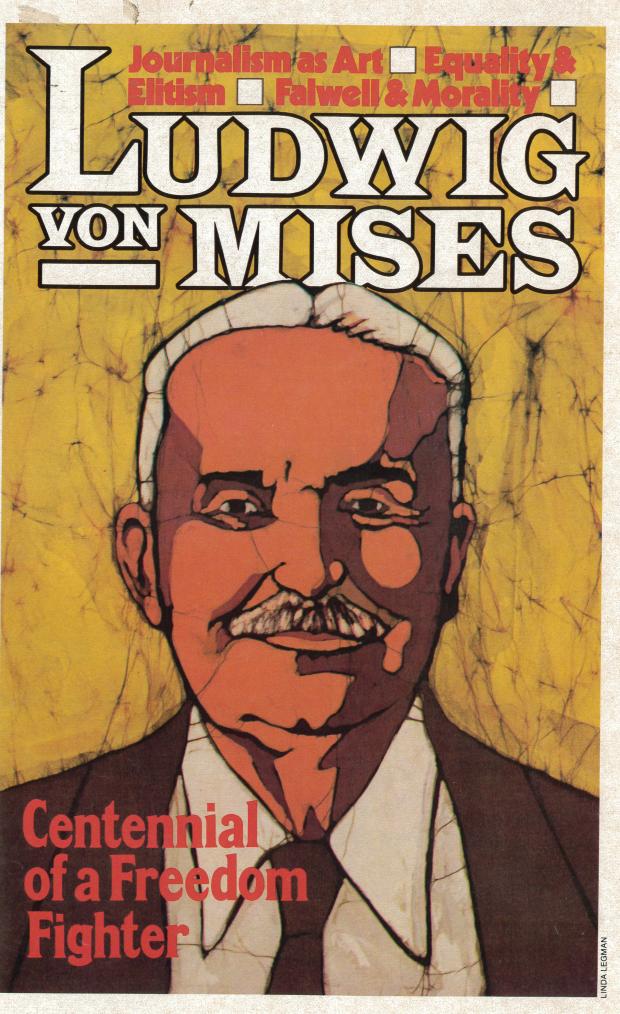
THE LIBERTARIAN REVIEW

September 1981 \$2.00





The Eighth Libertarian Scholars Conference

Directed by the Center for Libertarian Studies

October 30, 31 & November 1, 1981 New York Sheraton Hotel • New York City

FRIDAY, October 30	Registration	3:00- 5:00
	Reception	5:30- 7:00
	Dinner	7:00- 9:00
PANEL I—The Reagan A	Administration's Policies: A Critique	9:00-11:00
	Hospitality Suite	10:00-11:30
SATURDAY, October 31	Breakfast	8:00- 9:15
PANEL II — Law and Eco	onomics	9:30-11:30
	Lunch	12:00- 1:30
PANEL III—Religion and	d American Politics	2:00- 4:00
	Reception	5:30- 6:30
	Banquet	6:30- 8:00
PANEL IV—The Liberta	rian Movement and Scholarship	8:00-10:00
	Hospitality Suite	10:00-11:30
SUNDAY, November 1	Breakfast	8:00- 9:15
PANEL V—Education as	nd the State	9:30-12:30

"What we need is nothing else than to substitute better ideas for bad ideas.
This I hope and am confident, will be done by the rising generation."

Ludwig von Mises

Hotel accommodations for out-of-town attendees have been reserved at the New York Sheraton Hotel, Seventh Avenue and 56th Street. The complete conference package which includes all meals, hotel accommodations for two nights and conference sessions is available for \$200. The same package without hotel accommodations is \$140. Registration begins at 3:00 p.m. on Friday, October 30. For more information, contact Richard Seiden, Executive Director or Dyanne Petersen, Conference Coordinator, at:

CENTER FOR LIBERTARIAN STUDIES

200 Park Avenue South, New York, N.Y. 10003 (212) 533-6600

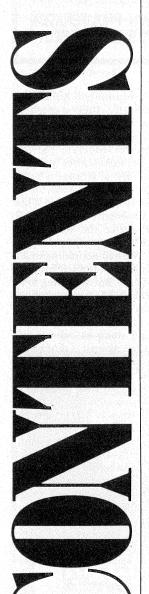
REVIEW

September 1981



Ludwig von Mises

At his death in 1973, The New York Times called Mises "one of the foremost economists of this century," but it is only now—one hundred years after his birth—that he is begining to achieve the recognition that is his due.



Subscriptions: single, \$2.00; 12 issues (one year), \$18; two years, \$30; three years, \$45 U.S. and Canada, Foreign subscribers; \$27.50 surface mail and \$40

Address Change: Write new address, city, state and zip code on sheet of plain paper, attach mailing label from recent issue of LR, and send to Circulation Department, Libertarian Review, P.O. Box 28816, San Diego, CA 92128. Second class postage paid at Washington, D.C. and additional offices.

The Libertarian Review (ISSN 0364-0302) is published monthly by Libertarian Review, Inc. Editorial and business offices, 1320 G Street S.E., Washington, D.C. 20003. West Coast office, 1404 Franklin, Suite 521, Oakland, CA 94612. © 1981 by Libertarian Review, Inc. All rights reserved. Opinions expressed in bylined articles do not necessarily reflect the views of the editors or publisher.

