. "Best for everyone" is an impossible imaginary concept.

There is no such thing as "the common good," except liberty. Liberty means non-aggression. The idea of aggression against peaceful people for "the common good" is self-contradictory.

Legislatures cannot repeal the laws of economics, because, like natural law, they depend on the facts of human nature. Governments can, and did, punish people for saying that the earth is round and revolves around the sun, but they can't change the facts. Economic laws won't disappear because government passes contrary political laws, but civilization might.

There is no reason that all human existence should be constructed on some one or some small number of patterns. If a person possesses any tolerable amount of common sense and experience, his own mode of laying out his existence is the best, not because it is the best in itself, but because it is his own.

John Stuart Mill, 1859

The human brain is characterized by some 10^{13} synapses. Thus the number of different states of a human brain is 2 raised to this power--i.e., multiplied by itself ten trillion times. This is an unimaginably large number, far greater, for example, than the total number of elementary particles (electrons and protons) in the entire universe. It is because of this immense number of functionally different configurations of the human brain that no two humans, even identical twins raised together, can ever be really very much alike.

Carl Sagan, 1977

If I should be able to bring the entire world to live exactly as I live at present, what would that avail me in ten years, when, as I hope, I shall have a broader knowledge of life, and my life therefore probably changed?

Lillian Harman, 1898

We must lay hold of the fact that economic laws are not made by nature. They are made by human beings....the Federal Government will assume bold leadership.

Franklin D. Roosevelt, 1932

But truth has its own way. It works and produces effects even if party programs and textbooks refuse to acknowledge it as truth.

Ludwig von Mises, 1952

The only power government has is to ***force*** people to use their time, effort, talents, money, and other resources differently from what they desire. Anything people really want, they will do, produce, or buy themselves. Anytime government forces anyone to do anything against his or her will, that person is worse off. Thus all government action is uneconomic compared to the free market. The more government, the more we suffer.

Those who advocate more government power sometimes point out that planning is a good thing--everybody does it. But they then argue that government planning is needed to "coordinate" the plans of individuals and businesses for greater efficiency.

"We should use our intelligence to control our destiny,

rather than let ourselves be blown about by the cold winds of the market," they say. "We should take a 'positive' approach, not just let things happen."

This theory, called positivism (who wants to be negative?), has for centuries attracted intellectuals who thought that they knew better than the masses what was good for the masses. However, to the dismay of these intellectuals, the masses have usually resisted their advice, and have been so ungrateful as to fail to honor and reward the intellectuals as the latter feel is their due for their contributions to society.

These intellectuals, therefore, become allies of those who wish to rule others by force, providing them with excuses for "central planning." They never seem to be discouraged by the utter failure of every previous attempt at central planning, or its disastrous effects.

The reason why central planning has always failed, and must always fail, is that no government planners can possibly know or deal with the enormous amount of rapidly changing information possessed by individuals in the market. Market prices condense all this information and communicate it in useful form to where it is needed. It is impossible to improve on the market's automatic coordination of everyone's actions in the market through the price system.

Arguments against the free market are simply arguments that people should be prevented by threat of violence from running their own lives by their own plans. Calling it central planning, reindustrialization, industrial policy or democratic socialism cannot change that fact.

The philosophy of liberty proves that the initiation of force by anyone, including government, against any person's body or other property, is immoral and unjust. Economics shows that it is also always harmful to that person and to society.

What those calling themselves planners advocate is not the substitution of planned action for letting things go. It is the substitution of the planner's own plan for the plans of his fellow men. The planner is a potential dictator who wants to deprive all other men of the power to plan and act according to their own plans.

Ludwig von Mises, 1947

Industrial policy really amounts to central planning in disguise. And central planning doesn't work because the central plan must inevitably run afoul of all the myriad small plans of individuals. So if the central plan is to be implemented, individuals "have to be" prevented from carrying out their plans--whether they like it or not. That is why planned economies always turn into police states.

Tom Bethell, 1982

The Role of Government

Your natural right to liberty can be violated only by the initiation of, or threat of, force. Government has a legal monopoly on the use of force in the territory it controls. Therefore, the initiation of force by government is the primary concern of Libertarians.

However, it must be emphasized that liberty means much more than just opposition to state power, even if that occupies most of our attention.

Liberty is ***positive.*** It is ***the*** moral basis for human relations, including economic relations. Libertarians want liberty for themselves to enjoy the benefits of living in a Libertarian society. And Libertarians want liberty for everyone because they ***truly*** care about other people and hate the injustice they are suffering, and because no one can be completely free as long as slavery exists. Liberty is our objective; reducing government is merely the most effective means to our end.

So in addition to discussing government from the viewpoints of justice, history, sociology and psychology, we will also consider how economic and social problems could be better solved in a Libertarian society, and why liberty would mean not only justice, security and peace, but also prosperity, longer lives, better health and more happiness--the fulfillment of human potential.

Government activities can be divided into three main types. They are: (1) ***Physical protection*** from ordinary criminals and foreign governments, and courts to peacefully resolve disputes. (2) ***Control of economic behavior***, for example: business regulation; control of land use; providing services such as mail delivery, schools, hospitals, roads, water, title registration, fire-fighting, mass transit and recreation facilities; and wealth transfer from one group to another, such as business subsidies, loans, loan guarantees, tariffs, utility monopoly franchises, welfare for the poor and social security. (3) ***Control of personal and social behavior***, for example, speech, religion, sex, abortion, pornography, safety, gambling, alcohol and other drug use, and gun ownership.

A little thought will show that the line between economic and personal behavior is hard to draw and very fuzzy. For example, do laws against discrimination in apartment rental control economic behavior or do they control personal behavior? Nevertheless it can be a useful distinction because the motivation behind government interference in these two areas is different.

The reason for, and the effect of, all government control

of the economy is to "redistribute" wealth from one group to another. While government control of personal behavior is also intended to benefit one group of people at the expense of another, the benefit is in the form of the pleasure of imposing views of proper personal behavior on others, rather than a financial benefit. The excuse, however, is "to protect people from themselves."

Libertarians are divided on the question of the proper role of government in providing physical protection for our property (including our bodies) from other people and other governments. However, less than 10% of present government expenditures (probably around 5%) are needed to finance this function. (It is interesting to note that a similar amount is now also being spent privately for this purpose, on locks, fences, alarms, dogs, guns, private guards, investigators and arbitration and collection agencies.)

So government involvement in physical protection is not the major problem. Despite the moral questions and economic inefficiency, most Libertarians would be satisfied if government were limited to this role.

However, government is not content with protecting our natural rights (to the limited extent that it does). It insists on also ruling us, initiating force to govern our economic and personal behavior. It is this other ninety plus percent of government activity that Libertarians wish to abolish.

Libertarians believe that ***all*** government regulation or interference in peaceful economic and personal behavior is unjust, ***always*** harmful, and unacceptable under any circumstances.

While the collective term government is used for convenience, it must be remembered that government is nothing more than a group of people. They have no right to do to other people anything they do not have the right to do as individuals. Nor can we delegate to them any rights that we do not have as individuals. So there is no moral justification for them to rule us by force.

What We See, And What We Don't See

This indictment of government may seem a little hard to swallow, since we all know of cases where someone appears to benefit from a government action. The confusion is due to the difference between what we see and what we don't see, between the short-term and long-term consequences, and between what is intended and the actual results.

Not every government law or program helps anyone (other than politicians and bureaucrats). But every govern-

ment action hurts people, and the suffering always exceeds any benefit. Unfortunately the harm caused by government force is not generally seen or understood, even by its victims.

Our adversaries believe that an activity that is neither subsidized nor regulated is abolished. We believe the contrary. Their faith is in the legislator, not in mankind. Ours is in mankind, not in the legislator.

Frederic Bastiat, 1850

When government spends, the economy drinks its own blood and, in the end, is weakened accordingly.

Susan Love Brown, *et al.*, 1974

For example, the government-created job is very visible. But it required the threat of violence by the government to force people to pay for that job. If people ***wanted*** the service performed by that government job, in preference to other services they might buy, they would have ***voluntarily*** paid someone to do it. Government would not have been needed.

What we often ***don't*** see is that if government had not taken the money from people, they would instead have used their money to buy what ***they wanted***, and thus created a private job. To make matters worse, the taxpayers' money is wasted in the collection process and the bureaucracy to organize the program. Less than half of the money collected may be available to pay the person hired to fill the "created" job.

Government spending cannot create additional jobs. If the government provides the funds required by taxing the citizens or by borrowing from the public, it abolishes on the one hand as many jobs as it creates on the other.

Ludwig von Mises, 1947

The State cannot get a cent for any man without taking it from some other man, and the latter man must be a man who has produced and saved it. The latter is the forgotten man.

William Graham Sumner, 1883

Every $1 billion of tax money the Pentagon spends on military purchases causes a loss of 18,000 jobs in the nation, compared with how consumers would have spent the money, a study said yesterday. Employment Research Associates of Lansing, Mich., analyzed the effect of military spending on the U.S. economy using Defense Department and Bureau of Labor Statistics figures.

United Press International, October 25, 1982

Helping the poor through government is like feeding the sparrows through horses.

Walter Williams

Government loans or loan guarantees for business to create jobs may seem like a benefit without harmful effects. Again, what we don't see is that this simply switches investment away from jobs and products that consumers prefer, to those the government prefers. It means that favored companies with political influence gain an unfair advantage over their competitors, in raising capital.

It also means that much capital is wasted (and lost by fraud) subsidizing businesses that are not viable, and therefore fail soon after they have exhausted government financing. Many minority people have lost their savings in small businesses started with government financing and provided with business advice from government "experts." Not surprisingly, businesses started by minority people on their own, have had a far greater success rate.

It is sometimes claimed that government must subsidize innovation--that the market needs help to start development of technology needed by society. This only wastes our money pushing something ahead of its time, before it is needed and economical, which may be made obsolete by something better when and if the need actually occurs. If the public could have kept the wasted money, it would have been used for more urgent human needs. If there really is a need, efficient private innovation will be prevented by government-subsidized competition.

Government never of itself furthered any enterprise, but by the alacrity with which it got out of its way.

Henry David Thoreau, 1849

Libertarians like to express all these problems with the coined word TANSTAAFL--from "There Ain't No Such Thing As A Free Lunch!"

The terms "government benefits" and "government services" are oxymorons--that is, self-contradictory phrases, like "round square," "Postal Service," "Congressional ethics," and "military intelligence."

The ghastly thing about postal strikes is that after they are over, the service returns to normal.

Richard Needham, 1977

The person who is unemployed because government destroyed the private job, doesn't even know that he/she is the victim of a government program. In fact, the victim may join others to demand that the government "create" more jobs to solve the "failure of the free market" to produce enough jobs. Usually, the higher the unemployment, the greater the demand for more of the same government interference in the economy, which caused the unemployment in the first place.

It is a glaring absurdity to pretend that taxation contributes to national wealth, by engrossing part of the national produce, and enriches the nation by consuming part of its wealth. Indeed, it would be trifling with my reader's time, to notice such a fallacy, did not most governments act upon this principle, and had not well intentioned and scientific writers endeavored to support and establish it.

Jean-Baptiste Say, 1880

Surely, though, must not the person who gets the created job or receives a welfare check benefit from govern-

ment? Shouldn't the government take care of the poor and unfortunate?

The moral principles are quite clear. Government doesn't take care of anyone. It only robs some people for the benefit of others. Morally, the recipients are receivers of stolen goods.

Necessity is the plea for every infringement of human freedom. It is the argument of tyrants; it is the creed of slaves.
William Pitt, 1783

Enactment of public arrangements by vote implies that the desires of some cannot be satisfied without sacrificing the desires of others..., implies therefore, organic immorality.
Herbert Spencer, 1850

Who Cares?

While this may make Libertarians appear sanctimonious and coldhearted, economics tells a different story. It is government that is cruel, because it is the prime cause of poverty and misfortune in the first place. And it is Libertarians who truly care. Libertarians understand that the only effective and just way to aid the victims of government is to remove its burden, not increase it.

Government's high taxes and interference in the economy destroyed the jobs that would have been competing for the services of the unemployed, and raising the wages of the poor who are employed. Government has more than doubled the cost of living for the poor, and soaked up money that would have gone to charity for victims of misfortune.

He (the King) has erected a multitude of new Offices, and sent hither swarms of Officers to harass our people and eat out their substance.
Declaration of Independence, 1776

There are two things which can be done to reduce social problems such as poverty. One is to relieve the symptoms--for example, by giving charity to the poor. The other is to solve or prevent the problem by removing its causes.

Removing the causes is always better than relieving symptoms just as preventing a disease is better than trying to make the patient feel better. And there may not be enough resources to deal with the problem if the causes aren't controlled.

The treatment of social problems by government always increases the problem or has worse side-effects. Libertarians favor ***voluntary*** charity for emergencies and for long term serious disease or physical and mental handicaps. But they believe that the best way to attack chronic social problems is to reduce the leading cause--government.

So far, the clear failure of government program after government program to achieve its objective has simply led to a clamor for still larger, still more expensive, still more far-reaching programs--to do still more harm. It is about time that the liberals asked themselves whether the fault may not be in the system they favor--doing good at other people's expense--rather than in the way the system is operated.

Milton Friedman, 1970

Blacks can't get jobs. Welfare is a bunch of junk. They force you to act like a nigger just to get it.

Black citizen interviewed in
Democrat and Chronicle,
Rochester, N.Y., August 16, 1981

The message to the black race should be clear: the government is not your friend! And those who are responsible for all the government regulations which stop you at every turn are not your friends either, though they may wring their hands for you in their newspaper columns; if they know what their "humanitarian" measures are doing to you and support them anyway, they are hypocritical; and if they do not know, they are hopelessly ignorant of the economic facts of life.

John Hospers, 1971

The net effect of government economic interference is to make it illegal for people to improve their lot in life, to better themselves. Those who suffer the most when upward mobility is outlawed, are the poor, whose fate is sealed.

But How Would We Get Along Without Government?

Just great! Now, instead of businesses competing to offer the best goods at the lowest cost to the consumer, and the highest wages and best working conditions to attract employees, business is competing for the favors of politicians, while trying to avoid being strangled by government. We all pay the staggering hidden costs.

The direct and hidden costs of government are well over half (probably over two-thirds) of everything we produce. If government were reduced to essentials, the standard of living would ***at least*** double as prices dropped by half or more. The tremendous increase in demand for goods and services would create millions of ***productive*** jobs.

Former recipients of forced charity could earn a decent living with dignity, and add to the general prosperity. With a vigorous competition for workers, employers who irrationally discriminate on the bases of race, sex, religion, *etc.*, would find themselves at a severe competitive disadvantage.

The increased purchasing power from drastically cutting taxes would also create productive jobs for the unemployed government workers. Former government employees with useful skills, such as electricians or secretaries, would

benefit from the change to a free economy. However, bureaucrats skilled only in giving away money or ruining other people's lives would have to retrain.

The greatest money savings would be the elimination of government activities which are unnecessary and harmful. There would also be enormous benefits from personal freedom that cannot be measured by money. But our lives would be enriched by the greater self-fulfillment and self-respect that regaining control of our lives would bring.

True, we would have to pay private companies for the services that we really want, which were formerly provided by government. But that cost would be more than offset by the great increase in productivity. This productivity increase would result from eliminating government interference with the economy and the increased availability of capital in a free society.

Private enterprise has demonstrated time and again that it can provide the same services as government at less than half the cost, with better quality. And we would be free to choose!

The departments of administration, ever extending and absorbing more public money, become independent of all real control...and turn out second-rate work, just because such work is exposed to no competition, and is relieved from the danger of the bankruptcy court--all official mistakes being covered over by larger and larger takings from the public.

Auberon Herbert, 1897

It is not only more just, but also far more economic and compassionate to prevent the disease of poverty, than to treat the symptoms to make it easier to live with.

Tyrants would distribute largesse, a bushel of wheat, a gallon of wine, and a sesterce: and then everybody would shamelessly cry, "Long live the King!" The fools did not realize that they were merely recovering a portion of their own property, and that their ruler could not have given them what they were receiving without having first taken it from them.

Discourse on Voluntary Servitude,
Etienne de la Boetie, 1553

Standard Of Living

Our standard of living depends on how much the average person produces. Society can consume only what is produced. Even if we don't produce more ourselves, ***we are benefitted whenever anyone produces more efficiently.*** More efficient producers lower our cost of living and bid up our wages. This is more easily seen by comparing countries.

Why is it that, for example, a janitor in an industrial country may enjoy a higher standard of living than a janitor, or even a physician, in an undeveloped country?

One can easily understand why a skilled worker aided by a large capital investment in sophisticated machinery would earn more than a worker producing the same product, say cloth, on primitive equipment. But what about workers in service jobs, such as janitor, physician, retail clerk, taxi driver, *etc.*, who have vastly different standards of living doing the same jobs with the same productivity and capital investment?

The answer is that their incomes are determined by the productivity of other workers in the same economy. The higher the ***average*** productivity, the higher the average standard of living, as more goods and services are consumed by the same number of people.

The cheaper goods made by the more productive people lower the cost of living of everyone, including the less productive people. The more productive people have more money to spend for the services of the less productive, which increases their wages. The wages of the less productive are bid up also because their employers have to compete for workers' services with the more productive jobs.

The effect is also very obvious when a high-paying factory moves into, or out of, a small town. The sharp increase or decrease in incomes is not limited to those actually employed in the highly productive factory jobs.

These key economic principles seem self-evident, but unfortunately they are not widely understood. Throughout history, in every society and under every type of government, there has been hatred for innovators and efficient producers and their repression has been popular. We honor mass murderers in our history texts and monuments, and ignore the true benefactors of mankind.

There are but few persons, in comparison with the whole of mankind, whose experiments if adopted by others, would be likely to be any improvement on established practice. But these few are the salt of the earth; without them, human life would become a stagnant pool.... Persons of genius, it is true, are, and are always likely to be, a small minority; but in order to have them, it is necessary to preserve the soil in which they grow. Genius can only breathe freely in an atmosphere of freedom.

John Stuart Mill, 1859

Throughout history, poverty is the normal condition of man. Advances which permit this norm to be exceeded--here and there, now and then--are the work of an extremely small minority, frequently despised, often condemned, and almost always opposed by all right thinking people. Whenever this tiny minority is kept from creating or (as sometimes happens) is driven out of a society, the people then slip back into abject poverty.

Robert A. Heinlein

The greater a man's income, the greater has been his service to others.

Murray Rothbard, 1970

Those who become rich by producing more improve our

standard of living directly, and also indirectly--because their wealth spurs innovation. Indoor bathrooms, hot running water, central heating, telephones, refrigerators and TV's were, at the beginning, luxuries of the rich.

The rich, by taking the risk and paying the high cost of being first, paved the way for mass production which made the luxuries available to everyone. "Essentials" usually begin as luxuries.

While we can each produce more by working harder, the big increases in productivity come from working more effectively with the aid of tools. Tools can be anything from a screwdriver or a desk, to a computer or a new technical process, but they have one thing in common--they require capital.

Capital is really someone's labor which has been invested, directly or indirectly, for tools instead of for things to be consumed. Clearing or draining land to make it a more productive "tool" for growing crops is capital. Education and training are also capital to the extent they benefit productivity.

Capital is essential for improving our material standard of living. But, of course, it is not the only factor. Large amounts of foreign aid or oil money are usually unsuccessful in improving the productivity of most of the people living in the receiving country. Much of the money intended for capital is stolen by the ruling elites and used for their consumption. This, however, does not explain all the differences in living standards between countries.

Another reason is that money cannot buy instant training, experience and judgement. And people tend to use capital less efficiently when they have not earned it with their labor.

Even more significant is the fact that capital cannot instantly change cultural attitudes (such as not letting women work outside the home) which are a major barrier to progress in many parts of the world. Socialists believe in using force to change cultures. But force is not only immoral, it solves nothing and creates more problems and conflict.

Libertarians know that lasting beneficial change comes only when people voluntarily accept it. Voluntary acceptance of change can be encouraged only through persuasion, example and the economic incentives of the market.

However, the most critical factor in determining the standard of living is neither capital nor culture, important as they are; it is government. Government meddling in the

economy cannot increase the standard of living, it can only lower it. But government economic interference accounts for the greatest part of the differences in living standards between countries, and for the difference between the actual and potential living standard within each country.

The details vary from country to country, but in general government lowers the standard of living and creates poverty by taxing away and wasting much of what is produced, and by destroying people's ability and incentives to save and invest capital, to work hard and to improve efficiency.

Labor Saving

One of the most common, durable and grotesquely false myths about productivity is that labor saving machinery and methods, computers, robots, *etc.*, cause unemployment and poverty.

One reason that this ridiculous theory has been so popular is that it is regularly trotted out to support the positions of people who are afraid of, and wish to stop, progress, and by socialists who want to criticize the free market. This theory appears plausible only because the jobs that are eliminated ***are seen***, and those which are created ***are not seen.***

How wrong this theory is can easily be seen by considering that, 200 years ago, the number of farmers required to feed the population was 95% of the population, whereas today, less than 5% are farmers. According to the theory that automation causes poverty and unemployment, 90% of us should be unemployed! There are innumerable other examples from past experience which consistently show that progress in productivity benefits everyone.

It is as simple as this. Without the freedom to innovate and earn a profit on capital, there would have been no progress in productivity, and the few of us who could still exist would be living in caves and foraging for nuts and berries. Even flint-tipped spears for hunting would be out, for that is a capital investment. Do we want to return to the days before machinery replaced back-breaking human labor?

The reason for the confusion about automation is that when productivity is increased, fewer workers are required to produce the same goods. What is forgotten is that the money saved does not disappear. And money is not useful except to buy the services of others. It will be used either to buy more units of the product at lower prices, or to buy other goods and services, thus creating new employment. Usually, the money saved by reducing production costs is

spent both for consuming more of the product and for consuming more of other things.

However, there may be ***temporary*** unemployment before the lower cost expands sales. Often many more workers are ultimately employed, making the cheaper product than were before. But if the productivity gain is large, it may take time before laid-off workers can be rehired. Competitors who cannot match the productivity gain may permanently shut down.

The new jobs created by the money saved will require time and effort to find, and may require moving to a different area. Although some people will be upset by, and resist, such change and temporary inconvenience, it is the necessary price for progress and ***their*** high standard of living. Anything that delays, discourages or prevents shifts in the labor supply from where it is unneeded to where it is needed, will delay progress and lower our standard of living.

The reason poor people are poor is not that others produce too much, but that they produce too little. "Helping the poor" by taking from those who produce more, ensures that they will not produce either. The way to help the poor is not to subsidize non-productivity; that just buys more poverty. The constructive way to help is to tear down the obstacles that prevent them from producing more. And the greatest obstacle to everyone producing more is government interference in the economy.

You compare the nation to a parched piece of land, and the tax to a life-giving rain. So be it. But you should also ask yourself where this rain comes from, and whether it is not precisely the tax that draws the moisture from the soil and dries it up.

Frederic Bastiat, 1850

Capital, Interest and Profit

Everyone has a preference for enjoying the benefits of their labor now rather than in the future, and no one likes to risk losing what he has earned. So people will not save for investment, and capital will not be available, without payment of interest for its use.

When the interest rate is uncertain, and there is a greater risk that no interest will be paid and that all or part of the investment might be lost, the compensation for the use of capital is called profit. The amount of the profit (or loss) depends on how good the investor is at anticipating and satisfying the needs of others.

Investors put their capital into the business they ***believe*** will earn them the greatest profits. In other words, where competitors are doing the worst job of satisfying con-

sumers. That is what is meant by the term "financial opportunity."

Looking at it another way, if workers who mined ore, made steel, built machines and operated those machines to make consumer products, would wait to be paid when and if the final consumers paid, there would appear to be no need for capital. But to do that, the workers would have to have saved enough to live on while they waited for their money, and then those savings would be the capital.

Surely no worker would accept a job where she had to wait for payment, possibly for years, unless she were offered much more money than for a job paid weekly. The difference in pay would be her interest. If the amount to be paid was uncertain and depended on the success of the business, the difference would be her profit. There is no "fair" interest rate or profit. As in any free market exchange, what is "fair" is whatever is voluntarily agreed.

If you should meet someone who believes that interest is unjust, ask him to turn his assets into cash and loan it to you interest-free. If he answers that he would rather use the money for another purpose--you can reply that as he believes that money has no time value, he shouldn't mind waiting until you repay the loan, as he would lose nothing.

At present, government discourages savings, and takes most of what little is saved through a combination of taxes, inflation, borrowing and regulation. The capital made available by cutting back government would not only pay for better tools, but new companies could start competing with old stagnant firms, spurring them to operate more efficiently.

What About The Poor?

After a drastic reduction in government has made employment available to all who want to work and has greatly reduced the cost of living, there would still be a small number of people who need help--those who are so sick or handicapped they cannot work. To be benefitted by the much lower cost of living, they would need an income.

With the tremendous increase in prosperity, with little or no taxes, and so few people needing help, they could easily be cared for by compassionate, flexible private charity instead of the rigid, inefficient and sometimes inadequate government welfare system with its impersonal, bureaucratic indignities.

Must the citizen ever for a moment, or in the least degree, resign his conscience to the legislator? Why has every man a conscience then?

Henry David Thoreau, 1849

A state commission has concluded that state-run community residences for the retarded in New York City provide worse care and are nearly 50 percent more expensive than those run by voluntary agencies.

N.Y. Times, August 29, 1982

Monroe County caseworkers who help troubled children spend three hours doing paperwork and administrative duties for every hour spent with clients, according to a county study.

Times Union, December 29, 1982

Forty volunteers washing cars at a Dewey Avenue shopping plaza this weekend raised more than $1300 for the American Cancer Society.

Democrat & Chronicle, September 13, 1982

At present, private charity is discouraged because people can't be very generous with what little the government leaves them after taxes, because people feel that they are helping the poor enough (or too much) through taxes, because they resent being forced to "contribute," and because they are upset about the waste and cheating that goes with "welfare programs" (government charity). Another serious problem that government has created for voluntary charity is the licensing and regulation imposed on neighborhood social-service groups.

However, even the current depressed amount of private charity would probably be sufficient for the very few who would need help in a libertarian society.

Some people worry that there are others who are not concerned about the plight of the unfortunate, and therefore would not contribute to charity. It seems "unfair" that not everyone is forced to share the burden of charity. But this is a concern about something other than helping the poor. What is important is that enough people who want to help others do contribute, so that the need is met.

Retired people who are now struggling to exist on savings and pensions plundered by government inflation would find their standard of living more than doubled. And if they were able to do any kind of work and wished to supplement their incomes, there would be plenty of part time job opportunities.

Probably "What about the poor?" is the question most frequently asked of Libertarians. It is easy to fall into the trap of considering this question only from the viewpoint of government compulsory charity *versus* private voluntary charity, with the hidden assumption that nothing else would be changed.

Although it is unjust for government to force people to pay for welfare programs, and although there is a lot of resentment, most people would not consider this a sufficient argument for suddenly terminating government charity for the poor, if the present economic situation were

unchanged. The widespread poverty created by government, combined with an economy depressed by high taxation and other government economic interference, makes it difficult to believe that private charity could adequately replace government charity.

But this is not the Libertarian solution for the problem of poverty! Libertarians want to eliminate government welfare programs by ***first*** eliminating the ***need*** for them. The important question is: How can we stop government from causing poverty and lowering everyone's standard of living?

Perhaps the question, "What about the poor?" could best be answered with an example. Suppose a poor unemployed person is receiving $6000 per year in government welfare payments to support his family. It would ***appear*** that they are being greatly benefitted by this government program, because without it they might starve.

But suppose also that he would have been employed at $12,000 per year if government had not confiscated the capital needed to create his job, in order to buy support from special interests? Now the situation looks different!

But there is more. Suppose that eliminating government interference in the economy could cut the cost of living in half. This would mean that the poor unemployed person could have an income equivalent to $24,000 at today's prices, which is well above average. And suppose that in a prosperous free market, in which workers are eagerly sought, he could have found a job for $18,000, equivalent to $36,000 today?

If this example is valid, as Libertarians believe (and it probably understates the case) this "beneficiary" of government welfare is really paying a tax of $30,000 (after deducting his $6,000 "benefit"), not to mention loss of dignity, self-respect and control over his life. He probably would have been contributing to charity for the less fortunate.

When seen in context, the question of how he would survive without government welfare answers itself: very well!

If Libertarians are right, and it is one of the purposes of this book to show why they are right, then a terrible injustice is being committed both against the taxpayer ***and*** the poor--an injustice that outraged Libertarians intend to correct! "What about the poor?" is a question that Libertarians should be more frequently asking apologists for government.

The "Laws Work" Fallacy

It has gotten so that whenever a social or economic "problem" is discussed, voluntary solutions are almost never considered. It is just assumed that it is a proper function of government to solve these problems by force. There is a blind faith that laws work to produce the intended result.

The reality is exactly the opposite. No matter how good the intentions, laws that violate the moral principles of liberty are self-defeating. ***Force creates, rather than solves problems.***

What then is legislation?...It is, in short, the assumption of a right to banish the principle of human rights, the principle of justice itself, from off the earth, and set up their own personal will, pleasure and interest in its place.

Lysander Spooner, 1882

There are as many examples as there are unjust laws, but there is space in this chapter for only a few horrible examples of government economic interference. In a later chapter on justice, it will be shown how social laws are also unjust and counterproductive.

One of the reasons that political laws don't work is that they do precisely what they say they will do, not what is intended. If a law pays people who are not working--surprise--more people will not work! As you would logically expect, people respond to the incentives and penalties of laws according to their self interest.

The more is given, the less the people will work for themselves, and the less they work, the more their poverty will increase.

Leo Tolstoi, 1892

The country can have exactly as many paupers as it chooses to pay for.

Thomas Macky, 1895

If a political law says that people who gamble will be put into prison, the result will be that people are imprisoned, not that people will stop gambling. Even putting retired people in jail (they actually have) for passing the time playing penny poker will only increase the "problem." Forbidding something only makes it exciting and glamorous, and gives political criminals a monopoly that makes it profitable for them to encourage gambling.

More examples. When mothers are paid according to how many dependent children they have, they will have more "fatherless" children. When government grants utilities a monopoly with guaranteed profits of a percentage of their investment, there will be more (and wasted) investment, poor cost control and much higher consumer utility prices. And in general, when inefficient uncompetitive businesses are protected from competition and subsidized

by government, there will be more inefficient, uncompetitive businesses.

When "Urban Renewal" laws pay to tear down buildings, there will be vast areas of rubble. Many of the serious minority social problems in cities are caused by the destruction of neighborhoods by "urban renewal." This government program would be more appropriately called, "black removal."

The "minimum wage" law really says you aren't allowed to work for less than that wage. Surprise again! People who are incapable of earning the minimum wage don't get that wage--they are just unemployed! This law makes it illegal for them to work, and to gain the experience they need to increase the value of their labor. If the minimum wage is such a good idea, why not triple the minimum?

Another reason political laws don't work may be understood by trying to remember the last time a bureaucracy eliminated a problem it was created to solve, and then voluntarily went out of business. Laws and regulations are made and administered not only by people who want to do good, but also by those who want to do well, and mostly the latter.

The reason so many laws are enacted to "help the poor" is not that the poor are politically powerful. It is because it is a good excuse for doing things that actually benefit others who *are* politically powerful. A universal characteristic of "poverty programs" is that most of the money benefits the non-poor.

An example is government ownership of, and subsidies for, mass transit. The excuse is that the poor and elderly need cheap transportation to get to work and to stores, because they can't afford automobiles.

But most of the people being subsidized are business people who could well afford to pay their way. They and the highly paid government transit employees provide the political support for mass transit, and receive most of the benefits. So, many people are subsidized to benefit a few poor people.

The slogan is "we need cheap mass transit." But the cost of government mass transit is not low; it is very high. The reason it appears low-cost is that the users aren't paying the full cost. Non-users are paying half or more.

If government permitted a free market without any regulation for local transportation, then cheap transportation ***would*** be available. And areas where the poor live, which are now badly served or not served at all, would also have cheap, convenient transportation, and some of the

poor would find jobs providing it.

So, typically, government harms the poor, and then "justifies" a very costly program to partly cure the harm, which turns out actually to primarily benefit more affluent people. Even those who appear to benefit suffer over the long term, because of the economic inefficiency such laws produce, but the poor suffer most of all.

If political laws worked, all that would be necessary to enjoy having everything our hearts desire would be to pass laws which commanded that it be so. And if government regulation is good, then why should government not regulate our lives in the smallest detail, so that we could enjoy perfection?

Laws "work" only for special interests at the expense of the public. Because there are so many special interests whose political support must be bought, over the long term even they are seriously harmed by the system. Having political influence means only that they are less harmed than others.

No political law has ever been enacted for any reason other than to benefit a special interest at the expense of other citizens. All political laws to regulate peaceful personal and economic behavior are unjust and by their nature harmful, because they attempt to force people to do as others want, not as they want.

Few politicians realize there is almost nothing they can do which has not already been tried time and time again.

Antony Fisher, 1974

But why cite individual cases? Does not the experience of all nations testify to the futility of these empirical attempts at the acquisition of happiness? What is the statute but a record of such unhappy guesses?...Is not our government as busy still as though the work of law making commenced but yesterday?

Herbert Spencer, 1877

If you like sausages and laws, you shouldn't watch either of them being made.

Otto von Bismark

You Don't Get What You Pay For

If you analyze political laws proposed by those who think big government should run our lives, you will notice that most have a common feature. This is the separation of cost from benefits, so that the benefits are "free."

The reason for this is to create political support from the recipients of the "free" benefits. If people were charged fees which covered the full cost for government services, there would be little demand for expansion of government services, and much more criticism of the cost and quality. If the public were allowed to choose between buying

government services at full cost and buying the same services from business, there would be *no* demand for government services.

The state has been living on a revenue which was being produced in the private sphere for private purposes and had to be deflected from these purposes by political force. The theory which construes taxes on the analogy of club dues or of the purchases of, say, a doctor only proves how far removed this part of the social sciences is from scientific habits of mind.

Joseph A. Schumpeter, 1942

In consequence of this indirectness of relation between benefits yielded and payments received, governmental agencies may continue to exist for years, and sometimes for generations, after they have ceased to be of service.

Herbert Spencer, 1897

If something is the least bit worthwhile and is free, there will be almost unlimited demand. This is why there is always a "shortage" of government services.

The "shortage" could be solved by charging what the service is worth so that people will use only what they really need. Instead, government asks people to refrain from using the service, or institutes rationing.

There is never enough money to pay for all the "free" benefits desired, so the quality deteriorates and there are long waits for service. More bureaucrats are hired for more paperwork to ensure that no one benefits unless "entitled." This, of course, does little to prevent widespread fraud and increased costs. The classic example is "free" medical care.

To see that separating the cost from the benefit causes "shortages," try to imagine a private company (without a government-protected monopoly) asking customers to refrain from purchasing its goods or services.

Private business, of course, cannot compete with "free", subsidized or monopoly government services. This means that if you are dissatisfied with a government service you can't take your business elsewhere. Or, if you can, you will pay twice, once directly and once in taxes.

Would you sign a blank contract with someone who wouldn't tell you what, if anything, you would get, or how much you will be charged--one who just says, "trust me?" That's the "deal" you get from government.

Christmas All Year Round

Separating costs and benefits leads to one group of people being taxed to pay for another group's services. For example, farmers help pay for city mass transit and city people help pay farmers' electric bills. Both groups use those services more than they would if they were not subsidized. Farmers stopped using windmills to pump

water because using subsidized electricity was cheaper. Then government started subsidizing windmills!

When government does something which doesn't make any sense, it's just that it doesn't make sense from the viewpoint of the citizens. It will make perfect sense from the viewpoint of politicians, bureaucrats and special interests.

Paying each others' bills through taxes distorts the economy and lowers everyone's standard of living. It's like exchanging gifts where each person winds up with something they would not have purchased for themselves.

The state is the great fictitious entity by which everyone seeks to live at the expense of everyone else.

Frederic Bastiat, 1848

Not Everybody Is Happy

This problem is aggravated because government services are distributed according to political power. Favored groups unjustly live at the expense of others. Government often attempts to justify this by claiming to distribute according to need.

It is unjust to rob people and "redistribute" the loot according to "need." And the "redistribution" could be according to only the robber's opinion of the undefinable word "need."

Politicians define "need" as political influence. So while there is, for the sake of appearance, some "redistribution" to the poor, overall it is from the poor to the rich.

To evaluate the truth of that, visit an urban ghetto. The poor living there can buy from private enterprise the same quality products, a TV for example, for the same price as people living in affluent suburbs. But the government-provided services are inferior. Streets are dirty and full of potholes, police and fire protection are inadequate, garbage isn't picked up and the schools don't educate.

The competition of special interests trying to gain advantage through, or avoid getting robbed by, this unjust system breeds artificial social conflict and tension. The harmony of the free market is replaced by marxist class warfare.

Whose "Common Good?"

When special interest groups propose political laws to benefit themselves, they always claim that it is for the "common good." They start with the "solution" ***they desire*** to impose, and then look for problems for it to solve.

The problems that are offered as excuses may be very rare, and the cost of the "solutions" enormously greater than the cost of ignoring the problems. But no matter, if

the problem has emotional appeal and will serve as an excuse.

The principles of effective problem solving are well known. When analyzing laws, it is helpful to use the normal procedure of first determining the ***real*** problem and its ***cause***, and then considering ***all*** the possible solutions. Invariably when the problem is properly defined, government will not be the just or best solution, and usually will be the major cause of the problem. Creating more government interference as a solution to problems is like trying to treat a cold by catching pneumonia.

Assumptions are the mothers of all foul-ups.
W. T. Huddle, 1981

There Ought To Be A Law

A classic example is the problem of litter in parks and along roads. The prime cause is government ownership of these facilities. The convenience of using government land for trash disposal is far greater than the additional cost to the litterer as a taxpayer to have it picked up.

The best solution would be to transfer parks and roads to private ownership. Until that can be brought about, government can use the same two methods of dealing with the problem that private owners would use in a free society.

One is to catch the criminals and "fine" them enough to pay restitution for the cost of catching them and cleaning up after them. The cost of patrolling (and therefore the "fines") would be high, so littering would be strongly discouraged. The other method is to charge enough in user fees to pay for cleanup, just as theater owners charge enough for tickets and popcorn to clean the theater after a performance.

But politicians don't want to lose the vote of the criminal litterers and their friends. And they don't like to charge for government services, as their inefficiency and non-competitiveness with private services would be revealed. So they usually pay for cleanup through taxes on the general public, thus "socializing" the cost of littering.

But with rising resistance to taxation, and encouragement by socialists who wish to increase government power, some governments have imposed political laws requiring that stores collect deposits for beverage bottles.

The idea is that litter will be reduced because people will return bottles to stores to redeem their deposits. The real effect is to very slightly increase the cost of littering by imposing an enormous hidden tax on non-litterers--the cost of operating the bottle return system, and the consumer's

time. The politicians count on the public blaming the retailer for higher beverage costs, rather than them.

Comparing the cost (1983 dollars) to the public of these three solutions, fining offenders would be self-financing (at the litterer's expense), cleanup would cost perhaps 20 cents per discarded container (paid by user fees), and the actual political solution perhaps $20 per container (paid by the public)!

Such bottle laws are obviously outrageous when logically analyzed. But the politicians and their socialist supporters ***start*** with this solution, and the discussion is only about how much litter will be reduced by this method, not which alternative solution is just and most economic.

Typically the strategy for passing a new political law will be to create concern about the ***symptom*** of a problem, and demand for a government solution.

For example, recently politicians, social agencies and the media have been expressing a great deal of concern about poor people who cannot afford sharp increases in the price of natural gas. The attention has been focused on the sad plight of people faced with the difficult choice between heating their homes in winter or spending their limited income on food and other necessitites. "How does it feel to be cold?" ask the TV reporters.

The causes and the merits of alternative solutions are seldom discussed. The purpose is not to enlighten the public, but rather to exploit the tragedy of poor people freezing, to arouse the emotions of the public to demand that the government "do something." Because only the symptom of the problem--cold people--is presented, public attention is directed to the solution of using government to force other utility customers, or taxpayers, to subsidize their heating bills, and to do so permanently, even though the problem may be temporary.

What is not discussed is that this problem is due to poverty and high natural gas prices, and that the government is the prime cause of these problems. Government destroys prosperity and raises the cost of living for the poor (and everyone) by interfering with the economy.

Specifically, in the case of natural gas, government price controls caused a severe gas shortage by holding the price below the cost of developing new gas supplies. To ease the shortage, government had to allow utilities to sign contracts guaranteeing to buy high priced new gas. When demand was reduced due to higher gas prices and a government-caused recession, utilities had to reduce buying of cheap gas because their contracts required them to

continue buying the expensive gas.

Therefore, the sharp price increase to consumers, who have to pay ***far more*** than the free market price because government wanted to give them cheap gas at someone else's expense, by price controls. And, of course, all utility prices are increased by energy taxes and because the government-granted monopoly restricts competition. This explanation may not be as entertaining as television, but it shows once again that government intervention is not the solution--it is the problem.

Similarly, accounts of poor people afflicted by hunger, tattered clothing and shabby housing usually neglect to mention the role that government has played. The human interest angle is important because the public ***should*** be outraged, but it is equally important to know about what to be outraged!

If government really wants to pass legislation to relieve these problems, why not begin by repealing food price support programs, tariffs and quotas that keep out cheap foreign textiles, and the political laws that drive up the cost of housing such as zoning, building codes, and property taxes? Why shouldn't government stop afflicting the afflicted in order to subsidize affluent special interests? And wouldn't the "common good" be better served by prosperity, real jobs and a lower cost of living than by raising taxes to pay for bigger welfare programs?

One of the most unjust and uneconomic features of many laws is violating the rights of many innocent people to inconvenience a few guilty people, or convenience some government employees. Typical examples are government spying and laws abridging privacy. Licensing, bottle deposit and gun control laws are also in this category.

Government interference in the economy hurts everyone and violates our rights. It ***cannot*** help. There must be ***total*** separation of government and economy.

★ ★ ★ ★ ★ ★ ★ ★

If you lose all respect for the rights of others, and with it your own self-respect; if you lose your own sense of right and fairness; if you lose your belief in liberty, and with it the sense of your own worth and true rank; if you lose your own will and self-guidance and control over your own lives and actions, what can all the gifts of politicians give you in return?

Auberon Herbert, 1906

★ ★ ★ ★ ★ ★ ★ ★

VII. ECONOMIC REGULATION

★ ★ ★ ★ ★ ★ ★ ★

The authorities increase the size of their texts of laws. They pile up backbreaking burdens and lay them on other men's shoulders.

Jesus Christ, Matthew 23

★ ★ ★

A wise and frugal government, which shall restrain men from injuring one another, which shall leave them otherwise free to regulate their own pursuits of industry and improvements, and shall not take from the mouth of labor the bread it has earned--this is the sum of good government.

Thomas Jefferson, 1801

★ ★ ★

Government, at bottom, is nothing more than a gang of men, and as a practical matter, most of them are inferior men. Its business in civilized countries seldom attracts the service of really superior individuals, and bureaucrats are commonly nonentities who gain all their authority by belonging to it and are of small importance otherwise. Yet these nonentities, by the intellectual laziness of men in general, have come to a degree of power in the world that is unchallenged by that of any other group. Their fiats, however preposterous, are generally obeyed as a matter of duty. They are assumed to have a kind of wisdom that is superior to ordinary wisdom, and the lives of multitudes are willingly sacrificed in their interest. There will be small hope of gain as long as there is adherence to this idea: that government is thought of as an independent and somehow superhuman organism with powers, rights and privileges transcending those of any other human aggregation.

H. L. Mencken

★ ★ ★ ★ ★ ★ ★ ★

Protection Racket

Although it was explained in the last chapter that government regulation is immoral and simply raises consumer costs, reduces consumer options and denies you the freedom to choose for yourself, you may still wonder how we would get along with no regulation at all.

The general answer is--much better, because government regulation simply doesn't work, that is, doesn't do whatever good may be intended, and is always harmful. Again, what you see may ***look*** good. What you ***don't see*** is bad and outweighs any good.

The real and only reason for governmental regulation is to gain power; power to control you; power to exploit you; and power to sell favors. It also helps condition you to obedience. While there are many misguided advocates of regulation who sincerely believe that it is beneficial, they are merely the dupes of the power seekers.

A group of students and a teacher who started a bank at school were learning a lot about high finance when the state decided to

teach them a lesson about the law--by shutting them down. "The law is the law," said Robert Ledbetter, the Massachusetts Deputy Banking Commissioner, whose examiners closed the bank at Easton Middle School.... The bank was started as a learning tool for 6th graders, teaching the 11- and 12-year-olds the rudiments of finance by lending lunch money and other pocket cash. ...violations...included operating without a charter, which would cost $200,000; charging too much interest, collecting loans without a license and using the word "bank" in the title of a business without state authorization. ...Mr. Ledbetter said his agency would be happy to give the students a charter, if they paid the fee. "If they can do it legally, we'll back them all the way," he said. "Believe me, it's not our position to close down their bank, but the law is the law. We want to give them a learning process."

The New York Times, May 8, 1983

The object of power is power.

George Orwell, 1949

The cost of liberty is less than the price of repression.

William Du Bois, 1909

A man's liberties are nonetheless aggressed upon because those who coerce him do so in the belief that he will be benefitted.

Herbert Spencer, 1893

Victims of the delusion that equality and liberty are the better assured by the multiplication of laws, nations daily consent to put up with trammels increasingly burdensome. They do not accept this legislation with impunity. Accustomed to put up with every yoke, they soon end by desiring servitude, and lose all spontaneousness and energy. They are then no more than vain shadows, passive, unresisting and powerless robots.

Gustave Le Bon, 1895

Law *vs.* Order

One of the alleged benefits of government is the maintenance of order. However, government economic interference creates only disorder and chaos. Political law is incompatible with order. It replaces order with force.

The economy is an invisible complex network of cooperative human relationships, mostly between people who have never met. If it were possible to visualize the economy as a solid object, the cracks in it would be the effects of government. Enough cracks, and it comes apart.

The confusion comes about from the different meanings of the word, "order." Many people think of it only in terms of an artificial order imposed by authority, where everything is standardized by formal rules.

Much of the opposition to a system of freedom under general laws arises from the inability to conceive of an effective coordination of human activities without deliberate organization by a commanding intelligence. One of the achievements of economic theory has been to explain how such a mutual adjustment of the spontaneous activities of individuals is brought about by the market.

Friedrich A. Hayek

Examples of a controlled order would be a military parade, a prison, a license bureau with lines at each

window, and a sidewalk without protest demonstrators or people who are different. This imposed artificial order is usually visible and pleasing to the sight of those who despise non-conformity, dissent and change. To such people, order means uniformity and obedience.

However, imposed artificial order conflicts with a more fundamental kind of order which is natural, spontaneous, and sometimes invisible. It is an order shaped by human nature rather than force. It is produced by peaceful voluntary cooperation, often without people being aware of it. Examples would be language, music, the use of money, the market, inventions, games and families. None of these important human developments owes anything to government.

The classic example of how spontaneous human cooperation works is the wearing of a path through the woods by successive travelers. Each is concerned only with finding the easiest way for himself without any intention of cooperating to make a path. This is the "invisible hand" described in Adam Smith's *Wealth of Nations.*

> *Every individual necessarily labors to render the annual revenue of the society as great as he can. He generally indeed neither intends to promote the public interest, nor knows how much he is promoting it. He intends only his own gain, and he is in this, as in many other cases, led by an invisible hand to promote an end which was no part of his intention.*
>
> Adam Smith, 1776

People, of course, also voluntarily cooperate as groups to achieve various purposes, such as business corporations, garden clubs, bowling teams and chambers of commerce. But these institutions in turn benefit society and become part of the natural spontaneous order, which could be called human ecology.

As environmentalists point out, each plant and animal, no matter how undesirable it appears, has a role in the ecology. The smoothly working balance of nature would be harmed if any species were artificially encouraged or suppressed. The harm may come in unanticipated ways.

The same principle is at work in human ecology. Whether by individuals or by groups such as government, the initiation of force (or threat of force) to control human behavior disrupts the natural order in untold harmful ways.

Because this natural order may be invisible, and imposed order is easily seen, people tend to believe that order can come only from authority backed by force. Unfortunately for our liberty and well being, this makes it difficult to grasp the understanding that natural order is the optimum for humans, and that imposed order creates only disorder and chaos.

Liberty is the mother, not the daughter, of order.
Pierre J. Proudhon, 1809 - 1865

The average legislator, equally with the average citizen, has no faith whatever in the beneficent working of social forces, notwithstanding the almost infinite illustrations of this beneficent working. He persists in thinking of a society as a manufacture and not as a growth: blind to the fact that the vast and complex organization by which its life is carried on, has resulted from the spontaneous cooperations of men pursuing their private ends.
Herbert Spencer, 1891

This is the gravest danger that today threatens civilization: State intervention, the absorption of all spontaneous social effort by the State; that is to say, of spontaneous historical action, which in the long-run sustains, nourishes and impels human destinies.
Jose Ortega y Gasset, 1922

Critics of the free market are like the scientist who proved that it is impossible for the bumblebee to fly. And our answer is the same. The proof that the market can work, is that it does. It is very complex. Our knowledge is incomplete. The economic principles we do understand would require several books to explain even generally. And the explanation by itself still might not convince a critic who ***wants*** to believe otherwise.

But the market works, and the freer it is, the better it works. We know this from experience and observation, and because its laws are in accordance with human nature as we sense it in our own minds.

Why Government Regulation Can't Work

There are several reasons why beneficial regulation is impossible. The use of force--and that is what government does--can't solve social problems. Force is moral and useful only against aggressors, and even then there are often better ways. Forcing peaceful people always has negative effects greater than any positive. People will respond to force by acting to avoid punishment, which is usually quite different from behaving in the intended manner.

The excitement of doing the forbidden often encourages people to do things they otherwise would never think of doing. And regulation creates monopoly profits for the few who dare violate the law, which also encourages the undesired activity. Outlawing something can make it very profitable for people to become outlaws.

Moral people, faced with outrageous regulations, can justify becoming legal criminals. Once accustomed to breaking and evading immoral laws, it is much easier for them to break moral laws. It isn't right, but it seems logical that if you are treated as a criminal anyway, you may as well have the benefits of crime.

Sullen minimum compliance may sometimes be forced, but never true cooperation. There will be enormous wasted unproductive effort by people attempting to get the same result they want without violating the letter of the regulation, or in trying to conceal their disobedience. People resent being forced and will get around it--the classic example is Prohibition. If they can't get around it, the fabric of society will suffer.

The central deficit of these measures is that they seek through government to force people to act against their own immediate interests in order to promote a supposedly general interest...These measures are therefore countered by one of the strongest and most creative forces known to man--the attempt by millions of individuals to promote their own interests, to live their lives by their own values. This is the major reason why the measures have so often had the opposite of the effects intended.

Milton Friedman, 1962

The brute force of law can never be used to set aside a man's consent as regards his own actions without condemning that man permanently to a lower existence.

Auberon Herbert, 1897

The underground economy has a larger social meaning. Its size and strength are mute testimony to the pervasive lack of confidence in, distrust of, even contempt for, government.

Business Week, April 5, 1982

Theory Of Regulation

The theory behind regulation is that there are "failures of the free market" which can be prevented by government. However, a free market cannot fail because it is voluntary and reflects the true wishes of the participants.

People participating in a free market may cheat, steal, rob, *etc.*, just as they could in any economic system. But such involuntary transfers of property have nothing to do with voluntary exchange in a free market. What is important is that a free market would discourage crime, and that victims would receive restitution.

Neither is it a free market failure when people change their minds about the desirability of an exchange that has been made. They were satisfied at the time of the exchange. If they later decide that the exchange has not brought them their anticipated happiness, and they would prefer a different exchange, that is not the fault of voluntary exchange on the market. We also have second thoughts in the present government-directed economy. But, in addition, we are not happy with many of the exchanges we are forced to make ***at the time*** we make them, and many desired exchanges are prohibited.

The market is controlled by the public at large, and reflects what the public wants. However, tiny minorities, including individuals, have substantial control in their deal-

ings with other people in the market.

In a free market, everyone can choose to buy or not to buy, to sell or not to sell, whatever goods and services are desired at whatever prices are mutually agreeable. Everyone can sue for fraud and breach of contract to force others to honor agreements. If one person or company refuses to make the desired trade, there are almost always many others who offer the possibility of a more agreeable deal. The rewards of the market go to those who most successfully cater to individual preferences.

How can the market be improved by a political process that at best imperfectly reflects the will of the majority, and completely shuts out losing minorities? Most often, the political process reflects the will of only politicians or small but politically-influential special interests. Everyone is forced to accept the same thing, regardless of individual preferences. Advocates of regulation could more usefully devote their efforts to the prevention of political failures.

What is politically defined as economic "planning" is the forcible superseding of other people's plans by government officials.

Thomas Sowell, 1981

The control of the production of wealth is the control of human life itself.

Hilaire Belloc

In addition to the existence of market failures, the theory of regulation also incorrectly assumes: 1) that we wouldn't voluntarily do what is best for us even if we knew; 2) that there are superior beings who know far better than we do what is best for us; 3) that these omniscient persons can and will be selected for positions of authority by us inferiors; 4) that these saintly people will defy human nature and decide what is best for us rather than what is best for themselves; 5) that they will make fewer mistakes then we would; and 6) that laws and regulations actually work as intended without serious harmful side effects. If any ***one*** of these assumptions is untrue, then logically we should not entrust the direction of our lives to government. And they are ***all*** false!

It seems to be difficult if not impossible for human beings to avoid thinking of government as a mystical entity with a nature and a history all its own. It constitutes for them a creature somehow interposed between themselves and the great flow of cosmic events, and they look to it to think for them and to protect them.

H. L. Mencken

The doctrine of regulation and legislation by "master minds," in whose judgement and will all the people may gladly and quietly acquiesce, has been too glaringly apparent in Washington during these last ten years. Were it possible to find "master minds" so unselfish, so willing to decide unhesitatingly against their own personal interests or private prejudices, men almost god-like in their ability to hold the scales of justice with an open hand, such a

government might be to the interest of the country, but there are none such on our political horizon, and we cannot expect a complete reversal of all the teachings of history.
Franklin D. Roosevelt, 1930
Put not your trust in Princes.
Psalms 146

Regulate Crime?

Under either the free market or government regulation, there will, of course, be some people who violate the rights of others. But crimes are crimes, under either system (except that government does not consider crimes that it commits to be crimes).

Regulation and prosecution of crime are quite different things, and it is important not to confuse the two. We all know what crimes are--violations of our property rights, such as murder, assault, kidnapping, robbery, rape, extortion, fraud, embezzlement, theft, vandalism and trespass. There is a victim who deserves restitution.

No one has a right to regulate another person on the theory that he/she ***might*** commit a crime. Only when an attack is imminent or underway does the victim or the victim's agents have a right to use force in self-defense.

Regulation is the attempt to control innocent, peaceful people's behavior according to the views of those in power. It creates the artificial crime of failing to obey the orders of politicians, that is, a ***political crime***. Regulation is also used to make it easier to tax you. (Building permits are a tax and they tell the property taxers to go after you for more, *etc.*)

Not only is regulation unjust itself, but it compounds injustice by requiring that people thought likely to disobey file reports on their activities, and obtain advance approval of activities to make it easier for the authorities to discover and punish disobedience. If they suspect (but have no proof) that you disobeyed, or they just don't like you, they can always get you for incorrect paperwork.

There are ***no*** victims when regulations are broken, except possibly bureaucrats with hurt feelings. Regulation can require that you ***do*** things involuntarily, no matter how upright and honest you have been. This is involuntary servitude, better known as slavery. Regulation violates our freedom of contract. No longer do we enjoy our right to make voluntary agreements with others unless permitted by the bureaucrats, and then only on the terms they dictate.

Regulations may create artificial crimes, but that has nothing to do with good old-fashioned crime. Regulators would have you believe that they prevent crime, and they have confused a lot of people about this. Regulation hurts

only honest people.

When the people are weak the state is strong; when the state is weak the people are strong. Hence the state that follows a true course strives to weaken the people.... In a state where the virtuous are treated as if they were depraved, order shall reign and the state surely shall be powerful.

Shang Yang, 4th century B.C.

Crooks lie and cheat. They ignore regulations, or fill out the forms saying that they are doing right, and go right on defrauding and stealing. If regulation works, why don't they just have everybody in the country file a form once a year listing all the crimes they committed that year? Sure, it's silly. But not nearly as silly as the idea that this regulation or any other can prevent crime.

In a later chapter, it will be shown how libertarian justice would more effectively and justly deal with real crime than the present system.

It will be found an unjust and unwise jealousy to deprive a man of his natural liberty upon a supposition that he may abuse it.

Oliver Cromwell, 1599 - 1658

The only time that law makes angels of men is when it hangs them.

George E. MacDonald, 1913

A primary reason for licensing operators was to help enforcement of the rules for operating CB equipment. Well, it turned out that there was no correlation between licensing and obedience to the rules. The bad operators were bad, license or not, and if you took their license, they just came back on the air.

Robert S. Foosaner, deputy chief of the FCC public radio office, 1983

How Regulation Causes Crime

Regulation is often sold to the public by use of a few horrible examples of crime and negligence by private citizens. But these are ***at least*** equally common problems with government employees, so why set the fox to guard the chickens? And there are thousands of examples of giant frauds committed by people in the most regulated of businesses.

In fact, fraud is especially common in highly regulated businesses such as banking, insurance and securities. People involved in these activities are more vulnerable to fraud because they believe that they are protected by government. Note also, that it is in these and other business areas where government regulation has created monopoly profits, such as trucking, shipping, gambling, liquor and unions, that organized crime flourishes.

Excuses And Reasons

To understand economic regulation, it is essential to separate the ***excuses*** from the ***real reasons.***

Many people support regulation because they have been persuaded by the excuses to believe that they and the

public will benefit. But that is not the real reason why we are regulated.

After all, the history of the harm and consistent failure of economic regulation goes back over 4000 years. All the excuses that are offered were disproven long ago. And the injustice is obvious. The case against regulation is overwhelming, if the truth were objectively sought. So why are we still regulated?

Part of the problem may be that the excuses are simple assertions which appeal to the emotions, whereas the case against regulation involves cold (and sometimes complex) facts and logic. It's like trying to prove there is no Santa Claus.

But ideas and excuses for new regulation didn't appear out of thin air. Who invented and spread them, and why?

There has been little general public support for regulation unless it has been created by an emotional propaganda campaign. Often even that produces no active popular support. Where does all the propaganda come from, and who pushes the political laws through legislatures?

All humans are motivated by what they consider to be in their self-interest, and this case is no different. But to find the real reason for regulations, and all government interference in the economy (and in our personal lives for that matter) we need to separate the motives of the persuaders from those of the persuaded.

To put it another way, to understand the process by which regulation, or any political law, is imposed, we need to start at the beginning. In the beginning, there was only a person or some people, who could not, or did not wish to, gain what they wanted by work and voluntary trade with others, or by peaceful persuasion.

The only alternative to voluntary cooperation is the initiation of force. But personally initiating force against others--for example, armed robbery--is risky, as well as obviously immoral. All too often, people who wish to live as predators turn to government to accomplish the same result with less risk, although with no less immoral means.

From the point of view of unprincipled people, government offers a double advantage. First, predators can exploit other people with no risk of retaliation, and second there is not even the expense of hiring a gang of thugs to do the dirty work--the victims pay for their own exploitation. In a perversion of natural law, the victims who resist will be guilty of a political crime, and the real criminals will be the plaintiffs.

The only problem for the predators is to get government to use its force for the desired purpose. In the old days, and still in many countries today, it was necessary only for predators to make it worthwhile for the rulers with political support, bribes, a piece of the action, *etc.* But if the ruler's power depends on public opinion, the support (or at least acceptance) of the public will ***also*** be required.

The public is unlikely to support being exploited if it understands what is going on. So exploiters must deceive the public by inventing excuses that make it appear that a political law or regulation is "fair" and in the public interest. The real reason must be concealed and the exploiters must pretend to be noble altruists. Preferably the victims should be unaware that they are being exploited, but at least they should be kept confused and feeling too guilty to "selfishly" assert their rights.

People don't want to think of themselves as evil. Even the worst criminals need self-respect and try to justify their crimes, at least to themselves. So exploiters usually persuade themselves that their excuses are true. This self-deception, combined with subconscious guilt, often produces "righteous" indignation when their motives are challenged.

So the theory of regulation and the various excuses are correctly understood simply as attempts to justify exploitation, even though they may be offered in good faith by people who have been deceived. Because of the self-deception factor, it is often difficult to identify the motives of advocates of regulation. But we do know the original motives which are the real reason for regulation.

The prime objectives of exploiters are familiar: money and/or power, and all the gratifications these can bring. Using government force for exploitation usually requires an organization. Examples of organizations commonly involved in exploitation are businesses, trade associations, unions and social reform groups. The polite name for such organizations, when they are involved in exploitation, is "special interests." Politicians and bureaucrats are exploiters by occupation.

To benefit from exploitation, it is necessary to avoid becoming the victim of exploitation by others. But once the practice is established, there is no principle to exclude others who will want "theirs." So we have a system in which, to some degree, everyone exploits everyone else.

It is generally recognized that we all are greatly harmed by the result. But no one wants to be left behind, so there is a constant clamor for more regulation, and no one wants

to be the first to give up unjust privileges. The difficulty of getting rid of regulation is exceeded only by the enormous benefits of doing so.

It ***should*** be enough to explain to the public the principles of justice, and to unmask the motives of the exploiters. But the propaganda has been so extensive that it will also be necessary to undertake the larger task of educating the public. We must disprove the excuses, and show that the harm of regulation ***always*** far exceeds any conceivable benefit.

Disproving the excuses involves demonstrating that the harm the regulations are supposed to guard against is not really harm, couldn't realistically happen, won't be affected by regulation, is best guarded against some other way, or is actually caused by government regulation.

There are two main classifications into which most excuses fall. One is that there is ***too much competition***. It is alleged that unfair and destructive competition in a free market will result in either weakened competitors or a monopoly (whichever they think you will believe; often both at the same time) and consumers will be poorly served as a result. A variation is that employers will take advantage of excessive competition between workers.

The other classification is that ***consumers are incompetent*** to judge quality and price. Bureaucrats are assumed to be better judges of how best to meet, and to have the necessary knowledge of, the widely different needs of millions of people.

Often the two classes of excuses are combined, as: "Fierce competition will cause companies to offer shoddy goods to the defenseless consumer."

Next, we will look at the motives, excuses and harm of regulation in more detail.

This alleged incompetency on the part of the people has been the reason assigned for all state interferences whatever. It was on the plea that buyers were unable to tell good fabrics from bad that those complicated regulations which encumbered the French manufacturers were established. The use of certain dyes here in England was prohibited because of the insufficient discernment of the people. Directions for the proper making of pins were issued, under the idea that experience would not teach the purchasers which were best. Those examinations as to competency which the German handicraftsmen undergo are held needful as safeguards to the consumers. A stock argument for the state teaching of religion has been that the masses cannot distinguish false religion from true. There is hardly a single department of life over which, for similar reasons, legislative supervision has not been, or may not be established.... And so on, until, in the desire to have all processes of production duly inspected, we approach a condition somewhat like that of the slave states, in which, as they say, "one half of the community is occupied in seeing that the other half does its duty."

And for each additional interference the plea may be, as it always has been, that "the interest and judgment of the consumer are not sufficient security for the goodness of the commodity."... Yet does experience disprove these inferences one after another, teaching us that, in the long run, the interest of the consumer is not only an efficient guarantee for the goodness of the things consumed, but the best guarantee. Is it not unwise, then, to trust for the hundredth time in one of these plausible but deceptive conclusions?

Herbert Spencer, 1850

It's Not The Principle--It's The Money!

As noted earlier, the theory of regulation is to correct "market failures." But as the free market cannot fail, the real purpose is to use government to force the market to fail as desired by certain persons. A common alleged failure is too much competition for established businesses.

We candlemakers are suffering from the unfair competition of a low-priced foreign rival. Our customers desert us and related industries are also injured. This rival is the sun! Please pass a law requiring the covering of all windows, skylights, holes and cracks. Domestic manufacturers will be stimulated. Agriculture will thrive on the need for tallow. Whale oil demand will improve shipping and thus defense. Jobs will be created and everyone will benefit. We have always served our country well and gratitude demands that we be protected.

Frederic Bastiat, 1846

Efficient successful businesses don't want government "protection." The main effect of business regulation is to force consumers to subsidize the high costs of inefficient competitors, and to maintain the status quo.

The history of regulation shows that almost all of the legislation to regulate business was originally passed at the request of the businesses themselves, for example transportation and farming. Businesses desiring to be regulated, of course, had the cooperation of power hungry politicians and misguided "reformers."

It is ironic that "reformers," who often hated business, worked to give them monopolies and protected high prices. It is well known that regulatory agencies are usually the captives of the businesses and professions they "regulate." Indeed, since regulatory bureaucrats and members of regulatory boards are often drawn from the regulated industry, and vice versa, the regulated and the regulators tend to be the same people.

The dominant fact of American political life at the beginning of this century was that big business led the struggle for the federal regulation of the economy.... The essential purpose and goal of any measure of importance in the Progressive Era was not merely endorsed by key representatives of businesses involved; rather such bills were first proposed by them.

Gabriel Kolko, 1963

Business can't buy favors from bureaucrats who have no favors to sell.

Sheldon Richman, 1982

What keeps regulation thriving is that the monopoly benefits to a few businesses, occupations, politicians and bureaucrats are concentrated, while the costs are hidden and spread over millions of people. Once again you see the jobs and prosperous businesses, but you don't see the high costs and poor service to consumers, or the jobs lost in bankrupt businesses, or the businesses that never got started.

Some people are surprised that large established businesses are not opposed to regulation in general, although they often complain when regulators step on their toes. The reason is that big business uses regulation to restrict competition, and regulation falls much more heavily on small business.

Who really benefits from regulation is easily learned by observing who complains the loudest when deregulation is being considered. For example, when a president of the American government recently proposed that national controls on alcoholic beverages be eliminated, the ***industry*** vigorously opposed the idea. Almost the only support for new and existing regulation is from the regulated and the regulators, never from consumers.

The greatest threat to established companies is that their best employees will quit to start aggressive new businesses to compete with their former bosses. Such new companies generally are more innovative, are not bound up in red tape, and can offer consumers new, improved, and lower cost products and services if they are not strangled by regulation.

And, in perhaps the most stunning defection, 17 members of Intel's systems group in Oregon resigned last month to form their own company. Mr. Lattin, Intel's systems chief, says the company has enough depth of talent and management to survive the exodus. But he suffers from the blow. "I feel a sense of betrayal. I nurtured these people in the company," he says, adding: "I sometimes wonder which is our biggest enemy: the Japanese or the venture capitalists."

The Wall Street Journal, February 4, 1983

A good example of how established businesses and unions cruelly use government to prevent competition is the prohibition of certain "home work." Home work is where people do piecework in their homes at their own convenience. This would enable money to be earned by many people who can't go to a factory to work, such as women who are caring for small children, and the handicapped. It would also enable new small businesses

to compete with less capital and lower prices. This regulation is of course said to protect its victims from "exploitation."

Northrup cited an Eagle Comptronics company incident near Syracuse where a group of women, who also were single parents, contracted to assemble electronic components in their homes. The state Labor Department, he said, closed them down under the anti-labor law, so the work is now contracted out of the country and the women, who were supporting themselves and their families, now are on welfare.

Ithaca Journal, September 11, 1982

Law never made men a whit more just; and, by means of their respect for it, even the well-disposed are daily made the agents of injustice.

H. D. Thoreau, 1849

Another case where it is the money, not the principle, is business use of regulatory agencies to reduce their costs at the taxpayer's expense. For example, government inspection of meat, tea, wheat and other agricultural products shifts some of the cost of certification of quality onto the public. The banking, securities and insurance industries obtain similar benefits from their government regulators.

Government approval of products aids marketing by reassuring customers. Often, government quality standards can be adjusted to exclude competitors, especially lower-cost foreign competitors, and lower-cost competitive products (butter was protected from margarine competition for years by government standards). Private companies providing a seal of quality would usually cost less, not be as susceptible to political influence, be tougher inspectors to protect their valuable reputation, and not have the (undeserved) prestige of government.

But the Agriculture Department has thrown water on the fire by declaring that even if it is good (it is), it isn't barbecue. Barbecue, says the department, "Shall be cooked by the direct action of dry heat resulting from the burning of hard wood or the coals therefrom..." Mr. Lee's machine is electric, so it can't barbecue meat, the department says. The official definintion also says: "The weight of barbecued meat shall not exceed 70% of the weight of the fresh uncooked meat..." Lack of adequate shrinkage recently caused trouble for Texas Barbecue Co., in which Gov. Mark White, a barbecue fanatic, is a partner. Because the company wasn't getting 30% shrinkage, it wasn't producing barbecue, the Agriculture Department said. "So we had to go back and cook it more," says Paul F. McClinton, president of Texas Barbecue. Now, he says, "it's drier and tougher, but it meets their requirements." Mr. Lee blames the Agriculture Department's recalcitrance on bureaucratic cantankerousness. The Agriculture Department says it isn't that at all. The definition of barbecue has been around longer than anybody can remember, probably since the early 1900s, the department's Mr. Guadagno says. "There are a lot of companies that have gone to a lot of expense to comply for many, many

years. For him to come along with something different is sort of unfair competition."

The Wall Street Journal, February 4, 1983

And let us not forget two other politically influential special interest groups with very strong financial interests in continuing and expanding government regulation, taxation and other government economic interference.

Lawyers, accountants, consultants, trade association executives and lobbyists, especially those in large organizations, obtain a large share (or even all) of their incomes from helping people cope with government. They advise on, and assist in, getting around regulation, finding out what regulation requires, complying with regulation, bending regulation, getting more favorable regulation, taking advantage of regulation, negotiating with bureaucrats and pleading for mercy, and defending those accused of political crimes.

Unions, and especially union leaders, also have a large stake in big government. Union monopoly power rests almost entirely on political laws and regulators. Further, unions in regulated industries gain even more from regulation in the form of monopoly wages and reduced competition.

Free trade is a myth. To have free trade, you have to have fair trade.

President of Auto Workers Union, Douglas Fraser, 1983

These two special interest groups are very important factors in maintaining and increasing regulation. They are more dependent on regulation than other special interests, and so have a greater self-interest. There is a substantial interchange of personnel between regulators and those regulated. They are much more politically active. And they provide more intellectual and propaganda support to obscure from public view the ugly greed that is the real reason for regulation.

We're Exceptional!

Those who support particular regulations have a problem with logic. If government regulation is so good for everybody, why shouldn't everything be regulated? As that is obviously absurd, they seek ways to justify why they should be granted an exception.

Little political support would be drawn by admitting that the only reason regulation is advocated is a selfish desire to gain higher profits with less effort, at the expense of consumers and competitors. So regulation is always requested in the name of the "public interest."

Ask a man to define the public interest, and he will give you a pretty

clear definition of his own.

Richard Needham, 1977

The irony is that protectionism is being both condemned and recommended by the same people. ...Because the case for protection is held in such disrepute, everyone must claim to be a free trader.

Richard W. Wilcke, 1983

"Unfair, cutthroat competition" is a very popular excuse. While agreeing that free market competition is a good thing for others, somehow ***their*** market isn't free, and open competition would be against the public interest.

According to those who wish to be sheltered from the winds of competition, ***their*** competition is cutthroat, predatory, ruinous, brutal, unfair, destructive, monopolistic, "oligopolistic," imperfect, and dog-eat-dog. The Communist Manifesto calls competition "naked, shameless, direct, brutal exploitation." But how do you distinguish between "cutthroat pricing," *etc.*, and "healthy competition?"

Another excuse is that customers who are unprofitable to serve might have to pay higher prices. So why should other customers be forced to subsidize their service?

The general problem with trying to justify being regulated is that somewhere in the world, if not next door, there are the same or similar businesses doing just fine without regulation, and usually better.

For example, it is claimed that milk should be protected from competition by minimum price and market entry controls, subsidized price support purchases by government, and a host of regulations. The principal justifications offered are that milk is a perishable product and that the consumer's supply must be assured.

However, fresh meat is equally perishable and yet always available. It is true that old inefficient packers, who lack government protection against competition, have lost business to new, innovative, more efficient packers who have reduced the cost to consumers, and increased consumer choice. And what about unsubsidized vegetables and fruits that are not only perishable, but which also have the problem of the year's production all coming on the market over a short time period? Somehow the growers and consumers seem to get along very well.

Would it be so terrible if dairies and milk processors were motivated by competition to reduce costs, and if some inefficient producers had to go into another business where they could better serve consumers with a higher profit for themselves? Sure, the transition might be temporarily painful. But what is not seen is the far greater ***total*** pain of millions of consumers and taxpayers, each of whose standard of living is slightly reduced by regulation.

Another very old argument for government regulation to protect against competition (and that is one effect of all regulation) is that the present producers are barely making a living, and if there were more competitors there wouldn't be enough business to go around. At first this argument may sound reasonable, which is why it is used so often. But then, how do the thousands of businesses that are not monopolies avoid this apparent problem?

What is wrong with this argument is that it assumes that nothing will change except more competitors dividing less money. But free competition changes the market. Airline deregulation is a good example of these changes.

Open competition does drive consumer prices down and increase the number of competitors. But it ***also*** increases the size of the market. Lower prices cause consumers to use more and attract new consumers who previously could not afford to buy. Someone is always predicting that in this particular case this economic law of lower prices creating demand will not work. But it ***always*** has.

More competition and a larger market spurs innovation to reduce costs and provide better and a greater variety of service. This further expands the market. Efficient competitors find that their total sales are increased even though the prices are lower. With higher sales and lower costs, their total profits are also usually increased, even at lower profit margins.

For a while after a market is deregulated, there will be more competitors than the market will support. But a "shakeout" soon happens, with the least efficient producers having to leave that market for another, which is more profitable for them.

If a market is never "regulated" in the first place, the sometimes difficult and unpleasant transition period is avoided. Free market adjustments to changing conditions usually are not as great, affect far fewer businesses and are spread over a much longer period of time.

The airline deregulation experience also answers another common argument against deregulation--that people in small towns will no longer receive service. What actually happened was that, overall, small towns' airline service was greatly improved. Commuter airlines with small airplanes replaced (with more frequent service) the large planes that were inefficient for that part of the market.

Government interference in every part of the transportation market, including government ownership of transportation systems, has been and continues to be a very costly disaster for consumers, taxpayers and even the

transportation companies. Many companies--railroads, for example--have been strangled by the red tape they asked for, and, at first, benefitted from. Anyone looking for horrible examples of every aspect of regulation needs to look no further than transportation.

Local transportation is an especially good example of the consumer convenience argument. Again the argument is that, without government regulation, there would be an unreliable supply, or no supply, at least to some people, of an important public service.

The usual result of government interference is a combination of high-priced but poor cab service, and low-priced but high-cost buses, with the difference paid by taxes. The bus service is often infrequent and not available in many areas.

But in cities without regulations, excellent service is available everywhere by a combination of private buses, mini-buses, jitneys (cabs that take several passengers, usually on a definite route), taxis, and paid van-pools. Vehicle size and routes are adjusted according to changing needs. Many part time drivers work during rush hours, instead of full time government employees driving huge empty buses around to keep busy when demand is low. The service is more convenient, and is lower in cost than the real cost of government transportation.

City taxicab drivers and livery operators are outraged at a proposal approved by the City Council Finance Committee yesterday that would open up the taxi business to new competition.... "This will ruin the whole cab business," said Green Cab Co. manager Philip Petromallo. "There just won't be enough money to go around. It's spread very, very thin now."

Democrat and Chronicle, Oct. 9, 1982

Teamsters President Roy Williams goes on trial today in Chicago on charges he attempted unsuccessfully to bribe Sen. Howard Cannon (D., Nev.) to vote against a trucking deregulation bill.

The Wall Street Journal, October 4, 1982

It is interesting that businesses which seek to be regulated sometimes simultaneously offer two contradictory examples of the alleged harm to the public of "destructive competition."

One is that competition will drive prices below cost, causing some competitors to go out of business. The public, they claim, will suffer because there will be fewer businesses to provide service, and because quality will be reduced along with profits.

The other horrible example of "destructive competition" is that large rich firms will drive smaller competitors out of business by cutting prices, and then take advantage of their monopoly to raise prices and lower quality.

The contradiction is that if competition is so tough, how does any competitor get big and rich enough to drive other competitors out of business? These examples also ignore the fact that if the public is not being properly served, new competitors will enter the market to take advantage of the opportunity.

Quality of goods and service is determined by competition for customers, not profitability. There is no quicker way to lose customers and go broke than by cutting quality below that offered by competitors (unless there is a much greater cut in price, or customers prefer lower quality for lower price). Competition may be tough for the competitors, but never for the public.

Regulation is needed because the high cost of entry into the business excludes competition, says another theory. This ignores the fact that the people now in business found the money. If the cost of entry is too high, it is because government has confiscated most of the capital which would have been available, and because government regulations make it too difficult to raise capital by selling stock to large numbers of people.

One way to justify exceptions which sounds reasonable, but isn't, is the "cost-benefit analysis." The trouble is that figures can lie, and anyway, costs and benefits are subjective and cannot be measured. How can you measure someone's disappointment at not being able to get a trucking license to go into the business, or frustration with poor service or quality because of restricted competition?

Experience has continually shown that measures guided by the apparent "merits of the case" have done exactly the reverse of that which was proposed to be done--have increased distress instead of diminishing it.

Herbert Spencer, 1891

Those who demand regulation, to protect themselves against competition, are morally in the same position as someone who sends a gang of thugs to close down by force a superior competitor.

When viewed from the perspective of consumers rather than from the perspective of a few producers, there are no exceptional circumstances which can justify any regulation.

Friends Of Liberty?

Not everyone who claims to favor the free market really does. Many will say that they strongly support free enterprise, and then add, "Of course, to protect free enterprise, government must set the 'rules of fair play' and regulate so no one will take advantage. And it is only 'fair' that in return for being allowed to 'play the game' we should be

compelled to bail out the 'losers.'"

In other words, their "free" means that whoever controls government will force you to play by rules that favor their friends. And if you still manage to win, they will take away your prize by force to give to their friends. They are all for free enterprise, but they can't tolerate open competition.

In spite of the effort to twist the meaning, free means free--no government interference. The only requirement of a free market is that no one, especially government, uses force or fraud. Perhaps we are in the greatest danger from those who would serve liberty by suppressing it.

The concept of free competition enforced by law is a grotesque contradiction in terms.

Ayn Rand, 1967

Bureaucrats At Work

Regulation is rigid--one size fits all--and doesn't readily adapt to change. Even worse, to get around this problem, bureaucrats are more and more frequently deciding each case individually, so you don't know what the rules are until it is too late. The uncertainty does not encourage people to risk their savings to better serve others.

Regulations are written and enforced by bureaucrats according to their personal biases, with little understanding of the real world. They have no personal stake in the outcome, and generally couldn't care less about the costs or hidden damage.

Despite any appearances to the contrary, bureaucrats are human. And, being human, they are motivated by self interest. As they see it, their interest is in adding to their power, prestige, subordinates and income by creating more work for their departments.

Anyone who has ever had to deal with bureaucrats (and who hasn't?) understands the difference between service provided by bureaucrats and that provided by business.

Bureaucrats arrange things for their convenience, not yours. When you request a service that bureaucrats are paid to provide, most tend to regard you as a nuisance, an inconvenient intruder who interrupts their smooth routine and delays their coffee break.

On the other hand, businesses see you as the reason they exist. You are not a problem, but an opportunity. When business serves you, they are not doing you a favor; you are doing them a favor.

The problem with bureaucrats is not that they are incompetent or grossly overpaid, both of which are often true. Improving their quality and lowering their pay would just allow more to be hired to more effectively oppress us. If

we can't get rid of them, better they should sleep on the job.

The pursuit of wealth generally diverts men of great talents and strong passions from the pursuit of power; and it frequently happens that a man does not undertake to direct the fortunes of state until he has shown himself incompetent to conduct his own.

Alexis de Tocqueville

What is government? It is a body of people--just ordinary mortals--whose primary purpose is to get on in life with the least possible exertion. Wielding power seems to them the way to accomplish this purpose. In that way, they are relieved of the stress and strain of the competitive world; and there is the added ego compensations which the exercise of power yields.

Frank Chodorov, 1954

Government is the only agency that can take a useful commodity like paper, slap some ink on it, and make it totally worthless.

Ludwig von Mises

The real problem is that their interests are ***always*** contrary to ours. The free market is just and provides the highest standard of living. At best, the bureaucrat will make the same decision as the free market, in which case we suffer only the unnecessary cost of the "service."

The market is the will of the people. However, the bureaucrats' business--the justification for their existence--is to interfere with the market, to substitute their opinion for those of individual producers and consumers.

Bureaucrats are by nature opposed to the free market, for it operates beautifully without them and renders their services unnecessary. There can be no such thing as a "good" bureaucrat, for their ***function*** is to harm us. And they have a vested interest in human suffering to try to justify their power to inflict more suffering.

These men, in point of fact, are seldom if ever moved by anything rationally describable as public spirit; there is actually no more public spirit among them than among so many burglars or street walkers. Their purpose, first, last and all the time, is to promote their private advantage, and to that end, and that end alone, they exercise all the vast powers that are in their hands.

H. L. Mencken

When an individual makes a mistake, only he or she suffers the consequences. He or she may learn from the mistake. But when a bureaucrat does something dumb, everyone suffers ***but*** the bureaucrat. Thus the effects of bad judgement are ***multiplied***, with little incentive for correction.

Authority becomes composed of those who, lacking the courage to stand on their own feet and accept their share of personal responsibility, seek the safety of official positions where they escape the consequences of error and failure.

Sir Ernest Benn

Those who can, do.
Those who can't, teach.

Old Saying

Those who don't want anyone to do.
Work for government.

Burris' Corollary, 1950

In many countries, bureaucrats gain the largest part of their incomes from bribes for giving government approvals, overlooking violations of political laws, and ending official harrassment. Even in countries where corruption is not condoned by the government, there are open scandals regularly.

It is understandable that minor government agents should want to share the loot with the ruling groups, for they see that the selling of favors is the source and purpose of power.

Libertarians believe that using corruption as a means of self-defense against unjust political laws and government aggression is moral and justified by natural law, provided that it does not involve use of government to rob innocent people.

Friedrich A. Hayek, 1899 - 1992

Chapter VIII: It's A Free Country, Isn't It?

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The supreme power...covers the surface of society with a network of small complicated rules, minute and uniform, through which the most original minds and the most energetic characters cannot penetrate to rise above the crowd. The will of man is not shattered but softened, bent and guided; men are seldom forced by it to act, but they are constantly restrained from acting. Such a power does not destroy, but it prevents existence; it does not tyrannize, but it compresses, enervates, extinguishes, and stupefies a people, till each nation is reduced to nothing better than a flock of timid and industrial animals, of which government is the shepherd--I have always thought that servitude of the regular, quiet and gentle kind which I have just described might be combined more easily than is commonly believed with some of the outward forms of freedom and that it might even establish itself under the wing of the sovereignty of the people.

Alexis de Tocqueville, 1835

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It Isn't

We are not as free as many would have us believe. Because we are accustomed to the restraints on our liberty (and the restraints are often invisible) we may not sense the violations of our natural rights. But while we do not see our cage, or feel the weight and hear the clanking of our heavy chains, our bondage is no less real.

A good way to evaluate the loss of our liberty is to prepare two lists, one of the liberty we still enjoy, and the other of rights we are denied by threat of force. The liberty list should include only those things we are free to do without government permission or regulation, and without our right being limited by taxation.

Remember that even as we sleep, we probably rest on a mattress manufactured according to government specifications by a licensed manufacturer, sold to us by a licensed bedding dealer, and its cost more than doubled by direct and indirect taxation. And that's just the mattress!

The wood for the bed frame may have come from a government-owned forest. The bed linen and blanket also had to meet government-imposed standards and were not only taxed, but the price we paid was substantially increased by government tariffs and quotas on low cost foreign textiles. If thinking of all of this keeps you from sleeping, a government-licensed sleeping pill may help.

If carefully thought out, it will be found that the liberty list is incredibly short and the liberty lost list is infinitely long. The hard fact is that we have the "liberty" to do as

our masters wish and approve, and very little else.

The purpose of this chapter is to demonstrate the injustice and harm of government economic regulation, and discuss how problems that are used as excuses for regulation could be solved in a free market.

With Friends Like This...

The next five sections of this chapter give specific examples of harmful economic regulation (and there is no other kind) by the American government. However, the problem is worldwide. While the details may vary, the same principles apply to all government regulation, everywhere.

This is only a tiny sample to illustrate how people are hurt by economic regulation. Not just a few bad people, or rich people, or someone else, but ***you*** and your neighbors suffer, every day, hidden harm in hundreds of ways of which you are not aware. And those who can least afford it suffer the most.

It is impossible to tell the whole story of regulation to prove that each and every type of regulation is bad. Thousands of books and articles have been published detailing the harmful effects, but still only the surface of the problem has been scratched.

Analyzing a particular regulation is often difficult, because the harm may only slightly affect each of millions of people. And regulations can affect each other and compound the harm. Sometimes a regulation is believed to actually help people, until it is realized that it helps by protecting them against other regulations. The overall effect is still bad, because if ***all*** the regulations were eliminated, people would be even better off.

Government regulation protects no one, except politicians, bureaucrats and monopolists. What we need is protection ***from*** government.

The five examples which follow were selected not because they are the worst--there are much more outrageous examples--but because they are widely thought to be good examples of government regulation.

Example--Drug Regulation

The Food and Drug Administration (FDA) doesn't seem to care about the death and suffering of sick people who need drugs which the agency is holding up or preventing being sold. Bureaucrats stay out of trouble by saying, "No." It has been estimated that ***one drug alone*** (a beta blocker which prevents heart attacks) which was held up for years after it was available in other countries, could

have saved approximately 100,000 lives. The victims probably never knew how they were being "protected" by "their" government.

The bureaucrats don't care much about the millions of dollars in higher drug costs due to red tape and the poor who can't afford needed drugs. They don't seem to care, either, about the suffering of victims of rare diseases who are denied cures because companies can't afford to obtain FDA approval for the few people that desperately need the drugs.

The first company to produce and sell a drug bears all the staggering cost of government regulation. It cannot afford this expense, even if there are many patients who need the drug, if it is not very profitable. If a drug cannot be patented, other companies--which have not borne the expense of gaining government approval--could undersell the first company. So unpatentable new drugs are usually not produced, no matter how great the need.

A recent survey turned up 134 "orphan" drugs that aren't available because of government regulation. One, which dissolves gallstones, could eliminate the need for surgery for thousands of gallstone patients each year. Another could be blocking the cardiac side-effects of chemotherapy. And another could be treating the rare life-threatening disease myoclonus, for which there is no other effective treatment.

How many more such drugs might be discovered if government barriers were eliminated?

Bad drugs still can get sold even with regulation, because regulation does nothing about the real problem of infrequent or unanticipated harmful effects. This is illustrated by the thalidomide case, the famous (and almost only) example used to claim a benefit from drug regulation.

When this drug is taken by a woman during a critical few weeks in early pregnancy, in some cases it can cause serious birth defects. This problem (terratogenicity) was discovered only after large numbers of people, a very few of whom were in early pregnancy, and only a few of them sensitive, used the drug in other countries after thorough testing and approval by their government drug regulators.

The reason the problem was not found by standard drug testing, including that required by the FDA, is that there were no tests for it. Medical science believed that babies were not affected by drugs taken by the mother because they were protected by the placenta. So there was no reason to test.

Americans were spared the thalidomide tragedy only

because of the accident of bureaucratic delay by the FDA, which would have almost certainly approved its use if the problem had not been discovered by large scale use elsewhere. The only reason for going into such detail is that this isolated accidental benefit of regulation was used to justify a law which tremendously increased the harm and economic burden of drug regulation.

It might seem that great caution and delay are a good idea if a repeat of the thalidomide tragedy could be avoided. But the harmful side effects of some drugs are so rare that they can be detected only after hundreds of thousands of people have used them, and sometimes only after many years have passed.

In other words, such problems can be found only after the drug has been on the market for a while. Pre-market testing is useless to predict these problems. Government regulation cannot avoid or reduce this risk. It can only delay or prevent the use of, and increase the cost of, desperately needed new treatments for disease. The only way to eliminate risk is to prohibit all drugs, because even "old reliable" drugs are sometimes found to cause problems after more research is done.

When the newspapers headline that 100 people have died as a result of taking a drug (licensed by the FDA) sold by some irresponsible profit-mad drug company, they seldom mention how many lives were helped by the drug.

If a million people were helped, it would mean that only one in 10,000 suffered a fatal side effect. Most sick people would accept those odds. Indeed, there would be almost no surgery performed if people were not willing to accept much poorer odds. Yet where are the headlines about the 100 who died after "non-profit" appendix operations?

New drugs do, of course, need to be tested as thoroughly as possible with the best available methods before they are marketed. However, the choice is *not*, as advocates of government regulation would have you believe, between government control and no testing.

In a free market, there are strong incentives to achieve the optimum balance between risk and improved treatment of disease. Drug manufacturers do not want to destroy their valuable reputations, waste large sums of money in manufacturing facilities and marketing, and risk huge lawsuits.

Even if manufacturers acted irrationally, the medical profession and pharmacists would demand proof of safety and effectiveness because of their legal liability for malpractice. Insurance companies would demand proof before

insuring manufacturers, physicians and pharmacists.

The probable solution in a free market would be certification of drugs by private testing organizations. Any private testing organization that performed as poorly as the FDA would not last long on the market. If it were too slow, too expensive, or unreasonable, it would lose its customers, the drug manufacturers.

If, on the other hand, a private certifying organization did a poor job testing and evaluating even one new drug that it certified, the loss of its reputation and clients--plus the lawsuits against it, and much higher insurance costs--could put it out of business.

It should be noted that the FDA does not test drugs itself. The testing is already done by independent testing organizations hired by drug companies. All the FDA does is to add red tape and certify drugs based on the test results.

Pre-market testing will be conducted whether or not it is required by regulation. Regulation only adds greatly to the cost of testing, and delays production of successful drugs, thereby causing unnecessary suffering and death, and further raising costs for sick people.

The real question is: if you were dying of cancer or suffering from some other terrible disease, should a bureaucrat have the power to deny you a new drug that might be the only cure? Who should decide? Drugs may appear to be the strongest case for government regulation, but this is actually one of the best cases ***against*** regulation.

Space limitations prevent the discussion of the many other ways in which the FDA hurts consumers. Justice demands that this government agency be abolished as soon as possible.

Americans suffering from slipped discs in their lower backs finally can have the problem treated by injection in the U.S., rather than face major surgery or the prospect of traveling to Canada or some other country for the injection procedure. After seven years of delay, the federal Food and Drug Administration has reversed its position and granted approval for use of an injectable drug widely used in other countries to treat slipped spinal discs.... Once the procedure can be fully introduced into practice in the United States, it is expected to save billions of dollars in hospital bills and in time lost from work.... In 1975, the FDA not only outlawed the medical use of chymopapain in the United States but also severely limited the extent to which it could be studied in research trials.... Ironically, when the FDA officially licensed the drug earlier this month, the drug was given the agency's rarely awarded, top-ranked A-1 classification of approval.

Times-Union, December 13, 1982

But when the money ran out. Vorhauer was hard-pressed to keep his company afloat. He recalls one point when he had just $3.50 in the bank. During his seven-year wait for FDA approval, he was inspired

by the inscription on a statue of Buddha that stands on his desk: "Those who cannot wait never win."

Time, March 28, 1983

It is probable that more people die because medicines are too long withheld from them by regulators than are killed by premature approval of new medicines.

The Economist, January 8, 1983

Example--Securities Regulation

Imagine that you want to start a new company, or want to expand your present business, but don't have enough money. There are two basic ways to raise capital. You can borrow from a bank, or you can find investors who are willing to provide capital as a loan or by buying a share of the business.

If you can offer, as collateral, assets that are worth substantially more than the loan, and you meet other requirements, you can borrow the money you need from a bank. There is some truth to the old saying, "you can borrow from a bank if you can prove you don't need the money."

If, as is often the case, you cannot finance your expanded or new business by borrowing from a bank, you must seek investors who will buy your "securities." A security is the piece of paper you give an investor to show that you will repay the money at a certain interest rate, or that the investor owns a certain share of your business.

If you aren't fortunate enough to have rich friends who will buy your securities, you will have to sell them to the public. The logical thing to do is to advertise for investors or hire a salesperson to sell your securities.

The only problem is that if you do these logical things to raise money, you may be put in prison, for they are political crimes. You must first obtain permission from the government and follow its complicated rules.

The rules are so enormously complicated and so changing in interpretation that no lawyer on earth could advise you with certainty how to raise money without risking a penalty. The political laws provide that everyone who aids you in raising capital, including your lawyer, accountant, and even the printer who prints the information you provide investors about your business, is liable for severe penalties if any errors are made in following the rules.

Because of all the paperwork required, and the large risk they are taking, people who aid you in obtaining government permission to raise capital will charge you a huge amount of money, normally in advance. Typically, the lowest cost for the simplest case will be in the area of eight times the average family annual income.

Even if you have that much in cash that you can spare, the cost of obtaining government permission still may be so high--sometimes more than the capital needed--that your project will be uneconomical. If you can't afford to obtain government permission, you are effectively prohibited from trying to finance your business.

It is claimed that this government regulation protects us from securities fraud. But fraud is already a crime. And, of course, crooks think nothing of violating regulations when they are already commiting fraud. Because people think that they are protected from fraud by the government, they are more easily victimized.

The only effects of securities regulation by the Securities and Exchange Commission (SEC) are to prevent many companies from raising capital, and to greatly increase the cost of raising capital. There are *no* public benefits. The example given above illustrates only one aspect of the injustice and harm caused by this agency.

The damage to the economy has been enormous and incalculable. The economy, of course, means real people whose standard of living is lowered and whose opportunities and dreams are smashed.

The greatest damage of SEC regulation is to new companies, many of which don't survive, or never get started. The least damage is to large established companies, which also gain from the competitive advantage regulation gives them over small business in raising capital. SEC bureaucrats, securities lawyers, accountants, stock brokers, banks, and specialized printers also find securities regulation gives them a profitable monopoly. Guess why an agency as harmful to the public as the SEC still exists!

Example--Regulation Of Safety

The Occupational Safety and Health Administration (OSHA) prefers to ignore the fact that, after decades of declining, lost time due to work injuries started increasing when OSHA was enacted. One reason is that business has been forced to divert money and effort from safety to record keeping and complying with useless regulations to avoid fines. Before OSHA, businesses were steadily improving their safety programs because it's good business to have safe working conditions.

In fact, most employees are far safer at work than at home, where they are not paid to follow safe practices. Businesses have been more concerned about their employees' safety than the employees themselves have been.

Recently, there was some good news that confirms the

harmful effects of regulation. Two years ago, OSHA regulation was sharply reduced, and work injury rates have begun to decline again.

Without government regulation, businesses tend to be as safe as economically possible to reduce the costs of injuries. Different businesses operate under different conditions, so safety measures are different. But when government mandates safety standards, they have to be the same for everybody and achievable by anybody. So government standards by nature have to be lower than most companies would set for themselves.

These lower standards then tend to become the ceilings, the goals to try to meet. How can anyone be criticized for unsafe conditions, if government safety standards are being met? Why should anyone do more than the government requires?

Employees don't want to be injured, and employers don't want to have unhappy employees or have to pay compensation for injuries. However, where safety costs are high, a worker might prefer to accept a higher risk for higher pay, sharing the cost savings with the employer. Or no one may find the risk worth the money, in which case the employer will have to spend the money for safety or eliminate the job. The self-interest of those most concerned is the best regulator. And ***they*** have the right to decide.

Similarly, government agencies such as the Consumer Products Safety Commission pretend to protect consumers from dangerous products. Again, all they can do is to prevent consumers from purchasing the degree of safety ***consumers*** choose and are willing to pay for.

Government occupational and consumer product safety regulation are not free. We pay for the administration costs through taxation, and we pay for the costs business incurs to cope with regulation through higher prices for goods and services. The costs of regulation are not trivial; they add up to enormous sums. For example, the American national government, by its own estimate, required 1,228,000,000 hours in 1980 to be spent just on completing its forms. It also estimated that government paperwork is a hidden tax of approximately 10% of the average income.

The costs for lawyers, lobbyists, personnel managers, record-keeping clerks, *etc.*, is proportionately greater for small business and new ventures of large business. So our choices are not only reduced by government prohibitions, but also by the thousands of new jobs and new and improved goods and services that are made uneconomical

by regulation.

If someone prefers to use a more hazardous product because of price or other advantages, what business is that of government? How can government bureaucrats possibly know how much safety individual consumers are willing to trade for other things that they desire? The answers, of course, are that it isn't any of government's business, and they can't know what we want.

The purpose of government safety regulation is not to protect us, but rather to substitute by force the preferences of politicians and bureaucrats for our preferences.

Strangely, government permits people to engage in activities such as mountain climbing, skiing and sky diving, but then insists on protecting them from falling, by regulating ladders. It is said that the government theory is that people participating in dangerous hobbies are aware of the risks. Does that mean that people who use ladders are not aware of gravity?

Safety regulations are often defended by saying, "You can't put a price on safety or a life." This means of course that ***they*** don't care how much it costs ***you***. But we all constantly put a price on safety; for example, every time we risk our lives for the convenience of automobile travel. You wouldn't spend so much for safety that you couldn't afford the necessities of life. We have to use judgement to make these decisions.

A good example of a dangerous consumer product is food. A large number of people have died, or suffered irreversible brain damage, from choking on food! Should not this hazardous product be banned so as to save thousands of lives every year? Or, if that seems a little impractical, even to bureaucrats, why should we not be forced to consume only liquids and baby food? Isn't it a small price to pay to eat less interesting food, if even one life could be saved? And think of all the new jobs that this regulation would create!

The idea that cost and consumer preference are unimportant compared to safety is fatuous. None of us would eat a steak if we ***knew*** we would ***certainly*** choke to death on a piece of it. But most people still eat steak and accept that ***risk*** because they enjoy steak. Economists have studied risk-taking to determine how we value our lives. The prices ***we*** set on ***our*** lives by accepting risks are surprisingly low. They range as low as a few year's income.

There is an old saying, "if you give up all your bad habits, you may or may not live longer, but it will certainly

seem longer!" Safety is only one aspect of the quality of life. Everything we do involves risk, and often the more enjoyable the activity, the greater the risk. For many, risk itself is what gives meaning to life.

We are all different. Each of us is the only person in the world with the right and the knowledge to decide how to best balance all the factors to achieve the highest quality of life for himself or herself. The fundamental issue is not: How safe should we be? It is, rather: Who should decide?

Each is the proper guardian of his own health, whether bodily or mental and spiritual. Mankind are greater gainers by suffering each other to live as seems good to themselves than by compelling each to live as seems good to the rest.

John Stuart Mill, 1859

No human development is possible without risk.

Jarret B. Wollstein

Example--Regulation Of Quality

We would all like to see everyone, ourselves especially, enjoying the finest possible goods, facilities and services. How nice it would be if we could ***all*** live as the very wealthiest people now live!

This isn't as impossible as it sounds, because the average person in many countries lives better today than the wealthiest people did one hundred years ago. All we need do to quickly make the same leap in our own standard of living is to get government out of the way.

But political regulation of quality does not produce anything. It does not increase our wealth; it does not improve the standard of living; it just forecloses options and increases costs. We don't get better choices, just fewer. And the choices often will not be those we would have made for ourselves.

When bureaucrats set minimum standards for goods and services (always reflecting their own affluent lifestyle) the poor are often priced out of the market. They are forced to choose between first class which they can't afford, doing without, or becoming a ward of the state with the loss of freedom and dignity that goes with it.

Examples are regulation of nursing homes and day care for children, which has closed thousands of facilities that were providing services less than ideal, but affordable and satisfactory to the customers. Now there are shortages of these vital services.

DAY-CARE LAWS LIMIT PRIVATE-HOME CENTERS THAT PARENTS LIKE BEST. Damascus, Md.--For about 17 years, Susan Suddath kept other parents' children in her home here. With help from her dairy-farmer husband, her teen-age daughters, her mother-in-law and her neighbors, she sometimes provided day care for as many as 20 children.... The children loved Mrs. Suddath. Their parents loved

Mrs. Suddath. The state of Maryland didn't. It told her she would have to reduce the number of children, or close down. Deciding whom to keep, she recalls, "was the worst experience I ever had in my life." Her children didn't understand what was happening and didn't want to leave. "What you're trying to teach children is that laws are good and that laws help people," she says. "But how do you explain that after this? The children thought these were bad people."...Mrs. Suddath...tried to get a license to care for more children, but was told the ceiling in her basement was too low in one place. Almost 6 feet tall herself, Mrs. Suddath assured the inspector she would be the tallest person in the room. But he couldn't bend the law.

The Wall Street Journal, October 26, 1982

Adolescents are legally able to care for small children, even infants (baby-sitting). So it is strange that adults may be severely punished if they provide similar care for consenting elderly adults without government permission which requires following costly rules and much paperwork. But then does anyone think that there is anything consistent or logical about government, except the self interest of politicians and bureaucrats?

Local government zoning and building codes have priced even the middle class out of the housing market. In this "free" country it is illegal even to build your own house on your own land without permission of the authorities, and compliance with regulations prescribing every detail and greatly increasing the cost.

Zoning is widely used to zone out the poor by prohibiting, or making uneconomical, low-cost housing such as multiple family dwellings and mobile homes. Government then "solves" the problem by using "eminent domain" power to steal property, tearing down the neighborhood it has condemned, and building expensive high rise apartments in which to concentrate the poor and breed crime. Although the housing is very expensive, the rents are cheap--the taxpayer pays the difference, and politicians and contractors with political pull make the profits.

Suppose you ignored the regulators and tried to exercise your natural-law property rights. Perhaps you wanted to build a house you could afford, or maybe one that was superior to what regulations allowed, or try a new technique, or something just plain different. You could be fined and imprisoned, and your home torn down. People, you see, are not as important as rules. Enforcing the rules maintains political power over individuals.

But it is now recognized, though not till after a long struggle, that both the cheapness and the good quality of commodities are most effectually provided for by leaving the producers and sellers perfectly free, under the sole check of equal freedom to the buyers for supplying themselves elsewhere.

John Stuart Mill, 1859

Whenever force is initiated to prevent someone from providing a certain quality of goods and services, force has also been initiated against consumers to deny them their right to trade with whom they please, and to seek the trade ***they*** believe to be most advantageous for them.

Usually we are not even aware of the potential choices, because government prevents them from being offered. Thus force is unjustly used against all of us daily to deprive us of our basic human right of free choice, although the force may not be seen.

Shouldn't Government Regulate Pollution?

The free market does not produce clean air and water automatically, and that is where regulations are both necessary and inevitable.
Former EPA Administrator Douglas M. Costle, 1982

The problem that the tragedy of the commons forces us to confront is, in fact, the core issue of political philosophy: how to protect or advance the interests of the collective as a whole when the individuals that make it up...behave in a selfish, greedy and quarrelsome fashion. The only answer is a sufficient measure of coercion.
Environmentalist William Ophuls

A free market would have never permitted pollution in the first place. Pollution is a good example of how the government has ***prevented*** free market self-regulation from working. Pollution is simply a violation of property rights.

No one has a right to dump their garbage on your lawn, in your air or in your water. You should be able to sue the polluter to stop polluting and pay damages, or, if you wish, make a deal to pay you for the right to pollute. If government had not taken away this right, pollution would never have become a serious problem.

Even before government passed political laws to formally take away our right to sue polluters, government courts often ruled against the victims, on grounds that it was against "public policy" to let individual rights stand in the way of progress. So if a smokestack turned your house black, you couldn't collect damages. And you still can't, because the smokestack is licensed by government.

Government has also contributed to the problem of pollution and environmental damage by owning a large amount of land (over 40%) and most rivers, bodies of water and coastal zones. Government ownership really means ownership by no one, so no one has a personal interest in protecting the resources. Most of the horrible examples of pollution and destruction of the environment have been on government property.

This is called "the tragedy of the commons." A

comparison of barren, eroded, overgrazed government land next to lush green private pastures will make clear why the term "tragedy" applies.

Government cheaply leases its land for animal grazing to a special interest group, which naturally supports government land ownership. But an annual lease encourages taking out every blade of grass, and putting in nothing to improve the land.

Responding to political pressure for more cheap grazing land, government has created more at a far greater expense (to taxpayers) than the land and lease payments are worth. Government creates the grazing land by a process called "chaining"--tearing out (and wasting) timber with a chain pulled between two tractors.

Timber companies like cheap government-owned timber. They don't have to invest in land and grow their own trees. And the government builds the roads needed to haul out the timber, at taxpayer expense. This permits them to cut trees on land that is too remote or difficult to reach, where trees could not be economically harvested if it were privately owned. Sometimes the logging roads cost much more than the value of the harvested timber. The only conservation is of the timber companies' treasuries.

Government ownership means subsidies for uneconomic use of land that would otherwise be left as wilderness or conserved by private owners.

People who enjoy outdoor recreation of course appreciate government seizing other people's beautiful land by "eminent domain" and developing it for their free or subsidized use. And people like to use government rivers, streams, and lakes for free recreation, free sport and commercial fishing, subsidized electricity from hydropower, and free sewers. Free land for mineral mining is another popular feature of government land ownership.

There is no mystery as to why there is strong pressure from special interests for continued and even greater government land and water ownership. "Common" ownership enables some people to benefit at the expense of others, and at the expense of environmental destruction.

The only just and practical solution for "the tragedy of the commons" is to eliminate "common" ownership. The environment can be protected from politics only by taking it out of politics and turning it over to private ownership.

Making pollution and environmental protection a matter of rigid government regulation has meant: on the one hand, imposing on the public huge unnecessary costs that could have been avoided by private negotiations between those

concerned; and, on the other hand, permitting favored influential people to continue damaging the environment.

Environmental regulation, like other types of government regulation, is supported by large, established, politically-influential business interests. Not only are they able to get favored treatment, but it gives them a competitive advantage over those not so favored or those with less capital. Most important from their viewpoint, it denies entry into the market by new competitors who lack either political influence or the capital for compliance with arbitrary and expensive regulation.

It is revealing that pollution is usually greatest in ghettoes inhabited by politically powerless poor and minorities. For some reason, government seems to find them the best places to locate the noise and fumes from expressways, factories and toxic waste dumps. This will always be the result of political regulation. Only liberty offers equal rights!

If you ran a large politically-powerful corporation, would you not prefer to have pollution controlled by politicians and bureaucrats, rather than by an impartial court with the people you were polluting as your adversary?

The cure for pollution is not just deregulation. This would save us money, but would also increase pollution. Deregulation must be accompanied by restoring property rights and transferring government property into private hands.

It may be asked, how can individuals who are only slightly affected afford the scientific studies and lawyers to sue a large, rich polluter? In a free market there would probably be enterprising lawyers looking for good cases, who would personally risk the expenses for class action suits. If successful, the polluter would pay the legal fees. Such lawyers, and the people suffering from pollution whom they would represent, will be far more interested in finding and solving problems than will some distant bureaucrat.

Some might object to abolishing regulation, saying that the free market "information costs" can be too high. An example which has been offered in support of this conclusion is the problem of automobile pollution, with millions of polluters and millions of pollutees--most of whom are both. No one would benefit from reducing his/her own pollution, but all would benefit if everyone polluted less. The argument is that the cost of getting all these people to agree is too high, so we need government to decide what is best, because government is more "efficient" than the

market.

But government doesn't reduce the cost of information and communication. It simply ignores the wishes and rights of those involved, and arbitrarily imposes the "solution" preferred by politicians and special interests. It is not quite fair to claim that government provides a service at lower cost, if it lowers costs by not providing the service.

It is impossible, of course, to predict exactly how the free market and a Libertarian justice system might handle such problems as automobile pollution. We do know that it would be more efficient than government, and that it would respect human rights.

More innovative methods will probably be developed, but it might be handled this way. Lawyers looking for gainful employment would file a class action suit on behalf of victims of automobile pollution. They would have to prove that the pollution is damaging a large number of people who wish the lawyers to represent them in a lawsuit.

The lawyers, motivated by the prospect of fat fees, would risk financing the necessary scientific studies to prove damage, and then would solicit their prospective clients by advertising their findings. Once damage from automobile pollution had been proven to the satisfaction of the court, the lawyers would negotiate with the opposing lawyers for a settlement which meets the requirements of their clients.

Because of the large number of people affected by auto pollution, lawyers would probably (with the agreement of the defendants) learn the views of this group about a settlement, by use of opinion polls of a representative sample.

It may be wondered who would represent the defendant auto owners. Without any prospect of winning the lawsuit and being paid by the losers, lawyers for the defense would have to be paid by parties interested in a reasonable settlement. Probably this would be auto manufacturers and an association of automobile owners.

Note that the manufacturers would not be defendants, because they do not own or operate the polluting autos. However, the manufacturers' sales and costs will be affected by the settlement with auto owners, and they may owe restitution to *customers* depending on the purchase contract.

The defense lawyers could also poll their clients to determine their settlement preferences. Probably the settlement would be flexible to allow for change as circumstances changed. The defense would have to pay for the costs of prosecuting the case. Possibly auto manufac-

turers would offer to pay in order to spare their customers from the annoyance and high administrative cost of collecting a small amount of money from each.

Auto manufacturers would probably assist the settlement by offering to guarantee that the cars they sell will not pollute beyond a certain level. After the lawsuit, no one would buy a polluting car, anyway. If there had been a free market from the beginning, auto manufacturers would, of course, never have sold cars which would likely get their customers sued. Thus, such large, complicated lawsuits would be rare in a free market. The purpose of this example is to show how the free market could handle even the most difficult cases.

Solving social problems requires judgment and flexibility in balancing interests. For example, air pollution is caused by people breathing, as well as by power plants. There is no perfect way to solve problems. There is a bad way through rigid, biased laws and regulations administered by the personal whim of power-hungry bureaucrats influenced by special interests. Or, there is a better way through liberty, self-interest, and common law.

Who cares more about your interests--you or the government? The real question is not "What should be done?" but "Who shall decide?"

No man ever ruled other men for their own good.
George D. Herron

One of the best ways to understand the real effect of government regulation and economic intervention is to see what happens when it is carried to its logical extreme. You can imagine what would happen; but even better, look at the actual results in a totalitarian country.

Socialism exists as an instructive mirror for the politician, in which he may study his own future developments. It shows him the superstitions and defects of his political system in their most exaggerated form; it caricatures the blunders that men make in trying to govern each other on the principle of unlimited force.
Auberon Herbert, 1897

For example, the notion that government is needed to protect citizens from industrial pollution can be quickly disproven by observing communist countries. These countries, where there is no private business and where government controls everything, have the worst pollution in the world with almost complete disregard for human health. Thus government pollution control is exposed as a failure, and as just another excuse for grabbing power over people's lives.

Anyone who thinks democratic governments are different should note that, in America, there is far more water pollution from sewage plants owned by local ***government***

than from industry. And the greatest air pollution problem is from ***government***-regulated utility monopolies that cause acid rain over large regions.

When the disastrous effects of regulation become too obvious, the usual explanation is that the regulators don't have enough money and power. The cure, they say, is "better regulations." More regulation is never a cure for regulation. Asking for better regulation is like asking for better mugging.

Where all your rights become only an accumulated wrong; where men must beg with bated breath for leave to subsist in their own land, to think their own thoughts, to sing their own songs, to garner the fruits of their own labors, then surely it is braver, a saner and truer thing to be a rebel in act and deed against such circumstances as these than tamely to accept it as the natural lot of men.

Roger Casement, 1916

Free Market "Regulation"

The moral and economic alternative to regulation is the free market. Because the market is not now free, it is difficult to visualize exactly how it would work. But we know that decisions would be made by the parties most concerned--you and the business you deal with. You both have a strong interest in a successful outcome, which the bureaucrat does not. The result is that people will be ***better*** satisfied by the free market. The free market is not perfect, but it ***is*** optimum.

The real and effectual discipline which is exercised over a workman is not that of his corporation, but that of his consumers. It is the fear of losing their employment which restrains his frauds and corrects his negligence.

Adam Smith, 1776

There would not be any profits but for the eagerness of the public to acquire the merchandise offered for sale by the successful entrepreneur. But the same people who scramble for these articles vilify the businessman and call his profit ill-got. One of the main functions of profit is to shift the control of capital to those who know how to employ it in the best possible way for the satisfaction of the public.

Ludwig von Mises, 1952

The free market is a decentralized regulator of our economic system. The free market is not only a more efficient decision maker than even the wisest planning body, but even more important, the free market keeps economic power widely dispersed.

President John F. Kennedy, 1962

Underlying most arguments against the free market is a lack of belief in freedom itself.

Milton Friedman

Sometimes it is argued that there is no difference between government regulation and settling disputes in a government court. The idea is that either way it is government. But there is no need for government to be involved in a court other than possibly police enforcement

of court orders and money judgements. Over half of all disputes are ***now*** settled quickly and inexpensively by private arbitrators because of the inefficient government courts, and it ***could*** be one hundred percent.

There are other vital differences between courts and regulation, the most important of which is that regulation is unjust. Government has no right to interfere to impose its will in economic relations without the consent of ***all*** the individuals involved. We ***don't*** have the right to "regulate" each other, so this non-existent "right" cannot be delegated to government. We ***do*** have the right to sue to stop, and collect damages for, violations of our natural rights.

The only proper function of courts is to determine if natural rights have been violated as claimed, and to determine the amount of damages. Regulation seeks to violate rights.

Today, government may regulate on behalf of people who do not wish to be "protected." Or, government regulators may refuse to protect those who want, and have a natural law right to protection. Government regulators may and do impose "solutions" that nobody wants, except them.

On the other hand, the free market permits anyone to decide either to ignore a "problem" or to seek damages in an arbitration court. If the claim is just, the settlement can be negotiated for the most benefit of the claimant at the least cost to the defendant.

It has been suggested that the free market would be a lawyer's paradise. But the market would develop the most efficient procedures possible for settling disputes. With liberty, there would not be legislatures full of lawyers preventing this reform. And the availability of swift, low-cost justice would encourage prevention of disputes through cooperation and just dealing.

Consumer Advocates?

The consumer movement, with its emphasis on using government to get a better deal from business, has been largely misdirected. When the average corporation already spends around 95% of its income to produce the goods and services it sells, there is not any room for a better deal.

Naturally, consumers would like better quality at the same cost. Whenever improvements can be made, they are offered to consumers to make a company more competitive. A company's profits depend on serving consumers as well as possible. And it will go broke if it doesn't.

Government force cannot aid the natural working of the market.

But better goods and service would cost consumers more. The reason business doesn't offer higher quality is that consumers won't pay for it. Government destroys the capital needed to improve quality and reduce costs.

In contrast, government confiscates over two-thirds of the consumer's labor, most of which is wasted from the consumer's viewpoint, or used to harm the consumer. Government raises consumer prices not only by taxes but in innumerable other ways, such as by zoning; by tariffs and quotas; by price supports and restrictions on agricultural production; and by granting monopolies to a huge range of businesses and occupations from electric utilities to dentists, beauticians and taxi drivers. This book catalogs only a ***few*** of the enormous outrages perpetrated on consumers by government.

Even if government taxes returned a 10% benefit, which is doubtful, it would still be a colossal consumer rip-off, compared to which, ordinary business misdeeds are insignificant. This raises a question: Whose interests do most so-called consumer advocates really advocate?

Another indication of warped priorities is the lack of interest by "consumer advocates" in consumer shoplifting, bad checks and bad debt, and employee theft. These problems, like government, cost honest consumers far more than unethical businesspeople.

However, the real problem with "consumer advocates" is not their calling attention to business abuses, product safety hazards, and desirable product and service improvements. If done responsibly, this ***would*** serve consumer interests. And the real problem is not that they do not direct most of their energy against government abuse where it would better serve consumers. The real problem is that they are not content to inform and advise consumers--they want to impose their views on consumers by government force. Their interest is not in helping us better choose, but in making our choices for us, and limiting--rather than expanding--our options.

How "consumer advocates" choose to spend their time is not, of course, a Libertarian concern. What is a concern is the source and motivation of propaganda for more government oppression. And the "consumer" movement has been a major source of pro-regulation, anti-free-market propaganda.

It is not difficult to discern that the practical man in social reform is exactly the same animal as the practical man in every other department of human energy, and may be discovered suffering from

the same twin disabilities which stamp the practical man wherever found: these twin disabilities are an inability to define his own first principles and an inability to follow the consequences proceeding from his own action. Both these disabilities proceed from one simple and deplorable form of impotence, the inability to think.... The practical man left to himself would not produce the servile state.... Unfortunately, he is not left to himself. He is but the ally or flanking party of great forces which he does nothing to oppose, and of particular men, able and prepared for the work of general change, who use him with gratitude and contempt.... Our reformers, then, both those who think and those who do not, both those who are conscious and those who are unconscious of it, are making directly for the servile state.

Hilaire Belloc, 1913

It is an unfortunate fact of life that some people don't respect the rights of others. So we have theft, fraud and breach of contract committed against each other by business people, employees and consumers. Regulation by bureaucrats will not prevent crime nor breach of contract. Vigilance motivated by self-interest in an free market will reduce the problem. A Libertarian justice system will further reduce the problem and provide restitution for victims.

Customers don't want to be poorly served or injured. The business doesn't want dissatisfied customers who will not buy again, or who might hurt the business's reputation with other customers, or who might sue. The best regulator is the self-interest of everyone involved, which provides strong incentives to properly balance cost and quality.

Firms receive their income, in the final analysis, from serving consumers. The more efficiently and ably the firms anticipate and serve consumer demand, the greater their profits; the less ably, the less their profits and the more they suffer losses.

Murray Rothbard, 1982

There is no other planning for freedom and general welfare than to let the market system work.

Ludwig von Mises, 1952

But We Need More Information!

The market does not "fail" to provide information. It provides just what the public really wants as shown by what it will pay for.

It is true that the free market would not provide some information which bureaucrats and busybodies who don't care about the cost, think it should. But that is only ***their*** opinion, not that of the consumers they claim to represent, who would decline to pay the cost if they had a choice. While there is an almost unlimited demand for free information (as for anything valuable that is free), concealing the cost doesn't make it free.

Information is like a lot of other things consumers say

they want, until the moment of truth when they actually make the choice and lay out their hard-earned cash. For example, consumers said for years that they wanted a durable economical automobile without flashy styling and annual model changes. But when a cab manufacturer modified their durable and economical taxis to offer an auto exactly like the consumers "wanted," they didn't sell. Consumers instead continued to buy the stylish, rapidly obsolete cars "they didn't want."

Many do not realize that one of the most important services of middlepersons, such as retailers who buy from producers for resale to consumers, is obtaining and analyzing information for the consumer's benefit.

Because of competition with other retailers, each retailer will try to buy from producers the items that offer the best value to consumers. While a consumer may only rarely buy an item, the retailer is buying it regularly and in quantity. Thus the retailer can spread over many sales the cost of collecting and evaluating information about price, quality and features, hence making the information costs economical for the consumer.

The same system also works for items that are purchased frequently in rapidly changing markets. The consumer may be perfectly able to judge the quality and price of lettuce, for example, but does the consumer have time to find out which farmers have lettuce for sale this week, and which are offering the ***best*** price and quality? The grocer solves this information problem, or won't last long in the grocery business.

Retail stores, which depend on repeat business, provide consumers with much greater leverage with producers. A consumer that is dissatisfied with one purchase may go elsewhere to buy other items the retailer is selling. A retailer will quickly press for improvement or change an unsatisfactory source of supply for any item, in order to protect overall sales.

Thus, even a few customer complaints that are not resolved can cause a producer a significant loss of sales. This transmits information from consumers to producers in a way that cannot be ignored. Retailers are, in their own interest, effective consumer advocates.

The free market will supply whatever is demanded. If information is desired, it will be available for a price. There is no reason why information should not be bought and sold like any other valuable commodity. The consumer will decide whether the cost is less than the risk of doing without the information.

If government provides or regulates information, you will not get some information you want, and you will pay for a lot of expensive information you don't want and won't use. It is no more logical for government to be in the information business than the necktie business.

No one has a right to initiate force to make someone else provide "free" information or "free" anything. If you are not satisfied with the information you have about a deal, the proper remedy is either to buy the information or to refuse to deal.

Confidence Game

Today, people often don't make the effort they should to get information, because they incorrectly assume the government is looking out for them. The misplaced confidence in government protection makes them more vulnerable to crooks than if they knew that they had to look out for themselves. Crooks, of course, ignore requirements to provide correct information. So government regulation of information, like all government interference in the economy, actually does the opposite of what it was supposed to do.

Much information is provided "free" by businesses. Reputable businesses with quality products want consumers to know that they are better than their sleazy competition. They do this even now with such things as trademarks, franchises, and approval of private testing agencies such as Underwriters Laboratories and the National Sanitation Foundation. The large investment in these signs of approval ensures that great care will be taken to avoid damage to reputations and the loss of the investment.

In a free market, more and better information and quality assurance would be demanded and therefore provided. Producers could no longer take advantage of consumers' mistaken reliance on government protection. Without government competition in the information market, entrepreneurs would find it more profitable to sell consumer and safety information, and voluntary cooperative organizations would become more active.

In short, the best way for society to become better informed, is to let people have incentives to provide and use information.

Information Glut

The really serious information problem, however, is that we have far more easily available information than we have the time and energy to use. We are bombarded with

information from newspapers, magazines, newsletters, TV, radio, mail, bookstores, computers, libraries and friends. The fast growing information industry is enormous.

If we thoroughly studied the economic and safety problems of everything we buy or do, there would be time for little else. Fortunately, there are normally enough knowledgeable and aggressive people that business can't afford to offend, to indirectly protect those of us who are less diligent. This is another example of Adam Smith's "invisible hand" at work.

The true demand for information is indicated by the tiny percentage of the population which subscribes to consumer magazines (or reads them free in libraries) that provide comparative test results at very low cost. Those who do subscribe, turn out to be mostly the educated and affluent who need help far less than the poor, who can't afford many mistakes.

However, it should be noted that if we had a free market, or if everyone just realized that government is not "taking care of them," the demand for independent consumer information would surely be greatly increased.

Poor Information

Our self-appointed "protectors" often try to justify their intervention in the market as needed not so much by "us," as by the ignorant poor who may be taken advantage of. The difficulty with this excuse is that such people usually can't or don't want to use information effectively. That is one reason they are poor.

Plenty of more successful people would be glad to give them good advice--if it were wanted. What the poor really need is the good judgment to seek and use good advice and to ask questions, for example, and not buy things they don't need and can't afford, to think about the consequences of their actions, and to plan ahead.

The people who join food cooperatives to save money are not the poor, but the educated middle class. And guess who takes advantage of low cost recipes for nutritious food and who prefers expensive prepared foods!

But good judgment and prudence cannot be legislated. Advice that is not taken is a useless waste. People who will not learn from the experience of others, will learn at the school of hard knocks.

The only two useful actions government could take to help such people are to increase general prosperity by removing its burden from the economy, so that they could better afford the tuition; and to institute a libertarian system

of justice to better protect them from fraud. Government regulation will not help. It will only harm everyone, the poor most of all.

Many receive advice, few profit by it.
Publius Syrus, *ca* 50 B.C.

Experience keeps a dear school, but fools will learn in no other.
Benjamin Franklin, 1743

The ultimate result of shielding men from the effects of folly is to fill the world with fools.
Herbert Spencer, 1844

So There Is No Misunderstanding

The discussion above (and some aspects of Libertarian philosophy) may seem cold and uncaring. But is it truly compassionate to misdirect aid to the poor, or to actually harm them, because we refuse to be realistic? Of course, if our only concern is to relieve our guilt feelings by showing good ***intentions***, then maybe we don't need to face the reality of poverty.

But if we really care about the poor, we need to know what ***causes*** their poverty, in order to effectively help. A common barrier to understanding the causes of poverty is thinking that the poor are just like the non-poor, except that they have less money, more bad luck and a worse environment. The poor who are not seriously handicapped are usually different from those of us who are not poor, and they need different help to rise above poverty than we would if we suddenly found ourselves in their position.

The leading cause of poverty is government depressing the economy, reducing the standard of living and creating dependency with welfare programs. The need for government welfare for the poor is produced by government welfare for the affluent. So reducing government must be the primary focus of efforts to help the poor.

Government compulsory charity should be stopped because it violates the rights of those who are forced to "contribute." This leads some people to be concerned that liberty would leave the poor destitute and starving. But the Libertarian program is to ***first make government welfare programs unnecessary!***

Conservatives ***would*** simply cut welfare budgets to increase spending for different special interests, and not reduce the burden of government on the economy. By contrast, Libertarians would ***first*** cut everything ***but*** welfare (which is only a small part of government spending) so that the prosperity of a free market would make government charity unnecessary.

However, private voluntary charity also has an important role if properly directed. Long term charity is appropriate

for those who are so handicapped that they cannot support themselves. It should be adjusted to need (not like inflexible government welfare aid) and be as generous as possible, for almost no one would want to be in their position, no matter how much aid is received. The only other charity should be the minimum necessary temporary aid for emergencies that threaten health.

More charity than this risks creating dependency, imprudence and hopelessness, a long term, far greater harm than temporary poverty. It has been truly said that poverty is not just a low standard of living--it is a state of mind. Would anyone consider to be poor those medical students whose incomes are so low they can barely afford to eat, or those persons who live under primitive conditions in a wilderness because of love of nature?

They are not poor, because they do not feel hopeless, they look forward to the future, they are in command of their own lives, deliberately trading present material prosperity for goals they value more highly. On the other hand, we often hear stories about a wealthy recluse, or a skid row bum, who lives in filth because of hopelessness and fear.

There are many examples of people who became successful, achieving even fame and great fortunes, starting from the most deplorable conditions, or working against terrible obstacles. And there are also many examples of people with everything going for them who end up failures or even suicides. So it is obvious that we must look primarily within ourselves for the reasons for success or failure.

There's a reason to life! We can lift ourselves out of ignorance, we can find ourselves as creatures of excellence and intelligence and skill. We can be free!

Jonathan Livingston Seagull
by Richard Bach, 1970

Unless we are severely handicapped or someone initiates force against us, our ***attitudes*** largely determine our fortunes. While our talents certainly can affect the outcome of our lives, they are of small importance compared to the willingness to make the effort necessary to achieve our potential.

If we want to help the poor, we must face the fact that most poverty results from mental attitudes that people have chosen for themselves. They may simply feel that the rewards don't justify working hard or trying to please their employer; they may feel helpless to improve their lot; they may lack confidence and self-esteem; they may prefer having more children or living in a certain area instead of a

higher standard of living, they may accept a culture that condemns striving for self-improvement; they may be unwilling to try to get along with other people or to be dependable and trustworthy; they may want to avoid the mental strain of education, *etc.*

There may be strong social pressures and bad experiences favoring such attitudes, but they ***are*** chosen, for no one controls what we think but ourselves. People must sincerely want to change before they can be helped. Charity and government cannot solve this problem. Charity subsidizes bad attitudes, and force hardens bad attitudes. And, of course, we have no right to impose our values on others.

We have all seen what happens when parents pamper and protect their children, but deny them the freedom and necessity of making their own decisions and accepting the responsibility for their decisions. Another good example is that of alcoholics who cannot be reformed until they have suffered enough to sincerely want to change. If they are helped to avoid the unpleasant effects of their drinking, it only prolongs the agony.

The only cure for imprudence is the suffering which imprudence entails. Nothing but bringing him face to face with stern necessity and letting him feel how unbending, how unpitying, are her laws can improve the man of ill-governed desires.

Herbert Spencer, 1850

The same is true in society. Those who want to give the able-bodied poor more than emergency charity do so out of consideration of their ***own*** feelings, at the long term expense of the poor. The only ways to encourage the necessary changes in attitude to rise above poverty are liberty, economic incentives, the social pressure of example and person-to-person persuasion with love.

This might not be very exciting for those who want to "do something," but it is the only moral and effective way for those who really care about, and respect, their fellow human beings. It is the way of liberty, and ***only*** by being Libertarian can one be truly compassionate.

Hell is paved with good intentions.

John Ray, 1670

Even totally ending government economic interference will not, of course, turn every poor person into a positive thinker overnight. Difficult as it may be for some "do-gooders" to accept, there ***are*** people who simply have no interest in working to improve their material success, especially if the reward is more than a few minutes into the future. Some could not be motivated even by threat of torture, and would not change their shabby lifestyles even if given a fortune. But, however sad it makes us, they own

themselves and it is their choice; we have no right to force them to change.

However, most of the poor would and could lift themselves out of poverty if the burden of government were removed. We should have the compassion to lift that burden for their sake, as well as for our own.

The ***only*** way for the poor to stop being poor, in both wealth ***and*** spirit, is to work for a good income. Government welfare or private charity can only relieve poverty, not end it.

The greatest encouragement for developing the positive attitudes necessary for success is to enjoy some success ***as a result of one's own efforts***. Government reduces the incentive to try, and raises the barriers to success. Instead, government offers incentives for failure, and encourages attitudes of worthlessness, hopelessness, irresponsibility and that others owe one a living.

Even though we know better, it is difficult to shake off the effects of the constant indoctrination with the idea that government cares about the poor and unfortunate, and wants to help. But government cares only about increasing its power. It tries to appear compassionate because it is to government's advantage to have us believe this big lie, and to create dependency on government.

Fannie Viccica, out of money and suffering from cancer, tried to raise money by selling chrysanthemum bouquets at a memorial park on Mother's Day. But police ordered her to stop because she had no license. So she gave some flowers away, put the rest on the graves of strangers and went home.... "I was so happy," Mrs. Viccica said. "I thought, if I could just get maybe a couple hundred dollars, I could start my treatments." Mrs. Viccica bought $200 worth of mums, expecting to earn $600 by selling bouquets for $3 each. But less than two hours after she set up shop, Officer Joseph J. Halleran pulled up and asked for an occupational license. "I showed him the letter from the doctor and tried to explain I never sold flowers before and I was just trying to make money for my treatments," she said. "He told me to pack the flowers and go home." While she was packing up, another officer stopped and threatened to handcuff her and take her to jail, she said.

United Press International, May 10, 1983

Libertarians are outraged because everyone--the poor, unfortunate and minorities most of all--is being terribly hurt by government economic interference advocated by misguided people with "good intentions." The outrage is hardly diminished when such people suggest that it is they that are concerned about the poor, and suggest that Libertarians are not compassionate.

If the poor understood what is being done to them by government, understood how much more they would be hurt by increases in government power advocated by their

false friends, and understood how liberty could benefit them, they would be the most outraged Libertarians.

★ ★ ★ ★ ★ ★ ★ ★

Nothing is older than the idea that human wisdom is concentrated in a select few, who must impose it on the ignorant many.

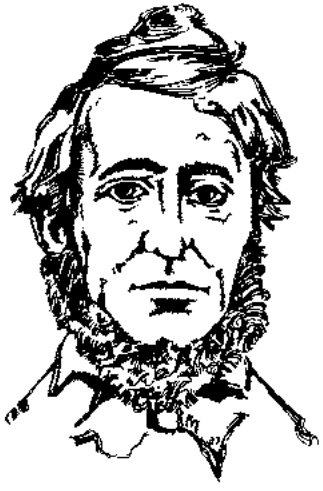
Thomas Sowell, 1981

★ ★ ★

Big Brother is watching you.

George Orwell, 1948

★ ★ ★ ★ ★ ★ ★ ★



Henry David Thoreau, 1817-1862

IX. FREE MONEY!

★ ★ ★ ★ ★ ★ ★ ★

Lenin is said to have declared that the best way to destroy the capitalist system was to debauch the currency. By a continuing process of inflation, governments can confiscate secretly and unobserved, an important part of the wealth of their citizens...Lenin was certainly right. The process engages all the hidden forces of economic law on the side of destruction, and does so in a manner which only one man in a million is able to diagnose.

John Maynard Keynes, 1931

There's only one place where inflation is made: that's in Washington.

Milton Friedman, 1977

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Inflation

One of the main ways government creates poverty is through inflation. ***Inflation is simply a hidden tax*** that hurts especially the poor and the elderly. Inflation raises their cost of living and leaves fixed incomes, such as pensions, unchanged. The working poor, whose labor is in less demand, have difficulty increasing their incomes to offset higher prices.

Inflation steals the value of savings. People with lower incomes tend to save cash, and so lose more than the rich, whose investments are better protected from inflation. Thus, while inflation hurts everyone, it hurts the economically strong less than the economically weak.

A severe inflation is the worst kind of revolution.... For there is neither system nor justice in the expropriation and redistribution of property resulting from inflation. A cynical "each man for himself" becomes the rule of life. But only the most powerful, the most resourceful and unscrupulous, the hyenas of economic life, can come through unscathed. The great mass of those who put their trust in the traditional order, the innocent and unworldly, all those who do productive and useful work, but don't know how to manipulate money, the elderly who hoped to live on what they earned in the past--all these are doomed to suffer.

Thomas Mann, 1975

Of course the elderly poor wouldn't be poor in the first place, if they had been able to save the two thirds of their earnings that were taxed away, and if their earnings had been more than doubled by the use of the capital which was taken and wasted by government. It is ironic that many elderly people look to the government, which has robbed and impoverished them, as their savior!

Inflation is a far more serious problem than most people realize. It is so misunderstood that many people demand inflation as a ***solution*** for the problems it has caused!

Few are aware of the many ways in which it has caused, and continues to cause, enormous injustice and economic damage. Most of the connection between inflation and the resulting human suffering is, therefore, not generally recognized. So it often leads to even worse, sometimes totalitarian, government economic interference. And it has led to war.

Inflation is like a hidden cancer that silently does its evil work. It even feels good at first. But by the time the unpleasant symptoms become obvious, only even more unpleasant treatment can save the victim. The cancer may seem preferable to the cure, and useless quack treatments become attractive. But while the quack treatments may suppress the symptoms temporarily, the disease continues on its course.

However, the cancer of inflation is totally preventable. The unpleasant cure is unnecessary because we can avoid the disease, if we have the will to stop government from deliberately causing it.

Why Inflation?

Inflation is an increase in the money supply. Anyone who doubts this definition should consult any dictionary. Government propaganda has misled many people, especially in the media, into believing that inflation is a word meaning higher prices. But higher prices are ***only one of many effects*** of inflation. The purpose of the propaganda is to prevent you from understanding who causes inflation and its bad consequences.

Inflation: An increase in the currency in circulation or a marked expansion of credit, resulting in a fall in currency value and a sharp rise in prices.

Webster's New World Dictionary, 1975

Inflation is caused by the government printing money without value. Such money, which does not entitle one to claim a fixed amount of gold or other valuable commodity, is called "fiat" money.

In America, the money is printed by the government-controlled Federal Reserve Bank (called "the Fed" for short). Most of the money "printed" isn't actually paper currency, but rather "printed" numbers which increase the government's bank account. Because just raising the government bank account numbers is still illegal, the "deposits" are considered to be payment for printed government bonds the government treasury issues to the Federal Reserve. Morally, it's counterfeiting, but they prefer to call it "monetizing the debt."

The Federal Reserve System is popular with bankers

because it also permits them to create money through a process called "fractional reserve." In an honest banking system, you would deposit your money in a bank, which for a fee would store it until you wanted it or ordered it transferred to someone else. In other words, the bank would be a warehouse. If you loaned the bank money, they could loan it to others, but it would not be in your account until the loan was due.

In a "fractional reserve" system, the money is in your account all the time, but the bank is allowed to also loan it out, except for the fraction in reserve, thus creating money.

When the borrower deposits the money in another bank, that bank too can loan out most of the borrower's account. And so it goes until the money in your account has been multiplied many times.

Banks couldn't get away with this fraud in a free market, because few would knowingly give money to a bank that practiced this policy. And if depositors were not told, it would be prosecuted as fraud. The role of the Federal Reserve is to legalize the fraud, and come to the rescue with quantities of newly printed money if depositors get worried and demand their money back. Now do you understand why the banks lobbied Congress to get the Federal Reserve system?

Politicians like to spend money to get more power and stay in power. They can get the money in only three ways: from taxes, from borrowing, and by printing it. There is only so much money they can get from taxes and borrowing, so they print worthless money. When politicians spend the newly created money, they drive prices up by bidding against the private economy for goods and services. (Before the invention of printed money, rulers achieved the same result by reducing the weight of coins or reducing the percentage of precious metal they contained.)

Tyrants are a money loving race.

Sophocles, *ca.* 495 - 406 B.C.

Analysis of coins made in Syracuse in the fifth century B.C., for instance, show that they were being debased: they contained increasing amounts of copper instead of silver. That may have been one factor in the weakening of the position of Syracuse's tyrannical regime, which was finally overthrown in 460 B.C.

The Economist, May 7, 1983

Conferences on inflation are customarily attended by the politicians who caused it and the economists who showed them how.

Richard Needham, 1977

Politicians make an even larger profit from inflation than the "counterfeit" money they print, because they are able to pay back enormous government debts in cheaper mon-

ey. This robs not only investors in government bonds, but also small savers, because banks invest their deposits heavily in government bonds. The combination of the worthless money printed and the gain from paying back debt in devalued money is the inflation tax.

Why does the government of every little nation wants its very own paper currency? Partly for "national pride," but mostly so each government can steal its "share" of the people's wealth by keeping the power to counterfeit.

Inflation also masks the drop in the standard of living caused by tax increases. Tax increases are produced by inflation pushing taxpayers into higher income tax brackets. While your income appears to be greater, after adjusting for inflation and paying a higher percentage in tax, your real income is actually less.

Inflation also means that people are taxed on non-existent "capital gains." Suppose that you sold your home or stock for twice as many dollars as you originally paid. The government considers the difference in price to be a profit (called a capital gain), on which a stiff tax is levied, even though the price increase may be entirely due to government-caused inflation! If the price on your property has not kept up with inflation, you may be taxed even though you actually suffered a financial loss.

Politicians thus use inflation to increase taxes without being seen to have voted for higher taxes. They call this the "fiscal dividend."

If all prices and after-tax wages increased the same amount at the same time, there would be little change in the standard of living. But inflation does not affect all incomes and prices the same. The result is that the economy becomes less efficient and our standard of living is lowered.

However, two even more important reasons the average standard of living has been dropping in recent years are higher taxes, including the inflation tax, and increased regulation of the economy.

If you have wondered why it now takes two wage-earners to support a family when their parents needed only one, it is because of the larger share of our labor confiscated by government.

And have you wondered why there is such a do-it-yourself boom? In the last 20 years, a new major industry has developed to provide construction and repair supplies, how-to books and courses, *etc.*, for amateurs.

Many people have, of course, always done home projects as hobbies or to save money. What is new is the

tremendous shift from hiring others to doing-it-yourself. This shift is driven by economic necessity. A large part of the population can no longer afford to hire tradesmen.

The do-it-yourself movement is very inefficient because efficiency comes from specialization. Amateurs don't usually do the same job often enough to become good at it or to justify professional tools. A lot of time is invested in learning.

So, amateurs do their own repairs and home improvement, instead of working at what they do best, in order to pay tradesmen for doing what they do best. It makes sense only for avoiding the crushing burden of taxation--both personal taxes and the taxes of the hired labor.

It is important to understand that ***the true measure of taxation is not the apparent taxes paid, but government spending***. Whatever is spent has to be extracted from the economy. Taxes, borrowing and printing money all increase government's "share" at our expense.

On top of that, all the money and time we spend to comply with, and/or avoid the bad effects of, government economic laws, inflation, regulations and taxation, and the loss in economic efficiency they cause, are just as much a tax as a sales tax. For example, investment in "tax shelters" and "inflation hedges" diverts capital from more productive uses and lowers our standard of living.

The beauty of inflation from the politicians' viewpoint is that they can blame business, labor, consumers, foreigners or "us" for higher prices. But the truth is as simple as supply and demand. If the amount of money in circulation doesn't change, and one price (such as oil) goes up, other prices must fall to keep the average price the same. Only more money chasing the same goods can drive the average price up. And politicians control the money supply.

Another way to look at the problem is that the value of goods and services hasn't changed. The reason it takes more money to buy them is that money is worth less. Only government has the legal power to control the value of money.

To appreciate the magnitude of the problem, consider that in America the value of money fluctuated, but showed little change overall from after the Revolution until 1913. In 1913 the Federal Reserve was imposed on the banking system (at the request of the bankers) as a central bank charged with the responsibility for maintaining the value of the money. It was actually intended to be an engine of inflation. The result is that, since 1913, our currency has lost well over 90% of its value.

How To Retire Rich

An increase in goods from higher productivity could lower prices, but government destroys most of the needed capital by taxation, inflation and regulation. Even if you can still make money with taxes and regulation, why save and invest it when the value is going down?

It is interesting to consider that if government did not increase the money supply, productivity improvements would gradually increase the value of money. If productivity increased at only 3% a year, a dollar saved at age 20 and invested at only 3%, interest, at age 65 would be worth $13.76. The longer you lived, the ***more*** your pension would buy! At present, *if* you could get interest on your dollar as high as the inflation rate, you would still have only your dollar after those 45 years. Guess who took the other $12.76!

Some economists think that government should increase the money supply in proportion to the productivity increase to maintain stable prices. But why should the fruits of our hard work and savings be confiscated by government, rather than kept by the earners in the form of lower prices?

Inflation And Prosperity

Inflation of the money supply is popular with politicians not only because they can blame the tax on someone else, but also because it creates temporary prosperity. Inflation does this by fooling business into thinking there is more consumer demand than there really is, and by temporarily lowering interest rates. Banks full of newly printed money are eager to lend it out. Artificially lower interest rates make new or expanded business ventures appear more profitable than they really are.

So businesses expand, hire people, and spend money for new equipment. Consumers borrow cheap money to buy more. Until prices start going up, everybody is happy, and the politicians get the credit.

Because not everyone gets the new money at the same time, inflation also has the effect of unjustly redistributing income, generally from the poor to the affluent. Socialists ignore this effect and advocate inflation, because it increases government control over the economy. So there are powerful special interests providing political support for inflation.

You can easily identify these special interests, as they are the ones "concerned about the liquidity crisis," and complaining that "tight money," "austerity," or high interest rates are "choking the economy," hurting business

and causing unemployment. They seldom call for inflation by name. Instead, they use many fancy, more pleasant sounding terms, such as "economic stimulation." The following quotation is an example.

Expansionary fiscal measures could help, but they cannot prevail against unyielding monetarist policies. High real interest rates are the principal culprit for both depression and delicits. A vigorous recovery accommodated and spurred by the Fed is the cure, really the only cure, for our economic and fiscal ills.

Yale University Prof. James Tobin
The Wall Street Journal, January 26, 1983

The supporters of inflation offer the theory that our economy requires more money as it grows. But it's not true. When money is in greater demand, it will increase in value to do the same job as more money of less value. And areas short of money will draw money in from elsewhere, because it will buy more as long as the shortage lasts.

If inflation is so wonderful, why is it that government is so tough on amateur counterfeiters who are trying only to help the government stimulate the economy?

Inflation used to be recognized for the robbery it is, especially back when kings used to mint short-weight or alloyed gold coins. Although "fiat" (no gold backing) paper money made it easier, politicians were at least embarrassed about their counterfeiting because there was no excuse.

In the 1930's, a British economist, John Maynard Keynes, came to their rescue by furnishing the excuse for which the politicians and special interests were waiting. The reason, he said, that we have a depression instead of prosperity and economic growth, is that there is not enough demand for goods and services because people don't have enough money to buy them. This can be cured, he claimed, by "priming the economic pump," by printing more money. His idea--that government could and should run the economy to provide everlasting prosperity without depressions--proved very popular.

It is no longer a matter of serious controversy whether the government should play a positive role in helping to maintain a high level of economic activity. What we debate nowadays is not the need for controlling business cycles, but rather the nature of governmental action, its timing and its extent.

President's Council of Economic Advisors Chairman
Arthur F. Burns, 1954

There has been continuous world-wide inflation ever since, all for our own good, of course. One of the reasons that inflation is "exported" from one country to another, is that reducing the value of the currency gives a country a ***temporary*** price advantage for its exports, at the expense

of its citizens who buy imports. Another reason is the International Monetary Fund, which prints money to loan to governments to which no one else will lend.

As export manufacturers everywhere are better organized than the mass of citizens, a competition develops between countries to inflate the most, with the phony excuse that "we must have a favorable balance of trade." Trade, however, balances itself automatically. The paper currency we use to pay for imports has to be used by foreigners to buy our exports, unless the imports were intended as gifts.

Business Likes Inflation

The main reason business likes inflation is the temporary prosperity it produces. Sales and profits go up, and there is more and cheaper capital available for expansion. Those who (temporarily) benefit most from inflation are exporters, companies which make expensive products that most consumers must finance (such as housing and automobiles), and manufacturers of "capital goods" needed to expand production. This is why they are big supporters of inflation. But there are other reasons why inflation is popular with business.

Business managers like inflation because it allows them to report far higher profits to their shareholders than their services have really earned. They can report progress even when things are getting worse. Profits are the "grades" on managers' "report cards," and everybody likes to have good "grades," especially when their jobs depend on it.

In recent years approximately one half of the profits reported by large corporations have been due to inflation, and are not real. Many major companies that have actually lost money have been able to report profits using standard accounting rules that do not consider inflation. This is done primarily by recording the expense of inventory used, and depreciation of machinery and buildings, based on their lower original cost instead of the higher cost of replacement.

If you sell something for $2.00 that you paid a dollar for, it appears that you made a $1.00 profit. But if it will cost you $3.00 to replace it because of inflation, you have really lost $1.00. Similarly, the selling price of a product should include a charge for wearing out the machine that made it. If this charge for depreciation is only enough to recover the original cost of the machine, and it will cost twice as much to buy a replacement, the company may be going broke

while reporting profits.

That such losses are real and not imaginary is proven by the fact that when inflation is not taken into account, ***new*** capital will be required to maintain the ***same*** physical assets of a business.

As it is generally recognized that, during inflation, companies earn far less than they report, it might seem surprising that shareholders are not very upset about being deceived by the managers of their companies. But they are not, for the value of their shares depends on what prospective buyers ***think*** the earnings are. And they are afraid their investments might be jeopardized if their companies ***admitted*** their true financial condition.

The stock market, however, is not fooled, so stock prices reflect the lower real value of companies. This has been true for so long that investors don't realize how much higher stock prices would be if the reported earnings were true. If every company adjusted its financial reports to account for inflation, there would probably not be a large change in the average price. But no company wants to be the first to stop reporting phony earnings for their stocks, or wants inflation to stop pushing up reported earnings. It's like everyone pretending to believe in Santa Claus.

There are serious consequences, however. Companies are paying heavy taxes on non-existent earnings. In many cases the taxes are greater than their real earnings. (This is another reason why politicians like inflation.) The results will range from slow growth to going out of business.

Many companies are not operating efficiently enough to recover their costs and maintain financial health. It's like a farmer eating his seed. If such companies had to admit to themselves and their shareholders that they were losing money, costs would be cut, many prices would rise to an economical level, and unprofitable products would be dropped before the companies were wrecked.

Inflation also helps business to pay its debts, because borrowed money can be repaid with money that is worth less. Many bank loans could never have been repaid without inflation. This is why bank managers like inflation--it bails out bad loans that would otherwise be embarrassing and bad for careers. The loss in the value of the money is passed on to the banks' depositors who are the victims.

Far from growing, our economy has literally been feeding off its capital base to survive.

H. R. Newmark, 1982

MacGregor traveled the world, paying with borrowed money for mineral companies he wanted, confident that inflation would ease the stress of paying it all back.

Business Week, October 18, 1982

The bank interest rates paid to depositors do not increase to offset the loss due to inflation, because banks use government regulation to control interest and prevent competition. After depositors realize they are being ripped-off, they stop saving. This makes less capital available for new jobs and improved productivity, so there is unemployment and the standard of living suffers.

Employers also like inflation so they can pretend to give generous annual raises to employees who are contributing no more to the companies' incomes than the year before. Inflation even allows wages that are out of line to be reduced without being obvious. It makes it easier to raise prices with inflation as an excuse. And inflation makes it harder for customers to figure out what they are really paying.

Unions, Too

Union officials also like inflation. The main reason is that union bargaining power drops sharply in a recession. Union officials, like politicians, tend to take a short term view, focussing on the next election of officers. So more inflation seems to them to be a small price to pay for a temporary boom that helps obtain richer contracts and keeps members employed and happy so they aren't dissatisfied with their elected officials. Another important reason is that it allows them to pretend that they have obtained for their members much larger pay increases than justified by increased productivity.

Because unions derive their legal monopoly powers from government, they are usually strong supporters of big government. Therefore, union officials tend to like Keynes' theories which advocate increased government spending financed by inflation, and increased government control of the economy. Powerful government employee unions especially support inflation, along with other taxes, to finance their salaries.

Because of their economic and political power, unions are able to raise wages to offset the price increases caused by inflation. This means that effectively, inflation allows unions to increase member incomes at the expense of the poor, the retired and other economically weak people.

And Debtors Love Inflation

Debtors, of course, have always loved inflation because it enables them to rob their creditors (at least until creditors get wise and raise the interest rates they charge). The

debtors that are benefitted by inflation, however, are not the poor, as one might imagine. Rather they are the large corporations, the affluent with big mortgages, large farmers, governments and others who have the credit ratings to borrow large amounts from banks and the security markets. Overextended debtors have traditionally been fanatic advocates of inflation.

The Mystery Of Inflation Is Solved

With all the powerful special interests who favor inflationary policies such as politicians, business, exporters, banks, government employees, unions, and debtors, the wonder is not why we have inflation, but why it isn't even greater.

We're all Keynesians now.

Richard M. Nixon, 1971

Practical men, who believe themselves to be quite exempt from any intellectual influences, are usually the slaves of some defunct economist.

John Maynard Keynes, 1883 - 1946

The Catch

Keynes' theory, that inflation helps the economy by stimulating demand, has been completely discredited. It is obvious that it is production which limits the satisfaction of human wants, not the ability to consume. And it takes capital to increase production.

Capital is the amount of labor people devote to increasing future production instead of immediate consumption. Printing money does not create more labor. Instead, inflation reduces the value of the money saved to pay for the labor to build more and better tools. Inflation thus discourages capital saving and improvement in our standard of living. Few today would ***admit*** to being Keynesians, but his mythology continues to wreak havoc with the economy.

The basis for the productive economy--despite what politicians, journalists and liberal economists tell us--is not spending but rather saving. Consumer spending, acting in concert with a free, unhampered price system, serves as a guide or rudder to the economic process. Consumers, by voting with their dollars, decide which investors are to be winners and which will lose. Spending does not create wealth; it only decides what, in the final analysis, will be considered to be wealth and what will not.

Bill Anderson, 1982

Inflation not only victimizes the poor, reduces economic efficiency and retards progress; it does other bad things such as cause depressions.

Inflation and other government economic interference are the ***cause*** of the ups and downs of the business cycle.

The business cycle should be renamed the government cycle. Ironically, the Keynesian prescription for smoothing the business cycle was more government interference in the economy.

The problem is that people get used to the inflation and they aren't fooled anymore, so the only way to keep the boom going, and the voters happy, is to increase the inflation rate.

Five per cent more money might do the trick this year, but it may take 10% to keep it going next year. Pretty soon people learn to spend money the minute they get it, which means that money circulates faster and pushes prices even higher. So 10% more money might cause 20% inflation. Nobody wants to get robbed by lending money, so interest rates skyrocket.

Anyone who thinks inflation is the way to prosperity and full employment should consider Latin America, where continuous huge inflation is the normal state of affairs.

The International Monetary Fund reports that Argentina's consumer prices rose 130 percent last year...Today, the government reports, inflation is running at an annual rate of about 500 percent--and may still be rising. ...government printing presses keep churning out ever larger bill denominations to keep up. The latest is the one million peso note. On the black market, it is worth just $20. ...An Argentina automobile company executive returning from a weeklong trip to the country recently found that the price of gasoline had risen so much in his absence that he did not have enough money to make it home. Inflation is not new in Argentina, which in the 1940s pioneered the third world philosophy of fueling economic growth by printing money. The government printed bill after bill to cover the huge deficits that it ran in financing social welfare and industrial development. ...Last year, the economy stumbled into deep recession as well as inflation, and the cycle turned nasty. ...Psychiatrists report that the effects are causing heavy stress. "People feel like they are caught in quicksand," Dr. Ada Erole said in an interview. "They can't finish their projects because of price increases, and they can't plan for the future." ...In the last two weeks, groups of women have taken to demonstrating outside stores and government offices demanding that prices be kept down.

Edward Schumacher, N.Y. Times, Aug 28, 1982

Lowering the value of money by inflation is like changing the length of a yard, the weight of a pound, the volume of a gallon, or the length of an hour.

If standards of measurement were constantly changed, some people would be enriched, others would lose, and no one could count on anything. There would be tremendous wasted effort as people tried to protect themselves from this uncertainty. Instead of creating new wealth, people would concentrate on trying to lose as little as possible of what they have. There would be chaos. Just like inflation!

Inflation has to end in one of two ways. It can be

constantly increased to maintain the economic boom until inflation goes through the roof and money loses its value so rapidly that it becomes worthless. This is called hyperinflation. Then the economy collapses and people go back to barter.

The chaos and terrible hardship which are the inevitable result of continuing inflation, create a public demand for a strong man to bring order and stability at any cost. Two of the many dictators who gained power in this way were Napoleon Bonaparte and Adolf Hitler. Thus, included in the costs of these inflations were the Napoleonic War and World War II.

A straight line runs from the madness of the German inflation to the madness of the Third Reich.... It was during the inflation that the Germans forgot how to rely on themselves as individuals and learned to expect everything from "politics," from the "state," from "destiny".... Inflation is a tragedy that makes a whole people cynical, hard hearted and indifferent. Having been robbed, the Germans became a nation of robbers.

Thomas Mann, 1975

In 1979, 22 years after independence, Jerry Rawlings, a young flight lieutenant, staged a coup that ousted Ghana's civilian government and installed himself as the nation's leader. He returned the government to civilians for a time and then, after another coup, resumed power in 1981. Lashing out at corruption, he has abolished the parliament and the constitution, executed three former heads of state and jailed other opponents. He inherited an economy near collapse. The last civilian government tried to solve the problem of budget deficits by printing more money. In 1981, it increased the money supply by 55%, thus causing the inflation rate for that year to climb to 116%.

Steve Mufson, 1983

The other way inflation can end is for government to slow or stop increasing the money supply. This option will stop inflation without complete economic disaster, but many businesses that were fooled into expanding will have to contract to the size truly desired by consumers. The capital goods industry, which makes machinery for manufacturers of consumer goods, will be especially hard hit. Profits go down, unemployment goes up, and some businesses go broke.

This is called a depression. ***Depression is not a cure for inflation; rather, it is the inevitable result.*** The only question is whether it will be the total economic collapse of hyperinflation, or a less severe depression if the inflationary process is stopped earlier. (Depressions have been renamed "recessions" so that government can claim to have prevented depression by its management of the economy.)

If government, instead of stopping inflation, keeps printing new money at the same rate or just slows down, we will

continue to have inflation along with the depression. This is called stagflation.

It is often suggested during a depression that it will do no harm to inflate the money supply because much manufacturing capacity and labor are idle. At such times, according to this theory, the artificial demand produced by inflation will not cause prices to increase because the supply of goods will quickly increase to meet this higher demand.

However, while it may be true that prices will not increase as rapidly as during an inflationary boom, they will surely be higher than they would have been without artificial demand. In any case, the new money will still be there after the economy recovers from the depression, so, sooner or later, prices ***will*** go up. And there will be no less damage from the other effects of inflation. TANSTAAFL!

The economic distortions of inflation build up. Even a low inflation rate over a period of years will cause severe damage to an economy, and a depression when it is ended. The higher the inflation rate and the longer it continues, the more catastrophic the depression it will cause. There is no such thing as "an inflation rate we can live with." We can pay the price of ending inflation now, or a much higher price later. That is the only choice.

Monetary expansion and recession are inseparable.

Gerald P. O'Driscoll, Jr. and
Sudha R. Shenoy, 1976

I grew up and was educated in the period when advanced thinkers said a little bit of inflation was a good thing. People thought that they were a little richer each year, the profits were always a little higher than expected, it's nice to have the price of your house going up--and, the argument ran, all that will lead to a good economy. In fact, I think there is some truth to that, but it's got a big catch: There's only some truth in it so long as people are surprised, implicitly or explicitly, by the inflation. Once they begin getting the sense that it's a game, and they're just trying to keep ahead of it but can't, then you've got an entirely different set of circumstances. I think that is the watershed we passed in the 70's.

Chairman of the Federal Reserve System Paul A. Volcker, 1982

We used to think that you could just spend your way out of a recession and increase employment by cutting taxes and boosting government spending. I tell you, in all candor, that that option no longer exists; and that insofar as it ever did exist, it only worked by injecting bigger doses of inflation into the economy followed by higher levels of unemployment as the next step. That is the history of the past twenty years.

British Prime Minister James Callaghan, 1976

We create business cycles because every government wants to look good before the electorate around election time. There is a tendency to follow necessary economic policies after an election and then "shoot up" the economy as new elections near.

Robert Mundell, 1982

Horrible Example

The classic example of depressions was the "Great Depression" of the 1930's, which was caused by the inflation of the "Roaring Twenties," produced by the new Federal Reserve System. This depression was aggravated by President Herbert Hoover's active economic interference, such as the Reconstruction Finance Corporation and the Smoot-Hawley tariff bill.

Black Tuesday in October, 1929, was the turning point--a day that will never be forgotten by those Americans who lived through it. What had happened? Prior to the Federal Reserve System, the banking system was like a safety fuse in the electrical system. When it was heated, the fuse always blew and the situation corrected itself again. But the government didn't like for the fuses to blow--so it put a penny in the fuse box and the house burned down.

John Hospers, 1971

Contrary to popular mythology, Hoover was such a supporter of big government, that Franklin Roosevelt campaigned against him in 1932 on a platform of cutting government spending by 25%.

...a program whose basic thesis is, not that the system of free enterprise for profit has failed in this generation, but that it has not yet been tried. Government, like any family, can for a year spend a little more than it earns. But you and I know that a continuance of that habit means the poorhouse.

Franklin D. Roosevelt, 1932

After election, however, Roosevelt adopted Hoover's economic program, prolonging and deepening what could have been a short depression. In 1937, after a five year orgy of government spending and socialist legislation, unemployment was still twelve million, the same as when Roosevelt took office in 1932.

Although we have had periods of temporary easing, the Great Depression and its stagflation have never really ended. For example, stock prices, adjusted for inflation, are still in the same range as they were after the 1929 stock market crash. Since 1970, average real income has been falling. Inflation has soared since 1971 when Richard Nixon cut the last link of the money system to gold.

Note that according to Keynes' theory, stagflation is impossible. The only economic theories that have adequately explained government's role in inflation and the business cycle, and predicted the consequences of government actions, are those of the "Austrian school." Most "Austrian" economists now live in America, but the school traces its roots back to Austria, where it was founded in the middle of the last century by Carl Menger. Among the better known Austrian economists are the late Ludwig von Mises, Nobel Prize winner Friedrich A. Hayek, and Murray Rothbard.

Inflation has been more severe than it appears, because productivity increases reduce the price increases. For example, if productivity goes up 3% and prices 5%, the real inflation rate is 8%. Even if prices remain stable while productivity grows, we are robbed of that growth and suffer from inflation.

While technology has brought a number of benefits despite government, even if inflation is stopped, it will be decades before we can make up for the loss of progress due to increasing government economic interference in this century. The suffering that government has caused can never be corrected. Think about it the next time you read the latest unemployment statistics or someone you know dies from something for which the treatment has not ***yet*** been discovered.

Over the short haul--the next five to ten years--these findings could lead to better and safer treatment for cancer. In the long run, they could provide doctors with a means of preventing the cancer switch from ever being flipped.

Times Union, November 2, 1982

The Cure For Inflation

The whole inflation thing is like taking dope to get high. It keeps taking a bigger dose to get high. Finally the choice is to suffer through withdrawal, keep taking dope and suffering the effects with no high, or die.

Another, more complicated, analogy would be borrowing to finance a spending spree. When the money is spent, the choice would be to repay the debt and temporarily suffer a drop below the previous living standard or to keep paying interest so that the living standard will drop to the previous level, less interest, or to keep borrowing to continue the spending spree until bankruptcy. In all cases there would be an additional economic loss because the borrowed money probably would not be spent as carefully, and there will be losses adjusting the standard of living up and down.

The reason we have inflation is not because the cause and cure are unknown. The reason is simply that there is too much profit and political pressure for any government to ever voluntarily end inflation. Too many people unjustly benefit at the expense of others. And too many people think they benefit, even though they really don't.

The only way to lift this terrible curse from mankind is to ***eliminate all government power over banking and the money supply***, and leave it to the free market.

The market will insist on good money and drive out bad money. The fraud of counterfeiting could be punished by

courts, and the biggest counterfeiter of all, government, would be out of the business.

Specifically, the Federal Reserve System, legal tender laws, and banking regulation, must all be abolished. There should not be a "gold standard" controlled by government; instead, gold itself (and/or other valuable materials) would become money, minted by whoever had the trust of the market. Paper money and base metal coins would be "warehouse receipts" for gold, redeemable on demand.

When asked about the long term bad effects of inflation, Keynes replied, "In the long run we are all dead." He is dead, and the long run is here. To stop the injustice and tragedy of inflation we must free money and let the market provide the honest money that is needed.

An ounce of gold is still an ounce of gold even centuries after a promise to pay has been contracted. The concept, "ounce of gold," has a definite meaning. In today's financial markets, however, you can't make a long-term contract in terms of "dollars" and have any confidence that the term will mean the same thing in the future.
Joe Cobb,1982

Neither A Borrower Nor A Lender Be

While we're at it, let's also eliminate government borrowing. Politicians like to buy votes with borrowed money for which they figure some future politician will have to raise taxes.

The other major special interests which support such borrowing are banks. What could be nicer than a customer who borrows huge sums of money and has the power to force all the citizens to repay? Banks prefer to lend to strong repressive governments, because of less risk of default. There is great mutual support between banks and the big government which gives them monopoly privileges and protects their foreign investments. A lot of tyranny has been financed by banks.

Be not made a beggar by banqueting upon borrowing, when thou hast nothing in thy purse.
Apocrypha, Ecclesiasticus 18:33

Borrowers are nearly always ill-spenders, and it is with lent money that all evil is mainly done and all unjust war protracted.
John Ruskin, 1866

The theory that loaning money to foreign governments is safe, profitable business for banks has recently been strained by the inability of several governments to repay. Some cannot even pay interest on their enormous loans.

However, bankers have demanded that their own governments bail them out by loaning the debtor governments money, so they can repay the banks. They claim that taxpayers should bear the losses caused by reckless lending in order to "avoid a crisis in the international banking

system." The "crisis," however, is that the banks' shareholders might lose money and the bank managers might lose their jobs.

Countries don't go bust.

Walter Wriston, chairman of Citibank

There is a negligible risk of permanent default in sovereign lending because foreign borrowers cannot cease to exist.

William Ogden, vice chairman of Chase Manhattan Bank

Countries are different from individuals. We can go bankrupt and disappear. Countries can't do that.

Leland Prussia, chairman of Bank of America

Practically everybody in Washington is now pushing for the additional financing of the International Monetary Fund. Most of the constituency that demands funding for the IMF comes from the banking and corporate communities. The individuals who are totally ignored are the average American working people who would like to earn a living, save for the future, and be left alone. They are the ones who will be taxed and suffer the consequences of inflation. This is the real tragedy. Under the bailout scenario developing today, average working men and women will suffer the consequences. Not only are they asked to fund the IMF, plans are being made for establishing a new bank, so that under emergency conditions, such as existed during the Mexican banking crisis several months ago, bailouts could occur more rapidly and with larger amounts of money. It is claimed this is necessary because there are so many nations that are not able to meet their commitments; the banking community needs reassurance that a cartel of debtors won't get together and default.

Congressman Ron Paul, 1983

Government debt and government-guaranteed debt hurts everybody, by crowding business out of the financial market so that it can't raise the capital needed to create useful jobs and to increase our standard of living. Government borrowing drives up interest rates, which depresses the economy. High interest rates not only weaken business by lowering profits, but also reduce the value (and collateral for borrowing) of every business and farm in the country--a massive destruction of the people's wealth.

There is no greater elixir for stock prices than a declining inflation rate. As inflation declines, interest rates also decline. When inflation and interest rates decline, history teaches us that price/earnings ratios for stocks tend to increase. A stock earning $5 per share might sell at $30 with inflation at 12 percent and the prime rate at 16 percent. That would be a price/earnings ratio of six times earnings. With inflation at 6 percent and the prime at 11 percent, that same stock with those same earnings might sell at $50 a share and the price/earnings ratio is now 10. Same stock, same earnings--but the earnings are now worth more because inflation and interest rates have declined.

Charles LaLoggia, 1983

To grasp the combined effect of government inflation and borrowing, consider that as recently as 1965 bank interest was 4½% for prime borrowers and less than 6% for mortgages.

Government, of course, rushes to the "rescue" with loans and loan guarantees for politically influential businesses which makes capital even scarcer for honest businesses.

"We've been in a trade war for a long time and we're losing it without firing a shot," the Senate Democratic leader told the House banking panel's oversight subcommittee. The winners, he said, are countries such as Japan and West Germany that have a carefully thought out plan for helping their businesses compete in world markets--"encouraging them, stimulating them, protecting them, even by unfair trade practices." Byrd's comments were in support of his bill to establish a national investment corporation to provide cheap loans to major industries--such as steel--that need huge amounts of money to modernize their plants. "It's going to take more money than these industries can raise in the present circumstances" without government help, Byrd said. "Perhaps I wouldn't expect to see this legislation passed this year, but the need is going to become more and more obvious as time goes along," he said.

Associated Press, March 10, 1983

The statesman who should attempt to direct private people in what manner they ought to employ their capital, would not only load himself with a most unnecessary attention, but assume an authority which could safely be trusted to no council and senate whatever, and which would nowhere be so dangerous as in the hands of a man who had folly and presumption enough to fancy himself fit to exercise it.

Adam Smith, 1776

It is claimed that government is justified in borrowing for "capital" programs. But government doesn't buy tools to produce things at a profit, but instead buys consumer goods. Most immoral of all, government borrowing is an attempt to tax future generations.

There is an almost endless supply of similar examples which show that, as predicted by economic laws, the long-term and hidden harm caused by government far exceeds the short-term visible benefits. Over time, almost everyone, even government officials, is hurt by government. It is obvious that government is not the solution--it is the problem.

★ ★ ★ ★ ★ ★ ★ ★

Depressions and mass unemployment are not caused by the free market, but by government interference in the economy.

Ludwig von Mises, 1946

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X. THE PRICES OF LIBERTY

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Those who pretend that they want to preserve freedom, while they are eager to fix prices, wage rates and interest rates at a level different from the market, delude themselves.

Ludwig von Mises, 1952

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People Controls

One of the most common ways in which government interferes in the market is to attempt to control prices. The word attempt is used for an important reason. Government price controls are never successful over the long term. Force is self-defeating.

However, price controls do cause enormous injustice and suffering. And if they affect a large part of the economy and are strongly enforced, the damage can be even greater than that inflicted by inflation.

In fact, price controls are most often imposed by government to prevent the price increases caused by government inflation of the money supply. Government wants to continue to collect the hidden tax of inflation and have an inflationary boom, without the unpopular price increases.

But as predicted by economic laws, and repeatedly demonstrated throughout history, "there ain't no such thing as a free lunch." Price controls simply accelerate the destruction of the economy caused by inflation.

Price controls often lead to revolutions, and always tremendously increase government power. If government controls the price of your labor, and the prices you pay for the labor of others (all prices are ultimately prices of labor), it controls you. Price controls are really people controls. Considering these two effects, it is not surprising that price controls are strongly supported by socialists.

Another major reason why government imposes price controls is to make prices "fair." A "fair" price is a matter of opinion, which is strongly influenced by whether one is buying or selling. What government price controls actually do, of course, is to interfere in the market to favor either the buyer or the seller, depending on which has more political influence.

Government subsidies, taxes and monopoly grants are not usually recognized as price controls. But that is one of their effects, and sometimes the purpose. Government interferes in the market to lower prices by subsidizing both

buyer and seller at the taxpayer's expense (for example, education). It interferes to raise prices at the expense of both buyer and seller (for example, sales and excise taxes). One of the excuses for heavy taxes on liquor, tobacco, gasoline, *etc.*, is to discourage consumption by raising the prices. Government utility monopolies, tariffs and quotas on imports, *etc.*, raise prices to favor certain sellers at the expense of other sellers and all buyers.

All these points will be discussed in more detail later. But first, it will be helpful to consider how free market prices are determined, and the vital role they play in co-ordinating the economy.

"Fair" Trade

It is a popular idea that when two people voluntarily trade by exchanging goods, services, or money, one of them gains at the expense of the other. The truth is that both gain. Unless what each receives is ***more*** valuable to ***that*** person than what is given, no trade will take place.

Each gave the thing he least required,
And gained the thing he most desired!
Ralph Bradford, 1982

Money is used in trade to make it easier to exchange goods and services. Money prices simply express the exchange ratios, such as how many chickens it takes to buy a horse.

To illustrate: if a bushel of wheat costs three dollars and copper costs a dollar a pound, it means that the bushel of wheat can be exchanged for three pounds of copper. If you are paid six dollars per hour, it would mean that you can exchange an hour of labor for two bushels of wheat or six pounds of copper.

Because, in the end, all wealth is created by labor, prices express how valuable each person's labor is to other people. The price system is how we find out what other people most prefer that we do to help them.

Money has an advantage over other things that can be traded. If you want to trade a pig, you can trade only with someone who wants a pig. But if you offer money, everyone is interested, because they can trade money for whatever they want.

So we often discuss trade with words that indicate whether a person is offering to trade money, goods or services. However, money and the words we use can make it more difficult to understand what actually happens in the market.

By convention, the person who trades goods for money is called the seller, and the person who trades money for

goods is called the buyer. The person who trades money for services is usually called an employer, and the person who trades services for money is called an employee. But not always, because if a person trades services for money with a number of people, he/she is a seller to buyers, instead of an employee. There are many similar words used in discussing trade, such as merchant, supplier, producer, vendor, businessperson, customer, purchaser and consumer.

These distinctions are useful, but also confusing. They obscure the fact that we are all really trading our labor, and what we produce with our labor, for the labor of others. And we trade only because our labor is worth less to us than either the labor of others, or leisure.

The reason other people's labor is worth more to us, and vice versa, is specialization. We produce more efficiently (that is, with less labor) and with better quality, when we specialize in some particular kind of work. We all benefit enormously from this "division of labor" which money and prices facilitate and coordinate.

People who desire power over others often suggest that there is some moral or economic superiority associated with one side or the other of a trade. Put another way, the idea is that the rights and obligations of one side are different from those of the other. However, what would be unjust would be to use force to impose conditions on either side, other than those which are voluntarily accepted.

It is easier to see that ***both*** parties benefit from voluntary trade if we simplify the transaction by not using money as the intermediary, in other words if we look at exchange by barter.

For example, if you caught more fish than you could eat, and another person picked more apples than he could eat, you are both better off after trading--if you each like to eat what the other has to offer.

Someone else might think you made a bad deal because she doesn't think people should eat apples, or that you didn't receive enough fish in trade for your apples. But that is her problem. It's what ***you***, and the person with whom you trade, like that counts. She has no right to interfere with your deal, nor has anyone else.

Middlepersons

Often people purchase something, and then sell it to another person for a higher price to make a profit. It may appear that the person who paid the higher price was cheated, because he could have bought it at a lower price

from the original seller. But he was not. He made the purchase voluntarily because it was worth more to him than the money he gave up in exchange.

The "middleman" (for example, a retailer) earned her profit by financing, transporting, storing, perhaps exhibiting the purchase until the third person wanted it, and rendering other services. Without the "middleman" the cost to the purchaser would almost certainly have been greater because of the expense of a small shipment or travel to where it was sold.

But even more, she earned her profit by providing information to make possible the exchange that benefitted the final purchaser. The final buyer may not have known where to find the purchase or where to find it at the best price. If it was sold only in quantity he may not have known how to resell the unwanted surplus. He may want a steak, but not a live cow. He may not have known which product was best for his purpose. He may not have known that what he purchased even existed or that it would benefit him.

"Middlemen" provide an important service by providing information at much lower cost than if each purchaser had to obtain it individually. Information is a valuable commodity that can cost a great deal of time and money to acquire. It is not "unfair" to sell it in a voluntary exchange.

In the final analysis, the justice of the "middleman's" profits is shown by considering that if producers could perform the same services themselves at the same or a lower cost, they would eliminate the "middlemen" and make the profits for themselves. And consumers would patronize producers directly if it was to their advantage.

"Fair" Prices

Karl Marx's labor theory of value claims that a fair price should be determined by only the hours of labor to produce the good. He and many other social theorists who didn't understand economics have used this concept to condemn profits. This theory means that if you spend a day painting a picture, it is worth the same as a picture that took Rembrandt a day to paint! So when you ask the Russians to trade one of their Rembrandts for your picture, be sure to remind them of the principle involved.

A use value or useful article therefore has value because human labor in the abstract has been embodied or materialized in it.... How then is the magnitude of this value to be measured? Plainly, by the quantity of the value-creating substance of the labor contained in the article. The quantity of labor, however, is measured by its duration, and labor time in its turn finds its standards in weeks, days, and years.

Karl Marx, 1883

Marx's labor theory of value is so silly that it wouldn't be worth mentioning, if so many people didn't use it in judging the "fairness" of prices by "cost." By cost, they usually mean the labor plus any cost of materials, or, if something is being resold, the wholesale price paid for it.

A price is unfair from this viewpoint if it results in an abnormally high wage (that is, higher than their own salary) or more than a small percentage profit. This viewpoint is subject to change, of course, if they become sellers themselves.

The kinds of questions to ask such people when they are critical of someone for selling at the highest price offered, are: Would you pay the same price to hear a comedian who wasn't funny as one who was very funny? Would you sell, for two dollars, your stock that you bought for a dollar, if people are offering to buy it for one hundred dollars? If you discovered a lump of gold in your backyard, would you give it away on the grounds that it didn't cost anything? If a lamp I built cost me one hundred dollars, but no one else will offer me more than fifty dollars for it, will you pay me one hundred?

The Prices We Need

An even more extreme view of "fair" prices is that they should be determined by "need." A slogan expressing this idea is "need before greed." In this view a man supporting a family should be paid a much higher price for the same work as a single woman; and young, poor and elderly people should pay less for goods and services than other people.

But does someone who is in "need," because he spends money wastefully as soon as he gets it, have a right to prices lower than those for another person who is prudent and saves money?

Everyone, of course, has the right to set their prices according to "need," or any other manner they desire, but others have no obligation to trade with them if they find the prices unsatisfactory.

The most obvious problem with basing prices on "need" is, for example, when poor people can afford to pay only three dollars per hour to have their furnace repaired to avoid freezing, and the repairwoman needs ten dollars per hour in order to buy fuel to keep her family from freezing. If both the poor people and the repairwoman have a "right" to prices based on "need," there is a conflict.

The situation is not improved if the repairwoman is employed by a corporation, although many people talk as if

corporations have a secret money tree which allows them to operate with expenses greater than income from customers. If some customers are charged more to subsidize others who are "needy," they will do business elsewhere and the company could go broke.

People who make judgements based on "need" naturally have a solution. As you probably guessed, they believe that the conflict between high pay and low prices should be resolved by using government force to take the money from someone else. This is called "redistribution of wealth," or, more accurately, armed robbery or slavery.

The prices we need are those set by voluntary agreement, not by threat of violence. The question to ask them is: Why do you advocate violence and slavery to impose your economic opinions on other people?

Cost

The cost of producing something, whether it is labor, materials or capital used, does not (and should not) have an effect on what it is worth to someone else. They care only whether it will make them happier than what they have to give up to obtain it, and whether they can make a better trade with some other producer.

The cost of anything is what we forego to obtain it. Suppose that a camera and a chair are available at the same price, and you can afford to buy only one of them. If you buy the camera, its true cost to you is not the money, but the chair.

The producer looks at the trade the same way. The money spent producing the goods is history. The only question is would she be better off with the supply of goods, or with what she can buy with the most money the goods can be sold for?

Cost enters the picture only because the producer will probably not produce any more if she does not ***expect*** a profit. This will affect the future supply and therefore ***future*** prices. Also, she knows that if she charges too much more than cost, other producers will get the business.

The market is in effect a giant continuous auction. Even when prices appear to be fixed, as in a retail store, they are set at that level because of experience with what buyers will bid. If demand is higher or lower than anticipated, the prices will be changed. A slow auction is still an auction.

The point is that prices are set by the agreement of people involved in a trade. There is no "unfair," "right" or

"wrong" price, or "too high" or "too low" a price on the free market. And there is no "unfair" profit (or loss) because profits also are determined by voluntary trade.

Everything is worth what its purchaser will pay for it.
Publius Syrus, *ca.* 50 B.C.

The value of an article does not depend on its essential nature but on the estimation of men, even if that estimation be foolish.
Diego de Covorrabias, 1512 - 1572

Supply And Demand

When you decide to buy a gizmo, it is because the gizmo is worth more to you than other things you could buy instead. The higher the price, the fewer people will choose to buy gizmos, and the lower the price, the more people will choose to buy. The guys who make the gizmos will make more of them at the higher price, and vice versa. This is called the law of supply and demand.

Either I drop my price or I don't sell any gas.
Fred Doria's Auto Service
Rochester Times Union, February 16, 1981

If gizmos get popular, the price will go up because consumers will compete for the limited supply and bid the price up. Because more can be sold at a profit, more will be made to supply the demand, perhaps by new guys getting into the gizmo business.

If everybody gets tired of gizmos, then the price will drop because the sellers will cut the price to attract more buyers in order to reduce their bulging inventories. They will also cut production, because they can't afford to keep making more than they can sell at a profit. Probably some of the least efficient gizmo guys will get into a more profitable line of work.

At the free market price, supply will ***tend*** to equal demand, so everyone who wants a gizmo will be able to buy one, but the guy who makes them won't have any left over. This is sometimes called the "market clearing price."

Because the economy is constantly changing, no one can exactly forecast supply and demand. That is why stores have sales or occasionally run out of stock of an item. But there are strong incentives for producers and consumers to keep supply and demand in balance.

There is only so much labor and capital, so when more gizmos are made, it means that fewer doodads can be made. The lower supply of doodads raises its price just as the greater supply of gizmos will lower its price. When fewer gizmos are made, the reverse happens.

Supply, demand and the price of each good or service produced affect not only each other, but also affect the supply, demand and price of everything

else which is traded on the market. Thus the price system constantly adjusts the supply of everything for maximum satisfaction of consumer demand with the available labor and capital.

Speculation

Speculation is the act of buying a quantity of a commodity in the expectation that it can be resold later at a higher price, or selling in the anticipation of buying back later at a lower price. Speculation may also involve contracting for future sales or purchases or simply betting on future prices or events.

In other words, a speculator hopes to profit by anticipating future conditions. The speculator buys risk and thereby reduces the risk for others. The speculator also benefits them by providing information about the future.

Speculation serves a moral and important economic function. Speculation includes activities as different as people buying and selling life and fire insurance, a merchant buying inventory that she anticipates customers will want, buying or selling commodities in anticipation of scarcity or glut, buying stock in the hope of a price increase, selling stock short in anticipation of a price decline, and betting on a horse race just to enjoy risk.

Speculators are often hated and oppressed because their economic role is poorly understood. Laws restricting speculation ***appear*** to benefit consumers by keeping prices down, or ***appear*** to help business by keeping prices up.

But restricting speculative purchases harms consumers over the longer term. If present prices are held down, it will encourage waste, and cause future shortages and much higher prices than there would have been. Speculation conserves and increases supplies for the future, effectively giving future consumers a voice today.

Restricting speculative sales harms consumers by preventing prices from falling quickly in response to coming increased supply or lower demand.

Speculation helps both business and consumers by communicating, through price changes, information on needed adjustments in production and consumption. This improves economic coordination and efficiency, and smoothes out market fluctuations.

For example, speculation in future prices is the free market practical solution for the problem of uncertainty in agricultural production, without the injustice, high cost and waste of government intervention. By speculating in the

futures market, farmers can determine in advance, even before planting, the prices for their crops and the cost of feed for their animals.

Produce For Use?

Some people think that things should be "produced for use" instead of profit. The idea is that if something is "needed" by people, it should be produced even though it loses money. Because one thing can be produced only at the expense of less production of something else, this would mean less of something people "need" more. If there is no government interference, consumers control what and how much is produced, by the prices they are willing to pay.

The "produce for use" people prefer to focus on the more pleasant idea of getting something for less than it costs, so more people can afford it. They ignore the loss of production of what other people really want, the waste of resources, and the ugly fact that the price can be held down only by force or by robbing some people to pay the difference between cost and price.

What they are really saying is that people don't want what the "produce for use" people think they should want. For example, people "need" mass transit, so government should provide it at a loss. By refusing to pay the full cost of mass transit, people are, of course, demonstrating that they prefer to spend their money for other things they need more.

The hidden objective is to justify government controls instead of public control through the use of profits to allocate labor and capital. Their "bottom line" is socialism, rather than profits from better satisfying human needs.

Free Prices!

The price system is a magnificent thing as long as government doesn't try to foul it up. Prices communicate the information needed to coordinate the economy. Prices enable millions of people who don't know each other to cooperate in producing things for everyone's benefit. Without prices, no one would know what or how much is needed, or know the most economical method of production. Elimination of free market pricing is one of the main reasons why socialism has always been an economic disaster.

Not only do prices convey information on how an individual should act, but they provide at the same time a powerful inducement for him to do so.

W. Allen Wallis, 1982

There's Nothing Wrong With Prices, So Don't Fix Them

But people are often unhappy about prices. They feel that it is "unfair" that the prices of what they want to sell are so low, and the prices of what they want to buy are so high. They don't like the message prices deliver: the unpleasant truth that they must work harder or smarter to produce more if they are to consume more. So the idea of price controls is popular.

The people who wish to have government hold the prices ***below*** the free market prices, and those who wish to have the prices or wages they receive held ***above*** the market price, have something in common. They all believe that in their particular case, or due to exceptional conditions, the law of supply and demand doesn't apply, or has failed. Supply or demand is said to be inelastic, meaning that they are not affected by price.

A well known example is oil. In the early 1970's it was widely thought that the OPEC cartel price increases would not lower demand because people could not lower their use of energy, and that the supply could not be increased because the world was running out of oil. However, in the early 1980's, demand for oil was substantially reduced, and the supply was greatly increased. These effects and the resulting oil glut were exactly as predicted by the law of supply and demand.

While it may take time for large adjustments to take place, the law of supply and demand always works. That is because it is based on fundamental human motivation. Even force cannot suspend this law; it can only temporarily conceal its effects.

Governments don't like free market prices either. Governments like the money they steal with the "painless" tax of inflating the currency, and they like the temporary economic boom it produces. The political problems are that lowering the value of the currency makes government's money worth less too; and that the subjects are upset by the unpleasant consequences of inflation, causing political unrest.

> *Having tried to create "Prosperity" by monetary inflation, and then finding that prices rise steeply, the government usually claims that it needs controls to curb the price increases which it has caused. It needs controls, it asserts, in order to curb the inflation which it created.... The evidence is clear. Controls and possibly dictatorship follow inflation as day follows night.*
>
> Lawrence Fertig, 1967

Controlling prices seems to governments like a good way to have their cake and eat it, too. They think that they can enjoy the profit from issuing worthless currency, while suppressing the unpleasant effects. At the same time

control of prices can be used to increase political power by favoring friends, by hiring more bureaucrats to administer it, and by giving the impression that government is "doing something" about inflation.

So it is not surprising that price fixing has been frequently attempted by almost every government in the world at least as far back as recorded history.

If a man hire a boatman, he shall give him six gur of corn per annum. If an ass has been hired for threshing, ten qa of corn is its hire. If a man hire a makhirtu, he shall give two and a half grains of silver per diem for her hire.

From The Code of King Hammurabi, 2150 B.C.

However, it has never been successful. The more extensive the regulation, and the harsher the penalties for disobedience, the more disastrous the effects have been.

The curious thing is the shortness of people's memories about price controls. Often, only a few years after a terrible experience, controls are proposed and welcomed again as a great ***new*** idea! The name may, of course, be changed to "stabilization," or "incomes policy," but it's the same despotism that was thoroughly hated not long before.

Finally, in December 1794, the extremists in the convention were defeated and the price control law was officially repealed. When Robespierre and his colleagues were being carried through the streets of Paris on their way to their executions, the mob jeered their last insult: "There goes the dirty Maximum."

Robert Schuettinger and Eamon Butler, 1979

In Paris, an estimated 30,000 cafe owners, shopkeepers, and other members of the General Confederation of Small and Medium Enterprises clashed with police in an angry protest over government-imposed price ceilings.

United Press International, May 6, 1983

The history of government limitation of price seems to teach one clear lesson: that in attempting to ease the burdens of the people in a time of high prices by artificially setting a limit on them, the people are not relieved but only exchange one set of ills for another which is greater.

Mary G. Lacy, 1918

Those who cannot remember the past are condemned to repeat it.

George Santayana, 1906

Price Fixing

Sometimes government thinks the price is too high, and starts forcing the gizmo maker to charge a lower price. With a lower price, more people want to buy gizmos, but some gizmo makers decide to make something else more interesting (profitable), or just say the heck with it and take the day off. This causes a "shortage." The gizmo makers who are still producing, lower their quality. They can sell all they make, so why should they care?

Or, on the other hand, government may say that the "poor" (but politically influential) gizmo makers can't live

with such a low price, and force them to sell at a higher price. The happy gizmo makers start cranking out more gizmos, but not many people want to buy them. So the "surplus" gizmos pile up and some makers are unemployed.

The only way there can be a "shortage" or a "surplus" is if government tries to fix prices at some level other than what the free market would set. The government solution is, of course, more government--usually rationing to take care of the shortage, or using taxpayers' money to buy up the surplus.

Two wrongs, however, do not make a right. Price fixing makes everybody lose, if only by standing in long lines to buy something of poor quality, or by doing without, or by paying high taxes. And everyone who is forced to accept less, or pay more than a thing is worth on a free market, is morally the victim of robbery.

Horrible examples include government purchases of huge quantities of food to prop up prices, and the government marketing order system which allows privileged farmers to punish competitors for selling too much food, or selling at too low a price (this program is for the benefit of the poor, no doubt). Another is rent control which creates housing deterioration and shortages. It is very helpful to know that although there are no apartments for rent, if there were one available it would be cheap. The renter must also not mind living in a slum. It has been said that only war is more damaging to housing than rent controls.

In consequence, instead of prices, wages, and individual incomes, it is now employment and production which have become subject to violent fluctuations.

Friedrich A. Hayek, 1944

Pretty soon everybody is trying to beat the system and a black market develops. Government comes to the rescue again by throwing some of the cheaters in jail "to set an example." Socialists demand more government oppression to "correct" the problems already caused by government.

And to the avarice of those who are always eager to turn to their own profit even the blessings of the gods,...who individually possessed of immense fortunes which might have enriched whole peoples to their hearts' content, seek private gain and are bent on ruinous percentages of profit--to their avarice, ye men of our provinces, regard for common humanity impels us to set a limit...since very rarely is a status found for men which will benefit them with their free consent, but it is always fear, justest teacher of duties, which will reshape and guide them in the right path--it is our pleasure that if anyone have acted with boldness against the letter of this statute, he shall be subjected to capital punishment. He also shall be subject to the same peril, who in eagerness to purchase has come to an agreement with an avarice which retails in violation of the statutes. From such guilt also he too shall not be considered

free, who, having goods necessary for food or usage, shall after this regulation have thought that they might be withdrawn from the market.

Maximum Price Edict of Roman Emperor Diocletian, 301 A.D.

After many oppressions which Diocletian put into practice had brought a general shortage upon the empire, he set himself to regulate the prices of all vendible things. There was also much blood shed upon very slight and trifling accounts: and the people brought provisions no more to markets, since they could not get a reasonable price for them; and this increased the shortages so much, that at last after many had died by it, the law itself was laid aside.

Roman historian Lactantius, *ca* 315 A.D.

If the socialists get their way, it will be found that much more oppression is still needed. No one will, or can, produce very long if their costs are higher than the permitted selling price. So, if production is to continue, the prices that make up the cost (including the prices of labor) must also be controlled. The costs of these costs must in turn be controlled.

So it is not possible to control only a few prices at levels different from what the market would have established. Every price and every detail of the economy must be controlled, or nothing can be controlled. Foreign trade, emigration, hours of work, who works at which job--everything must be controlled. This requires a totalitarian police state with a drastic lowering of the standard of living, and even then control will not be complete.

This process of increasing government controls to make previous government controls "work," is an example of why a mixture of socialism with liberty is unstable. A mixed economy moves toward liberty or, most often, it moves toward tyranny which can be overthrown only by civil war or conquest from outside.

Your America is doing many things in the economic field which we found out caused us so much trouble. You are trying to control people's lives. And no country can do that part way. I tried it and failed. Nor can any country do it all the way either. I tried that, too, and it failed. You are no better planners than we.... Will it be as it has always been that countries will not learn from the mistakes of others and will continue to make the mistakes of others all over again?

Nazi Minister Herman Goering, 1946

The first order of business would be to deal with the chronic ailment of the present structure--inflation. I do not see how this can be done without the introduction of various kinds of ceilings and restraints--price and wage and dividend controls of one kind or another--that will serve as counterparts of the floors and supports that underpin the system today. We will eventually require an anti-inflationary administrative structure as pervasive in our economic life as that of the Internal Revenue Service.... Nothing else will match the power of the inflationary process that is now part of the normal workings of the system. And so we will learn to live with ceilings

and be grateful to them, as we have learned to live with floors, and have become grateful to them.

Robert Heilbroner, N.Y. Times, August 15, 1982

A lot of revolutions got started this way, all because the rulers got the idea that they knew better than the market what a "fair" price should be. And the American Revolution was almost lost when Washington's soldiers starved and froze at Valley Forge because price controls made food and clothing unavailable for purchase. One of the reasons Rome fell is that Romans welcomed the barbarians as a way to get out from under the Emperor's wage and price controls.

★ ★ ★ ★ ★ ★ ★ ★

Whereas...it hath been found by experience that limitations upon the prices of commodities are not only ineffectual for the purposes proposed, but likewise productive of very evil consequences to the great detriment of the public service and grievous oppression of individuals...resolved that it be recommended to the several states to repeal or suspend all laws or resolutions within the said states respectively limiting, regulating or restraining the Price of any Article, Manufacture or Commodity.

Continental Congress, 1778

Economic control is not merely control of a sector of human life that can be separated from the rest; it is the control of the means for all our ends.

Ludwig von Mises, 1960

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Ludwig von Mises, 1881 - 1973

XI. LIBERTY AND LABOR

★ ★ ★ ★ ★ ★ ★ ★

Oh why don't you work
Like other men do?
How the hell can I work
When there's no work to do?

Anonymous, ca. 1907

★ ★ ★ ★ ★ ★ ★ ★

Jobs And Prices

Those who believe in government seem to think that there is only some fixed quantity of jobs. Therefore, when people are unemployed, government should "create" jobs, and/or ration jobs by restricting work hours, *etc.* But the supply of jobs is subject to the law of supply and demand like everything else. ***And there will be a supply of jobs to produce goods and services as long as there are human needs and desires unfulfilled!***

Obviously people will never have "enough," so why can't everybody find jobs?

As with many questions that seem difficult, the problem is the hidden assumptions. There ***are*** always plenty of jobs. There is an infinite supply of work to do. But what unemployed people want is not work, they want money. When they say they want a job, they really mean that they are offering to trade their labor for money, but have not yet found anyone willing to trade on terms they wish to accept.

So there is never a shortage of jobs. The shortage is of people willing to pay the price demanded for labor. The price demanded for labor depends on many factors, such as the market for the skills offered, previous wages, how badly money is needed, the standard of living desired, the type and location of the work, and the value of the leisure foregone. Similarly, the purchaser of labor considers whether the benefit of the labor will be greater than the cost. Ultimately, purchasers are comparing the value of their own labor with the value to them of the labor offered.

The labor of virtually everyone on this planet can be purchased, even if already employed or if voluntarily unemployed, if the price is right. And the labor of virtually everyone can be sold, if the price is right.

Except for the brief period needed to arrange a trade, no able-bodied person need remain unemployed, and no job remain unfilled, unless by choice, or unless there is interference by force. So the real question is not, Why aren't there more jobs? Rather it is, Why aren't there more

"good" jobs that unemployed people will find acceptable? There can be no useful discussion of unemployment without recognizing that the problem is prices.

If it seems questionable that people ***choose*** unemployment because they are dissatisfied with the wages and conditions of available jobs, consider the following example. In America, millions of illegal aliens, mostly from Mexico, undergo substantial personal risk, hardship and expense to work at jobs which unemployed Americans are unwilling to take. They support themselves and send money home. When they are kidnapped and deported by the immigration authorities, their jobs remain unfilled, because Americans are unwilling to live and work "like Mexicans."

Pointing out that unemployment is fundamentally a question of labor prices does not, however, explain why there are large numbers of long term unemployed people, many suffering great hardship. To know what should, and should not, be done to relieve this serious social problem, we must understand the causes. It should be noted that because the problems of unemployment, poverty and depressed standard of living so overlap, some duplication of explanation is unavoidable, and some aspects are covered in more detail elsewhere.

Define The Problem

To analyze the causes of unemployment, it is necessary to first narrow the definition of the problem to make it manageable. Unemployment itself is impossible to define. Should someone be called unemployed if he refuses to accept a job because it would involve moving to another town? Should someone be called unemployed because available jobs don't pay enough to justify the expense of child care while working? And what about underemployment, where people have to work to support themselves at jobs that pay far less than jobs for which they are qualified?

The seemingly precise government unemployment statistics are really rough estimates based on completely arbitrary definitions. At best, they give only an indication of the size and trends of the problem. The seriousness of its effect, and the mixture of causes, vary widely among individuals.

The primary concern, however, is for those people whose long term involuntary unemployment has caused severe poverty or a major decline in their standard of living. (Poverty can't be defined either, being relative to local conditions, among other factors.) There will always be a

small amount of temporary unemployment, as people change jobs and employers change employees. Such adjustments are essential to achieve the optimum fit between people and jobs and to adjust to economic change and progress.

We can further narrow the question by eliminating unemployment due to long term disease and serious physical and mental handicaps. The cause of the unemployment is obvious, and the only solution for their financial plight is charity. We can also eliminate those whose attitudes toward work make them unemployable until their attitudes are changed the only way they can be changed--by experiencing the consequences.

Finally we get to a problem for which there is a solution. Many people are not qualified for better paying employment because they lack training. Government control of education (public schools and state universities) is the prime cause. Government schools are not as responsive to the job market as a private system would have to be.

Students are not trained for employment, or are trained for jobs that don't exist, instead of for jobs that need workers. Special government training programs for the unemployed fail for the same reason. This has most seriously affected minorities and the children of the poor. The solution is to eliminate government interference in education and training.

Education and training can be aided, but cannot be given. They are useless unless really desired by the student. One of the best motivators for providing useful training, and for learning, is for people to pay for what they want with their own money. And it is clearly unjust to force people to pay for education to increase someone else's income.

If the demand for labor were greatly increased by prosperity, much of the necessary training would be provided by employers, and students would be motivated by the reward of an immediate job. This is by far the most effective training for those who have no employment experience. To implement this ideal training program, all that is necessary is to eliminate government interference in the economy so as to produce the needed prosperity.

For most jobs, the only important training is experience doing the job. Employers use formal education and training primarily as an indication of intelligence and motivation to help select the best applicants for jobs. In most cases, education and training determine only who gets the available jobs, and have little effect on the total number of jobs.

In a prosperous economy, employers would lower their educational requirements to avoid paying for unnecessary qualifications.

Training to raise incomes costs money and reduces incomes; so beyond a certain point it is counterproductive. Wrong training can be an even greater loss. The free market will do the best job possible of balancing these considerations.

The Key Questions

We are now ready to discuss the two most important questions raised by the existence of substantial long term unemployment. ***First*** is: Why don't jobs pay higher wages? If the average wage were higher, more of the available jobs would be acceptable to the unemployed.

If, for example, all wages were doubled (in purchasing power), unemployment and poverty would be essentially eliminated, as many less pleasant jobs become more attractive by providing a standard of living well above subsistence. As explained earlier, this would be the immediate effect of ending government interference in the market, including taxation.

The primary requirement for creating "good" jobs, and for raising wages and the standard of living, is capital to increase productivity. It isn't necessary to use capital to make every job more productive, as prosperity bids up all wages and gives everybody a raise by lowering the cost of living.

The reason we don't have the capital we need to create new jobs, and make other jobs more attractive, is government destruction of capital. Government taxes, borrowing and inflation confiscate savings. And these actions, plus government economic regulation, discourage savings by reducing the reward and making it more uncertain. If we want to enjoy a continuous growth in our standard of living and supply of good jobs, then we must stop government from punishing producers, employers and investors.

The second important question raised by the existence of substantial long term unemployment is: Why is it that so many are eager for jobs but unemployed, while others of no greater talent enjoy good or even high wages? In other words, why is there such a surplus of labor; why the large gap between supply and demand? Even more to the point, what is keeping the law of supply and demand from adjusting prices to keep supply and demand more closely in balance?

As discussed earlier under price fixing, a continuing

surplus, such as a surplus of labor, can be caused by only the use of government force to hold prices above the natural market level. Excessive wages for some can be maintained only at the expense of unemployment for others. Consumers can afford to pay higher prices to some producers only by not buying from others. The unemployed will bid down the price of labor and thus increase the demand for labor ***unless*** they are prevented from doing so by force.

There is one factor that ***delays*** the working of the law of supply and demand, and can't be changed--the cost of information and on-the-job training. An agreement to trade labor for money can quickly and easily be made if the price is right. But both employers and workers are interested in making the best possible deal, and acquiring this information may take more time.

There is a substantial cost for employers to find and train suitable employees. This cost is further increased by the loss of money to find and train those who prove to be unsatisfactory, and the harm they do before they are fired. There is a similar cost for information about job conditions for workers, but this is a smaller factor.

It is not practical to lower the wages of those already employed (lowering, because of the lower market value of their services due to competition from the unemployed) because of the morale problems with employees whose wages were cut. An unemployed person would have to accept substantially lower pay to justify terminating an experienced employee known to do satisfactory work. The difficulty is further increased by the probability of morale problems both with the new employee becoming dissatisfied with being paid less than other employees, and with the other employees feeling threatened.

Unemployed people, when seeking jobs with new employers, will have an easier time competing with people who are already employed. But even there, they suffer from the employer's fear that perhaps they are unemployed because of poor work habits or other serious problems.

However, while the cost of training and information will ***delay*** the re-balancing of labor supply and demand, once the balance is upset, it will not prevent the market adjustment from taking place in a dynamic economy. When supply and demand are approximately balanced, there will remain some unemployed people and unfilled jobs, because of the information cost factor. This does ***not*** upset the balance to cause the long term unemployment with which we are concerned.

The Big Six

What does upset the balancing of supply and demand to create a labor surplus is, again, government interference in the market to keep the wages of some people higher than they would be ***relative*** to other people's wages ***in a free market.***

The problem isn't how much some people get paid. In a free market, of course, all wages would be much higher. And there is nothing wrong with some people being paid much more than others, if it is because they produce more, or if their work is more highly valued by the market. The problem is that government ***distorts*** the relationship between wages by force.

The reason government distorts the market to favor one group of people over others is not surprising. Favoring one group at the expense of others is the ***purpose*** of political power and the means by which it is maintained.

The ways in which government creates unemployment by distorting the labor market can be classified under five headings: 1. Direct wage controls, 2. Indirect wage controls, 3. The tax and regulation wedge, 4. Inflation, 5. Subsidizing unemployment, and 6. Attempts to reduce unemployment by force.

Direct Wage Controls

The most common forms of direct wage controls are minimum wages, below which no one is permitted to work. The purpose is to increase the wages of skilled labor by pushing up the entire wage scale, and most importantly by protecting them from competition from unskilled labor. If unskilled people were permitted to work for less than the minimum wage, it would be economical for employers to hire several unskilled workers instead of one skilled worker operating a machine.