FEATURES

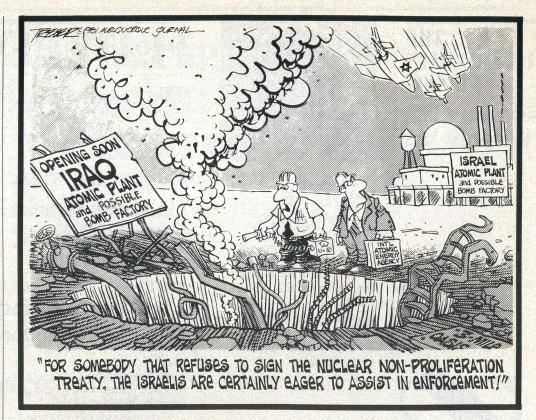
The Legacy of Ludwig von Mises by Ralph Raico plus Mises and the Next Generation by Don Lavoie	18
Mises's New York	
University Seminar by Bettina Bien Greaves	23
Mises Himself Quotations from his works	26
The New Theocracy—Moral	
Majority's Grab for Power by Jim Peron	28
Jerry Falwell wants to re-Christianize America—by force. Those who would prefer to live <i>any</i> other lifestyle should read this.	

DEPARTMENTS

Opening Shots	4
by Bill Birmingham	
Letters to LR	6
LR Editorials A move toward the draft; Between the 1st Amendment and	10
a hard place; The hopeful science	
Political Eye	14
Rufus T. Firefly rides again by Chris Hocker	
Commerce Dpt. The privilege to work by Sheldon Richman	16
Books and Arts Tom G. Palmer on Philip Green's The Pursuit of Inequality Daniel Klein on Carl Menger's Principles of Economics	34

Jeff Riggenbach on the journalist as artist

David Brudnoy on men of steel



BILL BIRMINGHAM

"INDIGENT PARENTS ARE not automatically entitled to have a lawyer appointed to represent them at court proceedings where government authorities are trying to take away their children, the Supreme Court ruled yesterday." (San Francisco Chronicle, June 2, 1981) Not a word, of course, from Jerry Falwell, Jesse Helms, or the rest of the "profamily" fakers.



Political power grows out of the barrel of a pastry gun in Oakland, California, where La Viennoise Pastry caters to the special needs of those cursed with proletarian sympathies and a bourgeois belly. For just \$18 they will sell you a delicious El Salvador torte, decorated with a dove, a rifle, and the slogan "U.S. Hands Off El Salvador." Two-thirds of the purchase price goes to the Salvadoran cause, so the buyer can help dig the grave of Yankee Imperialism with his dessert fork. The mouth waters at the prospect of future experiments in radical sweet: Palestine popovers, Kampuchea eclairs, East Berliners, Smashthe-Klan oreos....

When he was running for President Ronald Reagan was all in favor of tuition tax credits, which would allow parents of students attending private schools to deduct a part of the tuition from their income tax. But he doesn't seem to want them just yet. Assistant Secretary of the Treasury John E. Chapoton recently asked the Senate to hold off on such legislation. "It would be difficult to work it in this year, given the budgetary restraints," he said, but tuition tax credits "will be at the top of our agenda at the appropriate time." Famous last words. The "budgetbusting" bill now pending in the Senate Finance Committee would let a parent deduct up to \$250—raised to \$500 in 1983 -per student. (In 1980 Libertarian candidate Ed Clark proposed a tax credit of up to \$1200.)

Want to blow up a nuclear reactor? Why not ask the Nuclear Regulatory Commission for advice? Israel did... and got it. Last October 9th—the same month the Israeli cabinet decided to bomb the Iraqi reactor at Tawaitha—Israeli scientists met with NRC specialists "to discuss the dynamic response of reactor subsystems to explosions within the reac-

tor containment building." Specifically, they wanted to know about the effects of "a 1000 kilogram charge that penetrates concrete barriers and detonates after penetration." By a strange coincidence, that's just what the Israelis used at Tawaitha. When The Washington Post (June 19, 1981) broke the story, NRC officials swore up and down that "We had no inkling in advance of any offensive proposition [sic]." But according to an internal NRC memo obtained by the Post: "Because of any lack of real interest in underground siting as a protective measure against sabotage, it was unclear whether the Israelis were interested in defending their own plants or in destroying someone else's....' U.S. officials "have insisted that they had no advance knowledge of the Israeli raid," said the Post, "raising the question of whether NRC scientists' suspicions about Israel's intentions disappeared in the federal bureaucracy." Whether you find that comforting, we suppose, depends on whether you'd rather be ruled by competent knaves or incompetent fools.

We can just imagine what Senator Proxmire will say when he learns that the U.S. Army is studying the anaerobic formation of adenosine triphosphate. Which is too bad; for this research, far from meriting a Golden Fleece Award, could someday save lives on the battlefield. The cells of the human body run on adenosine triphosphate (ATP), which they form by metabolizing sugars. Most of the chemical reactions that form ATP require oxygen from the blood, but about 5 percent of the body's' ATP comes from anaerobic (non-oxygen using) reactions. According to Dr. Paul R. Sohmer of Letterman Army Institute in San Francisco, this opens the possibility of someday producing a drug that would stimulate more anaerobic reactions. Such a drug might allow a person to survive the loss of his last drop of blood, which of course would be of inestimable value to the military. To say nothing of the Internal Revenue Service.