The primary victims of minimum wage laws are the young, the elderly, minorities and women. They are often prevented by force from working because the wages justified by their skills and experience are less than the minimum wage. The inexperienced are also prevented from gaining experience that would qualify them for higher than minimum wages. In short, government cuts off the lower rungs of the ladder to success.

One excuse offered for these cruel laws is that the wages of the poor will be increased. But the poor whose labor is not worth the minimum wage don't get paid more; they get paid nothing, because they aren't hired. What is especially sad is that the victims are the poorest and

weakest of society, but that is why ruling groups make them the victims.

If government could legislate prosperity by minimum wage laws, why not raise the minimum wage enough to make everybody rich? The problem is not that only a few would remain employed to benefit, but that ***everyone*** would suffer terribly in an economy in which exchanging goods and services is effectively prevented. Lower minimum wages have the same disastrous effect, but less obviously. We are all poorer because of these political laws.

Government also distorts the structure of labor prices to favor more influential groups whenever it imposes a system of wage and price controls, or even just price controls. And, of course, government distorts wage scales by paying its employees (and requiring that its contractors pay their employees) more than their labor is worth on the market. In fact, in the free market the labor value of government officials is negative!

Indirect Wage Controls

Government pushes up the wages of favored groups by granting them monopolies which permit them to exclude or reduce competition by force. One group is the employees of monopoly businesses, such as utilities, railroads and milk processors. Another group is people in government-licensed occupations, such as lawyers, physicians and stock brokers.

Licensing hurts most the poor and minorities, who are prevented by working at the kind of self-employment that once supported millions of new immigrants in America. Examples are taxis and jitney drivers, beauty operators, pushcart peddlers, food servers, those who care for children and the elderly, plumbers, electricians and people who work in their homes. Government licensing of hundreds of occupations destroys millions of jobs.

A third very large monopoly group is unions. To obtain and maintain their high wages, unions have been granted the use of government force to exclude competing workers, and to compel unwilling members to strike. Non-members are forced to pay for union representation they do not desire. Employers are forced to negotiate and make concessions against their will, and are prevented from firing strikers and hiring replacements. Strikers are subsidized by government at the expense of taxpayers and sometimes of employers.

Because unions are politically powerful, they are often

able to prevent government police and courts from protecting employers and competing workers from union violence, and to instead prevent employers and non-union workers from defending themselves against violence. The union workers who are benefitted at the expense of the unemployed and consumers, of course, become ardent supporters of government economic controls and favoritism.

When, for example, steel and automobile workers are paid twice the average manufacturing wage because of government-granted union power, it is at the expense of lower wages and mass unemployment for other workers. The purpose of unions is not to benefit workers at the expense of companies; it is to benefit ***some*** workers by hurting other workers and all consumers.

Socialists have a catchy slogan, "labor is not a commodity." But labor ***is*** a commodity, just like the goods and services that labor produces. Trying to disconnect the price of labor from the price of what it produces, causes unemployment and economic chaos.

There is a theory that when labor prices are forced up there will be more capital investment because machinery to replace labor will be more profitable. However, this will not increase savings, so the capital will simply be shifted from where it would have been more productive. The only effect of the new machinery will be to keep product prices from going as high as the higher labor prices would have pushed them. But higher labor costs always mean higher product prices than there otherwise would have been. And higher product prices always mean less sales, less production, and less employment.

This theory actually has the sequence of events reversed. The way it works is: first, someone saves the capital, because interest and profits make it worthwhile to put off consuming the results of their labor. The capital is used to buy better tools; labor costs and the selling price per unit are reduced; sales and production increase; jobs are created; and then the increased labor demand raises wages.

It should be noted that unions ***without*** government granted power and monopoly are perfectly moral, and would probably exist in a Libertarian society, possibly with as many members as now. They can play a positive economic role in providing members with information, such as job openings, employer ratings, safety studies, and services such as health and unemployment insurance, portable pensions, career counselling and job training. Pos-

sibly they would become profit making businesses supplying services to member-customers.

Present union activities, however, are mostly unjust, as they depend on government force to exclude other ***poorer*** workers from competing for jobs. They lower our standard of living, and most hurt--as usual--the young, the elderly, minorities and women.

The Tax And Regulation Wedge

Taxes and government regulation increase the cost of employing labor, and therefore reduce the demand for labor. They also reduce wages, making jobs less attractive to the unemployed. Thus they drive a wedge between buyers and sellers of labor, preventing many trades which would otherwise take place. They also raise costs, which raises prices, which reduces sales, which reduces the need for employees.

Suppose, for example, that a worker and an employer are willing to trade labor for money at three dollars per hour. A job will be created and there will be one less person unemployed.

But suppose again the same situation, except that now government, by threat of force, imposes a number of taxes and regulations. A sales tax decreases sales and the price for which goods can be sold. Taxes on property and profits make it less worthwhile to expand production, and reduce the capital that can be saved to finance expansion. Various payroll taxes both reduce profits and the wages received by the worker. Paying taxes and complying with government regulations requires hiring accountants, lawyers, clerks, personnel managers, *etc.*, and makes operations less efficient and more costly.

Suppose that, as a result of all this, it would cost the employer over four dollars per hour to hire the worker at the three dollar wage, but the worker would receive only two dollars. The worker isn't interested in a job which pays only two dollars, and the employer can't afford to pay the four dollars, and in fact now can't justify more than two dollars.

And, in any case, the employer no longer has the capital required for tools and inventory to create the job. Final result--a job destroyed by government. The figures and details may change, but, in total, far more jobs have been destroyed than there are unemployed workers.

These barriers to ceating new jobs are serious enough for companies that already have several employees. However, for the millions of one-person businesses, the in-

creased government burden that would have to be assumed in order to hire the first employee (even part-time) is staggering. Why don't they expand by adding helpers, and why don't craftsmen have apprentices? It just isn't worth the cost and hassle.

Inflation

Inflation sooner or later makes a more extensive unemployment inevitable than that which that policy was intended to prevent.
Friedrich A. Hayek, 1974

This subject has been thoroughly covered in a previous chapter, but it deserves special mention under unemployment, for it is the greatest cause. Increasing the money supply ultimately has to result in economic depression and mass unemployment.

Inflation causes many businesses to expand without economic justification. Because inflation affects prices of both goods and labor unequally, the economy is further distorted. When inflation of the money supply stops, or stops increasing, the market starts correcting the distortion.

Those who benefitted most from inflation generally suffer the most from the inevitable adjustments. When government starts feeling the political pressure from those influential sufferers, it often makes the mistake of spending money to ease the pain of adjustment

But this only further harms the economy, and prolongs the depression. The economy cannot get back to "normal" until the pain causes the adjustments to be made. Easing the pain simply delays the necessary adjustments, including bringing labor supply and demand into balance by price changes. Delayed adjustments mean delayed recovery.

However, the adjustments would be much quicker and therefore less painful, if government would reduce its spending, regulation and other economic interference--in short, the opposite of what government usually does.

For every paid bureaucratic job eliminated, there would be more than one productive job created. And other resources, such as buildings, filing cabinets, and lots of paper, could be switched to productive use. Greater production of useful goods and services would increase our standard of living, and we would save more capital. This would mean new businesses, new jobs and an even higher standard of living. We *can* make it happen!

Subsidizing Unemployment

We have a system that increasingly taxes work and subsidizes nonwork.
Milton Friedman, 1977

Common sense tells us that we get what we pay for, not what we want. When government pays people who are unemployed--surprise--there is no decrease in unemployment! Unemployment compensation, foreign trade "adjustments," welfare, *etc.*, are incentives not to actively seek employment.

"Old age" pensions, such as the American "Social Security" system, tax reductions and other political laws, are at least in part used to encourage older workers to retire from the labor market. It is not by accident that Social Security payments are cut off if a retired person has significant earnings from employment.

Similarly, government financial assistance for higher education is in part motivated by a desire to delay the entry of young people into the job market. The idea is to reduce the total number of years people work.

Unions strongly support such programs at public expense because they help to keep the unemployed quiet, and to prevent them from competing for union jobs by offering to work for less. Otherwise, they might demand their right to compete for jobs without government interference. They might even realize that they are unemployed because the money that would have been paid to them for working has been diverted by government force to overpaying other people.

While subsidizing unemployment may help hide the problem, it increases unemployment. Not only does it discourage people from seeking jobs, but it also increases taxation and thereby depresses the economy and the availability of good jobs.

Attempts To Reduce Unemployment By Force

Socialists like to say that there is no unemployment in Russia or other communist countries. But they are wrong, for there is a lot of unemployment in those countries. It is covered up by either paying people to show up for work but not do anything, or by forced labor paid nothing. Both these methods are clearly unjust for one enslaves the taxpayer, and the other the laborer.

In countries with market economies, governments often use similar methods in order to appear to be reducing the unemployment they have created. They collect taxes by threat of force, and create makework jobs.

They ignore the fact that (and hope no one realizes that) for every job they create, they destroy one or more productive jobs for which we would have spent the money

if it had not been confiscated. Not only are no new jobs created, but production of useful goods and services is reduced, which lowers our standard of living. The taxation reduces capital saving, which could have created new "good" jobs. And the people hired in temporary makework jobs are delayed in their search for productive jobs and acquire bad work attitudes.

Government can neither guarantee useful and profitable work, nor provide it nor compel it.

Henry Hazlitt, 1971

Although often proposed by socialists, forced labor is less acceptable to the public in "democratic" countries. The proposals are usually to draft young people into the military or into "national service" where they are forced to work for very low wages at makework jobs.

An Electrical Workers union official urges Reagan to adopt "universal conscription" for 18 to 20 year olds to reduce unemployment. Some would serve in the military; others would do public service jobs. The official, in a letter, tells Reagan: "The pay could be minimal for such service."

The Wall Street Journal, February 1, 1983

A plan to draft Canada's jobless will be considered when Finance Minister Marc Lalonde prepares his national budget due at the end of March, Prime Minister Pierre Trudeau said. Under the plan, 50,000 unemployed men would be drafted into the armed forces to lower the nation's record 12.4% unemployment rate.

The Wall Street Journal, February 11, 1983

Klaus Barbie, the Nazi Gestapo officer accused of sending thousands of French Jews to their deaths, said in an interview published yesterday Germany's actions in World War II were justified because "Hitler did away with 6.5 million unemployed."

Times-Union, February 14, 1983

More common is forced unemployment through political laws designed to discourage less visible and less politically influential groups from competing in the labor market. Political laws to "protect" teenagers and women really are intended to make it more difficult and more expensive to employ them, and so are examples of this category. In many countries, minorities are restricted or prohibited from working by political laws discriminating according to irrational factors such as sex, race, religion, national origin and citizenship.

All the political laws that subsidize unemployment or force less favored groups out of the labor market, are based on the same economic fallacy that there is only a fixed number of jobs. The mistaken belief is that by reducing the number of people competing for jobs, there will be more "good" jobs for favored groups, such as male "heads of families" of the dominant religious, racial or ethnic group.

A variation of this type of interference is when political

laws are used to spread around the unemployment caused by government, so as to discourage worker competition that would lower wages.

An American example, instigated by unions, is the 50% penalty employers are forced to pay for "overtime" hours worked over 40 hours per week. The excuse, of course, is health, fatigue, *etc.* But those who work for themselves, executives, farmers, *etc.*, who are exempt, seem to thrive on working "overtime." In other countries, additional methods are used, such as mandating long vacations. Unions, using their "legal" power, also spread work with work rules and makework requirements in contracts.

The reason unions support measures to redistribute unemployment is obvious; but the much larger non-union public tolerates it because of lack of understanding of the economic consequences. All who are employed, and their families, see the benefit of shorter working hours and higher "overtime" pay. They don't realize that because productivity is decreased, everyone's income is reduced, the prices we pay are higher, and that we lose far more than we gain.

The public also sympathizes with the unemployed and feels that it is only "fair" to share the work available. There is even a popular notion that women, teenagers and foreigners should not work and thus take away jobs from men who need them to support their families. One often-repeated false cliche is "Hire the son, fire the father."

What those who repeat such nonsense slogans are forgetting is that the person hired will spend the wages to hire other people. The error is to focus only on the job that is filled, and overlook the fact that more demand for labor will be created. On average, every job filled means another job created.

Unfortunately, most of the public doesn't understand that one person producing more, by working longer or harder, or by using labor saving methods and machinery, does not take away work from anyone else. It raises our standard of living and helps create jobs! But this misunderstanding has been the source of untold human misery, especially the cruelties committed to restrict immigration to "preserve American jobs."

If the trend of the sixties and seventies shows anything, it is that there will probably be even more people on welfare in the future. One of the reasons is that machines are replacing unskilled labor. Years ago, it took several men hours to dig a ditch that one man using a machine can now do in minutes. Although this frees people to do other kinds of work, it is only good if there are other kinds of work to do.

Walter Dean Meyers, 1976

Gunter Doding, president of Germany's Restaurant & Tobacco Workers Union, says that with unemployment rising, "There is no alternative to reducing work time." ...The government of Francois Mitterand in France is improving youth training and offering "solidarity contracts"--government subsidies for businesses that create jobs by reducing working hours or offering early retirement.
Business Week, January 31, 1983

Debunking The Automation Myth

People who fear unemployment from automation are sometimes called "Luddites." The original Luddites were a group of English workers who, around 1811, destroyed power weaving looms in factories, in the belief that that would create employment in hand weaving.

Power looms were nevertheless adopted, making cheap clothing available to the poor. After a few years, employment in the textile industry was five times greater. However, modern Luddites seem to have learned nothing from history. They trot out the same old disproven arguments as if they were new, except the bogeyman is now computers instead of power looms.

If you find someone hard to convince, you might explain it this way. When production costs are cut, sales, production and jobs increase. The money saved doesn't disappear; it is spent to employ somebody else.

Whenever an unemployed person takes a job, or someone earns more money, the increase in income will be spent. Even if it is put into a bank, it will be loaned to someone else to spend. And money can be spent only by employing someone else.

Too simple to be true? Well, it is a lot easier to believe than the idea that there is only a fixed number of jobs because no one wants anything more than they already have.

Would anyone be better off if no one were permitted to do any kind of work more than one hour per week? Wages would be fantastic, and prices would be even more fantastic, driven by desperate shortages. Undertakers would be unable to bury all those who died of starvation.

If new automation were forbidden, or the work week were shortened by a few hours, or more wives stayed in the kitchen, or more foreign workers were excluded, the effect would be less dramatic but in the same bad ***direction***.

Now let us suppose, instead, that everybody worked an extra ten hours per week for 25% extra pay. What would they do with the extra 25% income? They would spend it, of course. Who would buy the extra production? They would, with their extra earnings. Who would have a higher

standard of living? They would.

If people worked longer hours, many costs, such as for buildings, would not increase as much as production increased. The combination of higher sales and lower unit cost would greatly increase profits. The increase in profits could be used in three ways, or a combination of these three ways: the money could go to the workers as higher wages, to the shareholders as higher dividends, or to the company treasury.

If the money went to the workers, they could spend it to purchase more goods and services. This would create more jobs. They could also save the money and invest it to hire people to build tools to improve productivity (and thereby increase wages) or to provide capital needed for new jobs.

Note that if the "greedy capitalist" corporate shareholders didn't pay the workers all of the increase in company income from higher production and sales, no one would lose their jobs as a result. Any money not paid the workers would be used by the company or the shareholders to hire people. Hiring labor is all that money is good for.

If shareholders received higher dividends from their investments, that would encourage more savings, and therefore more capital investment to create more jobs or higher productivity to increase our standard of living.

Or, if companies kept some of the money, their capital would be increased. And if companies used some of the increased profit to cut prices, it would be the same as a pay raise. Consumers would spend their savings from lower prices to hire more workers.

What would actually happen if workers worked harder or longer hours? All of these things. Workers would be paid more, the prices they pay would drop, and there would be more capital to create more and better paying jobs. The same benefits would be obtained if production were increased by more efficient methods and labor-saving machinery, ***except*** we wouldn't have to work any harder or longer.

The total number of jobs is always ***increased*** whenever people work harder, longer, or more efficiently. When an unemployed person goes to work, it denies no other person a job. Forced limitations on work and productivity to "spread work" actually spread poverty and unemployment.

If someone finds these examples hard to follow, the analysis can be simplified by eliminating money as the intermediary in trading labor.

First, let us consider the simplest example--that of a self-sufficient person working alone on a desert island. Would she suffer by working harder or more efficiently to produce more and better food, clothing and shelter? The answer is obviously no. If there were ten or a million self-sufficient people on the island, would others be harmed by any or all of them producing more? Same answer.

Now suppose that the people on this island specialized in their work, and traded what they produced in order to increase their standard of living. If someone sharply increased his fish catch by using a net (the net being capital--the means of production) instead of a pole, he would be able to trade more fish for more fruit, coconuts, *etc.* His standard of living would improve.

But the greater availability of fish would also decrease their value. For example, if he caught ten times as many fish, he might get only five times as many coconuts in exchange.

Other fishermen will doubtless imitate him and the resulting flood of fish will drive the exchange ratio down even further. The lower "price" of fish may cause the other islanders to consume all the fish that are caught and want more. In that case, the fisherman will receive in trade more fruit, coconuts, *etc.*, than they got when they were pole fishing. Some islanders will then stop picking coconuts and start fishing.

Or, the islanders may not want to eat all the fish that are being caught. In that case the exchange ratio will drop to where they get less in trade than they did before they started using nets. The least efficient fisherman will then stop fishing and begin picking coconuts, or do something else where the total "income" is better. The other islanders will have goods to "buy" their services with, because they are "paying" much less for their fish.

Fewer fishermen and more production of other goods would raise the exchange ratio for fish so that the remaining fishermen would be ahead of where they were with pole fishing. In short, ***all*** the islanders would be able to consume more as a result of a more efficient labor-saving way of fishing.

Finally, suppose that some "alien" newcomers arrived on the island and started producing and trading goods. No islanders would become unemployed due to the increased production from the newcomers, because the newcomers would consume as much as they produced for trade. If the newcomers were more efficient producers of some good, some islander might have to change occupation, just as in

the fisherman example, but again the net result would be a higher standard of living for everyone.

In order to get established, the newcomers might offer a better exchange ratio than other islanders producing the same thing. In other words, they might "cut the price" by offering more coconuts per fish.

This would raise the standard of living of the islanders so they could afford to "buy" other goods from any coconut pickers driven out of business by the low coconut prices. The overall effect would be to benefit the islanders at the expense of the newcomers.

One of the best examples out of real life that can be used to dispel the myths of unemployment is from American history. Two hundred years ago, 95% of Americans were farmers who were barely supporting themselves. Since then the number of farmers needed has been reduced by better methods and machinery to less than 5%. So 90% of the jobs were eliminated by progress. During that period millions of penniless new immigrants arrived. Yet there are ten times as many employed today, and our standard of living is higher than could even be imagined 200 years ago.

Among the most visible of all economic delusions is the belief that machines on net balance create unemployment. Destroyed a thousand times, it has risen a thousand times out of its own ashes as hardy and vigorous as ever.

Henry Hazlitt. 1962

All human progress since the cave man is due to reducing the labor required to get things done. Even improvements in quality depend on labor saved to allow time to discover them and put them into practice. When government increases the labor required for production, we are pushed back toward the level of primitive man.

In summary, the more we produce, the more we can consume. Whenever anyone produces more, we all benefit. Long term involuntary unemployment of able-bodied people is impossible in a free market. The way to reduce unemployment is not discrimination and forced sharing of the misery. The only way to reduce unemployment is to reduce--and much better, eliminate--the cause: the government interference with market prices which causes it.

The prices of liberty, and of prosperity, justice and peace as well, are the prices of the free market.

★ ★ ★ ★ ★ ★ ★ ★

In Italy...no real plan to deal with the unemployed exists other than a hope that jobs will be found in the country's still-expanding underground economy. That sector, some Rome economists now estimate, contributes more than 40% of Italy's measured output.

Business Week, January 31, 1983

★ ★ ★ ★ ★ ★ ★ ★

XII. MONOPOLIES

★ ★ ★ ★ ★ ★ ★ ★

In a free trade, an effectual combination cannot be established but by the unanimous consent of every single trader, and it cannot last longer than every single trader continues of the same mind.

Adam Smith, 1776

★ ★ ★

An individual becoming idle instead of working may be said to restrain trade, although he is simply not engaging in it, rather than "restraining" it.... But if we confine the definition of "restraint" to restraining the trade of others, then clearly there can be no restraint of trade at all on the free market--and only the government (or some other institution using violence) can restrain trade. And one conspicuous form of such restraint is antitrust legislation itself.

Murray N. Rothbard, 1970

★ ★ ★

Contrary to the consensus of historians, it was not the existence of monopoly that caused the federal government to intervene in the economy, but the lack of it.

Gabriel Kolko, 1963

★ ★ ★ ★ ★ ★ ★ ★

"Antitrust"

Another way government tries to "fix" what's wrong with the market is with "antitrust" laws (such as the Sherman, Clayton, Robinson-Patman and Federal Trade Commission Acts) to control "monopolies." This would be a big joke if it weren't so terribly unjust and harmful.

"Antitrust" laws really were passed to protect inefficient, established companies from competition and takeover, and to increase government power over business. Instead of protecting consumers from bad business, these political laws protect inefficient business from consumers. They are really anti-competitive, anti-free-market and anti-consumer.

It is ironic that vigorous enforcement of "antitrust" laws and government action to break up "private monopolies" is demanded even by "champions of the free market" to "preserve competition and the free enterprise system," and prevent "free market restraint of trade."

It is another case of confusing the ***excuse*** for a law with its actual ***effect***, which is the exact opposite. "Antitrust" laws not only do not prevent the restraint of trade, they themselves seriously restrain trade and reduce competition.

What they do outlaw is economic efficiency and co-operation to better serve consumers. How silly these laws are is revealed by considering that cooperation between two firms, which is illegal, would be legal if they were one

firm.

For example, "antitrust" laws make it difficult for companies to get together to research and develop new products that no one company could afford, to obtain quantity discounts on larger joint purchases, to share underused facilities, to exchange information, to set standards so products of different companies can work together (like nuts and bolts), or to improve safety.

As usual, these political laws put a much heavier burden on small companies than large companies. And they prevent the little guys from getting together to achieve the economies of scale and market power needed to challenge the big guys, in the contest to better serve consumers.

"Antitrust" enforcement is arbitrary and highly political. Almost anyone can be found guilty if they displease those in power. And anyone with enough political power is "innocent."

The only candy store on the block is an evil monopolist. Since each individual is genetically unique, with a unique combination of talents that he/she controls, by the logic of "antitrust," everyone is an evil monopolist.

You can be found guilty of advertising prices, or of not advertising prices. If you charge too much you are a price gouger; charge too little and it's unfair competition; charge the same and it's collusion. And don't accept that price discount; it may be a political crime.

No one in business can know in advance that their behavior will not be considered criminal. Interpretations of these political laws are inconsistent and changing. You can be convicted and punished for something that was considered perfectly legal when you did it. Note that capricious enforcement of vague political laws is commonly used by police states to terrorize their citizens.

Anti-Justice

The only moral crime is the initiation of force. ***Restraining trade by force is a moral crime.*** Only government and ordinary criminals initiate force, so only they can be guilty of restraining trade. So if government were truly concerned about restraint of trade, it could be almost eliminated instantly if government would simply stop restraining trade.

If government is looking for suggestions for effective ways to reduce restraint of trade, it could ***begin*** by abolishing sales and income taxes, which restrain all trade, and all business regulation. Tariffs and quotas restrain trade to protect inefficient companies at the expense of

companies efficient enough to export. Removing tariffs and quotas would greatly increase competition for the benefit of the public. Isn't it strange that government has overlooked such an obvious solution to the problem?

From the viewpoint of justice, no one, including a group of people calling themselves "government," has the right to force other people to sell their property for anything more or less than the price they wish.

It is their property that they have produced, and if they would rather keep it than sell it below their price, no one can claim injury. Forcing someone to supply another's wants for less than they voluntarily agree to, is slavery.

Similarly, everyone has a right to sell their property for less than other people sell theirs for, or even to give it away. Competitors cannot claim their rights were violated, because they have no property rights in consumers. What is unjust is a seller using government ***force*** to compel a competitor to sell at a higher price. This violates both the competitor's and consumer's right of free trade.

Thus, all the gizmo makers have a perfect right to "conspire" to fix their price. Someone who wants a gizmo may not like it, but he has no more right to make them sell to him at a lower price, than they have to force him to buy at a higher price if they don't like his "low" offer. And, of course, consumers have a right to "conspire" not to pay more than a certain price--to boycott sellers with higher prices. No one can exploit anyone except by force (which includes fraud).

Looking at it another way, almost no one challenges the right of a group, or several groups, of workers to "conspire" to withhold their labor if the desired labor price is not paid. Workers are not put in prison for exchanging information on labor prices.

Companies are simply groups of people who have pooled their labor (including savings earned by labor) to produce more efficiently. What, then, is wrong with workers organized as a company agreeing with another such group of workers to fix their labor prices jointly, thus forming a larger group? Management and director salaries, and profits and interest on savings, are every bit as much a reward for labor as factory wages. To grant this right to trade unions but not companies is simply an expression of Marx's theories which advocate class warfare.

Warning: Competing Is Dangerous To Your Health

When the facts are examined, the classic private monopolies everyone has heard about (which the "antitrust" laws

were supposedly written to correct) turn out to be fairy tales. Typically, the companies were convicted of giving consumers too much service and not charging enough! Their "crime" was that they offered consumers a better deal than their competitors offered. The perversion of justice was so great that not only were the laws unjust, but those punished were not even guilty of breaking them!

Antitrust laws have been used, from the beginning, to protect inefficient companies from their mistakes and to penalize their more successful competitors, usually at the expense of consumers.

Michael McMenamin, 1982

It was not inevitable that (Alcoa) should always anticipate increases in the demand for ingot and be prepared to supply them. Nothing compelled it to keep doubling and re-doubling its capacity before others entered the field...(and) progressively to embrace each new opportunity as it opened, and to face every new-comer with new capacity already geared into a great organization, having the advantage of experience, trade connections, and the elite of personnel.

From Second Circuit Court of Appeals decision finding Alcoa Aluminum guilty of "monopoly," 1945

The 1978 order, which a federal appeals court upheld last year, barred Borden from pricing its ReaLemon reconstituted lemon juice at "unreasonably" low levels.

The Wall Street Journal, March 2, 1983

While many people have the impression that "antitrust" laws are to protect the public, that is not what the laws say, nor how they are interpreted by courts. These political laws allegedly "protect competition."

The word competition is defined by bureaucrats and judges according to their personal biases, their personal opinion of the particular company, and political considerations. In general, however, they define "competition" as a situation where the least efficient competitors don't feel any economic pressure to serve the public better. The objective is to protect poor competitors, not competition, and especially not the public.

The fact that it has never been shown that the public has been harmed by violations of antitrust laws, is not a legal defense. Testimony about the effect on the public is not even permitted. For example, study of court trials reveals a consistent failure of competitors to fix prices above the natural market level, no matter how hard they tried. Yet people have been put in prison for price discussions that resulted in ***no*** actions, and had ***no*** effect on prices. The political crime was defying politicians by exercising freedom of speech.

Six companies and six executives were indicted by a federal grand jury Friday on charges of conspiring to raise and fix the price of copper wter tubing.... In Reading, Howard Klein, vice president of Reading Industries, said the current firm of that name is not involved. "We acquired the old firm which had gone bankrupt and the

company that was indicted no longer exists. We just acquired a right to use the old name."

Democrat & Chronicle, March 19, 1983

By what conceivable standard can the policy of price-fixing be a crime, when practiced by businessmen, but a public benefit, when practiced by the government?

Ayn Rand, 1962

People have even been prosecuted by the government for "tacit" collusion, where competitors have not even talked to each other about prices--a silent conspiracy! The idea is that they read each other's minds to agree on prices, market shares, *etc.*! It has been proposed by government officials, but fortunately not adopted, that it should be a political crime for a few companies to have more than a certain percentage of a market, regardless of prices or anything!

Companies which have pioneered new developments of great public benefit have often been prosecuted or sued because their competitors didn't serve the public as well. Courts ignore the fact that if the company had not pioneered the development, the public would have been denied the benefits of their efforts. How could it be a crime to offer the public a better choice?

The true nature of "antitrust" law and the reason business supports it, are clearly revealed by the record of private antitrust lawsuits. In general, less successful competitors sue, complaining that the defendant has "stolen" their customers by offering them a better deal--often a major technical innovation their rivals had not been able to match.

Somehow, creating something new that helps people is "restraining trade." The practical moral is that you should not try too hard to please the public or you might be convicted of "monopoly."

*They fall into a serious error who suppose that the exclusive right assumed by a discoverer is something taken from the public. He who in any way increases the powers of production is seen by all, save a few insane Luddites, to be a general benefactor who **gives** rather than takes. The successful inventor makes a further conquest over nature. By him the laws of matter are rendered still more subservient to the wants of mankind. He economizes labor, helps to emancipate men from their slavery to the needs of the body, harness a new power to the car of human happiness. He cannot if he would, prevent society from largely participating in his good fortune. Before he can realize any benefit from his new process or apparatus, he must first confer a benefit on his fellow mer--must either offer them a better article at the price usually charged, or the same article at a less price. If he fails to do this his invention is a dead letter: if he does it, he makes society a partner in the new mine of wealth he has opened.*

Herbert Spencer, 1850

The entire structure of antitrust statutes in this country is a jumble of

economic irrationality and ignorance. It is the product: (a) of a gross misinterpretation of history, and (b) of rather naive, and certainly unrealistic, economic theories.... No one will ever know what new products, processes, machines, and cost saving mergers failed to come into existence, killed by the Sherman Act before they were born. No one can compute the price that all of us have paid for that Act which, by inducing the less effective use of capital, has kept our standard of living lower than would otherwise have been possible. No speculation, however, is required, to assess the injustice and the damage to the careers, reputations, and lives of business executives jailed under the antitrust laws.

Alan Greenspan, 1961

...antitrust has often protected inefficient producers. These producers invoke government help to squelch their low-cost competition--much as truckers like ICC complaints against rate discounters. From July 1976 to July 1977, private parties filed 1,600 antitrust suits in federal courts, while government filed only 78. Antitrust encourages firms to win their competitive fights by relying on Washington lawyers and lobbyists instead of engineers, scientists, and computer experts.

Fred L. Smith, 1983

While the government "antitrust" attack is directed at business, in the end it is individual people as consumers, employees and savers who are hurt. The costs of litigation, lost jobs, higher prices, poorer service, loss of progress and lowered standard of living are hidden, but enormous.

Unfortunately, simply saying that government acts unjustly and harmfully does not communicate the impact, especially the personal tragedies of the most directly affected victims. The lives and dreams of real people are shattered by this persecution.

"Antitrust" violations are a classic "victimless crime." There are victims, but only of the criminal political laws. The moral criminals are those who enforce them.

Why "Antitrust?"

Despite the injustice and damage of "antitrust" laws, most people still believe that their enforcement is a valuable function of government that saves us from the "robber barons." Although many economists are aware of its bad effects, most still support this government interference in the market.

A major source of this irrational support for laws which harm everyone, is emotional. For example, there is envy and hatred of people who are more industrious, progressive and successful. There is a desire to rationalize one's feelings of inferiority and fear of competition and change. A lot of it comes down to the idea that government should restrain others from competing too strongly so "people like me will have a chance."

The curious thing about competition is that everyone thinks that it is good for everyone else, but bad for them.

It is natural, but inconsistent, that we each want others to compete to please us, but we are less enthusiastic about our having to compete for the favor of other people. Obviously, we can't all have our way.

It is less obvious that consumers cannot use government force against business for advantage. However, when you think about it, there is no way government can force more rivalry between firms. It couldn't even be measured! Government can only ***prevent*** competition.

But even if government could increase business competition to lower prices, it would also mean more competitive pressure on employees to perform better at lower wages to keep their jobs. There would be no change in the relation of prices to the work to earn the money to pay the prices. Consumers would benefit only at the expense of themselves as producers. Except, of course, for those with government jobs, or government-protected jobs, who could sit on the sidelines and cheer.

Another source of support for antitrust laws is misunderstanding of how the market works. Although many economists are aware of the bad effects, most still support this government interference in the market. And their opinion influences (further confuses) the public through textbooks and the media.

Economists may hotly deny it, but their opinions are shaped by emotions, just like everybody else's. By strange coincidence, an economist's "value-free, objective" conclusions from "scientific research" always seem to support his/her political views. Economics is often called "political economy" for the good reason that it has much more to do with politics than objective science.

The Sherman and Clayton Acts, and most of the antitrust laws have contributed enormously toward improving the degree of competition in our system. All who value social reliance on decentralized markets and economic efficiency should applaud this kind of public intervention, which helps to lessen the imperfections of competition.

Paul A. Samuelson, 1948

Economists' ideas are, of course, also strongly influenced by their training. Unfortunately, most were taught obsolete theories which view the economy as a static equilibrium, rather than the ever-changing dynamic process it actually is.

One of the most misleading aspects of these theories is the idea that the more competitors there are, the greater the competition, and the lower the prices to consumers. The number of competitors, however, has nothing to do with the intensity of rivalry between firms, nor with how good a deal the consumers get.

The most important factor in competition is the quality of company management. One innovative company aggressively seeking to attract new customers, and to attract customers away from the competitors, can intensify competition in a whole industry. However, without capital, managers cannot expand their businesses, nor can entrepreneurs start new companies to enter a market. So competition is restrained by the massive confiscation and destruction of capital by government.

Unfortunately, the idea is popular that if there are only a few companies in a market, or which account for a large share of a market, they will be able to arbitrarily control prices, quality, *etc.*, without considering the consumer. In other words, they will have a monopoly.

Xerox Corp. reduced prices 21% on some large-capacity duplicating machines.... The price actions reflect competition, the company said. Xerox's major competitors in this size duplicator are Eastman Kodak Co. and International Business Machines Corp.

The Wall Street Journal, February 2, 1983

To provide an economic theory to support antitrust laws, this idea is coupled with another economic fallacy--that the free market promotes economic concentrations. It is feared that without government interference there would be fewer and fewer, larger and larger companies, until only a few giant corporations dominated the economy.

For some strange reason this irrational fear (as well founded as the fear of invasion by monsters from outer space) is far greater than the ***reality*** of ***one*** small group of people, called government, gradually seizing total control of the economy by force.

Some of this fear may be due to an exaggerated idea of economies which result from larger scale operations. As the number of units of product made per year in one location increases, some costs per unit decrease, but above a certain production level, other costs increase even more. For example, labor costs may soar when demand for labor exceeds the local supply.

That is why large companies usually have several factories rather than one giant factory. This is especially common when the shipping costs for a company's products are high. A smaller company with one optimum-size factory can be cost competitive with a large company having a dozen factories.

While the larger company may be able to save money by sharing some overhead expense among several factories, the smaller company will not have the cost of coordinating operations in different locations. When companies diversify (conglomerates) to reduce investment risk, the coordination

problem becomes even more severe. Big companies tend to be more bureaucratic, slower to react to problems and to make decisions, less flexible and less innovative.

The fate of every business is on trial every day in the marketplace. A business can prosper, or even survive, ***only*** if it pleases consumers, employees and investors. If it pleases them more than do its rivals, it can grow by attracting more customers, more and better employees, and more capital. If it pleases them less than others do, it will decline. In a free market, no company, no matter how large, can escape the working of this economic law.

The corporate graveyard is occupied by many formerly famous giants which once appeared invincible. Every year more are laid to rest, replaced by growing rivals which may have been unknown a few years earlier. The employees and assets of the "departed," however, do not disappear, but are employed elsewhere, where they can better serve human needs. More common, of course, are the constant shifts of market share between firms as a reward or punishment for performance.

The free market does ***not*** promote the concentration of business into an ever decreasing number of companies. Instead, it promotes the economic optimum number and size of firms for each market. The optimum structure of an industry changes as the market changes. "Antitrust" laws hamper the needed adjustments.

For example, shipbuilding is at present more economically accomplished by a few large companies. Breaking them up into neighborhood shipbuilders would not benefit consumers. On the other hand, grocery stores need to be in neighborhoods, and a single huge supermarket in the middle of a country would not be economical, no matter how much advertising or capital was invested.

Steel mills started small and became huge to gain economies of scale. They are now becoming smaller again because of new technology which makes it economical to recycle scrap iron and to locate small "mini-mills" near customers to save freight expense. In the market, dinosaurs evolve or perish.

Contrary to some historians whose writings reflect official mythology rather than facts, the period before passage of the "antitrust" laws was one of intense industrial rivalry, with the number of competitors increasing and prices falling. There is no evidence whatever, in American history or in that of the many other countries which do not have "antitrust" laws, that the free market tends to create monopoly. The evidence is, instead, that open entry of

new firms prevents monopolies.

New companies have the advantage of the latest model, most efficient production equipment. Established companies, in contrast, have a large part of their assets tied up in still working, but obsolete, equipment.

Despite popular belief, there is no historical trend toward a few companies dominating the entire economy. For example, the fifty largest American manufacturers have no larger a share of manufacturing than they did around fifty years ago. There have, however, been many changes in the names of the corporations in the top fifty.

It is part of antitrust dogma that, unless restrained, the leading firms in an industry will grow by merger and acquisition, stifle competition, and form "tight oligopolies." The process may sound logical, but it isn't confirmed by history.

Fortune, January 10, 1983

Misleading evidence which is sometimes offered, is that companies with the largest market share often have higher profits. This is attributed to their "monopoly power." However, this is like saying that the cart is pushing the horse. The higher market share and higher profits are both due to better satisfying consumers.

Another fatal flaw in the concept of free market monopolies is the impossibility of definition. For example, it is easy to speak of the steel market, but there are thousands of different forms of steel, each of which has many markets, and different competitors in each market. And perhaps steel should be seen as one part of the metals market, along with aluminum, titanium, nickel, brass, zinc, *etc.*, all of which compete with steel for some applications.

But then, other materials compete with metals for various uses. So maybe the market is really structural materials, which would include wood, plastic, concrete, glass, brick, *etc.* However, wood is also sold in the fuel market in competition with oil, coal and gas, and other materials also are used in different markets. A market also must be defined geographically. Is it a city, region, country, planet or galaxy?

It is useful for a business to define its market to help guide its activities. But it is a meaningless term to define a monopoly, because it is completely arbitrary and can be selected to prove anything. Is the only steel mill in Auburn, N.Y., a monopoly?

The American automobile industry looks "concentrated" only if one ignores all the foreign competition. If any American industry is "concentrated" it can be so only because the American government has erected tariffs, quotas and other trade barriers.

Because of the problem with definition, the arguments for antitrust usually come down to the notion of monopoly prices and profits. But these can't be defined either, because there is no way to define a competitive price. In any event, any price determined by voluntary trade is just.

When the case against "antitrust" is so overwhelming (and only a small part of that case has been discussed here), why is it that most economists still support it? Some may simply be ignorant of the facts, but that doesn't explain general support of a policy that is obviously harmful and for which there is not a shred of favorable evidence.

Human motivation is based on self-interest, so that is where we should look. Economists' support of antitrust may have something to do with the emotional bias against competition discussed earlier, and with the natural human reluctance to admit error and change one's mind, especially when that would involve repudiating the training, experience and publications on which one's career is based.

And it may have something to do with the fact that most economists are employed by government, and depend on government-collected statistics as raw material for their work. Economists' work, of course, is mostly recommending, predicting and analyzing the effects of government market interference. In socialist economies, economists enjoy enormous power as the planners of the lives of others.

Government interference in the economy can be only harmful. It is not surprising that most economists are reluctant to admit this fact, considering that it would make obvious a second fact--that there is no useful role for economists to help government direct the economy. We probably should not expect economists to enthusiastically support a reduction in their employment and influence.

With the biased theoretical support of economists, the biased support of established businesses that want less rivalry, misguided business-haters, and politicians seeking power, "antitrust" became political law and continues to harm every person in America.

Concentration persists only where it brings efficiencies or is the consequence of superior management.... It is time to renounce public policies based on superstition and ignorance.

Yale Brozen, 1982

"Antitrust" laws, (along with other government violations of liberty and individual rights) are "justified" legally by a "public interest" theory that if an individual does anything that affects other people, it becomes government's business. Obviously this theory can be (and has been) stretched to give government power to control anything we

do. Even if they were not so harmful to human welfare, "antitrust" laws should be opposed by all those who care about liberty and human rights, to fight this dangerous "public interest" theory.

The activities prohibited under antitrust laws are invariable peaceable *activities--whatever their merit under an efficiency standard--and thus should be allowed in a free society.*

Fred L. Smith, Jr., 1983

Big Business

There is nothing bad about a big business if it got big by better serving consumers and if it is an economically efficient size for its market. Its "economic power" will be no greater than consumers voluntarily grant it.

However, it is economically wasteful if government uses force to make companies larger or smaller, or to change the structure of an industry from what the consumers in the market would dictate.

It is especially harmful when government artificially encourages business concentration and growth of inefficient, fat and happy companies by sheltering them from competition. Almost everything government does has this effect, but tariffs and quotas, "antitrust" laws and takeover laws (to protect bad management from shareholders) are among the worst.

Anybody seriously concerned about corporations becoming too big, and too few companies serving a market should focus on the primary cause--government market interferences such as taxes, regulations, inflation and subsidies.

Small business is less able than big business to cope with regulation. Thus ***all*** government economic regulation tends to increase business size and reduce competition. Small business is also less able to learn about and obtain government grants, loans, contracts and other favors. Companies too small to afford red tape experts, lobbyists and political influence are largely shut out of the more than half of the economy under government control.

Today the most important economy of scale is attained by spreading the cost of government over larger sales volume rather than by building bigger factories.

In a time of double-digit unemployment, a Rochester company that writes paychecks is one of the fastest growing companies in the United States. Paychex Inc., at 275 Lake Ave., is 8th on the list of 500 fastest-growing privately held U.S. companies in the December issue of Inc. *magazine...No matter who is in the White House or the State House, the task of filling out tax returns gets more complicated (the president) said. In New York state, a typical employer must fill out at least 40 payroll tax forms each year. "It doesn't matter whether you're Eastman Kodak Co. or the local 7-Eleven store. Your*

report problem is the same."...Golisano said there's no reason why the company can't continue to grow at its present rate, at least for the next few years. For example, he said, many restaurant owners are going to need help in filling out the new forms for reporting waiters' and waitresses' tips as income. "The more difficult the government makes it for the employer, the better it is for us," he said.

Rochester Democrat & Chronicle, November 27, 1982

Tax laws, inflation and depression of stock prices by government economic interference made it cheaper to expand by buying other companies, rather than by growing internally.

For example, companies often retain more profits than are needed by the business. The reason the profits after taxes are not paid out as dividends to shareholders is that the profits would be taxed again as shareholder income. A shareholder can reinvest only what is left of the profits paid as dividends after taxes. If a company reinvests the profits by buying another company, this double taxation is avoided.

Government borrowing, inflation and regulation of banking and securities have so dried up capital that the only way for many small rapidly growing companies to get capital needed for growth is to be acquired by a large established company. Government securities regulation and taxation also make it difficult for entrepreneurs to reap the rewards of their success, except by selling their business to a larger company. Inheritance taxes also force many mergers, because that is the only way the heirs can get the money to pay the taxes. Ironically, the big corporations which socialists complain about got that way largely because of socialism.

In a ***free*** market, business mergers would be made only for economically beneficial purposes--to better serve consumers. For example, companies might be able to do things jointly which could not be accomplished separately, there may be economies of scale or from consolidation, or poorly managed companies may be saved from failure by merger with an efficient company.

Even "conglomerates" can serve to reduce investor risk and thus attract more capital. The principle is the same as the old saying, "Don't put all your eggs in one basket." Of course, having more baskets to watch can cause problems, too. If companies make uneconomic mergers, or become too big to be efficient, or become poorly managed, the market will correct the problem.

Why Not Have A Monopoly?

On the free market, monopolies or price fixing deals that

raise prices are very difficult, if not impossible, to achieve. And free market monopolies couldn't last very long. Somebody always gets "greedy" for more business and cheats, or somebody new jumps in with a lower price.

One reason is that raising the price shrinks the market, because of the law of supply and demand. This means that the price fixers will have to reduce production, sales and income, which puts terrific strains on their agreement. Another reason is that the high price attracts new competitors and competitors offering substitutes. This further reduces the price fixer's sales, and increases the pressure to cut prices to avoid losing customers.

There are other difficulties with price fixing agreements. They are usually desired by the least efficient businesses in a very competitive market. But why should the more efficient companies protect them from failure? And weak competitors are more likely to cheat on an agreement in order to survive.

Kuwait's oil minister warned that a significant drop in oil prices would result if some OPEC members continued discounting and violating production ceilings.

The Wall Street Journal, October 21, 1982

...the largest producer, Saudi Arabia, has had to cut its output by more than 40% to prevent a collapse of the cartel price. The other, weaker members...have begun to bootleg petroleum at substantial discounts of as much as 15% below the posted price.... In 1973, the OPEC countries accounted for almost 60% of the oil supply of the industrialized countries. Their share nine years later has fallen to about 45%.

Peter F. Drucker, 1982

Britain, Norway and Nigeria today slashed oil prices in moves expected to put more pressure on OPEC nations to cut their $34 per barrel base price to stay afloat in a glutted market.

Times-Union, February 18, 1983

Every would-be monopolist (and there is a little of that in most of us) faces a lot of serious problems. The dream is to "corner the market," which means to control the supply of some desirable good so that no competitor can cut our price to take business away. We then raise our price and reap giant profits.

As noted earlier, there is nothing morally wrong with this, and is the just reward for achieving a major breakthrough in technology that benefits the public. But making such an invention is difficult, and trying to achieve a monopoly without it just doesn't pay. Even the high profits from being first on the market with a successful innovation last only until other firms find a way to duplicate or surpass it.

Paying a high price to buy out competitors doesn't work either, because that makes for high-cost production, and new competitors would enter the business at lower cost.

Pretty soon, people get into the business just to be bought out for a big, quick profit (this is history, as well as theory).

Squeezing out a small competitor with a low price costs a lot for the guy who has the bigger sales. In fact, it would usually cost much more than the competitor's company could be bought for, and much more than could be earned by eliminating him.

Typically the small competitor has lower costs and prices, which is why the big company is concerned about the competition. To put pressure on the small competitor, the big company would have to reduce its prices even lower, and every dollar of the price reduction will come out of its profits.

For example, suppose a company with $100 million sales wants to squeeze out a small competitor who, by selling at a 20% discount, has taken away $1 million of business. If the big company cut prices by 30% to undersell the small competitor, it would reduce its profits by $30 million, in order to reduce the profits of the small competitor by $100,000. If the same competitor had to maintain a price discount to keep business, its profits might be reduced by perhaps another $100,000.

If the companies have normal pretax profits of 10%, this would cause a $20 million loss for the big company and a break-even or $100,000 loss for the small competitor. But the price reduction will greatly increase sales. The big company will have to meet the demand to keep the pressure on, so its losses will increase to, say, $30 million, after spending millions of dollars to build uneconomic capacity which will not be needed when prices return to normal.

Cutting prices in only one area to squeeze a regional competitor won't work, because it will be economical for distant customers to pay the higher shipping costs. The smaller competitor could even turn a profit by buying low-priced products from the big competitor, and selling them in other market areas where the prices have not been cut.

Any way it is sliced, a price cut will cost the big company 100 times as much as the small company in our example. Companies can usually be purchased for around the same number of dollars as their annual sales. The big company would be paying many times as much to force the small one out of business, without even acquiring the assets. An expensive purchase indeed!

The small competitor, of course, doesn't have to meet demand, and may be able to cut costs enough to break even at a lower volume. Often there are customers who will support the small competitor just to have competition

and a choice.

For the big company the program is like shooting yourself in the foot to stop your toe from itching. Even if the price cutting is successful in making the small competitor go broke, somebody new might buy the smaller guy out at such a low cost that he can meet the lower price.

Companies are in business to make a profit, and the only reason to try to squeeze out a small competitor is to make a bigger profit. But to even recover the losses caused by the price war, the larger company will have to, at some point, raise its prices higher than it was originally charging. To benefit from the price war, the prices would have to be higher yet. Such high profits will strongly attract new competitors. Anyway, at some point the big company has to raise the price to stop losing money, and then new competitors spring up, preventing monopoly profits. Only consumers benefit from price wars.

Just Around The Corner

It obviously isn't practical to try to "corner" the supply of some manufactured article, because as soon as the price goes way up, everybody will start making it. So let's concentrate on some vital mineral raw material.

The first problem is that as you buy up more and more of the supply, the price of that remaining will go higher and higher. Ugly surprise! You have created a monopoly for someone else. The devils who have the rest of the supply are trying to hold you up! There is no point in trying to make a joint pricing deal with them, because you know you can't trust a dirty monopolist.

Let's suppose instead, that you somehow manage to keep your plans secret and cheaply buy up the entire supply and all the mines that produce it. This is a dream, of course, because the former owners will be bragging about the killing they made unloading on you all that slow moving merchandise and broken down mining equipment, and the word will spread that there is a big sucker in town.

But if you did pull it off, and started to demand a fantastic price, pretty soon you would find that at your high price, people can find plenty of cheaper substitutes (for example, they might coat the inside of "tin" cans with plastic instead of your tin), or can find ways to do without or with much less. You have a lot of money that could be earning interest, tied up in a big pile of something that isn't selling, and mines you have had to shut down. You figure: better a smaller profit than no profit, so you cut the price.

But by then people have found a cheap substitute that

works even better than your mineral (like the plastic in "tin" cans). So you cut the price below your cost to recover some of your loss. Then comes the worst. An enormous, new, very pure supply is discovered in the previously unexplored jungles of Huba-Huba, or some jerk discovers a way to extract the mineral from seawater for less than it costs you to mine it. Who ever said that life is fair? But that is the way the market works when we try to play monopoly.

The only possible way to get a monopoly without government force is to produce something so good and so cheap that nobody else can do such a good job. It is the potential competition--rather than the actual competition--that keeps this "monopolist" successful. He knows that if he doesn't keep prices close to cost and if he doesn't keep making improvements to keep his present business and factories from becoming obsolete, someone else will. But then who cares about the monopoly?

Frederic Bastiat, 1801 - 1850

XIII. THE REAL MONOPOLIES

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*Monopoly: A right granted by a **government**, giving exclusive control over a specified commercial activity to a single party.*

The American Heritage Dictionary, 1979

★ ★ ★

It is a grotesque distortion of the true state of affairs to speak of monopoly capitalism instead of monopoly interventionism, and of private cartels instead of government-made cartels.

Ludwig von Mises, 1949

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The Robber Barons Are Alive And Well

The "robber barons," with all their wealth, ingenuity and connections, tried very hard to gain monopoly profits and protection from competition on the market. But they failed miserably until they made a deal with politicians to use government force to suppress their competitors in the name of protecting the public. Feudal barons used government force to rob people, while pretending to protect them, so the title "robber baron" fits rather well. Their spiritual descendants have perfected this scam.

Preventing or interfering with free trade by ***force*** is unjust. Those who commit such acts are moral criminals. Their victims are all those whose natural right to freely trade their labor and the fruits of their labor is limited by force. The victims thus include both actual and potential consumers and competitors, who suffer restraint or disadvantage imposed by the initiation or threat of force. Taxpayers, who are forced to pay for enforcement of government restraints on trade, are also victimized.

All government regulation restrains trade and thereby creates monopolies, if for no one else, at least for those willing to become political criminals. Tariffs, quotas and other government restraints on import trade grant monopolies on domestic business to favored manufacturers. This is supposed to "protect" the public from being offered better quality and lower cost goods from abroad.

Government subsidies also restrain trade by putting honest competitors at a disadvantage. Competitors who are subsidized reap monopoly benefits. However, in this chapter we are concerned with legal monopolies specifically granted by government.

The ***only*** monopolies possible are created and enforced by government--the very people who say that they are

trying to stamp out monopolies. Examples are the post office, "public" schools, roads, banks, utilities and licensed or regulated occupations, such as real estate brokers, barbers, peanut farmers, ticket takers, fur breeders, boxing announcers, bedding retailers, truckers, apple growers, radio and television broadcasters, landscape architects, business opportunities publishers, occupational therapy assistants, insurance companies, lawyers, physicians and fertilizer distributors.

Because of government, they are able to restrict competition and charge you more for worse service than they could on the free market. Licenses mean that you have to have permission from the government to earn a living! Consumers lose their right to choose. Government monopolies also reduce the economic penalty for irrational discrimination in employment.

All government monopoly grants, including grants to government-owned business, and occupational licensing and regulation, should be abolished, as they are unjust and can only harm the public. The only law required is the natural law against the initiation of force and fraud.

The sole source of the monopoly power, and of the problem, is the state. Yet it is the very state that most of the critics of business (and supporters of antitrust) would expand and enlarge to suit their particular vision of the good society. Knowingly or unknowingly, the critics of big business would enhance the very institution, and the very relationships that are at the root of the social problem they claim to abhor.

Dominick T. Armentano, 1972

It is far from clear that (licensing laws) actually bar the unqualified (from practicing) and it is even less clear that they bar only the unqualified. Nor do they offer much protection against intentional and negligent misconduct on the part of those already licensed, arguably a much greater and more immediate evil than practice by the inexpert.

The New York State Bar Association, 1982

Six months after Colorado became the first state to deregulate the funeral business, Bruce Douglas, head of the state's licensing division, says he's amazed how smoothly the transition has gone. "We haven't heard any horror stories," says Mr. Douglas, who admits to being prepared for the worst.... anyone, regardless of education, professional training and background, can open a funeral practice in the state. Established morticians, worried about shysters, have set up their own certification. "We've had a few complaints about firms going down the street, soliciting business. That's about all," says Gerry M. Montgomery, secretary-treasurer of the state funeral director's association.

The Wall Street Journal, December 28, 1982

Steve Bumpus, Chino, entered a plea of no contest in Kern County West Municipal Court to charges of buying and selling hay without a license. The action was brought against Bumpus by the State Department of Food and Agriculture. Under the Produce Dealers Act, which is enforced by the department's Bureau of Market Enforcement, anyone who purchases, handles, or solicits farm

products in California for resale must be licensed.
California Department of Food and Agriculture news release
November 19, 1982

Appellate Division judges have reduced Philip W. Murray's one- to three-year sentence for unauthorized practice of medicine to a definite term of one year "in the interest of justice." Murray posed as a doctor for five months before he was arrested in October, 1981, after a suspicious doctor in a nearby town called state investigators. No one was injured by Murray's practice, and many residents said he provided good care.
Democrat & Chronicle, November 16, 1982

Why Monopolies?

Government granted monopolies are often "justified" on the theory that they are "natural" monopolies. According to this theory, in a free market, certain services will naturally become monopoly businesses. And therefore, government must regulate these monopolies to prevent consumers from being overcharged for bad service.

What is wrong with the "natural monopoly" theory is that, in a free market, there is no such thing as a natural monopoly business which is not "regulated" by actual or potential competition. Monopoly is not natural.

If monopoly were natural, why then is it necessary for government to use force to prevent others from competing with the "natural monopolies?"

It is claimed that a government-enforced monopoly to avoid duplicating services is more "efficient" and therefore will cost the consumer less than if there were competition. It is also claimed that certain services are essential, and therefore government must ensure the supply by granting monopolies to financially strengthen the suppliers.

Examples of "natural monopolies" that are usually given are water, electrical power, gas, telephones, roads, garbage collection, postal service and firefighting.

Government monopolies are certainly "efficient" for those who have them, for they do not have to be very concerned with sales, quality, service or profits. But are government monopolies really necessary and are they good for anyone other than the monopolists? The answer is a flat no. Sometimes, they are bad even for the monopolists.

The history of government monopolies is that they were imposed by government officials supported by those who wanted special advantage over competitors. They were not supported by consumers. When consumers have had an opportunity to vote, for example regarding utility monopolies, they have always voted for the free market. And utilities' prices have dramatically increased after they became monopolies regulated by government "in the public interest."

In every case, the people being regulated, and the bureaucrats who do the regulation, are the main, if not only, source of support for continuing regulation. And there is a crowd of hired lobbyists at every legislature demanding that their clients be licensed and regulated "to protect the public." What does all this say about whose interests are being protected at whose expense?

While the government postal service monopoly is now supported by its employee unions and by rural customers who receive subsidized service, it originated because of the desire of government to spy on its citizens. And this is still an important reason, along with the power of censoring communications by refusing to deliver what the government doesn't approve, and refusing to deliver any mail to those who mail unapproved material.

The origin of and support for government provision of roads and schools is similar. Because of their importance, they will be dealt with in detail later.

Every one of these services (except spying and censoring) is being provided somewhere by competitive private organizations, better and at lower cost. And they were being provided competitively ***before*** they received a government monopoly grant. Government never starts anything useful; it only exploits what individuals have created. Monopolies are not "natural," they are imposed by force.

As for the argument that monopolies are necessary to ensure supply, why should the free market fail to provide essential services, when the present hampered market supplies less essential services in abundance? And it would seem that security of supply would be enhanced by having more suppliers as backup for interruptions.

The real reasons and the excuses for business and occupational licensing and regulation were discussed in the chapter on regulation. It generally is alleged that the public needs to be protected from the bad effects of too much competition.

Not only is this idea illogical, but there is simply ***no*** objective evidence that licensing and regulation have provided ***any*** public benefits that are not greatly exceeded by the cost. Why would anyone but the monopolists benefit by restricting production and the number of competitors? Next time you hear someone advocating licensing and regulation, ask for ***facts*** to prove that government can ***improve*** the situation, instead of theories and anecdotes. There are ***no*** facts, and regulation never eliminated any problems.

Socialists like to talk about how important a service is,

implying that the choice is between having the service provided (or controlled) by government, or doing without. But if the service is truly valuable, the free market will provide it. The choice is not between government-controlled monopolies and nothing, but between monopolies and better, less costly providers of service.

Space does not permit detailing all the examples which prove that government owned utility monopolies and government monopoly utility "franchises" are unnecessary and harmful, but the reasons can be outlined.

You Don't Get What You Want

It seems like an attractive idea that if we all were forced to buy the same products in the same sizes at one central store, they could be purchased more cheaply.

The obvious problem is that we all want different sizes, colors, features and convenience. Some people are willing to pay for more quality and service than are others. If we had no choice, almost everyone would be dissatisfied and it would be a drab world. A blue sweater is not the same product as a red sweater, especially if you love red and hate blue. And that's why they make chocolate and vanilla.

The same principle applies to services. Why is there more than one radio or TV station? If there were only one station, we could get rid of all the trashy programs, and we would have only good programs which would improve society! Think of the savings from not duplicating expensive transmitting facilities! Believe it or not, there are people who actually think that this is a good argument for radio or TV monopolies. They, of course, plan to be the ones to select the programs.

Progress Delayed

An equally serious, but less obvious problem is that freezing product designs also freezes progress. Zippers would never have been developed if clothing had been "standardized" with buttons.

Of course the government could always change standards when new developments came along. But how would government decide which new developments are good and wanted by people, and which were bad ideas? By political influence? And would there be any new developments under such uncertain conditions?

The bureaucrats who decide what improvements to allow government monopolies to make risk nothing personally by disapproval. They gain little by authorizing good improvements. But if they approve a new development that turns

out badly, their careers may suffer. Guess what they usually decide!

The only way to really find out whether something new is good or bad is to let every new development be offered to the public and see which are accepted and which fail. However, we wouldn't have "standardization" anymore. But we ***would*** have progress.

Competition Cuts Costs

It seems obviously wasteful to have duplicate water, gas, phone and electric lines, or mass transit, so why not give one company a monopoly so these necessary services will be cheaper? Well, it just doesn't work out that way.

Along with a monopoly franchise goes government regulation and no competition. Government regulation is expensive and introduces a lot of injustice and economic inefficiency. Prices and service for different customers are based on political pull, not on cost and the market.

This means, for example, that city people are forced to subsidize utility service to remote locations, instead of those who choose to live there paying the real costs. And rural people are forced to pay for uneconomic government mass transit monopolies for cities. In general, it is unjust for you to be forced to pay for someone else's expensive choices and it distorts the economy away from what people really want.

It is unjust that people who want to go into the utility business are prevented by threat of force, and that consumers are deprived of a choice. And it is unjust that people who generate their own power (perhaps from a source that is too small to interest a utility) cannot sell the surplus directly to their neighbors.

The lack of competition for monopolies gives them no incentive for efficiency, and hinders progress. Some costs might be increased in a competitive free market. But any cost increase caused by duplicating services would be far more than offset by increased efficiency and new improved materials and methods.

This is not only theory; studies of the few remaining competitive utilities clearly demonstrate that competition actually produces both much lower prices and much lower utility ***costs***. One recent study of 23 American cities with two electric companies found that the average electricity prices and costs were one-third less than in monopoly cities.

If those competitive utilities were also deregulated, the costs could drop much further. Even if there were extra

costs for duplication of distribution systems, what concerns the consumer is the *total* cost, and that would be reduced by abolishing government monopolies.

Service is also much better in areas with utility competition. For example, bills are corrected and repairs made faster, and there are more underground lines instead of ugly poles.

In practice, in a free market there might not be a lot of duplication. Utilities would keep their prices and service very competitive to avoid giving a competitor a foothold in their territory. The threat of competition can be just as effective as actual competition.

Competitors would likely share distribution facilities to cut costs to discourage possible new competitors. Without their monopoly franchise, existing utilities might find it more profitable to rent part of the capacity of their distribution system to companies supplying electric power and natural gas to consumers.

In a free market, distribution systems would have to purchase power and gas from the lowest cost sources, rather than monopoly sources. Consumers would no longer have to pay to support an inefficient local electric generating plant if cheaper power could be purchased from a new plant or more distant source.

That way, they would not risk finding themselves with unused or uneconomic facilities, as competitors nibble away their customers. With separation of supply and distribution, consumers would have greater choice, and benefit from competition, without more poles or having trenches dug in their lawns.

Some may argue that competition with established utilities would be too difficult to prevent monopoly profit. The idea is that investors would not risk large amounts of money to install facilities when an established utility with its facilities mostly paid for might cut prices in that area. A free market solution would be for the prospective competitor to first obtain contracts with consumers who want a better supplier, for a long enough term to justify the investors' risk. The new competitor would also benefit from using modern, more efficient equipment.

However, in a free market, advances in technology may change the whole picture. Electric power may be generated locally or even in homes, thus saving high voltage, and perhaps local, power lines and the substantial portion of electricity now lost in transmission. Generating electricity in homes with fuel cells could also provide heat and cooling as byproducts. Communications may be via radio,

or microwave to satellites, thus eliminating telephone lines.

It is always a mistake to anticipate the effects of liberty by assuming that nothing else will change. Only one thing is certain, and that is that whatever system develops in a free market will be the most efficient and satisfying to consumers.

Free Roads!

Roads deserve special mention because most people would consider roads to be a natural monopoly function of government, and they have difficulty imagining private ownership. As with education, government control of roads is not merely unjust, but also greatly increases government's power to violate other human rights.

There is no good reason why most roads and streets should be owned by government, and a lot of good reasons why they should not be, and why they should instead be owned by individuals or groups of individuals. Government took over the road business because of its importance for war, control of the population and economic development, and the huge patronage involved--not in order to benefit the public.

In this case, government maintains its monopoly control by forcing everyone to pay for roads and then offering "free" use for a small additional payment. However, the tens of thousands of miles of roads and streets constructed, owned and maintained by business, associations and individuals clearly demonstrates that there is no need for government to provide this service. Even government roads are built by private companies for private benefit. Government's only role has been financing and control at our expense.

A magnificent high road cannot be made through a desert country where there is little or no commerce, or merely because it happens to lead to the country villa of the intendant of the province, or to that of some great lord.... A great bridge cannot be thrown over a river at a place where nobody passes, or merely to embellish the view from the windows of a neighboring palace: things which sometimes happen, in countries where works of this kind are carried on by any other revenue than that which they themselves are capable of affording.

Adam Smith, 1776

The ability to tax may shield the government-operated road system from a formal declaration of bankruptcy. Raising taxes to preserve the solvency of operation can obscure, but it does not cure, the consequences of bad investment decisions. On the contrary, the power to tax is apt to perpetuate erroneous investment decisions because the message of the market can be so easily ignored.

John Semmens

Much of the history of American transportation is the history of private enterprise, including most of the turnpikes of the nineteenth

century. These roads were paid for by small tolls as well as by stock subscriptions from those who stood to benefit from the roads: merchants who used them for transporting goods, farmers who needed them to bring their produce to market, and manufacturers who needed them for access to raw materials and distant markets. Contrary to the hypothetical constructs of government economists, there were incentives aplenty for private entrepreneurs to meet public needs.... In 1821 New York had 278 turnpike firms, operating 4000 miles of high-quality roads. Innovation and efficient management were the order of the day for private road companies. Private turnpikes were wide, graded to facilitate drainage, and surfaced with gravel or crushed stone. The first use of asphalt surfacing was on the privately owned Valley Turnpike in Virginia.

Tom G. Palmer, 1983

The most important reason for getting government out of the road business is the same as for any government economic interference--to reduce government control over our lives and increase liberty. Then there are the material benefits of the free market--better service at lower cost.

An especially desirable service improvement would be increased safety. Because individuals bear the costs of death, injury and property damage due to poorly designed and managed roads, there is little incentive for bureaucrats to improve safety. But private owners would want to protect themselves and their friends, or want to attract customers by offering safer roads, and would want to avoid lawsuits (government has granted itself immunity from most safety lawsuits).

The government seems to have escaped opprobrium because people blame traffic accidents on a host of factors other than governmental mismanagement... It may well be that speed and alcohol are deleterious to safe driving; but it is the road manager's task to ascertain that the proper standards are maintained with regard to those aspects of safety. If unsafe conditions prevail in a private multi-story parking lot, or in a shopping mall, or in the aisles of a department store, the entrepreneur in question is held accountable.

Walter Block, 1979

Government control of roads wastes resources and drives up costs. Roads are built and maintained according to political influence, not economic need. A substantial portion of the road network is economically unjustified. About 80% of the traffic is on only 25% of the roads. Yet needed roads, streets and improvements are held up for years in political red tape.

Road construction and maintenance costs could be drastically cut, probably by more than fifty percent, by eliminating wasteful rigid government requirements and corruption, and permitting progress in construction methods and materials.

In a free market, there would be less traffic congestion because it would cost more to drive on busy streets and

roads during rush hour. and roads would be built where they are needed because it would be more profitable. Without government control of roads, transportation would be deregulated. This would make possible efficient low-cost mass transit such as jitneys, mini-buses and van pools, which would reduce the number of vehicles clogging busy streets.

Another nice thing about private ownership is that we would no longer have to beg politicians to do a better job of street cleaning, snow removal or pot-hole fixing. We would keep our money and have it done ourselves the way we want, faster, better, and at lower cost.

Who would pay for roads, *etc.*, without government? The answer is that we are already paying; government is only a collection agency. We want and need streets and roads. There is no reason to believe that we need government to force us to pay for them.

We can't predict exactly how the free market would finance roads and the ownership patterns, but we can make some good guesses. Local streets and roads would be built, as most are now, by private developers who profit by the increased value of their land. They would be owned and maintained mostly by associations (like condominium associations) of the property owners served by the streets and roads. They would be free and open just as private roads serving multiple property owners or shopping plazas are today.

Major roads, primarily serving through traffic rather than access to property, would probably be owned by companies and operated for profit. But this does not mean a toll gate every few miles as in earlier and slower times. No doubt, road owner associations would work out lower-cost and more convenient methods of payment.

Modern technology offers many options using computers, mileage recorders, sensors, *etc.*, that could permit charging according to the services used. Charges could vary according to vehicle weight, roads used and time of day (just as telephone companies charge less for evening and weekend calls now), with monthly or annual billing. Such systems might also make traffic rules easier to enforce, provide better regulation of traffic lights, *etc.*

Builders of major roads would also profit from the increase in property value around exits and service areas, which would reduce road user charges. Land owners in areas poorly served by roads might contribute to construction costs to encourage a road company to build a new road to their area to increase the value of their land.

At present, much of the increase in property value from road and street building and improvement is captured by politicians and their political supporters, either by advance knowledge or by influencing the selection of projects to favor property they control. In a free market these capital gains would instead benefit the public.

Traffic rules surely would not vary any more than they do now because it would be in the self-interest of road owners to cooperate to keep rules uniform. There might be standard car and driver's licenses for the whole country, for example.

People who don't understand the free market will probably have still other concerns. One sometimes heard is "What if road owners denied me access? I could starve to death, trapped in my house." It is tempting to ask, "What if ***government*** denied you access?" Road owners, of course, would be no more likely to do such a thing any more than all the shops in an area would refuse to sell to someone.

As a practical matter, no one would buy property without guaranteed access, nor would anyone sell land for a road without either an access agreement and/or retaining the right to build access roads, *etc.*, under or over the new road. When existing government roads are "privatized," access and crossing rights should be guaranteed for adjacent property owners. This would eliminate the concern that no new roads, pipelines, utilities, railroads, *etc.* could be built without exorbitant payments to road owners.

Abolishing the government road monopoly should be high on the Libertarian priority list. Not only can we increase liberty and reduce injustice, but at the same time we can save thousands of lives and enormous sums of money, and make the entire economy more efficient. It may be harder to explain than some other issues, but is nonetheless important. We should not be discouraged because people tend to see government economic interference as a natural disaster, like a hurricane, which is beyond the control of man. What has been, and is, doesn't always have to be.

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*What **reasons** are there for advocating the free market approach for the highway industry? First and foremost is the fact that the present government ownership and management has failed. The death toll, the suffocation during urban rush hours, and the poor state of repair of the highway stock, are all eloquent testimony to the lack of success which has marked the reign of government control. Second, and perhaps even more important, is the **reason** for this state of affairs. It is by no means an accident that government operation has proven to be a debacle, and that private enterprise can succeed where government has*

failed.... There is always a tendency in the market for the reward of the able, and the deterrence of those who are not efficient. Nothing like perfection is ever reached, but the continual grinding down of the ineffective, and rewarding of the competent, brings about a level of managerial skill unmatched by any other system. Whatever may be said of the political arena, it is one which completely lacks this market process.... What is difficult to see is that this analysis applies to the provision of roads no less than to fountain pens, frisbees, or fishsticks.

Walter Block, 1979

★ ★ ★

All systems either of preference or of restraint, therefore, being thus completely taken away, the obvious and simple system of natural liberty establishes itself of its own accord. Every man, as long as he does not violate the laws of justice, is left perfectly free to pursue his own interest and his own way, and to bring both his industry and capital into competition with those of any other man or order of men. The sovereign is completely discharged of a duty, in the attempting to perform which he must always be exposed to innumerable delusions, and for the proper performance of which no human wisdom or knowledge would ever be sufficient: the duty of superintending the industry of private persons.

Adam Smith, 1776

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Adam Smith, 1723 - 1790

XIV: THOUGHT CONTROL

★ ★ ★ ★ ★ ★ ★ ★

Of all the tyrannies on human kind,
The worst is that which persecutes the mind.
John Dryden, 1687

★ ★ ★ ★ ★ ★ ★ ★

We are self owners. That means that we each own our bodies, including our minds. When others initiate force to control our minds, or to deprive us of the fruit of our mental labor, our rights are violated.

Mental slavery is as unjust as physical slavery. Indeed, it is morally an even greater crime, for we ***are*** our minds. To control our minds is to murder our individuality--all that makes us uniquely us.

Fortunately, even with fiendish modern techniques, 100% mental slavery, like 100% physical slavery, is impossible or at least impractical. But partial mental slavery is widely practiced.

Most people would agree that it is unjust to use force such as torture, intense "brainwashing" or mind altering drugs to condition, and to make us reveal, our thoughts. Unfortunately, there is probably also a majority who would make an exception if it was done by government for "national security" purposes.

Also unfortunately, most people see nothing wrong with partial mental slavery imposed by milder or less obvious forms of force. Somehow, government censorship, regulation of information and the means of communication, control of education, spying, invasion of privacy, forcing us to provide detailed personal information on tax and census forms, *etc.*, are viewed as justified for the "common good."

Like physical labor (only more so), government considers our thoughts and mental labor to be our property only when it suits the purposes of government to permit it. The ways in which government aggresses against our minds (often without our being aware) are too numerous--and too rapidly increasing--even to list, much less properly discuss.

In this chapter, we will consider only two aspects of thought control--the government monopoly of education, and the government-granted monopolies in ideas. The latter section will include a discussion of our natural rights to ownership of intellectual property and of privacy, and how those rights would be maintained in a free market.

Part I: The Education Monopoly

A general State education is a mere contrivance for moulding people to be exactly alike one another; and as the mould in which it casts them is that which pleases the predominant power in the government, whether this be a monarch, a priesthood, an aristocracy, or the majority of the existing generation; in proportion as it is efficient and successful, it establishes a despotism over the mind, leading by a natural tendency to one over the body.

John Stuart Mill, 1859

Make me the master of education, and I will undertake to change the world.

Baron Gottfried von Leibnitz, 1646 - 1716

Riddle of the year: How is a public school like the U.S. Post Office? Answer: It's inefficient, it costs more each year than the last, it is a perpetual subject of complaint about which nothing is ever done. It is, in short, a typical government monopoly.

David Friedman, 1973

The most outrageous and most harmful government monopoly is that of schools. It is important to understand why this is true because of all government monopolies, this one probably enjoys the greatest public acceptance.

It violates human rights because people are forced, by threat of violence, including threat of seizure of their homes and eviction into the street, to pay for a "service," whether or not they want it or can even use it.

But much worse, people are forced to use the "service," to turn over their children to the state. Even if parents can afford to pay twice so their children can attend private schools, the state still dictates what and how they are taught, and usually controls the choice of teachers.

Parents are refused permission to educate their own children at home, or are strongly discouraged by bureaucratic harassment. Even if they succeed in obtaining permission, they are forced to closely follow the state-mandated curriculum. In 1979 John Singer was shot to death (in the back) by police for teaching his children at home instead of sending them to a government school of which he disapproved.

For the "crime" of becoming six years old, every child is sentenced to ten to twelve years of involuntary servitude and subjected to forced state indoctrination.

Behind compulsory education is the belief that children are the property of the state. While there is a little logic in the conventional view of children as property of their parents, and much more logic in favor of considering children as self-owners protected by their parents' trusteeship, there is no justification whatever for (and much danger in) the idea that children are the property of the state.

However, the greatest evil of government control of education is that it has become government's primary instru-

ment of thought control. It is a critical factor in making possible *all* of the evils of government. For this and the other reasons above, the role of government in education will be covered in far more detail than what would be required to show that government monopolies are bad.

"Public" Schools Pass The Monopoly Test

Some may consider that "public" schools are not a true monopoly, in the sense that private schools are still permitted to exist, subject to certain government controls. However, it is certainly a monopoly from the viewpoint of control of all education. And even utility monopolies, which are not owned by government, permit you to avoid paying for their service by refusing to use it. If you don't use "public" schools you are still a paying "customer."

As a practical matter, there can be no such thing as a perfect monopoly which excludes all competition. There are always alternatives, the black market if nothing else. What makes a monopoly is imposing a penalty for dealing with a competitor. The more competitors are restrained, the greater the monopoly. In the case of schools, the penalty is paying twice. Competition is severely discouraged when the service is given away "free." And competitors are prohibited from substantially improving the service and the method of providing it in order to better please customers.

Political Education

Governments everywhere have seized control of the formal education of the children of the masses in order to indoctrinate them with the political and cultural values of the ruling class.

America is no exception. One study found that in grades five through twelve, Russian students spent 38% of their class hours on political education, but 46% of classroom time was devoted to political education in American schools. In addition to such obviously political subjects as political science, history and "civics," substantial political indoctrination is concealed in many other subjects, such as: geography, sociology, economics, ethics, music and athletics (where we are taught to be "team" players.) The worst is that, because opposing viewpoints are not heard, we seldom recognize political education for what it is.

Anyone who doubts that the primary purpose of "public" schools is to indoctrinate values rather than teach facts and skills should consider the litigation, lobbying and emotional--even violent--struggle for control over what is to be

taught, especially religion and subjects touching on religion, such as evolution; what books are permitted in school libraries; the politics, ethnic background, private sexual behavior, *etc.*, of teachers; and racial integration.

So political control of schooling not only indoctrinates people against their (and their parents') will, but also harms society by creating conflict over that control.

Mr. Sileven, accompanied by his wife, daughter and son-in-law, turned himself in Wednesday to serve the remainder of his jail term, said Larry Shelbourne, a deputy sheriff. About two months of the minister's sentence remain to be served. Mr. Sileven refuses to use certified teachers in his school, which had about 20 students in classes ranging from kindergarten to the 12th grade.

The New York Times, Dec. 11, 1982

In the Federal district court battle over prayer in the Little Axe school, deeply held beliefs about religion prevail on both sides.... "I do not want my children exposed to religion at school," Mrs. Bell testified on the fifth day of the six-day trial that ended Thursday. "It's just not right." But school board members, who allowed weekly prayer sessions at the school, beginning in February 1981, are no less firm in their belief. ...Outside court at the end of the trial, Mrs. Bell appeared weary. "She's aged so much these past 18 months," Mr. Salem said of his client, who had been assaulted on the school grounds and whose home burned last fall. Mrs. Bell is sure the fire was set. She testified that residents who were for prayer were "ready to kill me, if they thought they could get away with it."

The New York Times, December 12, 1982

Together with his wife, Norma, Gabler reviews textbooks and issues detailed attacks on them if they are too liberal, insufficiently patriotic, unbiblical or, worst sin of all, tinged with "secular humanism." The books they target are frequently turned down by Texas, one of 22 states where textbooks are ordered centrally, and publishers are reported eager to produce Gabler-proof books to keep the lucrative Texas market.

Antonio Ramirez, 1983

People who want to impose their will and views on others understand the advantage of indoctrinating them at an impressionable age and restricting their access to opposing ideas. Misinformation is not nearly so harmful as preventing the truth from freely competing.

The history of government takeover of schools, and the political constitutions and laws governing formal education, make it quite clear that the purpose of schools is to "mold good citizens" to obediently serve the state. "Good citizen" is, of course, defined by the ruling group.

For what is meant by saying that a government ought to educate the people? Why should they be educated? What is the education for? Clearly, to fit the people for social life--to make them good citizens. And who is to say what are good citizens? The government: there is no other judge. And who is to say how these good citizens may be made? The government: there is no other judge. Hence the proposition is convertible into this--a government ought to mold children into good citizens, using its own discretion in settling what a good citizen is and how the child may be molded into one.

Herbert Spencer, 1850

If the believers in liberty wish the principles of liberty taught, let them never intrust that instruction to any government; for the nature of government is to become a thing apart, an institution existing for its own sake, preying on the people, and teaching whatever will tend to keep it secure in its seat.

Voltairine de Cleyre, 1866 - 1912

"Public" schools are widely used to suppress individuality, diversity and the language and culture of minorities, as well as to inculcate everyone with the desired attitudes and beliefs. Even if this were not the intention, it would be an inevitable consequence of a politically controlled school system. In a uniform system, only one set of values will be taught, and it will be that desired by the ruling group.

Even if there were no deliberate program for classroom indoctrination, the very process of compulsory government schooling is itself indoctrination. It accustoms you to the idea of government power over your mind and body, to submission to imposed authority, and to regimentation. It also "educates" you to expect government to provide services and "free" benefits.

Shall we never realize the danger of furnishing political parties, as they seize power, with the opportunity to impose their opinions--nay, their errors--universally and uniformly by force? For it is indeed using force to forbid by law every other idea than that with which one is oneself infatuated.

Frederic Bastiat, ca. 1850

A tax supported, compulsory educational system is the complete model of the totalitarian state.

Isabel Paterson, 1943

The education of all children, from the moment that they can get along without a mother's care, shall be in state institutions at state expense.

Karl Marx & Friederich Engels, Communist Manifesto, 1848

It was the wine of error that was presented to us in our childhood by our inebriated teachers; they punished us when we refused to drink of it, and we could not appeal from their sentence to any judge who was not as drunk as they.

St. Augustine, 354 - 430

Government control is exercised not only by laws specifying what is, and is not, to be taught, and the political administration of schools, but also by its control of textbooks (which may be difficult or even impossible to sell to schools unless they are written to conform to government policy), and by its control of teachers.

Teachers are dependent on government as the source of relatively stable employment insulated from competition, and cannot be employed as teachers without a government license certifying completion of a government approved training program.

The relationship between government and school teachers goes both ways. Government restricts competition and

provides secure employment for teachers and bureaucrats and shields them from the desires of the customers, who are compelled to use their services. School teachers, bureaucrats, their unions and approved teachers' colleges in turn provide strong support for government intrusion into education, and of big government itself.

As the institution of government depends on deceiving the public about its true nature, purpose and effects, it must either recruit teachers and other intellectuals as allies or suppress them. So government control of education has been expanding beyond primary and secondary schools to the colleges and universities.

Just as "public" schools squeezed out their private competition by offering "free" service, government has applied strong economic pressure against private higher education by competing for students with heavily subsidized government universities.

Government then extends its domination by offering subsidies to private schools to help solve the problem it has created. Government has also become the overwhelming source of money for scholarly research and student assistance. As with all government help, acceptance also means acceptance of government control. Few have been able to remain independent.

Unacceptable Excuses

Government interference in education is obviously unjust and a menace to liberty, but what about its supposed benefits? We have discussed the real reasons for government takeover of schooling; now let us examine the excuses that are offered to try to justify it.

The main argument is that the education of children is too important to be entrusted to parents, many of whom, it is alleged, are too ignorant, too poor or too unconcerned about their children's welfare to provide them with a proper education. Education is said to be a "right" that must be enforced by the state.

However, no one can have a "right" to enslave others to provide some benefit. And even if there were such a thing as a "right" to an education, it is impossible to define. In the first place, one cannot be "educated," any more than a horse can be forced to drink. Education is ***voluntarily*** acquired from everything we have experienced in life. One can be provided certain information and forced to undergo certain experiences, but not educated. Only we can do that for ourselves. Schooling is ***not*** the same as education.

So *if* there were a "right" to be provided certain information and experiences, how can it be determined which are to be included? Will an expert decide? Who decides who is the expert?

The Right Education

Our ideas about education are largely determined by intellectuals who enjoy learning from books, and who have benefitted from academic studies. They naturally tend to feel that what was good for them is good for everybody. And perhaps they feel guilt that not everyone has had the same education they have had.

But not everyone has the same aptitudes for intellectual studies, nor the same desire. Many will be far happier and more successful with vocational training and employment at a much earlier age.

A human right must be universal and unchanging, the same for all humans everywhere. Yet the child of a jungle tribe would find that learning about hunting wild animals and identifying plants that are good to eat is necessary, and that computer instruction is useless. But the city child would find the reverse. And training in computer use would have been impossible 50 years ago, and might be useless 50 years from now.

How can anything so changeable and arbitrary be called a right? And why are we compelled to exercise this "right?" It's certainly a funny kind of "right."

Looked at logically, the "right to education" amounts to claiming that ***some*** people should have the power to impose their own ideas about, and their costs for, education on ***others*** by force.

Obligation Of Parents For Education

At the most, a moral case ***might*** be made that children have a right to, and parents a duty to provide, information and experiences that children need to become independent.

But this program is vastly different from state mandated schooling. Such an education could be acquired by any child who is not confined in a room, and is permitted normal human experiences.

The question is not: Is formal schooling desirable? Rather, it is: Is formal schooling so essential that children cannot become independent adults without it? If it is not essential, but only desirable, then formal schooling could hardly be considered a right, even if parents have a moral obligation to train their children for independence.

While highly useful, even learning to read is not essential to self support. In America today there are millions of people, products of the government "education" system, and immigrants who don't even speak English, who get along fine despite functional illiteracy. Some are even wealthy. They employ people who can read and do arithmetic, and they can sign big checks with an X.

Even *if* reading, writing and arithmetic were so essential to survival that parents would be guilty of child abuse if their children were not given training for these skills, this would amount to only a tiny fraction of the schooling that is now compulsory. There would be very few parents who could not teach these skills, or afford to have them taught, so children could become independent.

People can be taught, in just a few months, marketable skills that could enable them to be self-supporting--for example, welding, plumbing, carpentry, baking, masonry or computer programming. Why is 12 years essential?

So, massive government interference could not possibly be justified by necessity. By any reasonable standard, very little of what goes on in "public" schools can be considered essential. Desirable, perhaps, but not essential.

> *Classrooms were decorated and Indian vests and headbands, pilgrim hats and collars and placemats were designed and created by the students The highlight of this history lesson was the cooking and eating of the food from the original recipes of the first Thanksgiving.*
> School News, Pittsford, N.Y., November/December, 1982

After the lost income and expense of schooling are deducted, there is not a large effect on average lifetime earnings. If the data could somehow be adjusted to compare people with equal talent and motivation, lengthy schooling might well turn out to cause a financial loss. The main advantage of schooling probably is to improve the quality of life, including qualifying one for "prestige" employment that is more interesting and which involves less physical labor or less dealing with customers.

Attendance in schools may increase (or decrease) a child's future income and enjoyment of life. But if parents did have a moral obligation to pay for their children's schooling to improve their chances of success, why not an obligation to send them to costly university preparatory schools where they will have the best teachers and an opportunity to become friends with wealthy children? And why not private tutors, extensive foreign travel and special lessons in every potentially useful subject imaginable. It's just tough if this bankrupts the parents, after all, children have a "right!"

Obviously, there is something wrong here. But once we

go beyond the minimum expense needed for independent survival, to assume that parents have an obligation to improve children's chances of success, there is no logical way to draw a line. How can there be a right which cannot be defined? And how can the state justify threatening parents with violence to enforce a human "obligation" which cannot be defined?

Educational Slavery

If forcing parents to aid their children's careers cannot be justified--and it cannot--then certainly it is unjust to rob people to pay to improve the chances of success for ***other*** people's children. And how could anyone defend the present practice of taxing the poor to subsidize college for the children of the rich?

Looking at it another way, if people are obligated to pay the expense of education to aid the careers of other people's children, why should they not also be forced to pay for their food, clothing and shelter, which would appear to be even more essential to their well-being? Logically, parents either have a right to force other people to pay all their children's expenses, or they haven't. There is no way to make a case for other people being forced to pay for some expense, like education, but not everything.

The usual argument in favor of forcing people to pay for the education of other people's children is that those paying will benefit. It is generally true that we do benefit, but they in turn benefit from our education, so any obligation is mutually canceled.

We all do things for our own benefit that also benefit others. We may enjoy our neighbor's flower garden, but we have no duty to pay for it or help maintain it, nor do we have any right to force our neighbor to have a flower garden for our enjoyment. If the argument were valid that we owe other people for things they do for themselves which happen also to benefit us, we would all be slaves of each other.

Again, there is no principle to use in drawing a line. If it were just for government to force someone to pay part of the expense of raising other people's children, it would be equally just to force that person to pay the entire expense. Does becoming a parent give someone a right to seize the property of other people in order to enjoy a higher standard of living? That would require a strange moral system indeed!

It is clear that there should be no legally enforceable obligation for anyone to pay for education for other peo-

ple's children. It is also clear that parents should have no legal liability unless their children are so deprived of opportunities to become independent and self-supporting as to constitute child abuse.

A system of compulsion for everyone cannot be justified by the failures of a very few. The proper correction, if persuasion fails, is the transfer of the children's trusteeship to people who are willing to better discharge the responsibility.

Were there no direct disproof of the frequently alleged right to education at the hands of the state, the absurdities in which it entangles its assertors would sufficiently show its invalidity. Conceding for a moment that the government is bound to educate a man's children, then what kind of logic will demonstrate that it is not bound to feed and clothe them?.... If the mental wants of the rising generation ought to be satisfied by the state, why not their physical ones? The reasoning which is held to establish the right to intellectual food will equally well establish the right to material food: nay, will do more--will prove that children should be altogether cared for by government.... So that the alleged right cannot be established without annulling all parental responsibility whatever.

Herbert Spencer, 1850

Essentials

It is unfortunate that without "public" schools, a few children might be held back temporarily by lack of opportunity for more formal education. But it would not be the end of the world, for it can be remedied if the child desires, when the child becomes an independent adult. Today, fast growing adult education enrollment is saving many educational institutions from serious financial problems. And some of the most successful and famous people have been almost entirely self-educated.

Formal education is only a small part of our total education from work and other life experiences, and is vastly overrated as a factor in financial success. Motivation is far more important, for without it no amount of education will produce success, and with motivation almost any obstacle can be overcome.

Chocolate-chip cookie magnate Wally "Famous" Amos has finally been awarded a diploma from the high school he dropped out of 29 years ago.... Amos turned his love of chocolate chip cookies into a multimillion-dollar business.

Associated Press, February 10, 1983

The major reason for formal schooling is not to provide knowledge. That is easily available at much lower cost in books. Books are usually written by people who are more knowledgeable on the subject than the average teacher. Books are more detailed and better organized than most lectures. We can read and review books at our own pace and we don't miss important information while taking notes.

Once we can read, most of the knowledge of the world can be at our fingertips without going out of our homes.

Audio-visual materials are also available, including lectures by master teachers. Home instruction by television is now commonplace. Computers can provide individualized instruction with feedback.

Why, then, do we need costly buildings, administrators and teachers? And why should we suffer the expense, inconvenience and lost time of traveling daily to a central point, or in the case of higher education, living away from home? If academic education is so important, why don't we educate ourselves, perhaps occasionally asking someone for advice or assistance?

The answer is simple. We need schools for motivation. The real function of schools is to provide a structured atmosphere which motivates us to learn. Learning can be fun, but it is also work that requires effort and concentration. We might not always spend the time studying if there were no classes to attend and tests to take.

Most of us seem to need help with motivation to learn. Yet this raises another question. If education is so essential, why is it that we need such expensive motivation?

The point is not that formal education in schools and universities is unimportant. It is very important. It helps pass on the accumulated knowledge and skills of previous generations to the new generation, and thereby increases productivity and progress. It enables people to more fully achieve their potential, to enrich their lives and to better serve others.

However, the compulsory, tax-supported, government-controlled "public" school system has been advocated on the theory that its "services" were essential. The idea is that children would be hopelessly handicapped, unable to support themselves or function in society without this assistance.

This simply isn't true. Formal schooling can be a valuable service, but it is not essential like air, food, water, and liberty, and no one is helpless without it. Depending on what is learned, it can be a capital investment that will produce future dividends, intellectual stimulation, a luxury, or a waste of time and money. But there is nothing unique about it that could possibly justify massive government interference, or that would create any obligation on the part of others.

In any case, the fact that some people may consider a particular service to be essential does not morally justify the use of government force to monopolize the service, or

to rob people to pay for it. If there were such a justification, what would be left uncontrolled?

Nor is there any economic justification for government providing a service because it is "essential." On the contrary, the more essential the service is, all the more reason for prohibiting government interference. Government interference, especially monopoly, leads to high costs, shortages, low quality and discrimination, all of which are more to be avoided when a service is essential. It is just common sense never to put all the eggs in one basket, especially essential eggs.

Thus, even *if* academic schooling were "essential," there would still be no moral or economic justification for a government monopoly.

Ignorant Parents?

Education is just one of many ways in which we can choose to spend our income. There is no reason to believe that politicians and bureaucrats, who have no knowledge of our individual needs, abilities and goals, can make better decisions for us than we can for ourselves in this area, or any other.

If most parents are, indeed, too ignorant to choose the proper schooling for their children, it would be a sad commentary on the government-provided schooling they themselves received. However, while some parents may not be well-informed purchasers of educational services, that need not prevent them from making good decisions.

As in the purchase of any good or service, there will always be a substantial percentage of purchasers who are knowledgeable, and who will provide guidance for uninformed relatives and friends. No seller of goods or services can long afford to lose the business of this large group because of poor quality. Thus, even those who don't take the trouble to be informed will be protected.

There is no reason to believe that most parents would be less informed about the purchase of anything so expensive as educational services, than they are about automobiles, houses or any other large purchase. In fact, even the least intellectual, and those without children, seem very aware of the impact of neighborhood school quality on property values. And it isn't necessary to be an automotive engineer to select a suitable car.

The results of education are not invisible. When Johnny can't read, it is obvious. When the graduates of certain schools cannot compete for jobs, it quickly becomes well known and reflected in real estate market values.

Parents generally love their offspring and want them to do well. Can it be said that politicians and bureaucrats love them more and are more concerned for their welfare?

There are few sayings more trite than this, that love of offspring is one of our most powerful passions... Everyone has remarked how commonly the feeling overmasters all others. Observe the self-gratulation with which maternity witnesses her first-born's unparelleled achievements. Mark the pride with which the performances of each little brat are exhibited to every visitor as indicating a precocious genius. Consider again the deep interest which in later days a father feels in his children's mental welfare, and the anxiety he manifests to get them on in life: the promptings of his natural affection being ofttimes sharpened by the reflection that the comfort of his old age may, perchance, be dependent upon their success.

Herbert Spencer, 1860

The idea of widespread parental ignorance and incompetence to make educational decisions, is a myth perpetuated by those with a selfish interest in taking from us the power to make these decisions. They wish to reduce our resistance to their seizure of our money and the bodies and minds of our children.

It is unfortunately true that today some parents do not get involved in their children's education. One reason for this apathy is that they feel powerless--for the good reason that they ***are*** powerless.

Some children suffer at home from bad living conditions, neglect and even physical abuse, all of which interfere with their education. This can include lack of encouragement, lack of a good role model, lack of instruction in appropriate social behavior and good work habits, frequent moves that require changing schools, one parent families, poor health and frequent absences from school.

Such social problems will continue to exist regardless of the quality or type of education system. They are largely the result of parents' problems with poverty, unemployment and crime, and lack of hope and self-esteem. These problems, in turn, are mostly created by the "welfare" state.

It is government which has destroyed social and family ties with such programs as "Urban Renewal" (which uprooted neighborhoods and packed people into impersonal high-rise tenements that breed crime) and "Aid to Dependent Children" (which encourages teenage pregnancy and "fatherless" families). And it is government which has created poverty and helpless dependence and robbed people of income, the dignity of employment, self-esteem, motivation for upward mobility, and hope.

So it is not surprising that many of the children of those victims of the "welfare" state go to school poorly clothed, malnourished, and with health and vision problems; and it

is not surprising that when they are in school they sometimes behave poorly, are not motivated to learn, and are hostile, even criminal. They have been taught by their government-created environment that they are worthless, education is of no value, there is no chance for them to succeed, there is no penalty for bad behavior, and the world owes them a living regardless of what they do.

The solution is not compulsory attendance laws and more money for government schools. The effective solution is to abandon the initiation of force, and dismantle the welfare state. Parents who respect ***themselves*** do not neglect their children.

Poor Parents

But what about parents who are too poor to afford quality education for their children? It should first be noted that education is only one of many things, some much more essential, that poverty makes it difficult to afford. The general subject of poverty and its causes and cures, are dealt with in detail elsewhere in this book.

It is worthy of note here, however, that if government were interested only in assuring that children of poor parents were provided with quality educational services, it could accomplish this at much lower cost by providing them with vouchers to pay for attendance in the finest private schools. Why should government maintain an enormous system to subsidize the education of everyone, including the rich and middle class, just to aid the poor?

In a Libertarian society, government schools would not only be replaced by private schools at much lower cost, but poverty would be almost eliminated, and scholarship aid for poor children would be plentiful. Children would be able to transfer their trusteeships (custody) to people willing to finance a better education. And it would be easy to obtain employment or go into business even without schooling.

Now Let's Grade Government Education

So far, we have discussed the injustice of government interference in schooling, the danger of government use of schools for thought control, and the flimsiness of the excuses offered for government interference. Next, let us consider the ***harm to education*** caused by government, and the benefits liberty would bring to education.

It is sometimes difficult to show how problems would be solved by liberty. But in the case of education, we can look for comparison at periods of history when there was

much less government interference, and at the many private schools which are still only partly regulated.

When discussing the elimination of government activities, it is easy to fall into the error of evaluating liberty against a standard of perfection. But government schools are not perfect, and should be compared as they actually are, not as they might ideally be.

> *Thus, even were it true that in the matter of education "the interest and judgment of the consumer are not sufficient security for the goodness of the commodity," the wisdom of superseding them by the "interest and judgment" of a government is by no means obvious.... It is on the defective "interest and judgment" of the people, as they now are, that the plea for legislative superintendence is based; and, consequently, in criticizing this plea we must take government as it now is.*
>
> Herbert Spencer, 1850

Government Flunks

Before compulsory "free" government schools, literacy was higher, and the attendance as a percentage of all children was higher than in many government systems today. There is a lot of concern that without "public" schools many children would go uneducated. The reality, however, is that a lot of children ***are*** poorly educated, or going uneducated today ***while enrolled*** in "public" schools.

This is not surprising, but rather what one would logically expect when voluntary action is replaced by force. "Public" schools don't have to be responsive to their customers, because the income and jobs of government employees are not affected by individual consumers of education services. Surprise! They are not very responsive and customers tend to be regarded as a nuisance when they complain. "Local control" is a farce, for almost nothing is left to the discretion of elected school boards. Affairs are arranged for the convenience of the bureaucrats.

It is convenient for teachers to report that their students have all done well in their courses. Otherwise it might reflect poorly on them and cause problems with children and their parents. Let next year's teachers make up for the educational deficiencies. This is called "grade inflation." So, large numbers of students are promoted and finally graduated with a pretty diploma that is meaningless, for they can't read, write or do arithmetic.

Teachers are often well-trained in pedagogical theory, but short on subject knowledge. Much "education" consists of drilling students in recitation of facts which are quickly forgotten or become obsolete, and in government

propaganda, which is useless to begin with. Little attention is paid to the vital need to learn to logically reason--to be able to solve problems and think things out for oneself using general principles.

Despite the attempt to justify "public" schools as necessary preparation for employment, there is very little coordination with the labor market. Obsolete skills are taught for jobs that don't exist, while there are labor shortages in other fields for lack of trained workers.

When Edward Donohue left Copiague High School in 1976, he had a diploma to prove he had graduated, but he couldn't read it. He could not read even a restaurant menu.

The New York Times, January 16, 1983

A state education official says students around the nation will be "the real winners" in a landmark court ruling that allows Florida to prevent high school students from graduating unless they pass a functional literacy test. The decision yesterday by U.S. District Judge George C. Carr means about 3,000 Florida seniors will be barred from receiving diplomas this year. ...Students get five chances to take the exam beginning in 10th grade...

The Associated Press, May 5, 1983

A nationwide survey of employers found complaints that inadequately educated high school graduates lose money for those who hire them. The graduates were described as lacking in reading, writing, arithmetic, reasoning, listening and speaking skills.... A steel worker was killed when he walked through a door with a warning sign he could not read. Mail clerks in several companies spent a lot of their time picking up mail they had delivered to names and locations they read incorrectly. A worker who could not read a ruler cost his company $700 in materials in just one morning. Another company reported that three out of four outgoing letters had to be corrected and retyped because typists working from recorders did not know how to spell or punctuate.... Three out of four businessmen said high school graduates were so poorly prepared that remedial instruction was needed to make them fit for work.

Democrat & Chronicle, January 14, 1983

Anything that is "free" tends to be wasted, and schooling is no exception. Frivolous, shallow and inappropriate courses are taught which would never be supported if parents or students had a choice about paying for them. Students are happy to take easy courses to pass the time until they can escape. Parents appreciate the "free" babysitting service. But precious years of children's lives are wasted.

The waste extends to subsidized higher education. Along with the graduates who have learned knowledge and skills that equip them for useful careers, universities turn out hordes of graduates with training that may enrich their lives but is in very little demand other for than teaching the same information.

Because the subsidies artificially reduce the cost, enormous resources are wasted, resources that could have

better served mankind. There would be far less waste if students had to pay the full cost.

Subsidized overproduction leads to frustrated academic intellectuals. They expected that their academic achievements would ensure respect and secure high income.

When they are not granted the station in life that they feel they have earned and deserve because of their efforts and superior intelligence, they tend to look to the "system," not to themselves. They usually don't see that their problem is due to their own lack of foresight, encouraged by the subsidy government forced others to pay for their education.

Instead, they prefer to believe that government should force others to also provide them the status they feel they "justly" deserve. The result is the creation of jobs for more government bureaucrats, government monopolies for various occupations that are granted on the basis of academic attainment, and more government subsidies for intellectuals, musicians and artists.

Intellectuals of lesser abilities who are still left out, often bitterly demand that the "system" be overthrown and replaced with a new "system" in which they will have their proper place, or if not not, at least no one will be allowed to be more successful.

So the damage of subsidizing overproduction of academic intellectuals is not limited to the individuals directly affected. It is also a major source of social and political tensions that work to increase injustice. This is especially true in "third world" countries, where governments have on one hand subsidized education to aid development, and on the other hand greatly depressed the already limited demand for trained personnel by economic interference.

For bureaucratic convenience, there is little adjustment for individual needs, abilities and desires. Everyone moves in lockstep with others the same age. The fast learners are bored and frustrated, and the slow learners are discouraged and frustrated. The lack of incentive and flexibility for the staff to keep the customers interested, and the authoritarian regimentation and prison-like atmosphere further alienate the students. The realization that much of the course work is of little value and is irrelevant to their needs and to the real world, increases the discouragement and contempt for education.

The result is behavior problems such as absenteeism, disrupting classes and crime such as theft, extortion and assault, with teachers and other students as victims. Ad-

ministrators who are responsible for controlling these problems avoid the responsibility.

Disciplinary actions can result in the administrators becoming victims themselves, harassment by unhappy parents, or in unfavorable publicity that reflects on their administration. The system prevents, except in extreme cases, effective penalties, especially the most effective--expulsion. For administrators, the easiest and safest course is to ignore and cover up disruption and crime.

All of these problems would be tremendously reduced by competition between free market schools. But they are normal for government monopoly schools. The result is poor education, getting poorer. With liberty, we will not have a perfect education system, only the best humanly possible.

Free Solution To The Problems

The argument is often made that without the government monopoly, slow learners, handicapped students and disruptive students would not be admitted to private schools. This incorrectly assumes that educational entrepreneurs would find that the money of slow or handicapped students is inferior to the money of star students. But this kind of elitism occurs only when government prevents competition.

Today, there is no profit in the education business, with government providing the service "free." So there is little competition. Private schools for children are in the business for reasons other than profit. In a free market, there will be schools to serve every need.

Few parents would, if there were a choice, send children to schools which don't interest and challenge them, so there would be fewer disruptive students. But in a free market, there would be a place for them, too, with programs to meet their needs, at a profit.

But suppose disruptive students and juvenile criminals were expelled from free market schools and denied an education. They weren't learning much of anything in government schools either, except that crime pays. What we should be concerned about is the rights of the ***victims*** of this stupid system, who are being abused, who are being denied an education that they ***want***, and who live in fear.

The key to effective education, mentioned earlier, is that it happens only voluntarily. Favorable conditions can be provided, but people will learn only if they want to.

More children would want to attend schools in an educational free market. Each child is unique, so there would be schools catering to their different needs, talents and

interests. For the many who are not suited for, or interested in, academic studies, there would be vocational programs, including music and the arts, offering practical training and experience.

However, those who don't want to go to school should not be forced to by law or by parents. Forced attendance will produce only alienated children, and a waste of resources. Children who are forced, against their will, to attend, do little in school except get older. Many children would be much happier and a greater benefit to society if they were permitted to learn a trade and earn their living at a much earlier age. If they later find that they need more formal education to qualify them for a desired career, or for personal enjoyment, their educational investment will be rewarding because they want to learn.

Customers, Yes; Inmates, No!

Government schools, from grade school through university, are not managed in order to satisfy their customers. They are run primarily for the benefit of government, the institution, the staff and politically influential special interests such as business, which wants the taxpayers to subsidize the training of its employees, and labor unions, which want to keep youths in school rather than in the labor market competing for members' jobs. (It should be noted that paying taxes for employee training in "public" schools is a bad bargain for business. And the economic inefficiency of compulsory "public" education actively works to lower the real wages of union members.)

An inherent characteristic of any bureaucratic enterprise is that its primary purpose is to provide employment for bureaucrats and by this standard the public school system is a magnificent success though its performance is a disgrace.

William Vandersteel, 1983

To a lesser extent, a similar situation exists at private non-profit schools controlled by trustees, which are run for the benefit of the institution, its staff, and the alumni, foundations and government agencies which subsidize its operation.

Government and private schools which do not obtain their revenues from their student-customers are not subject to the discipline of the market. The result is the arrogant and high-handed way in which students are typically treated, and their needs, desires and human dignity ignored.

Why No Progress?

Another result of government interference in education is the bias against innovation in educational methods and

against human progress generally. Non-competitive institutions are naturally conservative and devoted to maintaining the status quo and tradition.

All institutions have an instinct of self-preservation growing out of the selfishness of those connected with them. Being dependent for their vitality upon the continuance of existing arrangements, they naturally uphold these. Their roots are in the past and the present: never in the future. Change threatens them, modifies them, eventually destroys them; hence to change they are uniformly opposed. On the other hand, education, properly so called, is closely associated with change. is its pioneer, is the never-sleeping agent of revolution, is always fitting men for higher things and unfitting them for things as they are. Therefore, between institutions whose very existence depends upon man continuing what he is and true education, which is one of the instruments for making him something other than he is, there must always be enmity....whenever governments have undertaken to educate, it has been with the view of forestalling that spontaneous education which threatened their own supremacy.

Herbert Spencer, 1850

Only individuals and profit making organizations have built-in internal pressures favoring progress, provided, of course, that they have not become fat and complacent because of government restraints on competition. There has been little progress in cutting costs and improving efficiency in education for thousands of years.

In fact, the cost of government schools continues to rise, and effectiveness, as measured by test scores and other indicators, continues to decline. A large fraction of the graduates can't meet even the minimum educational requirements to join the army. Labor saving innovations such as audio-visual equipment and teaching machines seem to have been more than offset by the proliferation of administrators, red tape, and expensive buildings and grounds.

An example of the kind of innovation that might rise again if the heavy hand of government were removed, is the "monitor" system pioneered by Joseph Lancaster in 1798. He organized a school for the children of factory workers and paupers, which was supported by their voluntary payments.

He was able to teach reading, writing and arithmetic to as many as 1000 pupils at one time by first teaching older children who then taught younger children. Students learned at their own pace and were promoted individually upon successful completion of work.

Not only did this method drastically cut teaching costs, but it also improved learning. Most of us have had the experience of discovering that we learn more and understand better when we explain something to somebody else, than when it is explained to us. Mental learning, like

learning physical skills, depends on exercising our knowledge. Conventional education is too much one-way, with teachers lecturing groups of students. One-on-one teaching with more student participation, questions and feedback, would be much more effective.

Imagine the educational revolution that could be brought about by the individual attention a monitor system would provide. There would be no grades to indicate how thoroughly a subject has been learned. The only "grade" would be "pass," and that would require complete, rather than partial, mastery of the subject. This may take one student longer than another, but no one would advance to more difficult studies without first thoroughly understanding the basic subjects.

Slow learners might terminate their formal education before advancing as far as other students, but they would have mastered the subjects which they did complete. There would no longer be people graduating from high school who can't read or write.

Course work could be considered incomplete until it had successfully been taught to another person. Imagine the pride and enthusiasm of students who were contributing as well as receiving. It would be ***their*** school. Unfortunately we can also imagine the enthusiasm with which this idea would be received by the educational bureaucracy.

Government undermined and then destroyed such private schools in the early 19th century. First government offered subsidies, subject to accepting government inspection and controls. The money was used for fancier buildings and to hire more administrators and teachers. This created a special interest demand for greater subsidies until schools were completely taken over.

After paying to support government schools, many people could no longer afford private ones or were inclined to pay twice, so most private schools were forced to go out of business. The ones that remain are usually supported by religious organizations, or the wealthy who want better education for their children.

We Can't Afford "Free" Education

The existing private schools, however, do bear witness that, even when strangled with government regulations, it is possible to provide superior education for around one third the cost of government schools. The skyrocketing costs of government schools, without improvement in results, are the direct consequence of separating payment from services rendered.

If government interference were completely eliminated, it seems probable that innovation would dramatically improve the performance of the better private schools and reduce the cost to no more than 20% of the cost of government schools today.

This means that it would cost parents, even the poor, less to provide their children with a much better education, than they now pay in direct and hidden taxes. And people without children in schools would pay nothing. With the cost of education at all levels soaring out of sight, "privatization" seems well worth considering for financial reasons alone.

With cheaper, more effective and more customer-oriented education, the market for useful education would expand, benefitting everyone.

And there are other financial benefits. Because schools are financed largely by property taxes, local governments have used zoning to enforce wasteful use of land and expensive building practices, making housing too expensive for the poor. The prime objective of residential zoning is to make sure that property taxes exceed the cost of educating the children that occupy the property. This has unjustly confined the poor to urban ghettoes.

This concentration of the poor, coupled with a political school system, has resulted in severe educational discrimination against the poor and minorities, and worked to perpetuate their poverty. Zoning to reduce school taxes has also greatly increased the housing cost for everyone, and discouraged home improvements, new housing and the construction industry generally.

Teaching and Testing

One of the main factors which has led to overemphasis on schooling has been the power of schools to issue grades and diplomas. People in search of security have looked to these as guarantees of permanent higher status, which, once achieved, would protect them from the need to compete for the rest of their lives. With a few exceptions, such as in academic, government, and other bureaucratic institutions, it doesn't work, but it's a pleasant dream.

Employers reinforce this idea by using grades and diplomas as grades for initial hiring to indicate intelligence and motivation. Customers, however, care about only the service they receive, not the academic credentials of those who provide it. So, generally, academic achievements are of long term value only to the extent that they actually improve performance.

In a free market, strong competition to hire workers would cause employers to emphasize qualifications required by the job, rather than academic credentials, when selecting employees. Where the training is not directly job-related, diplomas and grades will be much less important for employment. And much more job training will be provided by employers.

If students wish to have their educational progress certified, a much better system would be testing of student knowledge and performance by independent companies. It would be a far more reliable measure of achievement, and permit consumers of educational services to better judge the quality of their services. "Grades" would not be subject to personal bias. It could make possible the evaluation of schools in comparison with others, and comparisons between teachers. Competition would stimulate improvements.

With independent testing and certification, teachers would be, ***and be seen as***, the helpers and allies of students, rather than as arbitrary authoritarians ruling by threats of poor grades or no diploma. There would be a revolutionary improvement in student-teacher relations when someone else plays the heavy.

Testing by teachers would be for only the purpose of aiding the student and teacher. The student is aided by practicing what has been studied, and both have a guide as to subject matter which needs further work. Grades are unessential and counterproductive for these purposes.

Not everyone would be pleased if teachers could no longer be petty tyrants. Some people believe that it is important to learn to "respect authority." However, there are different kinds of authority. There is unjust authority imposed by force, which everyone should learn how to resist, rather than respect.

Real authority is earned. It is authority ***because*** it is respected, not the other way around. There is also authority by agreement, where someone contracts to labor or behave according to the directions of the other party to the trade, or someone agrees to use another's property subject to the other person's conditions. For Libertarians the only authority which is just and desirable, is based on respect or agreement.

There already is a trend toward standardized testing in government schools. This makes test results more comparable, but allows government to control even more tightly what is taught. Teachers will, of course, teach their students to pass by giving the government-approved "correct"

answers on tests. Independent testing by companies specializing in testing, whose fortunes depend on their reputations, would be more objective and less dangerous to liberty.

At present, teachers are not financially rewarded according to how effectively they teach and how much their students benefit. Rather, salaries are determined by degrees, by seniority and by office politics. College teachers are also rewarded for publications which bring glory to their institution. None of these, of course, necessarily has anything to do with teaching effectiveness.

If there were competition between schools to hire and keep the best teachers, and they were paid for results and had freedom to innovate, the benefit to society would be enormous.

And In Conclusion

To summarize, government interference in education is unjust. There is no possible excuse for forcing children to attend government schools, or for forcing anyone to pay for government schools. The political indoctrination in government schools is a terrible threat to liberty.

These are reasons enough to condemn compulsory government schooling financed by taxes. But it also seriously harms education, blocks educational progress, wastes enormous resources and creates class and special interest warfare. How can anyone seriously believe that politicizing and bureaucratizing schools improves education?

The only solution is to abolish government interference in education, including all financial support. Both as a strategy to accomplish this desirable goal, and to smooth the transition, most Libertarians favor a program such as tax credits for school tuition, to build a strong private school system first. The question is not how we could have education without government, but rather, how much better education could be without government.

Part II: Idea Monopolies

All that is comes from the mind: it is based on the mind, it is fashioned by the mind.

Suttapitaka Dhammapada 1:1, *ca.* 500 - 250 B.C.

It is tolerably self-evident that no violation of the law of equal freedom is committed in the acquisition of knowledge--that knowledge, at least, which is open to all. A man may read, hear, and observe to as great an extent as he pleases, without in the least diminishing the liberty of others to do the like--in fact without affecting the condition of others in any way. It is clear too, that the knowledge thus obtained may be digested, reorganized, or combined afresh, and new knowledge educed from it by its possessor, without the rights of his fellows being thereby trespassed upon. And it is

*further manifest that the moral law permits a man who has by his intellectual labor obtained such new knowledge to keep it for his own exclusive use, or claim it as his private property.... He abridges no one's liberty of action. Every other person retains as much scope for thought and deed as before. And each is free to acquire the same facts--to elaborate from them, **if he can**, the same new ideas--and in a similar manner employ those new ideas for his private advantage. Seeing, therefore, that a man may claim the exclusive use of his original ideas without overstepping the boundaries of equal freedom, it follows that he has a **right** so to claim them; or, in other words, such ideas are his property.*

Herbert Spencer, 1850

Patents, Design Patents, Copyrights, Trademarks, Tradenames, Service Marks and Trade Secrets are all legal terms for government-granted monopolies on ideas. Political laws define which ideas are eligible for government monopoly protection, and the limits of the protection. In some cases, government even decides the prices at which ideas can be sold. Taxpayers are forced to pay for the bureaucracy and courts required to administer and enforce these political laws.

Forcing taxpayers to pay is clearly unjust, and in a free market there would be no government-granted monopolies. But are these monopolies themselves unjust and harmful? The answer is that some aspects are, and some aren't.

Because we own our bodies, what we produce with the labor of our bodies is also our property. Ideas, which are the products of mental labor, are the property of the producers, just as the material products of physical labor belong to their producers.

Music, literature, art, designs, inventions, *etc.*, are no less the property of their creators than a table is the property of the person who built it. And just as owners of physical property have a right to a "monopoly" on its use and sale, so do owners of intellectual property.

Nor are there wanting philanthropic and even thinking men who consider that the valuable ideas originated by individuals--ideas which may be of great national advantage--should be taken out of private hands and thrown open to the public at large. "And pray, gentlemen," an inventor might fairly reply, "why may I not make the same proposal respecting your goods and chattels, your clothing, your houses, your railway shares, and your money in the funds? If you are right in the interpretation you give to the term 'monopoly' I do not see why that term should not be applied to the coats upon your backs and the provisions on your dinner tables.... The same perseverance, patience, thought and toil which enabled you to make a fortune have enabled me to complete my invention. Like your wealth, it represents so much accumulated labor; and I am living on the profits it produces me, just as you are living upon the interest of your invested savings."

Herbert Spencer, 1850

When an idea is embodied in a physical object such as a

book, record, painting or machine, theft of the object is obviously theft. The problem is that ideas may also be stolen by sight, sound and other means, without disturbing any physical property, or without the owner of the idea being aware of the theft. Once stolen, an idea may be copied many times to benefit the thief and to deny the creator the just reward for his/her mental labor.

So the question is: how could the creator of an idea be protected against the theft of his/her property in a free market? At first glance, it might seem that all that is necessary is to identify anyone that has a copy of, or is using, intellectual property without the owner's permission. Such people would be either thieves or receivers of stolen property, and treated accordingly.

However, there are problems with this approach to protecting intellectual property. The most serious is that other people may create a similar idea ***independently***. The first creator has no right to prevent the second or subsequent creators from using or selling the fruits of ***their*** mental labor.

A difficult question is whether the burden of proof is (as in present copyright law) upon the earlier creator to show that someone is an imitator, rather than a later independent creator, or whether the burden of proof is on the independent creator to show that she/he was unaware of the earlier creation of the idea.

On one hand, it seems just that the first creator, who wants to claim restitution from the second creator, should have to prove that the second creator copied the first creator. But, on the other hand, why shouldn't the second creator have to prove the claim to share ownership in the property previously exclusively owned by the first creator? That would certainly be the principle applied to physical property.

Given that the value of ideas depends on their satisfying human needs, especially consumer needs, and that after any point in human progress, there will usually be a number of people qualified by knowledge and talent to create an idea, it is to be expected that any good idea will, in time, be independently created by other people. (Note that no one cares who owns an idea that doesn't benefit anyone.)

Some people have asserted that there is a major distinction between literary and artistic creations and inventions. The theory is that such creations are "unique products of the individual," whereas inventions are discoveries of laws of nature, which in time will surely be discovered by

others. This false distinction tends to be made by authors rather than inventors, who know better.

The fact is that the laws of nature also limit what literary, musical and artistic ideas will appeal to humans. It is well known that there are a very limited number of plots that can be used for fiction; there are few truly original ideas in non-fiction writing (which is almost totally a rehash of the ideas of others); there are a limited number of musical themes which appeal to the human ear (and most music is variations on the ideas of others); the same is true for artistic designs, *etc.* There are so few truly new ideas that what is new is usually the method of presenting an idea and its combination with other ideas.

The world has joked incessantly for over fifty centuries. And every joke that's possible has long ago been made.
Sir William Gilbert, 1894

In fact, nothing is said that has not been said before.
Terence, 190 - 159 B.C.

Similarly, inventions are mostly different combinations of older ideas and knowledge, including many laws of nature. A newly discovered law of nature is of no material benefit until someone has an idea for combining it with older knowledge to produce a new useful device.

Scientists discover facts and laws of nature; inventors have ideas for using that knowledge to better serve human needs. Laws of nature cannot be property, but information about applying them, and new uses of them can be.

While it is true that, for example, a great literary creation may never be exactly duplicated by others, in time other authors will probably come close enough to its better ideas to justify a charge of theft if they had not been created independently. Similarly, good inventions will usually not be exactly duplicated independently by others. The idea will be the same, but it will be combined with other ideas differently, and there will be differences in detail.

Most ideas, however, whether literary, artistic or technical, have significant value only for brief periods in history. The conditions of the times determine the new ideas, and afterwards progress passes them by, or they go out of fashion. So if there were no property rights in ideas to encourage their creation, they might ***never*** be created. For example. while many people today could design a vastly improved spinning wheel, such a project will attract little effort, because there is no longer a need.

So, as a practical matter, good ideas will not remain the property of one person forever. Even if there were no later creators, after inheritance by a sufficient number of generations, the ownership of an idea would be so widespread in the population as to make ownership meaningless. Prob-

ably most people on earth today have an unknown inventor of the wheel among their ancestors.

However, it should be noted that if someone's idea is generally known, the likelihood of independent creation is diminished, because there will be fewer people who are not aware of the idea. It will also discourage imitation and copying, because it will be easier for the originator to prove, and because the effort can be more profitably spent creating something new.

Government And Ideas

Political laws which grant government monopolies on ideas recognize the problem of independent creators by limiting the time the monopolies are in effect. This produces two injustices. First, independent creators are deprived of the fruits of ***their*** labor, and second, a creator's ownership is arbitrarily ended after a certain time.

The value of a creator's idea may be lost for several reasons. Equal or superior alternatives may be created which severely limit the reward for the creation of any idea. The idea may become obsolete as times change (and most do rapidly become obsolete). So much time may pass that no one even remembers who created the idea.

Nonetheless, morally the idea remains the property of the creator and his/her heirs perpetually. Government termination of ownership in ideas after so many years is no different than forcing you to open your home to the public, say, 17 years after it was built.

If government confined itself to maintaining a register for ideas, and enforcing ownership in court, the only injustice would be forcing taxpayers to pay for the system. It would be similar to government certification of land and auto titles.

However, government interference with intellectual property is not designed to protect individual rights to the products of mental labor. Government does not recognize such rights. Instead (surprise!) government is looking out for the interests of only government. The political laws are a combination of special interest legislation and a desire to increase tax revenues.

The idea is that people will produce more ideas, which in turn means more taxable earnings, if they are granted a temporary monopoly. In the case of patents, government also sees granting a patent monopoly as a reward for publishing the details of an invention for the benefit of other prospective inventors. Government then terminates the monopoly grant and denies just ownership, to increase use of the idea and further expand taxable revenues.

There are lengthy arguments among economists as to whether copyright, patent, *etc.*, laws actually produce more or less books, music, works of art and inventions--and, if they do, whether or not this is "socially useful." These

arguments will not be discussed here, except to observe that the free market will provide what people really want.

Free Market Ideas

Now let us return to the question of how to protect ownership in ideas in a free market.

The trade secret and copyright system now in use would probably be little changed in a free market. The main changes would be the elimination of the time limit for copyrights, and government interference in the pricing of royalties. Pricing would no longer be determined by political influence. Owners of intellectual property would benefit from the better protection that freedom of contract would afford.

> *American Cablevision, serving city cable subscribers, today dropped one out-of-town station, CFMT from Toronto, and replaced it with another Toronto station, CBFLT. The switch is a response to a ruling yesterday by the federal Copyright Royalty Tribunal which extended its imposition of larger copyright fees to multi-lingual specialty stations like CFMT. The Tribunal meets today to decide whether to uphold the fee increases it imposed last year that prompted American and the suburban Peoples Cable to drop such popular distant-signal stations as Atlanta's WTBS. Local cable operators expect that the Tribunal will uphold the increases, which were postponed until today by last-minute lobbying by cable companies at the end of last year's Congress.*
>
> Times-Union, 1983

Government would no longer register and grant monopolies for tradenames, trademarks, *etc.* However, tradenames and other means of identifying the products and services of a producer, would, as at present, remain the intellectual property of the first user. Their use by others, ***including*** independent creators, would also be prohibited by the natural law against fraud if the use confused consumers about the identity of the producer of goods and services.

Inventions and designs also would no longer be protected by government monopoly grants. Ownership by all independent creators would be perpetual and protected the same way as copyrights and trade secrets.

Secret Monopolies

For the benefit of those who are still not convinced that people have a property right to the fruits of their mental labor, it can be noted that a free market system for protecting such property rights would have to depend only on freedom of contract and the non-aggression principle.

Everyone has a right to keep knowledge secret, including knowledge of new ideas. No one can justly claim that their rights are violated by the refusal of another person to

share knowledge. And if people contract to keep knowledge secret or not use it without permission, they would owe restitution for any damage caused by their divulging the secret to others.

To prove that restitution is owed for loss of secrets, it must be shown that the information was identified as a secret and as the property of the owner; that the information was treated as valuable property with reasonable precautions against theft and accidental disclosure; that there was consistent prosecution of all those found to have misappropriated secrets; and that the secret was obtained without the permission of its owner by the initiation of force (which includes theft, fraud, and "bugging") or by violation of a contract.

These proofs are necessary to distinguish between secret information and the great bulk of information which is not secret and is provided free. Note that information and ideas that are generally available and are not owned by specific people, are *not* owned by everyone in common, but rather are no longer property that can be owned by anyone.

What is not quite so clear is the obligation of a person who obtains someone else's secret accidentally, or from one who has no right to reveal it. It might seem that this person has no contract with the secret's owner, and so has no obligation and is free to use and disclose the secret.

However, a more persuasive case can be made that the person's situation is similar to innocently receiving stolen goods, or to finding a lost wallet which identifies the owner. The finder of a lost wallet has no obligation to notify, or return it to, the owner, but also has no right to use the money unless it can be proven to be abandoned. Of course, a person who accidentally or innocently learns a secret that is not identified as someone's property has a right to use or disclose it until notified to the contrary.

This "trade secret" system works well when, for example, a manufacturer wishes to keep secret an invention for a production process, or a customer list. All that is necessary is to include in signed employee and supplier contracts a provision that secrets learned in the course of business are not to be used or repeated without permission. The classic example is the Coca-Cola company's successful protection of its secret formula for its beverage.

But a different, preferably simple, system is needed when use of the secret requires exposing it to large numbers of people, for example a book or a consumer product incorporating an invention. All that is needed is a general

understanding that certain products, marked in a special way, are offered for inspection or sale only on the condition that a contract will exist that the product not be duplicated. The contract could be written on the product, but it is simpler for it to be implied by a marking.

Presently, marking a product "copyrighted" or "patented" has this effect. These words could continue to be used in a free market to designate products with information protected by a secrecy agreement. The use the customer can make of the ideas, for example in a book, would be determined by contract, most likely a contract implied by common law and custom.

Anyone who independently obtains information regarded as secret by others, is, of course, entitled to use it as she/he sees fit. The owner of a secret has the right to enforce secrecy only when the secret was unjustly learned from its owner. And if many people justly have knowledge of the secret, or if it can very easily be learned independently (for example, by consulting a reference book), it cannot be considered a secret, and even those who have contracted to keep the secret have no obligation.

So as a practical matter, the only information which can be protected by secrecy is new ideas and information that are difficult to obtain.

Defending Property In Ideas

In a free market there would be better enforcement of contracts and no government interference with freedom of contract. This will permit development of more effective and lower cost methods of protecting intellectual property.

That a man's right to the produce of his brain is equally valid with his right to the produce of his hands is a fact which has yet obtained but a very imperfect recognition.... Did mankind know the many important discoveries which the ingenious are prevented from giving the world by the cost of obtaining ieal protection, or by the distrust of that protection if obtained: were people duly to appreciate the consequent check put upon the development of the means of production, and could they properly estimate the loss thereby entailed upon themselves, they could begin to see that the recognition of the right of property in ideas is only less important than the recognition of the right of property in goods.

Herbert Spencer, 1850

A good possibility is the formation of associations of owners of intellectual property to collect royalties for use of an idea or information (as is now done for music) and to encourage respect for intellectual property rights by member boycotts of offenders, etc. Such associations might also arbitrate disputes about idea infringement. Such a system could make possible the protection of

intellectual property that is now almost unprotected, such as fashion designs and computer programs.

One can speculate that in a free market, an association might be organized that would establish a system for protecting inventors' rights, somewhat like the present government patent system. The association might certify the originality of inventions, grant a "monopoly" (enforced by boycott, *etc.*) for a period of time, in exchange for publishing the details of the invention to the members (*i.e.*, a private patent system), arbitrate disputes, and solve the independent inventor problem by certifying independent creation or even limiting by agreement the ownership rights of the first creator after so many years.

Such associations would, however, be limited in increasing the profits of inventors by the instability of free market monopolies. Members will drop out of an association when it is more profitable than staying in. Thus, an association which tried to secure for inventors significantly more (or less) than the free market value of the inventions would not survive.

Privacy

While this discussion has so far been concerned with protecting intellectual property that has commercial value, it is important to note that the same principles and logic lead to a more general right to personal privacy. Again, your right would be to prevent the actions of others to unjustly learn and use your secrets, and to claim restitution for violations. However, there is no right, and it is obviously impossible, to own the thoughts of others.

The rules are the same; if you wish to keep your personal affairs secret, you must make reasonable efforts to identify information as your property, take reasonable precautions to conceal your secret from accidental disclosure or theft, and contract with anyone to whom the secret is revealed to keep the secret. Thus, the free market would provide a way to prevent blackmail.

For example, if you wish to keep secret the details of your bizarre sex life, you would have to lock the door, pull the curtains and contract with your sex partners. If someone used extraordinary means, such as electronic eavesdropping, to learn your secret (which you were obviously trying to conceal), you would be owed restitution for your embarrassment and the cost of preventing further disclosure. However, if your performed your act in the middle of the street, observers would be free to use and disclose what they saw and heard, with no obligation to

you.

Government, which is simply a group of people, has no moral right to force people to reveal business or personal secrets, nor to spy on them. Government also has no right to force people, such as bankers, telephone company employees, physicians, hospital employees, lawyers, accountants and journalists, to disclose information about other people that they have gained in confidence, or that they themselves wish to keep secret.

In summary, we own what we produce with our minds, and we have a right to keep silent and contract for the silence of others. That is not a government-granted monopoly, but our natural right.

★ ★ ★ ★ ★ ★ ★ ★

Civilization is the progress toward a society of privacy.
Ayn Rand, 1943

★ ★ ★ ★ ★ ★ ★ ★

Herbert Spencer, 1820 - 1903

XV. RESOURCES OF LIBERTY

★ ★ ★ ★ ★ ★ ★ ★

When Chicken Little was out walking, an acorn fell onto her head. "Goodness gracious, the sky is falling," said Chicken Little. "I must go and tell the king!" So she went along until she met Henny Penny. "Where are you going?" she asked. "The sky is falling. I am going to tell the king." "May I go too?" asked Henny Penny. "Of course," said Chicken Little.... So they went along until they met Foxy Loxy. "Where are you going?" he asked. "The sky is falling. We are going to tell the king," they said. "Ahhh, but you are going the wrong way," said Foxy Loxy. "I'll show you where to go. Come with me." And Chicken Little, Henny Penny, Cocky Locky, Ducky Daddles, Goosey Loosey and Turkey Lurkey went along with Foxy Loxy, right into Foxy Loxy's cave. And they never came out again.

Nursery Story

★ ★ ★ ★ ★ ★ ★ ★

The Sky Is Falling!

People who want to increase government power often try to spread the idea that we are running out of resources, or that production of goods or services cannot be increased. The idea is that if we can't bake more pies, then, instead of figuring out ways to bake more of them faster, we will quarrel about how big our piece should be. And of course, who else should decide how big each piece should be but government?

Of course, with enough government interference, there ***won't*** be more resources. Government likes the business of dividing the misery it creates.

When everybody is busy dividing the pie, nobody is making a new one.

W. Thomas Huddle, 1981

It is the expectation of tomorrow's bigger pie, from which everyone will receive a larger slice, that prevents people from fighting to the bitter end over the division of the pie.

Irving Kristol, 1979

There has been a huge amount of propaganda about the alleged urgent need for conserving various resources to avoid predicted catastrophes. Almost always the message is that the free market doesn't work, so government should save us from ourselves.

Most of the propaganda is spread by well-intentioned but misguided doomsayers, often calling themselves environmentalists. Most are simply concerned or frightened by the propaganda they have heard. But the active organizers are generally anti-growth, anti-technology and just plain anti-progress. They are predicting that progress will stop, because they wish it to stop. Apparently they are insecure

in this complex modern age, and fear change. They would like to return to a simpler, static, more structured time.

Typically, their ideal is something like medieval feudalism. They, of course, do not imagine themselves in that setting as an oppressed medieval serf living a "short, nasty, brutish" life, but rather as a privileged aristocrat. They pretend to care about the poor and unfortunate, but they try to stop and reverse economic growth, which would condemn the poor to perpetual poverty without hope, and would prevent progress in curing the sick and preventing disease.

Their propaganda organizations are claimed to be nonpolitical, just concerned with the "mega-crises" that threaten the world, global or planetary "community." They want only to "discuss," and make people aware of these big picture problems.

Many of the problems ***are*** real and serious, but symptoms are confused with problems, the understanding of the causes is faulty, and the solutions are often unjust, and impractical or disastrous. Somehow the solutions always turn out to be something like world government (guess what kind!), central planning, "sharing" (forced redistribution?), and massive foreign aid for "third world" socialist countries, financed by a drastic reduction in our living standard.

They sometimes work with those in government, especially the United Nations, international agencies, and "third world" governments, foundations (*e.g.*, the Club of Rome), business and other special interests who seek power, fear competition, hope to personally profit by scaring people, or despise abundance and happiness for the masses.

Almost all of the doomsayers are socialist sympathizers, although many do not consciously consider themselves socialists. Few will thank you for bringing the socialist pedigree of their ideas to their attention. Most will sincerely deny that they are spreading collectivist propaganda.

Their ideas and goals are generally vague, confused and not logically consistent with each other, or with any political philosophy. Their opinions, like those of most people, are not based on principles, but rather short-sighted self interest, emotions, misinformation, conventional wisdom, peer pressure and misdirected compassion.

However, their propaganda ***is*** strongly influenced by socialists, who try to use this "cause" to gain acceptance for their view of the world and their schemes to expand state power. Many of their "new ideas" are straight Marxism-Leninism, written before 1920. Socialists want to

destroy expectations of increasing prosperity from the market economy, in order to reduce resistance to their imposing a command economy.

Few discoveries are more irritating than those which expose the pedigree of ideas.

Lord Acton

away from destructive "conquest" of nature...away from miserable poverty and from wasteful, excessive consumerism, and toward enough for all through sharing and the politics of equitable distribution...away from super-competitive individualism and narrow nationalism, and toward convivial community and an international order embodying the essential oneness of the human family.

Eco-Justice Task Force, 1982

Failure to develop a master plan which will allow mankind to progress into organic development would make "surgical measures" to control cancerous growth inevitable.

Mihajlo Mesarovic and Eduard Pestel, 1974

It is almost unbelievable that at this date an honest seeker after truth should innocently become the victim of the equivocal use of the word planning and believe that the discussion about economic planning refers to the question of whether people should plan their affairs and not to the question of who should plan their affairs.

Friedrich A. Hayek

Environmentalists will find in the black community absolute hostility to anything smacking of no-growth or limits of growth. Some people have been too cavalier in proposing policies to preserve the physical environment for themselves while other, poorer people pay the cost.

Urban League President Vernon Jordan, 1981

It is in the progressive state, while the society is advancing to the further acquisition...of riches, that the condition of the labouring poor, of the great body of people, seems to be the happiest and most comfortable.

Adam Smith, 1776

The irony is that the general shortages of resources can be caused ***only*** by government interference with the market, especially by price controls. A recent example was the "energy crisis" caused by government controls, which turned into an energy glut after controls were partially removed.

Who Is The Ugly Human?

It is often assumed that human actions are an intrusion on nature, that they unnaturally disrupt the smooth working of the ecology. Sometimes this idea, that animals, insects and all other forms of life except mankind are "noble," appears to stem from feelings of inferiority and self-hatred. We are, in short, an alien ugly blemish in the environment.

The world has cancer and the cancer is man.

A. Gregg, 1955

But human beings are ***part*** of nature! The difference between us and other life forms is only of degree. We, like all other life forms, seek to use rocks, air, water, sunshine and other organisms to sustain and improve our lives. We

use resources more efficiently than other animals because we were designed by nature to think. We may use tools to build dams, but we build them for our purposes, as beavers build for theirs.

"Environmentalists" try to separate mankind from nature to gain acceptance for the idea of the environment as something desirable for itself without reference to human needs. They want to establish legal rights for that imaginary mental concept, "the environment," in order to violate real human rights.

But the environment has no rights. There are no rights in nature for non-humans--only survival of the fittest. Rights apply only to relations between humans. Human rights exist because they benefit human life, which is the standard of morality. So the idea of granting "rights" to imaginary concepts or non-reasoning life or objects is sheer nonsense.

A true environmentalist, therefore, will seek to obtain the optimum benefit from the environment for humans. In some cases, the effects that are not readily seen may be more harmful than the benefit of use, or a method of use, of a particular resource. The only way to discover the optimum use of the environment is through the free market.

The price system shows which alternatives use the least resources. And effective conservation and control of pollution require respect for property rights. This is why one cannot be a true environmentalist without also being a Libertarian.

The only ones who have the right to speak about wasting "our" resources are the owners themselves. Each owner will make use of his resources in the way he sees fit. He can be said to have wasted his resources only when he makes mistaken predictions, and the more resources he has the ability to acquire the less likely he is to be the kind of person who makes the wrong predictions.

James Sadowsky, 1966

Environmental damage occurs when someone is losing money.

William Tucker, 1983

This, however, does not mean paving over or polluting the planet. Humans need natural beauty and outdoor recreation. We need to protect ourselves, and species on which we depend, from pollution and other harmful living conditions. We need to avoid wasting material resources, including human labor.

But we should do these things for our benefit, not "nature's" benefit. Is there such a thing as beauty if there is no human to behold it? And we must balance environmental protection against other human needs, such as food and shelter. We will do this "naturally" if our rights are not violated and government is prevented from dis-

couraging beneficial conservation and from promoting pollution, environmental damage and waste of resources.

The so-called environmentalists who wish to stop progress like to say that we should cease our "conquest of nature" and instead "cooperate" with nature. This is meaningless. Life of ***any*** kind involves the "conquest" of nature to convert resources into forms useful for life. Nature is hostile to life until it is "conquered." (Apparently environmentalists never considered this.) Only dead people "cooperate" with nature by providing food for other life forms.

We can choose to use natural resources for human benefit either more efficiently, less efficiently or the same as now. What kind of a person would want to prevent the conquest of hunger, pain and disease, and the other "natural" sources of human suffering?

In fairness, it must be noted that most non-Libertarian "environmentalists" just repeat other people's slogans, probably without much thought about the justice of the means or the consequences. They are like the people who love steak, but abhor killing cows. Typically, "environmentalists" are affluent, without any experience with poverty that might help them appreciate the need for economic progress.

Having reached a comfortable life style, they don't want any disturbing changes. Especially they don't want their scenic view ruined by housing for those who need shelter, or by buildings that offer employment to those who need jobs, or by the removal of wood or minerals to build them.

They resent the market, which enables these "lower class" people to buy the resources they need if the "environmentalists" are unwilling to bid a higher price for their previously free scenic view.

They see nothing wrong with using government force to rob others of the use of their land, so that the land is maintained for the benefit of the "environmentalists" rather than its owners. And they see nothing wrong with using government to force the poor and the sick to pay for their "free" scenic views and outdoor playgrounds which only the affluent and healthy "environmentalists" are able, and can afford, to enjoy.

But of course they aren't being selfish. It's not for their pleasure that they want to rob others, it is for the benefit of "our environment!" Therefore, they believe, it's only "fair" that others should be forced to pay for their expensive tastes.

Power of one man over another is parasitic rather than creative, for it means that the nature-conquerors are subjected to the direction of

those who conquer their fellow men instead.
Murray Rothbard, 1970

It is much less painful to sacrifice economic growth for environmental preservation if you've already got yours.
Stephen Chapman, 1982

Libertarians would do well to realize that America has an aristocratic class that is more than happy to freeze things the way they are. Laws promoting zoning, construction codes, restricted immigration, barriers to new businesses, and environmental nonsense designed to preserve every tree and blade of grass have more to do with keeping the rabble in their place than insuring that a couple of raccoons don't starve.
David Walter, 1983

Such "environmentalists" advocate the simple life (for others) because it is supposed to be less harmful to the environment. But it is primitive economies which practice slash and burn agriculture which depletes and erodes the soil, and which pollute the air with wood smoke and the air and water with human and animal waste.

Automobiles don't leave aromatic manure all over the streets like "natural" horses. If we replaced modern transportation with the equivalent number of horses, we could ride on manure tens of feet deep.

The fact is that modern technology is what has made possible the sharp reduction in pollution that has been achieved in this century (in spite of government interference). For example, sewage systems and sewage treatment plants are results of economic and technological progress. Drinking water is now purified and disinfected to eliminate recurring disease epidemics. Air is now cleaner because of electrostatic filters, scrubbers, catalytic converters and natural gas pipelines.

Environmentalists should agree that the real test of environmental quality is the effect on human life. Despite the scary headlines, the overall effect of economic progress and our use of technology throughout history, and especially in this century, has been to increase the human lifespan, reduce infant mortality, and in general improve all measures of human health and well-being. Those parts of the world that still have serious environmental problems need more progress, and more respect for human rights, not less.

Doomsday?

A new ethic in the use of material resources must be developed which will result in a style of life compatible with the oncoming age of scarcity. This will require a new technology of production based on minimal use of resources and longevity of products rather than production processes based on maximal throughput. One should be proud of saving and conserving rather than of spending and discarding. An attitude toward nature must be developed based on

harmony rather than conquest.
Mihajlo Mesarovic and Eduard Pestel, 1974

A lot of people have been deceived, so we need to understand the doomsday argument. At first glance, it seems reasonable that we might run out of some resources. After all, there is just so much of anything, the average person is consuming more and more, and world population is growing. As the doomsayers frequently repeat--the world is finite!

We throw out a lot of stuff that could be recycled and used again. If things were made better, they would last longer and save raw materials. We could shift to renewable resources to save those which are irreplaceable. Shouldn't people who are wasteful, and who consume more than their fair share, be forced by government to change their ways, and to cut back and share their consumption, so there will be more for everyone else, and so we won't run out?

What is wrong with this argument is ***everything!*** It is morally wrong because it involves the initiation of force to seize, prevent and waste the labor of producers. It hides this immorality by focussing on consumption and ignoring that, as self-owners, producers have a right to consume what they produce, and to produce what they wish.

The economic purpose of such a program is to conserve resources by reducing consumption and therefore our standard of living. So it should not be a surprise that that is exactly what it would do. When producers are punished for producing more, and partially enslaved for the benefit of others who don't produce as much, they will certainly produce less. And we would all suffer, especially the poor.

The quality of products and the recycling of waste is regulated by a free market for maximum satisfaction of human needs with minimum human labor. Thus government regulation to force us to waste labor in these areas would also lower our standard of living.

To put the conservation argument in perspective, predicting catastrophe has been a favorite human pastime as far back as we have history. According to one of the most popular alarmists, Thomas Malthus, billions of people who are alive today should have starved to death long ago.

Population, when unchecked, increases in a geometric ratio. Subsistence increases only in an arithmetical ratio.
Thomas Robert Malthus, 1798

We cannot long continue our present rate of progress.
W. Stanley Jevons, 1865

We have timber for less than 30 years...coal for but 50 years.
The Fight for Conservation
by Gifford Pinchot, 1910

An extrapolation of the trends of the 1880's would show today's cities buried under horse manure.

Norman Macrae, 1972

The annual produce of the land and labour of England, for example, is certainly much greater than it was, a little more than a century ago.... Though, at present, few people I believe, doubt of this, yet during this period, five years have seldom passed away in which some book or pamphlet had not been published, written too, with such abilities as to gain some authority with the public, and pretending to demonstrate that the wealth of the nation was fast declining, that the country was depopulated, agriculture neglected, manufactures decaying, and trade undone.

Adam Smith, 1776

It is curious that the same people who push global togetherness as an excuse for global socialist government, also like the idea of countries and communities becoming self-sufficient by doing without the things we now buy from those untrustworthy foreigners. They raise the fear that foreigners might for some mysterious reason suddenly refuse to sell to us. "What would we do?" they cry. The answer is: the same thing we would do if we were crazy enough to stop buying for fear they would stop selling.

Another argument offered in favor of reducing our standard of living and arresting progress is that "we are producing more than we need" and there is "too much unnecessary consumption." The question, of course, is: more than we need, by whose standard? Certainly the poor would not agree that they are consuming too much. The answer to this argument is a question: How did ***you*** get the right to decide what is unnecessary for ***me***?

How Can They Be So Wrong?

All the "end of the world" predictions would be funny if it weren't for the tragic consequences from people believing them. What *is* funny is the spectacle of a bunch of grown-up people, many highly-educated, going around seriously proposing grandiose schemes based on gloomy predictions of the future. ***No one*** can predict the future, not astrologers, not gypsies and especially not economists. The ***probable*** effects of certain human actions can be forecast, but as humans possess free will, how they will ***choose*** to act cannot be predicted.

The history of forecasters is that we've always been wrong. But a wrong forecast is better than none.

Edgar Fiedler, V.P. Economic Research Conference Board

If anyone could foretell the future, she would not tell us; she would instead make a financial killing in the stock market or with commodity future options.

It seems likely that the idea that resources are about to be exhausted, and that the world is almost paved over, is

spread by people living in big cities. It is interesting that whenever government land controls are put to a vote, they are supported by people in cities and resisted by those who actually live in the beautiful country that is to be preserved. From the city perspective, mankind seems to be crowding out and overwhelming everything. The cure is to take a long ride in the country, or look out the window of a high flying airplane.

Better yet, they should view the world from space, where the works of man are almost undetectable without a telescope. There are enormous uninhabited areas. Maybe if everyone in the world stood shoulder to shoulder in one place, we would form a tiny spot that could be seen from space. It's a bigger world than we'd think from just looking out our windows.

Still, how could so many people make such ***wrong*** predictions? It happens partly because of the ulterior motives mentioned above, plus the popularity of alarm, which, as they say, sells newspapers. But most believe their predictions because of some major misconceptions.

The first is the warehouse concept. Some people see natural resources as stored in a warehouse where nothing is added, and every withdrawal permanently reduces the stock which can suddenly run out when the last is used. Seen from this viewpoint, it seems to make sense that supplies should be rationed so that everyone suffers equally from the scarcity, as in a lifeboat.

Each barrel of oil drawn from the earth causes the next one to be more difficult to obtain....The economic consequence is that it causes the cost to increase continuously.

Barry Commoner, 1976

An exploding population with an increasing appetite is operating in a finite world with diminishing resources.

Zero Population Growth, 1974

Soothsayers make a better living than truthsayers.

Georg Christoph Lichtenberg, 1742 - 1799

But this concept is entirely wrong. The quantity of resources in the earth's crust is so ***vast*** compared to human needs that for practical purposes it can be considered ***infinite***.

If we divide the amounts of various minerals in the earth by our present usage, the supplies are measured in tens of millions of years. If we assume that only a tiny fraction of these resources can be made available for human consumption, supplies are still measured in thousands of years. We already ***know*** where to find supplies of important raw materials that can be recovered with ***present*** technology, to last at least hundreds of years.

Supplies are so enormous that it has not yet been worth-

while to even look for more in most of the world. When it becomes economical, supplies can be further increased by recycling, even mining old landfills if necessary.

So while the earth *is* finite, compared to present human needs, or the needs of several times the world's population, the supply is ***infinite*** for all practical purposes. To help visualize this very important fact, consider that while the ocean is finite, the supply of salt and salt water is essentially infinite compared to human needs.

When high grade deposits close to home become harder to find, we don't run out all of a sudden. Resources become scarcer ***gradually.*** The price goes up in anticipation of scarcity (the work of those "evil" speculators), signalling the need for the market to take corrective action. Because of the higher prices, consumers conserve and use less. Cheaper, often better, substitutes are found. For example, communication satellites and optical fibers made from sand are now replacing thousands of tons of copper for communications, thus increasing the supply available for alternate uses, and depressing the price.

With higher prices it becomes profitable to look for new supplies and to spend more extracting them. New technology is developed to reduce the cost of extraction and transportation to where resources are needed. The result of higher prices is again to lower the prices.

It may seem surprising that the effect of using resources is to reduce the cost. For example, in the case of oil, because many easily drilled oil fields that are close to markets have dropped in production, it is now necessary to drill deeper in remote and inhospitable areas such as the Arctic. This obviously raises the cost of drilling oil wells.

But newer methods of drilling have offset much of this extra cost. And drilling costs are only part of the total cost of oil products. Prospecting, transportation and refining costs have also been reduced. The result is that today oil is cheaper than at any time in the past. For example, gasoline prices have increased only half as much as automobile prices over the past 50 years.

In short, technological progress, stimulated by higher prices, increases supplies of resources to meet demand, and reduces their total cost faster than depletion can increase some of the costs of extraction.

The market does all this automatically. Government "help," to prevent speculation, hold prices down and ration supplies, hinders this market adjustment and creates shortages. It is useful to note that the most anti-market socialist nations have the worst record for pollution, environmental

damage and waste of resources. Apparently nothing is too sacred to stand in the way of the glory and power of socialism.

Necessity is the mother of invention.
Richard Franck, 1658

It is not the disease but the physician; it is the pernicious hand of government alone which can reduce a whole people to despair.
Junius, 1770

What's Really Scarce

The ***only*** scarce resource which limits increasing our consumption and our standard of living for the foreseeable future is human talent, ingenuity and labor. What is important to conserve is human capital. We have plenty of raw materials. The real problem is to improve the efficiency of production. Once again, the solution is liberty. To progress, we must be free to think and experiment, and we must have the incentives of success and failure, and a free market to guide us.

Because we do not know the truth we must leave all the avenues for its discovery open, and hence every individual must have perfect liberty to follow his own inclination and desire....Not only does Liberty solve all of our sociological problems, but it is the only possible source for material advancement.
Caude Riddle

In the controlled society, only the creativity of the few at the top can be utilized and much of this creativity must be expended in maintaining control and fending off rivals. In the free society, the creativity of every man can be expressed--and surely by now we know that we cannot predict who will prove to be the most creative.
Benjamin A. Rogge

The evil is that individual spontaneity is hardly recognized by the common modes of thinking as having any intrinsic worth, or deserving any regard on its own account. The majority being satisfied with the ways of mankind as they now are (for it is they who make them what they are) cannot comprehend why those ways should not be good enough for everybody; and what is more, spontaneity forms no part of the ideal of the majority of moral and social reformers, but is rather looked on with jealousy, as a troublesome and perhaps rebellious obstruction to the general acceptance of what these reformers in their own judgement, think would be best for mankind.
John Stuart Mill, 1859

The authority of the European rulers was based on the idea of a static universe. To accept the newfangled notion that the earth spins in space would be to admit the possibility of energy, change and progress. Such heretical doctrine had to be suppressed. That is why Roger Bacon, the 13th Century "father of modern science," spent much of his life in jail. That is why the discreet friends of Copernicus published his discoveries as mere "mathematical abstractions." That is why the less discreet, the more outspoken, the downright rambunctious Galileo fell into the hands of the Inquisitors and escaped torture only by retracting his statements.
Henry Grady Weaver, 1947

Despite government piling up obstacles, when faced with

scarcity, the human mind has always managed not only to find new sources, but also to reduce the cost of production and develop cheaper and better substitutes. However, Doomsayers throughout history have denied that further progress was possible. They ignore free will and human adaptability. They believe in a static world where everything is known, where there are no more frontiers for science, and where nothing more can be invented. This is appealing to those for whom progress is uncomfortable and threatening, but it is not reality.

This mentality is not unlike the "cargo cults" that appeared in South Pacific islands occupied by American troops during World War II. The natives, not understanding technology or economics, assumed that the wonderful cargos delivered by plane and ship were presents from the Americans' god. So they began to worship the cargo god and his representative on earth, the soldier who ordered the cargos by radio.

Many people today, some "highly-educated," have no better grasp of where wealth comes from. They seem to believe that it just exists, and that there is only so much, and no more will be found. What else can explain the popular socialist slogan, "America, with only 5% of the world's population, has no right to consume over half of the world's resources." Resources are not just found and used up, they are ***created*** by labor. And your labor and the resources you produce are not the property of the "world" (note the collective term). ***Production belongs to the producers.***

The productivity of labor has increased throughout history because of the natural desire of individuals to improve their standard of living and ease their labor.

Mankind has the ability to transmit knowledge from one generation to the next. Thus, succeeding generations are spared the need to rediscover and re-invent the accumulated store of knowledge of their ancestors. What we learn in our generation, and the improvements we make, will be added to the intellectual capital of the human race. Our children will, in turn, build on this higher foundation. This is the basis for progress. And this is why progress will continue unless government finds a way to stop it before we can stop government economic interference.

It cannot, of course, be proven that scientific and engineering progress can continue far into the future and that the market will continue to solve problems as they arise. But ***all*** the evidence is that they will, as they ***always*** have. Even under the terrible burdens imposed by

government, technological progress has been accelerating rather than declining.

What If They Won't Trade With Us?

Those who believe that government should control the economy because they fear suddenly running out of some vital resource, often also suffer from a related fear. They are afraid that other countries (or even people in nearby areas) will suddenly refuse to supply some vital resource.

Most of this irrational fear of supplies being cut off is a result of misunderstanding how markets work. There are also those who are concerned (more logically) with the possibility that a hostile government may come to power, and refuse to trade with us.

They all believe, of course, that the cure is for government to impose national self-sufficiency. (This is called autarky.) As we buy raw materials from abroad because they cost less than alternatives, this would raise our cost of living, and therefore substantially lower our standard of living.

Using force to reduce our standard of living and to prevent us from trading with others is obviously unjust, but shouldn't something be done to protect ourselves against being cut off?

The best way to answer this question is to look at it from the other direction. What if we suddenly stopped buying some raw material? The suppliers would suffer the loss of whatever we were trading for what they produce. Should they not be afraid of what we might do?

Someone will doubtless answer, "Why would we do such a crazy thing? We need the raw materials they produce." But then, why would they cut themselves off from the products we produce that they need? Why should they sit on piles of some mineral they don't need? And they would have to sit on it to deny us, because if they sold it to someone else, we could buy it from their customer or their customer's previous supplies.

Why would we or they want to harm the other at the expense of inflicting equal harm on ourselves? Even if they hate us, they don't hate themselves. One of the greatest things about the free market is that even bitter enemies find it in their self-interest to cooperate by trading.

But suppose that despite the strong economic pressure, one of our big suppliers did decide to act irrationally by refusing to trade with anybody? The worst that could happen (and only for a very few materials) is that we would be inconvenienced and our standard of living might fall

slightly until the higher prices brought forth new supplies.

In short, it is unlikely that there will be a problem, and if there were, it would be far less damaging than trying to prevent it.

Population Control

The "population explosion" which is claimed to threaten the standard of living and the environment in developed countries, and to cause famine in less developed countries, has been often used as an excuse for government interference in the sex lives of its subjects.

In truth, however, population control ***appears*** necessary only because socialist governments will not permit an economy to expand to provide for additional population. The real reason for government programs to slow population growth is to reduce the risk of revolutions against socialist governments.

For example, the government of India has offered bribes for accepting, and even forced people to accept, government provided sterilization operations. The government of China punishes couples who have more children than desired by the government. This is causing an epidemic of infanticide, especially of female babies. The American government pays for abortions for poor people, and in the past conducted forced sterilization of people considered inferior.

The Earth's ability to provide adequate food and energy resources is becoming increasingly uncertain as world population moves toward 5 billion, a U.N.-funded report said yesterday. The study, conducted by the Worldwatch Institute, concluded that only "dramatic shifts in population policy"--particularly in Third World nations--will avert famine and severe economic hardship in many parts of the globe. "The issue is not whether population growth will be slowed, but how," the report said.

Robert Sangeorge, 1983

We can no longer afford merely to treat the symptoms of the cancer of population growth: the cancer itself must be cut out.

Paul Erlich, 1968

The Chinese government has begun requiring sterilization of couples with two or more children...

Washington Post. May 28, 1983

On the other hand, some governments also encourage greater population to increase the number of subjects under their control and government power relative to other governments. Government population policies may also be determined by culture and politically influential religious groups.

Methods commonly used by governments to increase population include: forbidding birth control information and aids, making abortion and prostitution a political crime, and

subsidizing the cost of children with "free" education, and outright grants of money, and punishing those without children by higher taxes.

Often, governments pursue conflicting policies which simultaneously attempt to increase and decrease population growth. Does this say something about the theory that government can plan our lives better than we can?

Which government policy should Libertarians support? ***Neither***, for government has ***no*** moral right to do ***any*** of these things. Only the individuals involved have the right to decide whether or not to have children. Their decisions should be free of government interference, reward or punishment.

Parents, however, should be responsible for their decisions. They have no moral right to use government to ***force*** others to pay for their decisions by subsidizing their children. This leads to the sticky problem of aid for children whose parents cannot support them. The children, after all, are not responsible for their predicament.

The Libertarian answer is that aid for such children must be voluntary charity. Few of us would be unwilling to help children who are suffering. But many might be unwilling to support also the parents (more than temporarily), and thereby subsidize irresponsibility. While there is a backlog of people wanting to adopt children, many people probably would not willingly support other people so they could enjoy children without paying the costs.

So both moral and practical reasons lead to the conclusion that parents who have children they cannot support (long term) are child abusers who have lost their rights of trusteeship over the children. Anyone willing to help the children and provide them with the necessities has a right to assume the trusteeship for the children (adoption). Obviously the solution should be subject to common law procedures to safeguard everyone involved.

But if everyone should be free to have as many children as they wish, what about the social and economic problems that overpopulation will create? In the first place, it is not at all clear that there will be overpopulation, or that greater population will cause problems.

It is people and their labor that is scarce, not land and resources to be developed. And ***if*** this situation ever changes, it will be far in the future and the right of our descendants to decide what to do. We certainly have no moral right to use force now to make their decisions for them about a problem that will probably never happen.

There are a number of advantages to a larger population

which are often overlooked. The greater the population, the greater can be the division of labor, and therefore the greater our productivity. Larger population supports development of more inventions, more new medicines and treatments for disease, and makes economically possible new products needed by only a small percentage of the population, such as artificial kidneys. A larger population means more Einsteins and Beethovens.

In a way, children are a capital investment. But just as we would not spend so much on tools to increase our future productivity as to leave ourselves impoverished and starving in the present, we also need to use judgment in regulating our reproduction. But this is a decision that should be made by the millions of individuals involved, according to their particular circumstances, not by government.

The overwhelming effect of government is to subsidize childbearing, and so promote a larger population than the public really desires. If there is a future problem, this will probably be the cause.

Those who advocate government programs to reduce population like to note that rich countries have lower population growth than poor countries. But this is to confuse cause and effect. People tend to have fewer children when they are prosperous. But this does not mean that having fewer children will necessarily make people more prosperous. What creates prosperity is liberty.

Socialists like to talk about the perils of population growth, which is alleged to threaten humanity with disaster and to be responsible for poverty. The purpose of this propaganda is to support an increase in political power, and to blame people for the problems caused by government.

There are certain areas of the world where overpopulation ***appears*** to be a problem. But the problem was created in the first place by government economic interference which retarded progress and caused poverty. If governments permitted free trade, including emigration and immigration of labor to where it was more in demand, and allowed capital to seek its best return, wherever that might be, the problem would disappear.

We know that where poverty, disease, injustice, and misery abound, they exist solely because some people manage to regulate the personal and commercial lives of other people.

Fred Stitt, 1982

The Facts

Doomsayers who advocate government programs and

controls don't seem concerned with the facts. When things become scarce the price goes up. Yet the long term trend from the beginning of history up to the present is that the cost of everything we need is declining, and ***per capita*** resources are becoming ***more*** abundant! ***Temporary*** scarcity and price increases bring about ***long term*** increases in supplies and reductions in prices.

The predictions that we will run out of things in a few years are usually calculated from known proven high grade reserves which are easily obtainable with present methods. But reserves have little to do with the total that will be available in the future after new discoveries are made and new technology developed to use lower grades. Finding and proving reserves costs money, so there is no reason to have more than will be needed for production in the fairly near future. Like any inventory, when demand goes up, reserves will be increased.

It is a paradox, but true, that the more we use of earth's resources, the greater the available supply becomes, because of our greater knowledge and increased capital. But progress will actually be retarded by government subsidies to develop resources before they are economically justified. This diverts skilled labor from more urgent needs into processes which will be obsolete before they are needed. Government cannot possibly improve on the efficiency of the market, where decisions are based on the talents and first hand knowledge of millions of decisionmakers.

In England the improvements in agriculture, useful arts, manufactures, and commerce have been made in opposition to the genius of its government, which is that of following precedents. It is from the enterprise and industry of the individuals, and their numerous associations...that these improvements have proceeded.
Tom Paine, 1792

No Exceptions!

There are some cases where socialists are pushing for government interference, which might seem to be exceptions to the general principles outlined above.

One is land, especially farmland. However, the earth is not crowded. If everyone in the world moved to America, the population density would be only about that of England. There is an enormous amount of idle land because land is abundant compared to the human labor and capital (a form of labor) needed to make it useful. Generally, the richest areas of the world are also the most crowded, with the least land per capita. People are not poor because of lack of land or other resources, but because they do not produce more.

Farmland is subject to the law of supply and demand like

other goods. Farmland isn't just there; when there is a demand it is created, by human labor to clear, fence, drain, irrigate, level, fertilize, *etc.* While some farmland is damaged by erosion or converted to other uses, a far greater quantity is being created, so the supply has steadily ***increased***. When there is a greater demand for agricultural products, production will be increased either by increasing yields per acre or by creating more farmland. Note that after 400 years, a total of only 2.7% of America is used for transportation, mining and urban areas.

There are 200 million acres of good farmland in Sudan, but only 8% of it has ever been plowed.

The Wall Street Journal, March 10, 1983

Farmland is closely related to the supply of food. Not only has the quantity of farmland in the world been increasing, but also the average yield per acre, enough so that food per capita has been increasing for centuries. Famine, which was once the rule for most of mankind, is now an exception, despite the huge increase in population. Although the data are poor, they all point to decreasing hunger--not increasing, as those with an ax to grind would have you believe.

In this century, famine has been almost entirely due to government war, genocide, collectivization and oppression. The areas in which food production has declined are those most afflicted by socialism. From Albania to Zanzibar, central planning, price controls, forcing farmers into communes, bureaucracy, corruption, persecution of the competent, state crop-purchasing monopolies, *etc.*, have destroyed agricultural productivity and brought hunger.

It's absurd. We can't get rid of them and we can't keep them because we have no refrigerators. In the country with the worst food shortages in Europe, we are growing tomatoes and throwing them out.

Polish farmer Piotr Nowakowski, 1982

At least 35 starving Rwandan refugees, most of them aged and infirm, committed mass suicide by drinking poisonous cattle tick ointment so that precious food could be given to children in a refugee camp...another 8,000 refugees face imminent starvation after being trapped by the agreement between Uganda and Rwanda to close their border.... Uganda started a "resettlement program" last month aimed at driving an estimated 100,000 Rwandan refugees out of Uganda. Bands of soldiers and youths forced about 45,000 Rwandans back across the border, burning their homes. Most of the Rwandan refugees had been in Uganda since fleeing tribal strife and civil war in Rwanda.

United Press International, November 10, 1982

Lagos, Nigeria--Relief agencies say starvation and other hardships have killed at least 30 West African refugees trekking home after Nigeria expelled hundreds of thousands of illegal aliens... Togo authorities said many refugees have been buried in unmarked graves along the route and it will be several weeks before an accurate

estimate of casualties is possible...at least 3 million people are being forced out of Nigeria.... The Nigerian government has threatened mass arrests of those defying the expulsion order.

The Associated Press. February 2, 1983

NONG CHAN, Thailand--Vietnamese mortars and artillery drove 30,000 Cambodian refugees farther westward and burned much of their camp on the Thai border as Hanoi's occupation army pressed a dry-season offensive.... An International Red Cross spokesman said a number of dead were presumed left in the charred camp 140 miles east of Bangkok.

Democrat & Chronicle, February 2, 1983

A decade has passed since the Sahel's tragic drought of 1968-73. In the last three bitter years of that period, around 200,000 people and 3m-4m animals died in the sub-Saharan countries.... Can another disaster be prevented? ...most scientists reckon that inclement weather was only a trigger--that the real cause lay in changes in the way people lived and used the land.... Until relatively recently the Sahel belonged effectively to the nomads. A nomadic way of life is well suited to sparse vegetation: because herds move continually, no one area is quite stripped of vegetation. But West African governments have been persuading--or coercing--nomads to settle down. That has meant that the richest areas, where they settle, tend to get overgrazed. Communal ownership of land, widely imposed after de-colonisation, led villagers to cease to look after the surrounding areas which had previously belonged to them. Why bother, when somebody else can always graze there?

The Economist, January 29, 1983

Far greater increases in food production in the less socialist countries of the West have fortunately more than offset the losses. Ironically, surplus food exports and food aid from the more efficient food producers in less socialist countries have saved the more socialist regimes from revolutions which could have freed those countries to feed themselves.

Colonialism is often blamed for the present poverty of the "third world." Certainly being ruled by a foreign tyrant is unjust. But it is also unjust to be ruled by a domestic tyrant. What is wrong is tyranny, not the birthplace of the tyrant. And it is today's domestic socialist tyrants who are primarily responsibile for "third world" poverty and hunger, not those of the past.

The way to eliminate hunger is not to enslave those who are producing more food. That is not only immoral, but reduces the total supply of food, and creates dependence.

There is plenty of food. The problem is that the poor are prevented by government from feeding themselves, and they can't afford to buy food because of government-created poverty. The quickest solution would be for all governments to open wide their borders to the free flow of people, goods, technology and capital, and stop meddling in the economy.

So-called "multi-national" corporations aid in breaking

down government trade barriers to increase productivity in agriculture and industry. Socialists hate them for this reason and have mounted a propaganda campaign against them. Their crime apparently is that they are not as easily taxed and regulated by government, especially "third world" socialist governments. There is, however, a Libertarian basis for criticizing some "multi-nationals" for using political influence to obtain government-enforced monopolies and other corrupt benefits from governments.

If methods of agriculture in common use ***today*** were generally applied to land considered arable by ***today's*** standards, the planet could easily feed a population ten times greater. Technology now under development could probably double that figure, and there is no end in sight for more progress--if we have liberty. In a century or less, food production may not even require soil and farms as we know them.

Countries are well cultivated, not as they are fertile, but as they are free.

Charles de Montesquieu, 1689 - 1755

Whoever could make two ears of corn or two blades of grass to grow upon a spot of ground where only one grew before, would deserve better of mankind, and do more essential service to his country than the whole race of politicians put together.

Jonathan Swift, 1726

I once thought that some sacrifice of freedom was necessary for our countries to climb out of underdevelopment, but I no longer think this. The loss of freedom is too high a price to pay. Freedom is an ingredient of justice, so you can't sacrifice freedom to achieve justice.

Mario Vargas Llosa, 1983

Energy is said to be a special case because it can't be recycled and it is necessary for the production of all other resources. Surely, the socialists say, government must intervene to regulate, ration, control prices, provide subsidies and do research to "protect" such a vital resource and ensure everyone a "fair" share. Not unless we want to "freeze in the dark!" Only government price controls and regulation can cause a shortage. Again, the fact is that for hundreds of years the cost of energy has been steadily declining and the supplies becoming increasingly abundant, so what's the problem?

Known sources of coal and gas would last for thousands of years at current consumption rates. Oil seems to be the main concern because it is convenient for transportation. Only a tiny portion of the earth has been explored for oil, so the strong likelihood is that supplies of it, too, will last for at least hundreds of years. The cost of oil is much less than it was 50 or 100 years ago, so there is no sign of scarcity.

The Organization of the Oil Exporting Countries (OPEC), not so long ago a powerful 13-nation cartel, is losing its impact. It is facing a bitter price war and the threat of even lower production levels... At the same time, oil experts assert that potential for discoveries of additional reserves is enormous. Oil companies expect to discover more than 100 billion barrels of crude during the next eight years.
Chicago Sun-Times, 1982

Even if oil should become scarcer, the worst would be that the higher market price would restrict consumption to its most important uses. At around double today's price, it would be economical to extract thousands of years' supply from oil shale and tar sands, or to convert gas and coal to oil. Transportation can also run on liquefied or compressed gas. Alcohol fuel might be made from plants. Electric cars may become practical. The ***known*** list of alternatives is large, but the best is probably still ***unknown.***

Nuclear power could take care of our energy supply for thousands of years. Because it is insured, regulated and subsidized by government, the safety and economics are questionable. The Libertarian solution would be to let the free market decide. If it isn't safe, no one will insure it or risk operating it, and the capital could not be raised to build more.

Fusion power looks promising, but is not yet developed. If successful, it could offer a low-cost inexhaustible supply of energy from water. There are also many promising methods being studied for tapping the immense power of the sun. Geothermal power will probably become more significant. With all these alternatives and possibilities, it is obvious that the "energy crisis" is simply an excuse to stifle progress and expand government power over people.

How did we make the transition from using wood to using coal, from using coal to using oil, from oil to natural gas? How in God's name did we make that transition witnout a Federal Energy Agency?
Milton Friedman, 1978

Another feeble excuse for government control of resources is that we should be forced to "conserve" for future generations. But ***each generation stands on the shoulders of the previous generation.*** Without the knowledge that we are developing by using present resources, resources we don't yet know about, and resources that we presently lack the technology to use, would remain unknown and useless for our descendants.

Unless the trend of all history is reversed, the descendants for whom the socialists wish us to sacrifice will be far wealthier than we are, and will be healthier without the diseases that afflict us, and will live longer. Think about the primitive conditions in which our ancestors lived.

Should they have made greater sacrifices so we could afford a better stereo?

If the human species is to survive, man must develop a ***sense of identification with future generations*** *and be ready to trade benefits to the next generations for the benefits to himself. If each generation aims at maximum good for itself, homo sapiens is as good as doomed. .. Some short-term losses would certainly have to be accepted for the sake of long term going: some sacrifices will be required from everybody for the sake of later generations and orderly world development.*

Mihajlo Mesarovic and Eduard Pestel, 1974

If our ancestors had "conserved," we could still be living in caves, and oil would sit in the ground. If we are ***truly*** concerned about future generations, we should instead work to ***end*** government oppression and interference in the market.

Four hundred years ago, the entire Indian population in North America was only about one million. The reason there were so few after thousands of years is that this enormous land area would support no more people without using "non-renewable" natural resources. If we adopted their primitive life style, as some conservationists advocate, around 300 million people would die to reduce the population to the level that could be supported.

There is no useful role for government in conservation, except to stop interfering and to turn over the land it owns to individual citizens. Free people do ***not*** waste their property. The free market will assure that, as much as is humanly possible, resources are used for their best purposes at the right time. And the resources of the human race are not limited to Earth, but extend to the infinite universe. If resources are not to be used now, when can their use ***ever*** be justified? ***Forced*** conservation is an unjust anti-human policy.

★ ★ ★ ★ ★ ★ ★ ★

It is vain to provide for the needs of ages the technological abilities of which we cannot even dream.

Ludwig von Mises, 1949

There's a hell of a good universe next door: let's go.

e. e. cummings

★ ★ ★ ★ ★ ★ ★ ★

XVI. ECONOMIC POWER

★ ★ ★ ★ ★ ★ ★ ★

What is economic power? It is the power to produce and to trade what one has produced.

Ayn Rand, 1962

★ ★ ★

Force is no remedy.

John Bright, 1811 - 1889

★ ★ ★ ★ ★ ★ ★ ★

What Is Power?

A lot of confusion about economics result from the different meanings of the word, "power." Libertarians use the word to mean the ability to control other people by violence or the threat of violence. Using power means to enslave.

No one has a moral right to use force except in self-defense against the initiation of force (including fraud, breach of contract, and extortion) by others. So the use of force to make someone do something against their will or to prevent or punish peaceful behavior which some people deem undesirable, cannot be justified. The only just remedy for such behavior is persuasion and refusal to trade, cooperate or associate.

But the word "power" also is commonly used to imply control without force, as in the "power of a smile," "the power of ideas," "sexual power," or "economic power."

Economic Power And Government

The conventional wisdom is that whether power based on force is good or bad depends on how it is used (or who has it). For Libertarians, however, all such power is bad. The dividing line is clear: all power based on force is unjust, and all other "power" is just, whether or not it is ethical or we personally approve how it is used. Putting it another way, only government and ordinary criminals use force, so all "power" used by other people and organizations is just, unless based on government or criminal force.

Without the use of force, "economic power" means the ability to do, or produce, things of value to others, and the right to trade, or not trade, those things with others for what they do or produce. The greater the value to others of what one does or produces, the more "economic power" one is said to have. No one can justly claim injury

because another person offers a better trade.

Someone may object that it is possible to have economic power with money even though one is producing nothing. However, unless the money is counterfeit or unjustly gained by use of force, it was obtained by producing and trading goods or services of greater value to the previous owner of the money. So, unless force is initiated, "economic power" and wealth depend on the ability to serve others.

Let me define the difference between economic power and political power: economic power is exercised by means of a ***positive****, by offering men a reward, an incentive, a payment, a value; political power is exercised by means of a* ***negative****, by the threat of punishment, injury, imprisonment, destruction. The businessman's tool is* ***values****; the bureaucrat's tool is* ***fear****.*

Ayn Rand

"Economic power," then is simply the right under freedom to refuse to make an exchange. Every man has this power. Every man has the same right to refuse to make a proffered exchange.

Murray Rothbard, 1970

People who wish to use government as an agent to initiate force in order to gain their ends prefer to blur the distinction between power which is based on force and power based on peaceful relations. Such predators are not concerned about the fundamental moral and economic differences, or the critical issue of whether anyone should have power over others that is based on force. They are interested only in who has power.

It seems to them that everyone, especially themselves and groups they favor, is entitled to their "fair" share of power. The problem, to them, is that when the power was passed out, they and their friends were shortchanged, and those who got too much are too stingy to share it.

The world, they think, would be fine if power were properly "redistributed." In short, they have no moral objections to robbing others. They try to justify robbery by saying "everybody is doing it." Justice, to them, is when the right people do the robbing.

Those who oppose liberty often claim that private economic activity must be regulated to prevent "abuse of economic power," especially by large corporations. Their theory is that consumers and employees are at an "unfair disadvantage" in dealing with "rich" corporations. They believe that private property and voluntary trade are the same as robbery committed with a gun.

It is true that many corporations, and occupations, gain unjust advantage over competitors and consumers by government subsidies, loans, franchises, licenses, tariffs, quotas, and various other monopoly privileges. Also, unions unjustly use their government-granted power to prevent

other workers from competing with them, to force employers to "bargain" with them, and to force unwilling employees to pay dues and support strikes. These corporations and unions often cooperate to use government power to exclude competition from lower cost non-union employers.

But all these gross abuses of power depend on the use of government force. They could be eliminated by (and only by) abolishing government power to interfere with the economy. Without force, there is only one source for economic power, for either corporations or individuals--better satisfying consumers.

Business and union support for various socialist programs is not due to attacks of enlightened social consciousness, but rather can be completely explained by simple, if short-sighted, self-interest.

Management people of large corporations and unions tend to be very bureaucratic. They often favor socialism because it would relieve them of the responsibility for satisfying those pesky union members, customers and stockholders that upset their routine. And they see that being part of a government bureaucracy would mean little change except they would have "real power" rather than economic power.

It is important not to lump all business together as unjustly profiting from government power. There are two conflicting classes, the exploiters of government power, and the victims, which are mostly small businesses.

Many workers, and not the best, prefer to be paid by the day and not by the work completed. Many entrepreneurs, and not the best, prefer what they can hope to obtain from a socialist state to that which a free competitive system would award them. Under such a competitive system, entrepreneurs are the "officials" paid for the work completed; under a socialist organization, they would become "officials" paid by the day.

Vilfredo Pareto, 1897

The oppressor no longer acts directly by his own force on the oppressed. No, our conscience has become too fastidious for that. There are still, to be sure, the oppressor and his victim, but between them is placed an intermediary, the state.

Frederic Bastiat, 1850

It Depends On Your Viewpoint

From the viewpoint of the consumer, employee and small stockholders, it may seem that they have no influence over corporations that can profoundly affect their lives.

But there is another side. The corporate managers also feel "powerless." Employees in whom they have invested large amounts of money for training, can and do quit at the drop of a hat for a better offer elsewhere, or to use the

training to start a business to compete with their former employer. Employees goof off on the job and the manager can do little about it because of the expense and difficulty of finding and training replacements.

Employees may feel that they have to accept a bad deal from their employer because it is inconvenient to move to another area where there are better jobs. But the manager sees how much more difficult it is to move a business to where conditions are better.

Sales may drop like a rock if fickle consumers turn to competitors' products or decide to do without. Usually, only a few percent drop in sales or increase in costs can wipe out profits. Shareholders dissatisfied with the return on their investment may sell and depress the price of the stock. This can make raising new capital difficult and open the way to a takeover by another company and loss of management jobs.

The manager sees that a million things can go wrong to turn the thin profit margin into a loss. (Average corporate profits are around 5% of sales.) Continued losses can lead to bankruptcy and a loss of most of the business assets.

The point is, of course, that who is "powerless" depends on the viewpoint. The reality is that all these groups depend on the good will of the other groups, and that only the free market can balance interests to produce the highest standard of living.

The question, "How much power does one person have compared to a huge corporation?" is best answered with questions. How much power should one employee or customer have to destroy a company which is satisfying other employees and customers? And how much power does one person have compared to a huge government? How much does one vote count?

One may wonder how socialists could believe that large bureaucratic corporate organizations (which depend on pleasing people) are automatically bad, but large bureaucratic government organizations (which depend on force) are always good!

Abuses?

This may still not satisfy those who are concerned about the temporary suffering of people who lose their jobs, especially when factories close, and of all those who directly and indirectly depend on them. Politicians are especially concerned about the loss of tax revenue. It doesn't seem to help to consider that the jobs would never have existed if the company had not created it by risking

capital.

Consumers ultimately determine what jobs they want to pay for. When consumers want less of what someone is producing, the sales or price, or both, fall. This reduces profits or causes losses.

Consumers may want less of someone's products because they prefer to spend their money on other newer, better things, or for the same thing offered at a lower price by more efficient producers. This makes it more profitable to produce more efficiently and to provide what consumers really want. It also raises the wages of the workers that produce what is in demand, to attract them to unfilled jobs.

Thus capital and labor are strongly encouraged by a free market to offer greater value to consumers at lower cost, and to shift to producing what consumers most desire. These economic adjustments may be delayed for awhile because people don't like change, and want to avoid the temporary costs and loss of capital and income that change may require.

Those who demand that companies be restricted from, and penalized for, making adjustments demanded by consumers, are really trying to reduce the economic power of consumers rather than of companies. It is the "greedy" consumer who is "insensitive" to the needs and desires of workers and the "community."

Consumers don't care about the effect of their purchasing decisions on widows' pensions, executive careers, wages or employment. All they want is the greatest possible reward for their own labor when they trade. And because of this consumer "greed," production is directed to best meet human needs, and we have enjoyed an increasing standard of living.

There is only so much labor and capital. Preventing them from moving means simply that there will be less produced of what consumers really want (and more of what they don't want). Thus, consumers would pay a higher price for what they want, or do without. Workers who would have been employed in new jobs created with the capital are also hurt. And what if bankruptcy of a company and closing of all its plants were caused by losses at a plant which was forced to stay open? Socialists are not pro-consumer or pro-worker. They are just against the free market.

Consumers' wishes can be ignored only so long before change becomes irresistible. Delay can make the unavoidable change far more painful. The use of force to delay or prevent economic adjustment would immediately

harm investors, consumers and other workers. It wastes productive resources. Over the longer term it would even harm the workers who appear to benefit.

People often feel than an employee somehow owns his or her job, and that companies should be forced to pay unneeded workers or keep a factory open even though it is operating at a loss. The idea is that government should prevent "abuses" of "economic power."

The truth, of course, is simply that people who are dissatisfied with the results of peaceful voluntary trade wish to justify, to themselves as well as others, the use of force to make other people offer them the deal they would like. And the employment issue is not between the workers and the company, but between the workers in the present location and the workers in the new location.

There is no such thing as "a right to a job"--there is only the right of free trade, that is: a man's right to take a job if another man chooses to hire him.... There are only the ***Rights of Man****--rights possessed by every individual man and by all men as individuals.*
Ayn Rand, 1963

Consumption is the sole end and purpose of all production.
Adam Smith, 1776

But no one "owns" a job, because that would amount to a right to force someone to continue to trade against his will. The "right to a job" implies the right to force someone to provide it. The hidden message is that "evil" people who do without to save to provide capital for business have no rights, and that their property should be confiscated.

By the same logic an employee could be forced to continue to work at a job because the employer needed her, even though she had a better offer elsewhere. And a store would have the right to force a customer to continue buying there, even though another store was offering lower prices, or the customer couldn't afford to buy anything.

A socialist would probably reply that they have no intention of controlling people, just business. Business, of course, is nothing but people. What the socialist is really proposing is class warfare. Socialists seem unable to grasp the simple economic truth that a company is like a pipeline. No more money will come out one end of the pipe than investors and customers are willing to put in the other end. Nothing can be changed without changing something else.

These examples of government regulation of "economic power" are no different in principle. In fact, each makes the others necessary. The only way jobs can be guaranteed is for suppliers to be forced to continue to supply raw materials, for customers to be forced to continue purchas-

ing the companies' products in the same quantities at the same price, and for other employees whose cooperation is required, to be forced to continue their employment.

Also, product and process improvements would have to be prohibited. Carpet makers could not be permitted to expand because it would reduce the demand for brooms. Capital and productive assets could not be moved to where they are needed for new industries because of the requirement to provide jobs producing obsolete and uneconomic products. Progress would come to a halt. There would be no new jobs for young workers. The standard of living would drop. All this would be the consequence of using government force to protect people from having to make economic adjustments.

The claim that men should be retained in jobs that have become unnecessary, doing work that is wasteful or superfluous, to spare them the difficulties of retraining for new jobs--thus contributing as in the case of railroads, to the virtual destruction of an entire industry--this is the doctrine of the divine right of stagnation.

Nathaniel Branden, 1963

In the final analysis, plant closing laws are not restrictions on capital. They are restrictions on what a free people can do. They deny the entrepreneur's right to dispose as he judges best of assets that have been freely and justly developed or purchased. Usurping entrepreneurial rights through legislation must be as morally suspect as usurping a worker's right to quit, to seek new skills, and to become employed elsewhere. Such workers rights are also entrepreneurial rights--and human rights as well

Richard McKenzie, 1983

One socialist intervention always leads to another, because the economy is interconnected. Forcing people, or associations of people called corporations, to exchange their labor and the fruits of their labor against their will is an unjust violation of self-ownership. The economic chaos it would create would doubtless cause a demand for more government economic interference, which could lead to a totalitarian police state to crush dissent. Perhaps that is what the "economic power" advocates really have in mind, and why it is high on their agenda.

*If we choose the "economic-power" concept we must employ violence to combat any **refusal** of exchange: if we reject it, we employ violence to prevent any **violent imposition** of exchange. There is no way to escape this **either-or** choice.*

Murray Rothbard, 1970

It's The Money

When people criticize money as "the root of all evil," the evil that really concerns them is that the money is in your pocket and not theirs. Noble people, such as themselves, should not have to suffer the indignity of vulgar labor and trade to earn money. It's not the principle, it's the money.

There is nothing morally wrong with having a lot of money. What is wrong is getting rich by the initiation of force. Money that is justly earned through voluntary trade is a measure of how well others have been served. And the measure is determined by those served. If one believes that it is good to help others, then one should respect and admire the justly rich, for they have helped others far more than the poor have.

Basically, what happens in business and the economy is that people produce goods and services, which they exchange with each other. As goods and services are products of labor, we are really just exchanging labor. Some people produce things to be immediately consumed, and others produce tools (capital) to make consumer goods more efficiently. Groups of people specialize and work together in companies because they can produce more.

People use money to exchange their labor or what they produce with their labor, because it is easier than barter. For example, if you write poetry and need shoes, you have a problem if the shoemakers don't like poetry. You might find someone who likes poetry, and trade your poems for his horse. The shoemakers are willing to trade shoes for your horse, but there is another problem. You want only one pair of shoes, but a horse is worth several pairs, and can't be divided up so you can buy something else with the rest of the horse. Money solves all these problems. But you are still exchanging labor and the products of labor.

If you were on an island where there was no such thing as money, and you wanted something you didn't have, it would be obvious that you had to work to produce it, or to produce something to trade for it. If you didn't have everything you desired, it would be obvious that you were not producing efficiently enough. With money, however, it is tempting to think that prices or the system are unfair.

Money does not pay for anything, never has, never will. It is an economic axiom that goods and services can be paid for only with goods and services.

Albert Jay Nock, 1943

If we strive for money, it is because it offers us the widest choice in enjoying the fruits of our efforts. Because in modern society it is through the limitation of our money income that we are made to feel the restrictions which our relative poverty will impose upon us, many have come to hate money as the symbol of these restrictions. But this is to mistake for the cause the medium through which a force makes itself felt.

Friedrich A. Hayek, 1944

A lot of the misunderstanding about business is a result of using money and companies as intermediaries between individual producers. This obscures the fact that the

economy is simply individual people who are each trying to produce as great as possible satisfaction of other people's needs, so that they can consume more themselves. Everyone is at the same time a producer, consumer, employer and employee.

For example, if someone catches fish and you grow apples, is she any poorer because you have planted more trees and have a greater harvest? Is she suffering from your economic power? On the contrary, she will benefit from your increased wealth because you will have more apples to trade for her fish. You will have fish for dinner more often, and she will vary her fish diet with more apples.

The consumer's high price is the employee's low wage. The borrower's high interest is the saver's low interest. Naturally everyone would like a better deal, a "fairer" deal, for themselves. But what is "fair" is how each of us ***voluntarily*** values the services of others. Seldom are our services "worth" as much as we would like, compared to the services of others.

How To Get A Better Deal

There are only two ways to get a better deal. One is to produce and spend more efficiently. The other is to steal or get government to use force to steal on your behalf. The first option is that of the free market, and the second that of violence and politics. The first option leads to liberty and prosperity, and the second to slavery and poverty. This is true because robbery by ordinary criminals or by government destroys efficiency, capital, incentive and liberty.

> *There are two fundamentally opposed means whereby man, requiring sustenance, is impelled to obtain the necessary means for satisfying his desires. These are work and robbery, one's own labor and the forcible appropriation of the labor of others....I propose...to call one's own labor and the equivalent exchange of one's own labor for the labor of others, the "economic means" for the satisfaction of needs, while the unrequited appropriation of the labor of others will be called the "political means."*
>
> Franz Oppenheimer, 1926

Perhaps a clearer way to see the issue is to consider that, unless you are a dictator or a hermit, you have to depend on other people. There are two choices: you can have a number of people or groups competing for your favor by offering you better products, lower prices, higher wages and better working conditions. Or, you can have one group of people called government, deciding what you can buy for what price, whether or not you will have which job at what wages. Your deal would then depend on how

successful you were at politics, lying and corrupting your rulers.

Think about the "power" you have over government-provided services compared to business-provided services. And remember that the difference between an employer and a ruler is that, if you argue with them, the employer can only fire you, but the ruler can execute you.

The power which a multiple millionaire who may be my neighbor and perhaps my employer, has over me is very much less than that which the smallest bureaucrat possesses who wields the coercive power of the state, and on whose discretion it depends whether and how I am to be allowed to live or work.

Friedrich A. Hayek, 1944

Those who would substitute governmental control in the economic field for the power exercised by private individuals under competitive enterprise should never forget that they are substituting power from which there is no escape for power which is always limited.

Herbert Spencer

A disastrous intellectual package-deal, put over on us by the theoreticians of statism, is the equation of economic power with political power. You have heard it with such bromides as: "A hungry man is not free." or "It makes no difference to a worker whether he takes orders from a businessman or from a bureaucrat."... The difference between political power and any other kind of social "power," between government and any private organization, is the fact that ***a government holds a legal monopoly on the use of physical force.***

Ayn Rand, 1962

A favorite, and appealing, socialist theory is that a free market would cause destructive economic competition where some gain at the expense of others. It is appealing because many people fear competition, don't realize that everyone gains from voluntary exchange, and haven't considered that the alternative to voluntary exchange is involuntary exchange. Competition cannot be eliminated. Socialists are really proposing that competition to better serve others be replaced with the degrading competition for the favors of those in power. They want to replace with force the free market incentives to cooperate for mutual benefit.

In a country where the sole employer is the state, opposition means death by slow starvation. The old principle: who does not work shall not eat, has been replaced by a new one: who does not obey shall not eat.

Leon Trotsky, 1937

If you are mediocre and you grovel, you shall succeed.

Pierre de Beaumarchais, 1784

There was no future for me in Russia. The best opportunities in Russia go to children of Communist Party members. Advance comes because of who you are related to: it is not based on your own abilities and accomplishments.

Yakov Pirovich, 1981

...in Poland permission from the Labor Ministry is needed to be employed.

Polish government spokesman Jerzy Urban, 1983

Corruption has infiltrated every aspect of Soviet life. University students must bribe professors to get passing grades, parents must bribe teachers to stop them from victimizing their children in school, judges and police must be bribed to ensure favorable judgements whether fair or unfair, doctors and nurses must be bribed for good and honest care, tribute must be paid to officials to gain respite from arbitrary power. Communism, which was to eliminate buying and selling, has succeeded in turning everything into a commodity--grades, scholarships, justice, decent treatment--nothing can be had without being purchased.

Paul Craig Roberts, 1983

There are few ways in which a man can be more innocently employed than in getting money.

Dr. Samuel Johnson, 1775

Strangely, socialists advocate more government control of the economy as a way to give people more control over things that affect their lives. They wish to persuade us that politics is the "will of the people" and that the "impersonal" market is not.

But government power can be increased only at the expense of individual power. With a free market, everyone has at least some economic power. When government controls the economy, minorities--and often the great majority--have ***no*** economic power at all.

It is unfortunately none too well understood that, just as the State has no money of its own, so it has no power of its own. All the power it has is what society gives it, plus what it confiscates from time to time on one pretext or another; there is no other source from which State Power can be drawn. Therefore every assumption of State Power, whether by gift or seizure, leaves society with so much less power; there is never, nor can be, any strengthening of State Power without a corresponding and roughly equivalent depletion of social power.

Albert Jay Nock, 1935

Statists accuse Libertarians of "letting the devil take the hindmost," implying that we don't care about the suffering of inefficient producers or the unfortunate. On the contrary, liberty produces the highest possible standard of living for all. The statist system of confiscating the fruits of people's labor and distributing them according to political power, is truly the law of the jungle. It harms everyone, especially those least able to defend themselves against government exploitation.

★ ★ ★ ★ ★ ★ ★ ★

*To apply the principle of the "survival of the fittest" to both the jungle and the market is to ignore the basic question: **Fitness for what?** The "fit" in the jungle are those most adept at the exercise of brute force. The "fit" on the market are those most adept in the service of society.*

Murray Rothbard, 1970

★ ★ ★

Competition under capitalism is of an entirely different character than competition in the animal kingdom. It is not a competition for scarce, nature-given means of subsistence, but a competition in the positive creation of new and additional wealth, from which all gain.

George Reisman, 1981

★ ★ ★ ★ ★ ★ ★ ★

XVII. EQUALITY

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A society that puts equality--in the sense of equality of outcome--ahead of freedom will end up with neither equality nor freedom. The use of force to achieve equality will destroy freedom, and the force, introduced for good purposes, will end up in the hands of people who use it to promote their own interests. On the other hand, a society that puts freedom first will, as a happy by-product, end up with both greater freedom and greater equality.

Milton and Rose Friedman, 1979

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What is Equality?

There are many different kinds of equality which can be imagined. However, there is only one kind which can actually be put into practice, and which will result in a just, peaceful and prosperous society. That is for each individual to have equal rights according to natural law. This was the idea expressed in the Declaration of Independence as "all men are created equal" and therefore have an equal inalienable right to "life, liberty and the pursuit of happiness."

Another type of equality is "political equality." This means that everyone gets to vote to select their masters, and an equal "right" to engage in the political struggle to be a robber instead of one of the robbed. If everyone manages to rob others as much as he/she is robbed, there is little point to the game. But, of course, there are always winners and losers, so "political equality" produces injustice and inequality.

In a Libertarian society there will be no classes--in the sense of groups of people in society whose interests are antagonistic. Classes and class warfare are created by government, and cannot exist without political power.

In a free market, people mutually benefit by trading with each other, and anyone's success benefits all. Political success, however, is always at the expense of others.

"Equality under the law" means that everyone is treated by the government according to a set of political laws rather than arbitrarily. The catch is that people do not have equal rights with "equality under the law" because the political laws themselves do not treat people equally.

Political laws are imposed by those in power to benefit themselves and their supporters. That is the whole point to gaining political power to make laws. The losers in the struggle for power are hardly equal to the winners. So in

reality these two phrases are merely slogans used to sell a system that would create inequality even if it worked the way it was supposed to. And it doesn't.

If there is any lingering doubt about the impossibility of equal justice under any system of political laws, consider a few of the ways in which they discriminate. Benefits, privileges, penalties, rules, taxes, *etc.*, are determined by factors such as: age, sex, color, national origin, language, citizenship, place of residence, income, source of income, employment status, occupation, marital status, property ownership, hobbies, health, education, vices, association membership (church, corporation, charitable foundation, club, *etc.*).

Rather than protecting the right to voluntarily contract, political law seeks to dictate the terms of contract to favor one of the parties, such as: employee *vs.* employer, buyer *vs.* seller, creditor *vs.* debtor, renter *vs.* landlord, *etc.* Is it equality when both Jews and Christians are required by "blue laws" to observe the sabbath on Sunday?

Political laws mean whatever government judges say they mean. So even what little protection of rights political laws claim to provide, often doesn't apply if it isn't convenient for government, or if you are a member of an unpopular minority or live an unpopular lifestyle.

Equal Opportunity

Economic equality can be divided into two kinds: equality of opportunity and equality of results. Equality of opportunity is possible only in the sense of no one using force to restrict your freedom to produce, and to trade your labor or what you produce with others.

Any other kind of equality of opportunity is meaningless because no two people are identical mentally and physically, with the same talents, interests and determination. Also, people have different experiences with different parents, relatives, friends, teachers, culture, area of residence and luck.

It is said that equal opportunity means that each applicant for a job is judged only by qualifications. This implies that job requirements and qualifications can somehow be measured. But the requirements for a job are only a matter of opinion, which may be wrong. Should the requirements include promotability? If so, to what higher jobs, and what are their requirements? Qualifications are also subjective opinions. How can critical factors such as attitude be determined? How can different people with different combinations of qualifications be compared? Is

personal liking or disliking a prospective co-worker a qualification? This concept of equal opportunity sounds nice, but has no meaning.

Political laws which restrict by force anyone's natural law right to produce and voluntarily trade with others, are unjust. But what if some people discriminate against other people without initiating force, by refusing to hire or trade with them for reasons other than merit, such as race, religion, sex and age?

Anyone who has any love for fellow human beings has to be offended by such irrational discrimination. And all of us, including people who discriminate, suffer economically from the waste of talents and resources arbitrarily denied the most productive uses.

However, everyone has a right to be peacefully unreasonable and irrational. Those who discriminate have not initiated force against anyone, and ***their*** rights of free trade and association would be violated if force were used to prevent them from discriminating. Therefore, government "equal opportunity," housing and education discrimination, *etc.*, laws are unjust.

The injustice of such political laws is more obvious when the principle is carried to its logical conclusion. This principle would mean that you would have no right to discriminate among people to be guests in your home, to be friends, to buy from or sell to, to be roommates, or to marry. The government would regulate those choices. If a store had too few patrons of your group, or a store owned by a member of a discriminated group had too few patrons, you might be required to shop at a distance rather than nearby where you prefer, young people might be required to have old roommates and vice versa, parents could not discriminate in favor of their children, religions could not discriminate according to religion, and men might have to marry elderly widows whose chances for marriage are not as good as for younger women. If these examples are unjust, then no political law forbidding discrimination could be just.

In reality, we are all members of many minority groups, some of which are discriminated against. Each individual is a unique minority of one. often discriminated against by other people in ways that might seem unfair, perhaps only because we are strangers.

Remember also that the smallest minority on earth is the individual. Those who deny individual rights cannot claim to be defenders of minorities.

Ayn Rand, 1962

People within groups experience and practice wide var-

iations in discrimination, so laws based on membership in a group cannot be fair. Discrimination affects individuals, not groups. So even if anti-discrimination laws could be just, there is no just way to administer them or any logical and clear place to draw the line between those who deserve special protection and those who don't. Inevitably, many who are innocent of discrimination will be deprived by force of opportunities they earned, to benefit others who are undeserving, but more favored by politicians.

It is one thing to not like a person because of her/his behavior, and quite another thing to dislike people one does not know because they belong to a different group. The first is ethical discrimination, the second is irrationality.

The philosophy of anti-discrimination laws is the same as that of irrational discrimination. That philosophy is collectivism. The opposite philosophy, that of relating to people as individuals rather than as members of a group, is called individualism, also known as liberty.

Anti-discrimination laws also cause economic loss because of the huge expense of administration and compliance, and by wasting talent and resources. More seriously, the use of force to solve this social problem (or ***any*** social or economic problem), always aggravates the very problem it is intended to solve.

People resent being forced, the interference in their lives, the expense and waste, and the red tape. Especially those who are innocent of discrimination resent the injustice of being punished for something they had no part of.

This can result in more intolerance, and even hatred, of the groups the laws are intended to benefit, not only by the original discriminators, but by people who otherwise would have been tolerant or even friendly. Thus, suppressing the ***symptoms*** by force may cause the underlying human relations problems to grow worse, and lead to class and group warfare for control of political power as a weapon against each other.

Progress in reducing discrimination is not because of anti-discrimination laws. Rather the laws are a result of the progress. The laws are an attempt by the government to claim credit for social progress that is already popular and to expand government power. As always, government is an exploiter, not a leader.

If there is a large enough majority of the population against irrational discrimination to support equal opportunity legislation, then there are enough people willing to provide equal opportunity to make legislation unnecessary.

We must all, no matter how lovable we may be, live with the fact that there are some people somewhere who don't like and approve of us. What is more important is that we have a good job, people willing to supply our needs in exchange for money, and some friends who do like us.

The only legislation needed is repeal of all government economic regulation. Economic regulation by its nature unjustly discriminates against unpopular minorities, and in favor of established groups in society. Examples are as numerous as regulation, but some of the worst are zoning, government-granted monopolies, occupational licensing, business subsidies, union legislation and minimum wage laws.

Another bad effect of government economic interference is the destruction of capital. Because government has made capital scarce relative to labor, employers are able to pick and choose among qualified prospective employees according to non-economic criteria.

Not only does government economic interference cause and encourage discrimination, it works against one stated goal of anti-discrimination legislation--to improve the standard of living of minorities. True, this goal can be unjustly accomplished by robbing others for their benefit. But a far higher standard of living for ***everyone*** can justly be achieved by eliminating government economic interference.

Discriminate Against Discrimination

What can justly and practically be done to reduce intolerance and degrading, wasteful discrimination--to change people's attitudes and promote harmony? Fortunately, there are two ways to solve the problem that are just and effective. They may not make headlines or work as fast as we would like, but they don't violate rights, cause major new problems or cost a lot of money. One is the free market and the other is persuasion.

The market automatically rewards for dealing with others on the basis of merit, and penalizes for using irrational criteria. But in a regulated economy depressed by government interference, and in businesses and occupations with government monopolies and subsidies, there may be little cost to discriminate in favor of preferred groups.

However, in a free market with its prosperity and intense competition for workers and sales, the economic pressures against discrimination would be strong. Business people can quickly learn to like unpopular minorities as customers with money to spend, and as employees with skills needed to make more profit. Consumers are attracted by bargains

and superior products and services, no matter who provides them.

If our personal knowledge of human nature doesn't make it obvious that a free market would work to reduce intolerance, there is abundant historical evidence. Discrimination against minorities, such as racism, has always thrived under collectivist governments, but declined when liberty increased.

There are many forms persuasion can take, from personal example and persuasion, to social pressure, to demonstrations and boycotts. All are effective if properly used according to the circumstances. It's tough to be a bigot if your friends and neighbors actively disapprove.

Libertarians believe in equal rights for everyone. We believe that if there has to be a government, then it should be strictly limited to protecting our equal rights from those who would violate them by force. But no government can avoid treating people unequally. It exists to benefit some people by harming others. That is why force is required to keep government in power. The bigger the government, the less equality of rights.

Government takes from some young to benefit some old and from some old to benefit some young; it takes from some non-poor to aid some poor; it takes from the poor to aid the wealthy; it takes from everyone to benefit bureaucrats, politicians and government contractors; it gives monopolies to some people at the expense of consumers; it takes from some workers to benefit other workers; and it gives some people the power to impose their views on others by regulating their lives. The list is endless. Government always discriminates.

Not only does government discriminate, but it also encourages collectivist thinking, which leads to far more discrimination. When government benefits and harms according to group membership, people begin to think of themselves and others as members of groups, rather than as individuals. Such collectivist thinking is the root of intolerance, irrational discrimination and genocide.

The idea of government defending minorities against discrimination is especially ironic, when one remembers the atrocities committed against minorities by governments throughout history. One of the worst, the Nazi liquidation of millions of Jews, is still fresh in mind. But Americans don't have to look to foreign governments for examples. It started early with religious persecution by the Pilgrim government. Some of the grosser violations of the rights of minorities by the American constitutional government are:

genocide of the Indian population, black slavery, Philippine genocide during the "Spanish-American" war, expropriation and internment of Japanese-Americans during World War II, massacre of Vietnamese civilians, and "Jim Crow" laws and segregation. These were ***all government programs***.

While political agitation against government is certainly justified, it is mostly misdirected toward gaining unequal privileges. And discrimination cannot be prevented by giving government more power to stop discrimination, as, for example, the proposed "Equal Rights Amendment." We already have inalienable equal rights. The only way to secure our equal rights is to reduce government power in order to stop government from violating those rights.