In 1980 Ms. Judith E. Miller, of Saginaw County, Michigan, shot and killed her boyfriend — and now she must pay the price. For the next five years she can neither get married nor live with a man without a court's permission. "This court takes a great chance in not sentencing you to prison," admitted Judge Gary McDonald at the sentencing. "I am depending on you. You have slipped in the past...." Do you think Charlie Manson would promise not to listen to "Helter Skelter" again, if we let him out?

Never mind your chromosomes; marijuana can seriously impair one's ability to play pro football. Dr. Graham Reedy saw the effects of the killer weed as team physician for the Oakland Raiders: "Even those who only used small amounts and not on game day just couldn't keep up the peak performance required of professional football players. Regular users were usually gone by the end of one year." Kiss decriminalization goodbye.

According to the Department of Energy, the governmentowned gaseous diffusion plant at Oak Ridge, Tennessee, has released at least 11,270 pounds of uranium since it was opened in 1945. The radioactive uranium hexafluoride gas escaped in 121 accidents; some of it was recovered "but we can't say most of it was." Some of the rest escaped into the atmosphere, some may have "slipped into cracks in the building," but take heart: officials doubt that any was stolen. The DOE, by the way, only counted those accidents in which at least a kilogram of uranium escaped. The loss of less than 2.2 pounds of uranium, it seems, is too trivial to mention.



Last month yr hmbl srvnt reported that the administration was sidling up to the thuggish rulers of Guatemala, and even contemplating giving them military assistance. The assistance has now begun. On June 5 the Commerce Department

quietly approved the sale of \$3.1 million worth of jeeps and military trucks to Guatemala, an act which ordinarily would have necessitated a review of Guatemala's record on human rights. That very same day, however, the administration thoughtfully removed such vehicles from the list of items which can't be sold to regimes "engaged in consistent patterns of gross violations of internationally recognized human rights" - thereby saving a small fortune in whitewash. And a fortune is what it would take; the president of Guatemala, General Fernando Romeo Lucas Garcia, is the sort of man who could - and did - call Reagan's predecessor "Jimmy Castro." But we aren't likely to hear any more of that, not as long as the aid keeps coming.



Great Moments in Government Frugality: On June 29, 1981, the Pentagon authorized full production of the Navy's controversial F-18 fighter, opening the door for the eventual purchase of 1366 of the planes. The F-18, which was designed as a lighter, cheaper companion to the \$23 million F-14 fighter, is now estimated to cost \$30 million apiece.



Not everyone approves of cozying up to Guatemala. After news of the jeep and truck deal finally seeped out, 54 House Democrats sent a letter of protest to Secretary of State Alexander Haig, claiming the move "appears to reflect a conscious effort by the

State Department to undermine the human rights provisions of our arms export control laws." (Wonder what gave them that idea?) The group's leader, Rep. Gerry Studds (D-MA), had earlier called it "appalling... I don't know of many governments that routinely murder people." For our part, we don't know of very many governments that don't.



To the great distress of chairman David Rockefeller, Henry Kissinger was not reelected to the Council on Foreign Relations' board of directors. He was one of nine candidates for eight seats on the board, and when the ballots were counted, Kissinger was odd man out. "Officials at the council," The Washington Post reported, "said it would be a mistake to read great significance in the outcome." Maybe, but somehow we doubt that Super-K will ever again make the cover of Time magazine - and it couldn't happen to a more deserving guy. It's like having Blind Pew tip you the black



"Like everyone else," says Rosemary Wells of Northeastern University's School of Dentistry, "the Tooth Fairy is feeling the bite of inflation." A recent survey by Ms. Wells found that she must now pay an average of 66¢ per lost tooth, compared with 30¢ 15 years ago and 19¢ in 1956. Other modern woes afflict the Tooth Fairy as well: In San Francisco she must now operate under the name of the Tooth Gay.



Arms what? "Eugene V. Rostow, President Reagan's nominee to head the Arms Control and Disarmament Agency, said yesterday that the Reagan administration would probably not be able to begin negotiations to limit strategic weapons with the Soviet Union until March 1982. 'It may be that a brilliant light will strike our officials ... but I don't know anyone who knows what it is yet that we want to negotiate about." (The New York Times, June 23, 1981) Think, Gene, think!





Arms race: pro and con

I WOULD LIKE TO DRAW attention to the following errors of fact appearing in Jeffrey Rogers Hummel's article in the May issue of *Libertarian Review*:

1. The United States monopolized the atomic bomb with deliberate militaristic intent during the 1945-1949 period.

...in fact, the United States proposed the Baruch Plan in 1947, whereby all nuclear weapons and related research would have been subordinated to international control. The Soviet Union's rejection of this plan was the definitive first step on the road to the "arms race."