Note the difference between a right and a privilege. A right, in the abstract, is a fact; it is not a thing to be given, established, or conferred: it is. Of the exercise of a right power may deprive me; of the right itself, never. Privilege, in the abstract, does not exist; there is no such thing. Rights recognized, privilege is destroyed.
Voltairine de Cleyre, 1866 - 1912

Libertarians insist that the freely chosen actions of individuals be respected. This concept of justice is "means oriented." As long as a given social state results from the voluntary interactions of everyone involved, it is just. Justice, therefore, refers not to a specific end state such as equality, but to the process by which the end state is achieved. If no rights are violated, justice is achieved.
Wendy McElroy, 1982

Equal Results

The second kind of economic equality is equality of results. The idea is that everyone should have the same success, income, wealth, and even happiness. In other words, regardless of differences in ability, experience, effort, ambition and desires, the outcome should be the same.

People who believe that there should be equality of outcome are called egalitarians or socialists. There are different egalitarian theories about what outcome should be equalized. There don't seem to be any theories about why people should have equal outcome no matter what they do to earn it, or to justify force to equalize people who don't want to be equal. "Why equality?" is a good question to ask a socialist.

Socialists believe that the outcome of social and economic relations, especially the pattern of ownership of wealth, is all-important. Any means are justified to achieve the pattern they desire. In contrast, Libertarians believe that *no* ends can justify the initiation of force. For Libertarians, a just outcome is whatever is achieved voluntarily by just means. People have a right to choose their own

ends. It is the process that is important, not the patterns which result.

People who advocate equality are usually thinking of wages from employment. It just doesn't seem fair to them that someone should be paid much more for working the same hours as another person. What confuses them is the use of money and the system of hourly or weekly pay. They are paid for their time and both employees are giving up the same amount of their time. Their sacrifice is equal. So why shouldn't the employer be forced to equalize their pay?

The actual situation, of course, is that the employer pays different wages primarily according to how much the employer's customers value what each employee produces. This is difficult to measure when several people are cooperating to produce something, so employers usually pay the approximate value as determined by the labor market.

Thus, despite the appearance, employers are really paying for production, not time. Paying different hourly wages, while not exact, is just a simpler, less costly way to accomplish this result.

The situation is clearer when people are self employed, especially if they are self sufficient. Imagine two farms of the same size in some isolated area. If one farmer grows more crops, produces and eats more meat, builds a bigger and better house, produces more wool and weaves more and better clothing, who can say that that farmer is unfair to the less productive farmer? And how can egalitarians claim that the more productive farmer should be robbed to benefit the less productive, instead of being allowed to keep the fruits of his labor?

Such obvious injustice is probably why socialists oppose self employment and want everyone to work for wages. And it may be one reason why people in big cities are more likely to be socialists than people from rural areas where more people are self-employed, and therefore the injustice of redistribution is more apparent.

It might seem that everyone would be properly (from the socialist viewpoint) equal if cash incomes were equal. However, socialists are not satisfied with this. Not everyone will be pleased to be equalized and willing to cooperate with such a program. If it is imposed by government, people will find ways to remain unequal by producing for their own consumption or barter, by working in the underground economy and by dealing on the black market. But socialists have not hesitated to employ violence and totalitarian slavery attempting to overcome this problem for

the glorious cause of equality.

From each according to his abilities, to each according to his needs.
Karl Marx, 1875

What is also a problem to some socialists is that different people would not obtain equal satisfaction from their jobs and from the equal money they are paid. There would be wide differences in ***effective*** income.

Therefore, these socialists believe that the proper outcome of an economic system is equality of happiness. One socialist theory is that incomes should be adjusted so that everyone could purchase equal happiness--a grouch with expensive hobbies being paid far more than someone with simple tastes who is easy to please. Silly as it sounds, there are people who seriously want such a system.

It would appear that there might be a few little problems with equalizing happiness, such as measuring happiness, and allowing Jack the Ripper to pursue the hobby that makes him happy. Some people may not be willing to marry other people just to avoid making them unhappy.

But this is to forget that the objective is equality, not happiness. The important thing for socialists is that no one should have ***more*** than another. Consider how likely socialists would be to favor a proposal which would double everyone's standard of living, both rich and poor.

The relationship between what poor people earn and what not-poor people earn is more important than the actual amount that either of them earns.
Walter Dean Myers, 1976

The only way to even approximately create equal happiness is to cause equal (except for the rulers and their enforcers) abject misery. This, in fact, has been the method practiced by many socialist states throughout history. Appealing slogans like "economic equality," "economic democracy," and "equal happiness" in reality have always been nothing but propaganda to sell well-***intentioned*** people on accepting the ruthless oppression, slavery and rivers of blood that result from attempts to bring it about.

Redistribution

The ***end result*** of all government interference in the economy, for whatever purpose, is reduced production of goods and services, and unjust "redistribution" of what is produced. Whether the purpose is to uplift humanity or merely to re-elect a politician, that is the net effect. But, more and more, forced "redistribution" is being considered desirable for its own sake, even though it always lowers everyone's standard of living.

In general, the art of government consists in taking as much money

as possible from one class of citizens to give to another.
Voltaire

Government is the great fiction through which everybody endeavors to live at the expense of everybody else.
Frederic Bastiat, 1848

The redistribution of incomes has this remarkable feature, that the majority of both its champions and its opponents believe that it happens in a sense that it does not.... The reason is that though our system does indeed tax the rich exceptionally heavily, the magnitude of the total effect is misconceived. There simply are not enough rich to make much difference.... The modern high-taxing, high spending state does not obtain its vast revenues from the rich but from heavy taxes on all citizens, including the poor.
Arthur Shenfield, 1970

The idea behind "redistribution" is that the free market would be "unfair," because some people would have more income than other people. The important thing is not how high an income some people have, but rather that no one be permitted to have a ***larger*** income that might make others feel unsuccessful and envious. This terrible situation comes about because the market rewards people according to how well and how hard they work to satisfy other people's needs and desires. This is the well-known "evil" profit motive.

They ascribe their own failures and frustrations to the unfairness of this "mad" competitive system and expect that socialism will assign them that eminent position and high income which by right are due them. They are Cinderellas yearning for the prince-savior who will recognize their merits and virtues. The loathing of capitalism and the worship of communism are consolations for them. They help them to disguise to themselves their own inferiority and to blame the "system" for their own shortcomings.
Ludwig von Mises, 1947

Socialists make a big thing of separating "wants" and "needs." Their theory is that we can (and should) do without wants, but we have a "right" to have our needs met. They always forget to mention ***at whose expense*** our needs are to be met, or why they have an obligation to meet our needs, or what happens if they have enough for only their own needs.

The idea that everyone has a right to whatever they want is ridiculous on its face, so socialists have to justify a shorter list of rights. Their reason for separating needs and wants is to have an excuse for selecting a few items from the almost infinite list of goods and services that we consume. Our "right" to have these items provided would then, of course, have to be guaranteed by forced redistribution.

But they have at least two problems. First, if there were a clear way to determine what is, and is not, essential, this would still not create a right to rob and enslave others to obtain essentials. Second, "needs" differ from individual to

individual, so there is no way to make a universal short list. What kind of food do we have a right to, and what if we are allergic to the food selected? Any list of needs would have to very detailed, and would be nothing more than one person's opinion, with which few would agree. If love, music or a poem are the only things that can give someone the strength to survive, can it be said that these are merely wants and not needs?

There is, however, one truly essential need that socialists always leave off their list--liberty. It is so essential that if we had no liberty at all, we would starve, even though food was provided. With liberty, we are free to use our bodies to obtain what we need without violating the equal right of others.

The use of the word "redistribution" by socialists is an effort to suggest that wealth is "distributed" rather than produced. They wish to justify and camouflage their desire to rob and enslave others, by pretending that they intend only to correct a previous unfair distribution. However, when all the elaborate excuses are seen through, and whatever "redistribution" means to its advocates, ***for its victims, redistribution is theft***. And socialism in practice is legalized plunder and exploitation.

The injustice of seizing by force the fruits of a person's labor is never considered by those who push "redistribution." That is because slavery cannot be justified.

And they never explain why people would work hard to produce, if what they produce is stolen. This is because they ***wouldn't*** work hard, so there would be less produced. Slaves do not produce as much as free people. And ***what is not produced cannot be redistributed.***

Who Needs Incentives?

Socialists like to ignore the critical importance of individual incentives. Their focus is on the collective, which they speak about as if it were a living being with a mind and will of its own, instead of the reality of a collection of different people. But only ***individuals*** think, make decisions and act.

Did we duly realize that society is a growth, and not a manufacture--a thing that makes itself, and not a thing that can be artificially made--we should fall into fewer mistakes.

Herbert Spencer, 1850

Human nature is not a machine to be built after a model, and set to do exactly the work prescribed for it, but a tree, which requires to grow and develop itself on all sides, according to the tendency of the inward forces which make it a living thing.

John Stuart Mill, 1859

An economy is like a living organism and grows or contracts as it is

fed or starved. The food for a healthy economy is incentive, because incentive is what makes it worthwhile for people to be imaginative and enterprising, which will in turn cause the economy to expand.

Jennifer Roback, 1981

The socialist theory is that human nature is simply a product of the environment, and that human nature can be improved by social engineering. Therefore, self-appointed people who believe they know what is best have a right to use violence to impose their superior values on the ignorant masses. For the masses' own good, of course.

The strategy of Karl Marx (and other socialist theorists) for achieving goals was backwards, as well as unjust. He proposed imposing a "perfect" society by force, in the belief that the people living in it would be transformed into "perfect" people.

But a social system imposed by force is not perfect--it is unjust. So, even if it were true that people's character was determined by their social environment, they would be conditioned to injustice and violence. The only way we can have a better society is for people voluntarily to first want to change.

The socialist goal is to create a superior race of homogenized interchangeable ***equal*** people with ***no*** individual differences or aspirations, who desire ***only*** to work for the benefit of society, as defined by their saintly rulers. Self-interest is considered merely a bad habit to be eliminated by scientific reprogramming. Thus there will be no need for incentives which can result in inequality. Society is to be remodeled along the line of bees in a beehive whose lives are dedicated to the queen bee.

The selfishness and self-interest which have determined our struggle for survival, for identity and supremacy, can be superseded by selflessness, the sacrifice of self in the interest of the greater whole. The will to love and the will to serve the common good reflect the principle of co-operation which is the antithesis of competitive self-interest.

World Goodwill Commentary, 1973

The ideal as described by socialist theorists, starting in the fourth century B.C. with Shang Yang in China and Plato in Greece, is the suppression of all individuality.

Plato described the ideal socialist state in his book The Republic. His state was to be controlled by and for the benefit of philosophers, who would rule the citizens with the aid of an army of "guardians" who would live in poverty. Every detail of the citizens' lives, including sex, was to be regulated by the philosophers to ensure that no one had anything different from everybody else. One's status was hereditary.

It is interesting to note the similarities among Plato's ideal socialist state, existing socialist states, and the hereditary caste systems of medieval feudalism and modern India.

Plato's ideas were strongly influenced by the execution of his teacher, the philosopher Socrates, after a jury trial in the Athenian democracy. Plato thought that the problem was that the wrong group was in power, and did not understand that the real problem was power itself--the initiation of force to control others.

Socialist theorists since Plato, such as Sir Thomas More, who also wrote about an ideal socialist state in 1516, in his famous book Utopia, have changed the details but not the outline and principles. These and other socialist writings also have in common an elitist contempt for the individuality, intelligence, feelings, desires and individual rights of ordinary people. Socialists view other people as if they were vegetables in their garden, and dissenters as weeds.

> *If it were only that people have diversities of taste, that is reason enough for not attempting to shape them all after one model. But different persons also require different conditions for their spiritual development; and can no more exist healthily in the same moral, than all the variety of plants can in the same physical, atmosphere and climate. The same things which are helps to one person towards the cultivation of his higher nature are hindrances to another.*
>
> John Stuart Mill, 1859

Socialism in practice has attempted to eliminate individual differences by such methods as abolition of private property; wearing the same clothes; primitive communal living without privacy; state control of sexual relations and child rearing, standardized forced labor at simple tasks which require no skills; prohibition of culture including art, music, theatre, literature, and even reading; liquidation of those who resist; harsh punishment for disobedience, self-expression, discontent or failure to be an informer; punishment of relatives, friends or group for deviations by an individual; forced relocation; *etc.*

Some socialist theorists have said that after a few generations of socialism, people will grow to look exactly alike in appearance. Others, more realistic, have proposed mutilation of people with more attractive bodies.

To reduce resistance to socialism and reduce differences in individual thinking, socialist states censor, control or eliminate education and all means of communication.

One must have permission to change residence or jobs, or to travel outside one's assigned small area. Bad news, and especially news of dissent, must not be allowed to spread. Dissenters must not be allowed to learn of each

other, or to organize. Everyone must, at the demand of officials, present their "papers" showing that they have permission from the authorities to be where they are, doing what they are doing. Informers and secret police spies monitor everyone.

Travel and contact with foreigners is tightly controlled to avoid the spread of unapproved ideas and information. Citizens of a socialist state must not be permitted to find out how low their standard of living is compared to that enjoyed by people with more liberty.

Repetitious propaganda is used to mold thinking. Emigration is forbidden and attempts often punished by death, for there must be no hope of escape. Socialist states place great importance on obliterating knowledge of the past by rewriting history, physical destruction of evidence and book burnings.

Extreme socialist states are very vulnerable to any dissenting ideas. For example, the powerful ancient Inca Empire in Peru (which would have pleased the most fanatic socialist) was destroyed by contact with a tiny group of Spanish explorers under Cortes. The Incas had lost all ability to adapt to new ideas and change.

All books which are not concerned with the official history of the Ch'in state, except books which are under the keeping of high officials, are to be burned.... All who still dare under-the-heavens to conceal are to be brought to the chiefs and the guards and burned together with their books. All who discuss these works are to be publicly executed. All who use the examples of the past to condemn the present are to be executed.

Edict of Ch'in Shih Huang, Ch'in Dynasty

If you adhere to antiquity and do not recognize the new, all your family will be slaughtered. Ch'in Shih Huang buried only 460 Confucians alive. However, he has a long way to go to catch up with us.... I assert that we are better than Ch'in Shih Huang. He buried alive 460 people and we, 46,000--one hundred times more.

Mao Tse-Tung, 1958

...authorities have started to seal off the Soviet population from foreign influences more completely than at any time since the height of the Cold War. Russian-language radio broadcasts from abroad, which were heard by millions of people in the Soviet Union during the 1970s, are now being jammed consistently. Emigration from the Soviet Union, which reached a peak of 5,000 persons a month in late 1979, has all but ceased. And the number of telephone lines connecting the Soviet Union with the West has been reduced by two-thirds.

The Wall Street Journal, September 29, 1982

The pen is mightier than the sword. *That's not just a cliche. And Romania's apparatchiks know it. Upset by a spate of anti-government leaflets, the communist regime is banning possession of typewriters by citizens who have criminal records or pose a "danger to public order or state security." Even solid citizens must buy their typewriters at state-owned stores, register them with the police, give*

type samples so the police can trace subversive leaflets to the typewriter of origin.

Times-Union, April 18, 1983

It is significant that the nationalization of thought has been proceeded everywhere with the nationalization of industry.

E. H. Carr

The most awful dictatorship that humanity has known is the dictatorship of the proletariat.

Poet Armando Valladores, 1982,
after 22 years in a Cuban prison for criticizing Castro

Some observers have noted that if socialism succeeded in erasing every trace of individual identity, there would no longer be ***human*** life. This, together with the socialist preoccupation with the destruction of the hated present social systems, no matter how much the destruction harms people, suggests that socialism is based on self-hatred and the subconscious human death wish.

You, who have lost the concept of the difference, you who claim that fear and joy are incentives of equal power--and secretly add that fear is the more "practical"--you do not wish to live, and only fear of death still holds you to the existence you have damned.... Yours is the Morality of Death.

Ayn Rand, 1957

Millions of people have been slaughtered or starved to death to implement this glorious socialist vision of destroying individuality. An example is the genocide by forced displacement of the population of Cambodia from cities and villages to primitive communes. Approximately three million people died or were killed. All these experiments attempting to modify human nature by force have failed, usually disastrously. Each human mind is different, with different values and a free will. Self-interest, including the desire to achieve our own values, is an inborn necessary survival instinct that ***cannot*** be eradicated, except by death.

The desire of bettering our condition, a desire which, though generally calm and dispassionate, comes with us from the womb, and never leaves us till we go into the grave. In the whole interval which separates these two moments, there is scarce perhaps a single instant in which any man is so perfectly and completely satisfied with his situation as to be without any wish of alteration or improvement of any kind.

Adam Smith, 1776

We cannot equalize wealth without equalizing people. There is no way to equalize people except by killing them. Men have equal skills only in the grave

Gary North, 1982

So whether the so-called social reformers like it or not, mankind will continue to be motivated by self-interest. Even after almost three generations of conditioning, the Russian tyrants have to permit their subjects to have small private individual gardens and to sell their production on an open market for a profit. Without the incentive of self-interest, these gardens, which occupy only 3% of the land

farmed, would cease to provide 30% of the food supply. Even so, collective agriculture has been such a failure that there is still a large shortfall which must be filled by purchases from Western farmers. Before socialism, Russia was a grain exporter!

The socialist government in Russia has also found it necessary to offer a wider range of wages than in "capitalist" countries, in order to motivate people to perform in "critical" occupations such as athletics, ballet and science. Because there is little to buy, special purchasing privileges have also had to be granted along with higher wages.

They pretend to pay us, we pretend to work.

Russian saying

Six Soviet Wonders

Nobody is unemployed, but nobody works. Nobody works but everybody is paid. Everybody is paid but there is nothing to buy. There is nothing to buy but nobody lacks for what he needs. Nobody lacks for what he needs, but everybody complains. Everybody complains, but when it comes time to vote everybody votes yes.

Another Russian Saying

The Soviet Union has introduced an incentive plan offering cash bonuses, cars and vacations abroad to stimulate meat and dairy production this winter.

Reuters, November 20, 1983

Whenever socialism has been imposed, the stories are the same all over the world: a country whose once prosperous agriculture has been crippled by socialist central planning and elimination of individual incentives cannot feed itself. Often, a former ***exporter*** of food has to be saved from famine by emergency food relief.

And leaving Poland with its drab demeanor, food rationing and empty restaurants, for a respite in Vienna, only a few hundred miles away, with its glittering facades, lavishly stocked stores and animated citizenry, is to call forth in oneself a sense of rage at the waste of humanity that one has seen.

Thomas J. Bray, 1982

Another example of the importance of individual incentives is celebrated each year at Thanksgiving. It is not generally known, but the reason over half the Pilgrims starved to death the first two years in their Plymouth Colony was their communist government, which forced "redistribution" of food and prohibited individual incentives. In 1623 the Governor allowed the colonists to farm for themselves. The resulting harvest which saved the colony was celebrated by the first Thanksgiving feast.

All this while no supply was heard of...so they began to think how they might raise as much corn as they could, and obtain a better crop than they had done that they might still not thus languish in misery. At length, the governor gave way that they should set corn

every man for his own particular. This had very good success, for it made all hands very industrious.

William Bradford,
Governor of Plymouth, 1623

CANTON -- Liu Si is rich. He earned 17,500 yuan--over $8,800--last year and expects to do even better this year...He could not afford a television set. Mr. Liu told a visitor, "Because I can't afford the time to watch it." He added, "I have to work until midnight every night." Nanhai County gave Mr. Liu a colorful certificate proclaiming, "Get rich through hard work--getting rich is glorious." He said his neighbors, 10 of whom now raise ducks too, did not mind. "No one was jealous of me because everyone can do it," he explained. "The policy allows it." Mr. Liu is a conspicuous success story of the new agricultural policies set in motion by the Chinese leader Deng Xiaoping just over four years ago. ...the pragmatic notion of letting peasants who work harder earn more has wrought an economic and social transformation around the countryside...

Christopher S. Wren, 1983

Some Vietnamese obviously are enjoying new-found prosperity. One reason is the introduction of capitalist-style incentives for farm and factory workers over the past two years.... "Everyone likes the system," says Nguyen Van Nieu, chairman of the cooperative. "They can sell their surplus and get money to buy more clothes and consumer goods." The practical result is that 25 of the 1,250 families in the cooperative boast television sets and there are eight radios for every 10 families.

The Wall Street Journal, March 4, 1983

Liberty is the only social system which offers peace, justice and prosperity. Socialism has failed ***every*** time it has been tried. For thousands of years, socialism has produced war, injustice, oppression, poverty and misery.

Having experienced applied socialism in a country where it has been realized, I certainly will not speak for it. Socialism of any type leads to a total destruction of the human spirit and to a leveling of mankind unto death.

Alexander Solzhenitsyn

Income Gaps?

There are many people who are concerned about the "gaps" between people's incomes and believe government should correct the "problem." Ask these people who advocate "redistribution" to lead the way by giving away to the less fortunate all their income that exceeds the average income (the world average would be most appropriate). If they answer that they prefer to wait until everybody does it, because their contribution will have little effect, point out that the effect will be the same regardless of what others do. Their refusal to set an example will demonstrate that it is your income they wish to "redistribute," not theirs.

The important issue is not income gaps, but how people obtain their wealth. It is moral for people to get rich by hard work serving others. It is immoral to get ***any*** wealth by initiating force against other people. There is nothing

unjust about wide differences in incomes resulting from differences in how much individuals produce. ***Production belongs to the producers.*** What ***is*** unjust is to enslave producers by robbing them of what they produce with their labor.

Some will no doubt point out that while it is obviously just that people own the fruits of their labor, there are wealthy people who enjoy a life of luxury without working to produce anything.

Assuming that the wealth was justly acquired by producing in the past, there is nothing whatever unjust about someone enjoying the leisure that their labor has made possible. Envy and resentment by those who have not been as successful in serving others is one of the less attractive human emotions.

Envy and resentment appear to be especially strong when the wealth has been inherited or received as a gift. But this is no less just than if the original producer enjoyed the wealth.

To deny the right of the heir or receiver of a gift to the wealth they have not produced themselves, is to deny the right of workers to own what they produce and to dispose of it as they wish. If you didn't have the right to benefit people you love by giving them the fruit of your labor, you would not own your labor or your body. You would be at least partially enslaved. The confusion on this issue is caused by looking only at the receiver of a gift of wealth, and not the rights of the producer of the wealth.

One may ask those who are offended by the ***justly acquired*** wealth or good fortune of others: How are they harmed? How is their envy of inherited wealth any different from envy of inherited talent or beauty? And do greed, resentment and envy justify violence to rob others?

Those who believe in forced "redistribution" to equalize incomes should also be asked to explain why anyone should believe that future "redistribution" will have any different effect than it has had in the past. In the past, "redistribution" has always increased income gaps. The greatest gaps in living standard between poor and rich are to be found between the subjects and the rulers in socialist countries. The more "redistribution," the greater the gaps.

However, the free market works to narrow income gaps because people have the liberty to seek the best opportunities for their labor and capital. In a free market, labor will tend to move to areas and jobs where there is the most capital and therefore the highest wages. Capital will tend to move to areas where there are the lowest wages,

thereby raising wages. Only government can prevent this natural leveling process.

People truly concerned about income gaps should concentrate on eliminating government obstacles to free trade. "Have-nots" have not because they produce less, usually because of government force, but not because of "haves."

The free market also promotes harmony and cooperation to increase the standard of living. On the other hand, if government controls the economy, there will be "special interest" groups competing to plunder others and avoid being plundered. Forced "redistribution" changes harmony to hatred.

In one world, as in one state, when I am rich because you are poor, and I am poor because you are rich, the transfer of wealth from the rich to the poor is a matter of rights: it is not an appropriate matter for charity.

Julius Nyerere, President of Tanzania

The idea of a "social wage" rather than a wage linked to production sent costs soaring. The bicycle factory in Tanzania, without any competition and despite overwhelming demand, can't make a go of it.

The Wall Street Journal, March 21, 1983

In the sweat of thy face shalt thou eat bread.

Genesis 3:19

With courage and prudence, a man can protect himself from illegal plunder, but no one can escape from legal plunder. If someone tries, what is the distressing spectacle presented to society? A plunderer armed with the law, a victim resisting the law.

Frederic Bastiat

The socialist principle of equal misery is illustrated by the following old story. It seems there was a libertarian and a communist at the train station. The first class passengers were enjoying spacious comfort while most of the second class passengers were standing. The libertarian asked why the (government-run) railroad didn't add more coaches so the second class passengers could all be seated. The communist demanded that the first class coaches be taken off the train so the first class passengers would also have to stand in crowded coaches.

The ugly truth which socialists try to ignore, is that liberty builds up, but socialism can only tear down. Socialism is concerned with preventing anyone from succeeding, not with maximum success for all. Equal opportunity means no opportunity. Equal wealth means almost no wealth--except for rulers, of course.

When extremes of poverty and wealth exist side by side, it is always because government has granted economic privileges to those with political power. Contrary to socialist rhetoric, state intervention in the economy is the ***cause*** of, rather than the ***cure*** for unjust distribution of wealth

and the resulting class warfare.

Socialism is the refusal to others and the abandonment for oneself of all true human rights.

Auberon Herbert, 1897

Poor Socialism

We are regularly subjected to propaganda citing "the needs of the poor" as a justification for high taxes and "redistribution." However, despite all the American government's poverty programs, only a tiny percentage of the tax money government collects actually is received by the poor, or benefits them in any way. The fact is that the overall effect of any government is to redistribute wealth from people with lower incomes to those with higher incomes.

All animals are equal, but some are more equal than others.

George Orwell, 1945

Although the methods may change, in countries that are more socialist than the U.S., there is even more redistribution from the poor to the politically influential.

Considering that there is not one case in all history of government benefitting the poor or "redistributing" income any way but up, it is amazing that the myth of government benevolence persists. Why does anyone believe that people who have power to control an economy by force would not take care of themselves first? And why does anyone believe that more socialism would mean different, "nicer," people in power?

Even though the poor may not appear to pay much in taxes, they cannot avoid paying the high taxes embedded in the price of everything they buy. And a lot of their taxes goes to subsidize the politically powerful.

It has been calculated that if all the money spent annually by the American government on "poverty programs" (which is less than 5% of total spending) were divided by the official number of poor families, it would amount to around $40,000 (about double the average American family income today). Who do you suppose gets the $40,000--the poor, or the administrators, professional social workers and rich contractors?

Anti-poverty programs do much to relieve poverty among the people who run anti-poverty programs.

Richard Needham, 1977

Government is the main reason the poor are poor in the first place. Every government intervention in the economy to benefit special interests lowers everyone's standard of living and increases unemployment. The poor thus pay a heavy tax in the form of suffering poverty, so that government can subsidize others. When government-

granted monopolies and regulation raise the cost of necessities, such as food, housing, utilities and transportation, it is the poor who are hurt most by this hidden tax. There are few who would be unable to support themselves adequately if government were stopped from interfering with the economy.

It is vital to understand that helping the poor is just an excuse for government. Only a tiny percentage of government spending actually directly benefits the poor. The idea is to legitimize and enlarge government, buy votes and gain our sympathy and toleration for being robbed for a worthy purpose. The real and only reason for government is for those in power to exploit everyone else.

The really poor will never benefit from government because they will never have power, for the same reasons that they are poor. Even when politicians buy their votes with "social programs," the poor will still suffer more than they gain.

If one had a "time machine" and transported the united labor chieftains of America, plus three million government bureaucrats, back to the tenth century--would they be able to provide the medieval serf with electric light, refrigerators, automobiles and television sets? When one grasps that they would not, one should identify who and what made these things possible.

Nathaniel Branden, 1963

The people who want more "redistribution" (apparently motivated more out of envy and resentment than compassion) aren't giving up because the tax and spending method has almost reached the limit of tolerance. The new emphasis is on destructive economic regulation which, they hope, will make it impossible for anyone except politicians and bureaucrats to enjoy more than a very modest living. These "egalitarians" want to reduce us to poverty to sap our will and financial ability to resist socialism.

The truth is, that the socialist, unknown to himself, is the most antisocial of all human beings, and, if he had his way, would render all true social action impossible. His creed of universal compulsion and wholesale effacement of the individual is the very essence of antisocialism.

Auberon Herbert, 1899

Income "Transfer"

When government confiscates people's property through taxation, it can either spend the stolen money to buy goods and services which are used to benefit special interest groups, or it can give the money directly to the special interests.

If government seizes the income of some people and gives it directly to other people whom politicians consider more deserving, it is called "income transfer." The stolen

money is called "transfer payments" or "entitlements," on the theory that the receivers of stolen property are "entitled" to it.

In addition to government transfer programs for the poor, such as welfare and food stamps, there are other large government transfer programs for various groups of people. Most of the beneficiaries of these other transfer programs are not in poverty. Examples of such programs are old age pensions, unemployment "compensation," trade adjustment assistance, and national health "insurance." In many countries, parents are paid a monthly "family allowance" for each child.

All government income transfer programs, by whatever name they are called, are nothing more than socialist "redistribution" of wealth schemes. Anyone who doubts their socialist origins has only to read socialist theorists such as Marx, or any old socialist party platform.

Government income transfer programs are sold to the public as solutions for real problems which were caused by the government in the first place. This allows socialists to pretend that they are acting out of compassion for the poor and unfortunate.

However, they are really acting to increase their political power and to increase and cover up the human misery they have caused. Instead of compassionately advocating the free market to prevent the problems, they hypocritically attempt to blame liberty as the cause.

Income transfer is theft. All such programs should be abolished as unjust and harmful. The problems used as excuses for this theft should be prevented by shrinking government to its proper role.

Social Insecurity

One income transfer program stands out as deserving special attention--government old age pensions. The American "Social Security" system will be taken as an example. Contrary to government propaganda, it is not a system of forced savings that are returned upon retirement. It is no different from any other government "welfare" program in that money is taken from one group--in this case, workers--and given directly to another group, retired people.

The idea of a "trust fund," in which money is accumulated for retirement, is a deliberate hoax used to disguise the true nature of "Social Security." It bears no relation to a private pension, annuity or insurance plan.

The Social Security Administration waged a deliberately fraudulent

campaign of deception and misrepresentation against the public.
Peter Ferrara, 1980

I am shocked at the level of the arguments that have been used to sell Social Security. Men who would not lie to their children, their friends, and their colleagues, have propagated a false view of Social Security--and their intelligence and exposure to contrary view make it hard to believe that they have done so unintentionally.
Milton Friedman

Even if "Social Security" benefitted the participants, it would still be unjust to impose it by force. But, except for the lucky people who retired soon after the program was enacted, the harm to everyone has far exceeded any benefits.

The two main alleged justifications for this program were to relieve widespread serious poverty among the elderly and, by forced savings, to protect from themselves people who are too imprudent to save for their retirement.

However, people have a right to choose whether they save and invest for retirement, or spend now and depend on their children or charity to provide for their old age. Contrary to popular mythology, studies have shown that most retirees are better off financially, even without "Social Security," than the young families that are taxed for their benefit.

If government were serious about increasing retirement incomes, it could do far more by ceasing to confiscate over half our earnings by taxation, and most of our savings by the hidden tax of inflation.

The prime cause of poverty among the elderly is that they were impoverished during their working years by government robbery and economic sabotage. Being kept from starvation by a government dole is a "poor" substitute for living in comfort, dignity and security on one's own savings. Government is the enemy of the elderly, not their friend.

The "welfare" nature of "Social Security" is further revealed by the fact that many receive payments far exceeding their "contributions," while others are denied payment of what they have "contributed" by arbitrary rules, including deductions for earnings.

Any private insurance company that refused to pay the face value of an insurance policy because others needed the money more would be convicted of fraud. And, if it offered an annuity which required an "earnings test" and which would suspend payment if you had other income, it would be laughed out of business.

The kind of a "deal" each individual gets from Social Security depends on a host of factors, including income, years worked, year of retirement, trends in population and

life expectancy, and unpredictable changes in political laws. However, it has been estimated that most young workers today would receive ***three to four times*** as much money if they had been able to keep the "Social Security" payroll tax and invest it tax-free in safe private mutual funds. Most of this difference is because government does not invest "Social Security" funds, but immediately uses them to pay other people.

Even at the lowest wages, the money stolen by "Social Security" taxes could provide workers with a retirement income more than double the wages they received while working. This income could be further increased by consuming the accumulated money. This can be done by purchasing an annuity that would pay as long as the worker lived.

Or, workers could leave a small fortune to their heirs which would certainly break the "poverty cycle." In contrast, there is no principal which can be inherited from the large "investment" in Social Security.

The "Social Security" program, where people "contribute" to other people in the hope that in the future people will contribute to them, is known as a "Ponzi scheme," named after a famous Boston swindler who borrowed money by paying a high "interest" out of the borrowed funds. The scheme worked only as long as he could borrow more money to pay "interest" on the money he previously borrowed. It is the same principle as chain letters or a pyramid scheme.

Individuals who run such schemes are rightfully convicted of fraud. The crime is not morally different, or excused, if the people who commit it call themselves agents of the government.

Like any chain letter, the people who get the money first come out ahead. But young workers today are the "suckers" who are paying in their money with no hope of getting it back. In 1950, there were 16 workers per beneficiary; in 1980, three workers; and by the year 2000 there will be only two workers supporting each beneficiary, whose payments will be much higher.

By the time those now starting work retire (assuming age 65), it is estimated that "Social Security," including its disability and medical payments, would require a third to half of all wages to keep up with payments. This, of course, would be in addition to any other government taxes. "Social Security" cannot pay what it has promised. The only question is: When will it default?

We have promised more than we will be able to deliver. Anyone who doesn't think so is engaging in wishful thinking, and has a very

dangerous false sense of security. Social Security...is exacerbating the needs it purportedly exists to solve.

A. Haeworth Robertson,
former chief actuary of the Social Security System, 1983

There is a good reason why government forces people to support the "Social Security" program. Without threat of violence, few people would be stupid enough to invest in such a swindle. However, there are other harmful effects of this program. Two of the most serious are that it lowers our standard of living and increases unemployment.

It causes the economic damage by reducing savings, which means less capital for business to raise productivity and create new jobs. Normally, savings for retirement would be a large part of invested capital. But government does not invest "Social Security" funds in productive enterprises, and, in any case, the money is paid out as fast as it is received. And the idea that government will take care of you when you are old encourages a "spend now, why save?" attitude.

The effect of "Social Security" has been estimated to cut personal savings in half. In turn, this means that without "Social Security," American business would have about double the capital. That is enough capital to wipe out unemployment and raise the average person's real income by an estimated 20%. This extra 20% of income we have lost could have more than paid for a retirement in luxury.

The "Social Security" payroll tax also increases unemployment by raising the cost of goods and thus lowering demand, and by making a marginal worker unprofitable to hire.

Ironically, one of the ideas behind "Social Security" was the ignorant notion that encouraging older workers to retire would reduce unemployment by making room for young workers. It's just one more example of political laws aggravating the very problem they were claimed to relieve. And one more example of the socialist fallacy that we can live by stealing from each other.

Rich Socialism

That socialism benefits the rich should not be surprising, because the wealthy got that way by being more motivated, harder working, and smarter than the poor, and they have more money. Can you guess who gets government to work in their interests?

The government agency established to help develop the fledgling synthetic fuels industry handed out its first money yesterday--to a North Carolina project whose investors include many prominent Republicans.... Among the investors in the project are CIA Director

William Casey and several former government officials during the Ford administration.

Associated Press, April 14, 1983

Laws grind the poor, and rich men rule the law.

Oliver Goldsmith, 1764

It is, for example, a popular misconception that the rich suffer more from inflation than do the poor, because the rich have the money that is becoming worthless while the debts of the poor are paid back in easy money. False! The poor don't borrow money because they don't have credit. It is the rich who like inflation because they get richer using other people's money which they pay back in cheaper dollars.

Banks are limited by law to the low interest that they pay on small accounts of the poor, so the money can be loaned to the rich at low interest. The rich, of course, can invest their money at high interest in investments which are not regulated.

Tariffs, quotas and other import restrictions protect the business of the rich at the expense of high cost of living for the poor. Companies which support tariffs usually say that they believe in free trade, as long as it is "fair." (Whenever you hear someone say they want only what is "fair," watch your billfold!)

What is wrong with foreigners offering us a better deal? If a foreign government subsidizes sales, what's wrong with a gift? Government import restrictions aren't aimed at foreigners, they're are aimed at ***you*** as a consumer. Their intent is to deprive you of your right to choose, and ***force*** you to buy the high-priced inferior products of politically favored companies.

An excuse offered for import restrictions is that "infant" industries need protection until they are strong enough to compete in world markets. But as long as they are protected, the "infants" never outgrow their need for protection. What makes companies competitive is competition.

If they can't compete, we would all be better off if they shifted their capital and labor into product lines where they would have an advantage. If producers everywhere could compete freely, there would be a more efficient division of labor, raising everyone's standard of living.

The study of his own advantage naturally, or rather necessarily, leads him to prefer that employment which is most advantageous to the society.

Adam Smith, 1776

For protection of our nation's jobs.
I'm one of the leading fighters.
In demanding that Congress enact
Import quotas on verse writers.

Edward F. Dempsey, 1982

Anyone who thinks that trade restrictions are beneficial

should consider the effects of building a wall around his town and forbidding "imports." Even better, why shouldn't each person be prohibited from "importing" goods or services from anyone else? Think of all the jobs ***that*** would create!

Export businesses are harmed by import restrictions. If foreigners can't sell their products here, they won't have our currency to buy our exports. Every dollar not spent on imports is a dollar less for exports.

However, government makes it up to the export businesses which are politically influential. They are favored by subsidies, low interest loans, loan guarantees, subsidized insurance, sales assistance and diplomatic and military intervention to protect investments and secure favorable terms in foreign countries.

Import restrictions and export subsidies not only raise prices to consumers, but also make those manufacturers which are not favored by government less competitive in the export market. The real purpose of import restrictions and export subsidies is ***not*** to protect domestic jobs from unfair foreign competition. That is a hoax! The effects are purely domestic. The real purpose is simply to benefit a few citizens at the expense of all other citizens.

Maritime unions and shipbuilders are heavily subsidized, and lower-cost foreign ships are forbidden to sail between American ports. The stated purpose, of course, is to maintain a merchant marine under the control of the American government so it will be prepared to make war in foreign countries!

Banks are among the greatest supporters of socialism. Because of government licensing and regulating, competition is greatly restricted. Inflation gives them more money to lend and more demand for loans. Loaning money to government, and to businesses with government guarantees, is profitable and secure. Government also guarantees most of the mortgages they issue. Government restricts competition and regulates their cost of money to ensure a profit. Government insures their deposits, giving banks a competitive advantage over other borrowers who raise money from the public. Government guarantees their profitable, but risky, loans to foreign business and governments. Even when the loans aren't guaranteed, whenever foreign countries threaten to default, government "loans" these countries money to pay the bonds to "avoid harm to the international banking system." Government enables them to create money to loan through the fraud of fractional banking. And government imperialism opens up pro-

tected foreign markets. It is not lost on banks that their interests depend on powerful oppressive government.

From an imprudent banker's perspective, a better game scarcely can be imagined. Bankers are free to make marginal loans in good times and to keep the profits, but they can be confident that the federal government will prevent these marginal loans from becoming outright losses when recession strikes. If Las Vegas casinos offered a similar game where winners kept their profits and losers were rescued by the house, then much of the U.S. population would reside in Nevada.

James Gipson, 1983

The list of business subsidies is almost endless, but subsidies to large farmers stand out. Farmers producing certain crops, such as tobacco, cotton, wheat, citrus fruit, sugar, almonds, hops, peanuts and milk are also favored by price supports and production restrictions. Efficient farmers who grow too much food, or sell food at too low a price can be fined and imprisoned. This benefits less efficient competitors and politicians who need their votes.

Last year alone, U.S. taxpayers spent $2.3 billion to buy up almost three-fourths of all the powdered milk, one-third of all the cheese and one-fourth of all the butter produced by American dairymen.

Johanna Neuman, 1983

Government also provides expensive services to business such as collecting information (*e.g.*, the Census and economic statistics) and paying for research.

Government pays the salaries of millions of high-income bureaucrats, professors, teachers, consultants, doctors, lawyers, *etc.* Government pays subsidies to the arts, "public" radio and TV, golf courses and wilderness parks which are used primarily by higher income people. Professional and occupational licensing provides monopoly incomes to the favored few. Rich trade unions exclude poor and minority workers with the help of government.

Government-granted monopolies and regulation protect high incomes from competition at the expense of the poor. And, of course, enormous government purchases favor influential businesses over small business and individuals. Government roads increase the value of land owned by connected speculators.

Big business is not, as many think, an advocate of free enterprise. Rather, it is the prime instigator and supporter of government control of the economy--in other words, the prime supporter of socialism. The economy is to be controlled, of course, for their benefit, and it is only when it is proposed that government act contrary to the interests of big business that the cry "socialism" is heard in opposition.

Believing in liberty and favoring government help for certain businesses are quite different things which should

not be confused.

Tariffs are anti-free-enterprise yet pro-business.

Milton Friedman, 1981

The National Pasta Association, the trade group representing U.S. pasta makers, has filed a complaint with the U.S. Trade Representative's office...the association has joined a growing number of groups lobbying Congress for protection..."I supposedly believe in free trade," says the president of Prince Co., a U.S. pasta maker. "But right now, I'm hoping first for anything that will benefit me and my company."

The Wall Street Journal, March 29, 1983

In Spite Of Government

It is amazing how much people still manage to produce while being oppressed, regulated and robbed. It is a tribute to human ingenuity and the human spirit. People will find ways to improve their lot, even in prison. What we have is ***in spite of*** government, not because of it. But we have been progressing from the momentum of our freer past, and progress is slowing. If we do not reverse the trend to more government interference, and bring about more liberty, the near future looks grim.

The uniform, constant, and uninterrupted effort of every man to better his condition, the principle from which public and national, as well as private opulence is originally derived, is frequently powerful enough to maintain the natural progress of things toward improvement, in spite of both the extravagance of government and of the greatest errors of administration.

Adam Smith, 1776

If there is any thing to wonder at in this miserable scene of governments, more than might be expected, it is the progress which the peaceful arts of agriculture, manufacture and commerce have made, beneath such a long accumulating load of discouragement and oppression.

Tom Paine, 1792

Government measures have hampered not helped this development. We have been able to afford and surmount these measures only because of the extraordinary fecundity of the market. The invisible hand has been more potent for progress than the visible hand for retrogression.

Milton Friedman, 1962

This country has gotten where it is in spite of politics, not by aid of it.

Will Rogers

Grain Of Salt

If the laws of economics were widely understood, the prospects for liberty would be brighter. People have a natural feel for basic economics, at least on a personal level. But unfortunately, most of the economic information reaching the public is biased or wrong--perhaps because most economists are employed by government. Almost all economic news reported by the media is based on govern-

ment press releases.

Well, are the reverend professors of economics free? With the highest respect, I presume to question it...And for a plain reason. Political economy, so to speak, hits the employers of the professors where they live.

H. L. Mencken

Economic laws and data are often distorted to justify political views. What is offered as economic information may actually be only someone's idea of "social justice." Public opinion on economic questions is usually determined more by popular views on justice than by economic reality.

The forces of a capitalist society, if left unchecked, tend to make the rich richer and the poor poorer.

Jawaharlal Nehru, 1958

The idea that all wealth is acquired through stealing is popular in prisons and at Harvard.

George Gilder, 1981

On the other hand, opinions about justice are influenced by correct or incorrect knowledge of economic laws. For example, if you believe that in a free market poverty will be caused by the rich unfairly profiting at the expense of the poor, you may be ***against*** liberty. But if you know that poverty is caused by government, you will be ***for*** liberty.

On the market, the rich get richer and the poor get richer.

John T. Sanders, 1980

While justice is the basis for liberty, it is necessary to understand economic causes and consequences in order to apply the principles of liberty, and to persuade most people of their justice. So it is important for Libertarians to support economic education about the benefits of a free society.

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To be governed, is to be watched, inspected, spied, directed, law-ridden, regulated, penned up, indoctrinated, preached at, checked, appraised, seized, censured, commanded, by beings who have neither title nor knowledge nor virtue. To be governed is to have every operation, every transaction, every movement noted, registered, counted, rated, stamped, measured, numbered, assessed, licensed, refused, authorized, indorsed, admonished, prevented, reformed, redressed, corrected. To be governed is, under pretext of public utility and in the name of the general interest, to be laid under contribution, drilled, fleeced, exploited, monopolized, extorted from, exhausted, hoaxed and robbed: then, upon the slightest resistance, at the first word of complaint, to be repressed, fined, vilified, annoyed, hunted down, pulled about, beaten, disarmed, bound, imprisoned, shot, mitrailleused, judged, condemned, banished, sacrificed, sold, betrayed, and, to crown all, ridiculed, derided, outraged, dishonored.

Pierre Proudhon, 1809 - 1865

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XVIII. LIBERTY AND JUSTICE FOR ALL

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No society can exist if respect for the law does not to some extent prevail; but the surest way to have the laws respected is to make them respectable. When law and morality are in contradiction, the citizen finds himself in the cruel dilemma of either losing his moral sense, or losing respect for the law.

Frederic Bastiat, 1850

★ ★ ★

I think that we should be men first, and subjects afterward. It is not desirable to cultivate a respect for the law, so much as for the right.

Henry David Thoreau, 1849

★ ★ ★

We are told that our destinies depend on the election of this or that man to office! Why? This shows that it is men and not laws or principles that govern society.

Josiah Warren, 1833

★ ★ ★ ★ ★ ★ ★ ★

Improvement Needed

Few would disagree that our present "system of justice" leaves a lot to be desired. It is unjust, arbitrary, selective, capricious, slow, complex, ineffective, inefficient, and expensive. In a Libertarian society these problems could be greatly reduced.

A fundamental mistake of the present system is the ridiculous idea that a crime is committed against that imaginary being, "society," or "the people." An even wilder notion is that the people and the state are the same. Try explaining to someone who was just beaten and robbed by a mugger, that he is affected only as a member of society or as a citizen, and the crime was not personal, not his affair, but against the government.

"If the law supposes that," said Mr. Bumble, "the law is a ass, a idiot."

Charles Dickens, 1838

Victim's Rights

It is the ***victim*** whose rights have been violated, and only the victim has a claim against the criminal. The inability to recognize the victims of crime may be the reason "justice" is often portrayed with a blindfold. The victim's just claim is to be restored to the situation prior to the crime, to have the effects of the rights violation eliminated. If the harm cannot be completely repaired, the victim is morally entitled to damages paid in money or other form, that as nearly as ***possible*** make the victim as happy as if

the crime had not occurred. In a Libertarian society, justice would be based on the rights of the victim at the expense of the criminal who initiated force.

Don't Get Mad, Get Even!

Satisfying the victim's just claim is known as restitution, and the victim is owed no more and no less. Restitution may cover pain, suffering, anguish, lost income, medical bills, repairing physical damage, loss of job or career, permanent physical or mental impairment, lost possessions, time lost in the hospital or court, inconvenience, the cost of collecting restitution, interest since the date of the crime, *etc.*

Obviously it may be difficult for a jury to determine what financial restitution is owed for some of these damages, especially those involving the mental state of the victim. However, judges, juries and arbitrators make such decisions everyday for accident liability, so why not for criminal liability? Even if some victims are not, or cannot be, fully compensated with money, better some restitution than none. And it would be far less arbitrary and haphazard than present criminal punishment.

Collecting Restitution

If the criminal does not make restitution promptly and voluntarily, then the victim (or his/her insurance agency) is responsible for the reasonable costs of identifying and prosecuting the criminal, and of collecting restitution. These and other necessary costs and interest are then added to the restitution to be made to the victim by the criminal. In the case of murder, the victim's claim would be part of the estate to be paid to the heirs.

On the other hand, if an innocent person were prosecuted, the victim and the victim's agents would owe that person restitution, including defense costs. If the defendant is kept in prison until trial, and then found innocent, the jailer and victim would owe restitution for kidnapping.

Still more disgraceful is the treatment of men charged with unproven offenses and men who have been proved innocent: these being kept in prison for months before trials which show them to be guiltless, and those, after bearing long punishments before their innocence is shown, being granted free pardons and no compensation for inflicted sufferings and damaged lives.

Herbert Spencer, 1897

They haven't decided yet if they will sue for false arrest, but Richard Chisholm doesn't have much faith in the judicial system anymore. "I have to admit I started out believing everybody was in pursuit of the truth, and the more time went on, the more it was obvious that the truth--and justice--was the last thing on anybody's mind," he said.

Democrat and Chronicle, April 3, 1983

So the victim's decision to require and pay for pre-trial imprisonment would depend more on the probability of guilt and escape, rather than on the financial ability of the defendant to post bail. However, no defendant could be justly imprisoned, no matter how obvious the guilt, if he or she guaranteed payment of the claimed restitution.

A payment guarantee might be in the form of an "escrow" deposit with a third party who could be trusted to pay it to the victim if the defendant is found guilty, and to return it to the defendant if guilt is not proven. Or, the defendant might pay for insurance for the victim against the risk of the defendant escaping to avoid payment of restitution. If the defendant disappeared, the insurance company would pay any restitution due, and then go after the defendant to collect what was paid.

In a Libertarian system of justice, the person who is a defendant in a civil or criminal trial could not be required to personally attend the trial. The trial could proceed without the defendant or even the defendant's attorney, if the defendant so chose after proper notification.

Neither the defendant (as is presently the case) nor any witnesses could be compelled to testify against their will. It would be unjust to temporarily enslave someone by threat of punishment to obtain their testimony free of charge for someone else's benefit. Probably many witnesses would require compensation for their lost time and inconvenience, to be paid by the losing side of the trial.

Most victims would probably have the restitution and costs covered by insurance. The insurance company would immediately pay all or most of the restitution to the victim and then try to collect from the criminal.

If uninsured, the victim's claim could instead be sold to another person or company who would then try to collect the claim, costs, and a profit from the criminal. By selling the claim, the victim would be protected against claims for restitution for false prosecution unless the victim offered false testimony against the defendant. Risk of false prosecution could also be covered by insurance.

In the same way, innocent defendants who are poor could have the cost of their legal defense paid by the purchaser of their claim for restitution for false prosecution. Even someone falsely convicted of a crime and impoverished by payment of restitution, could be aided in the search for evidence proving innocence by those seeking to profit at the false accuser's expense.

Crime Won't Pay

Because the loss to the victim and the victim's costs of collection will always be greater than the gain to the criminal, crime will not pay. Restitution means that the criminal will suffer in proportion to the crime, in contrast to the present system. Criminals will be discouraged from injuring victims because this would greatly increase restitution without gain to the criminal. Paying the victim's cost of collecting might be considered as punishment for trying to avoid making restitution.

Catching the criminal and collecting would still be uncertain, but far less so, because the victim, or those who bought the claim, would be in control. At present, police and prosecutors often choose not to investigate or prosecute a crime (or to plea bargain). The victim has no recourse. Under restitution, only the victim, or the person or insurance company to whom the victim has assigned the claim, could agree to not prosecute or to a compromise settlement with the criminal.

There would be competition among private agencies for business in solving crimes--competition which would spur efficiency and effectiveness. Such agencies would have an incentive not to accuse the innocent, because they would have to pay restitution. Detective agencies might work on the basis of getting paid only if they are successful.

At present, police frequently kill, wound or injure suspected criminals, sometimes with questionable justification. Such actions would be substantially reduced in a Libertarian justice system.

If an innocent suspect were harmed by a private detective, restitution would be owed by the detective to the suspect. If a criminal were ***unnecessarily*** harmed by a detective, the detective would owe restitution for the unnecessary harm.

Just as happens now, very minor crimes might not justify risking much money to collect. If there is a reasonable chance of catching the criminal, the risk would be justified, because the criminal must pay this cost, even if it were out of proportion to the crime. Rewards would become almost standard. If the criminal couldn't escape detection, there would be a financial incentive to confess and pay up to save himself the high cost of being caught, plus interest. Also, an agency might buy the claims for a string of petty thefts by one criminal if the total is worthwhile.

Because of the criminal's financial incentive to reduce the costs of prosecution, many criminal cases would be settled by negotiation or by inexpensive arbitration by a

third party.

In a Libertarian society, most disputes, including differences about the proper amount of restitution, would probably be settled by professional arbitrators who would depend on their reputations for impartial justice to earn their living. Formal trials with judges, and perhaps juries, would be necessary only when the stakes are very high, when there are strong arguments for both sides, or tempers exceed financial prudence.

Just as important as more frequent and more effective prosecution of minor crimes is that the Libertarian justice system would maintain the victim's right to decide how far to pursue the criminal.

At present, government police and prosecutors generally cannot be bothered to investigate and prosecute crimes such as burglary, theft, embezzlement and vandalism, unless there is a very large amount of money involved. If you have ever reported a theft to the police, you probably found that their only action was to file a report to help you collect insurance.

A worse problem is that, all too frequently, government fails to seriously prosecute crimes committed by members of politically influential groups against unpopular minorities.

More than 500 people marched through downtown Detroit yesterday in support of a citizens' group demanding the jailing of two men who were placed on probation in the beating death of a Chinese-American.... "Asian people who live here are citizens like anybody else," said Jim Shimoura of the Japanese-American Citizens League.
Associated Press, May 10, 1983

In such cases, government ***prevents*** victims from obtaining justice by monopolizing the criminal justice system.

In theory, political laws permit lawsuits against criminals for damages. In practice, victims seldom sue because of the barriers created by political laws.

For example, in America political laws do not permit victims to collect from criminals the costs of prosecution, such as legal and detective fees, or the costs of collecting restitution if there are problems in securing payment. Such unreimbursed costs may far exceed the value of the restitution.

Interest on restitution does not start at the time of the crime, but rather the date of a court judgement. Because the lost interest and government-produced inflation reduce the value of the restitution, criminals use legal technalities to delay a court judgement, often for years. And the criminal may avoid payment by bankruptcy.

Political law also does not permit the victim to use any effective means to compel the criminal to pay restitution. If

the government is keeping the criminal in prison, collecting is usually impossible. Government keeps any "fines" collected from the criminal, which by right should belong to the victim. An imprisoned criminal will even be defended against a victim's lawsuit for restitution by government-paid "public defenders" at taxpayers' expense.

When government agents protect criminals from the just claims of victims to full restitution, they are guilty of aiding crime. Victims, therefore, have a moral right to restitution from all government agents involved in preventing or interfering with their collection of restitution from criminals.

The present system makes crime profitable. With restitution, crime would become unprofitable and catching criminals would become profitable. We need to change the incentives to ***our*** benefit.

Poor Criminals

You are probably wondering, but what if the criminal doesn't have enough money to pay? After experience with a system of restitution, better ways will probably be found, but it might work like this: the criminal would be allowed to work at regular employment and to keep only enough of his income to live on, plus a percentage over that as an extra incentive to earn as much as possible. The rest of the criminal's earnings would go to the victim. Obviously, this may keep the criminal in poverty for many years or life, but that is the criminal's problem.

Collecting restitution is another reason why a Libertarian justice system would reduce the death and injury of criminals and innocent suspects at the hands of victims and detectives. It may be harder, or even impossible, to collect restitution from dead or seriously injured criminals, so there is an incentive to keep them in condition to work.

If there were a serious risk that the criminal would try to avoid paying, then he/she would be confined to a work camp in which private businesses set up shop. The cost of confinement (paid by the criminal) and the lower wages necessary to attract jobs would mean that it would take the criminal longer to pay and the victim longer to be repaid.

The prison industrial program is older than license plates. It began in the 1880s, when a whiskey distiller contracted with Auburn prison to make barrels. Hats, gloves and horseshoes were also made in prisons, and all work was done for private industry, Mills said. One prison even ran an iron mine. Mills said the measure of a warden was whether his prison ran at a profit.

Democrat and Chronicle, October 10, 1982

Men and women guilty of nonviolent offenses are being ordered to compensate their victims for all damages and losses. In Georgia, offenders paid $2.1 million back to their victims this past year. Many

of the participants contribute to their room and board from money they earned at public and private sector jobs while living in one of the state's 12 dormitory-like restitution centers. Those earnings keep the cost of the program to a fraction of what Georgians pay in taxes to keep offenders in prison.

Timothy Leland, 1983

Some misdemeanor offenders will soon be permitted to serve their sentences at home, but they must wear an electronic "handcuff" that will tell on them if they leave. Under a 90-day pilot program, an offender normally placed on a probation where he reports to jail after work instead will go home each day. There, the electronic bracelet will keep track of his comings and goings to make sure they agree with a court-approved work schedule.

Associated Press, March 10, 1983

Some people worry that criminals might not be able to find a job. But unemployment is a result of government interference in the economy, and so would not be problem in a Libertarian society. Even at present there is no shortage of low paying, unpleasant jobs.

The arrangements for repayment would be the decision of the victim, but both the criminal and the victim would have an incentive to cooperate to speed repayment. If the criminal refused to work, the victim, or claim holder, would have the option of paying for indefinite imprisonment under harsh conditions, with the hope of recovering the cost from the criminal after a change in attitude. An argument could be made that the victim has no obligation to pay to feed the imprisoned criminal who refused to work.

If the victim, perhaps for reasons of revenge, imposed unreasonable conditions for repayment on the criminal, the criminal would have the option of finding someone more reasonable to buy the restitution claim for a profit to be paid by the criminal. Victims would have no right to refuse payment in full.

A problem which might occur is that criminals may commit additional crimes, especially if the restitution owed is more than can be paid during a lifetime. The question is: should the first victim be required to share the criminal's earnings with the second victim, or should the second victim have to wait until the first victim is completely paid, which may be never?

A good argument can be made for both of these positions. An advantage to the first victim having to share with the second victim would be that the public would be better protected if the first victim had an incentive to set conditions for the payment of restitution that would discourage repeat crimes, if that were likely.

Catching criminals, collecting restitution and paying for prisons may sound like a heavy burden on the victim. But in almost all cases these problems would be taken care of

by insurance companies and restitution claim buyers.

Remember, today we pay for expensive imprisonment with no hope of recovering the cost, and little victim restitution unless from taxpayers, which would compound the injustice. We now pay for crime twice; once for the crime and again for the punishment. Restitution would shift the burden of crime from the victims and the taxpayers, to the criminal, where it belongs.

Conspiracy

Conspiracy is when two or more people cooperate to commit a crime. Obviously, everyone who participates in a crime is guilty and owes restitution. The questions are: how much of the total restitution does each criminal owe, and exactly where should the line be drawn between innocent people and participants in a crime?

There doesn't seem to be a clear principle for dividing the responsibility for paying restitution among those who have participated in a crime. Probably there is no better way than for the judge and jury to arbitrarily decide according to the facts of each case. This would be similar to the present system, where prison sentences are determined according to the role each criminal played in the crime. Whenever possible, a crime should be broken into the separate individual criminal actions that make it up, to aid in the assignment of responsibility.

For example, the person who provided information to help plan a robbery would not have the same guilt as the robber who shoots the victim, because their acts are different. And the informant may not have intended to participate in murder. Nevertheless, each criminal who cooperated in the initiation of force shares some responsibility for aiding the crimes of the other criminals.

A question that needs study is whether the criminals who are caught should be held responsible for the total restitution, including the share of the criminals who escaped. It seems just from the victim's perspective, and it would certainly encourage "squealing."

At present, political laws tend to include innocent people as "co-conspirators" in crimes. especially "crimes" against the government. There are several Libertarian principles which should be applied to determine guilt.

First, for an act to be criminal it must be intentional. The criminal must have deliberately initiated force (or assisted someone else in the initiation of force) to violate the rights of someone else. Second, no one can commit a crime by not acting.

For example, it should not be considered a crime to fail to warn a victim if it is known that a crime is planned. Nor does anyone have a responsibility to tell a victim where the criminal or the victim's property may be found. Most people would do these things voluntarily out of self-interest and "fellow-feeling" for the victim. But no one's rights are violated by failure to act.

Another principle is that it is not a crime to advocate a crime. Here we need to draw a line between our basic right to freedom of speech and aiding a crime. No one has initiated force by saying that a crime should be committed. People have free will and are not obliged to commit a crime simply because someone has recommended it. An example of an unjust law punishing speech is the "crime" of inciting to riot.

The line is thin, but it is there. Once someone becomes the leader or organizer of a lynch mob instead of only advocating a lynching, a crime is committed. Similarly, there is a great difference between merely saying that a certain person should be murdered, and the crime of offering payment for the murder and telling the assassin where the victim could be most easily killed.

Benefits Of A System Of Restitution

The public would be spared paying for the costs of justice, including costly inhumane prisons which are schools for crime. Crime would be reduced by greater, proportional "punishment," and the criminal would pay all costs of the crime. More crimes would be solved. There would be higher quality justice, because judges would no longer be legally immune from responsibility for mistakes and arbitrary or irresponsible actions.

Crime would no longer be encouraged by easing the criminal's conscience with the idea that the crime didn't hurt another individual, but was against that mysterious abstract "person," society. Criminals would no longer escape their responsibility on the theory that their aggressions were caused by society.

As a byproduct, restitution would strongly encourage criminals to develop useful job skills and good work habits. There would thus be far more "rehabilitation" than in the present system, which trains for antisocial behavior.

Most important, the victim would be compensated. The system would not be perfect--like anything run by humans--but it would be far better, as well as more just.

Problems

One of the imperfections is that some criminals still might not be caught, or might die before paying restitution. But some restitution is better than none. There is some risk to living in society with others which cannot be avoided. This is the reason for buying insurance, locking your door, and avoiding rowdy bars.

Another problem raised is that rich people could commit crimes and pay restitution without suffering. This would be a problem only in the case of injury or murder, because otherwise restitution would fully repair the harm. Fortunately, rich people do not account for a large percentage of violent crime.

It would be unjust to require greater restitution from the rich than from the poor for the same crime. So ability to pay restitution would be simply another advantage of being wealthy, just as a skilled person could, by working, repay faster than an unskilled person. The rich person might be discouraged from violent crime by the risk of being killed by the victim in self-defense, or by social pressure after the crime became known, and by being easier to catch.

Rich criminals, of course, have a much ***greater*** advantage in the present system. They can afford to spend far more on defense than the government prosecutor can spend to convict them. The defense can take advantage of the present multitude of laws and rules of legal procedure, most of which would not be necessary for a restitution trial.

For example, if the defendant's rights are now violated in obtaining evidence, the evidence is thrown out to discourage police from violating rights. In a Libertarian system, restitution would be paid to the defendant for the rights violation, but the evidence would be used to help determine guilt or innocence.

In the present system, the rich (and others) may unfairly benefit from political influence with the elected prosecutor and judge. In a Libertarian system of justice, there would be no politics, and judges would be selected by agreement between the defendant and victim. (If they didn't agree, they could each select a judge, who would pick a third judge, or some similar arrangement.) Thus, judges would have to be impartial to stay in the business. (Anyone could be a judge if both sides agree to retain his/her services.)

A victim with a good case would be able to afford the best prosecution of a rich criminal, because lawyers would be willing to take the financial risk with the certainty of being paid by the defendant when they won.

There is also concern about the lack of deterrent from

the apparently small restitution due for attempted crimes. For example, suppose someone shoots at you, but misses. The only damage is a hole in a tree, for which the cost of restitution is negligible.

But you have a right to shoot back in self-defense until you are sure that the threat has ended, and the perpetrator will have to pay the costs of apprehension, trial and your mental anguish. If there is evidence that the criminal will continue to try to shoot you, restitution should include the cost of protecting you for the rest of the criminal's life.

It may be thought that shooting at you, but missing, should not be a crime because there was no property damage. Not only was property harmed by dangerous "bullet pollution," but you are being forced to hide in fear of your life because of the threat of violence. It is the same as if someone forced you to perform an involuntary act at gunpoint.

Another valid question is: Who would claim restitution for the murder of an unknown victim, when the heirs committed the murder, or when someone is murdered who has no heirs? The answer is that the murderers would be pursued by those who wish to claim the restitution as unowned property on the homestead principle. Justice would even more likely be achieved in such cases, where ***everyone*** would have a large financial interest in finding the murderer and proving guilt to claim the restitution.

It may be thought that these questions show a need for punishment over and above restitution to deter future crime and provide "sweet" revenge. However, there is no accepted natural law theory to justify punishment, including capital punishment. Few libertarians would trust the state with the power of capital punishment, even if it were justified. A potential victim may justly use any forceful means, including deadly force, ***necessary*** to ***prevent*** or ***terminate*** a crime. But once the aggression has ended, the only justification for force would be that required to capture a criminal trying to avoid responsibility, or to make the criminal pay restitution.

Some argue that the criminal owes a "debt to society" for causing fear, which in turn causes people to spend money and suffer inconvenience for protection. While this is a serious problem, there is no evident moral basis for claiming restitution from a criminal for the mental state of someone who has only heard of the crime. Protecting ourselves against possible crime could be viewed as the price we pay for the benefits of associating with others in society. However, the cost of stopping a crime or catching

the criminal can properly be charged to the criminal.

There is a big moral difference between the fear that something bad ***may*** happen, and the suffering inflicted when a criminal actually causes it to happen. If people were responsible for causing fear, we could justify suing newspapers for publishing details of horrible crimes or Halloween pranksters who frightened us.

In any case, victim restitution would be generally far more severe "punishment" than at present. The present system actually works to protect the criminal from the victim's just claim. Criminals now have only a small chance of being arrested for a particular crime, and only a small percentage of those arrested are actually convicted. Often, even after conviction, there is no punishment, or very light punishment compared to the crime. A system of restitution should be compared to this sorry record, not to some standard of perfection.

Crimes Without Victims

Not satisfied with being sole ruler over his own doings, the petty autocrat oversteps the boundary dividing his sphere of action from his neighbor's, and takes upon himself to direct his or her doings also. It matters not, in point of principle, whether such dominion is entire or partial. To whatever extent the will of the one is overborn by the will of the other, to that extent the parties are tyrant and slave.

Herbert Spencer, 1850

Changing to a system of victim restitution would have another major benefit. It would end the persecution of people for political crimes where there is no victim, and no one has initiated force. For example, people could no longer be arrested for working without an occupational license, for failure to obtain a building permit, for failure to report one's income to tax authorities, or for failure to register for military conscription. Attempting or aiding suicide would no longer be a "crime."

Governments everywhere have taken control of the justice system to gain its legitimacy for enforcement of political laws--laws which have nothing to do with real crime. All political laws which differ from natural moral law are unjust. The only victims are those who are persecuted in their name, and the only moral crime is enforcement of such laws. However, "victimless crime laws" are usually considered to be those political laws that regulate "vices."

Vices are those acts by which a man harms himself or his property. Crimes are those acts by which a man harms the person or property of another. Vices are simply the errors which a man makes in his search after his own happiness. In vices, the very essence of crime--that is, the design to injure the person or property of another--is wanting.

Lysander Spooner, 1875

Nothing so needs reforming as other people's habits.
Mark Twain, 1885

The most ridiculous prejudice is the conviction that the good can be established by government action.
Charles Fourier, 1772 - 1837

If we had a system of justice, people would no longer be able to unjustly impose their own values on others "to protect them from themselves." For example, gambling, drinking, pornography, fornication, usury, homosexuality, polygamy, drug usage, prostitution, shopping on Sunday, and riding a motorcycle without a helmet would not be illegal or regulated.

Those engaging in these activities would suffer any bad consequences of their decisions, but it is their body and their decision. As long as they have not initiated force, they have violated no one's natural rights. We are not, as Libertarians, approving or condemning these activities--just demanding the vital freedom to decide for oneself. This right to decide applies only to consenting adults--not children. (Note that how to decide whether someone is a child or adult is another question).

Now, what I contend is that my body is my own, at least I have always so regarded it. If I do harm through my experimenting with it, it is I who suffer, not the state.
Mark Twain

This would prevent those who are opposed to these activities from using political force, but not from using persuasion, protest, or refusal to associate, and other social or economic pressure. (Pressure, of course, would be unethical in the absence of aggressive behavior.)

There is great controversy about the ill effects of various vices, especially the use of drugs that affect the mind. The evidence, and the lack thereof, suggest that the ill effects are often exaggerated by those who wish to prohibit vices for reasons that have little to do with the alleged harm. Drug addicts, for example, are not so incapacitated that they are unable to perform the demanding work of stealing enough to support their expensive habits.

Most of the ill effects of vices result from their prohibition rather than from indulging in them. It is hard to imagine that smoking marijuana is more harmful to a person than spending ten years in prison being "reformed." Drug deaths attributed to "overdoses" are the result of poorer quality contol in the black market than there would be in a free market. Prostitutes are oppressed because they cannot go to the police for protection.

The history of prohibiting vices by political laws is that the real intent was often to persecute unpopular minorities. Political laws prohibiting opium, for example, were origi-

nally directed against Chinese-Americans. Prohibition of marijuana was originally directed against Mexican-Americans.

Persecution of unpopular minorities remains an important factor in the enforcement of prohibition of vices. But there are other factors. Political laws are supported by special interest groups who wish to use government force to advance their own interests at the expense of other groups and the public. So to understand the causes for unjust political laws, we need to consider who benefits.

The obvious beneficiaries are those directly employed by the enforcement system, those for whom liberty would mean widespread temporary unemployment. This group includes police, prosecutors, judges, prison guards and businesses that supply them. This group would also lose substantial power and the profits of corruption. Defense lawyers would lose a large source of monopoly fees. The biggest losers, however, would be the criminals, who now enjoy an immensely profitable monopoly supplying services for which legal competition is prohibited.

So the existence of these unjust political laws can be explained by motives of those economically benefitting and those who obtain a weird pleasure from inflicting punishment on those who are different. And we can understand why the harm of vices has been exaggerated.

The ill effects of vices are not reasons for prohibition, but rather an excuse. That it is irrelevant can be seen by the fact that government does not prohibit activities such as skiing, which causes large numbers of serious injuries. And it is well known that the lure of forbidden fruit usually increases the vice that prohibition is aimed at suppressing.

The real issue, the important issue, the Libertarian issue, is ***justice***. Who has the right to decide? Clearly, as we own our bodies, we have the right to engage in any peaceful activity that we wish. None of us possesses the right to run our neighbors' lives, nor do they have any right to run ours. And ***we cannot delegate, to a group of people calling themselves government, a right that we do not possess in the first place***.

Nature has endowed each of us with self-control. Nature has not endowed us with control of others.

Robert Le Fevre, 1982

Why should my liberty be restricted by another man's conscience?

I Corinthians 10:29

We have a right to engage in any peaceful activity, even though others may sincerely believe that it harms us. It makes no difference what others may think, that others are offended, that busybodies are denied the pleasure of med-

dling in our affairs, that there will be fewer safe fun jobs hassling us for the police, and even that those who love or depend on us may be disappointed. None of that matters compared to our right to liberty, justice and self-ownership.

It is sometimes claimed that government has a right to interfere with an individual's right to, for example, risk money or health, because of the effects on others. However, others should have no legal obligation to pay hospital bills for, or to support, people suffering the uninsured consequences of their bad judgment.

"Bad behavior" may offend people and upset friends and relatives, but no one has a right to impose his or her values. If people fail to support their families because of gambling, then a court may order ***those*** people to set aside enough for support, or transfer the trusteeship for the children to someone else. Violation of the marriage contract and child abuse should be the illegal acts--not gambling. Money can be wasted on anything by irresponsible people.

Libertarian justice would not permit people to be involuntarily imprisoned for "insanity." If people act in peculiar or offensive ways, it is their own business unless they hurt or harass others. If such people commit crimes, they would owe restitution just like anyone else. Insanity would not be a defense, as mental disease does not destroy moral faculties.

Because people are responsible for their actions, being under the influence of drugs is no excuse. Taking a drug makes a person responsible for its effects on their behavior, and the consequences. People under the influence of drugs may be excluded, as anyone may be, by a property owner, for example the owner of a road.

Speaking of roads, it should be noted that government traffic regulation is justified. This is not because government has any right to tell us how fast we can drive, but rather because of government's possession of roads, just as private roads are regulated by their owners.

What is unjust is government possession of property stolen from the public. In a libertarian society all roads would be owned by individuals or groups of individuals. They would set safety regulations and maintain safe driving conditions on their property to attract customers and to prevent being sued for restitution for damages due to unsafe conditions.

Government traffic regulation is often used, by those who oppose liberty, as an example of necessary government regulation. They fail to see the critical difference

between such regulations as prohibiting "drinking and driving," and government regulation of private drinking at home or on the property of a bar owner.

They intend to attack liberty by trying to show that it cannot be consistently applied. The idea is that if government regulation of our lives is necessary in some cases, why not in other--indeed, all--cases? But they are wrong, for such apparent exceptions are consistent with natural law property rights.

Benefits Of Repeal

Punitive legislation prohibiting so-called "victimless crimes" should be repealed for reasons of justice alone. The real victims are those who are, from a moral viewpoint, assaulted, kidnapped and robbed merely to please "bluenoses" and misguided "social reformers," and to provide work for the police. A moral system of justice would require that those who enforce such unjust political laws pay restitution. Those who resist would be acting in justified self-defense.

It should be noted that when some people are offended by the beliefs or personal behavior of others, the others might be equally offended by people who do not have the same values. If people have a right to persecute others whenever they are offended, why doesn't it work both ways?

Of all tyrannies, a tyranny exercised for the good of its victims may be the most oppressive. It may be better to live under robber barons than under omnipotent moral busybodies. The robber baron's cruelty may sometimes sleep, his cupidity may at some point be satiated; but those who torment us for our own good will torment us without end, for they do so with the approval of their own conscience. They may be more likely to go to Heaven yet at the same time likelier to make a Hell of earth.

C. S. Lewis, 1948

Puritanism: the haunting fear that someone, somewhere, may be happy.

H. L. Mencken

Repeal would have another major benefit, that of almost immediately drastically reducing "crime"--probably by more than 75%. In the first place, if these acts were not considered crimes, the "crime rate" would be about half that now reported. Then police and courts which now devote about half their time to political "victimless crimes" could double their efforts to stop real crime, with no increase in cost. We could have more prosecutions, speedier trials, and no plea bargaining.

And there is more. Around half of ***real*** crime (burglaries, mugging, *etc.*) is caused by the need of drug addicts to obtain large amounts of money to pay the black

market price of drugs. However, addicts could easily afford the ***legal*** price of drugs so there would be no need to steal.

Drug addict robbed 58 banks since January, L.A. police say.
United Press International, May 11, 1983

As mentioned earlier, those who imagine that drug addicts are too affected by the drugs to work to support themselves should consider that these "helpless" people manage to continually steal and sell huge amounts of property to pay for their habits, and are clever enough to seldom be caught.

So crime could be reduced by half again. Drug addiction would also be ***reduced*** because there would be no glamour, and no profit incentive for pushers to recruit new users.

With "crime" thus reduced by around three-quarters, the far greater effort that could be devoted to solving the remaining real crime. The swift justice would surely further substantially reduce crime, probably by at least half again. This would, in turn, permit reducing the expense of crime prevention and apprehending of criminals--not only government expense, but also the huge private expense--by more than half. And with restitution, victims would be compensated, and the cost of prisons and apprehension would be largely borne by the criminals, thereby further reducing the cost of crime to the public.

One must wonder about the true motivation of those who wish to regulate vices, as liberty will reduce vices, whereas prohibition increases them, and real crimes as well.

He who regulates everything by laws, is more likely to arouse vices than reform them.

Spinoza, 1677

If it were possible to make an accurate calculation of the evils which police regulations occasion and of those which they prevent, the number of the former would in all cases exceed that of the latter.
William Von Humboldt, 1792

Prohibition

For proof of the benefit of repealing drug laws, consider the experience with alcohol during Prohibition. Because some people disapproved of drinking alcohol and were able to impose ***their*** idea of good on other people, we paid a terrible price.

To begin with, it didn't work. People drank more than ever because of the glamour of doing the forbidden. It turned millions of ordinary people into political criminals, many of whom were unjustly persecuted. An unjust political law created disrespect for natural laws. The police were corrupted. Crime in general was increased because if

you are already a "criminal," why stop with bootlegging alcohol? Many people died from bad liquor. People paid much more for poor quality alcoholic beverages. Except for the legacy of organized crime, which now feeds on the new drug prohibitions, these bad effects stopped as soon as Prohibition was ended.

By charging our police with the responsibility to enforce the unenforceable, we subject them to disrespect and corruptive influences, and we provide the organized criminal syndicate with illicit industries upon which they thrive.

N. Y. City Police Commissioner Patrick V. Murphy

WASHINGTON -- After one year of the Reagan administration's war on drugs, figures show that on U.S. streets heroin and cocaine are slightly more plentiful, cheaper and purer, and marijuana prices have remained stable.

Associated Press. February 22, 1983

I saw that thinking and acting for others had always hindered, not helped, the real progress; that all forms of compulsion deadened the living forces in a nation; that every evil violently stamped out still persisted, almost always in a worse form, when driven out of sight, and festered under the surface.

Auberon Herbert, 1906

Most adults in this society understand the difference between committing a crime and engaging in an "illegal" non-criminal activity. We avoid committing the former but avoid getting caught at committing the latter.

John S. Zdanowicz, 1983

Gun Control

Another example of a way in which government actually causes real crimes by enforcing victimless crime laws is "gun control." The reason that many women and disabled and elderly people are afraid of crimes such as rape, mugging, assault, robbery, burglary and murder is that they are physically weak, and government police protection is notoriously poor. However, when they are armed and can defend themselves, the criminal's advantage disappears.

Guns are rightfully known as "equalizers" because they make the weak equal to the strong. Banning or restricting gun ownership by honest citizens simply makes the streets safe for criminals. And it infringes or denies the two most basic human rights--the right to peacefully own property, and the right of self-defense.

This is a classic example of the "what is seen, and what is not seen" effect. Statistics on gun murders are readily available. But who knows how many thousands of lives were saved because people could defend themselves, or because criminals were discouraged from attacks by fear that the victims could defend themselves? How many thousands of dead people would be alive today if only they had not been discouraged or prevented by government

from owning a gun? And how many millions of lesser crimes were prevented or could have been prevented by gun ownership?

The history of gun control laws throughout the world is that they were imposed by rulers seeking to disarm their subjects, or by majorities seeking to suppress minorities. The first gun control laws were passed in America by southern states after the Civil War to disarm blacks, leaving them at the mercy of the Ku Klux Klan. Only expensive pistols, such as issued by the Confederate Army, were allowed.

Later gun laws were aimed at foreign immigrants considered dangerous, such as Italians and Jews. More recently, the 1968 national gun control law, inspired by riots in black ghettoes and by students protesting the Vietnam war, again took aim at cheap handguns called "Saturday night specials."

Selective prohibition of cheap handguns reveals a prejudice against the poor, especially poor black people living in high crime ghettoes. People too poor to live in the safer suburbs with the gun-ban supporters, cannot afford expensive guns for protection. The poor not only are exposed to more crime, but also receive inferior police service aimed more at oppression than protection. A prime motive behind laws forbidding cheap handguns is to discourage a revolt by the supposed beneficiaries of socialism against the oppression and poverty it has created.

Damn right I've got some protection. Being black, I've got to watch out walking down the street. I've got a wife, three kids and a mother to support. I can't afford to get killed. Too many people depend on me.

Interviewee in *Democrat & Chronicle.*
Rochester, N.Y., August 16, 1981

Break-ins dip where intruders were shot

Burglaries were down 42 percent last year in a sector of northeast Rochester in which seven intruders were shot by residents, Police Chief Delmar E. Leach told a City Council committee this morning.

Times-Union, January 13, 1983

New York has had handgun controls for 71 years. But the state's murder rate has persisted in rising at twice the national average.... New York at least has company in its failure--the company of every state that has experimented with similar legislation.... The case for gun control went from bad to worse as statistical studies became more refined and detailed.... "Gun laws do not appear to affect gun crimes," concluded a social scientist who had advocated prohibition.

David T. Hardy, 1982

Indonesian soldiers have been reported to rent their guns to criminals for an estimated $100, because civilians are not allowed to keep weapons.

United Press International, February 2, 1983

As gun control laws do not prevent professional crim-

inals or assassins from having guns, the only possible benefit would be reducing domestic murders and accidents. But then the question would be how many murders would have been committed anyway with other weapons. Statistics show that almost all "crimes of passion" gun murders are committed by people with a police record of crime and violence, not by ordinary people who went berserk.

Careless use of many things can result in serious accidents. If government were to ban each thing, such as automobiles, electrical equipment and fire, which is involved in ***more*** accidental deaths and injuries than guns, we would have to go back to living in caves. Twice as many Americans die from choking on food as from accidents with firearms!

It is ***each individual's right*** to decide whether the benefits, such as protection, outweigh the cost, including risk of accident. Government interference is unjust. And if guns are so bad, why does government have so many?

When all these unseen effects are thrown in, another government contribution to the crime rate and the fallacy of gun control become obvious. Because the criminal can't tell who can defend themselves and who can't, even those who dislike guns would be protected by widespread gun ownership. Switzerland, where everyone is required by law to have a gun at home, has one of the lowest crime rates in the world, including gun murders.

The principle behind gun control is to punish the innocent many, in order to inconvenience the guilty few. Following the same unjust collectivist principle, crime could be reduced by imprisoning all males between ages 17 and 30 because many crimes are committed by ***some*** members of this group. How the crime rate could be ***justly*** further reduced will be discussed in the chapter, "Government."

Another enormous benefit of uncontrolled ownership of guns is the increased ability of people to resist tyranny. Weakening our ability to resist tyranny is probably a major motive behind efforts to control weapons. Confiscating the people's guns is always the first step a tyrant takes.

To put the issue in perspective, what is the greater threat to our property and lives, government or ordinary criminals? Do ordinary criminals seize every day over half of what we earn, regulate our lives (even our sexual relations and what we read), draft us into forced service and threaten us with nuclear war? Against whom do we more need protection?

Libertarians arguing against gun control have often,

without realizing it, accepted the hidden statist assumption that citizens are irresponsible, whereas government employees can be trusted with guns. So we are usually on the defensive, when we should be on the offensive. Libertarians should ***favor*** the right kind of gun control. There ***are*** millions of criminals, heavily armed with stolen weapons, running loose in our country. Shouldn't government be disarmed and their weapons turned over to their rightful owners, the people?

The most foolish mistake we could possibly make would be to allow the subject races to possess arms. History shows that all conquerors who have allowed their subject races to carry arms have prepared their own downfall by doing so.

Adolf Hitler

Criminals are a small minority in any age or country. And the harm they have done to mankind is infinitesimal when compared to the horrors--the bloodshed, the wars, the persecutions, the confiscations, the famines, the enslavements, the wholesale destruction--perpetrated by mankind's governments. Potentially, a government is the most dangerous threat to man's rights: it holds a legal monopoly on the use of physical force against legally disarmed victims.

Ayn Rand, 1964

Civil Law

Libertarian civil law would be based on the same principle of restitution as criminal law. The difference between a crime and a civil liability is that a criminal acts deliberately with intent to damage the victim, and attempts to avoid identification. A civil lawsuit may result from an accident or a dispute about performance of a contract.

Another difference is that there would seldom be a need to hire a detective agency to find out who was responsible for a violation of rights. A losing civil defendant would have to pay the costs of identification only in cases like pollution, where there may be expenses to determine the source.

Just as in a criminal case, the losing party to a lawsuit would owe restitution sufficient to make the winner, as nearly as possible, "whole," as if the rights violation had not taken place. The losing defendant would still have to pay all the legal and collection costs of the plaintiff.

Similarly, a losing plaintiff would owe the defendant restitution for all the costs of defense, for any financial damage--such as the defendant's loss of income due to the trial--and for the defendant's time and aggravation.

While not customary in America, it is already the practice in some other countries for the losing party in a civil lawsuit to pay the legal fees of the winner--as a matter of justice and to encourage private settling of disputes. A Libertarian civil law system of complete restitution would

further reduce the number of frivolous lawsuits. It would also end the injustice of rich plaintiffs using the legal system to harass poor defendants who are financially destroyed, even though they win the suit.

The biggest difference would be that, while a civil plaintiff could use a court judgement to reclaim property or to seize assets for restitution, there would be no right to imprison the debtor unless there were a deliberate attempt to evade payment. Evading payment would be the crime of stealing. An example would be a "hit and run" driver.

Bankruptcy would not be an option unless it were agreed to by contract. The plaintiff would have the right to compromise in the interest of obtaining the cooperation of the defendant in paying restitution. In cases of breach of contract, no one can justly force another to personally complete a contract--only to pay restitution for damages.

Limited Liability

Legal limitations on liability are unjust, as they arbitrarily deny full restitution and deprive people of their property rights. The purpose of political laws determining liability is to favor those who are politically influential at the expense of others--to put a thumb on the scales of justice.

In addition to bankruptcy law, examples are: political laws limiting lawsuits against children and government employees, and limiting liability for auto ("no-fault"), airplane or nuclear accidents.

Liability for nuclear plant accidents deserves special mention. In America, because of the Price-Anderson Act, which limits liability for harm to the public and provides government insurance, the free market protection against unreasonable risk has been bypassed.

No one knows how much safer nuclear plants would have had to be to meet the standards of private insurance companies risking their capital, or if nuclear plants would even be economically viable if they had to pay the full cost of insurance. Neighbors, and owners of neighboring property, should be protected from any unreasonable risk from nuclear power plants by ending legal limitations on liability, as well as ending government subsidies and monopoly regulation.

There are also unjust political laws which limit liability by shifting it to others. For example, making auto owners responsible for damage caused by their autos, and requiring them to insure their cars, shift the liability from the driver who actually caused the accident. Landowners are commonly held liable for accidents which harm trespassers

on the "attractive nuisance" theory, and for harm caused by someone while on their land. Property owners are even being held responsible for accidents caused elsewhere by guests who drank too much while on their property. Employers are generally held liable for all actions of their employees during work hours, even though the actions may deliberately violate the employer's instructions.

Liberty and self-ownership mean that we each have the right to control our own actions. They also mean that each individual is personally responsible for the consequences of his/her actions, whether or not the consequences were intentional.

The moral principles become more complicated when people trade their labor with other people. If a person agrees to perform according to the instructions of someone else, he/she is called an agent, and the one hiring the services is called the principal. The most common agents are employees and the most common principals are employers. The question is: What is the responsibility of the principal for the actions of the agent?

To further complicate matters, agents may act according to, or against, the wishes of their employers. And their actions may harm people with whom the employer is doing business, or people called innocent bystanders who are not trading with the employer. (Economists like to call innocent bystanders "third parties," and the damage done to their property, an "externality.")

To illustrate the principles involved, suppose that an airplane crashes and injures some passengers and some people on the ground.

Regardless of the cause, the airline company would be liable for the harm to the passengers, ***unless*** the contract between the airline and its passengers waived all or part of the liability. This is because safety is implied in a contract unless otherwise agreed.

However, the passengers ***and*** the airline would also have a right to sue for restitution from the person or persons who caused the accident. In the end, the passengers would be paid their restitution by those people responsible for the accident, with the airline guaranteeing prompt payment. The airline would also have a right to restitution for the loss of the airplane. Some or all of the restitution might, of course, be paid by insurance carried by those who caused the accident, or by the airline. The victims may also carry insurance to pay for harm where restitution cannot be collected.

The airline would not be liable by contract for harm to

the people on the ground. Only the individuals who caused the accident would be liable.

If the people who caused the accident were employees of the airline, they would surely be insured, or more likely have required that the airline provide them with insurance as a condition of employment. Similarly, people such as airplane builders, airport controllers and repair parts suppliers would probably also be insured by their employers.

Thus, for example, if the pilot were killed in the accident she caused, the people on the ground would probably be paid restitution by the pilot's insurance provided by the airline. If the pilot caused the accident by deliberately violating the airline's instructions, the airline would have a right to restitution from the pilot for the loss of the plane. If, however, the "accident" were caused by a "mad bomber" who committed suicide by blowing up the plane on which he was a passenger, the people on the ground might have no recourse except their own insurance.

Shareholders, like everyone, of course, should be responsible only for their personal actions. This means, for example, that, just as in present political law, unless it was personally guaranteed, shareholders (and employees) would not be personally liable for breach of a contract made by the company if the company did not have sufficient assets to pay restitution. A shareholder who is not active in the company could not be liable for any actions of the company or employees beyond loss of the share of company assets represented by the stock owned.

To summarize, the principle that people are responsible for their own actions, but not for the actions of other people, leads to a number of conclusions, among which are: 1) When people trade with each other, liability for any harm that results is determined by the contract (including implied liability). 2) Individual persons are responsible for harm they cause to innocent bystanders with whom they have no contract. 3) If the persons causing harm to innocent bystanders are members of an organization such as a corporation or a club, it does not affect their liability, nor does it make the organization responsible. If they were acting as someone's agent, they are still liable. However, the principal is also liable, to the extent that he/she/they personally directed and participated in the harmful action.

In contrast, present political laws on liability seem to be based on theories that have much more to do with political influence than justice. For example, the "deep pockets" theory holds that those most likely to be able to pay should be liable. Another popular theory is that someone else

should be liable for every misfortune, whether or not their actions caused it, and regardless of the victim's responsibility.

A system based on restitution and personal responsibility will not only be more just, but will also have the practical benefit of reducing harm to innocent bystanders.

When it is remembered that bankruptcy will not be available to avoid responsibility for harm to innocent bystanders, it will be appreciated that many more people will have insurance to protect themselves from financial disaster, should their mistakes harm innocent bystanders.

When they have personal liability, people will also be more careful to protect others from the harm their actions may cause. Employees will have a far greater interest in the safety implications of the work they do, and may even refuse to produce products with dangerous designs.

Be Neighborly

Note that no one has a moral right to force neighbors to maintain their property for that person's benefit. If you and your neighbors enjoy well-maintained lawns and wish to avoid businesses or ugly buildings, *etc.*, then you should agree to it by voluntary contract, not by zoning and building laws which steal property rights by force.

People who wish to preserve beautiful or historical old buildings, or to preserve a scenic view or irreplaceable wilderness areas, should contract with the owners or buy the property. Political laws which force owners to maintain their property at their expense for the benefit of others impose an unjust "redistribution of wealth." Eminent domain, by which government and politically-favored businesses force people to sell their property against their will, is also unjust.

Consistent, Just And Complete

The Libertarian legal system is consistent in that everyone is responsible for his/her own actions (and not the actions of others), and must make restitution for any damages these actions cause to other people's property, including their bodies. Property rights and force are the key concepts to determine whether rights are violated.

The consistency and justice is because Libertarian law is derived from natural principles. In contrast, political law is inconsistent and unjust, because it is based only on political power.

The only law in a Libertarian society will be that we are self-owners, and therefore no one shall initiate force a-

gainst another person's property. The procedures for implementing this law, and the interpretations, would be developed by the common law process based on court decisions.

One of the greatest advantages is that there will be no need for legislatures to write laws. Natural law is complete and no other is necessary. No longer would politicians work endlessly to create new political laws to run our lives. Mountains of books of complex laws and regulations can be discarded, and hopefully recycled into something useful. No longer would peaceful people be persecuted for unknowingly breaking one of the millions of political laws.

Ignorance of the law excuses no man; not that all men know the law, but because 'tis an excuse every man will plead, and no man can tell how to refute him.

John Selden, 1689

In fact, any attempt to impose political laws will be recognized and dealt with as the crime it is.

There will, of course, be many voluntary associations to achieve various goals, as there are now. Individuals will (with or without a voluntary contract) voluntarily abide by association rules, probably including the deciding of certain issues by majority rule.

But no one person or group of people would have legal power (there has never been such a right) to make rules binding anyone without his/her express consent.

This would end political warfare between groups of people in society competing for power to oppress and rob others and to protect themselves against legal oppression and robbery.

Legislation is not the result of consensus. If there was consensus there would be no need for legislation. Legislation represents civil war.

Leonard Liggio, 1983

What then is legislation? ...It is the assumption by one man, or body of men, of a right to abolish outright all the natural rights, all the natural liberty of all other men; to make all other men their slaves; to arbitrarily dictate to all other men what they may, and may not, do; what they may, and may not, be. It is, in short, the assumption of a right to banish the principle of human rights, the principle of justice itself, from off the earth, and set up their own personal will, pleasure, and interest in its place. All this, and nothing less, is involved in the very idea that there can be any such thing as human legislation that is obligatory upon those upon whom it is imposed.

Lysander Spooner, 1882

No Good People

Persons who oppose liberty often have a pessimistic and elitist view of the world. They tend to feel that ordinary people are stupid, ignorant, selfish, shortsighted, uncultured, and incapable of knowing or doing what is good for

them. They believe that most people, especially business people, would never voluntarily do a good deed, and would deceive, oppress, cheat, rob, and murder their neighbors if they could get away with it. (Since we cannot know what others think, only what goes on in our own minds, this view says something about the self-image of those who believe it!)

He who says there is no such thing as an honest man, you may be sure is himself a knave.

George Berkeley, 1748

Knowing what goes on behind my placid exterior, I have a strong suspicion of what goes on behind yours.

Richard Needham, 1977

Liberals seem to believe that people buy things they don't need or want if they read advertisements. (Groups such as lawyers, physicians, optometrists, *etc.* that have ***sought*** to be legally forbidden to advertise have used the argument that consumers might be misled. Could it be that all who use this argument are really interested only in preventing free market competition?) Conservatives believe that reading pornographic literature will cause people to commit sex crimes.

Thus liberals and conservatives agree that people believe whatever they read or hear, and act accordingly. They think we are puppets without free will. They, of course, must pull the strings to protect us from ourselves.

They think free speech is great, as long as ***they*** control, according to their own taste, what is heard and seen. Curiously, these pessimists don't feel that they personally need protection from themselves. Seldom can they ***name*** anyone who they think needs censorship. But they are sure that the masses are incapable of judging for themselves.

Let Truth and falsehood grapple. Who ever knew Truth put to the worse in free and open encounter?

John Milton, 1644

Their conclusion is that, unless people are firmly ruled by an elite group that knows best, there will be chaos and the end of civilization. They believe nothing good can be accomplished that depends on voluntary cooperation.

I don't believe a separate individual to be capable of doing anything.

Jean Paul Sartre, 1974

The most dreadful butchers were the most sincere. They believed in the perfect society, reached through the guillotine and the firing squad. Nobody questioned their right to murder, since they were murdering for an altruistic purpose. It was accepted that man must be sacrificed for other men. Actors change, but the course of the tragedy remains the same. A humanitarian who starts with declarations of love for mankind ends with a sea of blood.

Ayn Rand, 1943

They never explain how all these inferior people are able

to wisely elect those who know best. Or how going on a government payroll magically changes ordinary, ignorant, selfish people, who can't run their own lives, into all-knowing, benevolent regulators of other people's lives. Their lack of interest in these critical questions is probably due to their hidden goal of returning to a feudal system of government by a self-perpetuating aristocracy of "nobles," especially themselves.

Argument Backfires

This pessimist view is actually an argument ***against*** government, for if people were so evil, they should not be allowed to rule other people. We have only to look at a newspaper for examples of how government power increases the opportunities for crime.

Sometimes it is said that man cannot be trusted with the government of himself. Can he, then, be trusted with the government of others?

Thomas Jefferson, 1801

...It has been rare to find that man whose views and happiness did not center in the gratification of his appetites, and worst appetites, his luxury, his pride, his avarice, and lust of power and who considered any public trust reposed in him, with any other view, than as the means to satiate such unruly and dangerous desires! And this has been most eminently true of Great Men, and those who aspired to dominion.

John Trenchard and Thomas Gordon, ca. 1720

Were it possible to find "master minds" so unselfish, so willing to decide unhesitatingly against their own personal interests or private prejudices, men almost god-like in their ability to hold the scales of justice with an even hand, such a government might be to the interest of the country, but there are none such on our political horizon, and we cannot expect a complete reversal of all the teachings of history.

Franklin D. Roosevelt, 1930

The reality is that the crime and behavior that is deplored by the pessimists, is encouraged by the immoral example set by government. Government, after all, has sold the idea that people are "entitled to something for nothing"--that one has a "right" to steal from and oppress one's harder working neighbors. What are robbers but another special interest group?

The collectivist philosophy of government encourages the idea that individuals are not responsible for their criminal actions--it is the fault of "society."

It is government which has said that producers are evil and deserve to have their ill-gotten gains confiscated. It is government which has discouraged self-reliance, and encouraged dependency on Big Brother. It is government that has kept millions in poverty and unemployment, creating favorable conditions for crime.

It is government which has created "crimes" where

there were none, and which has forced millions to learn to avoid unjust laws, taxes and regulations. It is government that is making us a criminal society.

It is government which makes the public more vulnerable to crooks by falsely leading people to believe that crooks are "regulated," and by making it more difficult for people to protect themselves with guns. It is government which deprives victims of their right to seek restitution from criminals.

Is it ***this***, an institution which corruptly stays in power by violence and selling favors that are not its to sell, and which is the main cause of crime, that we are to look up to for moral guidance?

To sacrifice one's honour to one's party is so unselfish an act that our most generous statesmen have not hesitated to do it.
C. J. Darling

Which categories of crime does the State pursue and punish most intensely--those against private citizens or those against itself? The gravest crimes in the State's lexicon are almost invariably not invasions of person or property, but dangers to its own contentment: e.g., treason, desertion of a soldier to the enemy, failure to register for the draft, conspiracy to overthrow the government. Murder is pursued haphazardly unless the victim be a policeman, or...an assassinated Chief of State; failure to pay a private debt is, if anything, almost encouraged, but income tax evasion is punished with utmost severity; counterfeiting the State's money is pursued far more relentlessly than forging private checks, etc. All this evidence demonstrates that the State is far more interested in preserving its own power than in defending the rights of private citizens.
Murray Rothbard, 1982

Naive Libertarians?

The pessimists sometimes suggest that libertarians believe that everyone is a saint, and that liberty would be possible only in a world of perfect people. But the opposite is true. The case for liberty ***does not*** depend on people being angels.

It is government that requires perfect people to rule and to select rulers. A ***truly*** wise, honest and well-intentioned ruler would, of course, recognize that benevolent rule is impossible, and would, therefore, refuse to rule, or confine "ruling" to preventing the initiation of force.

While most Libertarians ***do*** like and care more about people and have a higher opinion of mankind, they are realistic and very aware that there are people who do bad things. But there are a whole lot of nice people, too, and they don't deserve to be kept in a cage with the rotten people. Libertarians know that government, rather than preventing crime, is responsible for most crime, and that there is ***no one*** who can be trusted with power. The best defense for good people against bad people is liberty!

★ ★ ★ ★ ★ ★ ★ ★

No one is fit to be trusted with power.... No one.... Any man who has lived at all knows the follies and wickedness he's capable of. If he does not know it, he is not fit to govern others. And if he does know it, he knows also that neither he nor any man ought to be allowed to decide a single human fate.

Sir Charles Percy Snow, 1961

★ ★ ★

The former commander of Philadelphia's central police division and four other former officers were found guilty by a federal jury of extorting more than $125,000 from prostitutes, pimps, gamblers, bar owners and vending-machine distributors. Testimony in the trial indicated that many other police officers routinely took payoffs to protect illegal activities at hundreds of locations in the city.... Judge John P. Fullam suggested in court that the prosecution's case established "one single overall conspiracy by practically the entire Police Department."

The Wall Street Journal, May 17, 1983

★ ★ ★

The greater the number of laws and enactments, the more thieves and robbers there will be.

Lao-Tzu, 604-531 B.C.

★ ★ ★

The science of justice is open to be learned by all men; and it is, in general, so simple and easy to be learned, that there is no need of, and no place for, any man, or body of men, to teach it, declare it, or command it on their own authority.

Lysander Spooner, 1885

★ ★ ★ ★ ★ ★ ★ ★

Lysander Spooner, 1808-1887

XIX. FOREIGN RELATIONS AND DEFENSE

★ ★ ★ ★ ★ ★ ★ ★

It is only because tyranny is yet rife in the world that we have armies.
Herbert Spencer, 1844

★ ★ ★

No one has ever succeeded in keeping nations at war, except by lies.
Salvador De Madariaga

★ ★ ★ ★ ★ ★ ★ ★

Three Viewpoints

This issue must be considered from three different viewpoints: first is that of a Libertarian World; second, that of a Libertarian America in relation to non-libertarian countries; and third, that of individual Libertarians in a non-libertarian world. There probably have been fewer libertarian philosophical studies and less libertarian agreement on this subject than on any other.

Libertarian World

When the world is Libertarian, there will be no such thing as a government "foreign policy" which controls how everyone in a geographical area deals with people in other areas. There will be completely free trade, with no government tariffs, quotas, subsidies, export finance or insurance, regulations, or foreign aid. There will be no restrictions on travel, emigration or immigration. Every individual will be free to live where he/she wishes and to deal voluntarily with or associate with any other person in the world. In short, there will be no "nations," and each individual will set his/her own "foreign policy."

It will be a peaceful, more tolerant and tremendously prosperous world. There will be no more hunger or hopeless poverty. Everyone will have the greatest possible opportunity for happiness and self-fulfillment. There will be rapid progress toward improving the material standard and the quality of living, toward the conquest of disease and disability, toward extending the human lifespan, and toward reducing social problems. Crime will be a minor problem and there will be justice for the victims.

With all economic and social reasons for war eliminated, and no strong central governments, there will be no need for (and no one willing to pay for) large standing armies or weapons of mass destruction.

As will be discussed under the chapter on Government, it is not yet clear whether protection from criminals and

criminal gangs would be provided by voluntary associations or by very limited government. Certainly, any individual would be free to provide requested aid for anyone, anywhere, who was being attacked.

If it were necessary to raise the sum required from those who individually agreed in the necessity for war, we should have the strongest guarantee for the preservation of peace.

Auberon Herbert, 1897

Nation shall not lift up sword against nation, neither shall they learn war any more.

Isaiah 2:4

Libertarian America

A libertarian America in a peaceful but statist world would have the same freedoms as in a libertarian world, including free trade and immigration. However, if we were facing potentially hostile states, and ***if*** the threat were serious, it probably would be necessary to have a government defense force to counter weapons of mass destruction. The purpose, though, would be defense of liberty and individual rights, instead of imperialism and intervention. Thus it would be at the same time far more effective and much less expensive.

For example, while the capability for nuclear retaliation would be necessary as long as we were threatened with nuclear weapons, more and better anti-missile and anti-bomber defenses would be built. (Ironically, the need for a nuclear retaliation capability might be eliminated by a nuclear missile that would destroy enemy nuclear missiles in space.) Fortunately, we are protected from invasion by two wide oceans, so the main threat to our security is from the air, and this is where our defense efforts should be concentrated.

Protection against missile and other air attack would not only greatly increase our security, and permit substantial reduction in our ability to retaliate, it would also reduce the public fear that leads to pressure for a larger-than-necessary military and an aggressive foreign policy.

There is presently no foreign government, or even combination of foreign governments that could mount a serious military invasion of the North American continent. With a healthy economy, there would be ample time to prepare an adequate defense against invasion, given the enormous, impossible-to-hide buildup of marine capability an enemy would require.

So, even faced with hostile governments, until there was a real threat of invasion, a Libertarian America would need only a small standby military force, primarily for air defense and retaliation, plus trained reserves.

However, citizens would be equipped and trained in local defense and guerilla warfare to make occupation of America very costly and unattractive to an enemy. This approach has helped keep Switzerland free from invasion for almost 500 years in one of the most war-torn areas of the world.

Another Libertarian defense idea would be to develop the capacity to assassinate foreign rulers in the event that they attacked us. If rulers knew that they, instead of draftees and civilians, would be the first to die, war might be less attractive.

The more than half of the American "defense" budget now being spent to defend other countries, to make war in distant places, and to "project power" could be eliminated. Why should we spend a high percentage of our income defending "allies" that could well afford to defend themselves, just so they can get by with spending much less?

Drastically reducing the power of government would by itself make us harder to conquer. because there would be no powerful central government to surrender power, which an invader could take over and use for control.

Morality Of Self-Defense

A few Libertarians believe that the use of weapons of mass destruction (such as bombs, missiles and artillery) for defense can be morally justified only in very rare cases where there is no chance of killing innocent people.

According to this theory, the only weapons that can morally be used for self-defense are those such as rifles, which can be targeted against individual aggressors. Even these defenses can be used only against uniformed front-line enemy soldiers where they will not endanger "innocent" civilians.

However, there is no logical, principled way to draw such a line. What about the unwilling draftees among the enemy soldiers? What about the military truck driver or the civilian railroad engineer who brings ammunition to the aggressors? What about those who work in the ammunition factory, or supply raw materials to that factory? How about those who grow cotton which is made into uniforms, or pay taxes to support a war of aggression? The economy and war efforts are seamless; there is no line that can be drawn between aggressors and the "innocents" who support them. All who support aggression are aggressors.

It may be argued that citizens of an aggressor state are forced to support the state by threat of violence, or by the necessity of cooperating to earn a living. Perhaps they

support the state innocently, out of ignorance or because they have been deceived by the state.

But are you any less justified in using violence in self-defense if someone "innocently" tries to kill you, or to help someone else kill you, because they think that you are a deer in hunting season, or because they don't understand what they are doing or that murder is wrong, or because they have been threatened with violence if they don't assist in your murder?

Even someone who attacks you because he will be killed if he doesn't, had a choice. It is a basic libertarian principle that we are each responsible for our actions and their damage to others, regardless of our intent. Otherwise, people injured by drunken drivers would have no recourse. So, the number of those innocent of responsibility in an aggressor state would appear to be few, if any.

However, while it is moral to use force in self-defense against civilians who are part of the war machine of an aggressor state, it is immoral to use more force than is *necessary* to end the aggression and secure restitution. For that matter, the same principle that only reasonably necessary force may be used in self-defense, also applies to invading soldiers. In practice, this principle would normally mean that most of the force used in self-defense would be directed at the armed forces of the aggressor.

Even if self-defense would endanger truly innocent people, there are other serious problems with the view that self-defense would be immoral under such circumstances. It certainly would be immoral to deliberately risk harming or violating any rights of innocent bystanders if it is reasonably avoidable. However, almost any use of violence in self-defense has some risk, however small, of damage to the person or property of innocent bystanders. (We could not even live if any activity which might conceivably harm an innocent bystander were prohibited.)

But what if it were almost certain that some truly innocent people would be injured or killed by any practical means of self-defense? This is the classic human shield dilemma. For example, what if an invading army used innocent civilians from the country being attacked, as shields between themselves and the defenders?

While the philosophical justification may not be clear, it is again obvious that if defenders are to be paralyzed by the use of human shields, there can be no defense against aggression. All that would be needed for a profitable murder-for-hire business would be a gun and a baby to carry.

So either the theory that self-defense is morally permissible only if ***all*** possible danger to the rights of innocents is eliminated is wrong, or there is no right of self-defense. And if there is no right of self-defense, the idea of human rights becomes meaningless.

Unfortunately, there seems to be no easy escape from the dilemma. Peace, justice, human rights and liberty can exist only if we are willing to risk violating rights and to even deliberately violate rights ***in self-defense*** when there is ***no*** other real choice to survive and prevent slavery.

Perhaps moral law based on man's nature is inappropriate when a man's nature is forced to change to that of an animal struggling for survival. Another, more persuasive, view is that a person who harms innocent people in self-defense, owes restitution to those harmed, and in turn is owed restitution by the aggressor who ultimately bears the guilt.

Libertarian Defense

Fortunately, an effective Libertarian defense against foreign aggression would rarely require harming truly innocents. First, we would avoid war and probably never have one. We would be neutral in conflicts between other countries and defend only against a direct attack. Our goal in war would be only defense, not conquering another country.

The violence used in defense would be limited to that reasonably necessary to terminate the aggression. There will be very few innocent people among the citizens of an aggressor nation. We would try to minimize the harm to innocent people wherever they live, and to focus our force against those most responsible for the aggression.

We would also actively negotiate with potential enemies for the ***assured mutual*** elimination of ***all*** weapons of mass destruction, including nuclear and chemical systems, biological weapons and especially ***all*** weapons that can strike at great distance. Our purpose would be to reduce the death and destruction of war, and the cost of defense. We also want to eliminate any need for government to play a role in defense.

Until the threat of aggression with such weapons can be removed, a Libertarian America should maintain an adequate defense capability to deter and stop aggression, using whatever weapons are necessary. This discussion is not intended to deny the horror of war, especially nuclear war, nor to condone any avoidable violation of human rights. The intent is simply to point out that the possession

of, and willingness to use, the weapons of modern warfare in defense ***cannot*** be inconsistent with libertarian moral principles.

The moral line is between aggressors and defenders, not between those who use one kind of weapon and those who use another kind. An aggressor may not morally use even sticks or fists, while a defender may morally use whatever weapons are ***necessary*** to overcome the aggressor's force.

It is sometimes difficult to determine the aggressor when wars begin with small aggressions and defensive responses which escalate to full scale war. To sort out the actions and counter-actions, we must go back to the beginning and determine responsibility for the initial aggression. That party is the aggressor in the subsequent war, unless the defender, somewhere in the process of escalating violence, has used force far in excess of that necessary for defense. Such excessive force reverses the roles of aggressor and defender, and such a reversal conceivably could take place several times before all out war develops.

Disarmament

Those who urge disarmament as something that is always good regardless of circumstances, often make three errors of logic. ***First*** they tend to treat as moral agents the weapons, instead of the people who use them. They seem to believe that the existence of weapons somehow compels people to use them.

This leads to the ***second*** error of logic, which is to confuse the symptoms with the problem. The real problem is criminal aggression, especially war. Arms and the expense of the arms race are only symptoms of this disease.

However, if no one wants to initiate force against others, weapons will be converted to peaceful use or harmlessly rust away, and new weapons will not be built. On the other hand, if someone ***chooses*** to kill another human being, a way will be found.

The cause of aggression is the will to aggress. Disarmament is not a solution for the problem of aggression because it does not affect the cause--the human will to aggress. Disarmament will be a consequence of solving the problem of aggression.

It is impossible to eliminate all weapons. There are many essential tools, such as knives and axes, which can be used as weapons; and even if these could be eliminated, there would still be rocks and bare hands. There is

no such thing as total disarmament.

A 39-year-old woman charged with first-degree manslaughter Saturday in connection with the death of a man at an apartment on Kenwood Avenue was to be arraigned today in City Court. The woman, Diane J. Jordan of 207 Kenwood Ave., is charged in the death of Joseph C. Williams, 34, also of that address. Williams was hit with a telephone and strangled with the telephone cord, police said.

Times-Union, April 25, 1983

Weapons will always exist, and as long as there are aggressors, weapons will be needed for defense. While the concept is unfortunately often stretched to try to justify aggression, deterrence is both moral and effective for self-defense.

There is a good reason why hoodlums prefer to rob defenseless people, such as the elderly and handicapped. Weapons make it possible for people who are physically weak to inflict damage that is an unacceptably high cost for aggression, thus deterring aggression.

The only certain advantage to partial disarmament is that it saves money, but it ***may*** have serious disadvantages. Suppose a feeble elderly widow and a big strong robber agree to give up their guns. The risk of retaliation against aggression is eliminated, and the "balance of power" is shifted in favor of the robber.

Similarly, a small country that is greatly outnumbered by a potential aggressor would be in jeopardy if it gave up sophisticated weapons in favor of less deadly weapons that depend more on personnel. Sophisticated weapons may also be cheaper. A gun may be cheaper than hiring strong bodyguards, and a nuclear bomb may be cheaper than an infantry division.

The ***third*** logical error is the idea that large weapons, such as nuclear bombs, somehow change the moral nature of war. It is believed that millions of deaths in a nuclear, biological or chemical war are different from millions of deaths in a "conventional" war. However, from the individual's perspective, it matters little whether death comes from a mugger's knife or from vaporization. Every murder of an individual is a moral outrage. Moral principles do not depend on the numbers of people affected, or whether they are affected all at once or over a period of time.

Arguments which turn on the quantity of moral violations are no different from other "social cost" arguments collectivists make. It is the same idea as forcing taxpayers to bail large corporations out of financial problems because of the thousands employed, while considering the bankruptcy of Joe's Garage to be unimportant because it employs only Joe.

Even if it were true that any use of nuclear or other powerful weapons would mean the end of the human race, this doomsday argument is only a variation of the idea that the collective is more important than the individuals which comprise it. From the moral perspective, if the possibility of millions of deaths justifies submission to slavery, then slavery would be equally justified by the possibility of even one death.

Libertarians who favor unilateral disarmament believe that this will reduce the risk of nuclear war and they do not wish to have any responsibility for war, even in defense against slavery. However, this pacifist view is based on their opinion, not on Libertarian principles. They are caught in an inescapable inner contradiction: they want liberty and yet would deny the right to defend it. They focus on the wrong problem. Bombs don't make war, states do!

If nuclear weapons are a dreadful threat and mankind cannot afford war any longer, then mankind cannot afford statism any longer.
Ayn Rand, 1966

Better to die on your feet than live on your knees.
Lech Walesa, 1981

Why War?

War is so horrible that virtually no one would admit to liking war. Yet despite almost everyone wanting peace, we regularly have wars. Why is this?

If we seriously want to root out war, we must understand the ideas that lead to war. Why do people believe that certain ends justify this terrible means?

Libertarians could justify fighting a war for only one reason--self-defense against aggression. Thus, in a Libertarian world there would be no wars, because there would be no nations, and therefore no aggression by one nation against another. Individuals or small groups of criminals might commit aggression, but it could be easily stopped by the great majority, who would be against aggression.

So wars must be started as the means to achieve the end which is the opposite of liberty--and that is power. While different aggressors may hope to gain different benefits from war, their ***common*** objective is ***power*** to impose their will on others.

Therefore, to understand the cause of war we must understand the philosophy of power. The philosophy of power is collectivism, the doctrine that individuals have no rights, that groups, "represented" by their rulers, have the right to do whatever they wish to individuals or other groups.

The principle behind taxation, conscription, occupational licensing and building permits is no different from the principle behind conquering foreign countries to tax and enslave their citizens and steal their land. ***Whatever*** is done in the ***name*** of the collective--for the "common good" is justified, no matter how ugly the means or terrible the consequences for individuals.

Collectivism feeds on itself in a vicious circle. The more power, the more legitimate it seems. The greater the power, the more able it is to bribe, brainwash and frighten people into not resisting. The more everyone's fate is determined by power, the more everyone seeks power--and the more everyone ignores liberty, individual rights and justice as "obsolete." The greater the power, the more oppression. And the greater the oppression, the more power is needed to crush dissent by the victims.

Finally, "collective power" reaches the point where its resources and victims are too exhausted and poor to be further plundered. The economic disaster it has caused creates the risk of rebellion. What to do to save the day for power?

Two things are needed: a more persuasive justification for power and a fresh source of more prosperous victims. Fortunately for power, the two come together as the "foreign menace" that must be conquered to "save the nation." Also, fortunately for power, it is able to force its victims to go to war "to defend their interests." If an oppressive government (is there any other kind?) did not have threatening enemies, it has to invent them.

TEHRAN, Iran--The Islamic government led by Ayatollah Ruhollah Khomeini appears to have fastened its grip more firmly on this country of 38 million people.... The war with Iraq has been a major factor, arousing patriotic spirit and stilling political dissent.... And it has given the government an answer to every complaint, whether political or economic. "They say, 'This is wartime,'" a dissident here complained, "and then everybody politely shuts up." A rare exception seems to have occurred several weeks ago when an open letter signed with the name of Mehdi Bazargan, the first prime minister after the revolution, began circulating....(which asked) "What has the ruling elite done in nearly four years besides bringing death and destruction, packing the prisons and cemeteries in every city, creating long queues, shortages, high prices, unemployment, poverty, homeless people, repetitious slogans and a dark future?"

New York Times, November 21, 1982

It is no coincidence that throughout history, the more collectivist the government, the more it interfered with the lives of its own citizens to promote the "common good" and "equality," the more aggressive that nation and the greater its threat to peace between nations. In short, the more socialism, the more war.

Chapter XIX: Foreign Relations And Defense

War will always be with us until mankind accepts the principle that the initiation of force can ***never*** be justified for ***any*** purpose.

Persuading all mankind to accept this principle is an enormous task, but the goal of the Libertarian movement is nothing less. To those who say that it is a wonderful goal, but idealistic and impractical, we point out that it is the ***only*** hope for humanity. The alternative has been tried for thousands of years. It has produced nothing but slaughter, oppression and poverty, and is leading toward ever greater horrors.

Libertarian Foreign Policy

The most effective foreign "policy" would be for an adequately defended libertarian America to again become a beacon of liberty for the oppressed of the world. We could be a wonderful example of the justice and prosperity which freedom would bring about. Our trade and immigration policies would make friends instead of enemies.

Give me your tired, your poor, your huddled masses yearning to breathe free.

Statue of Liberty, 1886

The attraction of liberty would become irresistible. Citizens of other countries would work from within to dismantle their governments, aided by individual Libertarians acting on their own. Peace, justice, tolerance, and prosperity would spread around the world.

You may believe, as I do, that if the citizens of the Great Powers were more sharply militant, less like sheep, then States would soon be less like wolves.

John Boynton Priestly, 1894 - ?

Civil wars are usually caused by different groups trying to use the apparatus of government to dominate and exploit each other. Instead of giving arms to the favored side, why not promote the idea of changing to a "libertarian government" under which no one is dominated or exploited, and so there is no reason to fight? Do you wonder why no government has ever made this obvious suggestion?

For Libertarians, the problem with government defense is forcing people to pay for, and to go along with, decisions with which they may disagree. There may be no choice but this violation of rights, if the only alternatives are death or enslavement. The moral responsibility for such rights violations would fall on the hostile foreign governments that impose this hard choice by threat of force.

However, no individual rights should be violated unnecessarily. Certainly, the slavery of a military draft is not acceptable under any circumstances.

Conscription is basically forcing some people to serve in the military at less than free market wages, in order to provide the benefit of protection for other people at lower cost. It is the same principle as all slavery: someone is to be sacrificed to benefit another. If we need higher quality soldiers, we should pay what it takes to attract more qualified people ***voluntarily***.

Another bad thing about conscription is that it makes it easier for governments to start aggressive wars. History has shown that free people never need to be forced to enlist when they believe they are defending themselves against aggression.

I am not registering for the draft. I am obligated to protest even simple registration since I feel the spirit of this mandate, like actual conscription, is immoral and incompatible with a truly free society.... I love my country and would defend it in a time of crisis.

Benjamin H. Sasway, 1980

The real injustice of the draft is that it is state control over the individual--it's force labor. Conscription as a means to any end is unjust. I'm not a pacifist resisting war--I'm a free man resisting slavery.

Draft resister Paul Jacob, 1983

The government not only denies a man's right as a moral human being, to have any will, any judgement, or any conscience of his own as to whether he himself will be killed in battle, but it equally denies his right to have any will, any judgement, or any conscience of his own, as a moral human being, as to whether he shall be used as a mere weapon for killing other men.

Lysander Spooner, 1886

Men of the most renowned virtue have sometimes by transgressing most truly kept the law.

John Milton, 1645

In a libertarian America, the foreign policy would be one of non-intervention, with no defense treaties with governments, no troops in foreign countries, no foreign aid, and no government military action except in the defense of America from attack.

It is not contrary to the principles of liberty for people to make "alliances" with other people for mutual defense, or to aid victims of aggression. What is contrary to Libertarian principles is to force someone to make alliances or provide aid against their will. Because this is always the effect of government defense treaties and foreign aid (because not everyone will agree), Libertarians must oppose them as immoral. However, it should be noted that Libertarians in other, smaller, militarily weaker countries may find that alliances are an unavoidable evil, because the alternatives are much worse.

American citizens would travel and invest abroad at their own risk, but it would no longer be illegal to defend themselves, or any foreign citizen wishing help, from attack.

Our policy must be based on friendly relations with foreign ***people***, not on support of the governments that oppress them. Some believe that Libertarians should support "morally just government interventions," but not everyone will agree on what is just, and certainly no government can be trusted to decide or properly inform the public.

It is our true policy to steer clear of entangling alliances with any portion of the foreign world. The great rule of conduct for us in regard to foreign nations is, in extending our commercial relations, to have with them as little political conection as possible.

George Washington, 1796

Peace, commerce and honest friendship with all people, entangling alliances with none.

Thomas Jefferson

Politicians and bureaucrats are by nature arrogant planners, and if they could not intervene in international affairs their jobs, and their egos, would be eliminated. They are the ones who scream that non-intervention can't work. It's only the American taxpayer and the potential draftee who understand the true value of the policy of armed neutrality.

Congressman Ron Paul, 1983

This policy of non-intervention may be criticized because it does not guarantee peace or a successful defense, or that the world will run the way we would like. But the policy of imperialism, intervention and alliances doesn't guarantee these things either. It has regularly and frequently involved us in wars, and has been terribly costly in terms of life, liberty, property, friendly relations, and self-respect. If we renounced intervention, it would become much more difficult for foreign rulers to blame us for their own problems and to hold their subjects in line by pointing to us as a threat.

In any case, America simply can no longer afford a "global strategy," if indeed we ever could. The cost is destroying the economic strength on which the ability to resist aggression depends. The standards against which a policy of non-intervention should be judged are the results ***always*** produced by intervention, not some imaginary ideal.

What Now?

Libertarians do not yet decide government policies. Until that happens, all that we can do is to try to influence those who do, to reduce the danger and harm.

Individual Libertarians in the present non-libertarian world often are faced with difficult choices between bad defense and foreign policies, as in other areas affected by government. The same general principle applies--oppose the policies which decrease liberty, and support any policy which increases liberty. The problem, of course, is to

judge the overall effect of a mixture of better and worse.

At the same time that we comment on government policies, make clear what the just policy would be, as outlined above under "Libertarian America." Avoid cooperating with any unjust action. And raise the question: When enormous sums of money are being spent on defense to prevent other countries from imposing on us a socialist political system, why are we imposing that same system on ourselves?

You will get nowhere in your struggle against communism; as long as you are partial to it, pamper it, cherish it in that part of the law which it has invaded, your effort will be in vain.

Frederic Bastiat, 1850

The socialist is only the politician kept a little longer in the oven and hard baked; the politician is only the immatured socialist.

Auberon Herbert, 1897

While politicians may loudly denounce an evil foreign nation which threatens their own power, they dare not question the moral legitimacy of its government--its "sovereign" right to rule. To do so would bring into question the politicians' own right to rule, and their socialist programs. No matter how despotic the foreign government, or how benign the domestic, the difference is one of degree, not principle.

We have reached the stage where an ill-assorted group of victorious governments can assert a moral basis for the indictment trial, and execution of the leaders of a defeated nation who were responsible for "crimes against humanity." But the same governments placidly ignore the presumably equally criminal character of comparable actions by their own states against other human beings, or even reward such actions with decorations, when carried out under the direction of their own leadership.

Felix Morley, 1949

Rulers (who prefer to call themselves "leaders") agree that the worst of all offenses is to "interfere in the internal affairs" of another government. To give comfort to the victims, to spell out their "unalienable" human rights, could undermine the mythology of government by which all rulers justify their power. Libertarians must challenge this hypocrisy.

Libertarians should oppose all foreign aid. First, politicians have no right to give away our property to buy themselves world power. Second, foreign aid is not aid to foreign people, who seldom receive any benefit, but rather aid to foreign governments.

These governments use aid to maintain "stability"--that is, their power to oppress their citizens--despite their disastrous socialist economic policies. Incredibly, Americans have even been forced to provide large economic subsidies to totalitarian governments that are members of the com-

munist military alliance--an alliance against which we are also paying enormous taxes for defense! Without aid, their citizens might demand liberty! Let's stop financing welfare for despotism, and its secret police, prisons and torture!

In defending freedom and democracy, it is sometimes necessary to make common cause with some governments that don't share those values.

U.S. Ambassador to the U.N.,
Jeane Kirkpatrick, February 15, 1982

The theory of foreign aid is that it is possible to buy friends. But it is human nature for recipients to resent the givers of charity, and to hate the granters of loans that can't be repaid. So even if our foreign aid helped anyone, we would still be the losers.

A small debt creates a debtor, a large debt, an enemy.

Proverb

The American ruling class thinks only of military defense for protection from socialist countries who are waging ideological war. It is apparently conceded that the battle of ideas is lost--that socialist ideas will always be more attractive to the poor and oppressed masses. They don't realize (or want to admit) that socialism creates conflicts, while liberty resolves them.

Therefore, they believe that the solution is military intervention, or to help oppressive governments use force to hold down the masses so they will not be a threat to America. Oppressive but "friendly" governments are also encouraged to become more socialist to prevent unfriendly socialists from coming to power.

What have Americans gained by being forced to help finance ***both*** sides in 14 different wars in the past 20 years? What has been gained by all the foreign military "interventions" except more enemies? Friends that we armed are now enemies, so we arm former enemies. Everyone hates a rich bully.

I think that it is not too soon for honest men to rebel and revolutionize. What makes this duty the more urgent is the fact that the country so overrun is not our own, but ours is the invading army.

Henry David Thoreau, 1849

The world must be made safe for democracy.

President Woodrow Wilson, 1917

It became necessary to destroy the town in order to save it.

American officer in Vietnam, 1968

But the ideas of liberty can win. They are the most powerful defensive weapon in the world--one that could make aggressive war impossible. However, we cannot effectively export this weapon against tyranny to those that need it, until we first set an example of liberty in action. The freedom and prosperity of a Libertarian America would create strong public demand for liberty throughout the

world. The brains, talent and capital of the world would flow into America, forcing foreign rulers to grant liberty in order to avoid economic collapse and revolution.

What the world needs is Libertarian revolution instead of communist revolution. To paraphrase the Communist manifesto written in 1848 by Karl Marx: Let the ruling classes tremble at a Libertarian revolution. We have nothing to lose but our chains. We have a world to win. Libertarians of the world, unite!

The world crisis of today is a moral crisis--and nothing less than a moral revolution can resolve it: a moral revolution to sanction and complete the political achievement of the American Revolution.

Ayn Rand, 1961

Moved by a passion for justice, by compassion for the oppressed peoples of America and the world, we are the voice of Liberty against Power. In this period of human history, no ideal could be a more noble or radical challenge to the politics of death and despair--the politics of our age. We shall take up the banner of Liberty, and with it, fulfill the ancient dream of peace and prosperity for all the peoples of the world.

Roy Childs, 1975

A good program for Libertarians to urge now would be the elimination of government power to restrict foreign trade and immigration. Unilateral removal of tariff and quota barriers would not give foreigners an "unfair" trade advantage, but would be like stopping hitting ourselves on the head.

No undertaking is more futile than that of trying to base the prosperity of the parts on the ruination of the whole. And yet this is what the policy of protectionism seeks to do.

Frederic Bastiat, 1844

If people in foreign countries permit their governments to harm them with trade barriers, that is their misfortune and a loss to the world economy. But we gain nothing by inflicting "reciprocal" injury on ourselves. And eliminating foreign trade barriers would make it much more difficult for government to interfere in the domestic economy. Removing trade and immigration restrictions would be real foreign aid that would equally benefit us and lead to friendly relations among people.

How Did We Get Into This Mess?

Problems with foreign relations begin with the idea that government should manage the domestic economy for the "common good." In practice, this means managing the economy for the benefit of special interests, including favored businesses. The special interests, in turn, support government control.

But government cannot control the economy if citizens are free to trade with those pesky foreigners who "unfairly"

offer a better deal than the favored businesses. Some foreign competitors are "unfairly" subsidized by their government and Americans must be stopped from enjoying this windfall. So we "need" tariffs and quotas.

American labor "needs" immigration restriction for protection from foreigners whose ancestors missed the boat ours came over on, and who "unfairly" are willing to take unpleasant jobs and work harder to live here. The loss of liberty by preventing Americans from choosing whom they wish to trade with, employ or associate with is a small price to pay! (If tariffs, quotas and immigration restrictions are so great, why don't we have them between counties or cities?)

What generates war is the economic philosophy of nationalism: embargos, trade and foreign exchange controls, monetary devaluation, etc. The philosophy of protectionism is a philosophy of war.

Ludwig von Mises

When goods don't cross borders, soldiers will.

Frederic Bastiat, 1850

For every new mouth to feed, there are two hands to produce.

Peter T. Bauer

If foreigners "unfairly" refuse to buy things from America that they can get better or cheaper elsewhere, then government must provide (at the expense of other Americans) export subsidies including low interest financing and cheap insurance.

Somehow, the possibility isn't considered that if our goods aren't competitive, it might be due to high taxes and government regulation. And if Americans are prevented from buying foreign imports with dollars, where will foreigners get the dollars to buy our exports? Why would foreigners give us a perfectly good TV set for green paper if they didn't want to use it to buy things from us? In reality, the only reason for exporting is to be able to buy imports.

It also isn't "fair" for American business to have to compete with foreigners for their raw material. Sometimes foreign governments threaten to expropriate American investments, or a revolution threatens the security of American bank loans to foreign governments. So the American government must use its foreign "policy" and its military power to make sure that "friendly" foreign governments give American business exclusive privileges to buy and sell, and protect American investments in their countries.

If foreign governments or business cannot repay loans to American banks, then of course government has to grant loans and foreign aid to enable the foreigners to pay the banks. Otherwise, it is claimed, it would cause a failure of

the American banking system. A direct bailout of the banks would, of course, be too obvious. The great benefit of this system is that it allows bankers to make huge profitable loans to support foreign--including communist--governments, without having to be concerned about their ability to repay or the banker's job security.

Foreign countries should be content with supplying our raw materials and buying our manufactured goods without competing with us. If we want a resource owned by someone else, we have a "right" to use our power to protect "our interests." More military power is then needed to prevent interruption of the "strategic minerals" supply needed to maintain military power.

Never mind that in every country that has ever tried it, this policy has cost the average citizen far more than any gain, or that assuring raw material supplies by stockpiling would cost only a tiny fraction as much.

This American foreign policy is properly called colonialism and imperialism. Security is the excuse given for it. But the true purpose is to enrich some Americans and satisfy the lust for power of American politicians, at the expense of all other Americans. It leads to keeping oppressive regimes in power, which has earned us the hatred of people all over the world. This hatred, which can be exploited by aggressive governments, is the real threat to our security.

To be a good patriot is to hope that one's town enriches itself through commerce and is powerful in arms. It is clear that a country cannot gain unless another loses and it cannot prevail without making others miserable.

Voltaire, 1764

The quantity of goods which a country exports is always directly related to the number of bullets which it can send against its enemies when required by its honor and its dignity.

Emperor Napoleon Bonaparte III, 1848

Me, Too!

Other governments would like to have the same privileges in countries that they dominate and to expand their empires. They don't like their businesses frozen out of trade with countries that we dominate.

All these restrictions on trade and immigration cause hard feelings and tensions. That starts wars in which large numbers of innocent people are killed, hurt, or have their property destroyed. Governments, of course, lead them to believe that they are sacrificing for "patriotism," "national honor," or some other "noble" cause, rather than for subsidizing favored businesses and satisfying politicians' lust for power and glory.

Chapter XIX: Foreign Relations And Defense

Wars are admired because they "unify" a country. "Unity" turns out to mean that everybody follows the rulers' orders. They even claim that war advances science and technology, as if scientists and inventors would be idle if there were no weapons to build. How much more progress in science and technology would there have been if the American government did not direct half of the country's research and development into military projects, and did not confiscate most of the capital that would have been available for innovation? Has there ever been a war, other than revolutions, that has benefitted the common man?

Let the gulled fool the toils of war pursue
Where bleed the many to enrich the few.
William Shenstone

When elephants fight, it is the grass that suffers.
Kikuyu proverb

War is a terrible enemy of liberty. War, and preparation for war, are used as excuses for "temporarily" abridging freedom and violating natural human rights. This is usually done in the name of preserving liberty. But the liberty lost is never fully restored. After all of the wars between states, with the millions of dead and the terrible suffering, is there any less tyranny in the world?

War is the health of the state.
Randolph Bourne, 1964

Perhaps it is a universal truth that the loss of liberty at home is to be charged to provisions against danger, real or pretended, from abroad.
James Madison, 1751 - 1836

The strength gained by a victorious State through war is in large part taken not from the enemy but from its own people.
Felix Morley, 1949

Look Where It Leads!

War is not only hell, it is very expensive. Maintaining large standing armies and navies requires high taxes. To extract high taxes requires a large, oppressive government bureaucracy and even more government control of the economy.

War involves in its progress such a train of unforeseen and unsupposed circumstances that no human wisdom can calculate the end. It has but one thing certain, and that is to increase taxes.
Thomas Paine, 1787

High taxes and regulation create unemployment and lower the standard of living. There must be price controls, bigger unemployment insurance and welfare programs so that those who suffer most will not be a threat to the government. This requires even higher taxes and further lowers productivity, so that people are less able to pay the taxes. This causes dissent which must be suppressed by force. People must be harshly punished for avoiding tax-

ation or the draft, for exposing embarrassing government secrets, and for any challenge to authority.

A nation prepared for war wants to avoid long exposed supply lines, even from completely dominated foreign countries. So it tries to develop domestic sources for materials (or substitutes) essential for making war.

Such industries will be uneconomical, or they would already be in business and it would not be necessary for government to create them. Their inefficiency, and the subsidies, tariffs and quotas required to keep them going, will depress the economy and lower the standard of living. "Self-sufficiency" may seem appealing if it is not realized that the effect on a nation is similar to the effect on a family of consuming only what it can produce itself.

Thus foreign and domestic policy are tied together. The end result of government meddling in the economy to favor some people over others is war, poverty, and a police state. The only way to end war is to end government power over the economy and its power to regulate the lives of individuals. As long as power exists, people will fight to control it.

Many people have advocated "One World" government as a solution to war. Such a gigantic remote government, long the dream of tyrants, would be totally out of the control of the citizen. Government oppression would reach new highs and grinding poverty become worldwide. Hope would die. World government would lead only to "civil" war to control this most coveted power. And the winner would impose the peace of slavery, prison and death.

★ ★ ★ ★ ★ ★ ★ ★

As long as there are sovereign nations possessing great power, war is inevitable.

Albert Einstein, 1945

★ ★ ★

The animosity which nations reciprocally entertain, is nothing more than what the policy of their governments excites, to keep up the spirit of the system. Each government accuses the other of perfidy, intrigue and ambition as a means of heating the imagination of the respective nations, and increasing them to hostilities. Man is not the enemy of man, but through the medium of a false system of government.

Tom Paine, 1791

★ ★ ★

If men want to oppose war, it is statism that they must oppose. So long as they hold the tribal notion that the individual is sacrificial fodder for the collective, that some men have the right to rule others by force, and that some (any) alleged "good" can justify it--there can be no peace within a nation and no peace among nations.

Ayn Rand, 1966

★ ★ ★ ★ ★ ★ ★ ★

XX. IS LIBERTY RIGHT OR LEFT?

★ ★ ★ ★ ★ ★ ★ ★

Liberty is not a means to a higher political end. It is itself the highest political end.

Lord Acton, 1907

★ ★ ★ ★ ★ ★ ★ ★

Confusion

There is a story that the practice of calling communists the left, and fascists the right, started because of the seating arrangement in the French National Assembly. The Communists were seated on the far left and the Fascists on the far right to break up the fights between the two groups which occurred when they were seated (more logically) next to each other.

This incredible scheme of political classification has, going from the left to the right: communists, socialists, moderates, conservatives, and fascists. Thus a "moderate" is midway between fascist and communist!

Most people who have thought about it for a few minutes realize that, while communists and fascists may hate each other as competitors, their philosophies aren't opposite, but pretty much the same. In fact, there isn't much difference in the political philosophies of all these groups.

Thus, the reason why the right-left classification is so confusing is that it is only *one* political viewpoint. The opposite viewpoint, liberty, isn't even shown. Because almost everyone uses the right-left system, especially the media, liberty has been almost shut out of the debate.

Note that political labels are slippery and only generalizations can be offered. Labels change meaning over time and according to circumstances, such as what one is trying to prove. Rarely would any two people claiming the same political identity agree on all details of the definition.

Those who are engaged in political work usually reject any kind of systematic thought, and disdain the authority of general principles.

Auberon Herbert, 1880

Political language is designed to make lies sound truthful and murder respectable, and to give an appearance of solidity to pure wind.

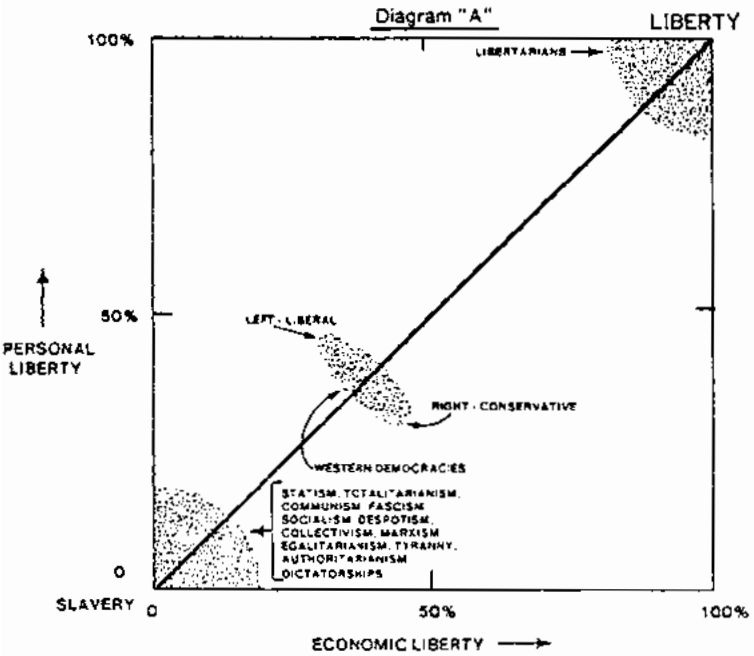
George Orwell

Our System

A more logical political classification would have liberty on one end, and its opposite, slavery, on the other. The totalitarian political philosophies such as communism and fascism would be near the slavery end. Democrats and

Republicans would be less than 40% of the span from slavery to liberty. Conservatives and "liberals" would correctly be seen as occupying about the same position relative to liberty and slavery. Different libertarian viewpoints would naturally cluster near the liberty end.

An even more useful political classification is shown by Diagram "A." Liberty is divided into personal (or civil) liberty and economic liberty. Personal liberty includes such rights as freedom of speech, religion, and sexual relations; economic liberty is freedom from taxes and business regulation.



A right-left system makes more sense on this diagram, as it shows how it relates to liberty. Conservatives are correctly shown to favor more economic and less personal liberty, and "liberals" are shown to favor less economic and more personal liberty. Note that liberty and slavery are not only the opposite political systems, but also the opposite economic systems.

Libertarians should encourage the use of this diagram. To the extent the debate is on this logical basis, we will win, for few will want to admit supporting partial slavery.

Don't Let Them Steal OUR Thunder!

Unfortunately, the public often confuses Libertarians with conservatives. This gross error is encouraged by the media, which either don't understand liberty, or would like to pretend that we don't exist. In order to succeed, we must first establish a clear identity to which those who love liberty can rally.

An example of the problems that could be caused by this confusion of identity is: if a conservative government were elected by promising libertarian reforms, and fails to implement the reforms but pretends to have delivered as promised, the public may then think that libertarian ideas don't work. Therefore it is very important that Libertarians and the public clearly understand the great difference between conservatism and Libertarian principles.

Conservatives want only to ***slow the growth*** of big government and to make it more efficient. Conservatives favor the status quo, which ironically is the socialism they claim to oppose. Conservatism is, in fact, just another form of socialism.

Libertarians want to drastically cut government to the minimum possible, and prefer to not get all the government they are forced to pay for.

Conservatives may criticize some acts of government, but never criticize government as an institution. Conservatives, like other statists, want to use government power for ***their*** own benefit and to impose ***their*** ideas. They don't believe government power is bad. The only thing that can be wrong with any government is that they don't run it.

The conservative idea of economic liberty is a better deal for established business. Libertarians want complete economic liberty, with business neither favored nor regulated, and believe that taxation is theft.

Conservatives want us to have less personal and civil liberty. They want to prohibit behavior they find offensive, and deny due process, leaving us to the tender mercies of arbitrary authorities. Libertarians want complete personal and civil liberty. The Libertarian standard of liberty is liberty, not liberty relative to some totalitarian government.

Conservatives care about tradition and institutions; Libertarians care about people and human rights.

"Liberals" and conservatives alike profess to love liberty--as long as it is "bridled." "Unbridled" liberty, they feel, is a dangerous thing. Apparently they see liberty as a horse that is useful only when they are astride its saddle, firmly holding the reins. But liberty is not a wild horse that needs to be tamed. What they truly wish to "bridle" are

the human rights of other people.

The Villains

The general name for those political philosophies which believe in people being governed by a powerful state is statism. People who advocate government power are called statists.

Statism is a system of institutionalized violence and perpetual civil war. It leaves men no choice but to fight to seize political power--to rob or be robbed, to kill or be killed.

Ayn Rand, 1966

The most common and most threatening type of statism is socialism. It can be persuasively argued that, in fact, these words mean the same thing for practical purposes, so they are used interchangeably in this book. It should be noted that the word socialism is used to refer to three quite different things. The one which is meant here is state socialism, which is socialism as actually practiced in socialist states.

Voluntary socialism, where people share property and live together in a commune, is not in conflict with liberty and would probably exist as a chosen life style for some people in a libertarian society. Note that while state socialism would eliminate by force all other social and economic relations, liberty would allow these for whoever so choose.

The third thing the word socialism is used to mean is theoretical socialism. In some variations of socialist theory, such as that of Karl Marx, the state is recognized as a harmful institution which should be abolished. In such theories, details tend to be missing about how socialism is to be maintained without an all-powerful state.

A society which organizes its production in a new fashion based on the free and equal association of producers will send the machine of the state to the place where it will then belong: the museum of antiquity next to the spinning wheel and the bronze ax.

Karl Marx and Friederich Engels

The most recent socialist theories blame the obvious failures of modern socialist states on their mistakes which need not be repeated, their failure to achieve "true" socialism, and their central planning and control of the economy. It is proposed instead to have "decentralized" socialism, with worker control of businesses and "democratic" control of the economy.

If worker control is really what people want, a violent socialist revolution or socialist state control of the economy is not necessary to achieve it. The facts are that workers could easily buy control of their employers (typically by investing 10% of their incomes for as few as 5 years) but they have never shown much interest in having the re-

sponsibility for being their own boss. When workers have been owners of their business, this system has seldom lasted for long, for lack of worker support.

If workers did run the companies that employed them--and some workers got rich and others went broke or just got by--would the socialist just say that the important thing is that the workers get to run their own lives? Would the socialists ever be content to let consumers determine, by their purchase decisions, what would be produced? Would the tooth fairy give children money for the teeth they have outgrown?

In practice, socialist officials would run businesses in the ***name*** of the workers, and only the threat of violence by a powerful ***central*** state would prevent people from doing their own economic thing. What "social democracy" and "economic democracy" are about is not worker control of the economy, but rather control by socialist elites. The "decentralization" would only mean a secret police agent or informant in every apartment building and place of work. True "economic democracy" would be the free market.

A second vision, entertained much more strongly in Europe than in the United States, sees this period as the forming ground for a new attempt to create socialism--not the sclerotic socialism of the centrally planned systems, such as the Soviet Union, but a socialism of intensified democratic participation, of widespread workers' management of enterprises and of the gradual elimination of capitalist privileges and waste.

Robert Heilbroner, 1982

It is true that I believe in democratic socialism as the best way to overcome the ruinous economic crises of capitalism, with mass unemployment, galloping inflation, and increasing poverty. The key to an efficient socialist society is planning. *Any successful capitalist business must carefully plan, primarily by drawing up and carrying through its annual budget. The same is true of government operations. Socialism extends the widespread planning already present to the nation as a whole, to the state, to the city, and to local enterprises. This would entail the nationalization of the banks and the main means of production and distribution. I would leave any business with ten employees or less functioning as now, but in accordance with the state plan. Thus I favor a mixed economy. Socialist planning will, for the public welfare, curtail individual economic freedom, just as traffic regulations curtail for the sake of safety the millions of automobiles in the United States. We must adopt the same principle for the complex economic traffic of the nations and the world.*

Corliss Lamont, 1983

Planning is inevitable. The question is whether it's going to be done by corporations or done democratically.

Gar Alperovitz, 1983

Worker self-management is completely artificial; it is really part of the ruling structure, part of the party's political activity.

Milovan Djilas, Yugoslavia, 1982

...substantially all the legislation of the world has had its origin in the desires of one class of persons to plunder and enslave others, and

hold them as property.

Lysander Spooner, 1882

Over 8000 years of history demonstrates that voluntary socialism doesn't last long, and that no matter how wonderful socialist theories may appear, socialist states can be maintained only by violence. The next time you hear someone advocating "new, improved, humane socialism," ask--what will happen to dissenters?

The only practical effect of socialist theories is as blueprints and propaganda to help establish socialist states. Those who remain believers in the socialist theories are usually liquidated soon after a socialist government takes power with their assistance. Idealists get in the way of the exercise of power.

Other names for statism are: communism, national socialism (better known as fascism or nazism), collectivism, marxism, fabianism, egalitarianism, authoritarianism, totalitarianism, tyranny, despotism and slavery.

These names have developed a rather bad image. So statists, following good capitalist marketing methods, have changed the brand names from time to time to increase sales, for example, to progressivism and populism. Some newer names are liberalism, conservatism, welfare state, state capitalism, reindustrialization, industrial policy, social democracy, and economic democracy. And how could anyone be against "social justice?" When you are selling slavery, you must not let the customer find out.

In politics things are less important than their names. To disguise even the most absurd ideas with well-chosen words often is enough to gain their acceptance.

Gustave Le Bon, 1913

Questions of justice do not arise for hermits. Any transaction which can be just or unjust is social. "Social justice" is just a smoke screen for unjustifiable and generally socialistic, if not utterly daft, programs for which no coherent case can be made.

Michael Levin, 1982

From the point of view of fundamental human liberties, there is little to choose between communism, socialism and national socialism. They are all examples of the collectivist or totalitarian state...in its essentials not only is completed socialism the same as communism but it hardly differs from fascism.

Ivor Thomas, 1949

Marxism has lead to Fascism and National Socialism, because, in all essentials, it is Fascism and National Socialism.

F. A. Voigt, 1939

Fascism is the stage reached after communism has proved an illusion.

Peter Drucker, 1939

The highest art in the world cannot gild socialism. It is impossible to make beautiful the denial of liberty."

Auberon Herbert, 1899

Statists also claim that their system produces peace,

prosperity and happiness. Who is wrong? The evidence of history is clear; liberty has never failed, and statism has never succeeded.

The State is the curse of the individual.
Henrik Ibsen, 1882

Half-Bad?

It is claimed that these new names are for improved socialism without the well-known bad features. It is certainly true that socialism is not as bad if some liberty is allowed, just as less poison is better than more. Unfortunately, mixtures of socialism and liberty tend to move toward pure statism. Once the idea of violating human rights is accepted, there is no principle on which to oppose the rulers' desire for more power.

Power corrupts, and absolute power corrupts absolutely.
Lord Acton, 1887

In the ideal socialist state, power will not attract power freaks. People who make decisions will show no slightest bias toward their own interests. There will be no way for a clever man to bend the institutions to serve his own ends. And the rivers will run uphill.
David Friedman, 1973

The Difference Between Statists

Bitter fights between statist groups may give the impression of great differences. But the fights are really because they are competitors for power and for the allegiance of the same people in society, usually those who suffer from low self-esteem. Their excuses for power may be different, but their goal of power is the same.

They will never admit that a socialist or communist regime is true and genuine socialism or communism, if it does not assign to themselves the most eminent position and the highest authority.
Ludwig von Mises, 1947

Although there are some differences in the meanings of these names for statism, they are all based on the same philosophy of collectivism, which is the opposite of the philosophy of liberty. They all believe that the initiation of force to impose their particular views on others is justified by collectivism! You don't own your life, body or labor. You have no importance as an individual except as a means to your rulers' ends. Those in power decide what is right, and they can do with you as they please.

Collectivism holds that the individual has no rights, that his life and work belong to the group (to "society," to the tribe, the state, the nation) and that the group may sacrifice him at its own whim to its own interests. The only way to implement a doctrine of this kind is by means of brute force--and statism has always been the political corollary of collectivism.
Ayn Rand, 1963

Whatever crushes individuality is despotism, by whatever name it may

be called.

John Stuart Mill, 1859

Every power vested in a government is in its nature sovereign, and includes by force of the term a right to employ all the means requisite to the attainment of the ends of such power.

Alexander Hamilton, 1791

It was only one life. What is one life in the affairs of a state?

Fascist Dictator Benito Mussolini

Our ethics are great precisely because they are the ethics of communism and the proletariat. Such ethics are not built upon the backward basis of safeguarding the rights of individuals.

Liu Shao-Ch'i, People's Republic of China

Their Version

Statists, of course, do not phrase their philosophies in quite this way. Usually it is "society" by whom you are governed, and for whose benefit you are to be sacrificed. However, there is no such being as society with one head that can decide things. There is no "public interest," only the different individual interests of a group of individuals called the public. In reality, the rulers have to be a very small group, often only one person (dictator). Ruling in the name of society should not be confused with society ruling, which is not only quite a different thing, but is impossible.

Their "logic" works like this: society has the right to exercise power over whatever affects society (and what doesn't affect society?); the state represents society; and they represent the state; therefore they have the right to control everything and everyone. Sure, it's silly. But if you don't believe they're serious about it, don't test it by refusing to comply with their orders. They will kill you. Even in America.

Sometimes, instead of society, "social justice" demands that you be sacrificed for the benefit of more deserving people, such as: the proletariat, workers and peasants, the disadvantaged, the master race, or the poor and unfortunate. The theory that some individuals should be forced to sacrifice for others who produce less is bad enough, but the practice always is that everyone is sacrificed for the rulers.

We shall banish want.. We shall banish fear. The essence of National Socialism is human welfare.

Adolf Hitler

The current doctrine that private rights must yield to the public good, amounts in reality, to nothing more nor less than this, that an individual, or the minority, must consent to have less than their rights, in order that other individuals, or the majority, may have more than their rights.

Lysander Spooner, 1860

It is doubtful whether any tyranny can be worse than that exercised in the name of the sovereignty of the people.

George L. Scherger

It is useful to imagine the problem from the viewpoint of those in power. They want to rob you of your property and control you with the least effort, expense and risk of resistance. Fear goes only so far. The obvious solution is to confuse you about what is really happening, and to make you think that it is all for your benefit, or for some noble cause. They are not concerned with what is right, but with a story that works. Naturally their stories appeal to our weaknesses, ideals and sentiments. The stories may differ, but the object is the same.

To make a totalitarian system function efficiently, it is not enough that everybody should be forced to work for the same ends. It is essential that they should come to regard them as their own ends.
Friedrich A. Hayek, 1944

The Law is the true embodiment
Of everything that's excellent.
It has no kind of fault or flaw,
And I, my Lords, embody the Law.
Sir William Gilbert, 1882

Politics And Property

One small difference among statist political systems is in the treatment of private property. But this is the big difference between statism and liberty. Property, including your ownership of your body, is what politics is all about. Look beneath all the propaganda and statist theories, and you will find that statism is theft.

The theory of the Communists may be summed up in the single sentence: Abolition of private property.
Karl Marx, 1848

From the socialist point of view, it is quite senseless for a separate member of society to look on his body as his own private property, for an individual is only an isolated point in the transition of the race from past to future.
Preobrozhensky, 1927

The so-called socialist ownership is a disguise for the real ownership by the political bureaucracy.
Former Yugoslav communist Milovan Djilas

Substantially all the legislation of the world has had its origin in the desires of one class of persons to plunder and enslave others, and hold them as property.
Lysander Spooner, 1882

What determines ownership is the right to use and control property. Under communism there is supposed to be no rich, and the "people" own everything. In fact, the ruling class has the free, exclusive use of the finest homes, cars, servants, vacation resorts, *etc.*, which means that, except for the technicality of a title, they are among the wealthiest people in the world.

Under fascism, you have an official title to your property, but since someone else tells you what you can do with it, you really don't own it unless you are in power. In "de-

mocracies," a host of laws, such as zoning, building codes, price controls, business licensing and regulation, and eminent domain, make the situation similar to fascism, but not quite as arbitrary.

In short, the differences between Communism, fascism, democracy and all other statist systems, are of degree, not principle. The principle is that the state owns everything (including you), and you can use property only if the state allows it.

Although they may not always exercise it, democratic governments have the ***power*** (not to be confused with the right) to seize everything you own, or to control its use (which amounts to the same thing) by regulation. If they wish, they may even seize your body for military or other government service, for confinement in a mental hospital if they don't like the way you act, for punishment in prison if you fail to turn over to them their "share" of the fruits of your labor, or for other victimless political "crimes."

Some may say that the American government is not socialist, because socialism means state ownership of the means of production, and American citizens own most of the means of production. But that is to confuse the meaning of ownership with having a government-issued title or physical possession. The essential meaning of ownership is control.

It is true that we are ***permitted*** by government to exercise greater control over property than in totalitarian states. That simply means that the American government is less socialist than some others, not that it is not socialist. Even in Communist Russia or China, people are allowed to exercise, or get away with exercising, some control over property. Does that mean that they are not socialist states?

Your proposals for equalizing wealth by means of tariffs, your poor-relief laws, your demands for free public education, your bounties and incentive subsidies, your centralization, your faith in the state--all testify that you are socialists. You differ from the apostles of socialism only in degree, but you are all of the same bent.

Frederic Bastiat, ca. 1850

Let them own land or factories as much as they please. The decisive factor is that the State is supreme over them, regardless whether they are owners or workers.

Adolf Hitler

So long as we admit that the property of individuals lies at the mercy of the largest number of votes, we are intellectually and morally committed to state socialism.

Auberon Herbert, 1897

A lot of government control is not obvious, because it is control over the financial system. There is good reason why government always controls the money, and why socialist governments like to control banking and securities

(stocks, bonds, *etc.*), and often "nationalize" these functions. When you control money and capital, you control who will succeed and who will fail. And that is nearly total power. Think about that when you read that government is granting loans and loan guarantees, or regulating and subsidizing interest rates.

Monterey Firms Fear Government

Monterey, Mexico -- Since the turn of the century, the entrepreneurs in this dusty city 100 miles south of the Texas border have championed private enterprise against the expanding central government in Mexico City.... But the nationalization of the banks changed all that.... The reason, some say privately, is that the businessmen face the fact that the government controls all domestic credit, and given the foreign exchange controls, the government also controls businessmen's ability to pay for imports. "Monterey has lost its independence," bemoans the head of a small food processing firm. "We don't dare say or do anything that will hurt us with the government."

The Wall Street Journal, October 7, 1982

Without owning (controlling) the tools to produce, you cannot support yourself without permission. And, of course, the most important means of production is people. So these systems boil down to at least partial slavery, with someone else running your life. In the discussion on economics it was shown that no one can run your life as well as you can, so along with the loss of control of property comes a lower standard and quality of living.

Both history and the present economic differences between countries make it evident that ownership of private property is directly related to prosperity, and government control is directly related to poverty and oppression.

The control of the production of wealth is the control of human life itself.

Hilaire Belloc, 1913

In Fascist Italy, capital is at the orders of the State.

Fascist Dictator Benito Mussolini, 1883 - 1945

Surprise!

Statists who propose government control of individuals do not always do so because they feel a need to be controlled themselves. Usually they expect that they will be the ones to impose their values on others.

The Good Guys

There are fewer names used for liberty because there is no need to disguise its real nature. Some of the names are: freedom, individualism, voluntarism and laissez-faire. Capitalism, free market and free enterprise are names for the economic system of liberty.

Capitalism is a word invented by marxists. The idea was to make the economic system which Adam Smith called

"natural liberty" sound like a system to benefit only the rich.

Capitalism is frequently confused with our mixture of capitalism and socialism, which should be called state capitalism. As noted earlier, state capitalism is barely distinguishable from national socialism (fascism). Under state capitalism, the economy is controlled by big government, big business and big labor for their benefit.

In fact, almost no one except Libertarians uses capitalism to mean the free market. So we are almost always misunderstood by non-libertarians when we use the word. We would be better understood if we pointed out that capitalism, in its usual meaning, is really just another form of socialism.

To distinguish between the two meanings, Libertarians often call capitalism, "laissez-faire capitalism." Laissez-faire is French, meaning "let us alone to do it" or "get off our backs." Libertarians could save a lot of explaining by just using the better term "free market."

The terms "capitalism" and "capitalistic production" are political catchwords. They were invented by socialists, not to extend knowledge, but to carp, to criticize, to condemn. Today, they have only to be lettered to conjure up a picture of the relentless exploitation of wage-slaves by the pitiless rich.

Ludwig von Mises, 1922

Laissez faire, laissez passer.

Francois Quesnoy, 1694 - 1774

Anarchy?

Anarchy has a different meaning to libertarians than to most people. The word is usually connected with chaos, lawlessness and terrorism, which hardly anyone, including libertarians, would favor. Some, claiming to be anarchists, oppose even voluntary organizations, or would impose communes and abolish the right to own property. Libertarians see the word meaning peaceful voluntary relations between people, with the absence of government violence.

Instead of trying to get the world and the dictionary to agree to a change in meaning, it would seem more productive for Libertarians to avoid and disclaim the word. When the statists accuse us of anarchy, we can ask what they mean. After they explain, we can say that they are wrong, as we do not favor those bad things but rather all these good things. We don't need a word for no government interference--we already have a good one which rings clear and true: ***liberty***.

Libertarians also sometimes use the coined word, "minarchy," to describe a political system in which government is limited to providing defense of persons and property.

This is also called minimum government, limited government or the nightwatchman state, and is usually defined as consisting of national defense, police and courts to resolve disputes that cannot be settled by arbitration. Whether or not a legislature is included depends on which Libertarian "minarchists" you talk to. The word isn't in the dictionary, and is useful only for discussing Libertarian theory within the movement.

Democracy?

Democracy means government by the people. It is not so much a political philosophy as a way of choosing rulers. It is a big improvement over the usual methods of inheritance, conquest and revolution, because you have a better chance of changing government without getting shot.

There are three kinds of tyrants: some receive their proud position through elections by the people, others by force of arms, others by inheritance.

Etienne de la Boetie, 1553

As there is but one species of man, there can be but one element of human power, and that element is man himself. Monarchy, aristocracy, and democracy, are but creatures of imagination: and a thousand such may be contrived, as well as three.

Tom Paine, 1791

However, democracy doesn't necessarily mean benevolent or "good" government. Horrible dictators can be and have been elected--for example, Adolf Hitler. Tyranny by a majority can be, and has been, even worse than by a dictator. Democracy can become rule by mob. On the other hand, an absolute ruler who violently seized power conceivably could allow almost complete liberty.

Generally, government oppression is proportional to the number of its employees and the proportion of its subjects' labor which is confiscated by taxes. Its power and type are less important.

As for having several masters, according to the number one has, it amounts to being that many times unfortunate.

Etienne de la Boetie, 1553

The worst of all states is the people's state.

Pierre Corneille, 1640

The tyranny of a multitude is a multiplied tyranny.

Edmund Burke, 1790

Absolute democracy is, of course, impossible for a state with more than a few people. So what is usually meant by democracy is a system of government where "the people" elect representatives to rule them. A state governed by this system is properly called a republic.

To get around the problem that not everyone will agree to be ruled, or on the choice of rulers, elections are decided by majorities. The real purpose of elections is to

provide an ***illusion*** of consent, to try to legitimize government. This is why politicians are so concerned about low voter turnout. However, not everyone is allowed to vote. Large numbers of non-citizens, people under a certain age, prisoners, transients, *etc.* may be excluded.

Unfortunately, the American Revolutionists, and millions of people since, have confused democracy (republic) with liberty. But they are not the same. There is no such thing as a "free democratic country." A country can be free or democratic, but not both at the same time.

The reason is that democracy means majority rule, and liberty means that no one is ruled. For Libertarians, the objective is not better rulers, but to eliminate rule. Democracy is at best only a step toward the goal of liberty.

The fashionable concentration on democracy as the main value threatened is not without danger. It is largely responsible for the misleading and unfounded belief that, so long as the ultimate source of power is the will of the majority, the power cannot be arbitrary. The false assurance which many people derive from this belief is an important cause of the general unawareness of the dangers which we face.

Friedrich A. Hayek, 1944

By no process can coercion be made equitable....The rule of the many by the few we call tyranny; the rule of the few by the many is tyranny also...."You shall do as we will, and not as you will," is in either case the declaration; and if the hundred make it to the ninety-nine, instead of the ninety-nine to the hundred, it is on only a fraction less immoral.

Herbert Spencer, 1850

I wish men to be free, as much from mobs as kings,--from you as me.

Lord Byron, 1788 - 1824

Majority Rule?

In practice, majority rule isn't even rule by the majority. Usually only around 20% of the population actually vote for a representative, who is opposed or unsupported by the other 80%. This 80% is not represented. Many of those who do vote for a representative are only voting against the worst candidate in self-defense. Probably no one agrees with all of a candidate's positions, and most positions are unknown.

The one pervading evil of democracy is the tyranny of the majority, or rather of that party, not always the majority, that succeeds by force or fraud, in carrying elections.

Lord Acton, 1907

The will of the people, moreover, practically means the will of the most numerous or the most active part of the people--the majority, or those who succeed in making themselves accepted as the majority; the people, consequently, may desire to oppress a part of their number, and precautions are as much needed against this as against any other abuse of power. The limitation therefore, of the power of government over individuals loses none of its importance when the

holders of power are regularly acountable to the community, that is, to the strongest party therein.

John Stuart Mill, 1859

Any man more right than his neighbors, constitutes a majority of one.

H. D. Thoreau, 1849

Another reason the majority doesn't rule is that those in power set the rules for elections to favor themselves. For example, the present American "winner take all" system entrenches the major parties in power, whereas proportional voting could give minorities a voice and an opportunity to build a large constituency. Even majority rule by the representatives is thwarted by legislative procedures. Legislators with more seniority, or with "leadership" positions, have more power even though they represent the same number of people.

A more serious (fatal) problem for the concept of democracy is that of special interests. Special interests, who profit enormously from government favors and privileges, can afford to apply great pressure on representatives to provide the favors.

On some pretext of promoting a great public good, the violation of individual rights will be justified in particular cases: and the guardian principle being one broken down, nothing can then stay the eruption of the whole horde of pretexts for doing injustice: and government and legislation thenceforth become contests between factions for power and plunder, instead of instruments for the preservation of liberty and justice to all.

Lysander Spooner, 1860

The defeat of a bill to allow English shops to open when they want, including Sundays, showed the house of commons bowing once again to the special pleading of big business (in the shape of the Retail Consortium and the Confederation of British Industry) and of big unions (notably Usdaw, the shopworkers' union). Members of parliament flouted the views of the public, which votes in favour of Sunday opening in every opinion poll and every time people rush to take advantage of the latest loophole--be it street market or garden centre--in the current Sunday restrictions.

The Economist, February 12, 1983

The cost to individual citizens of each government favor, however, is too small to warrant much effort to oppose it. Tiny sums of money from each taxpayer add up to great wealth for the few.

The pressure to increase the favors and privileges is responsible for the phenomenal and uncontrollable growth of democratic government. Although the total burden of paying for the favors is crushing, not many are willing to be the first to decline their own favors.

It is like a group of people splitting a dinner check. People eat dessert who otherwise would not, on the theory: why pay for others' desserts and not have one yourself?

Anyone who actually believes that a majority rules,

should consider how many government programs and laws would survive if the public were allowed to vote on the money to pay for each of them.

Even if there were such a thing as majority rule, there is no more a "divine right" for majorities to rule, plunder and murder minorities, than there is for kings. In a private organization in which membership is ***voluntary***, majority rule may be an efficient way to do business. But when all the people who live in a particular arbitrary area are ***forced*** to obey the majority, it is unjust, for no one has a right to enslave others.

The theory which construes taxes on the analogy of club dues or of the purchases of, say, a doctor, only proves how far removed this part of the social sciences is from scientific habits of mind.
Joseph Schumpeter, 1942

Democracy and majority rule are not justifications for government, but rather excuses and a way to hide the ugly truth about power. They do not differ in principle, and sometimes do not differ at all, from totalitarian regimes.

When were the good and the brave ever in a majority?
Henry David Thoreau, 1854

Here stands an unfortunate citizen who is asked if he will pay money for a certain proffered advantage: and whether he employs the only means of expressing his refusal or does not employ it, we are told that he practically agrees: if only the number of others who agree is greater than the number of those who dissent. And thus we are introduced to the novel principle that A's consent to a thing is not determined by what A says, but by what B may happen to say!
Herbert Spencer, 1844

And the people shall be oppressed, every one by another, and every one by his neighbor.
Isaiah 3:5

Limiting Government Power

All governments throughout history, including democracies, have cruelly oppressed minorities. All but the most fanatical statist must concede that there must be a moral limit to what governments, even if sanctioned by a majority, can do to minorities.

Measures are too often decided, not according to the rules of justice and the rights of the minor party, but by the superior force of an interested and overbearing majority.
James Madison, 1787

Suppose, for the sake of argument, that struck by some Malthusian panic, a legislature duly representing public opinion were to enact that all children born during the next ten years should be drowned. Does anyone think that such an enactment would be warrantable? If not, there is evidently a limit to the power of a majority.
Herbert Spencer, 1850

But if it is immoral for government to do terrible things, how can it be right for it to do all the less-than-terrible, or even little, things to minorities, the smallest of which are

individual people?

In the real world, the only limit to the power of government is the fear of revolution. Once a group of people control a government and its legal monopoly on force, they also control the only legal means of limiting their power.

The fundamental article of my political creed is that despotism, or unlimited sovereignty, or absolute power, is the same in a majority of a popular assembly, an aristocratical council, an oligarchical junto, and a single emperor.

President John Adams, 1815

Many attempts have been made to reform the institution of government, to make it more acceptable by limiting its tyranny. This does not make its limited despotism any more just, but it makes the institution less obviously unjust. For the reason above, however, all efforts to get government to limit its own power are doomed to ultimate failure.

One notable effort to limit government power was the Bill of Rights, which was granted in order to reduce the resistance of those who opposed the Constitution. The Bill of Rights was a breakthrough in creating awareness, worldwide, of the idea that individual people have natural rights and that government power should be limited.

It should be noted that while "civil libertarians" uphold the Bill of Rights because it is part of the "Constitution," Libertarians approve of the Bill of Rights because it somewhat limits tyranny.

The Bill of Rights is, however, an incomplete listing of our inalienable rights as human beings. The state does not grant these rights, for we already have them. The state can only protect or violate our rights.

So it is not inconsistent for Libertarians to support the Bill of Rights, and to demand "their Constitutional rights" and that government observe these limits on its power, while refusing to concede any moral authority or validity to the "Constitution" or to the government which claims to be authorized by it.

Unfortunately, even these minimal limitations have been broken through and trampled on. Government feeds and grows on its power. To have any chance of restraining government, it must not be allowed the power to rule in the first place. Especially, government must not be allowed the power to determine the limits of its own power.

It is safe to assert that no government ever had a provision in its organic law for its own termination.

Abraham Lincoln, 1861

Even then, liberty can be maintained only by educating each new generation in the principles and benefits of liberty, and by developing a strong tradition of fierce de-

votion to liberty and hatred of statism.

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The time will therefore come when the sun will shine only on free men who know no other master but their reason; when tyrants and slaves, and their stupid hypocritical instruments will exist only in works of history and on the stage; and when we shall think of them only to pity their victims and their dupes; to maintain ourselves in a state of vigilance by thinking on their excesses; and to learn how to recognize and so to destroy, by force of reason, the first seeds of tyranny and superstition, should they ever dare to reappear among us.

Marquis de Condorcet, 1793

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John Hospers, 1918 - 2011

XXI: LIBERTY AND LANGUAGE

★ ★ ★ ★ ★ ★ ★ ★

Error is never so difficult to be destroyed as when it has roots in language.

Jeremy Bentham, 1748 -1832

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Be not the slave of words.

Thomas Carlyle, 1834

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Words

Words are among the most important weapons in the battle for liberty. If there were no words meaning liberty, it could not even be discussed. Sad to say, statists have gained the advantage on the battlefield of language. The unrecognized extent to which statist thinking, especially marxist, has become our standard of values, is a major problem. Our language is saturated with statism. Often we are faced with the poor choice of using statist words and meanings, or being misunderstood.

Print is the sharpest and strongest weapon of our party.

Joseph Stalin, 1923

An ideology may sometimes also influence the minds of those who believe that they are entirely untouched by it, or who even consider themselves its deadly foes.

Ludwig von Mises, 1922

The power of words is bound up with the images they evoke, and is quite independent of their real significance. Words whose sense is the most ill defined are sometimes those that possess the most influence. Such, for example, are the terms democracy, socialism, equality...whose meaning is so vague that bulky volumes do not suffice to precisely fix it. Yet it is certain that a truly magical power is attached to these short syllables, as if they contained the solution to all problems.

Gustave Le Bon, 1895

Statists have gained their language advantage by inventing, defining and redefining words to suit their purpose. For example, the word "liberal," derived from liberty, used to mean libertarian, but in America it has now come to mean socialist. "Liberals" have even tried to claim our historical libertarian heritage, and that it is ***they*** who represent liberty.

One silly theory they offer for this is that liberal means change and progress, and that while this once meant shrinking government, it now means swelling government!

They also like to say that big government means more liberty! Their example would be something like "government provides 'freedom from hunger.'" Government, of

course, grows nothing, so this catchy slogan really means enslaving farmers or taxpayers. Thus, statists even try to redefine liberty to mean slavery.

Liberty is the effective power to do specific things...the demand for liberty is the demand for power.

John Dewey, 1935

To harness to its cart the strongest of all political motives--the craving for freedom--socialism began increasingly to make use of the promise of a "new freedom".... It was to bring "economic freedom," without which the political freedom already gained was "not worth having".... Freedom in this sense is, of course, merely another name for power or wealth.

Friedrich A. Hayek, 1944

What we call rights are merely arbitrary subdivisions of the general liberty to exercise the faculties; and that only can be called an infringement of rights which actually diminishes this liberty--cuts off a previously existing power to pursue the objects of desire.

Herbert Spencer, 1850

If a person is really free, why can't he fly? Leaping from a cliff does not mean that a person isn't free, indeed it demonstrates that he is free to leap or not to leap as he pleases. The fact that he can't fly proves that he is not a bird.

Robert LeFevre, 1982

"Liberals" would pretend that libertarians don't exist, if we let them get away with it. To challenge this distortion, some Libertarians refer to themselves as classical liberals. However, this is not completely accurate, because modern Libertarians are more principled than most classical liberals. Stealing our name, along with the right-left system describing political positions which leaves us completely out, are probably the greatest statist victories in the language battle.

Confusion now hath made his masterpiece!

Shakespeare, 1564 - 1616

When statists subject you to their twisted definitions, you might ask them: "How many legs does a dog have if you call the tail a leg?" When they reply, "Five, of course," you answer, "No. Four. Calling a tail a leg doesn't make it so."

Other statist language examples are: using the words "wealthy" or "rich" to describe successful producers, suggesting that their money was ill-gotten, rather than from hard work satisfying the needs of others. The material benefit of socialism is easy to see, for as soon as socialists gain power, ***everyone*** immediately becomes rich--at least they are so defined for the purpose of taxation. Income from investing money earned from labor is called on tax forms "unearned" income or "excess" profit.

The poor are described as "deprived," presumably deprived by those wicked persons who insist on being more productive, but in any case it's somebody else's fault. A

real dandy is the word "underprivileged," also used to describe the poor. One is either privileged or not. If everyone is privileged, it's not a privilege, so how can one be "underprivileged?" The same logic applies to "disadvantaged."

Drugs are given legal rights to be defended by the state, by changing self-abuse to drug abuse. (Those poor drugs really must be protected from us cruel humans who abuse them!) An excise tax is now called a "windfall profits" tax. Raising taxes is called "closing loopholes" and "revenue enhancement." "Compassionate" now apparently means seizing other people's money by force, and giving it to your political friends--rather than personally helping the unfortunate. Your property has become a "national resource." The "People's Republic of China" is neither the people's, nor a republic.

Our masters have become "public servants," and the worst of them use the title, "The Honorable," or "Excellency." Government schools are called "public" schools, apparently because the public is forced to attend and pay for them. Things belonging to the government are called "public," and things belonging to the public are called "private."

Propaganda has encouraged many of us to believe that public property is owned by all. Actually, it is the property of The State.
Tom Bethell, 1981

Any member of the "public" who thinks he owns the property may test his theory by trying to appropriate for his own individual use his aliquot part of government property.
Murray Rothbard, 1970

The Corollary of the right of ownership is the right of disownership. So if I cannot sell a thing, it is evident that I do not really own it.
F. A. Harper, 1949

One of the most clever statist tricks is confusing the gang in power with places and inhabitants. For example, they will say New York has financial problems. The government ruling New York may have a financial problem, but New York is a place where a bunch of people live, some of whom have financial problems, and others who haven't.

They also say, "let *us*," or "*we* should," when they really mean, "our rulers should force us to." "Community" is another favorite statist word, which they have distorted to mean the government. When you hear someone use the word "community," brace yourself for some statist propaganda.

The people are not to be confounded with their government.
Tom Paine, 1792

Rulers try to dignify their commands by calling them laws. They hope to legitimize political law by confusing it

with moral law.

In the war of ideas, Libertarians have the great advantages of being logical, consistent, and moral. Almost everyone knows that liberty means prosperity, and statism means poverty for the common man. When their economies fail, even statists know a dose of liberty is the only sure cure.

The Polish military government, faced with severe food shortages, has decided to allow some rural factories and processing plants to be turned over to private ownership, according to the Warsaw radio.
New York Times, January 10, 1982

Even communists and fascists claim to favor liberty and "liberation." However, their version is: liberty for me, but not for thee. Their twisted definition seems to be liberty for rulers to plunder (to "liberate" the property of others), and freedom for their subjects from having to make their own decisions or own property. Fortunately, most people see through this distortion, and even make fun of it by using "liberating" to mean "stealing."

The world has never had a good definition of the word liberty. And the American people just now are much in want of one. We all declare for liberty; but in using the same word we do not mean the same thing. With some, the word liberty may mean for each man to do as he pleases with himself and the product of his labor; while with some others the same word may mean for some men to do as they please with other men and the product of other men's labor. Here are two, not only different but incompatible things, called by the same name, liberty. And it follows that each of the things is by the respective parties called by two different and incompatible names, liberty and tyranny.
Abraham Lincoln, 1864

Every tyrant who has ever lived has believed in freedom--for himself.
Elbert Hubbard

Let's Ask About Force

The major problem in analyzing and communicating the truth about socialism is that we have allowed socialists to supply most of the vocabulary and definitions we use. They have effectively used this advantage to conceal from others, and often from themselves, the true nature of socialism.

For example, the word socialism suggests friendly social cooperation, whereas socialism is actually anti-social. Analysis of socialist statements and behavior makes clear that the core values common to all types of socialism, by whatever name, are hatred of voluntary human relations and human rights--in short, a hatred of liberty.

And we know that, despite their slogans about decentralized worker control and giving people control over their lives, their system will always lead to the exact opposite. No matter how critical they may be of remote, impersonal,

oppressive big government with bureaucratic central planning, their schemes will require it.

No matter how much compassion socialists express for the poor, unfortunate and oppressed, this is only a means to their end of imposing their will on others. Those whom socialists claim to represent, and in whose interests socialism pretends to act, will always be the most harmed by its success.

Libertarians understand all this, but socialists have managed to confuse everybody else, including themselves, about what socialism is, and means. If everybody understood, socialism could no longer harm and threaten mankind. However, explaining to everyone the true meaning and consequence of socialist words and slogans is an enormous task. We need an easier way to blow away their smokescreen.

Libertarian philosophy provides the key for doing this. The most fundamental characteristic of all socialism is the belief that force is a proper basis for human relations--that the initiation of force, including violent force, is justified to impose one's views on others.

To more effectively communicate the nature of socialism, we must start with our own clear correct description of socialism instead of using fuzzy, deceptive socialist definitions. ***Socialism means basing human relations on violence instead of peaceful voluntary cooperation.***

You can't get things done by slogans alone.
Russian Dictator Yuri V. Andropov, 1982

This definition leaves socialists nothing behind which to hide. It can eliminate arguments about the supposed merits of the system to be imposed on society by violence, and about things that have nothing to do with socialism. It leaves no doubts about what is socialism, and what is not. The identity of the common philosophy underlying activities as diverse as zoning and war would become obvious.

People advocating socialist ideas should be asked, "What do you think should be done about this problem?" and then, "What if people refuse to voluntarily cooperate with your program?" and, "What would you do about dissenters?"

Or, you can get straight to the point by asking "Do you believe in using violence to achieve your goals?" If they answer yes, then their intentions are unmasked, and they can be put into the awkward position of trying to defend violence as a basis for human relations.

If they answer no, then the only problem is helping them to understand that government *is* violence. Ask them if they would support prohibiting government from using vio-

lence to enforce political laws.

Few people, of course, will admit that they believe in violence, even though most people do. However, once such hypocrites are on record as opposing force, they can advocate violence only by contradicting themselves. And you will have made force, not the excuses for using it, the issue to be discussed.

Try Our Words

Probably the most common statist language trap is the use of collective names for groups of people, to pretend that only groups have rights. They ignore the fact that a collective word such as "society" is only a vague figure of speech meaning some number of individuals. What does "society" include--neighbors, country, world? A figure of speech does not have rights or a mind or will. The fallacy of treating something abstract as if it were real is called "reification."

When statists use this technique on you, the best defense is to rephrase the question or proposal to eliminate collective words. For example, if a statist asks, "Don't you agree that society has an obligation to help its poor?" you could answer, "Do you mean that if someone needs money, they have a right to rob somebody else by threat of violence?" Or, you could ask, "Are you suggesting that someone should be allowed to mug an elderly person if he needs money for a sick friend's medical expenses?"

This puts statists in an awkward position. How can they continue pretending to be compassionate, after their victims become obvious? They will usually try to evade ***this*** problem by pretending that there is no violence involved--for example, that people pay taxes voluntarily, and no one would come after them with a gun if they refused. Another evasion is that if "society" agrees, then violence to enforce its will is alright. Keep them on the defensive by pursuing these evasions. Ask, "Who is society?" And, "How can it have rights we don't have as individuals?"

If you want only to derail their propaganda, and show the errors in logic of their slogans, you can say something like, "I can't accept arguments based on the fallacy of reification." This should expose the fact that they really don't understand what they are saying, and switch the subject of the discussion to their propaganda techniques. Big words are to be avoided when trying to communicate, but they can be useful when you want to rain on a socialist parade.

Statists use collective words not only for ***people***, to try

to justify the sacrifice of individuals; they also use collective words for ***things***, to make it appear that people aren't even involved in their schemes. But things don't have rights, and their value is only to serve human needs.

A classic example is "the environment must be protected." What does this mean? Who is this environment person, and how are his rights being violated? A possible translation is: people should be forced to stop developing resources and land to provide jobs, housing and a higher standard of living for the poor, because it might spoil my view. Or, other people should be evicted and have their land seized, and be forced to pay for public access and maintenance so that I can enjoy a nature walk at their expense. Why do you suppose they don't just say what they mean?

Another example is "property values must be maintained." Translation: I have a right to initiate force against my neighbors if I don't like what they do on their property, or if a possible purchaser of my property might not like it. Or, I don't want the poor, or people who are different, to live in my neighborhood, so government should force them to keep out.

"Planning the economy" doesn't hint that the plans of individual people are to be suppressed and replaced, by threat of violence, with the plans of politicians and bureaucrats.

The most sophisticated language technique used by statists to avoid discussing their proposals in terms of individual people, is to advocate collective concepts. For example, liberal socialists talk about "equality," and conservative socialists talk about "traditional values." Again, the first step in understanding and dealing with this slippery statist propaganda technique is to translate the concepts into simple language showing its consequences for individual people. When that is done, it will often not even be necessary to explain why the concept is bad.

The only enlightening way of analyzing economic and property problems is by always returning to the individual who, alone, is real.
James Sadowsky, 1966

Tricky!

Statists believe that right is what is good for their cause, and wrong is what is bad for it. So it is okay to lie and distort facts and word meanings--it's all for the good of the state. To properly explain why an appealing statist slogan is bad may require a libertarian to give a long, complex explanation.

"The question is," said Alice, "whether you can make words mean so many different things."
"The question is," said Humpty Dumpty, "which is to be master--that's all."

Lewis Carroll, 1865

In a Marxist state, reason is treason.

Arnold Beichman, 1982

Often there is no opportunity for long explanations. We need to develop shorter explanations with more emotional appeal. Even better, we should put the statists on the defensive and let them figure out how to try to justify slavery.

It is a supreme irony that government, which is the major cause of crime, poverty and misery, claims our support on the grounds that we need government to alleviate these problems. Statists like to pretend that our present socialist economic system is the free market, so they can blame all the ills of society on libertarians. But we don't have a free market, and the problems are caused by socialism, not liberty. Let's give the credit where it is due.

A favorite statist trick is to try to put Libertarians in the position of defending the proposition that liberty will immediately produce a perfect world. Liberty is based on justice, and we don't claim perfection--just a much better system.

It seems far more reasonable that they should defend using violence to impose their values on other people. Statists often suggest that some horrible example of business actions shows that the free market doesn't work. Their strategy is to put us into the position of defending business rather than free enterprise (which can be quite different), and to get us to accept as an unstated basis for discussion that government is perfect and would prevent business misdeeds. Our approach should be to discredit the ***institution*** of government with its far more horrible examples. Let them try to defend government!

These young people had protested the compulsory wearing of school uniforms--uniforms sold exclusively by (Emperor) Bokassa's relatives. The Emperor was outraged. More than 100 children were arrested, herded into trucks and taken to Ngarangba Prison, where they were held in such crowded conditions that many died from suffocation. Other children were stoned by the Guard: some were bayonetted or beaten to death with whips and sharp sticks. According to one witness, the bodies of 62 children were buried by government officers in a single night.

Amnesty International, 1983

Reports from rural missions, schools and hospitals in the province of Matabeleland indicate that more than a thousand people have been killed and many more beaten and tortured by Zimbabwe's Army in the last month.

New York Times, February 27, 1983

We have experienced statism for thousands of years and it has always failed. If it is so wonderful, why do we still have all these problems? Isn't it time we tried liberty?

The Best Defense

The fortress that cannot attack is destined to fall. Henceforward, we act on the offensive. We admit of no lost or decided causes where liberty is concerned.

Auberon Herbert, 1897

The best way to defend liberty is to attack statism, by asking people questions. People are seldom persuaded that their thinking is in error if you say, "You are completely wrong because...." However, few can refuse a friendly request for more information about their interesting opinion. Treat them as experts from whom you are eager to learn, and aid them with your questions in discovering the truth themselves.

Especially question the hidden false assumptions that statists have built into the language so well that we are almost unaware of them. Remember that laws ***don't*** work, and those who control government love themselves--not us!

Don't let socialists lay a guilt trip on you. If you feel that a question puts you on the defensive, think carefully before you answer. Rephrase the question in Libertarian terms. Don't waste a moment explaining that your position isn't as bad as they say.

Be confident that if you don't have a good short answer, your only problem is lack of time to analyze their hidden assumptions. Instead, use your knowledge that socialism, not liberty, causes or worsens social evils, and is never a cure. If you have a problem rephrasing their question, you can just ask what the question really means, and keep asking until they get it right. When their question is completely understandable, it will answer itself.

Socialists rely on their hidden assumptions never being questioned. When they mindlessly rattle off their cliches and slogans, you are supposed to be too overcome by guilt to question anything. They are usually unprepared to defend their hidden assumptions, to explain their cliches, or to cope with their collectivist language being translated into individualist terms.

Once statists have exhausted their limited supply of cliches, they are helpless to defend statism because they don't understand their own arguments. If they did understand what they were saying, they would realize that it doesn't make sense. Often, all that is necessary to unglue a statist is to ask (whenever they stop talking), "Why is that?" or "What evidence do you have to support that

conclusion?"

So, you don't have to be an expert--just keep asking questions. Socialist ideas are like vampires--they can't stand the light. Socialists keep on repeating their slogans only because they expect that people will be too polite to challenge them.

No matter how well informed a collectivist may be, his doctrine remains irrational; so no matter what the relative scales of knowledge, the individualist need not be overwhelmed by a collectivist opponent--if he employs valid principles of thinking.
Robert James Bidinotto, 1982

We all have heard the saying that there are liars, damned liars, and statisticians. Don't accept statist statistics no matter how plausible they appear, without questioning their source, how they were collected and interpreted, what other factors were excluded that could affect the result, exactly what question was asked by the poll-takers, *etc.*

Suppose they accuse you of not wanting to help the poor. Ask them why they favor violating human rights and causing poverty in the first place. You will find that the poor answers and lack of answers to your questions may speak more eloquently for liberty than anything you could say. Don't let them get away with the big lie technique of accusing libertarians of what they themselves are doing. If we can just get people to think for themselves, we will have gone a long way toward our goal.

Why beholdest thou the mote that is in thy brother's eye, but considerest not the beam that is in thine own eye?...Thou hypocrite!
Matthew 7:3,5

Woe unto them that call evil good, and good evil.
Isaiah 5:20

Also watch out for two other statist techniques. One is the intimidation (*ad baculum)* argument. It goes something like this--"You can't possibly be serious about eliminating tariffs!" or, "***Everybody*** knows that we need government to prevent anarchy! You aren't in favor of anarchy, are you?" The objective is to make you feel alone, intimidated and on the defensive. Again, go on the attack! Ask, "How did you arrive at that conclusion? What facts and logic can you offer to support your assertion? What do you mean by the word anarchy? Why do you think I'm for anarchy?" Let them explain.

The other technique is called the *ad hominem* argument, which is Latin for "to the man." It is commonly known as the smear, and is popular with statists. Instead of challenging an opinion with logic and facts, the holder of the opinion is personally attacked by name-calling. In a variation, information provided by employees of government

and socialist organizations is presumed unbiased, whereas information from all other sources is tainted by the evil profit motive. The proper response is to ask, "Don't you have any better argument than an *ad hominem* attack?"

But scientific inquiry into the problems of Socialism is not enough. We must also break down the wall of prejudice which at present blocks the way to an unbiased scrutiny of these problems. Any advocate of socialist measures is looked upon as the friend of the Good, the Noble, and the Moral, as a disinterested pioneer of necessary reforms, in short as a man who serves his own people and all humanity, and above all as a zealous and courageous seeker after truth. But let anyone measure Socialism by the standards of scientific reasoning, and he at once becomes a champion of the evil principle, a mercenary serving the egotistical interests of a class, a menace to the welfare of the community, an ignoramus outside the pale.

Ludwig von Mises, 1922

The same statists who base their claim for power on the "will of the people" and "majority rule" don't seem to trust the people to make their own decisions. Governments everywhere hate and fear freedom of speech and want to control communications and education so only ***their*** side is heard. Their subjects must not be exposed to "dangerous" ideas, as they are easily "misled." Obviously statists realize that their ideas could not survive open competition with the ideas of liberty.

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Socialist law does not give counter-revolutionaries freedom of speech.
Peking Daily, May 25, 1981

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Cuneiform inscription of the earliest known written word for liberty (ama-gi). *Ca* 2300 B.C.

XXII. GOVERNMENT

★ ★ ★ ★ ★ ★ ★ ★

Government is not reason; it is not eloquence. It is force. And force, like fire, is a dangerous servant and a fearful master.

George Washington

★ ★ ★

All political power, as it is called, rests practically upon this matter of money. Any number of scoundrels, having money enough to start with, can establish themselves as a "government;" because with money, they can hire soldiers, and with soldiers extort more money; and also compel general obedience to their will.

Lysander Spooner, 1870

★ ★ ★

No man's life, liberty or property are safe while the legislature is in session.

Judge Gideon Tucker, 1866

★ ★ ★

It could probably be shown by facts and figures that there is no distinctly native American criminal class except Congress.

Mark Twain, 1885

★ ★ ★ ★ ★ ★ ★ ★

Choice

There are only two ways in which people can deal with each other in society.

Liberty

One is the moral way of liberty, with peace and tolerance--a way in which freedom of association and trade, and respect for individual human rights bring happiness, fulfillment, and prosperity.

Violence

The other is the immoral way of violence, in which might makes right, with differences between people settled by force or the threat of force--a way in which people try to avoid labor by plundering and enslaving their neighbors. It is the way of theft, robbery, assault, fraud, kidnapping, extortion, murder *and* politics.

Those who choose the way of violence are called criminals. When individual criminals cooperate with each other to violate the natural rights of others, they are called a criminal gang or organized crime.

When a criminal gang becomes large and powerful enough to hold a legal monopoly on force in a certain area, it is called government, and is said to have "sovereignty." The territory they control is called a "nation."

When such criminal gangs fight with each other to expand or defend their power and territory, the mass murder is called war.

Every Communist must grasp the truth! Political power grows out of the barrel of a gun.

Mao Tse-Tung, 1965

A prince should therefore have no other aim or thought, nor take up any other thing for his study, but war and its organization and discipline, for that is the only art necessary to one that commands.

Machiavelli

The so-called sovereigns in these different governments, are simply the heads or chiefs, of different bands of robbers and murderers.

Lysander Spooner, 1870

Organized Crime

Libertarians, who oppose the way of violence, are primarily concerned about the organized crime of government, because it is so vast that ordinary crime is almost insignificant by comparison. One reason for this is that, in order to defend its monopoly of force, government suppresses its small criminal competitors, ***accidentally*** providing a benefit to the people. Government sometimes also provides an accidental benefit by defending people against even worse rival governments.

The State claims and exercises the monopoly of crime.

Albert Jay Nock, 1928

Disorganized Crime

These accidental benefits of government pose a problem for libertarians, and are a source of controversy. It is perfectly clear that there is no moral justification for government--that government by its nature can do nothing but violate human rights.

Some Libertarians want to totally abolish government. However, at present most Libertarians feel that a minimum government is necessary to defend against ordinary crime and attack by other governments.

That government is best which governs least.

Thomas Jefferson

That government is best which governs not at all.

Henry David Thoreau, 1849

Self-Defense?

There is some apparent moral justification for retaining a minimum government (national defense, police, and courts) because people do have the natural right of self-defense. This right can be voluntarily delegated to others, for example, who agree to mutual self-defense, or who have an organization which provides defense services for a price. There is also an argument that defense is the only nec-

essary service which cannot be restricted to those who wish to pay for it--therefore everyone should pay.

Unjust

The problem with these arguments for minimum government is that some people's rights will still be violated. Pacifists, anarchists, cheapskates, doves, communists and others will be forced to pay for more service than they desire, or forced to pay for a system they believe to be ineffective or inefficient, or forced to go along with defense actions they believe unjust or imprudent. ***Any*** amount of government involves the initiation of force. So, even minimum government cannot be morally justified.

Thus, as an individual cannot legitimately use force against the person, liberty or property of another individual, for the same reason collective force cannot legitimately be applied to destroy the person, liberty or property of individuals or classes.

Frederic Bastiat, 1850

However, minimum government might be "justified" as the lesser of two evils. An analogy would be that, while murder is also morally wrong, it would be impossible to eliminate murder completely without some unacceptable scheme for totally preventing any physical human contact. The cure of 100% liberty may be worse than the disease of a minimum government.

The politician, at his ideal best, never even remotely approximated in practice, is a necessary evil.

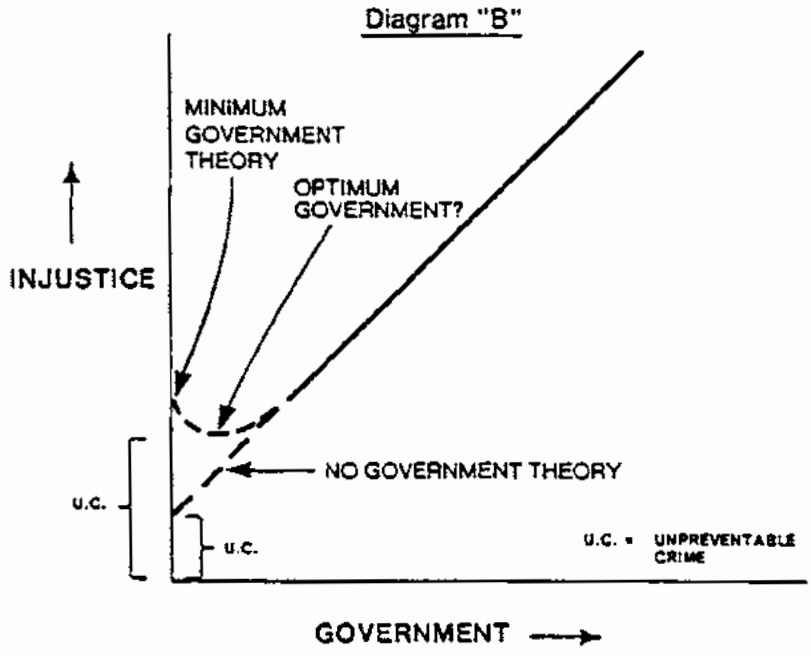
H. L. Mencken

Picture This

Another way to look at the problem is shown in illustrated Diagram "B." The diagram shows that, as the size of government is reduced, we may come to a point where further reductions will produce more injustice instead of less. In other words, if we do away with minimum government, we may find that governments of other countries and ordinary criminals will violate more rights than did the government we abolished. There may also be a problem of stability with no government. So, paradoxically, we may need a "mini" government to prevent a "maxi" government.

In a libertarian world, the needed minimum of government would be lower, because of eliminating the need to defend against potentially hostile governments. The ideal would be to find a practical voluntary way to provide physical protection and a system for justice without any government. This is shown on the diagram as the No Government Theory line. But there still would be a minimum amount of injustice that is simply unavoidable because

there is no way to prevent all crime or have 100% restitution.



While a minimum government may be, as many argue, expedient, unavoidable, necessary and best for most of mankind, this would still not make it moral to use force to impose it on individuals who do not agree, just because they live in a geographic area. We either own ourselves, or we do not. If minimum government is unavoidable for physical protection, it is only because there are immoral persons who do not respect the rights of others. While self-defense is moral, ***forcing*** you to defend yourself or others is not.

Save Energy

Thus, while Libertarians should agree that eliminating all government is morally right, we can disagree on the possibility of achieving it. It is a question of ***feasibility***, not principle. Probably this question will be answered only after we achieve minimum government. Getting rid of the last 5% of government may turn out to be easier, or harder

than the first 95%, or impossible.

It is an interesting theoretical problem to try to discover some system that would safely permit eliminating the last shreds of government without a disaster. Some possible solutions have been offered. But it is not clear that it is necessary or particularly useful to have the answer now. It's difficult enough explaining minimum government.

Libertarians should all agree that our common goal be defined as achieving the minimum government possible--whatever that may be. Most will agree that government should, at least, be restricted to the functions of national defense, police and perhaps courts, and that taxes be reduced as low as possible. This has been called the "nightwatchman" state. Some may believe that government cannot be cut this much, and they should be welcome to join the struggle until their goal is reached.

Our grand business is not to see what lies dimly at a distance, but to do what lies clearly at hand.

Thomas Carlyle, 1795-1881

Whenever any form of government becomes destructive of these ends (life, liberty, and the pursuit of happiness), it is the right of the people to alter or abolish it.

Declaration of Independence, 1776

The less government we have, the better.

Ralph Waldo Emerson, 1844

Taxation Is Theft

Libertarians feel the same about taxation as they do about government. Just as no one has a right to rob his neighbor, neither does any gang of criminals, even if the gang is called government. There is a technical question as to whether taxation is properly called theft, robbery, extortion or slavery. All would seem to apply.

The elders of Israel came to Samuel and said unto him, "Now make us a king to judge us like all the other nations." And Samuel answered with the words of the Lord, saying, "This will be the manner of the king that would reign over you: He will take your sons and make them his charioteers. He will set them to reap his harvest and make his instruments of war. He will take your daughters to be cooks. And he will take your fields and your vineyards and give them to his supporters. He will take a tenth of your produce and give it to his staff. He will take the tenth of your sheep: and you shall be his servants. And you shall cry out in that day because of your king which you shall have chosen."

Samuel I, 4-20

It may be claimed that we have somehow agreed to be robbed. But if we agree, why is it necessary that we be forced to pay against our will? As we do not possess the right to rob our neighbors, there is no way we can delegate to government this power we do not have.

Taking a man's money without his consent is also as much robbery, when it is done by millions of men, acting in concert, and calling

themselves a government, as when it is done by a single individual, acting on his own responsibility, and calling himself a highwayman. Neither the numbers engaged in the act, nor the different characters they assume as a cover for the act, alter the nature of the act itself.

Lysander Spooner, 1852

Each man owns his own body and mind, and thus cannot rightfully own the body and mind of another man. We hold that what one man cannot morally do, a million of men cannot morally do, and government, representing many millions of men, cannot do.

Auberon Herbert, 1897

It is ridiculous to assert that rational men would fail to voluntarily support services they need if they were not forced to do so. And it is ridiculous, as well as immoral, to force men to support services they do not use and do not value, just because one man or group of men think they know what is best for everybody else. Government services performed today could be provided just as well by free market enterprisers. People would pay for what they desire. No one person would be forced to work for the benefit of another (sometimes known as slavery) and no other person could expect to have that person work for him. Taxation is theft and should be abolished!

Dave Walter

Government would have us condemn the person who "cheats" on taxes, on the theory that "honest" taxpayers will have to pay more. But don't we congratulate the person who has concealed his money from a robber? And doesn't the "honest" taxpayer pay for our oppression?

Libertarians sometimes forget that not only is taxation immoral, but ***paying taxes which finance the oppression of others is also immoral.*** Eliminating taxation is a prime Libertarian goal, for taxation is the lifeblood of government, as well as its main reason for existence.

If a thousand men were not to pay their tax-bills this year, that would not be a violent and bloody measure, as it would be to pay them, and enable the State to commit violence and shed innocent blood.

Henry David Thoreau, 1849

Necessary Evil?

The American Revolution established that taxation without representation is tyranny. Now we know that taxation is tyranny, period.

The initiation of force for any purpose is unjust. Therefore, there are no just taxes without the consent of every individual paying the tax. However, if everyone consents, it is not a tax, but rather a voluntary contribution.

The problem is that if minimum government turns out to be a necessary evil, some taxation, while unjust, may also be unavoidable.

In this world, nothing is certain but death and taxes.

Benjamin Franklin, 1789

Maybe Not

It is also possible that the cost of a minimum gov-

ernment might be reduced to the point where it could be voluntarily financed. For example, most or all of the cost for police and courts could be paid by criminals and those who lose lawsuits. Or, everyone who wished to be protected by police and courts could pay an annual fee. If necessary to encourage fee payment, it might help to publish the names of those who had not paid for protection. There should be a very high charge for service requested by those who don't pay fees annually.

Defense might be mostly provided by local volunteer groups, like volunteer fire departments. In a libertarian world, defense costs would be zero or very low. Any deficit might be made up by charitable contributions to government, patriotic lotteries or sale of government buildings and land. A minimum government without the power of taxation would be wonderfully close to no government.

The power to tax involves the power to destroy.

Chief Justice John Marshall, 1819

We care nothing for the many small victories which socialists have won in the last few years. We now invade the territory of the enemy, and attack the point which is the key to his position, confident that once men begin to refuse to the state its evil power of taking property by force, socialism will drop into its place amongst the shadows of the past.

Auberon Herbert

Cut Crime

While Libertarians are concerned about every form of oppression, our main thrust is to shrink government. What is so monstrous, so obscene an evil, that it can even be compared to government?

Ordinary robbers are at least content to take your money and leave you in peace. Government demands in addition that you dance to its tune every day of your life. And it snoops into our mail, bank accounts, employment records and medical records; it taps our phones, burglarizes our files and censors our movies and reading matter, to be sure that we are in compliance.

How often do illegal criminals punish someone to "correct" their life style? In fact, their most common "crime" is to profitably provide the means for lifestyles unjustly prohibited by government political laws.

All government activities are based on the initiation of--or the threat of--force, and are therefore moral crimes. Given the enormous impact of such crimes as war, taxation and economic regulation, government crimes must account for well over 90% of all crime.

To put this estimate in perspective, consider that about half of what government calls crimes are political crimes.

Government persecution of people for political crimes is a moral crime. Thus, about half of all arrests by government police are really ***government*** crimes against the person arrested.

When we also consider that half of the real crimes are committed as a result of government persecution of people for "victimless crimes" (for example, drug addicts stealing to pay the high black-market prices for drugs), we see that government must be responsible for over 95% of all crime.

Reducing government--and therefore "legal" crime--by, for example, 95% would reduce total crime by over 90%.

Freedom Now!

The big debate in the libertarian movement is how to get from where we are now to where we want to be. One of the stickiest issues is "abolition versus gradualism." The arguments are similar to those before the civil war on how to get rid of black slavery.

Urge immediate abolition as earnestly as we may, it will, alas, be gradual abolition in the end. We have never said that slavery would be overthrown by a single blow; that it ought to be, we shall always contend.