2. The Soviet Union had no means of delivering atomic weapons in the 1945-1955 period.

...in fact, the Soviet Union had the Tu-4 long-range bomber (a replica of the U.S. B-29) available since 1947, and produced to the number of 1500. A new design, the Tu-85, was first flown in 1951 and was comparable to the U.S. B-36. This did not go into production due to the imminent availability of the Tu-16, Tu-20, and M-4 strategic bombers in 1954-1955. Therefore, the most that can be asserted is that the Soviet Union lacked a delivery capability comparable to the B-36 between 1948 and 1954. This is substantially different from saying that they had no delivery capability whatsoever.

3. The United States was "well along the road to deploying" the Navaho missile, before the program was cancelled in 1957.

... this is a distortion of the truth, inasmuch as the completed missile had not even been flight-tested prior to its cancellation. As Hummel elsewhere observes, "testing... is different from...deploying." The more so, when testing has not even taken place.

4. United States B-52s

could have attacked Soviet ICBMs in the half-hour required for their pre-launch preparation.

... this is utterly preposterous, as B-52s could travel only about 250 miles in a half-hour interval - totally insufficient to pre-emptively attack Soviet ICBMs already in preparation for launch. One could make a more forceful argument to the effect that the Soviets would have had enough time to launch even in the face of such a bomber attack, given the large distances between the ICBM fields and the points at which bombers would have been detected by Soviet air defense radars.

5. The table on page 15 presents the U.S. as being first with SLBMs (1954), thus beating the Soviets, who deployed their SLBMs in reaction to the U.S.

... in fact, the Soviet SS-N-4 "Sark" SLBM was the first operational SLBM in the world (1955-1956), to the ultimate number of 125 missiles in 44 submarines (7 Zulu-, 22 Golf-,



and 15 Hotel-class boats). Each missile carried a onemegaton warhead and clearly could threaten the approximately 60 percent of U.S. population living within 300 miles of international waters. By contrast, the Polaris program was not even begun until a year after the SS-N-4 was first deployed, and only four Polaris subs were available by 1961. The disparity in range between the Polaris and the Sark is conditioned by the fact that the Polaris subs could not come as close to Soviet targets as the Sark subs could come to U.S. targets. (The Polaris subs had to patrol the eastern Mediterranean, a small body of water that could be saturated by Soviet anti-submarine patrols. Sarks, on the other hand, could be launched several hundred miles off the American coastline from locations deep in international waters.)

6. The Minuteman system is characterized in the 1967 period as being "more reliable than previous liquid-fueled missiles."

... in fact, Ernest Fitzgerald states in *The High Priests of Waste* that the Minuteman system was subject to a 40 percent defunct rate in 1967.

7. MRV capability was first deployed by the United States in 1964, thus beating the Soviets by 8 years.

...in fact, the Polaris A-3 was retrofitted with MRVs during the period 1971-1972, contemporaneous with Soviet introduction of MRVs on the SS-18 Mod 4. Soviet testing of MRVs was noted as early as 1969, thus making it untrue that their interest in MRVs and MIRVs was only mere reaction to U.S. developments.

8. The U.S. is stated to have 1.85 million troops available to combat a potential 1.7 million

Soviet troops.

... even if these accounting ground rules are correct (which is arguable), this statement neglects two important qualifications: (1) the U.S. reserves number about 2 million, whereas the Soviet reserves number about 7 million; and (2) only about 50 percent of U.S. troops are front-line combat troops (the rest being devoted to logistic support), whereas the Soviet combat troops are a higher percentage of their whole than for the U.S. (i.e., about 70 percent).

9. The SS-18 Mod 2 is presented as having a low kill potential against Minuteman silos (CEP of 1400 feet gives P_k

= 40 percent).

... in fact, the CEP figure is taken from 1977 references. More recent data suggest a CEP closer to 600 feet, which results in a P_k over 90 percent. A force of 300 SS-18s equipped with 8 RVs apiece would have the ability to attack the Minuteman system twice over. If, as has been suggested, the SS-18 is capable of mounting 10-14 RVs per missile, this margin becomes overwhelming.

10. The Minuteman III is presented as having a significant counterforce capability against Soviet ICBMs.

... in fact, Hummel assumes that Soviet silos are hardened only to 2500 psi, whereas the SS-17, SS-18, and SS-19 are estimated to be in silos hardened to about 4500 psi. With a yield of 335 kT and a CEP of 730 feet, the Minuteman $P_{\rm k}$ is only 40 percent. A CEP improvement to 430 feet gives a $P_{\rm k}$ of

70 percent. Even with this improved result, a two-on-one attack is required, which limits Minuteman III to an attack against 825 Soviet ICBMs. This is only *half* the total Soviet ICBM force.

The import of the above is that Mr. Hummel's argument against a possible Soviet strategic threat is based on willful distortion and/or negligent recitation of historical and technical data. The clear evidence of prejudiced analysis casts doubt over many of his other statements. A serious possibility exists that this article has been conceived as propaganda to minimize libertarian concerns over the subject of national defense.

In the interest of brevity, I will close with this question: Do you have the editorial integrity to present these faults before your readership, that they may benefit from a full disclosure of information on this subject?