William Lloyd Garrison, *ca* 1830

The abolitionists say that we should demand an immediate end to government slavery, and that, given the opportunity, we should immediately shut down all, or almost all, of the state, with no transition period for adjustment. They believe that to propose a gradual decrease in government is to approve continuing injustice. It is unfortunate if people dependent on the state suffer, but violating the rights of others is not the way to solve this problem.

They feel that not only is abolition moral, but also sound strategy. It distinguishes our position from all others and applies the strongest pressure against state power. It inflames the passions which wishy-washy gradualism cannot. If Libertarians don't demand an immediate end to all injustice, who will? And if it is alright to continue injustice for a while, why not longer, or forever?

Could it ever be too soon to eliminate an unjust law or agency? The abolitionist gives an unqualified "no"....You cannot--on the one hand--say it is morally wrong to violate rights, and--on the other hand--argue that in order to achieve a libertarian society such violations may be necessary....People have died in battle carrying flags reading "Liberty!" I cannot envision someone running to fight under a banner reading "Legalize soft drugs"....If libertarians do not present explicitly libertarian ideas, who will?...It would be tragic if the one clear voice for freedom in our time did not have enough confidence in itself to speak up without apology....Gradualism will not fool the masses into becoming libertarians, but it may alienate many

people who have fought long for principles they are not willing to see watered down.

Wendy McElroy, 1982

However, it seems fairly certain that almost everyone would willingly sanction continuing the violation of their natural rights for a short transition period while private organizations geared up to provide important services now monopolized by governments.

Rights, after all, are abstract concepts that are justified by their importance to people. It is hard to imagine that anyone would desire, or could be benefitted by, a sudden shutoff of traffic signals, water and sewer pumps, schools, postal service or lighthouses.

Abolitionists and gradualists have the same goal of maximum liberty, but the means are different. Both realize that it is very unlikely that liberty will be achieved by instant abolition. But gradualists, who are the great majority, feel that by trying to end all injustice at once, we may not end it at all, or take longer to do it. They see it somewhat like trying to knock down the wall of our prison by uselessly hitting it with our bodies, as opposed to loosening the weakest bricks one at a time until the weakened wall can be pushed over.

If state power ***could*** be destroyed more quickly by attacking it a piece at a time, ***then*** the abolitionists would have the moral problem of prolonging injustice. So the moral and the strategic questions ***both*** seem to hinge on what will work the fastest.

The practical problem is to persuade a large portion of the public to support liberty. Most people aren't going to change their whole philosophy and attitude toward government the first time they are exposed to libertarian ideas. Seldom will we have an opportunity to present more than a few libertarian ideas at one time. People usually won't sit still long enough for an explanation of even the limited range of libertarian ideas contained in this book, and not much less is needed to convince people of the case for instant abolition.

Explaining libertarian philosophy would seem to eliminate the need to persuade people of the merits of each issue one at a time. But philosophy requires more mental effort than most people are willing to give, at least until they are already in agreement with several libertarian positions. Public support for liberty will, of necessity, be largely based on very shallow knowledge of its principles. Different libertarian positions will attract widely different amounts of support.

Logical minds, accustomed to be convinced by a chain of somewhat

close reasoning, cannot avoid having recourse to this mode of persuasion when addressing crowds, and the inability of their arguments always surprises them.

Gustave Le Bon, 1895

So almost certainly people will be persuaded and progress made, issue by issue. The main role of libertarian moral principles and ideas will be to recruit and guide Libertarian activists who work to build a consensus for liberty.

How and what we communicate should depend on circumstances, including the audience. Arguments for ***both*** abolition and intermediate steps will be important. Demands for immediate abolition are needed to emphasize the immorality of the state, to make intermediate steps seem moderate, and to accustom people to the idea.

Transition To Liberty

While considering our strategy for achieving liberty, we should remember that the statists will also have a strategy for maintaining the status quo. At first they will try to ignore us to avoid giving credibility to the idea of liberty. When they do respond, they will try to picture us as not having compassion for the poor. This is outrageous, of course, as ***they*** are the prime cause of poverty. But people don't yet understand that, and are conditioned to think that forced charity is the only solution. The statist will also pretend that most taxes go to the poor, instead of only a tiny portion.

When the demand for liberty reaches the point where the politicians have to begin to yield power, they will surely fall back on their old trick of cutting first what should be cut last. They will try to cut first where it will hurt the most, where people are least prepared to take care of themselves. Their hope will be that desperate people, and those who care about them, will demand more government. There is a great danger that this statist strategy will work and set back the cause of liberty for a long time.

When government is cut back, there will be a flood of propaganda in the socialist media, documenting in exaggerated detail every case of social and economic problems they can find. It will, of course, all be "objective reporting" about the bad effects of reducing government power. But there will be few stories about the benefits. Every fraud, every case of restaurant food poisoning, hardship, *etc.*, will be headline news, just as if these things did not exist in greater number before deregulation of the economy. In any large country there will always be a supply of bizarre events, no matter what the political system.

Our counter strategy should be: to emphasize ***our real*** concern for the poor and the advantages of ***prevention*** of poverty rather than just alleviating it; to demand that the most useless, unjust and unpopular programs be cut ***first***; and to expose the statist hypocrisy and strategy. One of the best ways to expose their strategy is to publicly predict it in advance. We should avoid creating unnecessary opposition to liberty, and realize that very rapid change is frightening to almost everyone.

It is my impression that no one really likes the new. We are afraid of it....In the case of drastic change the uneasiness is of course deeper and more lasting...It needs inordinate self-confidence to face drastic change without inner trembling.

Eric Hoffer

Confronted with abolishing government...people will cling to the status quo rather than risk the enormous impact of revolutionary change. Abolitionism cannot get around this fact....By keeping change within adaptive limits, we won't create unnecessary opposition to liberty....Why do the abolitionists attack gradualists for using the political equivalent of guerilla warfare to end coercion?...Abolition in theory is futility in practice.

Michael Emerling, 1982

The first government programs to be cut out should be all business and agriculture subsidies and loans, tariffs, quotas and other trade restrictions, foreign aid, all regulation, licensing and monopoly franchises, zoning, building codes, draft registration, labor laws, grants from one level of government to another, housing subsidies, *etc.*

All government monopoly businesses such as postal service, mass transit, medical insurance and garbage collection should be opened to competition, with subsidies cut off. All legal tender and banking laws should be repealed, leaving money to be supplied by the free market.

As soon as possible, "victimless crime" laws should be repealed, and all those unjustly imprisoned under these and other political laws (who have not also committed real crimes) should be released. The criminal and civil justice laws and system should be changed to the Libertarian justice system based on restitution.

Schools and charities should be changed to a 100% tax credit system to encourage private substitutes for government agencies. It is important to eliminate education and poverty as excuses for government as rapidly as possible. This will also eliminate two huge political constituencies for big government. It is especially important to break the government education monopoly to destroy the primary statist propaganda weapon.

Serious negotiations should be started with the Russian government and other potential enemies on mutual arms reduction, beginning with nuclear missiles. Reasonable notice should be given to allies about the

termination of all treaties and the withdrawal of all American troops stationed abroad. All foreign aid should be ended as soon as possible. Membership in the United Nations should be canceled, along with their diplomatic immunity and special services. The U.N. should be encouraged to move its operations to some other country.

Military expenditures should be changed to emphasize defending America, especially against missiles, rather than "projecting power" all over the world. Defense spending should be cut as fast as possible to about half the former level, depending on success with arms reduction negotiations and missile defense.

In short, the ***first*** stage should be to abolish or open to competition all government activities except reduced levels of police and defense, welfare to the poor and social security for those already receiving payments. Social Security should be ended for those not yet retired. Taxes should be reduced as rapidly as possible without inflating or borrowing.

In the ***second*** stage, Social Security should be switched (note next paragraph) to payment only in cases of real need, and included in the welfare program. Then, as prosperity, sharply reduced cost of living, and private charities reduce the need, payments for welfare and social security should be phased out. Declining taxation will automatically reduce the school and charity tax credit subsidies until they can be phased out.

Lest someone fear that Libertarians want to let elderly people starve, it should be noted that the great majority with private pensions and substantial assets will find themselves enriched by the transition to liberty. The poor elderly would be ***at least*** as well off as before liberty.

All government-owned monopolies, such as water, sewage collection, garbage collection, gas, electricity, dams, irrigation, canals, postal service, Bureau of Standards, and real property registration, parks, mortgage brokerage and deposit insurance should be sold as going businesses or their assets sold, whichever produces more revenue.

All government land and buildings, *etc.* which are not temporarily required for the transition should be sold at auction to produce the maximum revenue. This would be a good way to get the 40% of American land now owned by government into ***real*** public ownership.

Streets, highways, rivers and bodies of water should also be sold at auction. The titles for such government property, and the titles of all other property such as railroads,

pipelines, *etc.* that was taken by force using eminent domain laws, should require that access for crossing be offered at appraised market value. Eminent domain laws, of course, should be abolished.

To ease the problem of financing so many purchases of property and businesses, to speed the transfer to productive ownership (which would protect valuable natural resources) and to obtain the highest prices, sales of real property could be made on credit. The interest earned will further reduce the taxation required to finance the transition.

Government-owned property should be renamed for heroes of liberty instead of infamous statists. Memorials to former rulers and military chiefs should be converted to other uses and their statues and relics destroyed. Government archives and secret files must be thrown open to permit scholars to write about what really happened, so the truth will be known.

To discourage any regrowth of statism, all government collecting of statistics must be ended, and all government records that could be used to identify individuals or businesses must be destroyed. Such records include those for: federal and state income tax, sales tax, property tax, customs and all other taxes, census, automobile and gun registration, driver's licenses, selective service, Social Security, business permits, occupational licenses, public school records, voter registration, health records including Medicare and Medicaid, welfare rolls, hunting-fishing licenses, boat registration, building permits, military service records, immigration, *etc.* Probably people should first be furnished copies of records such as school transcripts and auto, real property and birth registration, and given the option of having those records transferred to private companies that will provide record-keeping services.

> *One of the great differences between free and enslaved societies is the right of the individual to live and work without government knowing his every move. There can sometimes be privacy without freedom, as those in solitary confinement know, but there can be no freedom without privacy.*
>
> · William Safire, 1982

This will get us to a minimal government, at which point we can consider what further reduction in government might be possible.

All this time abolitionists will be performing a useful service by urging a faster phase-out. But their complaints about the immorality of Libertarians endorsing continuing some taxation to finance the transition will not be justified, provided it is moving as rapidly as politically possible. And that speed limit should determine whether the transition

takes a few years or a generation.

Abolitionists must remember that we can accomplish nothing without public support. Even if we could push a button which would cause the state to instantly self-destruct, we probably should not do it, for it would almost certainly cause widespread turmoil and hardship. This in turn would create a demand for a dictator to bring "order" and destroy everything we have worked for. Of course, in the very unlikely circumstance that it would not seriously endanger the Libertarian revolution, it ***would*** be unjust ***not to*** "push the button," ***if*** such a "button" existed.

But if we have no clear idea of what our goals are, we can hardly expect to achieve them. If we bring our present authoritarian system crashing down around our ears without formulating and disseminating valid ideas about how society will operate satisfactorily without governmental rule, all that will result is confusion, ending in chaos. The people, bewildered and frightened and still convinced that the traditional government system was right and necessary in spite of its glaring flaws, will demand a strong leader. and a Hitler will rise to answer their pleas.

Morris and Linda Tannehill, 1970

We should also remember that it would not be necessary for taxpayers to finance the transition to liberty if they had not previously supported government with their taxes. It could be considered a just restitution to those impoverished by ***their*** state.

Much of the transition can be financed by the sale of government gold, businesses, buildings, land and other property. Those who have received government loans should be required to repay. Sale of the government gold hoard, which was seized from Americans, could provide the basis for honest money.

Perhaps former government employees who have held policymaking, legislative, judicial, police, regulatory, tax collecting or administrative positions should have all their property confiscated, as a form of restitution to the public. There was a precedent established for confiscation of the property of statists during the first American Revolution, when statists were known as Tories.

Certainly, all those agents of the state involved in violating human rights should be required to continue to pay at least the present level of taxation for restitution as long as needed for the transition.

Government debt and loan guarantees should be repudiated. No one has a right to use government to steal from others what is owed to him. People who finance tyranny do so at their own risk. And much government debt is owed only to a government agency--The Federal Reserve Bank that "paid" for government bonds with counterfeit

money.

The seemingly innocent bondholder appears in a very different light when we consider that the purchase of a government bond is simply making an investment in the future loot from the robbery of taxation.
Murray N. Rothbard, 1982

People who financed government should look for restitution to the ***individual*** agents of the state that borrowed from them. However, they would have a lower priority for repayment than other people who were ***forced*** to support government.

Some Libertarians believe that proceeds from the sale of government assets should be used to compensate victims of the state. But this would simply increase the taxation required to finance the transition and defense. Perhaps sometime a way will be found to avoid taxation. Until that happens, it would be more just to use government assets to reduce taxation than to repay past taxpayers. And why tax ourselves to repay ourselves?

After people experience the prosperity produced by the first ***large*** cuts in government, demand for more liberty should grow and develop into an avalanche that sweeps away at least all government except the physical protection functions. Let us then salt the earth that nourished statism, so that noxious weed can never grow again.

Who's the Dreamer?

Many will say that Libertarians are impractical idealists, and that it is impossible to do away with all, or almost all, government. But we have shown that liberty is just and good, and that government is unjust and harmful. Government is not just a parasite, but a malignant cancer destroying its host. We know that the services we need can be provided, better and cheaper, by the free market. Government is morally bankrupt, an empty fraud held up by lies. When people learn it is truly "public enemy number one," stop believing in it, and start demanding liberty, it will collapse.

The real dreamers are those who, despite every lesson of history, still believe that a just and benevolent government can be achieved by "working through the system."

★ ★ ★ ★ ★ ★ ★ ★

Power, like a desolating pestilence, pollutes whate'er it touches.
Percy Bysshe Shelley

★ ★ ★

Whatever the State saith is a lie; whatever it hath is a theft: all is counterfeit in it, the gnawing, sanguinary, insatiate monster. It even bites with stolen teeth.
Channing Severance

★ ★ ★

This Constitution has been used from the beginning by ambitious, rapacious and unprincipled men, to enable them to maintain, at the point of the bayonet, an arbitrary and irresponsible dominion over those who were too ignorant and too weak to protect themselves against the conspirators who had thus combined to deceive, plunder, and enslave them.

Lysander Spooner, 1882

★ ★ ★

There is nothing so contrary to a generous and loving God as tyranny--I believe He has reserved in a separate spot in Hell, some very special punishment for tyrants and their accomplices.

Etienne de la Boetie, 1553

★ ★ ★ ★ ★ ★ ★ ★

XXIII. WHY GOVERNMENT?

★ ★ ★ ★ ★ ★ ★ ★

Man is born free, and everywhere he is in chains.

Jean Jacques Rousseau, 1762

★ ★ ★

The great masses of the people...will more easily fall victims to a big lie than to a small one.

Adolf Hitler, 1933

★ ★ ★

The extortions and oppressions of government will go on so long as such bare fraudulence deceives and disarms the victims.

H. L. Mencken

★ ★ ★

Man is free at the moment he wishes to be.

Voltaire

★ ★ ★ ★ ★ ★ ★ ★

Why, Why, Why?

An extremely important question is: Why would anyone support the immoral institution of government which impedes progress and brings war, genocide, oppression, corruption, taxation, inflation, crime, poverty and human misery?

A small group can dominate and exploit all the inhabitants of a country only with their consent, or at least without their strong dissent. Recent revolutions clearly show that, no matter how heavily armed, a government cannot withstand a united, outraged citizenry.

The limits of tyrants are prescribed by the endurance of those they oppress.

Frederick Douglass, 1857

Why then do millions allow themselves to be marched off to be slaughtered to settle quarrels between rulers? Why do they permit themselves to be robbed, their lives controlled, and their dreams destroyed?

That society permits government to exist is so astounding, that for centuries many of the best minds have pondered the question. It is possible to refer only briefly to the main ideas of the vast literature on the subject.

The short answer is a combination of propaganda and human nature.

A prudent ruler ought not to keep faith when by so doing it would be against his interest.... But it is necessary to be able to disguise this character well, and to be a great feigner and dissembler; and men are so simple and so ready to obey present necessities, that one who deceives will always find those who allow themselves to be deceived.

Niccolo Machiavelli, 1532

It may be true...that you can't fool all the people all the time, but you can fool enough of them to rule a large country.

Will and Ariel Durant

The power of conquerors and the strength of States is based on the popular imagination.

Gustave Le Bon, ca 1900

There's a sucker born every minute.

Phineas Taylor Barnum, 1810 - 1891

Machiavelli, in his book The Prince, showed how rulers stay in power with a combination of fear, bribery, manipulation, tradition and, above all, persuading the people that government is somehow good for them. Those in power try to present government as a sacred religion, complete with saints, rituals, symbols, pageantry, and imposing monuments.

Off with your hat as the flag goes by!

Henry Bunner, 1888

But by associating these precedents with a superstitious reverence for ancient things,...the generality of mankind are deceived into the design....How strangely is antiquity treated! To answer some purposes, it is spoken of as the times of darkness and ignorance, and to answer others, it is put for the light of the world."

Tom Paine, 1792

Open thine eyes to see,
Slave, and thy feet are free.
Thy bonds, and thy beliefs are one in kind
And of thy tears thine irons are wrought.
Hang weights about thee fashioned out of thine own thought.

Algernon Charles Swinburne, 1837 - 1909

Until recently, the state and religion were often the same. The heads of state were gods or high priests, or controlled the state religion. The intellectual class, which had the job of indoctrinating the masses with the mythology of government, such as "the divine right of kings," was almost entirely employed by the state religion or the ruling class.

The people never give up their liberties but under some delusion.

Edmund Burke, 1784

It has always happened that tyrants, in order to strengthen their power, have made every effort to train their people not only in obedience and servility toward themselves, but also in adoration.

Etienne de la Boetie, 1553

If it is a despot you would de-throne, see first that his throne erected within you is destroyed.

Kahlil Gibran, 1923

We wrestle not against flesh and blood, but against principalities, against powers, against the rulers of the darkness of this world, against spiritual wickedness in high places.

Ephesians 6:12

Today, not much has changed except that while most intellectuals are still supported by government (teachers, bureaucrats, grant recipients, *etc.*), or depend on government monopolies (physicians, lawyers, CPA's, *etc.*), many are not. Almost all intellectuals, however, were educated

by the state.

I won't quarrel with my bread and butter.

Jonathan Swift, 1738

It is true that throughout history the state has generally used intellectuals. It attracts them or rejects them at its convenience. It manipulates them, and, in most cases, intellectuals end up being victims of the system.

Julio Cortazar, 1983

Intellectuals who create and transmit ideas still largely control the opinions of the vast majority of citizens who lack the inclination or education to think for themselves. These intellectuals usually favor authoritarian government because of personal bias, self-interest, and their own indoctrination.

Governments almost everywhere subsidize cultural activities, because they know that people such as writers, artists, actors and musicians are very influential in shaping the public's attitudes about government. When unhappy, these people can help start revolutions. So governments like to control and keep them happy with money stolen from the public.

Even the intellectuals who are not directly dependent on government usually defend the rulers. The reason seems to be the desire to use government to impose their superior ideas on the ignorant masses. There tends to be resentment of a competitive market that fails to appreciate them properly, and longing for the good old days of the feudal system, when there was no need to please the public. And then there is the ego trip of being needed and flattered by those in power.

Power is the great aphrodisiac.

Henry Kissinger, 1971

Don't Believe What You Hear!

Not only does government continue to dominate most of the intellectual sources of information and opinion, but it also has effective control over much of the means of communication. For example, government controls schools through financing, and it controls radio and television through the Federal Communications Commission with its power to regulate, grant and withdraw monopoly licenses worth millions of dollars. Government has indirect control of journalists by being the major source of the news they need to earn their living.

An ambassador is a man who goes abroad to lie for the good of his country. A journalist is a man who stays at home to pursue the same vocation.

Dr. Samuel Johnson, 1709 - 1784

Very few citizens or businesses dare to speak out against government. They fear retribution by selective en-

forcement of the incomprehensible number of laws, and by use of government's enormous economic power.

The government takeover of education in the last century was a severe blow to liberty. A system which had been established independent of government was crushed. One of the main excuses was to mold "good" citizens. In other words, a government which is claimed to ***be*** controlled by public opinion, in fact ***controls*** that public opinion.

The teaching organization itself and the government which directs it, will inevitable lean to things as they are; and to give them control over the national mind is to give them the means of repressing aspirations after things as they should be.

Herbert Spencer, 1850

It is error alone which needs support of government. Truth can stand by itself.

Thomas Jefferson

With every citizen constantly brainwashed in government schools or by biased books, newspapers, movies, radio and television, it is not surprising that belief in the mythology of government is widespread. People with contrary views are discouraged because they seldom learn that many others feel the same way.

To make a contented slave, it is necessary to make a thoughtless one and to annihilate the power of reason. He must be able to detect no inconsistencies in slavery. He must be made to feel that slavery is right.

Frederic Douglass, 1817 - 1895

The Psychology of Statism

The question is not, "Why do those who seek power tell lies?" It is obvious. It is not difficult to refute the lies; the overwhelming evidence against government is there for anyone who cares to know. Most people, deep down, already know the truth. The key question, then, is why are the lies accepted and repeated, and government oppression tolerated? Why is not everyone gathering under liberty's banner?

Even massive clever propaganda cannot convince most people to believe in a preposterous fraud such as government, unless they ***want*** to believe for personal reasons. We need not be conscious of the reasons. In fact our view of the world is largely determined by subconscious psychology.

Men willingly believe what they wish.

Julius Caesar

Man's mind and not his masters makes him slave.

R. U. Johnson

The path of freedom is blocked much more by those who wish to obey than by those who desire to command.

M. D. Petre

Sometimes a cigar is just a cigar.
Sigmund Freud

Why do we ***want*** to believe politicians when we ***know*** that they are lying? Professional psychologists disagree on exactly why we believe what we do. There are no certain answers.

Nevertheless, it is important to try to understand what motivates people, if we are to be effective in our pursuit of liberty. It is very important that this "pop" psychology be replaced with more certain knowledge based on scientifically controlled studies. But in the meantime we must work with what understanding we have. Every individual is different, but the following generalizations may be a useful starting point.

Optimistic future-oriented people with high self-esteem usually prefer liberty, whereas pessimists with low self-esteem tend toward statism.

Those with low self-esteem seek escape from themselves and reality. Common forms of escape are turning control of their lives over to "authorities," or dulling their minds with alcohol or other drugs.

All of us suffer in some degree from feelings of fear, insecurity, and inferiority. The idea of a great, powerful father to protect us, even if we are undeserving, is very comforting. Blind faith and obedience avoids the need to think for oneself, and the embarrassment of failure. Wouldn't it be pleasant to be sheltered from competition and change? Who can fail if one's position in life is determined from above by those who know best, and not by one's own effort? If one has serious doubt about one's merit, a system of liberty, where reward is based on merit, may not be attractive.

My friend, judge not me,
Thou seest I judge not thee.
William Camden, 1551 - 1623

The oppression of children throughout the world is so thoroughly accepted that it is used as the model for justifying all other forms of oppression.
Peter Breggin, 1980

When the freedom they wished for most was freedom from responsibility, then Athens ceased to be free.
Edward Gibbon, 1737 - 1794

Injustice is relatively easy to bear; what stings is justice.
H. L. Mencken, 1922

Insecurity leads people to get on the bandwagon of popular opinion to gain the approval of peers. Persons with different lifestyles, beliefs, and morals are threatening to insecure people. They fear that their own values may be wrong. Why can't other people look the same as them, think the same, and have the same life style so there would

be no question as to what was right? It isn't fair for "us" to sacrifice to hold together the fabric of society while "they" get to do what they want and have more fun. Why not use government to regulate these offenders?

The source of social intolerance is fear and uncertainty, which stems from the absence of independent thought and judgement. It represents the attempt of non-thinking people to prevent any challenge to their beliefs and ideals which might expose their lack of substance, and to evade the effort and risk inherent in the exercise of independent judgement.

Steve Lord

And then there are those whose feelings of inferiority cause envy, resentment and hatred of more successful people. The important thing is to pull down everyone to their level so there will be no unfavorable comparisons. Even better, give them the power to dominate and torment their superiors. (This lust for power also springs from overcompensating for inferiority feelings.)

When more liberty in America offered opportunity to everyone, many of those who failed envied the accomplishments of those who succeeded. They excused their failure and envy with the idea that they were somehow "exploited" by those who produced more, and better satisfied the needs of others.

Envy with spite and resentment was probably the main reason liberty was lost in America. And it is behind most of the legislation to regulate producers and "soak the rich" which opened the way to regulate and soak everyone.

People often grudge others what they cannot enjoy themselves.

Aesop--The Dog In The Manger, 550 B.C.

There is not a passion so strongly rooted in the human heart as envy.

Richard Brinsley Sheridan, 1779

Envy is the main driving force behind "leftist" movements such as marxism, egalitarianism and "socialism," which advocate the need to prevent "alienation." "Alienation" is the feeling of being left out while others are happy and getting ahead. The idea is that those who produce less have a right to hold back those who produce more, so no one will feel offended by success, or "alienated."

Altruism, the idea that we should sacrifice ourselves to others (as directed by those in power), is very effective with those who feel guilt for being better off than someone else. People who are successful, but insecure, feel guilt because they suspect that, no matter how hard-earned their success, it was not deserved or was earned at the unfair expense of others. Their support for government programs for the poor is not for the joy of helping a fellow human being, but rather to show good ***intentions*** and relieve their consciences.

Come, fix upon me that accusing eye. I thirst for accusation.
William Butler Yeats, 1865 - 1939

Experience should teach us to be most on our guard to protect liberty when the government's purposes are beneficial. Men born to freedom are naturally alert to repel invasion of their liberty by evil minded rulers. The greater dangers to liberty lurk in insidious encroachment by men of zeal, well meaning, but without understanding.
Justice Louis Brandeis, 1928

The foremost, or indeed the sole, condition required in order to succeed in centralizing the supreme power in a democratic community is to love equality or to get men to believe you love it. This, the science of despotism, which was once so complex, has been simplified and reduced, as it were, to a single principle.
Alexis de Tocqueville, 1835

It's A Steal!

Then there are the motives of greed and laziness. Few really like having to work to produce what they need to live as they wish. The only alternative is to steal what others have produced. But robbery is dangerous, as the victims may resist. How much nicer it would be if government would do the job, for a cut of the loot. Only a few dollars from millions of victims wouldn't be worth their protest, but it is a lot to the receiver of the stolen property.

Thus the politicians gain power by robbing Peter to bribe Paul, and robbing Paul to bribe Peter, and leading them both to believe they are coming out ahead. Anyway, it's not really stealing, just "redistribution" so they are getting only what they "deserve."

The law has been perverted under the influence of two very different causes: unintelligent selfishness and false philanthropy.
Frederic Bastiat, 1850

A government that robs Peter to pay Paul can depend on the support of Paul.
George Bernard Shaw

It seems incredible that people fall for this con game, but they do. The contest of special interests for politicians' favors has become the main factor in the explosive growth of government.

It's concentration camp psychology. If all the prisoners acted together, they could break out. But everyone is afraid to lead. Each inmate thinks that he can beat the system by getting friendly with the guards, who after all, being human, will spare him as a reward for cooperation.

Many admit that the system is unjust, but they believe nothing can be done about it, so the smart thing is not to get left out. They are forced to pay taxes, so what is wrong with trying to get the most for their money? Others have monopoly privileges, so why not them?

No man is an S.O.B. to himself.
T. V. Smith

Men submit everywhere to oppression, when they have only to lift their heads to throw off the yoke; yet, instead of asserting their birthright, they quietly lick the dust and say, "Let us eat and drink, for tomorrow we die."

Mary Wollstonecroft, 1759 - 1797

They hesitate, and they regret, and sometimes they petition; but they do nothing in earnest and with effect. They will wait, well disposed, for others to remedy the evil, that they may no longer have it to regret. At most they give only a cheap vote.

H. D. Thoreau, 1849

What is wrong is that it's the same short-term view that says to buy what we want on credit and worry about the debt later.

But longer term it will make us all worse off. Two hundred and twenty million people cannot live by stealing from each other, and all the effort that goes into that game means less is produced. Unfortunately, too few understand that a system of government plunder is to their disadvantage, unless they can be the only ones receiving favors.

Many people lack patience and the long view, and liberty works surely but slowly. So the ***apparent*** easy quick fix of a law seems attractive even though experience shows that laws don't work.

The ostensible supporters of the Constitution, like the ostensible supporters of most other governments, are made up of three classes, viz., 1. Knaves, a numerous and active class, who see in the government an instrument which they can use for their own aggrandizement or wealth. 2. Dupes--a large class, no doubt--each of whom, because he is allowed one voice out of millions in deciding what he may do with his own person and his own property, and because he is permitted to have the same voice in robbing, enslaving and murdering others, that others have in robbing, enslaving, and murdering himself, is stupid enough to imagine that he is a "free man," a "sovereign;" that this is "a free government;" "a government of equal rights," "the best government on earth," and such like absurdities. 3. A class who have some appreciation of the evils of government, but either do not see how to get rid of them, or do not choose to so far sacrifice their private interests as to give themselves seriously and earnestly to the work of making a change.

Lysander Spooner, 1870

Slavery, restraint of trade and monopoly find defenders not only among those who profit from them, but even among those who suffer from them. Try to raise a few doubts about the morality of these institutions. "You are," it will be said, "a dangerous innovator, a utopian, a theorist, a scorner of the laws; you are undermining the foundations upon which society rests."

Frederic Bastiat, 1850

Patriotism?

Patriotism, which is really the love of liberty and familiar people and places, is often distorted into the idea of allegiance to the regime in power and altruistic sacrifice for fellow citizens of that imaginary entity, the "nation."

The idea of "nations" and "national sovereignty" is a

triumph of statist propaganda. It appeals to insecure people with a need to belong to "something more important than themselves."

Why should groups of individuals, often with little in common or even hating each other, who happen to live within an artificially created boundary, a line on a map, be compelled to deal as a group with other artificial groups? We are so used to it that questioning the idea of nations may seem strange. Yet why not question an arrangement that is the basis for war? Does anybody think that the American and Russian people would be aiming atomic warheads at each other if there were no nations?

True patriotism would support liberty and oppose the evil of government and the idea of nations and sovereignty. ***Nations are the teams mankind is divided into to play the game of war.***

"False patriotism is," as Samuel Johnson said, "the last refuge of scoundrels." This means that when politicians can no longer fool people into accepting abuse, they wrap around themselves the "sacred flag of the nation" and claim that questioning their corruption is "unpatriotic."

After all, to King George III, George Washington was a traitor to his country. But would it not be more accurate to apply the term traitor to those who work to destroy the liberty of their fellow countrymen?

Treason doth never prosper: What's the reason?
For if it prosper, none dare call it treason.

Sir John Harrington, 1561 - 1612

I cannot ask of heaven success, even for my country, in a cause where she should be in the wrong.

John Quincy Adams, 1816

The newspaper-and-politician-manufactured Patriot often gags in private over his dose; but he takes it and keeps it on his stomach as best he can....Nine-tenths of the Patriots in...America turned Patriot to keep from being called Traitor...The Patriot did not know just how or when or where he got his opinions, neither did he care, so long as he was with what seemed the majority--which was the main thing, the safe thing, the comfortable thing.

Mark Twain, 1900

Those who, while they disapprove of the character and measures of a government, yield to it their allegiance and support, are undoubtedly its most conscientious supporters, and so frequently the most serious obstacles to reform."

H. D. Thoreau, 1849

It can never be unpatriotic for a man to take his country's side against the government: it must always be unpatriotic for a man to take his government's side against his country.

Steven T. Byington

Excuses, Excuses

When defending liberty, it is important to understand that the arguments raised against liberty are almost always

excuses. The real reasons are psychological or mistaken self-interest. Although it is helpful to demolish the excuses, minds probably won't change until these reasons are also dealt with.

Nothing is easier than self-deceit. For what each man wishes, that he also believes to be true.

Demosthenes, 350 B.C.

In enumerating the factors capable of making an impression on the minds of crowds all mention of reason might be dispensed with, were it not necessary to point out the negative value of its influence.

Gustave Le Bon, *ca* 1900

Even if you persuade me, you won't persuade me.

Aristophanes, 424 B.C.

As changing people's basic psychology is usually hopeless, probably the best approach for dealing with statists would be to try to redirect it to favor liberty. For example, in the case of envy, it might be pointed out that it may be government that is holding them back rather than other people's success. Or maybe the more successful people have unfairly used government to gain advantage.

Opinion is ultimately determined by the feelings, and not by the intellect.

Herbert Spencer, 1851

For the very reason that the basic driving force of socialist ideology is subconscious and emotional, reason and rational discussion of facts have always played only a subordinate role in it.... Socialist conclusions are radically at odds with experience. Most astonishing of all is that these contradictions do not diminish the impact of the doctrine in the least.

Igor Shafarevich, 1975

We can't effectively change minds to favor liberty until we understand the real reasons why people hold opinions unfavorable to liberty. Instead of turning people off by preaching, we might make more progress by asking questions and ***listening***.

Listening requires effort, and is not the same as waiting impatiently for someone to finish talking about their stupid ideas so we can speak about our brilliant ideas. Few can resist explaining why they feel the way they do to a good listener who sincerely wants to know.

Good Statists?

After all the discussion of government and statism, it might appear that some abstract evil is the problem. But institutions and ideas harm no one until they are put into practice by people. The statists responsible for our oppression are people. We hate their ideas and values, but what should be our attitude toward them personally?

Whenever I hear anyone arguing for slavery, I feel a strong impulse to see it tried on him personally.

Abraham Lincoln, 1865

Try to remember that only a few people, no matter how despicable they seem, are deliberately trying to destroy liberty and violate your rights. The shocking fact is that the statists who support government by voting, by paying taxes, by supplying government with goods and services, by obeying unjust laws, by unconsciously repeating its propaganda or singing its praises are our relatives, friends, neighbors, and even us.

What are we to think of a people who apparently do not suspect that reciprocal pillage is no less pillage because it is reciprocal; that it is no less criminal because it is carried out legally and in an orderly manner; that it adds nothing to the public welfare; that on the contrary, it diminishes it by all that this spendthrift intermediary that we call the state costs?

Frederic Bastiat, 1848

The general fact that our government is practically carried on by such voting, only proves that there is among us a secret band of robbers, tyrants and murderers.

Lysander Spooner, 1870

Every murderer is probably somebody's old friend.

Agatha Christie, 1920

In spite of everything, I still believe that people are really good at heart.

Anne Frank, 1944

There is no little enemy.

Benjamin Franklin, 1733

Most statists are simply trying to cope with their own problems, dealing with a world they didn't make and don't understand. While still responsible for their actions, they are also victims of a vicious system.

However, the people we usually call statists are the agents of the state--employees who serve in any kind of a decision-making capacity or who accept orders to violate human rights. They also mostly don't understand the true nature of what they are doing. But, as the statists are fond of saying, "ignorance of the law is no excuse."

If they continue to violate human rights after they are notified that their acts are wrong, then they surely deserve our moral condemnation. In any case, they should pay full restitution to those they have injured. If you know an agent of the state, loan him/her this book with the 4R injunction--read, repent, resign and make restitution!

This riff-raff can be led to endure evil if permitted to commit it, not against him who exploits them, but against those who like themselves submit, but are helpless. Nevertheless, observing those men who painfully serve the tyrant in order to win some profit from his tyranny and from the subjection of the populace, I am often overcome with amazement at their wickedness and sometimes by pity for their folly.

Etienne de la Boetie, 1553

No man can put a chain about the ankle of his fellow man without at last finding the other end fastened about his own neck.

Frederick Douglass, 1883

With reasonable men, I will reason; with humane men I will plead; but to tyrants I will give no quarter, nor waste arguments where they will certainly be lost.

William Lloyd Garrison

And what are we to say if a government should use force for other purposes than the protection of self-ownership? We can only say that those who use force, whoever they are, by that act justify the use of force against themselves.

Auberon Herbert, 1897

And all agents, legislative, executive, judicial and popular, who voluntarily lend their aid to the execution of any of the unlawful purposes of the government, are as much personally guilty, according to all the moral and legal principles by which crime in its essential character is measured, as though they performed the same acts independently, and of their own volition.

Lysander Spooner, 1860

If the communists have succeeded in strengthening their power in Russia, Cuba and Ethiopia, it's because they found sufficient numbers of volunteers in those countries to accomplish the task of hangmen while the rest of the population did not resist. And all of them are responsible--all except those who died while resisting.

Alexander Solzhenitsyn, 1982

All they that take the sword shall perish with the sword.

Matthew 26:52

Bad News, Good News

Faced with millions of heavily armed officials, a huge bureaucracy, overwhelming propaganda and the reality of human nature, liberty in our time may seem hopeless. Indeed, recent history is not encouraging, and there is a terrifying trend toward total tyranny before the end of this century, with nothing in sight to stop it.

By their own follies they perished.

Homer, 700 B.C.

However, there ***is*** good reason to have hope. The very success of government oppression will be its undoing. The present powerlessness of its opponents to stop its course ensures that it will grow until it almost destroys the economy. Its evil will then be too obvious for anyone to ignore.

Every new law, regulation and tax creates more Libertarians. Inflation also inflates our numbers. King George caused the American Revolution with far less abuse than we already suffer. Oppression has always been a spur to revolution.

It makes a difference whose ox is gored.

Martin Luther, 1569

The enormous expense of governments has provoked people to think by making them feel; and when once the veil begins to rend, it admits not of repair.

Herbert Spencer, 1850

A regime, an established order, is rarely overthrown by a revolutionary movement: usually a regime collapses of its own weakness and corruption and then a revolutionary movement enters

among the ruins and takes over the powers that have become vacant.

Walter Lippmann, 1958

The pattern of history is that, when we arrive at that point, the people will demand a "man on a white horse"--a strong dictator--to lead them out of chaos.

But this time there is another possibility. Many more of us now understand the principles of liberty. There is more questioning of authority. Many people are now familiar with the failures and horrors of the different brands of statism, which are reported daily by the media. It is more difficult to ignore government atrocities when they are pictured in color on TV. Socialism is no longer a theory; it has been repeatedly tried, and knowledge of the disastrous consequences is widespread.

Power has always depended on control of information. Today, we are in the middle of an information revolution. It is a different world, one of rapid, easy communication.

In the last few decades there has been a staggering increase in the amount of available information, the number of sources of information, and the means of communicating information. Despite frantic efforts by government to push back the tide, the information revolution has expanded beyond the control of politicians. The power of information is flowing from government to the people in a growing flood.

The Reagan administration is considering expanding its campaign against leaks by asking Congress to make it a felony for present or past government employees to reveal classified information without authorization.... Reagan already is under fire in Congress for a sweeping directive last month designed to crack down on leaks.... It requires hundreds of thousands of federal employees to sign promises not to leak classified data and to risk dismissal if they refuse a request to take a lie-detector test in a leak investigation. Reagan also added thousands more high-level federal officials to those already required to submit any writings, even after they leave office, to government review before publication for deletion of any secret material.

Associated Press, April 21, 1983

Knowledge is power.

Francis Bacon, 1597

If the libertarian movement is strong enough to make its voice heard when people are ready to listen, the trend could be reversed and we could start the journey to a libertarian society. The chances of success may or may not be great, but it is "the only game in town." The only realistic choice is to stop thinking and become a doormat for statists, or to join with the Libertarian Movement to resist tyranny. At least, resistance will preserve your self-respect and mental health.

For whatever my place in life may be,
And whether I swim or sink,
I can say with pride, "I do not obey;
I do not obey, I think!"

Ernest Crosby

Remember that government is a giant fraud which depends on people believing, and no one questioning, the big lies. Politicians know how vulnerable they are to the truth, which is why they are so sensitive to criticism, and go to such lengths to manipulate the information we receive about government.

More basic even than guns, the very foundation of power is the ***belief*** that the rulers have power. The mightiest dictator will be helpless to work his will the instant everyone stops believing he has power.

"But he hasn't got anything on," a little child said.

The Emperor's New Clothes,
by Hans Christian Anderson, 1835

When the tissue of lies starts unraveling, and people stop believing and accepting, the tools of oppression will be useless, with few following orders or paying the bills. Deep down inside, most people suspect the truth, but they fear change and think the cause of liberty is hopeless. When anything looks better than what is happening to them, Libertarians must be there to offer hope.

★ ★ ★ ★ ★ ★ ★ ★

Serve no more, and you are at once free! I do not ask that you place hands upon the tyrant to topple him over, but simply that you support him no longer. Then you will behold him, like a great colossus whose pedestal has been pulled away, fall of his own weight and break in pieces.

Etienne de la Boetie, 1553

★ ★ ★ ★ ★ ★ ★ ★

Nathaniel Branden, 1930 - 2014

XXIV. SPEAKING OF LIBERTY

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No man can delegate, or give to another, any right of arbitrary dominion over himself; for that would be giving himself away as a slave. And this no one can do. To call such a contract a "constitution," or by any other high-sounding name, does not alter its character as an absurd and void contract. No man can delegate, or give to another, any right of arbitrary dominion over a third person: for that would imply a right in the first person, not only to make the third person his slave, but also a right to dispose of him as a slave to still other persons. Any contract to do this is necessarily a criminal one, and therefore invalid. To call such a contract a "constitution" does not at all lessen its criminality, or add to its validity.

Lysander Spooner, 1882

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Noble Idea?

It is often said by those who defend government power that "We are the government and the government is us." This was the idea of Lincoln's famous line, "Government of the people, by the people, and for the people."

The same idea is expressed in "democracy" and "majority rule." What is implied by this idea is that, since we are "self-governed," we have no cause to quarrel with our rulers. Whatever is done to us by government, we are really doing to ourselves.

What could possibly be wrong with such a "noble" idea which is considered an ideal by millions of people? Well, to begin with, it is obviously just not true. In fact, it is impossible. And if it were possible, it would still be unjust. But it is a clever piece of propaganda that has caused untold harm.

Not Really

It is not true, because no one for a minute believes that the entire population of "the people," or even a majority, actually agrees to, enforces or even knows about the millions of laws, rules, regulations, decisions and taxes of government. And it would be impossible even with total electronic communications, for there is too much for anyone to cope with. Self government should mean exactly what it says, but it somehow has been twisted to mean being governed by someone put in power by other people.

Government of the people, by the people, for the people, usually ends up as government of the people, by the government, for the government.

Richard Needham, 1977

The heart of the problem is the collectivist concept that there is such a thing as "the people," "society," or "the public." These are just names for a number of individual persons who do not think as one, act as one, or agree as one with a "general will" or "will of the people." The list of the things that "the people" all agree to would probably be a single blank sheet. As a practical matter, only a very few people can make and enforce the decisions of a government--usually less than 2% of the population.

In the strict sense of the term, a true democracy has never existed, and never will exist.

Jean Jacques Rousseau, 1762

If the word "law" has ever meant one thing more than another, that thing has been the will of those in power.

Josiah Warren, 1833

Popular appeal has been lost for the idea that it is all right to sacrifice individuals for the good of the rulers, so the word "rulers" has been changed to "society," the "common good," "the community," *etc.* However disguised, it really means that some people are going to be sacrificed for the benefit of some other people, as those in power decide. And whom do you think the rulers will decide should be benefitted?

The man who speaks to you of sacrifice, speaks to you of slaves and masters, and intends to be the master.

Ayn Rand, 1943

The public good requires that a man should betray, and lie, and massacre.

Michele de Montaigne, 1533 - 1592

Conversation With A Statist

At this point the statist will no doubt say, "Wait a minute. Sure, only a few people actually can govern, but they are our representatives. They do what 'we' want them to do. The government is 'us!'"

The Libertarian would answer, "What do you mean, 'we' and 'us?'" ("We" Libertarians don't give away anything!) The statist would reply, "You know--we!" The Libertarian would come back with, "I ***don't*** know. Government is not doing what I want, so I guess I'm not included in 'we.' And I know a lot of other people who aren't 'we,' either. What about all the people who voted against the representatives--how can they be 'we?'" And the discussion would continue like this:

Statist: They are all represented, too. Representatives represent everybody.

Libertarian: I don't remember giving these people the right to represent me, and they're not representing me--they're ruling me.

S: They are authorized to "represent" you by the

Constitution.

L: (playing dumb) What is this Constitution?

S: It is an agreement by our forefathers about 200 years ago which was approved by all the states.

L: How many people actually agreed to this Constitution?

S: Well, only a few percent, but, you see, it was hard back then to hold an election with everybody...

L: How many people signed this agreement?

S: Nobody actually put their signature on it.

L: How would you feel if someone asked a court to force you to comply with a contract you hadn't signed?

S: Constitutions don't have to be signed!

L: If I'm not mistaken, aren't all these people dead now?

S: Yes, but we are still bound by their Constitution.

L: You mean I have to do what my dead ancestors *might* have agreed to, 200 years ago? Why do I have to honor a contract I never signed? If your grandfather promised someone that your father and all his descendants would wear only black clothes, would all of you have to honor his contract?

The earth belongs to the living, not to the dead.

Thomas Jefferson, 1813

The vanity and presumption of governing beyond the grave is the most ridiculous and insolent of all tyrannies. Man has no property in man; neither has any generation a property in the generations which are to follow.

Tom Paine, 1791

S: Well, no, I guess, but you have given your agreement to the social contract called the Constitution by remaining in this country.

L: Why does my being born and living in a particular area give other people in that area power over me? I have as much right as anyone to live here on my property. How can anyone say that because I live here, I have signed a contract?

S: You agreed by voting in elections.

L: I voted only out of self-defense to prevent the "greater of two evils" from being elected and making things even worse. It was the only choice I had--not what I wanted.

But suppose he did not vote for him; and on the contrary did all in his power to get elected someone holding opposite views--what then? The reply will probably be that, by taking part in such an election, he tacitly agreed to abide by the decision of the majority. And how if he did not vote at all? Why then he cannot justly complain of any tax, seeing that he made no protest against its imposition. So curiously enough, it seems that he gave his consent in whatever way he acted--whether he said yes, whether he said no, or whether he remained neuter! A rather awkward doctrine this.

Herbert Spencer, 1844

If we are the government, and government is by voluntary agreement, why does government have to use violence to force people to obey and pay taxes?

S: What do you mean, "violence?" There isn't anyone from government standing over you with a gun, forcing you to pay your taxes. People pay voluntarily because it's the law.

L: What if I refuse to pay?

S: Well, then you would have to go to prison, but that's not violence.

L: What if I refuse to go to prison?

S: They would have to come and take you.

L: Suppose I resisted?

S: Resisting arrest is against the law! They would be justified in beating you up and killing you, if necessary. But reasonable people cooperate because they know what will happen, so there isn't any need for violence.

L: I suppose that if government agents killed me, it would really be suicide because "my" government did it to me. I somehow voluntarily agreed to be killed.

S: I wouldn't put it that way, but that is how you should look at it.

The desire to command is essentially a barbarous desire.... Command cannot be otherwise than savage, for it implies an appeal to force, should force be needful.... Command is the growl of coercion crouching in ambush. Or we might aptly term it--violence in a latent state.

Herbert Spencer, 1850

Authorities scoured four states and the Canadian provinces of Saskatchewan and Manitoba today in a manhunt for a pair of suspects after a shootout with an anti-tax "fanatic" left two U.S. marshals dead and three other officers wounded. Police said the shooting yesterday occurred as a team of U.S. marshals and local police tried to arrest Gordon Kahl, a probation violator and tax protester. Two other suspects, one of them wounded in the stomach, were arrested late yesterday. They were identified as Kahl's son and daughter-in-law. Kahl, 63, of Midland, Texas, is "one of those income tax fanatics," said U.S. Deputy Marshal Ordean Lee of the Fargo office. Kahl was jailed in 1977, 1978 and 1979 in Midland for failure to file federal income tax returns, according to the Midland Police Department.

Times-Union, February 14, 1983

A small army of officers invaded a farm house yesterday in search of a radical survivalist wanted for the killings of two U.S. marshals, but they found the house empty.... Authorities fired three barrages of tear gas into the house at 15-minute intervals and moved up a National Guard armored personnel carrier while a helicopter circled overhead.

United Press International, February 16, 1983

Don't you believe that everyone should obey the law?

L: Absolutely!

S: Wonderful! We're beginning to make progress. So if

the law says people should pay taxes, then you would agree that they should?

L: But there is no such law.

S: Of course there is--the legislature passed it.

L: What does the opinion of a group of politicians have to do with the law? Because we are self-owners, there is only one law, the non-aggression law. Your politicians are breaking it. Don't you agree that they should obey the law?

S: I don't understand what you are talking about!

L: Let me simplify it. Suppose my friends and I met as a legislature and passed a law making government employment a felony crime. If they didn't promptly resign, we should arrest them, right?

S: No, no, no. They are the legislature, not you!

L: That's just a matter of opinion, isn't it?

S: That's not an opinion, that's what the Constitution says.

L: The Constitution is just another opinion, isn't it?

S: It's not an opinion; it's--it's the Constitution!

L: We seem to be going in circles. Let's try a different approach. Do you favor the use of force to resolve social and economic disputes?

S: Of course not! We should resolve our differences peacefully. We should do everything we can to prevent violence.

L: Now we really are making progress! But what if someone initiates force against you?

S: Well, of course, we all have the right to use force in self-defense.

L: Let me be sure I understand your position. Are you saying that no one ever has a right to use force against another person except in self-defense?

S: Yes, that is exactly what I am saying.

L: What if someone initiated force to make the world a better place to live?

S: That wouldn't make any difference. The ends don't justify the means, you know. Why are you making such a big deal about force? Almost no one wants to live in a world where differences are settled by violence.

L: It's important because it means that we are in complete agreement. Just to be sure, let me ask one more question. Would you consider it wrong for someone to threaten you with violence if you did not give his organization money to help the poor?

S: Of course it's wrong! Helping the poor is no excuse. It's robbery! People who do things like that should be put

into prison!

L: Wonderful! Then we are agreed that government has no right to force peaceful people to pay taxes?

S: What are you talking about? I didn't say any such thing!

L: You said that no one has a right to initiate force.

S: Yes, but we were talking about people, not government.

L: Isn't government an organization of people?

S: Yes, but that's different! Government has to use force when people won't obey.

L: But I thought you were against force.

S: I am, I am! But when government uses force it's not really force. No, wait! I didn't mean that! You have gotten me confused with your trick question. I didn't know what you were getting at. I guess I'll have to make an exception to what I said before and say that force is alright when used by government.

L: You mean you are in favor of war and genocide?

S: No, no--I didn't say that! Stop putting words in my mouth! Look--it's very simple! We agree that individuals don't have a right to use violence against each other. But government is different. Government represents society, and society has the right to use force against any of its members for the common good.

L: What do you mean by society?

S: Society is everybody.

L: Does that include the Chinese?

S: No, of course not. Society is just the people in this country. The Chinese have their own society.

L: Who decides who is in which society?

S: Nobody decides; that's just the way it is.

L: I see. But how can government represent society when it doesn't represent me, and I'm part of society?

S: Under the Constitution, a majority decides who will represent society.

L: It sounds to me like you are really saying that some people just decided to rule some other people by force and invented some fancy excuses to confuse everybody about what they are doing.

S: It's not that way at all. There is a social contract that everyone in society agrees to.

L: But you still haven't explained how I signed this social contract, or how a majority or a government got the right to rule me.

S: Don't you agree that you owe a debt to society for the benefits you received from government?

L: Society is just other people. Even if I owed them, what does that have to do with government?

S: You don't understand, but I don't have time to explain. So what about your debt to government?

L: I didn't ask for any government benefits. I just wanted government to leave me alone. The only reasons I used government services were because I was forced to, like schools; or where the government had a monopoly, like the Post Office; or because I couldn't afford to pay twice. Just because someone does me a favor doesn't make me their slave. If you really believe that people should have to pay for unsolicited favors, I have a lot of junk in my attic I will send you. Anyway, government has harmed me far more than it has helped, so I surely don't owe ***them*** any debts.

S: Well, you've been paying taxes right along, so you have admitted owing the government money.

L: If a burglar breaks into your home once a month, does he establish after awhile a ***right*** to steal from you?

S: What about your debt to your fellow citizens?

L: I benefit other people as much as they benefit me because I live by trading with them what I produce for what they produce. We would not voluntarily trade if we were not each satisfied that we gained more than we gave up. So nobody owes anybody anything, and even if we owed each other, it would cancel out.

Because quite voluntarily and for our mutual convenience one of us bought, and the other sold, therefore henceforward all our relations are to be regulated by an all-embracing compulsion. That may be literature, but it is not logic, and it is not reason.

Auberon Herbert, 1899

But what about hermits who have never voted? Do you mean that government should have no power over them?

S: No, we can't make exceptions, or other people might get the idea they don't have to do what they are told. Everybody has to do what they are told, because in a democracy, the majority rules. Look, I don't have anything against you Libertarians. Why, one of my best friends is a Libertarian! But why can't you people cooperate with the rest of us?

L: Good idea! But cooperation goes both ways. What if I said that we live in a frisbee, so all laws must be unanimously approved?

S: You, you can't say that!

L: I just did, and it makes more sense than what you said. By what right does a majority rule a minority?

S: Because a majority agreed to it!

L: Ahh, I see. But more than half the people don't vote, because they don't believe that they have a real choice or that "they are the government." Most candidates are elected by less than 20% of the population. So how can the people in power claim to represent the majority?

S: That *is* a little problem. But I think the reason people don't vote is just that they are too lazy to fulfill their obligation as citizens. It's just another example of why people need government. They don't know what's good for them, and aren't responsible.

I believe in only one thing: liberty.... The state I care nothing for. All the state has ever meant to me is unjust taxation.... A good writer will never like the government he lives under. His hand should be against it.

Ernest Hemingway

L: How do you know that the majority isn't refusing to vote because they don't want ***any*** representatives to rule them? If you are so sure the majority likes the system, why not give voters the choice of voting against all the candidates, or abolishing that government office, or getting rid of the whole system?

S: I just told you, people aren't responsible. If they found out from the vote that a lot of other people are unhappy, it could spread. Most people don't understand these things, and are easily confused, so we don't want them exposed to bad ideas. People might get to think those questions are reasonable if we printed them on ballots.

L: It seems to me you are trying to have it both ways. You say the system is justified because a majority of the people support it, but if a majority doesn't support it, the people are wrong. What if nobody voted?

S: That might be the best thing that could happen, because government would have to do what they should have been doing all along. Government should force everybody to do their patriotic duty of voting. That way we would have 100% voter turnout. It's important for everybody to vote, because low turnout--and having to beg people to vote--makes government look bad. We can't have a lot of people getting funny ideas or even questioning whether government is legitimate. As long as everyone thinks everybody else supports the system, nobody starts any trouble.

L: Yeah, that would be terrible. But I still don't understand majority rule. Does that mean that a majority can do anything it wants with the minority? Say, if I and another person voted 2 out of 3 for you to give us your money, would that be OK?

Now, what is the ballot? It is neither more nor less than a paper

representative of the bayonet, the billy and the bullet. It is a labor saving device for ascertaining on which side force lies.

Benjamin R. Tucker, 1893

No middle ground is possible on this subject. Either "taxation without consent is robbery," or it is not. If it is ***not****, then any number of men who choose, may at any time associate; call themselves a government; assume absolute authority over all weaker than themselves; plunder them at will; and kill them if they resist. If on the other hand, "Taxation without consent* ***is*** *robbery," it necessarily follows that every man who has not consented to be taxed, has the same natural right to defend his property against a tax gatherer, that he has to defend it against a highwayman.*

Lysander Spooner, 1867

S: Of course not, because you wouldn't be a real government!

L: Suppose we called ourselves a government, and voted on a Constitution and everything?

S: You can't just call yourselves a government. I can't explain why right now, but we couldn't allow groups of people to call themselves government.

L: But it is OK for a majority to use a "real" government to kill or enslave a minority?

S: No, they wouldn't do that! But anyway, the Constitution limits the power of the government to protect minorities.

L: The Indians, the blacks, and the Japanese-American citizens who were put into concentration camps during World War II will be glad to hear that.

S: Those were mistakes. It couldn't happen again. Government protects minorities against discrimination!

A government commission said today that there ***was*** *no military necessity for the internment of 120,000 people of Japanese ancestry during World War II.... The panel called "unfounded" the grounds that were put forth by the Late Lt. Gen. John L. DeWitt, who was in charge of West Coast defense. (DeWitt said) "The Japanese race is an enemy race and while many second- and third-generation Japanese born on United States soil, possessed of United States citizenship, have become 'Americanized,' the racial strains are undiluted."..... In the spring of 1944, when the War Department decided it could no longer justify detention, Roosevelt allowed the 120,313 evacuees to be held for six more months so as not to jeopardize his re-election that fall, the commission said.... After Roosevelt signed Executive Order 9066 on Feb. 19. 1942, American citizens of Japanese descent and Japanese immigrants were prohibited from living, working or traveling on the West Coast. They were sent to 10 camps in desolate areas of California, Arizona, Idaho, Wyoming, Colorado, Utah and Arkansas. Many lost their homes, farms, businesses and cars. They could take with them no more than they could carry in their hands. Small tar-papered barrack rooms housed an entire family. Eating and bathing were in mass facilities.*

The Associated Press. February 24, 1983

If you believe the majority is always right, the gas ovens lie straight

ahead.

Richard Needham, 1977

But if these larger inroads on their rights are wrong, then also are smaller inroads. As we hold that a theft is a theft whether the amount stolen be a pound or a penny, so we must hold that an aggression is an aggression whether it be great or small.

Herbert Spencer, 1893

If the majority, however large, of the people of a country, enter into a contract of government, called a constitution, by which they agree to aid, abet or accomplish any kind of injustice, or to destroy or invade the natural right of any person or persons whatsoever, whether such persons be parties to the compact or not, this contract of government is unlawful and void.

Lysander Spooner, 1860

L: Why couldn't it happen again? How does the Constitution keep government from riding roughshod over the rights of minorities?

S: The courts protect us. They decide what the Constitution really means, and tell government what it can and can't do.

L: How do these courts get that power?

S: Well, the Constitution doesn't give them that power, but somebody had to do it. The Constitution has to be adapted to changing times. We can't let government be held back by all those old-fashioned restrictions.

L: Why should I trust these courts to protect me?

S: Because they are independent and have only your interest at heart. The politicians appoint only the best people for life, so the voters can't influence them.

L: So the government appoints its own watchdog! Who decides how much the watchdogs get paid, and their benefits and working conditions, and how much power they have?

S: The government, of course.

L: And who enforces judges' orders to stop government from doing something bad?

S: The government, of course.

L: Since the voters can't throw judges out of office if they abuse power or misbehave, what's to stop them from being little dictators?

S: They are appointed on good behavior. If the government thinks they have gone too far, they can throw them out of office.

L: And these are the people we depend on to protect us from government?

S: But the government is *us*! They're our representatives that appoint and control the courts!

L: What's wrong with just having liberty?

S: I don't understand your question. You already have liberty. What liberties do you think you have lost?

L: I asked you first. Tell me what liberty you think I have.

S: Well, you have to admit you have freedom of speech and religion.

L: You mean I can say what I want when I am advertising my services, I can advertise stock in my company for sale, I can say things government wants to keep secret, and I can support or criticize political candidates without having to fill out forms for the Election Commission and without obeying their limits and regulations? Can I write people letters about my opinions without using the government postal monopoly and without their inspectors confiscating my letters if they don't like what I say? And can I tell people about the cure I have discovered for cancer or even give my health or legal advice without government approval? How about broadcasting my political and religious ideas on any unused frequency without government permission? Don't I have to pay taxes on the paper, press and building I use to print my opinions? Don't the buildings I use for printing and religious services have to be built according to government standards, and don't I have to collect and pay taxes for the people who work in them and make sure they follow government safety rules? Can I marry people without a license, and can I send my children to a religious school even if it doesn't meet government approval?

S: No! Of course you can't be permitted to do those things. Anyway, those aren't controls on speech and religion, only on the means you use. But aside from those minor restrictions, what liberty do you think you have lost?

L: How about the liberty to spend ***all*** that I earn the way I want, instead of less than half? And the liberty to earn my living any way I want that somebody will pay me for, with whatever wages and conditions we voluntarily agree to? Can I have the liberty to buy medicine I need, even though government hasn't approved it? The freedom to build my home on my property any way I want, unless I have agreed differently with my neighbors? The freedom to sue anyone who pollutes my air or water? The liberty to educate my children as I want? The freedom from being forced to fight in a war of which I don't approve? The right to buy and own whatever I want that others will sell me at the price ***we*** agree on? Now, you tell me what I can ***legally*** do without government permission or without following government rules.

S: Hmmm, I can't think of any good examples right this minute, but I am sure there must be lots of things.

L: I don't know of anything I'm free to do either. So what's wrong with having liberty?

S: Well, we can't have unbridled liberty with everybody doing just what they want!

L: Why not?

S: People wouldn't do what's good for them. And ordinary people can't voluntarily organize to get anything done; you need someone with power to tell them what to do.

L: You mean people will do what ***they*** think is good for them, instead of what ***you*** think. It's interesting to learn that people can't organize their own affairs without government direction. That means there is no such thing as a business, labor union, church, social club, charitable organization, chamber of commerce, private school, volunteer fire department.....

S: Okay, okay. But some people don't have any respect for their neighbor's opinions and would do things that might offend other people.

L: How do my neighbors get the right to impose their opinions on me? Do I get to tell them what to do?

S: Of course not. You can't personally tell your neighbors what to do. Only a majority has the right to decide how everybody should behave.

L: And again, how does the majority get this right?

S: They elect representatives who pass laws; that makes it legal.

The law is merely the opinion of politicians.

Mark Twain

Of what appreciable value is it to any man, as an individual, that he is allowed a voice in choosing these public masters? His voice is only one of several millions.

Lysander Spooner, 1870

L: Let me guess the answer to my next question--the majority and the representatives get this alleged right from a contract between a few dead people, called the Constitution.

S: Right!

L: Okay, I'm getting dizzy going in circles, so let's try it your way. Let's just suppose that I agree with your Constitution--how does that make ***me*** the government?

S: Simple. You elect someone to represent you, and he votes the laws you want in the legislature.

L: I see a few problems with that. Politicians have known for ages that he who controls the rules, controls the outcome of the election.

S: No problem. Your representatives pass fair election laws.

L: You mean, the guys who want to get re-elected de-

cide the rules of the election? Isn't there a chance that they will favor themselves over opposition candidates and parties?

The more I see of the representatives of the people, the more I admire my dogs.

Alphonse de Lamartine, 1850

S: Of course not. Your representatives are public servants, concerned with only your interest.

L: How do I know what the candidates stand for, and whether they're honest? They don't even discuss the issues that I am interested in.

S: The only reason people run for office is that they care about the public welfare. Candidates have to avoid taking sides on controversial issues because they might not get elected if the public knew where they stood.

Political campaigns are designedly made into emotional orgies which endeavor to distract attention from the real issues involved, and they actually paralyze what slight powers of cerebration man can normally muster.

James Harvey Robinson, 1937

L: What if a candidate has one position I like and one I don't like?

S: You have to balance the position you like with those you don't like--sort of take the bad with the good. But regardless of what they promise, when they get elected they will vote for what is best for society, not what individuals want.

L: So we are to elect someone to represent us, but he is to do what he wants and not what we want? How can you call that representation?

S: Be practical! Voters are too stupid and selfish to know what is good for them.

L: But if we aren't smart enough to know what is good for us, how can we be trusted to elect a good candidate? And how do bad ordinary people get so smart and unselfish just by being elected?

S: You're being simplistic. It's much more complicated than that! You just don't understand!

L: Almost every time I read a newspaper there are more government officials caught stealing. I'll bet there are a lot more we don't hear about, including the top people in government.

Now and then an innocent man is sent to the legislature.

Abe Martin, 1930

S: Those are exceptions. Good citizens should work to get only good candidates elected, instead of complaining about the system.

L: Crooks have always gotten into power, so why expect a change? Why would an honest person want the

power to legally steal or force other people to do his will? Wouldn't it be better to just let each citizen run his or her own life, and not let the crooks get power over other people?

S: But we need government to take care of the poor and unemployed. Private charity couldn't possibly raise as much money as government.

L: Private charity wouldn't have to raise any more money than it does now, if government stopped causing poverty and unemployment. Anyway, only a few percent of the taxes government collects actually goes to the poor, so how about getting rid of the rest of government?

S: But how would people get along without government services?

L: Great! Government doesn't produce anything. If we kept our money, we could buy from private companies just the services we want--better and cheaper--except maybe defense and police. Tell me one other thing we need from government.

S: Well, we need government to provide postal services and regulate the value of money and....

L: (uncontrollable laughter) And how could we get along without government to support the price of peanuts?

S: That isn't funny! People have a right to education, health care, good housing and jobs.

In our day these economic truths have become accepted as self evident.... Among these are: the right to a useful and remunerative job in the industries or shops or farms or mines of the nation; the right to earn enough to provide adequate food and clothing and recreation; the right of every farmer to raise and sell his products at a return which will give him and his family a decent living...; the right of every family to a decent home; the right to adequate medical care and the opportunity to achieve and enjoy good health....

Franklin D. Roosevelt, 1944

Any alleged "right" of one man which necessitates the violation of the rights of another, is not, and cannot be a right.

Ayn Rand, 1964

L: Who is to pay for all these rights you claim people have? Do people have a right to enslave the teacher, the doctor and the carpenter, to force them to work free?

S: Of course not, silly! The government pays for these things.

L: Who pays the government?

S: The taxpayer.

L: Does it really change things if the taxpayers are forced to give over half of their labor to the government? That's involuntary servitude--usually known as slavery. How can people have rights which mean enslaving others?

S: Don't you have any compassion and decency?

L: If I voluntarily give other people charity, it is com-

passion. When people's money is taken by force for the benefit of others, it is not compassion--it is theft! And theft isn't decent!

S: Why do you always use such strong words, like "theft" and "slavery" and "violence?"

Those who believe in slavery should have the grace to call it by its proper name.

Ayn Rand, 1946

L: And why do ***you*** try to fuzz things up so no one knows what's really happening? Why are you selling the idea that everybody in the country can live by stealing from each other? Who is going to work to produce?

S: The important thing is to redistribute wealth fairly. People will work for the good of society instead of their own selfish interests.

L: Every time that is tried, nobody works and everybody gets poor.

S: But look how happy people are in socialist countries.

L: That's not what I hear.

S: You are hearing only biased information. I took a trip to Russia, and everybody looked happy to me. They may not have all the wasteful consumer luxuries we do, because they do socially useful things instead. But they have equality.

L: Did you go out into the country, away from the tour, and talk to people without a guide present?

S: Well, no. But I'm sure I wouldn't have learned anything different.

L: You probably wouldn't have. But you do admit that the living standard is much lower under socialism?

S: There is more to the quality of life than money. People are too concerned about material possessions. If they had less, they could better appreciate spiritual things.

The materialism of the twentieth century man with his capacity to produce material things can be transcended by realization that quality in daily life is more conducive to a good and happy life than quantity. A quality life is dependent on a spiritual scale of values--ethical and moral conduct, integrity, honesty, caring and sharing, concern and commitment in practical activities to group good. What is good for all is good for each one.

World Goodwill Commentary, 1973

L: It seems to me that a higher material standard of living is what makes possible the finer things of life, not the reverse, as you claim. Music, art, theater, literature, religion, or camping in the wilderness all cost money. If you lacked adequate food and shelter, how could you be concerned about anything else?

There is absolutely no ground for saying that the market economy fosters either material or immaterial goods: it simply leaves every

man free to choose his own pattern of spending.
Murray Rothbard, 1970

The mind will be free to enlarge itself in immaterial interests only when that material basis is secure, and...this security is dependent on the rights of property.
Paul Elmer More

S: Culture should be provided free by the government. That way we could ensure that people enjoy the proper things and eliminate any corrupting influence. When everybody has the same things there won't be so much envy. If people can't afford their vulgar desires, they will better appreciate the culture provided by government. The important thing is that having to do without will help people understand poverty. It will build strong character, and is good for the soul.

L: Does that apply to everybody, including politicians?

S: Well, almost everyone. Our rulers have to live well so that they will be respected and they can lead us wisely. They deserve to be rewarded for all the things they have done for us. Surely you would not want to be embarrassed if our important people didn't have as high a standard of living as foreign important people! Don't you care about *our* prestige?

Politicians, as the whole world knows, take themselves terribly seriously, only male models being more vain.
The Economist, November 13, 1982

When a fellow says it ain't the money, but the principle of the thing, it's the money.
Abe Martin, 1926

No matter how thin you slice it, it's still baloney.
Alfred E. Smith, 1936

L: If you lower everybody's standard of living, what are you going to do about the poor who won't be able to support themselves any more? What if some people think that they own what they produce, and resist having it stolen--er, sorry, "redistributed?"

S: Individuals aren't important. We have to think about the good of society. Like they say, you can't make an omelette without breaking eggs. Of course, if the poor cause trouble because they are desperate, we will force other people to support them and give their leaders good jobs. They will be so grateful that they will be our biggest supporters.

L: So government creates a need and makes a profit supplying it.

S: We seem to have gotten off the subject. As I was saying, there isn't anything wrong with the system. If you don't like the way it works, get better candidates elected.

At each election, we vote in a new set of politicians, insanely assuming that they are better than the set turned out.
H. L. Mencken

The ability to change personnel in government is not the same as the ability to change policy.
Thomas Sowell, 1980

It is not in the nature of politics that the best men should be elected. The best men do not want to govern their fellow men.
George E. MacDonald, 1913

L: Tell me--how could good candidates get elected?

S: They get supporters to contribute money for advertising and to volunteer to work for the campaign. Most voters don't even know who is running, so if they have heard of you, they will probably vote for you. The trick is to spend enough on advertising so they remember your name.

L: Who are these supporters who contribute all this money?

S: They are mostly people who expect the candidate to help them if he's elected. It's what's called a "power base."

L: How "help?"

S: Well, you know--government jobs, contracts, grants, subsidies, privileges, protection from competition, favorable rulings from regulators and so forth.

Commitments the voters don't know about can't hurt you.
Ogden Nash, 1972

L: In other words, the more of my money he gives away, the better the chance of his getting elected? And that's how we determine the "will of the people?" No wonder government got so big! What if a candidate wanted to cut government way back, say by 90%?

S: Why would anybody want to do a horrible thing like that? The major parties wouldn't nominate him because they are in business to get power, not to give it away. Anyway, a crazy candidate like that wouldn't stand a chance, because nobody would give him any money if he wouldn't give out government favors! See, it's worthwhile for the guy who gets a lot of money from the government to contribute a lot, but it's hard to collect nickels and dimes from the taxpayers.

L: Tell me about it! But how do you justify politicians giving away money, favors, monopolies and privileges that don't belong them, to get in power?

S: That's democracy, the American way! You have to grease the wheels. Don't you believe in democracy?

For if experience teaches us anything at all, it teaches us this: that a good politician, under democracy, is quite as unthinkable as an honest burglar. He is not one who serves the common weal: he is simply one who preys upon the commonwealth.
H. L. Mencken

L: Let's suppose a candidate I liked got elected. How would anything I wanted get passed?

S: Your representative would have to compromise--in other words, vote for a law you don't like, to get one you do like. You have to make sure your law has goodies for everybody. Remember, politicians have to pay off their supporters or they can't get re-elected to continue to serve you. Of course, most laws are mixtures of what you want and don't want, anyway. What laws get passed depends on the mixtures and which committee gets to decide on it, and which version gets voted on first. If your representative cooperates with the "leadership" of the legislature on other things, his own law might get passed.

To get along, go along.

Speaker of the House, Sam Rayburn, 1956

Your principle has placed these words above the entrance to the legislative chamber: "Whosoever acquires any influence here can obtain his share of legal plunder."

Frederic Bastiat, 1850

L: So it's just like elections: whoever controls the rules controls what gets passed. But how can legislators pass anything with so many details to agree on?

S: Easy. They just agree on the general idea, and have the bureaucrats decide the details.

L: But circumstances change, so how can bureaucrats anticipate all the problems?

S: That's no problem either--they just decide each case as they go along.

L: But, with so many laws and regulations, and with bureaucrats deciding things according to how they feel that day, how does anyone know how to stay out of jail?

There is no man so good that if he placed all his actions and thoughts under the scrutiny of the law, he would not deserve hanging ten times in his life.

Michele de Montaigne, 1580

S: Well, they can't enforce everything. There's not enough time or money, and they would have to put almost everybody in jail. So they just pick some cases and make examples of a few people, and that scares the rest. As long as you behave, and do what you are told, they won't bother you too much. Of course, you don't want to get anybody in government mad at you! I know you have just been joking with all your questions, but you should be careful saying things like that around other people--they might think you were serious! Everybody needs "friends," so if you support your representatives, and you're nice to the bureaucrats, they can help you out if you get in trouble.

L: So these unelected bureaucrats and courts really rule the country and have the power to run my life or destroy me, and I have nothing to say about it? I thought this was supposed to be a free country, but it's more like

slavery!

S: What do you want all that freedom for? You wouldn't know what to do with it, and you would just get yourself in trouble! Without government there would be chaos! Besides, it's always been this way. Somebody gets to be the ruler and the rest have to take orders. It's the system, and you can't change it. Might does make right, you know, and government's got the guns.

If physical power be the fountain of law, then law and force are synonymous terms.

Lysander Spooner, 1860

L: It seems to me, we already have chaos, with everything decided by force. You are making the same argument for government that the southern plantation owners used to "justify" slavery--the idea that people can't take care of themselves and would be worse off if free. All your arguments boil down to the idea that since government is, therefore there should be, government. If your government demanded human sacrifices, would you defend that, too?

S: Of course not. I don't believe in going to extremes. Unless, of course, it's really necessary.

L: But you won't oppose government's power to do anything to individuals that it wants. You aren't still claiming the government is ***us***, are you?

S: Well, I won't kid you, now that I can tell you understand. But don't you see that it's important for people to believe that? They can't do anything about it anyway, and it makes them happier. Sometimes people are better off ***not*** knowing the truth. I surely hope you won't discuss our little conversation with anybody else. It would just upset them for no reason, and it's un-American. You're a smart person, and if you play your cards right, I have some connections in government who could do you a lot of good.

★ ★ ★ ★ ★ ★ ★ ★

You have the honor of the King's favor, but you know nothing about liberty, what relish it has and how sweet it is. For if you had any knowledge of it, you yourself would advise us to defend it, not with lance and shield, but with our very teeth and nails.

Etienne de la Boetie, 1553

★ ★ ★ ★ ★ ★ ★ ★

XXV. LIBERTY AND YOU

★ ★ ★ ★ ★ ★ ★ ★

All that is necessary for evil to triumph is for good men to do nothing.
Edmund Burke, 1729 - 1797

★ ★ ★

I'm mad as hell and I'm not going to take it anymore!
Network, 1976

★ ★ ★

No one can find a safe way out for himself if society is sweeping towards destruction. Everyone in his own interests, most thrust himself vigorously into the intellectual battle. No one can stand aside with unconcern; the interests of everyone hang on the result.
Ludwig von Mises, 1951

★ ★ ★

No detached effort, no rising of a few people against some special wrong which personally affects them, will ever alter the world's present way of thinking. It must be the battle of principles--the principle of liberty against the principle of force.
Auberon Herbert, 1880

★ ★ ★

We fight not to enslave, but to set a country free, and to make room upon the earth for honest men to live in.
Thomas Paine, 1778

★ ★ ★ ★ ★ ★ ★ ★

Another Choice

It is your decision. After reading this far, you are certainly not one of those who does not know or understand what is going on. The question is, what are you going to do about it?

Are you going to be a sacrificial animal for the pleasure of other people, and force them to sacrifice for you, or are you going to take charge of your own life and respect the rights of others? Do you just ***want*** liberty, or are you going to help make it happen? Do you want your life to be merely another grain of sand on the desert, blowing in the wind, or do you want to be one of those who shape destiny and make their lives count?

Let me not die ingloriously and without struggle, but let me first do some great things that shall be told among men thereafter.
Homer, 700 B.C.

If you would not be forgotten,
As soon as you are dead and rotten,
Either write things worthy reading,
Or do things worth the writing.
Benjamin Franklin, 1738

Whoever does not break silence, dies in silence.
Duty (underground Chinese newspaper), 1981

All this may sound melodramatic, but there is no greater

issue for mankind than liberty. Shall we have more liberty, justice, peace and prosperity, or shall we continue the counterrevolution back to slavery, statism, injustice, oppression and poverty?

If there breathe on earth a slave,
Are ye truly free and brave?
J. R. Lowell

But what avail the plough or sail,
Or land or life, if freedom fail?
Emerson

Why Us?

You may be wondering why the libertarian movement is growing so rapidly in America, one of the freest and richest countries. We have a history and tradition of liberty. Two centuries ago, our forefathers won the world's ***first*** libertarian revolution. We have tasted liberty and it was good. The long-term trend of history is toward liberty, but we in America have the best chance of achieving liberty ***now***, in our time.

And we must act ***now***, before we lose even the freedom we still have to work against the state. The door to liberty is swinging shut. We can push it wide open so the world can escape from the darkness of slavery, or we can watch the achievement of our dream of liberty again delayed, perhaps for generations.

It would be consoling to say, "Liberty is on the march, and nothing can stop it." But the forces of statism are on the march, too, and thus far ***they*** *have not been stopped. Both sides are equally determined. The course of liberty is the only long term solution, but the opposing course of statism is deeply entrenched. It is now a race against time.*
John Hospers, 1983

Suppose it to be the best government on earth; does that prove its own goodness, or only the badness of all other governments?
Lysander Spooner, 1870

Liberty, like Charity, must begin at home.
James Bryant Conant, 1942

The struggle for liberty is nothing but the constant active appropriation of the idea of liberty. He who possesses liberty otherwise than as an aspiration possesses it soulless, dead. One of the qualities of liberty is that, as long as it is being striven for, it goes on expanding. Therefore, the man who stands still in the midst of the struggle and says, "I have it," merely shows by so doing that he has just lost it.
Henrik Ibsen, 1828 - 1906

If you do not fight for what is right when you can easily win without bloodshed, if you do not fight when the victory will be easy and not too costly, the moment may come when you will have to fight with all the odds against you and with only a precarious chance of survival.... You may even have to fight when there is no hope of victory, for it is better to perish than to live as slaves.
Winston Churchill

The Future

Poverty is a relative term. What we consider poverty today would have been great luxury 100 years ago. Our standard of living now is poverty, compared to how we could be living with liberty.

The same is true of liberty. When we achieve liberty, the oppression we suffer today in "free" countries will seem like a communist slave labor camp appears to us now. In the future, people will probably refer to our era as the dark ages of statism. Unfortunately, it is hard to miss what we have never had.

Liberty is rendered even more precious by the recollection of servitude.

Cicero, 106 - 43 B.C.

History will call our age, the age of the dictators and tyrants.

Ludwig von Mises, 1947

The men of future generations will yet win many a liberty of which we do not even feel the want.

Max Stirner, 1806 - 1856

Liberty has never been fully tried in the modern world; libertarians now propose to fulfill the American dream of liberty and prosperity for all.

Murray N. Rothbard, 1973

Liberty cannot ever be destroyed, for the desire and need to be free is part of human nature. Someday liberty will triumph. The question is how to make it happen in our time.

Libertarians do not sacrifice themselves for liberty, or ask sacrifice of anyone else. A sacrifice is giving something for nothing. When you give up one thing for another of far greater value to you, it is not a sacrifice. Working for the liberty of yourself and those you care about is an opportunity for satisfaction and fulfillment--to really be alive. It is also an exciting opportunity to learn, to be mentally stimulated, and to associate with interesting, principled people who share your ideals and vision.

What To Do?

One thing that can be done to regain individual freedom is to demystify and desanctify government.

Robert Ringer, 1979

Enlighten the people generally, and tyranny and oppressions of body and mind will vanish like evil spirits at the dawn of day.

Thomas Jefferson, 1816

It costs me less in every sense to incur the penalty of disobedience to the state, than it would to obey.

H. D. Thoreau, 1849

Little strokes
Fell great oaks.

Benjamin Franklin, 1750

Despite the earlier tributes to the power of ideas, ideas are not beings that go around by themselves righting

wrongs or wronging rights. Individual people who believe in the ideas have to do those things.

It is folly to expect such reforms to emerge as if from nowhere and without conscious and explicit espousal and advocacy by those who claim to understand the organizing principles of a free society.
James M. Buchanan, 1982

The philosophers have only tried to explain the world; the job, however, is to change it.
Friederich Engels, 1820 - 1895

Ideas do not govern or overthrow the world: the world is governed or overthrown by feelings, to which ideas serve only as guides.
Herbert Spencer

The reason Karl Marx got his horrible ideas about communism put into practice was that he actively promoted them as a political agitator.

Today, thousands of dedicated marxist teachers, speakers, writers and supporters, posing as friends of the oppressed, continue to work with evangelical enthusiasm to promote the advance of slavery. They pretend that their propaganda isn't marxist, or that their brand of marxism is different and better than that practiced in marxist countries, which has produced tragic results without exception. As their lies are hardly ever challenged and exposed, their victims are deceived into feeling guilt if they do not aid in their own destruction. Should not the ideas of liberty also be heard? Does liberty not deserve more dedication than slavery?

So long as the people do not care to exercise their freedom, those who wish to tyrannize will do so.
Voltairine De Cleyre

The Communists have the worst creed on earth. But...the Communists shout it from the house-tops; whilst too often those who believe they have the best speak with a muted voice when they speak at all.
Douglas Hyde, 1966

The Marxist is interested in reforms only so far as they may be used as stepping-stones to revolution.
Vladimir Ilyich Lenin, 1870 - 1924

We cannot expect Americans to jump from capitalism to communism, but we can assist their elected leaders in giving Americans doses of socialism until they suddenly awake to find out they have communism.
Russian Prime Minister Nikita Khrushchev

What and how much you do for liberty is up to you. The only way we will find out what is most effective is to try different things and see what works. Probably liberty will be achieved by a combination of methods to communicate with different people, and to create pressure for shrinking government.

Acting as an individual you can set an example by living according to libertarian principles. You can extend your influence by discussing liberty with friends, giving friends

literature about liberty or loaning them this book, by speaking out at public meetings, by giving talks, or by writing letters to the editor, articles, or books. You may even write the poem which, when set to music, will become the Anthem of the Libertarian Movement and set souls on fire for liberty. If you are employed by government, you should either use your position to advance liberty, or else resign.

How does it become a man to behave toward the American government today? I answered that he cannot without disgrace be associated with it.

Henry David Thoreau, 1849

Don't fight forces. use them.

Buckminster Fuller, 1932

If you enjoy working with groups, there will be more opportunities. You and Libertarian friends can start your own group, or you can join an existing Libertarian organization. Recommendations are given at the end of this book for sponsoring a libertarian discussion group, along with a set of discussion questions for use with this book. In a group you can also exchange ideas, arrange for speakers, publish a newsletter, and organize protest demonstrations and other fun events.

★ ★ ★ ★ ★ ★ ★ ★

These are the times that try men's souls. The summer soldier and the sunshine patriot will, in this crisis, shrink from the service of their country, but he that stands it now, deserves the love and thanks of man and woman. Tyranny, like hell, is not easily conquered; yet we have this consolation with us, that the harder the conflict the more glorious the triumph. What we obtain too cheap, we esteem to lightly: 'tis dearness only that gives everything its value. Heaven knows how to put a price on its goods: and it would be strange indeed if so celestial an article as Freedom should not be highly rated....

Thomas Paine, 1776

★ ★ ★

If there is no struggle, there is no progress. Those who profess to favor freedom and yet deprecate agitation are men who want crops without plowing up the ground.

Frederick Douglass, 1849

★ ★ ★

Every man feels instinctively that all the beautiful sentiments in the world weigh less than a single lovely action.

James Russell Lowell, 1819 - 1891

★ ★ ★ ★ ★ ★ ★ ★

XXVI. STRATEGY FOR LIBERTY

★ ★ ★ ★ ★ ★ ★ ★

We have it in our power to begin the world over again.
Tom Paine, 1776

★ ★ ★

If something's to be done, it were well it be done quickly.
Shakespeare (Macbeth)

★ ★ ★ ★ ★ ★ ★ ★

The truth about the state and the principles of liberty have been recognized for hundreds of years and well understood for over one hundred years. Why is it that the public doesn't withdraw its support of the state and let it collapse? What has to be done to bring to pass this happy event?

The answer is that two conditions are required for this to happen. ***First***, history has shown that the economic and social circumstances must be right for a political revolution to take place. There must be a crisis in the existing political system caused by economic and social dissatisfaction. We must wait until the state shoots itself in the foot.

It would be nice if we could just persuade everyone to support liberty. But it takes a lot to overcome apathy and fear of a change as radical as liberty. This is not to say, however, that we cannot make progress in the meantime.

Indeed, we must make progress. For the ***second*** condition is that we must be prepared to act decisively in the brief period while the state is hopping around holding its bloody foot, but before another even worse government takes over and shuts out liberty. The building of the Libertarian movement in preparation must take place ***before*** the crisis, or it will be too late.

Ironically, if the Libertarian movement were successful in substantially reducing state oppression, we might also succeed in saving the state from itself. On the other hand, the larger and stronger the Libertarian movement, the smaller the political crisis that will be required to start the second American revolution. In short, the faster we achieve the second condition, the sooner the first condition will be met.

The first condition may almost be ripe. It is becoming increasingly obvious to many people that government is a disastrous failure. A number of Socialist countries are teetering on the brink of economic collapse, held up mainly by western aid and bank loans. The enormous bank loans in turn threaten the west's banking system, because they

can't be repaid.

Real wages in the west are declining because of ever higher taxation, and government confiscation and destruction of almost all capital for productivity improvement. High unemployment is chronic and growing.

Government can no longer keep special interest groups happy with more money from taxation, which approaches the limits of toleration. Government deficits are growing everywhere. Tax resistance is spreading. The squabbles about dividing the loot and about who is to be plundered are getting louder. People are sick of imperialism and the threat of war. There has been chronic inflation in most nations for decades.

Nothing so weakens government as persistent inflation.

John Kenneth Galbraith, 1958

By late 1981, total Third World indebtedness had grown to over half a trillion dollars. Private banks held approximately two-thirds of the paper.... Each year the average maturity of the debt decreases and the interest charges increase, exacerbating the debt burden. LDC's (lesser developed countries) use about half of all their current loans merely to pay off previous debts. Statistical extrapolation shows that if present trends continue, this pay-off percentage will exceed 90 percent by 1990.

Tyler Cowen, 1982

While the financial world is preoccupied with the debt-ridden governments in Latin America and Eastern Europe, Denmark and other capitalist European countries have been sinking into an equally deep pool of government-backed foreign borrowings. Ireland, Belgium, Greece, Italy, Portugal and Spain are also heavily indebted to foreign lenders and falling ever deeper in debt.... Bankers agree that most of this foreign debt has been accumulated over the years to enable many European governments to continue their high levels of public spending, particularly for generous social-welfare programs.

David Brand, 1982

Between 1965 and 1981, the average U.S. worker's real wages declined by one-fifth.

Robert B. Reich, 1983

The concept of civil disobedience, of demonstrations against authority, has people acting in a way that would not have been considered patriotic or acceptable in the past. It accelerated in the Viet Nam War era, and now there is more disregard for the law. It is not as antisocial as it was to evade taxes.

Commissioner of the IRS Roscoe Egger, Jr , 1983

...another survey found that three out of four of those polled would refuse to inform on a serious tax evader if they had evidence to convict him. A slogan spray-painted in red on a bridge spanning Boston's Charles River seems to sum up a growing sentiment: TAXATION IS THEFT!

Time, March 28, 1983

An invasion of armies can be resisted, but not an idea whose time has come.

Victor Hugo, 1852

The politicians are working hard to bring about the first condition. The ***second*** condition for liberty, a prepared libertarian movement, is our job. We must build a move-

ment large enough to educate the public to understand that the state is responsible for our problems, and that liberty is the only solution. And the movement must be strong enough to provide leadership for the transition to liberty. To achieve this, we need an effective strategy. There is a wide range of proposals to choose from. Which is the best?

The View From The Other Side

Strategy does not exist in a vacuum. It is a response to someone else's strategy. So to select the optimum strategy, it is important to know the opposition's objectives, strategy, advantages and problems, as well as your own. What further mischief are the dastardly statists plotting, and how did they get so far?

Looking at things from the statist viewpoint, there are serious problems to overcome in order to continue to reduce our liberty. But they have a lot going for them, too.

Government is widely believed to be necessary and beneficial to its victims. There is social pressure to support "our" government. Powerful human emotions, such as envy, insecurity and fear of change, favor government.

Every country in the world is ruled by a statist government. Huge amounts of money are extracted from their subjects and used to spread statist propaganda. In most countries, the media is under state control, and in many, the state controls all communications.

Most intellectuals are employees of the state, and most intellectuals are thoroughly indoctrinated statists. Millions of people are completely or partially dependent on the state for their income. In America, there are about as many receiving a government check as there are taxpayers.

Business, especially large business, utilities and government contractors, is heavily dependent on government. Labor unions derive most of their power from government. Many occupations have increased their incomes by government licensing monopolies. Accountants and lawyers derive most of their incomes from government-generated work.

And if all else fails, statists control most of the guns, and employ huge numbers of people trained in obedience and violence. Just behind their smiles and tender concern for our welfare stands the prison door.

Unfortunately, from our viewpoint, the statists have been very successful. So successful that there isn't even one country we can point to as an example of the benefits of liberty. We can point only to the effects of small amounts

of liberty. But take heart, it isn't a bed of roses for the statists, either.

Don't Panic!

Look at what the statists have to overcome to increase their power, or even to avoid losing power. They cannot succeed, and can lose everything without public support, or at least tolerance. They must draw their power to oppress from ***us***. There is no other source.

How can they get all these "stupid" people to: lose their desire for personal freedom; stop believing that a free market will lead to a higher standard of living; enjoy taxes and having their income "redistributed;" lose their fear of socialist totalitarianism; forget the horrible examples of socialist states; learn to love politicians, bureaucrats and red tape; forget the wrongs that government has committed against them personally, and against their loved ones; overlook all the problems government causes and fails to solve, such as inflation, unemployment and crime; overlook the constant stream of examples of government waste, inefficiency, lies and corruption; forget liberty as an ideal worth fighting for; lose their self interest and desire to raise their standard of living; continue producing when what they produce is taken from them; and stop resenting someone else running their lives?

In short, the socialist problem, which is not inconsiderable, is to persuade people to act--and permit actions--against their own interest, and the interest of everyone.

Their Strategy

There are four main ways to get people to cooperate with something that is against their interest: altruism, confusion, bribery and a worse alternative. Socialists use all four.

The Altruism Scam

Here's the way socialists use altruism for their purposes. They try to persuade us that acting in our own interest is wrong--something that is done only by people who are nasty, bad, heartless, selfish, greedy, gouging and uncaring opportunists who not only have no compassion for the poor and the unfortunate, but take unfair advantage of them, and would sell their mothers to the highest bidders. Phew! Who wants people to think that they are like ***that***? And how could you live with yourself? If you are successful, you should feel guilty about exploiting your fellow

human beings!

That's pretty effective stuff. Even though you know better, didn't it make you feel a little twinge of guilt? But there is more. If you are to be a good and noble person, you must stop your aggressive competitive striving and taking an unfair share of earth's resources by wasteful consumerism, and instead cooperate and share with others. We are all part of the human family. You should place the needs of society and the community above your own selfish whims.

You should support the noble cause of socialism so that we can have social justice for the landless, the downtrodden and the hungry (at this point we are shown a photo of a cute, skinny, dirty kid who is actually a refugee from a socialist state). This will be accomplished so everybody will have plenty, by redistributing the ill-gotten wealth of capitalist exploiters (not your wealth, of course, somebody else's).

Who could completely resist going on such a guilt trip? Notice that there are three parts to the altruist argument: 1) self interest is wrong; 2) you should sacrifice for others: 3) this means being a socialist, because they are the good guys who want to help the poor.

This third part uses the big lie technique to get around the problem that, if one bought altruism, the most altruistic thing one could do is fight socialism. Socialism is not about helping the poor, but rather about creating more of them by pulling down anyone who manages to rise above poverty. And mostly it is about gaining power.

We should be able to defend liberty against this big lie by pointing out the horrible examples of socialism in practice. But that is not enough. Most people, by nature or (usually) by indoctrination, believe in altruism. Libertarians will not succeed in persuading these people to favor liberty--***until*** they are first persuaded that liberty will benefit others, especially the poor and unfortunate. ***Then*** they will be receptive to arguments that liberty will benefit them personally. Put another way, it is easier to show how liberty will benefit others, than it is to overcome altruist sentiments.

Confusion

This leads to the next category of socialist propaganda--confusion, or what might be called counter-education. If everyone thoroughly understood the economic and social effects of socialism, it would promptly disappear from earth. So a lot of socialist effort goes into obscuring the true

cause of economic and social problems.

A common socialist theme is that we should avoid logical reasoning and debating of ideas and issues. They recommend that we should instead express, and act on, our "feelings."

Unfortunately for socialists, not everyone is too confused to question socialism. When this occurs, the standard socialist tactic is to simply reject the criticism. After all, Marx, Engels and Lenin are infallible, so the only questions worth discussing are the interpretations of their writings. The idea that they could be mistaken is unthinkable!

Obviously, anyone who criticizes socialism must be an enemy of the people and should be ignored by all true believers. If it is not possible to ignore the criticism, the socialist reply is to accuse the ***person*** offering the criticism of bias, lack of qualifications, sinister intentions, bad manners and worse.

This tactic has worked extremely well for socialists. If you have ever had an argument with a socialist, you have probably had the experience of it being used against you. It has been so successful that many, if not most, people unconsciously accept the socialist premise that the merit of an idea should be judged by the social and economic background of the person offering the idea.

For example, socialists assert that if you are not poor, you are not qualified to hold an opinion about poverty. They will say, "How could you possibly understand what it is like to be poor?" If you are not a member of a minority favored by socialists, you are not qualified to discuss discrimination. If you are not an unemployed worker, you are not entitled to speak about the economy.

If you meet such qualifications and still oppose socialism, you are an isolated "traitor to your class," which is the lowest form of life. Anyone associated with business is, of course, a representative of the greedy capitalist exploiters of the masses. Business people can't help lying to further their selfish interests, so their opinions are worthless. Even if you are a socialist, you don't have any right to question socialism.

This technique is so effective because it intimidates opponents and keeps them busy defending themselves instead of their ideas. The opponents often feel so guilty that they end up trying to prove that they are really socialists at heart. The technique confuses uncommitted listeners and puts doubts in their minds. They, too, may feel guilty about their own "lack of compassion" for the unfortunate. And the technique permits the socialist faith-

ful to justify closing their minds to questions and doubts.

If you accept, even unconsciously, the socialist theory that the merit of an idea should be judged by the qualifications of the speaker, rather than by facts and logic, you can't win. The best way to counter this tactic is to call attention to its use and bring it out into the open. "Are you trying to suggest that anyone who disagrees with your socialist theories can't possibly have a good idea or a legitimate question?" Then turn their tactic around and point out their own biases. "How can you propose that we give people like you the power to dictate how we live and the power to steal our hard-earned money, and then try to claim that you are not acting out of selfish interest?"

> *According to the Marxist conception, one's social condition determines one's way of thought. His membership of a social class decides what views a writer will express.... Thus Marxism protects itself against all unwelcome criticism. The enemy is not refuted: enough to unmask him as a bourgeois.... Marx and Engels never tried to refute their opponents with argument. They insulted, ridiculed, derided, slandered and traduced them, and in the use of these methods, their followers are not less expert. Their polemic is directed never against the argument of the opponent, but always against his person. Few have been able to withstand such tactics.*
>
> Ludwig von Mises, 1922

Socialists also use confusion to avoid the very hard problem of defending the poverty and oppression of socialist states. They used to maintain (and some still do) that bad things didn't happen in socialist states, but were "just propaganda invented by the capitalist press."

Few people will now believe that, so the problems of socialist states are blamed on external factors, especially "capitalist" states. Whenever unfavorable comparisons are made between more socialist states and less socialist states, the defense is that somehow the comparison isn't valid. There are always some differences in history, geography, resources, climate, capitalist exploitation, *etc.*, that can be pointed out to explain why socialism only appears to be harmful.

Socialists sometimes also admit that some "mistakes" were made by socialist states, but they have learned from these mistakes, so they will not be repeated. Or, ***that*** wasn't the true socialism, which is what we advocate. Our socialism will avoid those problems. And if that doesn't sell, then "we don't advocate socialism; all we want is social and economic democracy."

When advocating socialism (usually "new, improved socialism") socialists never want to talk about how it will work, what it will be like and how the unpleasant consequences are to be avoided. Especially, they don't want to

talk about the fact that it is to be compulsory, not voluntary, or about what will happen to dissenters.

There is an obvious reason why they refuse to discuss the mechanics of their socialist state--almost no one who understands it would want to live in it.

But there is another, more subtle reason. It permits each person to imagine that the proposed socialist state will be like his/her ideal. This is perhaps the oldest political trick in the world. When there are no specific programs or promises, each person is encouraged to believe that his/her dream will be fulfilled, rather than the conflicting dreams of others.

It is important to realize that the widespread belief that socialism will cure poverty and all social ills is a product of these dreams. It is not a goal of socialism, nor promised by socialist theories. All that socialism promises is social (state) control of the economy and elimination of private property. The rest is wishful thinking.

A clear exposition of the nature of socialist society might have dampened the enthusiasm of the masses, who sought in Socialism salvation from all earthly ills. The successful suppression of these dangerous inquiries, which had brought about the downfall of all other earlier socialistic theories, was one of Marx's most skillful tactical moves. Only because people were not allowed to talk or think about the nature of the socialist community was Socialism able to become the dominant political movement of the late nineteenth and early twentieth centuries.

Ludwig von Mises, 1922

My guess is the main threat to such democratic socialist efforts is not the likelihood of clear cut failure, but of disappointment. High, perhaps even heady expectations are needed to create socialism. Thus disappointment can lead easily to disillusion. That is likely to be the greatest challenge that socialism will have to face.

Robert Heilbroner, 1982

Bribery

Bribery means getting people to act against their long-term interests for an apparent, usually short term, gain. As socialists can get money only by taking it from us, this approach obviously has to be limited to only a part of the population. Socialists often try to bribe everyone by printing money, but as this does not increase real wealth, it doesn't fool people very long, and results in unpleasant inflation and depression.

The high cost of bribery is one reason why socialists advocate welfare programs for the poor. It is cheaper to bribe the poor, and therefore more can be bribed. Other advantages are that it is easier to get such political laws passed because it is less obviously bribery, and because of general support for altruism.

The bribery system works very well, from the socialist viewpoint. People are put on the government payroll, welfare and social security rolls, *etc.*, at our expense, and naturally become supporters of bigger government, or at least the program that benefits them.

The bigger government grows, the larger grows the number of people who have a special interest in government, and so the bigger it gets. Soon, the people who are impoverished by big government also start demanding benefits. The system, of course, depends on people not realizing how much better off they would be if no one were bribed.

Bribery is the main reason socialists are always pushing for government programs to be funded and administered by the largest units of government, preferably national governments. And it is why they push for consolidation of small government units, for example "metro" government, to replace separate small town governments in a metropolitan area.

The larger the government is, the more difficult it is for citizens to know what is going on and to oppose "redistribution." Instead of local citizens spending their own money for their own projects--and watching every penny--they become special interest groups demanding more loot from the common treasury.

An indirect form of bribery is the "historical inevitability of communism" theory. The idea is that socialism is coming whether you like it or not. So the smart thing to do is to climb on the bandwagon now, so that, when it triumphs, you will be one of the rulers instead of the ruled.

Whether you like it or not, history is on our side. We will bury you.
Russian Dictator Nikita Khrushchev, 1956

Socialists also use a cheap form of bribery by offering an emotional benefit. The idea is that if you help them gain power, you will have sweet revenge on the high-and-mighty who didn't appreciate you, and who made you feel inferior by their success. This approach yields a lot of hard core supporters who sacrifice everything for the cause. This is usually combined with the bandwagon idea, thus promising revenge and power.

The Worse Alternative

You have been using fear as your weapon and have been bringing death to man as his punishment for rejecting your morality. We offer him life as his reward for accepting ours.
Ayn Rand, 1957

The program above generally accounts for most of the tremendous success socialism in America enjoys today.

The other important factor that got socialism where it is, is war. In wartime, people accept infringements of their liberty which otherwise they would not. And after wars are over, government rarely gives up all the special power it has gained. War is an extreme example of the fourth socialist strategy, the worse alternative.

The first three strategies are suffering from diminishing effectiveness in America. The reason is that while bigger government spending bribes more supporters, it also creates more enemies--the people who suffer to provide the bribes. The greedy capitalists, whose wealth is redistributed and who must be regulated for the common good, turn out to be almost everybody. So resistance to socialism develops.

To overcome this resistance, socialists need a crisis, such as wars have provided in the past. They either have to create a crisis or make us believe that a bad crisis will come soon if we don't turn over power to them. The idea is to force us to choose between a substantial loss of liberty or an even worse alternative.

The socialist strategy of gaining power by creating political unrest, preferably armed revolution, is well known both in theory and successful practice. The idea is to get the workers and peasants (the proletariat) angry enough to rise up against the ruling class. The socialists correctly point out that these people are being exploited and downtrodden by the ruling class. But they neglect to mention that once the old order is shattered, at great cost of proletarian blood, the socialists will take over and become the new, more oppressive ruling class.

This socialist strategy doesn't work as well in western democracies such as America, where the "proletariat" is pretty well off, and tends to think of itself as "capitalist." Perhaps even more damaging to the socialist cause, they have heard enough about socialist states to be very skeptical about socialism, and usually hostile to governments they recognize as socialist.

Fortunately for socialists, people in the West don't understand socialism very well, and have difficulty recognizing the home-grown variety, especially when it's called something else. In contrast to poorer countries, the people in the West who are most vulnerable to socialist propaganda are those who do not earn their living by physical labor. They are not as good for armed revolution, but better for slow political revolution.

Socialists try to create economic crises by political agitation for the economic interference which will cause one.

Socialists now see regulation, rather than taxation, as the big growth area. The costs of regulation are harder to see.

Some very destructive favorites are: inflation, wage and price controls, rent controls and rationing of energy and other resources. These are, of course, socialist goals in themselves, so they may be advocated for more than one reason.

Socialist policy employs two methods to accomplish its purposes: the first aims directly at converting society to socialism: the second aims only indirectly at this conversion by destroying the social order which is based on private ownership.... The importance of this division is lessened materially by the fact that the effects achieved by both groups do not greatly differ.

Ludwig von Mises, 1936

To generate support for this type of economic interference, socialists are actively trying to create fear of various crises they say are coming soon. This type of propaganda is especially effective with those who are anti-growth and anti-technology because they feel guilty and insecure, and fear competition and progress.

Socialists focus this propaganda on environmental, religious and other socially concerned non-profit groups, and on schools, because that is where their target audience is concentrated, and because these organizations have good communication facilities which can be used internally and to reach others with the good news of the coming catastrophe.

The left has discovered that today power means first and foremost control of the means of communication and socialization--schools, universities, churches and, above all, the mass media. It's in these institutions that public opinion is shaped and articulated and the national ethos, the idea a society holds of itself, is molded.

Jan Van Houten, 1983

Using these organizations as fronts has another major advantage, in that it conceals the origin of the propaganda, making it appear to be a spontaneous expression of concern by unbiased "common" people. Often, the proposed socialist solution to the crisis is not mentioned; they just want you to be "concerned" and to "discuss" the problem. They count on our automatic reflex of turning to government as the agent to solve problems. Liberty is just left out of the debate.

Planetary Initiative is a process. The neighborhood Issues Exploration Groups involve you sharing your opinions on war, the megacrisis, energy, population, food, world economic process, resources, ecology, science & technology, and human rights. Together, the group works to ascertain the nature of the problems confronting us and to explore possible solutions.

Planetary Initiative, 1982

So the basic socialist crisis strategy is to popularize any present or future problem (except excessive government)

that might appeal to the public, in order to create a demand for a government solution. Then they can use the real problem, caused by government interference, as an excuse for more government interference. The objective is to escalate crises until we reach a point where we are so frightened, confused and desperate that we give them absolute power, because the alternatives appear even worse.

They need to create chaos, and destroy confidence and hope in the future. Confident, happy and optimistic people are not good raw material for socialism.

Once in absolute power, socialists can use their very favorite worse alternative technique--violence and fear of violence--to eliminate the remaining resistance.

The Crises

The socialist crisis strategy presents Libertarians with a dilemma. Some of the problems they push are real, and because they are caused by government, they should be ***our*** issues, not theirs. What nerve, gall and chutzpah! The difference is in the solutions, not the problems. So we must be careful, when addressing these problems, not to help the socialists more than we help liberty.

This is especially difficult when making alliances with other groups to support a common cause. For example, socialists are against militarism and conscription when it is directed against socialist governments, but not on principle. They usually want to conscript people for "national service" instead of the army, and to use tax money for income redistribution instead of defense. So when we join them in a draft protest, we may be just swelling their crowd and appearing to endorse their program.

Here are a few examples of problems, real or imagined, which socialists have tried to use for their advantage: threat of nuclear war; the arms race; pollution by toxic chemicals, radiation, *etc.*; overpopulation and crowding; world hunger; poverty; loss of valuable plant and animal species; unequal distribution of wealth; shortages due to wasteful "overuse" of natural resources, especially energy; crime (redistribution will cure that, right?); cutting down all the forests in the world, which will cause disastrous changes in climate and lack of oxygen to breathe, as well as being an eyesore; business fraud; multi-national corporations (they are bad because they are more difficult to tax and regulate); unemployment and miscellaneous Frankenstein type horrors caused by advancing technology; housing deterioration and shortages; decaying "infrastructure;" and lack of "social democracy" to provide

"social justice" and more control over our lives by reducing the economic power which wealthy corporations have over us.

A major theme of socialist propaganda is redistribution of wealth between countries. We are supposed to demand that western governments drastically reduce our standard of living to prevent us from using more than our "fair share" of world resources, and to finance "massive transfers of wealth" to the "third world." We are alleged to somehow be responsible for the poverty caused by economic interference on the part of "third world" socialist dictators, and so we owe them huge amounts of foreign aid.

This would achieve several socialist objectives at once: increasing government power over the economy, creating an economic crisis in the west, and providing aid to strengthen the power of socialist dictators. A variation of this theme is that to have peaceful relations instead of war between nations, we should have a world government with the military power to enforce "equitable" distribution of wealth throughout the world.

Of course, the risk socialists run when they create their big crises, is that the public might decide that liberty is a better alternative than what the socialists offer. Will we be ready to seize that opportunity for liberty? They have never before had to cope with serious, organized, principled, Libertarian opposition. Before, it has merely been a contest between different versions of statism. But we can expose their game!

Exposure of ***their*** strategy and public identification of socialist ideas as socialist, must be part of ***our*** strategy. Socialists must be held accountable for the evil consequences of their doctrine, such as the horrors perpetrated in socialist states, and not allowed to pretend that they are just citizens "concerned" about some issue. Our attack will be far more effective if we can pull off their camouflage.

However, this exposure will not be easy. For the obvious reason that they do not wish to accept responsibility for the evils of socialism, they will usually resist identification of themselves or their ideas as socialist. In most cases, those who advance socialist ideas do not think of themselves as socialists, or refuse to admit it to themselves. They will not welcome your pointing out the truth.

It is best to bring out the fact that their ideas are socialist, by asking questions such as: "How does your idea differ from what they are doing in socialist countries?"

Be as diplomatic as possible, but be prepared for denial and hostility. Still, we are better off debating whether or not their ideas are socialist, and therefore bad, than debating whether or not their ideas should be adopted.

We can never hope to defeat every little socialist program, one at a time. It's too much work, and, like weeds, they will keep growing back again. The only feasible strategy is to discredit socialism itself, and then make the label stick to every socialist idea. We must change the terms of the debate from whether a law is beneficial, to whether it is socialist and therefore bad.

Of course, not Marxists alone, but most of those who emphatically declare themselves anti-Marxists, think entirely on Marxist lines and have adopted Marx's arbitrary, unconfirmed and easily refutable dogmas. If and when they come into power, they govern and work entirely in the socialist spirit.

Ludwig von Mises, 1922

They Are Bad, But Not Stupid

There are some things we need to learn from socialists, that have nothing to do with their hideous doctrine. After all, they have successfully sold bad ideas, while we are still struggling to sell good ideas.

For example, they inspire people to follow their lead by offering a vision of a better world. We know that their world would be a nightmare, and we need to point that out. But we also need to offer our own vision of a world with liberty.

Our difficulty in painting this beautiful picture seems to be that we can't be sure of all the details, and there is a possibility that the whole scene might turn out differently than we expect.

Libertarians tend to be like the scientist in the story, who was driving down a road with a non-scientist. The non-scientist looked out the window and said, "Look, those sheep have just been shorn." The scientist stopped the car and looked intently for a long time, and then said, "Those sheep on the side of the flock toward me appear to have been shorn on the side toward me, if my eyes don't deceive me."

In short, we are sometimes too concerned with maintaining our intellectual self-image to communicate. We need to appreciate the great difference between intellectual dishonesty and simplifying a concept so it can be understood by our audience.

Our explanations of, for example, the effect liberty would have on the standard of living, should be appropriate to the audience. The presentation to a high school class would

be quite different from that to a group of economists. Socialists understand and apply this principle of communication.

Socialists understand, better than Libertarians seem to, that few people are swayed by facts and logic. The process usually works in reverse. People tend to accept facts and logic that support positions which they already hold for other reasons.

As the socialists know too well, we must appeal to emotions and widely held values that people ***already*** have. People are seldom persuaded by explanations of why they are wrong.

The first step in persuasion is to agree with people (there is always something you can agree with). The second step is to point out that to be true to ***our*** values they must advocate liberty, and that ***our common*** goals can be better achieved through liberty.

Speak not with a stiff neck.

Psalms 75:5

*It is only by starting from where they **are** that you will be able to lead them, through effective communication, to where you want them to **be**.*

Ernest G. Ross, 1982

In the final analysis, the reason the socialists (especially the communists) have been more successful than Libertarians is that they have been more organized and dedicated in selling their ideas.

A job, a union, a club or a social meeting are, to a communist, first and foremost an opportunity to recruit members for the party and to influence opinion. They objectively criticize their own tactics (not their philosophy) and those of other communists with whom they work, without criticizing the person (we could learn from that!).

They systematically try to improve their tactics and strategy, and to adapt to changing conditions. They have organized training programs to increase the effectiveness of each communist, combining practical experience with study and formal classes.

Communists demand total commitment from each member. It becomes their life. This is one of their great strengths in attracting new recruits. People are impressed with the personal dedication of individual communists and want to associate with something that inspires that kind of enthusiasm.

Many libertarians, especially intellectuals, find this approach distasteful, but whatever contribution they wish to make to liberty should be welcome. However, they are in no position to condemn other libertarians who wish to

pursue liberty more vigorously and more effectively.

Libertarians are properly concerned with the problem of "burnout" where activists feel overextended and drop out. But this is not caused by attending too many meetings or doing too many Libertarian projects. Rather, it is a motivation problem.

The motivation problem, in turn, results from lack of internal education, and lack of satisfaction from their Libertarian activities. In one test of the burnout theory, Libertarian meetings were increased from once every two months to twice a month, and made more interesting. Attendance promptly tripled! Interesting and productive activity generates more activity.

One does resent being frequently bugged to finance, or work on, someone else's unsuccessful projects, when one's opinion about what to do, or how best to do it, is never solicited or considered. People work most enthusiastically on projects they feel are their own. They will be turned off if they feel their role is limited to implementing the pet schemes of the high command. Long and boring programs, indecisive meetings, and time wasted because of poor organization are good turn-offs, too.

However, one does not resent time and effort spent on something that is enjoyable, provides a feeling of worthwhile personal accomplishment, and/or makes one a part of something important and successful. Success generates success.

This requires leadership that provides: good internal communication so that people are inspired by the efforts and success of others; participation in decisions so that everyone feels it is their organization; a first class, on-schedule, professional approach with attention to detail (for example, newsletters should announce future, not just past, events), so that everyone feels proud to be associated with such a sharp organization; good matching of people's talents and interests with projects; a series of demanding but realistic intermediate goals that develop needed skills and make up a believable strategy for achieving the ultimate objectives; and internal education, training, resources, assistance and coordination to equip people to succeed in achieving the goals.

These well-known guidelines apply to achieving success in any organization, including businesses, but they are crucially important for voluntary organizations of believers in individualism.

The issue of power *vs.* liberty will be decided by the relative strengths of the socialist *vs.* the Libertarian move-

ments. Strength in the war of ideas is determined by strategy, numbers of supporters, their dedication and the appeal of the ideas. We have the great advantage in ideas, but will we also have the dedication, strategy and numbers of Libertarians that will be needed?

Let's consider our options.

Partisan Politics?

Liberty is a political issue, as is anything to do with government. Expressing any opinion about government is a political act, as citizens of totalitarian countries well know. However, most people think of politics only as activities associated with partisan elections. What should Libertarians do about elections?

Voting for the lesser of two evils might help keep things from getting worse quite as fast, but it has a ***greater*** bad effect, in that it supports the system of oppression. It sanctions injustice.

Ask yourself how many Demopublicans left office in the last 200 years with the people enjoying more liberty than when they went in. If you can't vote for a Libertarian, it is better not to vote at all.

Those who would give up essential liberty to purchase a little temporary safety, deserve neither liberty nor safety.
Anonymous, 1755

Lots Of Luck!

Some may prefer to lobby legislators or try to work through the Republican or Democratic Parties. As long as they advance liberty more than they support statism, this can be justified as self-defense. However, this is difficult to do, and the best that could be hoped for is to ***slow*** the rate of growth of statism. One great problem is that to rise to real influence in these parties, it is necessary to be unprincipled. It is tough to be principled and unprincipled at the same time.

Joining the government would draw me into the practice of those ridiculous pretensions which I cannot allow myself to do.
Fukuzowa Yukichi, 1898

Lobbying may be of some benefit if you are in a position to deliver substantial votes or campaign contributions. Those who can't deliver, and believe that legislators can be persuaded by logic and the "public interest"--instead of personal interest and bias--are truly optimists. Working within the "system" is a no-win strategy, and it usually wastes effort that could be helping change the system.

...very little is done to preserve the system of private enterprise. There are only middle-of-the-roaders who think they have been successful when they have delayed for some time an especially

ruinous measure. They are always in retreat. They put up today with measures which only ten or twenty years ago they would have considered as undiscussable. They will in a few years acquiesce in other measures which they today consider as simply out of the question.

Ludwig von Mises, 1952

No politician who was not out for himself, and for himself alone, has ever drawn the breath of life in the United States.

H. L. Mencken

Don't think that a change in the mere form--without change in the spirit of men--can really alter anything, or make a new world. A voting majority that still believes in force, that still believes in crushing and ruling a minority, can be just as tyrannous, as selfish and blind, as any of the old rulers.

Auberon Herbert, 1906

As for adopting the ways which the State has provided for remedying the evil. I know not of such ways. They take too much time and a man's life will be gone.

Henry David Thoreau, 1849

Libertarian Politics

Many Libertarians support the Libertarian Party. Libertarian political campaigns can multiply your effectiveness because of the free media publicity. The public is more receptive to considering political ideas around election time.

Running for office is (unfortunately) viewed as a legitimate activity. We can turn this disadvantage into an advantage for liberty by using the state's own system against the state. It's like using lemons to make lemonade.

Working toward a definite goal of electing a Libertarian, with the vote to keep score on progress, is more exciting and satisfying to many Libertarians than the essential (but slow and hard-to-see) work of educating the public about liberty, especially when it's done person to person.

Turn the rascals out!

Charles A. Dana, 1872

What democracy needs most is a party of liberty.

H. L. Mencken

For some reason, the press and public often seem to judge ideas on the basis of the position and power of the person offering the ideas. So even one elected Libertarian can do a lot more to spread the idea of liberty than can many Libertarians working in less effective ways.

Libertarian candidates on the ballot offer voters a chance to make an unmistakable protest against the system. We now really have only a one party system, offering a choice between statists competing for the loot. Non-voting avoids sanctioning the system, but it may be confused with indifference to the choices.

The main theory that every political campaign in the U. S. demonstrates is that the politicians of all parties. despite their

superficial enmities, are really members of one great brotherhood. Their principal, and indeed their sole, object is to collar public office with all the privileges and profits that go therewith. They achieve this collaring by buying votes with other people's money.

H. L. Mencken, 1956

In the real world, statists will not stop violating human rights until natural law is ***enforced.*** Government has a legal monopoly on the use of force. Ultimately, until some better system for providing protection against aggression can be established, Libertarians will have to gain control of government and use its force to prevent the initiation of force.

At present, the only practical way to achieve liberty appears to be for representatives in legislatures to vote to dismantle the state. This in turn will require strong public demand, most likely in the form of electing representatives with Libertarian views. Will the Republocrats ever offer a choice of more liberty, except to try to avoid losing power completely? And this probably will not happen without the pressure of a strong Libertarian Party.

It comes down this: we must change radically the minds either of those in power, or of the people. Which is more likely?

Freedom cannot be granted. It must be taken.

Max Stirner, 1806 - 1856

Risk Of Politics

Some Libertarians object to using the ugly, corrupting method of politics to gain liberty. However, politics, when used for self-defense, is not immoral. The morality of an act depends on the circumstances. For example, shooting an innocent stranger in the street is murder, but shooting that same person after he breaks into your home and while he is attacking you with a knife is justified self-defense. A pacifist, of course, might reject politics along with other means of self-defense. So, participating in politics is a matter of personal preference rather than a moral decision. Politics should be judged against other strategies for liberty, on the basis of comparative effectiveness.

I am not a politician,, and my other habits are good, also.

Artemus Ward, 1834 - 1867

I would rather be right than be president.

Henry Clay, 1850

You should never wear your best trousers when you go out to fight for freedom and truth.

Henrik Ibsen, 1882

We are not to expect to be transported from despotism to liberty in a feather bed.

Thomas Jefferson

It is reasonable to be concerned that an elected Libertarian might be corrupted by power. But that risk is less

than the almost certainty of corruption with the only alternative. If an elected Libertarian did become corrupted, probably grass roots Libertarian support would disappear, and a real Libertarian challenger would appear in the next election.

We, the members of the Libertarian Party, challenge the cult of the omnipotent state and defend the rights of the individual.

We hold that all individuals have the right to exercise sole dominion over their own lives, and have the right to live in whatever manner they choose, so long as they do not forcibly interfere with the equal right of others to live in whatever manner they choose.

Governments throughout history have regularly operated on the opposite principle, that the State has the right to dispose of the lives of individuals and the fruits of their labor. Even within the United States, all political parties other than our own grant to government the right to regulate the lives of individuals and seize the fruits of their labor without their consent.

We, on the contrary, deny the right of any government to do these things, and hold that where governments exist, they must not violate the rights of any individual: namely, (1) the right to life--accordingly we support prohibition of the initiation of physical force against others; (2) the right to liberty of speech and action--accordingly we oppose all attempts by government to abridge the freedom of speech and press, as well as government censorship in any form; and (3) the right to property--accordingly we oppose all government interference with private property, such as confiscation, nationalization, and eminent domain, and support the prohibition of robbery, trespass, fraud and misrepresentation.

Since governments, when instituted, must not violate individual rights, we oppose all interference by government in the areas of voluntary and contractual relations among individuals. People should not be forced to sacrifice their lives and property for the benefit of others. They should be left free by government to deal with one another as free traders; and the resultant economic system, the only one compatible with the protection of individual rights, is the free market.

Statement of Principles,
Libertarian Party

The more serious problem with participating in the political process is that it contributes to the illusion of moral legitimacy of political power. And Libertarians may be perceived as hypocrites for being involved in a process which we declare to be immoral.

It isn't at all immoral to use the state's own apparatus to help defeat the state, any more than it is for the defender to use a weapon captured from the attacker, or to turn the aggressor's force against him in judo. The difficulty is to explain this moral concept to the public with a catchy slogan.

While turning the state against itself is not a moral problem, it remains a dilemma for strategy. There seems to be no realistic choice but to use the state for self-defense against the state. Few of us could live, not to mention fight

for liberty, without using facilities for communication, transport, finance, *etc.* owned or controlled by the state. Partisan politics sanctions state power more obviously, but it is a matter only of degree.

History shows that small minorities can maintain state power unless actively resisted. The idea of starving the state to death by passive resistance--as an alternative to politics--is emotionally satisfying, but the overwhelming public support needed to wrest power from the ruling minority would be hard to bring about.

It would be far easier and quicker to persuade the much smaller number of people required to elect Libertarians. Consider the arithmetic. Less than 40% of the total population actually votes. As few as 51% of the votes could elect Libertarians, and as few as 51% of elections need to be won to control legislatures. Using politics, persuading less than 20% of the population to change their votes could end state oppression.

Passive resistance demands much stronger dedication than changing one's vote. It involves the risk of very unpleasant consequences, and usually much greater effort. To achieve liberty through passive resistance would almost certainly require persuading a much larger number of people to participate in (and support) resistance, than is needed for voting.

Thus, individuals would be more difficult to persuade, and many more of them would have to be persuaded. A bigger, more difficult job would surely take longer. Justice demands that we end state aggression as quickly as possible with minimum human suffering.

On the other hand, we will never be safe from the menace of statism until the public no longer accepts its pretense of moral legitimacy--a pretense which will be aided by our use of the electoral process. While elections can put us in a position to shrink the state and thereby demonstrate the benefits of liberty, they will not destroy the illusion of moral legitimacy. For that, education of the public is essential.

The key is public understanding that robbery, extortion, fraud, assault, kidnapping and murder are no more morally justified when committed by government than when committed by individuals. Actually, only individuals can commit crimes, so it would be more correct to say that crimes are not justified just because the criminal is an agent of a gang calling themselves the state.

That government consists of people--just ordinary mortals--who have

gotten hold of power, and nothing else, needs to be widely advertised.

Frank Chodorov, 1954

Government is humbug. There is no government. Behind the noisy, smoke-belching larger-than-life illusion of government are ordinary human beings.

Roger L. MacBride, 1976

We Need All The Help We Can Get!

Our arguments about education *vs.* political action are pointless. It is not a question of whether education or political action is the better way to achieve liberty. Education is useless unless it causes political action, and political action will not take place or be effective without education.

Both education and political action depend on the ideas and research produced by scholarship. Scholarship is essential as the raw material to produce the intellectual weapons of our ideological war.

We need to further develop the philosophy of liberty. We need to apply libertarian principles to solve more problems. We need to better understand the history of liberty for inspiration, and to learn lessons from past experience--lessons that can be applied to the present, in order to change the future. We need more good examples of the justice and benefits of liberty, and horrible examples of statism's evil and harm.

We need to better understand the psychology of statism and the most effective ways to change it, or to use it against the state. We need a literary person to write an equally emotional and inflammatory sequel to *Uncle Tom's Cabin*, this time on the horrors of mutual enslavement and socialism.

We need better ways to explain economic principles to the public, and more and better economic analyses to demonstrate the economic benefit of liberty and harm of the state. What is the true cost of government, and how much does it reduce the standard of living and the economic growth rate? What would be the economic effects of reducing government by, say, 90%?

In short, we need more information to discredit the state, to show the benefits liberty would bring, and to guide our strategy for liberty. We need all the help that any intellectual discipline can bring.

Another essential Libertarian activity is internal communication. Scholarship is useless if it is never communicated to those who can put it to use. We need to know about the activities of other Libertarians, in order to profit from their experience. And we also need the inspiration of

knowing we are not working alone, and of hearing of others' successes.

Liberty has never before been achieved, so we are necessarily learning from trial and error. At present, there is too much "reinventing of the wheel." We will be more efficient when we have better communications to coordinate our efforts so that we benefit from a greater division of labor.

So, it appears that an effective strategy for liberty requires partisan politics along with political and economic education of the public. They are complementary, not competitive. Neither can do the job alone, and scholarship and other activities are required as well. Our real problem is that, after all is said and done about liberty, there is a lot more said than done.

Certainly, no matter how liberty is achieved, it can be maintained only by constantly educating the public. Even in the future, when government is regarded as an ancient barbaric custom (as we now regard human sacrifice), it will be important to remember where the lust for power and plunder can lead.

The condition upon which God hath given liberty to man is eternal vigilance; which condition if he break, servitude is at once the consequence of his crime and the punishment of his guilt.
John Philpot Curran, 1790

Obviously, Libertarians with different talents, preferences and ideas will choose different activities. It is sometimes felt that the Libertarian Party, with its greater visibility, has received more than its share of movement support. But it would be more fair to say that it has created its support, much of which would not have been drawn to educational or other activities. And because of its visibility, it has doubtlessly created support for other Libertarian activities.

Just as some Libertarians enjoy communicating with intellectuals or the public through writing, speaking and attending conferences, other needed supporters are attracted by the action, glamour and competition of electoral politics, or feel more secure with its appearance of legitimacy. Many action- and results-oriented people would be turned off by what is, to them, the dull intellectual enterprise of conventional educational methods.

On the other hand, sources of money, such as business and foundations, may be willing or legally able to contribute only to educational organizations and not to political ones. So not only will different Libertarians be attracted to different activities, but we also need different libertarian activities to maximize our numbers and resources.

Perhaps unfortunately, to many people the words liber-

tarian and libertarianism have come to mean only the political party, rather than the whole movement and the philosophy. This can sometimes be a liability when we're trying to educate the public. Some other words which might be used have been appropriated by socialists and conservatives. Probably liberty, freedom, individualism and free market are the best words to use when it is desired to avoid the implication of partisan politics. For example, the largest "non-political" Libertarian organization is The Society for Individual Liberty.

However, if the Libertarian movement becomes too fragmented, we could not only lose the benefits of cooperation, but also the credibility and identity we need to attract pub-lic support.

What is needed is not any shift in emphasis between partisan politics and educational or other activities. Libertarians will support what they want anyway. What we need is much more of everything! And we need to be more dedicated, more professional and better organized in everything we do.

Other Ways

There are other ways, besides public education and politics, that Libertarians have chosen to seek liberty.

Some try to live free, individually, by avoiding contact with government. The only practical way to avoid government is by hiding in the wilderness. Obviously this approach is suitable for only a very few people.

One is, of course, not completely free if one cannot freely associate with others, and others are taxed and regulated. It is outrageous that people should have to deny themselves the benefits of civilization to escape oppression.

In order to have both liberty and the benefits of living in society with a free market, many Libertarians have for centuries thought of finding land somewhere to create a Libertarian country. Unfortunately, so far none of the plans have succeeded. The difficulty seems to be that a Libertarian country either must be so small and out of the way to avoid attracting attention that it is not viable; or, from the time it is founded, it must be large and strong enough to resist aggression by states which understand the mortal threat it poses to their power.

Just as the example of the American Revolution toppled monarchies all over the world, so, too, would the example of a successful Libertarian country lead to a world revolution against statism. For example, not long ago, a secession of a part of the New Hebrides Islands, led by Liber-

tarians, was crushed with the aid of nearby states whose leaders perceived the danger to their power and privileges.

To achieve liberty for ourselves and change the course of the world away from slavery and toward liberty, we ***must*** have a libertarian country. We must either convert one or start one. In either case, it probably will not last long if we lack the means and the will to defend it.

Another strategy favored by many for self liberation and for liberating a country, is refusal to collaborate with government. A wide variety of tactics have been used, but for discussion they can be divided into two major types--public and private.

Public tactics involve deliberately breaking a political law with no effort to conceal the action, or even publicly announcing it, and then accepting whatever punishment the state inflicts. This approach is called civil disobedience. After it was advocated by Henry David Thoreau in his famous *Essay on Civil Disobedience*, it has been successfully used by many, most notably by Mahatma Gandhi to end British colonial government of India.

In its mildest form, civil disobedience has the objective of using the court system to declare a law invalid. This is usually unsuccessful because judges are paid agents of the state. More successful (if there are enough people) civil disobedience tries to clog the state's penal system so as to make it impossible to enforce the state's will.

Failing that objective, the hope is to appeal to the conscience of the oppressors and the public, by the spectacle of people being punished for refusing to obey unjust laws. It seems clear that this tactic would be more successful when used against oppressors who have a conscience.

Variations of civil disobedience are as numerous as unjust laws. They range from illegal protest demonstrations, to refusing to pay taxes or register for conscription, to hunger strikes. It is a non-violent method of passive resistance, in which the victims suffer in order to shame their oppressors and deprive them of support. It can be effective if enough people participate and there is public support. But "martyrdom" is not everyone's cup of tea.

I am not your tax collector. And don't think I've simply gone on strike. I have quit.

John A. Hayes. 1982

I don't think it's wise to go to prison for my beliefs. After all, prison is equivalent to the draft. They're both slavery. They're both unjust and brutal. I've proudly broken the law, and I see going to court as a step to going to prison, just as I see registration as a big step to being drafted. I don't want to pretend there's any legitimacy in a judge who wears black robes and was appointed by politicians who

have made these unjust laws. I don't think he has any right to judge me or sentence me to prison. I don't need him to tell me that I'm innocent or right--I know those things already--and I sure don't want him to tell me I'm wrong and sentence me to jail.
Paul Jacob, 1983

The private approach to the strategy of refusing to collaborate with government also involves breaking unjust laws. The difference is that the intent is to avoid punishment preferably by concealing the disobedience from the state.

The most popular example is working in the huge unregulated "underground" economy and evading taxes. Millions of people, without consciously being Libertarians, are involved in this activity which greatly contributes to liberty by weakening the state.

Some Libertarians believe that the best strategy for achieving liberty is to organize and encourage the underground free market economy. But this would be difficult, because it needs to be spontaneous and unorganized to stay hidden. Probably the best way to encourage it would be to inform the public about the moral right of free trade and the immorality of government taxation and interference.

In the final analysis, the strategy question comes down to active *vs.* passive resistance. Or, put another way--violence *vs.* "martyrdom." The active resistance may range from ballots to demonstrations to bullets, and the passive resistance from fasting to not paying taxes, but there are still only the two basic choices, or a combination of the two.

While it is vital to any strategy, education is not a strategy in itself. Education is the means by which people are persuaded to act to achieve liberty. Political change cannot be brought about except by people taking action or refusing to act--active or passive resistance.

Good Government?

Our concern is not to have "good government," for there is no such thing. It is a contradiction in terms, like "good evil." In fact, the more the public is outraged by government inefficiency and waste--and by government taxation and regulation that is unjust, complicated and burdensome--the better the chance for liberty. We want to dismantle the "system," not make it work.

Our concern is not to have efficient government. If we are forced to pay for government, let us hope that we get as little government as possible for our money.

Thank God we don't get all the government we pay for.
Will Rogers

What we demand is our liberty! If some government is

unavoidable, it must be kept to the absolute minimum.

Our forefathers risked everything in the American Revolution to establish that a monarch had no hereditary, or any other right to rule. Before that time the king's "divine right" was as unquestioned, as sacred a concept, as democracy and the right of majorities to rule is today.

Until Tom Paine's 1776 pamphlet, "Common Sense" shattered that illusion, the American colonists thought that their problem was only that the king's ministers were bad, and needed to be replaced by "good" ministers. When they realized that the problem was the system, not the men, they rejected monarchy and declared independence. Unfortunately, they thought that the solution was a different system--democracy. So the oppressive foreign rulers were replaced with oppressive domestic rulers.

The same misconception exists today. Most people still think that our only problem is the need to elect better rulers.

But now we know that there is no such thing as a "good ruler." What is wrong is the system of rule. Democracy is not the solution. Its only value is as a means of achieving liberty.

No one has the right to rule other human beings! What is unjust for one individual to do, is no more just if done by an individual "in the name of the state." If liberty is to prevail, we in our turn must lead the attack on the ideas that enslave us. ***We*** must rip the mask off government for all to see its naked evil!

We no longer believe that it is just for one man to govern two men, but we have yet to outgrow the absurd belief that it is just for two men to govern one man.

Charles T. Sprading, 1913

No human being, nor any number of human beings, have any right to make laws, and compel other human beings to obey them. To say that they have is to say that they are the masters and owners of whom they require such obedience.

Lysander Spooner

There are a thousand hacking at the branches of evil to one who is striking at the root.

Henry David Thoreau, 1854

If you know that a thing is unrighteous, then use all dispatch in putting an end to it--why wait till next year?

Mencius, 330 B.C.

Strategy and Principles

While almost all Libertarians agree that we have the right of self-defense against oppression by the state, there are a variety of opinions about the morality and effectiveness of different defense strategies. The general interest and intensity of the discussion on these

questions is a sign of health of the Libertarian movement as well as being our best protection from straying from our principles and wasting our resources.

Applying libertarian principles to our strategy for liberty is really a question of the moral limits of self-defense against aggression. We have a right to take ***whatever*** actions are reasonably ***necessary*** to terminate aggression. So actions which are normally immoral, may become moral in self-defense.

The major moral concern is to avoid violating the rights of innocent bystanders in our struggle with statism. There is little concern about agents of the state who make and enforce policy. They have obviously forfeited any moral rights because of the immensity and force of their aggressions. And it is impossible, for example, to make a false oath to, or deceive the state itself, because the state is an imaginary concept.

The problem is with the public, which supports the state with votes and taxes, provides it with services, accepts the proceeds of its robberies and demands more, obeys its orders, vies for its monopolies and privileges, and spreads its propaganda. If they stopped collaborating with the state, its oppression would cease. Are these people innocent, or also agents of the state? Where can we logically draw the line?

Is it immoral to defend our right to liberty by lying to the public, using tax money stolen from the public, taking advantage of state power, *etc.*? Is it immoral to advocate tuition tax credits, especially without widely advertising that our ultimate goal is the elimination of "public" schools and their statist indoctrination, and with parents bearing all the costs of their children's education? Tax credits sound very Libertarian, but since the only way to obtain the credit against taxes is to spend money for a government-selected purpose in government-approved institutions, it is still a tax paid under threat of force.

The answer is that such actions are not immoral. We have the moral right to take ***any*** necessary action for self-defense against state oppression. And we have that right even if innocent bystanders might be harmed, because there ***are*** no human rights if they cannot be defended. But in any case, it is clear is that there are ***no*** innocent bystanders.

To different degrees, we are all guilty of supporting the state. We are still ***responsible*** even if we do it out of fear, ignorance or necessity, or because we have been deceived. We are at the same time victims of those who

control the state, but not innocent victims, for we have cooperated with our oppressors to help them oppress others.

You're either part of the solution or part of the problem.
Eldridge Cleaver, 1968

We have been hampered in our pursuit of liberty and human rights by viewing the state as a sort of mythical dragon, rather than facing the reality that the state is everyone who contributes to its power. While the wide range of guilt should be recognized, we will be struggling in the dark until we understand that no one is innocent. Libertarians enjoy telling others that success in life depends on freeing ourselves from the mythology that enslaves us and applying reason to reality. We could profit from our own advice.

It is our neighbors that we must stop from oppressing us, if we are to gain our liberty. Until they defect from the state to the cause of liberty, they are aggressors against whom we have the moral right of self-defense.

If we are unjustly imprisoned by a guard who believes that we are guilty of a crime, are we morally limited to trying to reason with the guard, and are we morally required to tell him of our plans for escape?

Or in self-defense can we morally use deceit, bribery, manipulation, intimidation or loopholes in the law? Can we morally damage prison property, steal the guard's car, lock the guard in his own prison or even use physical force against the guard or take the guard hostage?

If there is no right to do these things, then there is no right to liberty and justice. Instead, other people would have a "right" to impose on us whatever beliefs they may have. But then, why should we not also have a "right" to impose our views on others?

If we have a right to justice, then we have a right to resist oppression by any means necessary. If there is no such thing as justice, we have a "right" to do anything we wish, to anyone and their property. In either case, the sincerity of the beliefs of our oppressors is not a factor.

And there is no right to truth. That is, no right to be provided free correct information. So we are under no obligation to give "equal time" to our least popular positions, disclose that a proposed reduction in a government activity is only a step toward its elimination, or to advertise our strategy--unless it will help our cause.

Making truth and full disclosure the highest virtue leads to such absurdities as freedom fighters feeling a moral obligation to be completely truthful with the Communist secret police. We could not have a spy in the enemy

camp, no matter how many lives it might save, for our spy would be forbidden to deceive, and of course the aggressor should be advised well in advance of our defense plan!

If the pursuer of my friend asks me where has fled to, I shall surely put him on a false trail.... In order not to be a false friend, I prefer to be false to the enemy. He who has in the truth an idol, a sacred thing, must humble himself before it, must not defy its demand, not resist courageously.... For to the lie belongs no less courage than to the truth: a courage that young men are most apt to be defective in, who would rather confess and mount the scaffold for it than confound the enemy's power by the impudence of a lie.... You will not lie? Well, then, fall as sacrifices to the truth and become--martyrs! Martyrs!--for what? For yourselves, for self ownership? No, for your goddess--the truth.

Max Stirner, 1806 - 1856

Therefore, however repugnant it may be to use some of the methods and weapons of our enemies, such actions ***to advance liberty*** cannot be immoral, considering the nature of the aggression.

This is not intended to advocate any particular action in defense of liberty, but rather to point out that the issue should not be: are such actions moral? Rather, it should be, are they good strategy? This is an emotional question, and it may be some time before a Libertarian consensus develops.

However, it seems probable that whatever the answer to the moral questions, part of our strategy ***now*** should be to treat everyone, as far as possible (even confirmed agents of the state) ***as if*** they were innocent. Otherwise, the public, which may not appreciate the finer points of moral philosophy, might dismiss us as hypocrites. It makes little sense to lie when we have the truth on our side, and there is no teacher more powerful than example. Our halo is also important for our self-respect and morale.

Are Libertarians Too Nice To Win?

One thing is certain. Our oppression will continue until enough Libertarians are willing to effectively do whatever is necessary to end it.

Historically, Libertarians, being moral people who want only to live in peace, have commonly shown excessive charity to the enemies of liberty, and those enemies have not hesitated to take advantage of our scruples. Typically, we have been reluctant to take the tough measures necessary for defense. When we have had the statists on the run, we have not pursued to ensure that they didn't come back.

Unless the provocation is recent and intense, we seem to find it difficult to maintain outrage at the cruel suffering

the statists inflict. Are we so trained in statist mythology that we easily forget the rights of the victims and that we are dealing with killers? A little more anger would not be out of place.

Are criticisms that every effective strategy is immoral really expressing a reluctance to make the necessary personal commitment and a fear of success? Unfortunately, some Libertarians do not seem to want liberty badly enough to do what is necessary to achieve it. Adapting to an effective strategy would be uncomfortable for them, and it is more fun to be a "big frog in a small pond," than the reverse. They would prefer being part of an ineffective little club, a refuge for the alienated which provides an opportunity for venting frustrations. They fear the change that growth and success will bring, and find reasons to take no action (and to criticize those who do) and ways to fail when they do act. However, the growth of the Libertarian movement is, more and more, attracting serious individuals.

It is hard to imagine when we will ever say, "No more Mr. Nice Guy!" But the prospects for liberty may be seriously jeopardized if we fail to recognize the great difference between the application of libertarian moral principles to peaceful relations between people in a libertarian society, and to self-defense against oppression.

The halt of the arrow had been feathered with one of the eagle's own plumes. We often give our enemies the means of our own destruction.

Aesop, 550 B.C.

If people were always kind and obedient to those who are cruel and unjust, the wicked people would have it all their own way: they would never feel afraid, and so they would never alter, but would grow worse and worse.

Charlotte Bronte, 1847

The robber and the murderer would often escape unpunished, did not the injuries which our tempers sustain provoke us into justice.

Tom Paine, 1776

We know by infinite Examples and Experience, that Men possessed of Power, rather than part with it, will do anything, even the worst and blackest to keep it.

John Trenchard and Thomas Gordon, ca 1720

The dictatorship of the proletariat is a regime implemented by the party which relies on violence and is not bound by law.

I. V. Lenin, 1870 - 1924

When you strike at a king, you must kill him.

Ralph Waldo Emerson, 1803 - 1882

Haters of force, just because of their hatred of force, may not, probably will not, avail themselves in a moderately free country of this right to reply to force by force; but it is best that every majority and every government should clearly understand when they use force...it cannot remain the moral privilege of some persons and not others.

Auberon Herbert, 1897

Fortunately, strong measures for defense against the American state are not required at this time, and therefore are not justified. They are not required, because as long as America remains semi-free and a "democracy," there is reasonable hope for peaceful change. And extreme measures are impractical now, and would be self-defeating.

But if we are to win our liberty, we need to get serious in our campaign. We should spend less effort worrying about treading on the tender toes of the statists surrounding us, and far more on devising and implementing realistic, effective strategies. Our standard should be what works best and fastest.

Let's Get Serious!

It is important to appreciate that, in order to achieve liberty, we must influence two different kinds of people, which will require different strategies.

In the first group are those who lean toward liberty. They will be persuaded to support liberty if we communicate to them our principles, and the facts and logic needed to overcome the statist brainwashing to which they have been subjected. However, before we get very much support from this group, we will have to gain credibility so that they believe we are serious and have a sufficient chance of success to make their efforts worthwhile.

The second (and unfortunately, much larger) group is the rest of the public. These people may approve of liberty as an abstract ideal, and resent infringement of their own liberty. But they are apathetic; they fear change and taking responsibility for their own lives. They are motivated, not by principles, but by what they perceive to be in their short term interest, by their emotions, and by what "everybody else thinks." In short, they are inclined toward statism.

It is quite unlikely that we will be able to mount the massive program that would be required to educate this second group in moral philosophy, history and economics, so that their own reasoning would lead them to favor liberty. Even if we could, instead of being persuasive, facts and logic would be resented as offending their beliefs, and thus would generally have a negative effect. We may not like this conclusion, but history and studies of mass psychology bear it out.

Our efforts would be better spent overcoming our own illusion that everyone responds the same way we do to facts and logic. If they did, we would already have liberty.

It is mostly from this second group that the state draws its power to oppress us. If we don't want them standing on

our necks, we will have to do whatever is necessary to convince them to stop. And that will be different from what is needed to convince those in the first group, whose instincts are Libertarian.

The second group will be converted to liberty when, as a result of the efforts of the first group, they come to believe that liberty is "what everybody thinks," that the state is illegitimate, and that liberty is in their short-term interests.

Further, to bring about the change to liberty, they must identify the state as the common enemy of all ***they*** value, and become emotionally charged with hatred for the ***institution*** of government.

There will obviously be some overlap in the strategies we need for these two groups, but, in general, the first group will be persuaded by education, and the second by "pandering to base emotions."

Other than self-imposed limitations, our greatest handicap in developing effective strategies is lack of information. We don't know enough about what works and what doesn't, or why. Often, we don't know the actual effect of something we tried or something we're doing. Our tactics and strategy tend to be based on emotions, guesses and hope, rather than on facts. This has to result in the waste of substantial time and money, and the loss of the progress that could have been made.

We need to ***systematically*** experiment with, and ***evaluate***, different strategies. We don't yet know what will work best, and we won't know until we do what is necessary to find out. We need to use the tools of psychology to learn how to overcome statist brainwashing, and use proven modern methods of mass persuasion. Instead of telling people Libertarian ideas which appeal to us, let's talk to them about Libertarian ideas which appeal to them, and explain them in a way which will change their minds to favor liberty.

We need to learn from advertising agencies, political consultants and successful mass movements--not, of course, their ideas, but their successful ***techniques*** of persuasion and motivation. Everyone who wishes to persuade large numbers of other people must face the hard fact that, to be successful, their sacred ideas will have to be sold much like soap (new and improved, of course).

Affirmation pure and simple, kept free of all reasoning and all proofs, is one of the surest means of making an idea enter the mind of crowds. The conciser an affirmation is, the more destitute of every appearance of proof and demonstration, the more weight it carries.... Affirmation, however, has no real influence unless it be constantly repeated, and so far as possible in the same terms.

Gustave Le Bon, 1895

We are all constantly subjected to enormous efforts to influence our thinking, and thereby influence our behavior. The competition for our attention is intense. Distortion and deceit are not uncommon. People respond to all this with apathy. To penetrate this apathy, a new idea, no matter how wonderful, must be sold. To shorten the time it will take us to learn to sell effectively, we must profit from the success and failure of others.

We must be guided by opinion polls and in-depth attitude studies--in short, market research. Which groups are most likely to favor which Libertarian ideas? Literature and other types of communication methods should be pre-tested on a sample of the intended audience, and modified and retested until the desired response is produced. Different literature, speeches, *etc.*, must be developed for different audiences. We must compare the cost effectiveness of different methods of communication.

We need to follow plans and meet schedules, and to be efficient, determined and organized--all things many libertarians hate. It may not seem like it would be as much fun as doing what strikes our fancy on the spur of the moment. But winning is more fun than losing, and is the best tonic for morale. And winning, and a serious determination to keep winning, are vital to attract the numbers and caliber of people we need in order to succeed.

We need more inspiring songs, poetry, novels and movies about liberty. We need more slogans and words that communicate our ideas briefly and with emotional appeal. We need to learn to communicate the excitement of our vision of a Libertarian society, our passion for justice, our concern for the victims of the state, the ugliness of slavery, the morality of our cause, and the joy and rewards of participating in revolution to free the world.

It is only natural that we should tend to concentrate our scarce resources on opposing the most outrageous injustices. But, realistically, there are too many gross injustices, and they are too firmly entrenched, for us to have much effect attacking them one at a time. So our efforts should be directed toward increasing our ability to fight injustice. Often, of course, a campaign against some particular injustice may serve both purposes.

We must work, not only to increase our own strength, but also to weaken the state. Taking advantage of opportunities to weaken the state may require advancing non-libertarian or distasteful positions.

For example, the public seems upset about government employees getting paid more than private workers. The

libertarian position is that they should not be paid at all--there is no proper level of pay. But if complaining about high pay creates dissatisfaction with government, we should make use of it. It is immoral to pay people who win lawsuits against government with stolen (tax) money, but it would encourage people to fight the state in courts. We oppose rule by majorities, as we do any form of rule, but we should support measures to give the majority the power of referendum, initiative and recall, because they can be useful tools to weaken state power.

Just as it has never been possible to extinguish the yearning for liberty, some people will, even after we have achieved liberty, dream of restoring the power to dominate and obtain unearned gain. Even in the shadow of the monstrous Berlin Wall, with its dramatic example of the value of even a small increase in liberty, people are willingly working to move the wall westward. There can be no more liberty than Libertarians are willing to defend.

Manus haec inimica tyrranus.
(This hand is the enemy of tyrants.)
Motto of Algernon Sidney, ca 1680

They who seek nothing but their own just liberty have always the right to win it, whenever they have the power, be the voices ever so numerous that oppose it.
John Milton, 1644

Did the mass of men know the actual selfishness and injustice of their rulers, not a government would stand a year: the world would ferment with Revolution.
Theodore Parker, 1810 - 1860

Top Priorities

The primary need of the Libertarian movement at this time is more activists to recruit still more activists. While educating the public about liberty has to be the overall strategy, and our understanding of liberty still needs more development, many more activists are needed if we are to have a major impact. So our top priorities now should be on recruiting activists, especially for local leadership, and internal education to make them more effective. The study guide in the appendix of this book is recommended for use in organizing programs for education about liberty.

Against a great evil, a small remedy does not produce a small result. It produces no result at all.
John Stuart Mill, 1806 - 1873

But it should be stressed that ideas do not float by themselves in a vacuum: they are influential only insofar as they are adopted and put forward by people. For the idea of liberty to triumph, then, there must be an active group of dedicated libertarians, people who are knowledgeable in liberty and are willing to spread the message to others. In short, there must be an active and self-conscious

libertarian movement.

Murray N. Rothbard, 1982

Making activist recruiting the top priority doesn't mean that we should do any less public education or political activity. We don't know where to find prospective activists, and these outreach programs help them find us. What is needed is much more emphasis in our present programs on increasing the number of new people attracted to active personal involvement in the Libertarian Movement.

We especially need to encourage person-to-person recruiting because this is our greatest source for growth. It is also important that, once new people become interested in liberty, there be plenty of opportunities to become involved in Libertarian activities and to be stimulated by other Libertarians.

If we are too busy to increase our numbers, because we are trying to cure the ills of the world, we shall succeed at neither.

Do It Yourself

The world you desired can be won, it exists, it is real, it is possible, it's yours. But to win it requires your total dedication and a total break with the world of your past, with the doctrine that man is a sacrificial animal who exists for the pleasure of others. Fight for the value of your person. Fight for the virtue of your pride. Fight for the essence of that which is man: for his sovereign rational mind. Fight with the radiant certainty and the absolute rectitude of knowing that yours is the Morality of life and that yours is the battle for any achievement, any value, any grandeur, any goodness, any joy that has ever existed on this earth.

Ayn Rand, 1957

Now that you have discovered the justice and truth of liberty, you naturally want to share it with friends. However, avoid preaching and confrontations. There are times and places where these are needed, but usually they just cause people to tune you out. Rather than trying to indoctrinate people with your view of the truth, try to get them to think. They will value truth more highly, and understand it better, if they discover it themselves, as you have.

It can be discouraging, trying to get people to think seriously about things. Thinking for oneself is work, and therefore not very popular. But liberty can be achieved and kept only by reasoning and understanding.

The most dangerous man to any government is the man who is able to think things out for himself, without regard to the prevailing superstition and taboos.

H. L. Mencken

The number of those who undergo the fatigue of judging for themselves is very small indeed.

Richard Brinsley Sheridan, 1779

To most people nothing is more troublesome than the effort of thinking.

James Bryce, 1901

Come now, and let us reason together.

Isaiah 1:17

The best way to encourage people to think is to ask questions. ***Keep asking questions*** like: What right does government have to do this? Who has the right to decide this question? At whose expense? Or, Do you believe that violence really solves problems?

If someone appears to have a persuasive argument that some government action is beneficial, ask questions. The facts (especially statistics) are wrong and incomplete; the conclusion is illogical; there are better, just ways of gaining the benefit; or there will be unanticipated bad consequences; and usually all of these.

Bad ideas are usually exposed as silly when carried to their logical extreme. Try to answer a question with a question. Get them to defend statism instead of you trying to prove that with liberty everything will be perfect. After all, it is ***they*** who want to run ***your*** life, so they should have to justify it.

Find out their objections and concerns about liberty. Concentrate on these problems rather than what is important to you. They will answer their own question if you ask them the right questions. Tell them about our ideas only when they ask and really want to know. They are more likely to ask if they aren't afraid of having to sit through a long lecture. Don't discuss too many ideas at one time. Let them have time to think.

When you are explaining liberty, it is very important to communicate in words that can be understood by the listener, and to communicate from the viewpoint of the listener. For example, the same idea may need to be explained differently to liberals than to conservatives, because they have different concerns and perspectives. You might tell a liberal why liberty is good for the poor, and a conservative why it is good for him and that it is the "American way."

Libertarians tend to use unfamiliar words and different meanings for ordinary words. A lot of differences in opinion are really differences in definitions of words. Early in any discussion of liberty, try to get agreement on definitions. It can save a lot of time, and maybe avoid losing a new Libertarian.

Avoid the temptation to relieve your frustrations by trying to shock people with our most radical ideas. People who like being obnoxious would do more for liberty by working

for the other side.

When you are stumped, it is almost always because you have fallen into the traps of trying to prove that liberty will be perfect, or of agreeing with some hidden statist assumption like "laws work," or "government has the public interest at heart." If this happens, stop explaining and start asking.

Many Libertarians hesitate to become personally active in educating the public, because of concern that they may not be effective. But few people are good communicators without practice.

One good way to practice explaining the ideas of liberty is in discussion groups such as described in the study guide at the end of this book. Another good way to develop communication skills is to enroll in a public speaking course or join a self-help public speaking group. By making liberty the subject of your practice speeches for speaking training groups, you may even recruit some converts to the cause!

An excellent method of sharpening one's arguments is to join a socialist group where there is an opportunity to talk to people and participate in discussions. Or simply find a socialist who enjoys a good argument. You will get more practice than you would with someone not as familiar with socialist propaganda, and thus save time. And, you will learn more about socialist arguments.

There are only a few questions that people commonly ask about liberty. With a little practice, you will find ways to answer that work for you. It's a little like going swimming in cool water. Once you're in, it's fun!

Eureka!

Concentrate on finding people who are already Libertarians but just don't know it yet. It takes a lot less time to explain liberty to someone who is sympathetic and already has things pretty well figured out, than to overcome the psychological problems of a confirmed statist.

Men of strong zeal and devotion, who in spite of the passing time have preserved their love of freedom, still remain ineffective because, however numerous they may be, they are not known to one another, they are alone in their aspiration.

Etienne de la Boetie, 1553

There are millions of "closet Libertarians" who think that they are the only ones in the world with such crazy ideas. Share with them your joy in discovering that you were not alone--that there are many others who value liberty, and that we are called Libertarians, and that we are going to change the world with our new understanding of the excit-

ing ideas of liberty!

However, be aware that someone who is already an activist in other causes, but only partly libertarian, is a more likely prospect for developing into a dedicated Libertarian ***activist*** than a solid believer in liberty who has never been an activist. In short, it is often easier to turn an activist into a Libertarian than a Libertarian into an activist.

A possible reason is that "natural" Libertarians tend to avoid public activity, especially organized group activity. This may have been necessary to defend their ability to think independently, against social pressure for conformity. Of course, few people are very active in social and political causes, so it may simply be that Libertarians are like everyone else in this respect.

Regardless of the preferred type or level of activity, we need all the Libertarians we can find, for their intellectual, financial, political and moral support. But the more critical shortage is of activists to lick the envelopes, attend meetings and protest demonstrations, recruit friends, write letters to the editor, and especially to organize, plan, coordinate and make things happen.

Often, all that is necessary to turn Libertarians into activists is to organize a worthwhile project and *ask* them to accept responsibility.

Another way to find them is by getting involved in social action groups, even socialist front groups. Such groups attract people who enjoy working with other people and want to do something about the evils of the world, although they usually don't understand what causes them.

Many Libertarian activists have been activated by an unpleasant personal experience with government. Personal experience opens one's eyes, and anger can be a strong motivator. So activists may be found by contacting recent victims of conspicuous state oppression.

Most of the public is apathetic, and believe the small percentage who are active statists because they hear nothing else. It is this relatively small group of active statists who are our opponents in the contest for the "hearts and minds" of the public. To educate the public and swing public opinion to support liberty, we need only about 1% of the population to be active Libertarians.

To appreciate the importance of person-to-person communications, consider this: if every Libertarian activist today recruited only two new Libertarians per year, and each new Libertarian made the same effort, we could recruit 1% of the population in approximately five years. If you were the ***only*** Libertarian, it would still take only 13 years. Each of

us can make a difference. It is not a trivial task to bring the state to its knees. But we ***can*** have liberty and the peace, justice and prosperity it will bring, if we have the will to do it.

Finally, unity and unanimity are not essential for the success of the Libertarian movement. Diversity is unavoidable and desirable. But we do need cooperation and mutual support. So if you feel the need to criticize other Libertarians who may not be working for liberty as effectively as they could, be helpful and constructive rather than negative. Even better, ***demonstrate*** a more successful way. Remember--a friend of liberty ***is*** a friend!

★ ★ ★ ★ ★ ★ ★ ★

O ye that love mankind! Ye that dare oppose, not only the tyranny, but the tyrant, stand forth! Every spot of the old world is over-run with oppression. Freedom hath been hunted round the globe...O! Receive the fugitive and prepare in time an asylum for mankind.

Tom Paine, 1776

★ ★ ★ ★ ★ ★ ★ ★

Tom Paine, 1737 - 1809

Study Guide for *A Liberty Primer*

Following are review questions for each chapter of ***A Liberty Primer.*** *They can be used in a classroom or for self-study, but are primarily intended as a basis for group discussion.*

For use in a discussion group, it is recommended that there be between four and fifteen participants plus a discussion leader. The job of the discussion leader is to organize the sessions and facilitate the discussion. To emphasize that point, the discussion leader will be called a "facilitator."

The facilitator does *not* need to be an expert on liberty. Too much knowledge of liberty could even be a liability, if it leads to becoming a teacher or preacher.

During the discussion, the facilitator should never lecture, provide opinions or answers, or argue with participants. The facilitator's role is to help the participants to explore questions and to discover their own answers; this is done by asking questions to guide the discussion. If the facilitator is asked a question, it should be answered with a question.

After reading the question to be discussed, and asking each of the participants for their answers to it, the facilitator might ask questions such as:

Would anybody like to comment on that answer?
What do you think of that answer?
Can anyone think of a good argument against that answer?
What problems might that answer create?
Would most people agree with our answer?
What would their objections be?
How could you answer those objections?
How would a conservative or socialist answer that question, and why?
Does the answer make sense when carried to a logical extreme?
Can you give an example?
On what principle is that answer based?
What are the assumptions on which that answer is based?
Explain the logic you used to arrive at that answer.

Can you summarize that answer?
Could there be any circumstances that would change your mind about that answer?
Could you rephrase that question to clarify it?
Can you break your comments into parts we could deal with separately?
What are the harmful effects of such a law?
How do you get the right to force your neighbors to do that?
Who should pay for that?
Who should have the right to decide?
Could you summarize the group's conclusions about that question?
Is anyone not satisfied with that answer?
Has this discussion changed your opinion?
Why?

Some general guidelines for discussion are: as nearly as possible, the participants, including the facilitator, should sit in a circle facing each other ***(this is important)***. In a circle people will respond to each other, not just to the facilitator. The group should decide place, time and schedule. Once a week is probably best, and there should be a scheduled ending time as well as a starting time.

It is a good idea to have refreshments available ***during*** the meetings, with the responsibility rotating, or with each person sharing the cost. Holding discussion meetings could also be a profit-making enterprise for the facilitator who provides the meeting place and refreshments. Studying liberty has a very serious purpose, but having a lively discussion with others who care about liberty should also be very enjoyable.

At the first meeting it is a good idea to begin with everyone introducing themselves with a little background, and the reason they want to learn about liberty and what benefit they expect from the study.

Before the meeting, everyone should read at least the chapter or chapters to be discussed. It is helpful if everyone has read the entire book and then reviewed the chapters to be discussed before each meeting, and it is essential that the facilitator have done so.

It may also be helpful to refer to the book at times during the discussion. However, to encourage independent thinking, a number of questions are included which are not specifically discussed in the book. To answer these questions, participants will need to draw from their own knowledge and experience, and use reason to apply basic

principles.

Some of the questions are provocative enough to take up an entire discussion meeting. So it is a good idea for participants to review the questions and think about their opinions in advance. This will save time in the meeting for discussion of other questions.

Note that some of the questions are phrased as they might be asked by a statist. Watch for the hidden assumptions! (You can make it a game with points for identifying each hidden assumption and collective term.) And if you think any question can be answered in one word, you probably haven't thought about it enough.

The facilitator must keep the discussion focussed on answering the review questions or little will be accomplished. The facilitator might say something like, "That's an interesting subject, but why don't we save it for our Chapter XIII discussion when we can also consider related questions?" Or, "Why don't we discuss that later, after we have covered the list of questions for this evening?"

The purpose of the questions is to get discussion going and guide it so that all of major concepts are discussed. While increasing knowledge about liberty is important, the primary objective of discussion is not to aid in memorizing Libertarian facts, positions and answers. The reason for a group discussion is for the participants to help each other to ***understand*** the ***principles*** and applications of liberty so that everyone will be able to analyze issues, events and questions as they arise.

Many Libertarians lack confidence to talk about liberty with friends and acquaintances, to write letters to the editor, to publicly speak about and debate the issues, or to answer the questions of an audience or of media reporters. But we will never have liberty if we are unwilling to explain and defend it.

The most important factor in having confidence is to know that even if you have forgotten about, or are unfamiliar with, an issue, you will be able to analyze and explain the principles and errors involved. A discussion group provides an opportunity to practice explaining and defending ideas, and to thereby gain the needed confidence. And the confidence will be justified, for principled Libertarian questions and logic can easily demolish socialist dogma.

In the early days of America, the most urgent need was for some means of self-defense for the average man, and the revolver was regarded as "the great equalizer" of men. But today, men need the means of intellectual self-defense even more urgently. And the principled man's guide to self-defense--his "great equalizer"--is his

power to reason.

Robert James Bidinotto, 1982

Each participant will be enriched by the ideas, viewpoint and experiences of the others. Our sources of truth are our own personal experiences and knowledge, analyzed by reason, ***not*** external authority, including this book. A sound rule is that people who discourage debate of all sides of an issue, appeal to emotions, criticize the arguer instead of the argument, or say, "trust me," are probably wrong.

The facilitator should ensure that every participant gets involved in the discussion, by directing questions to anyone who hesitates to join in the discussion. (This is not a common problem except in large groups.)

The first person answering will often provide an answer that the others will merely agree with, perhaps with additions or qualifications. So the facilitator should give everyone the opportunity to be the first to answer a question by rotating the order in which participants respond. Everyone should give his/her answer to a review question before any criticism of other answers is allowed.

To have useful and enjoyable meetings that participants will look forward to attending, the facilitator must not stray from the role of facilitator. He or she should refrain from participating in the discussion, and especially from arguing with a participant. ***The facilitator should not approve, disapprove or criticize anyone's answer or opinions.***

Each participant ***must*** be tolerant of the opinions of others. Differences of opinion should be debated ***only*** by appealing to reason, not by criticizing the persons holding the opinions.

If a participant is discourteous to other participants, it is the responsibility of the facilitator to request (preferably in private) an appropriate change in behavior. If the participant insists on being rude and insulting, the facilitator should politely, and in private, withdraw permission to attend the meetings. Note, however, that this applies only to people who are obnoxious, and not to those who merely hold unpopular opinions. Indeed, a participant who advocated statism could be very helpful to a discussion group.

As far as possible, everyone's questions, criticisms and objections should be resolved by discussion, aided by the facilitator's questions. The purpose of trying to resolve differences of opinion is not to achieve unanimous groupthink, but rather to encourage everyone to think and argue logically, and to understand the arguments against their position.

Often, what appears to be a difference of opinion is

really only a failure to communicate, usually because of differences in definitions of words. Trying to resolve differences can bring this out and improve understanding and communication. When there is disagreement, define terms!

The facilitator should gently discourage people from dominating the discussion, by asking something like, "That's a very interesting idea, but let's see what other ideas people have on the subject."

At the end of each session, it is a very good idea to ask everyone to summarize the discussion and what benefit they got out of the discussion.

Ideally, several new discussion groups should be started on different days of the week, or later at weekly intervals on different days. That way, anyone who had to miss a meeting could keep up by attending the same discussion in a different group. It is especially important that everyone participate in discussions of Chapters IV and V on philosophy and property rights, since this is fundamental to any discussion of liberty.

Attendance will be improved if the facilitator telephones participants a day or two before each meeting to remind them.

If discussion meetings are not sponsored by an organization, it will be necessary to recruit members for the discussion group. The usual method is to ask friends, relatives, neighbors, co-workers and acquaintances, and also ask them to bring others. Organizations of which you are a member are other good sources. Most people will be receptive to an invitation for free refreshments and a "bull session" at your home.

You can also recruit strangers by, for example, posting a notice with your phone number on a bulletin board, sending a letter to the editor of your newspaper, replying to other people who wrote letters to the editor, submitting a meeting announcement to the free public service listings in the paper, or using an available mailing list.

If most of the people you recruit are strangers or not already interested in liberty, it is advisable to first invite them to a "warm-up" meeting where you can explain the program. Those who wish to participate in the discussion series could purchase or borrow copies of this book at that time.

To encourage interest in participation, you might include in your introductory meeting a sample discussion of just one especially provocative question, such as capital punishment, children's rights or government regulation of por-

nography. Such subjects can be discussed in groups of as many as 50 people, and study in advance is not essential.

One approach would be to announce a meeting to discuss some controversial subject, and, at the end, offer those who would like to continue discussions an opportunity to enlist in a group you are organizing. With any approach, interest can be increased by showing a prize-winning Libertarian film such as "The Incredible Bread Machine," or other films produced by World Research, Inc., which are available on YouTube.

More participants should be recruited than the number desired, because there will probably be attrition due to schedule conflicts and disinterest (even shock). If you start with 15, you may have only the optimum 8 - 10 after a few meetings, but this, of course, will depend on the motivation of the participants.

If every participant in a discussion group becomes a facilitator for a new group, the ideas of liberty can spread like wildfire. The discussion facilitator should offer to assist each participant in starting new discussion groups. One good way to train new discussion facilitators is to rotate the responsibility to lead discussions among the participants, after they observe a few meetings to see how it should be done.

How many questions are discussed at each discussion meeting will depend on the group and the time available. Ideally, a meeting should be devoted to each chapter, except that the first two and the last two chapters should be discussed together (a total of 24 meetings). The number of meetings could be further reduced by having seven meetings that would each combine two related shorter chapters (a total of 19 meetings). Those chapters are: I and II, VII and VIII, XII and XIII, XVI and XVII, XX and XXI, XXIII and XXIV, and XXV and XXVI. At the end of whatever discussion series format is adopted, everyone will know a great deal more about liberty, the world, each other and themselves.

I. Liberty And Libertarians

What is liberty? What is the opposite of liberty?

How can we be free to do something if we lack the ability to do it?

Who are Libertarians?

Why do we need to study liberty?

What are the most important questions about liberty for which we need answers?

Why are Libertarians not in favor of having the ideal

social system for everyone?

Summarize what you think are the most important points in this chapter, how you benefitted from the discussion, and any points of disagreement. (***This question should be included at the end of each discussion meeting, but to save space it will not be repeated.***)

II. Why Liberty?

Why do we need more liberty and how do we know that it would be better?

What would be the benefits of liberty?

III. History Of Liberty

Summarize the history of liberty.

How have ideas affected the history of liberty?

Why do so many writers examine history as if it were the struggle between different power-seekers, rather than as the struggle between liberty and power?

How would you answer someone who said, "Without government, we'd still have child labor and sweatshops?"

How would the world be different today if there had been much more liberty in the past?

How did we lose the liberty that was won in the American Revolution?

What role have courts and the Constitution played in the protection of, and the loss of, liberty?

What liberties do we still have?

How would you reply to someone who asked, "It's a free country, isn't it?"

Why is government power unstable, tending either to grow or to shrink?

Why do people say that Libertarians want to live in the past? How would you answer someone who said that the Libertarians want to take us back to the days of the horse and buggy?

Why isn't it true that liberty is an obsolete idea, which is no longer practical in our complex modern society which needs more government control?

In what ways are modern governments different from ancient tyrannies?

How would you reply to someone who said that socialism is the historically inevitable wave of the future?

Why has the Libertarian movement become much more active at this point in history?

IV. Principles And Philosophy Of Liberty

What are moral principles, why do we need them, and why are other people's moral principles important to us?

What are the best arguments to prove the morality of liberty?

What are the rights and responsibilities of liberty?

How do the rights of groups, such as society, differ from individual rights, and why?

What are the arguments for and against self-ownership?

What is collectivism, and what is wrong with it?

Is there such a thing as natural law, and why?

What is the Libertarian position on the use of force, and why?

What do Libertarians mean when they use the words force and slavery?

Are you a slave, and why?

Why do Libertarians consider stealing, fraud, breach of contract and extortion to be force, when there is no violence?

What are your rights, and the limits of your rights, of self-defense against the initiation of force?

What is the difference between a Libertarian and a pacifist?

Why is it not moral to use force to aid a victim against an attacker, without the victim's agreement?

When do ends justify means, and why?

Why is liberty the only way to end war?

What are the arguments for and against the concept that all political action and governments are based on force?

Under what circumstances do we have a right to use force to aid an adult?

Who should be liable for actions which harm people only because they are abnormally sensitive?

What could Libertarians morally do if a neighbor stored large quantities of toxic waste or dynamite close by?

What rights do children and parents have?

When a child is too young to ask other people for aid against abuse by parents, under what circumstances could others justly intervene?

What should be the Libertarian position on abortion, and why?

Should Libertarian philosophy include personal ethics, and, if so, what should the principles be?

What is wrong with slander, libel and blackmail, and why?

Under what circumstances would it be moral for a Libertarian to lie, and why?
Give examples of situations in which it would be, and would not be, moral to organize boycotts and protests.
What motivates people other than self interest?
What is our moral obligation to help other people, and why? What is wrong with altruism?
Explain the psychological techniques used by exploiters.
Why do many people fail to consistently judge issues by (and follow) moral principles?
Is there an absolute right and wrong, and why?
What's wrong with just being practical?

V. Liberty And Property Rights

Why do we need property rights to have liberty?
How free are we, compared to complete liberty?
Why is there no difference between human rights and property rights?
Give examples of personal or civil liberties which do not require economic liberty.
Why do we need property rights, and why can't everything just be left unowned or owned in common?
Who has the right to become the first owner of property, and why?
In what other ways can someone become the just owner of property?
How much land can a first owner justly claim, and how far above and below the land do his/her ownership rights extend?
What are the rights of ownership, and what questions can be decided by ownership?
How can littering be controlled, and who should pay for cleaning it up?
If all land were privately owned, how could people without land find room to exist?
What harm does government ownership of resources cause?
What is the difference between breach of contract and fraud?
How can you tell whether a binding contract has been made?
Does paying a "consideration," or down payment, make a contract binding, and why?
When you make a contract, what is your responsibility for the satisfaction and safety of the other party?
If you knew that land contained valuable mineral de-

posits, but the owner didn't, would it be just for you to purchase that land without disclosing that fact to the owner, and why?

Who owns water, oil and natural gas that flow across property lines? What would prevent them from being wastefully used just to establish a property right to a larger amount?

What claim would you have against a neighbor who lowered your property value by letting her house become an eyesore, and why?

Are the rights of neighbors violated by someone maintaining unsanitary conditions that encourage rats, and why?

What are your rights, and why, if: (a) someone promised you a gift and then changed his/her mind; (b) someone gave you a gift which proved defective; (c) someone gave you a gift which harmed you?

What is restitution, who should receive it, and how much should they receive?

If someone breaches a contract made with you, but returns your original property, are you entitled to any other settlement?

If you pay someone to sing, but she doesn't, are you morally entitled to force her to sing, and why?

Under what conditions could you morally use force to recover your stolen property from an innocent person who purchased it from a thief?

How could we have property titles without government?

Under what conditions could American Indians justly take back land which was originally owned by their tribe?

Should a tribe that moves from place to place over a large area of land have first ownership rights over the entire area?

VI. Economics And Liberty

Which offers the best way to convince people to favor liberty: philosophy or economics, and why?

Why does liberty produce the highest possible standard of living?

Why shouldn't government pass laws requiring that we do what is best for everyone?

What does government do, and what should it do?

What's wrong with government creating jobs, or helping business create jobs?

If private-business doesn't produce inventions needed by society, why shouldn't government do it?

Give some examples of government actions that appear beneficial, and explain why they are not.
Why shouldn't government take care of the poor and unfortunate--don't you Libertarians have any compassion?
How would we get along without government services?
What is the best way to answer someone who says, "The government should do for the people what the people are unable to do for themselves?"
What is wrong with the old saying, "The rich get richer and the poor get poorer?"
What is capital, and why do we need it?
Explain the wide difference in the standard of living among countries.
Shouldn't greedy capitalists be prevented from making profits by exploiting workers?
Explain what is wrong with the idea that the government can do things more cheaply because it doesn't have to make a profit.
Why should we believe that people who can't possibly take care of themselves wouldn't starve if you took away their government programs?
Give ten examples of laws that produce the opposite result from that intended.
How does government cause problems by separating costs and benefits?
What role has government played in the decay of urban America?
Why shouldn't we pay taxes for the government services that we use?
What's wrong with the government providing services, as long as we get what we pay for?
How would you go about getting a political law passed to benefit your special interest at the expense of others? And how could these tactics most effectively be opposed?
What is the meaning of the term, "public good?"

VII. Economic Regulations

Why is regulation unjust?
Why does government want to regulate people?
How could people organize their lives and get things done, without government to direct them?
Why is spontaneous order better than imposed order?
Why can't government regulation work to correct free market failures?
List occupations and businesses that you think should

be licensed, and explain why you think they should be.

The main reason given for establishing licensing laws is to ensure quality in the services provided. Do you think licensing is a good way to accomplish this? Why?

Why does regulation harm people?

Why doesn't government regulation work to reduce crime?

Explain the difference between excuses and reasons for regulation.

Who are the special interest groups who support government regulation, and why do they?

Why shouldn't there be at least some regulation to protect free enterprise by defining the "rules of the game?"

Why should we criticize *all* bureaucrats, when at least some are nice people who are sincerely trying to help others?

What is wrong with bribing government officials?

VIII. It's A Free Country, Isn't It?

Why do people tend to think that we have much more freedom than we actually do?

Give examples from your own experience of harmful regulations.

Why isn't it a good idea for government to set minimum quality standards for goods and services?

Why wouldn't buildings become hazardous without building codes?

Shouldn't the government regulate day care and nursing homes to protect innocent children and the incompetent elderly from unscrupulous operators?

Why is government drug regulation harmful?

Why isn't safety too important to leave up to business?

Why would the free market do a better job of regulation?

Shouldn't there be a crackdown on waste and fraud in government, and why?

What motivates consumer advocates such as Ralph Nader?

How would you answer someone who said, "Business should not abuse its social responsibility?"

If we had a free market, how would we get the information we need without government to require it or supply it, and how could we be protected against misleading information?

How would the free market do a better job than the gov-

ernment, in controlling pollution?
How would you define poverty?
How could the free market do a better job than government, in protecting the poor, those unable to take care of themselves and those who do not know what is best for themselves?
How would you respond to someone who said that Libertarians don't have compassion for the poor and underprivileged?

IX Free Money

Who is harmed by inflation, and why?
What is inflation, what causes it, and why does it increase prices?
How would a free market bank differ from present banks?
Why is it that an increase in the price of one specific thing will not increase the average price level, unless there is inflation?
Who advocates inflation, and why?
How does inflation create temporary prosperity?
What problems does inflation cause, and why?
What should be included in the total cost of inflation?
Why does it take a continuously increasing inflation to maintain an inflationary boom?
What caused the great depression of the 1930s, and how was it ended?
How would you answer someone who asks, "If free enterprise works, why did we have the Great Depression?"
What is wrong with the government regulating the money supply to prevent disruptive business cycles?
What is stagflation, and what causes it?
How could inflation be stopped and be prevented from happening again?
Why isn't recession a cure for inflation?
Why wouldn't there be chaos if the government didn't issue and regulate the value of money?
How does government borrowing affect the economy?
Why does government like to borrow money, and why do banks like to lend it to them?
What should be done to solve the crises in the international financial system?
Comment on the following actual news story:

The chief industrial countries can now safely promote faster economic growth because of the progress they have made in reducing inflation, finance and foreign ministers from the 24 member nations of the Organization for Economic Cooperation and Development said yesterday.

X The Prices Of Liberty

How do people decide what prices they will pay and what prices they will sell for?
Why do we need money and prices?
How does cost affect trading prices?
Why shouldn't we eliminate "middlemen" so producers and consumers could get a better deal?
Why is there no such thing as a "fair price?"
Why shouldn't prices be based on cost or need?
Why do people believe that prices should be based on cost or need?
How does the law of supply and demand affect prices?
Why do diamonds cost more than coal, when they are both made of carbon?
Why shouldn't government provide needed services such as mass transit, even though they lose money?
Why are people often unhappy about market prices?
Why does government like to control prices?
Why don't wage and price controls work?
What problems are caused by government price controls?
What causes the high housing prices that sometimes lead to demand for rent control?
What would you say to someone who said that government price controls don't cause a loss of liberty because they control prices, not people?
Why is a mixture of liberty and socialism unstable, tending to go one way or the other?
Why do price controls sometimes lead to a dictatorship?
Why is speculation beneficial, rather than harmful, as is often assumed?
Respond to someone who said, "No one must profit from the misfortunes of others."
Is it moral for a shopkeeper to double the price of snow shovels when a very bad blizzard hits town, and why?
Wouldn't it be better to freeze food prices during a famine, and ration the food so everyone gets a fair share, and why?
Why shouldn't government control wages to ensure that everyone is treated fairly and paid equally for comparable work?
The minimum wage is obviously unjust and harmful, so who is supporting it, and why?

XI Liberty And Labor

What are the causes of unemployment, and how can it be prevented?

What is wrong with government providing assistance to the unemployed so they won't suffer as much while waiting for jobs to become available?

Why shouldn't women, young people and aliens be prevented from taking jobs away from men who are supporting families?

How does automation affect employment, and why?

What should be done to create more jobs?

How would a minimum wage law affect union membership, and why?

What right do union workers have to protect their jobs and wages?

Reply to the following (actual) letter to the editor:

I think because of the economy today now would be the perfect time to start the 32 hour work week with 32 hours paid. This would have to be nationwide. This would employ many more people. It would cut unemployment rolls, put people back to work, plus now they would be paying taxes, social security, etc. *instead of collecting. For those who could not get along on 32 hours, we could take a part-time job to make up the difference. Jobs would be plentiful. More leisure time would be available for many people.*

XII Monopolies

Name some examples of monopolies that are not protected by the government.

Without government regulation, what would prevent unfair competition and monopolies from harming consumers?

What are the actual effects of antitrust laws?

What would happen if the antitrust laws were repealed?

Why do antitrust laws harm small companies more than large companies?

How would you run a business to avoid problems with antitrust laws?

Should government allow people to conspire to fix prices, and why? If so, should price fixing agreements be enforceable in court, and why?

Why are antitrust laws unjust?

Who benefits from antitrust laws, and why?

If antitrust laws are so bad, why were they passed, and why do we still have them?

Why is a free market monopoly impossible?

How does government encourage companies to become larger than they would be in a free market?

Assuming you had plenty of money, describe how you could go about getting and keeping a monopoly for some manufactured product.

Same as above except for a corner on some natural product.

XIII The Real Monopolies

Why shouldn't government own, grant and regulate monopolies to protect consumers from cutthroat competition, and to ensure adequate supply of essential services?

If monopolies are not in the public interest, why does government grant them?

What problems occur when government operates a medical care system?

Why shouldn't we save money by eliminating the duplication of wasteful competition?

In general, what would happen if government's power to own, grant and regulate monopolies were abolished?

Without government licensing, how would we know which doctors are competent?

What would happen if bus systems, taxis, and other forms of local transportation were privatized and deregulated?

What would prevent utility monopolies from charging outrageous prices if the government monopoly franchise and regulation were suddenly ended?

It's convenient to have government build and maintain roads and streets, so what's the harm, and why should we have to take care of it ourselves?

If roads and streets were all private, who would maintain them and build new ones, and what would prevent the chaos of having different traffic rules and signs, and having to frequently stop to pay tolls? What would prevent owners from discriminating against minorities?

XIV Thought Control

How could we maintain our democratic form of government if government didn't require that all children be taught to be responsible citizens?

How could we keep our country unified, and promote social harmony if every religious, racial, ethnic and socio-economic group had their own schools instead of mixing in public schools?

How would children be assured a good education if compulsory education laws didn't require that they be sent to approved schools?

Why shouldn't the community decide what children are taught and the experiences they are exposed to in school?

What are the obligations of parents in the education of their children?

Is education essential, and why?
Under what circumstances would lack of education constitute child abuse?
Since everyone is educated at state expense, and since society benefits from education, why shouldn't everyone be required to pay his or her "fair share" of school expense?
Summarize the arguments for and against government control and financing of education.
What would be the benefits of letting a free market provide education?
Why would anyone favor tuition tax credits that would mean government subsidies for religion, and leave only the poor, handicapped, disruptive and minority students in public schools?
Why should someone have a right to own an idea?
What right do we have to keep secrets?
What should be the obligation of someone who accidentally learns another person's secret, and why?
Does a criminal have a right to enforce contracts with his accomplices for secrecy about the crime, and why?
What is wrong with the government system for protecting intellectual property?
Should inventors have a monopoly on their inventions?
What rights of privacy do we have?

XV Resources Of Liberty

Why are people concerned about future shortages of natural resources?
Why is it that only Libertarians can be true environmentalists?
Why shouldn't government regulate natural resources to ensure that consumers do not pay exorbitant prices and to prevent shortages?
What will happen when we run out of our reserves of our vital resources?
What limits the available amount of a resource?
What are the arguments for and against continued progress and availability of resources, and how do you evaluate these arguments?
What should be done about overpopulation, and why?
Reply to the following (actual) letter to the editor:

...concerning the articles that were in your paper concerning the families that are in inappropriate housing. The one thing that gnaws at me, that keeps coming up: these people that are having eight and nine children that are being taken care of by the state. My husband and I are both employed and we have two children because we felt that it was our responsibility to care for them.

Why are these people having so many kids?

How will the world be able to feed itself if all the good farmland is used for urban development? What causes urban sprawl, and shouldn't it be controlled?

What should be done about world hunger?

Everything depends on energy that is lost forever when it is used, so how can we best protect our energy supplies so that no one freezes in the dark?

What should be done to ensure that we don't waste our resources and make sure that there is enough for future generations, and why?

XVI Economic Power

What is power?

What is the difference between economic power and government power? Why do people confuse the two?

Which has the most economic power--corporations, consumers, or employees, and why?

How could someone be exploited in a voluntary trade?

Criticize the statement, "Business opposes government regulation because it wants to exploit workers and consumers."

Why can't we get paid what we're worth?

Why wouldn't we be wealthier if we all had twice as much money?

Is it true that a business which isn't making a profit is wasting resources, and why?

How would you answer someone who says that we can't allow competition at the expense of human beings?

Why shouldn't government do something to prevent companies from moving out of communities that depend on them, just for profit? Why shouldn't such companies have to pay for the suffering they cause?

How would you answer someone who said business owes employees continued employment because business can move but labor can't?

Should dog-eat-dog competition--with its cruel exploitation of the little person--be replaced by socialism, where we would all be treated fairly? Why?

XVII Equality

Explain the different kinds of equality. Which do you prefer, and why?

What causes intolerance and discrimination?

Without government regulation, how would we ensure equal rights and prevent discrimination?

Why would intolerance and discrimination be reduced in

a free market?

Who wants redistribution, and why?

What has to be done to ensure that everyone is equal?

Why does central planning of an economy always lead to a lower standard of living?

Why should some people have a lot more than other people?

Reply to the following (actual) letter to the editor:

Is there someone out there anywhere that can answer this question that has been bothering me for a long time? Who on this earth is worth an $8 million paycheck for a job they do? ...even the president of our nation does not receive paychecks of this magnitude. Is there something wrong with our society, or the American way of thinking that allows many sports figures to demand and worse yet, receive this kind of money? Where are our priorities? Just think what a few paychecks like this would do to clearing up our national debt.

Why is it that the Vikings--whose moral code included murder, pillage, raping and attacking peaceful peasants--are modern heroes, whereas industrialists who have raised our standard of living by mass production are considered villains because they did it for a profit?

Why should production belong to the producers?

Why doesn't redistribution help the poor?

How much redistribution is there in America, and what is its effect?

Reply to the following (actual) letter to the editor arguing for farm subsidies:

Agriculture is unique. If a surplus of buggy whips floods the market and lowered prices force buggy whip manufacturers out of business, this is a function of the law of supply and demand.

You cannot apply the same logic to agriculture. The law of supply and demand would dictate that enough farmers be forced out of business to reduce production to only that for which there is a demand. But no one can guarantee that this year, or next year, or the year after, our farmers will be able to produce enough to meet the demand. We cannot allow agriculture to respond to the law of supply and demand if we are to meet that necessity of self-sufficiency. There may be too many farmers today but a series of lean years could prove there are too few.

How come everyone is doing so well, if government is as bad as you Libertarians claim it is?

What are the most common economic misconceptions, and why are they wrong?

XVIII Liberty And Justice For All

What are the major shortcomings of our criminal justice system?

To provide criminal justice, what should be the role of society, of the state and of the victim? Why?

What is restitution, what should be included in restitution, and how can restitution compensate for suffering and permanent injury?

How could the victim of a crime go about catching and prosecuting the criminal, especially if the victim is poor or dead?

What could be justly done to force a criminal without any assets to pay restitution?

How could a crime victim be paid restitution if the criminal were already paying restitution for another crime? What if the criminal already owed more restitution than could be paid in a lifetime? What should be done to prevent such "life" criminals from committing additional "free" crimes?

What problems might occur in the Libertarian system of justice, and what would be the best ways to solve these problems?

What should be the Libertarian position on capital punishment, and why?

Should it be a crime to urge other people to commit a crime, and why?

In a Libertarian society, should someone be held responsible for committing a murder if he hired someone else to actually do it, and why?

What would be the benefits of changing to the Libertarian justice system of restitution, from the present system?

Discuss the morality of enforcing Sunday closing laws to improve public morals.

Reply to the following (actual) letter to the editor:

> *The radio talk shows are very wonderful, informative, enlightening--very interesting. It's a pleasure to listen to them. But every once in a while you get something that is offensive to moral and mental taste. The bedroom stories should not be discussed on the phone. Either have personal counselling or have them call personally, but not on the air. These things like oral sex or erections, that's awful. That's not for radio airing and should be very carefully censored, I think.... We want to be a decent moral community.*

What are the arguments that are advanced in favor of keeping "victimless crime laws," and how should Libertarians answer these arguments?

Should there be laws (explain your answers) against offending others by storing junk in the front yard, practicing witchcraft, nude gardening, killing and eating dogs and cats, and torturing animals?

How should the Libertarian justice system treat people who commit crimes and claim they should not be held responsible because they were insane or on drugs?

How would you answer someone who asks, "Is it true you Libertarians want to legalize heroin?"

What should be the Libertarian position about children being involved in "victimless crimes" such as drugs, prostitution and pornography? (If you solve this problem, please notify the author.)

Why are people motivated to support gun control or prohibition? How do these reasons differ from those of people who support other "victimless crime laws?"

What are the arguments for and against gun control? What is your position, and why?

What are the main differences between Libertarian civil law and the present system of civil law, and how does Libertarian civil law differ from Libertarian criminal law?

Who should be responsible for restitution if one of your employees injures another of your employees, or an innocent passerby?

Under what conditions should there be legal imitations on liability?

Does nuclear power violate human rights, and why?

What problems might be caused if eminent domain laws were abolished, and how could these problems be solved?

How could we know what laws to obey without a legislature to decide?

Explain why everyone being good is not necessary to achieve a Libertarian society, but it is necessary for the concept of government to be valid.

If people's behavior can be influenced according to what they read and see on television, shouldn't TV be controlled to encourage better behavior?

What is the best way to reduce the crime rate, and why?

XIX. Foreign Relations And Defense

How would living in a Libertarian world be different from the present?

What would be the best way for people living in a Libertarian country to aid those people living in other countries who seek more freedom?

What are the moral limits to defense against aggression?

Is mutual deterrence a moral and effective way to promote peace? Why?

Are nuclear weapons moral? Why?

How should a Libertarian America be defended against a non-Libertarian world?

Is disarmament a good idea? Why?

Could a Libertarian America justify using a government to force people to pay for defense and go along with defense policy? Why?

What are the pros and cons of a non-interventionist foreign policy? What is your view?

What should be the Libertarian position on defense and foreign policy in the present non-Libertarian world?

What's wrong with mutual defense treaties? After all, people have a right to agree to help each other against an aggressor.

What should be the Libertarian attitude toward the United Nations?

Why shouldn't America give aid to foreign countries when it will help to defend themselves and us against communism?

What would you say to someone who said that the welfare state is necessary to keep us and other countries from going communist?

How would you answer someone who said that immigration should be drastically reduced to protect American jobs and the American way of life?

Reply to the following (actual) letter to the editor:

If Americans would purchase American-made products we could control how much is imported from other countries. Even if we have to pay a few extra dollars, it's better than paying it through our taxes to unemployment and welfare. Let's give people back their dignity by creating jobs for them and securing the jobs we already have.

What is the effect of a surplus or deficit in the balance of trade?

What is the moral difference between conscription and being forced to pay for defense?

What causes war?

Why is it that the more socialistic a government is, the more likely a nation is to go to war?

What are the principal theories on how to prevent war, and the pros and cons for each?

Should America have fought its many wars, and why?

How would you answer someone who said that wars are caused by greedy defense industries?

How would you answer someone who said that we need a war to have jobs and prosperity?

Should Libertarians trade with foreign countries, where goods are produced by slave labor?

What's wrong with having a world government that could end war between nations?

XX. Is Liberty Right Or Left?

What is wrong with the left-right system of political clas-

sification?
Explain the Libertarian system of political classification, and why it is more logical.
What is socialism?
How would you rebut the following argument? Communism has some problems, mostly because of central planning, but we should try a new idea--democratic socialism--because it is decentralized, with everything under worker control.
How would you answer someone who defends socialism by saying that socialism works in Sweden?
List the different names for statism, and explain the differences and similarities.
How do statists justify statism?
How do statist political systems differ in their treatment of private property?
What are the differences between the American economic system, and fascism?
What is anarchy?
What is capitalism?
What is democracy and how does it differ from liberty?
What are the problems with majority rule?
How can government power be limited, to protect minorities?

XXI. Liberty And Language

What is the difference between liberals and Libertarians?
How would you reply to someone who said that everything should be under public ownership so that "We, the People" will own it?
What are the best words to use to describe a person who believes that "might makes right"--that the initiation of force is justified?
Give examples of how statists try to advance their arguments with hidden assumptions.
If taxes were cut, how would we pay for government programs to help the poor?
How would you respond to the question, "Are you trying to say that you know more about economics than Professor Galbraith, that famous economist?"
How can Libertarians best overcome the handicap of statist language to win the battle of words?

XXII. Government

What are the ways with which people can deal with each other in society?
What is government?

Compare the moral position of government with that of the Mafia.

What are the arguments for and against a minimum government, and what should be the Libertarian position?

If no one had power, who would keep order?

What are the arguments for and against taxation?

Reply to the following (actual) letter to the editor:

I have a lot of friends who are waitresses and bartenders and they get away without paying tax on their tips they don't claim at all. Other people that work have to claim it all and are paying out taxes and why shouldn't they? That's the way I feel about it.

How could government be operated without taxation?

Explain how liberty could cut the crime rate by over 90%.

Should Libertarians advocate the gradual or the immediate elimination of government oppression, and why?

What should Libertarians do when they gain control of the government of your city and of your state?

When Libertarians are in control of the national government, how should they go about reducing government?

What should be the Libertarian position on paying government debt, and why?

XXIII. Why Government?

What are the techniques governments use to maintain their power?

What has been the historical relationship of governments to intellectuals and artists, and why?

How does government use its control of education to maintain its power?

Discuss what you feel are the main reasons people support statism.

How would you answer someone who says, "I'm paying for it, so I might as well get my share?"

How would you answer someone who accused you of being unpatriotic for criticizing the government?

What is the best way to convince people to support liberty instead of statism?

How can you tell whether or not someone is a statist?

How do you think liberty could be achieved within the next twenty years?

XXIV. Speaking Of Liberty

Explain what is wrong with Lincoln's famous quote, "Government of the people, by the people, and for

the people."
Explain why the Constitution does not justify government.
How would you reply to someone who argued that taxation is justified because you owe a debt to society, and because you have used government services and voted in elections?
How would you reply to someone who said we have to obey the law because we live in a democracy?
What has been the effect of the American court system on liberty, and why?
What do we have the liberty to do, free of government interference?
What freedom does government deny us?
Give examples of good things people have accomplished without the help of, or in spite of, government.
Explain why, in a democracy, many laws are passed which would be opposed by the great majority of the public.
How could we get along without government services?
How would you answer someone who claims that everyone has a right to enough to eat, good health care, an education, and a good job?
How would you answer someone who said that our society is too selfish and materialistic?
How would you explain to someone that the poor would be better off in a Libertarian society?
How would you answer someone who said that without government there would be chaos and anarchy?
Which did you think were the most effective statist arguments? Libertarian arguments?
What was the weakest Libertarian argument? Suggest an improvement.
Note: It could be helpful to have participants read the parts, or to present "Conversation with a Statist" as a play.

XXV. Liberty And You

Why should you sacrifice to help the cause of liberty?
What difference will liberty make in your life?
What things could you do to help liberty?
What do you plan to do about liberty?

XXVI. Strategy For Liberty

What do you believe will have to happen to achieve liberty?
If you were a statist, how would you go about trying to

increase your power? Compare your strategy with the present statist strategy.

What useful lessons can Libertarians learn from statist strategy?

Should Libertarians vote for the lesser of two evils, and why?

What are the advantages and disadvantages of lobbying and working through the statist parties as a Libertarian strategy?

Is working for the government or holding political office a moral crime, and why?

What are the advantages and disadvantages of trying to elect Libertarian Party candidates to office as a Libertarian strategy?

Should Libertarians adopt a political strategy or a non-political strategy, and why?

What is the major philosophical difference between today's Libertarian movement and the Libertarian movement at the time of the American revolution?

Why is having a Libertarian country the vital first step in world liberation?

Analyze the strategic advantages and disadvantages of refusing to collaborate with government.

What are the moral limits to actions Libertarians may take to achieve liberty?

Are Libertarians too nice to win liberty against unprincipled statists? Why?

What are the most important points to remember when trying to recruit a new Libertarian?

What do you think is the best strategy for the Libertarian movement?

Recommended Reading

The order of listing in each section considers three inconsistent factors--importance, difficulty and cost. Only a very few of the books, magazines and organizations of interest to a Libertarian are listed. Some may fault the selections, but the author believes they are the most useful to someone new to the libertarian movement.

Books can be special ordered from bookstores. Some books are available also through The Institute for Humane Studies, Cato Institute, Foundation for Economic Education and the Libertarian Party; URLs are in the Magazines and Organizations section.

Basic

For those with very limited time or budget--all are paperbacks and easy to read.

For a New Liberty -- Murray Rothbard (325pp, $6.95); a classic general book on liberty.

Atlas Shrugged -- Ayn Rand (1084pp, $4.95); Ayn Rand's masterpiece--presents her philosophy in an exciting novel.

Natural Law -- Lysander Spooner (20pp, $0.75); the case for natural law.

The Law -- Frederic Bastiat (76pp, $1.25); written in 1850, reads as if it were written today. (Note: this is included in Selected Essays in Political Economy, listed under Economics)

No Treason -- Lysander Spooner (72pp, $2.50); written over 100 years ago, but still the best attack on the legitimacy of government. Read this book!

Economics in One Lesson -- Henry Hazlitt (214pp, $5.95); easy to read economics for laymen.

The Incredible Bread Machine -- Campus Studies Institute (183pp); explains why government doesn't work.

General

The Road to Serfdom -- Friedrich A. Hayek (240pp, $4.95); why government can't work.

The Right and Wrong of Compulsion By the State -- Auberon Herbert (425pp, $3.50); a collection of wonderful essays written between 1880 and 1906.

A New Beginning -- Ed Clark (135pp, $1.00); campaign book by 1980 Libertarian Party candidate for President.

Society for Individual Liberty Issue Papers (set of about 50 papers, $2.00); the address is listed under magazines.

Libertarian Party Platform and Issue Papers; the address is listed under magazines.

Restoring the American Dream -- Robert Ringer (316pp) general case for liberty in laymen's language.

The Moon is a Harsh Mistress -- Robert Heinlein (302pp) great science fiction about libertarian colony on the moon.

Defending the Undefendable - Walter Block (256pp) how some unpopular people help make the economy work.

The Libertarian Alternative -- Tibor Machan (549pp) a collection of essays on liberty--somewhat academic.

Liberalism -- Ludwig von Mises (207pp); principles of liberty from economic viewpoint.

Civil Disobedience -- Henry David Thoreau; the "bible" of non-violent protest written in 1849 and later successfully used by Gandhi and many others. Only 19 pages long, it is usually found in books with other writings of Thoreau, sometimes titled **Essay on Civil Disobedience**, or **The Duty of Civil Disobedience**. For example, **Walden** and **Civil Disobedience** (254pp).

Almost anything by Lysander Spooner, Frederic Bastiat, Ayn Rand, Ludwig von Mises, Henry Hazlitt, Milton Friedman and especially Murray Rothbard is worth reading.

History

Conceived in Liberty, Volumes I-V -- Murray Rothbard

American history from 1600 to 1800. Fascinating! History as it really happened, rather than the fairy tales taught in government schools.

Forty Centuries of Wage and Price Controls -- Schuetlinger and Butler (180pp); you'd think we'd learn!

The Triumph of Conservatism - Gabriel Kolko (331pp) Business ***asked*** for government regulation.

The Politicization of Society -- Kenneth Templeton (542pp); collection of essays.

Philosophy

The first three "Basic" books are also good on Philosophy.

Capitalism, The Unknown Ideal -- Ayn Rand (349pp) the title says it all.

For The New Intellectual -- Ayn Rand (192pp, $1.95); selection of Rand's writings.

Two Treatises of Government -- John Locke (477pp) a classic, written 300 years ago.

Social Statics -- Herbert Spencer (426pp); good libertarian analysis of government, written in 1850. Nothing has changed.

Vices Are Not Crimes -- Lysander Spooner (46pp); the case against victimless crime laws.

The Ethics of Liberty --Murray Rothbard (268pp) summary of Rothbard's views on Libertarian philosophy.

Anarchy, State and Utopia --Robert Nozick (353pp) argues for minimum state. This 1974 classic is heavy reading, but full of good stuff between the academic razzle-dazzle.

Economics

The Wealth of Nations -- Adam Smith (622pp); the 1776 classic by the father of economics.

Selected Essays On Political Economy (335pp) and **Economic Sophisms** (221 pp) -- Frederic Bastiat;

Written between 1849 and 1850, the essays collected in these two books are still among the best popular explanations of why government interference in the economy harms everyone. Often uses amusing parables. Especially good on foreign protectionism. The first book includes The Law, which is listed under Basic Books.

Free to Choose -- Milton & Rose Friedman (326pp, $2.95); popular account of the economic benefits of liberty.

What Has Government Done to Our Money? -- Murray Rothbard (62pp, $2.00); best explanation of inflation.

Power and Market -- Murray Rothbard (296pp) the the economic effect of government. Highly recommended!

The Government Against The Economy -- George Reisman (207pp); non-technical account of how government intervention causes harm.

Earth's Resources - Robert Smith (150pp); how government causes pollution and discourages conservation.

Man, Economy and State -- Murray Rothbard (945pp), general explanation of economic principles.

The Ultimate Resource -- Julian L. Simon 455pp debunks resource scarcity and shows why mankind is the ultimate resource.

Antitrust and Monopoly--Anatomy of a Policy Failure -- Dominick T. Armentano (292pp); 1982 revision of his 1972 book, **Myths of Antitrust.**

Psychology

The Anti-Capitalist Mentality .. Ludwig von Mises (128pp); why statists think that way.

The Discourse of Voluntary Servitude -- Etienne de la Boetie (88pp); Oldie but goodie! Beautifully written in 1553, it explains why people submit to tyranny when they could have liberty by refusing to serve.

The Psychology of Freedom -- Peter Breggin (254pp) this easy-to-read book explains why liberty is essential for happiness and fulfillment. Emphasizes ethics and children's rights.

The Psychology of Self-Esteem .. Nathaniel Branden (245pp); similar to the above books but more philosophical and technical.

The Crowd -- Gustave LeBon (219pp, $6.50); written in **1895, but still one of the best books on mass psychology.**

Magazines and Organizations

Subscribe to as many as possible!

Reason Magazine, Reason Foundation, 5737 Mesmer Ave, Los Angeles, CA 90230 reason.com; well written libertarian monthly magazine. The Reason Foundation also publishes Reason Papers, books, *etc.*

Liberty International newsletter, free, liberty-intl.org; good libertarian newsletter.

The Freeman, free on request; The Foundation for Economic Education, fee.org conservative-leaning monthly libertarian magazine.

LP News, Libertarian Party, 1444 Duke St, Alexandria VA 22314, LP.org 800 353 2887

Literature of Liberty, $12.00; Institute for Humane Studies, theihs.org; quarterly scholarly journal with summaries of articles published in other journals. The Institute for Humane Studies holds many conferences and seminars throughout the U.S. on economics, law, philosophy, history, *etc.*, related to liberty.

Cato Journal, Cato Institute, 1000 Massachusetts Ave NW, Washington, D.C. 20001 cato.org; also publishes Policy Report, books, *etc.* Semi-annual scholarly journal.

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Well, my book is written--let it go. But if it were only to write over again there wouldn't be so many things left out. They burn in me; and they keep multiplying and multiplying; but...they would require a library--and a pen warmed-up in hell.

Mark Twain, 1889

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Liberty Bell, 1751