MICHAEL J. DUNN Federal Way, WA

Hummel replies:

IN FOUR CASES (1, 6, 7, and 9 as they appear in Dunn's letter), Dunn himself is guilty of error, while in another four cases (2, 3, 8, and 10), Dunn has either misinterpreted or misrepresented what I said. In the remaining two cases (4 and 5) Dunn's criticisms have some validity.

I will consider first the four cases where Dunn himself has committed errors of fact.

Charge 1: Soviet rejection of the Baruch Plan puts the onus for instigating the arms race upon the Soviets.

The Baruch Plan (which was submitted to the UN in June of 1946, not 1947) set up a series of stages through which control over atomic plants and raw materials throughout the world would be transferred to an International Atomic Energy Authority. Throughout the plan's transition period, while the rest of the nations involved were subject to inspection, the U.S. would retain its stockpile of atomic weapons. In negotiating with the U.S. over atomic energy, the only source of leverage possessed by the Soviets was U.S. ignorance concerning the progress of Soviet atomic research and the extent of Soviet uranium and thorium resources. The first stage of the Baruch Plan required a complete survey of atomic raw materials and an inspection of atomic facilities, but then all parties had to agree that one stage was completed before moving to the next. Thus, the plan required that the Soviets surrender all their meager bargaining advantages, after which the U.S. could indefinitely postpone further implementation of it.

The plan did not envisage atomic disarmament, but rather an atomic league with the United States as the senior member, transferring the U.S. atomic monopoly to an international body which could maintain its monopoly through the use of atomic weapons without being subject to a veto. Being unable even to veto the use of the atomic bomb against themselves, the Soviets at first rejected the Baruch Plan outright. When, toward the end of the year, the Soviets began to move closer to the U.S. position, Bernard Baruch, who headed the U.S. negotiating team at the United Nations, refused to budge an inch, held that all features of his plan were non-negotiable, and forced a vote in the Security Council on the last day of

Rather than being a sincere gesture, the Baruch Plan was a cynical propaganda ploy that enabled the U.S. government to pursue its militaristic policy of atomic diplomacy while posing as an altruistic advocate of peace and disarmament. The most recent scholarly study of the Baruch Plan, Gregg Herken's The Winning Weapon, based upon documents declassified in the seventies, as well as older treatments of the origin of the Cold War, such as Lloyd C. Gardner's Architects of Illusion, substantiate my interpretation.

the year in which his plan went

down to Soviet rejection.

Charge 6: The U.S. Minuteman, a solid-fueled ICBM (intercontinental ballistic missile) was not as reliable as its liquid fueled predecessors.

Dunn refers to a report in A. Ernest Fitzgerald's *The High Priests of Waste* that approximately 40 percent of the Minuteman missiles were down in the 1967 period. That 40 percent figure refers not to the en-

tire Minuteman force, but to the Minuteman II, which was first deployed in 1966 as a supplement to the Minuteman I. Dunn also provides no statistic for the first generation of U.S. liquid-fueled ICBMs with which to compare the 40 percent figure. The first-generation liquid-fueled ICBMs were so notoriously unreliable that Herbert York, who served as Director of Defense Research and Engineering under Eisenhower, estimates in Race to Oblivion that only 20 percent of the operational Atlas liquid-fueled ICBMs would have reached their targets in a real war situation.

Dunn's evidence, therefore, says nothing about the comparative reliability of the Minuteman and its predecessors, but only indicates that the Minuteman II was initially less reliable than the Minuteman I.

Charge 7: The U.S. first deployed MRVs (multiple reentry vehicles) not in 1964, but after 1970.

The U.S. government did not officially confess to doing so until the seventies, but most sources date the fitting of MRV warheads in the mid-sixties. In a chronology of the arms race in World Armaments and Disarmament: SIPRI Yearbook 1974), the internationally respected Stockholm International Peace Research Institute lists 1964 as the year the U.S. put MRVs in service. The fairly cautious Center for Defense Information, headed by retired Admiral Gene LaRoque, agrees on this date and places the first U.S. MRV test in 1963. George B. Kistiakowsky, President Eisenhower's Special Assistant for Science and Technology, wrote in the March 22, 1979 issue of The New York Review of Books that MRVs were placed on Polaris missiles in the mid-sixties. The most judicious examination of the publicly available evidence, Ronald L. Tammen's MIRV and the Arms Race, is also consistent with the 1964 date.

Charge 9: In computing the hard-target kill probability for the Soviet SS-18 ICBM, I used dated information on the missile's accuracy from a 1977 reference.

This charge is simply false. I relied on two sources, both of which were published in 1980 — John M. Collins's U.S. Soviet Military Balance and

"Soviets' Nuclear Arsenal Continues to Proliferate," Aviation Week and Space Technology (June 16, 1980). Collins, who had access to classified information, is a hard-boiled militarist with no incentive to underestimate Soviet capabilities and Aviation Week and Space Technology is the semi-official propaganda arm of the aerospace industry. I am skeptical of Dunn's estimate that the CEP of the SS-18 is already at 600 feet, with a kill probability of better than 90 percent, which comes from the March 9, 1981 issue of Aviation Week and Space Technology and which I have not seen confirmed in any other recent source. In any case, it appeared after I had submitted my article.

The determination of CEPs (circular error probables) for Soviet missiles is a difficult undertaking. Not only do the Soviets keep secret their CEPs, but U.S. intelligence estimates of Soviet CEPs are also classified. Published figures, therefore, being guesses about U.S. intelligence guesses about about Soviet capabilities, vary considerably. The two sources I used for my figures were the most reliable and up-to-date I could find at the time, with the additional advantage that they corroborated each other.

Even if one accepts 600 feet as the SS-18's CEP, there are still other degrading factors, such as missile reliability, warhead fratricide, accuracy bias, and operational difficulties, that would dissipate Dunn's alleged overwhelming margin for the Soviets against U.S. ICBMs.

Now let us turn to the four cases where Dunn has either misinterpreted or misrepresented.

Charge 2: The Soviet Tu-4 "Bull" bomber, introduced in 1946, disproves my claim that the Soviet Union had no means of delivering atomic weapons prior to 1955.

I asserted that before 1955, the Soviet Union was unable "to strike the U.S. with nuclear weapons [emphasis added]," which is not the same as denying that the Soviets had any nuclear delivery vehicle whatsoever. The Soviet Tu-4 was a medium-range bomber with a combat radius of 1500 miles. Since the Soviet Union had no foreign bases within 1500

miles of the U.S. and had not perfected in-flight refueling, its medium-range bombers did not pose the same atomic threat to the U.S. that U.S. medium-range bombers posed to the Soviet Union.

My article should have qualified my claim with two exceptions. First, Alaska has always been within range of Soviet medium-range bombers. Second, if the Tu-4 had been flown on a one-way suicide mission out to its maximum 3000 mile range, then the northwest portion of the United States, approximately as far south as San Francisco and as far east as Montana, was vulnerable to a Soviet nuclear strike.

Charge 3: The fact that the Navaho cruise missile, when cancelled in 1957, had not been flight-tested disproves my assertion that the U.S. was "well along the road to deploying" the Navaho.

The criticism hinges on one's interpretation of the metaphor, "road to deploying." The Navaho project was initiated in 1947. Although it was cancelled ten years later, in 1957, the missile was still successfully flight-tested 11 times in 1958. Thus, when cancelled, the Navaho was two, or no more than three, years from deployment. I think that a weapons system that has been in the process of development for ten years and that is a maximum of three years from deployment can be characterized, without exaggeration, as "well along the road" to deployment.

Charge 8: My claim that the U.S. had 1.85 million troops available for a potential war in Europe, as opposed to 1.7 million for the Soviet Union, ignores (1) Soviet superiority in reserves and (2) the larger proportion of Soviet military personnel assigned to front-line combat roles.

This criticism leaves me dismayed. The paragraph immediately following my comparison begins with this sentence: "Of course, when comparing only ground troops, the Soviet advantage reappears, and it extends, at least in numbers, to such military hardware as tanks and artillery." In effect, Dunn treats as an error of fact an admittedly suggestive but factual comparison, despite my bringing to the reader's attention a

far more relevant limitation upon the comparison than either of the two which Dunn condemns me for omitting.

Charge 10: The Minuteman III ICBM does not have a significant counterforce capability, because it could only eliminate half of the Soviet ICBM force in a counterforce attack.

Dunn's calculations about the number of Soviet silos that a U.S. first strike would destroy is a non sequitur. My statement was, "In short, U.S. and Soviet counterforce capabilities are roughly equivalent, and neither side has the ability to make a successful first strike [emphasis added]." The unfeasibility of a first strike for the U.S. has no bearing on my claim that U.S. and Soviet counterforce capabilities are roughly equivalent, because a Soviet first strike is equally un-

Rough equivalence: the single-shot hard-target kill probabilities of the Soviet SS-18 range from 40 to 85 percent; those of the U.S. Minuteman, from 55 to 85 percent. Substituting Dunn's inflated estimate of SS-18 accuracy in Charge 9 increases the upper bound on the SS-18 kill probabilities to 93 percent.

Dunn also wishes to double the overpressure which a Soviet ICBM silo can withstand, from 2500 to 4500 psi (pounds per square inch). I discounted this report and stuck with the more generally accepted 2500 psi figure, largely because Kosta Tsipis in Nuclear Explosion Effects on Missile Silos raises strong doubts about the physical possibility of hardening a silo beyond 3000 psi. Even the Soviets do not know with absolute certainty how much overpressure their silos can withstand. (This uncertainty also extends to U.S. silos, but so far, Dunn and I seem to be able to agree on a 2000 psi hardening for them.) If we incorporate the 4500 psi figure, it reduces the lower bound on the kill probabilities for the Minuteman III to 43 percent. The new range—40 to 93 percent for the SS-18 versus 43 to 85 percent for the Minuteman III - still sustains the assertion that U.S. and Soviet counterforce capabilities are roughly equivalent.

Finally, the two cases where Dunn's criticisms have some

validity.

Charge 5: The table in the sidebar which *LR* added to my article presents the U.S. as deploying a SLBM in 1954, prior to the Soviets, while the first U.S. SLBM was not actually deployed until 1960.

This criticism is absolutely correct. But a minor change in the wording - substituting "submarine-launched missile" for "submarine-launched ballistic missile" — would make the 1954 date accurate, because that is the year in which the U.S. deployed the Regulus, a submarine-launched cruise missile. Dunn neglects to mention that the SS-N-4 was more analogous to the U.S. Regulus than to the Polaris: Soviet submarines had to surface before launching it, and only carried two or three missiles per sub. The first Soviet SLBM similar to the Polaris, the SS-N-6, did not appear until eight years after the Polaris.

Charge 4: U.S. B-52 longrange bombers were too slow to attack the early Soviet ICBMs within the half-hour required for pre-launch preparation.

The strength of this criticism

depends upon the location of Soviet ICBMs as well as on the speed of the B-52. My statement applied to the year 1960, when the very few operational Soviet ICBMs were emplaced near Plesetsk, 475 miles north of Moscow. This site was approximately 400 miles south of the Arctic Ocean and 300 miles east of the Finnish border. The U.S. B-52G, which became operational in 1959, could cover within half an hour 330 miles at its top speed and 295 miles at its cruising speed. Thus, while Dunn is technically correct and the U.S. B-52s could not reach the Plesetsk ICBM site within the one-half hour after being detected by Soviet radar, they could get very

In addition, the half-hour fueling time for Soviet ICBMs was an absolute minimum, and fueling might have taken much longer, depending on alert status and crew training. And Soviet ICBMs were also threatened by two U.S. medium-range bombers in 1960—the B-58 could cruise at twice the speed of sound and cover 738 miles within the half-hour after detection, and the B-47

jet bomber, though not quite as fast as the B-52, had been flying 500-mile, low-level training missions since 1959 and might have been able to fly beneath Soviet radar. Of course, as the Soviets set up ICBM sites further from their borders, the vulnerability to U.S. strategic bombers declined, although it did not disappear entirely until the Soviets put their ICBMs in hardened silos.

There may be some mistakes in my arms race article that even Michael Dunn overlooked, but if his letter represents the strongest attack that someone professionally employed by the military-industrial complex can mount, I am more than satisfied.

Likes

I WAS DELIGHTED TO SEE Leonard Read's pamphlet, "Conscience on the Battle-field" reprinted in the June LR, for I had just read it and was wondering how it could get a wider audience. LR's decision to follow the reprint with Roy

Child's "Leonard E. Read: an appreciation" was a lovely idea, too.

DORIS GORDON Wheaton, MD

CONGRATULATIONS ON fishing Bill Birmingham out of the detox center or whatever hole the wharf rat has been secreting himself in for these many months and returning him to his temple of dementia: Opening Shots. His bile makes me smile.

JACK SHAFER Venice, CA

And dislikes

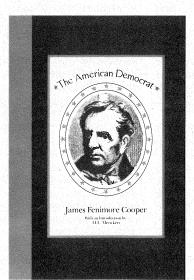
YOU CALL JACK SHAFER'S prating in *LR* 6/81 a book review?

Sifting through writing in which the author is having a narcissistic word-affair with himself is a waste of this reader's time.

I read *LR* in search of mental stimulation, NOT to determine who among us can be "cutest."

MICHAEL McCASEY Shelby, IN

LibertyPress LibertyClassics



The American Democrat

By James Fenimore Cooper

Introduction by H. L. Mencken

An easily readable study of political democracy as attempted in the United States. Cooper, an aristocrat in mind and manners, defends democracy provided it remains representative rather than direct.

He cites the dangers inherent in direct democracy and describes the elements of character and principle that he feels must be preserved in both people and politics if the republic is to survive.

The Introduction by H. L. Mencken illuminates Cooper's all-but-forgotten place in the history of American political discourse. Hardcover \$9.00, Paperback \$4.00.

Prepayment is required on all orders not for resale. We pay postage on prepaid orders. Please allow 4 to 6 weeks for delivery. *All* orders from outside the United States *must* be prepaid *in U.S. dollars*. To order, or for a copy of our catalogue, write:

Liberty*Press*/Liberty*Classics* 7440 North Shadeland, Dept. F50 Indianapolis, IN 46250

A move toward the draft?

BACK IN JULY 1980, FOUR million 19- and 20-year olds were being told by the government to register for the draft, or else. The "or else" meant a possible five year prison sentence and/or \$10,000 fine. Since then, another three million or so 18year olds have been commanded to sign up. Millions did, but one million didn't. Such is the gargantuan enforcement task the Reagan administration faces in its first year of office.

Reagan, you will recall, used to shout his objections to conscription from every street corner. In his acceptance speech before the Republican National Convention that same July 1980, Reagan proclaimed "I do not favor a peacetime draft or registration." When asked by The New York Times a month before the November election if he would sign an executive order to abolish registration, Reagan replied "I'd think very seriously of doing it, yes."

The candidate's radical rhetoric ended the day he was elected to the Oval Office. Queried on draft registration shortly after his victory, the President-elect backed away from his earlier pledge to end the signup. Nine days after the Inaugural Ball, Reagan answered a question on the conscription issue by saying that the administration would "make a decision on what to do with it down the road someplace."

Even before the Supreme Court decision on women and the draft was announced, the government was moving to prosecute draft nonregistrants. The Selective Service System (SSS) sent a letter to 160 people June 17, on the eve of the high court ruling, informing the recipients that the SSS was "required by law to refer possible violators of the Military Selective Service Act to the Department of Justice." The agency gave the potential nonregistrants 15 days to respond and threatened that if they did not, "We will send your name to the Department of Justice for investigation and possible prosecution."

U.S. TO PROSECUTE

YOUTHS TO COMPEL SIGNUP FOR THE DRAFT, blared The New York Times on July 21. "With approval of White House, Service Asks Proceedings Against a List of 134." Of the original 160 to receive the Selective Service threat, 103 were referred by the agency to the Justice Department. A copy of the cover letter SSS sent with the nonregistrant files revealed that the records of another 31 people who had not been sent letters were also referred for study and possible indictment.

As of the end of July, Reagan officials continued to deny that Justice had any White House authority for further action, but a clear danger signal has emerged. Bureaucratic machinations have been allowed to rumble on, which indicate yet another drift toward the loss of civil liberties for young men in this country.

Such an inexorable movement may run contrary to Reagan's rhetorical flourishes against draft registration, but the potential indictment of draft nonregistrants is in concert with the administration's newly announced plans to prepare for the possibility of up to two-and-a-half wars on other nation's lands.

One must look back to 1969, when Richard Nixon had his hands full with a real war, to discover a governmental defense policy based on a twoand-a-half war strategem. Ronald Reagan, determined to bluff and bluster his way past an emerging Soviet threat, has introduced the spectre of protecting our city on the hill on the storied land of Europe, on the deserts of the Persian Gulf, and in brush-fire skirmishes with the Russian tide in an El Salvador or a Nicaragua.

This horrific perception has led to the "need" for conscription. The revived two-and-ahalf-war myth entails an additional 250,000 troops to fill the ranks of an expanded Army, Air Force, National Guard, and Reserve units. The time has come for the American people to declare that they do not have to condone the Reagan defense plan. The contradictions of such a posture are becoming all too clear.

Despite the administration's talk of supposed communist dominance in the El Salvadorean civil conflict, a torrent of

White House mail registered a 10-1 popular reaction against the administration's archaic cold war logic.

NATO allies are seriously questioning the Reagan policy of belligerent anti-Sovietism while the U.S. pushes for deployment of nuclear weaponry on European soil.

Security analysts are beginning to state publicly that pouring \$1.5 trillion into an unrestrained Pentagon may further our demise rather than aid our defense.

And, finally, the internal squabbling over the revival of the draft within the Reagan administration is forcing the White House to acknowledge the deepest contradiction of all: despite the glowing pictures painted by the editorial page pundits, the nation will not tolerate an actual draft induction. Many a young man decided to register in 1980 who vowed never to be inducted by a draft. Close to 1,000,000 who were called to register for arms refused to do so, confident of the support of millions more. Nationwide polls on the question of the draft fluctuate weekly, but the legacy of our most recent history foretells an ultimate rejection of political leaders who would yet again drag this country's people into another exercise in madness.

This administration is seemingly unable to cope with the vagaries of its bureaucratic departments, and therein lies the fatal flaw in the entire Reagan foreign policy. A campaign based on the promotion of an all-volunteer force seemed by the beginning of August to have been lost within the structures that comprise the United States government. Ronald Reagan promised to "get government off our backs," but his legions propose to jail women for choosing to abort, gays for declaring their sexual proclivities, and draft-age men for refusing to participate in the hysteria of war preparations. The fact that this would involve jailing tens of millions does not seem to daunt them. They are too busy attempting to maintain the enormous power of the American government.

It is not so much administrative decisiveness which threatens our freedom as it is political confusion. Reagan campaigned on the plank of abolishing draft registration — he should do it immediately. To allow his governmental agencies to threaten the imprisonment of war-objectors conjures up another national nightmare of lying politicians.

Whatever Reagan's good intentions, his government is now moving in accordance with the realities of his foreign policy wishes. The draft issue has become the linchpin of his defense expectations—which are now questioned by the American people, our allies, and security analysts. Were he to remove draft registration, we might all begin to speak in a serious way about peaceful international coexistence.

— AR

Between the 1st Amendment and a hard place

OVER THE PAST FEW months, new legislation touted as broadcasting "deregulation" has been wending its way through Congress. It is the first legislation to significantly alter the structure of communications regulation since the passage of the original Communications Act in 1934.

The significance of communications deregulation can hardly be overstated. Following closely on the heels of a revolution in communications technology, the impending changes in telecommunications policy recall the ancient battles for freedom of speech and separation of church and state fought by our classical liberal forebears. Ironically, though, those who go under the name "liberal" today are emerging as diehard reactionaries in the communications revolution.

Thus far, the actual dimensions of "deregulation" are quite modest. What is important is the precedent or momentum established; whoever wins this first battle may well win the war. Thus when the deregulatory bills were crammed into a mammoth budget bill in mid-July to expedite their passage, a major battle of the lobbyists ensued. On one side were the broadcasters, the Republicans in the Senate Commerce Committee and the spectrum management bureaucracy, who all favor some deregulation. On the other side are the liberals — and some peculiar allies—who oppose it. While both sides claim to represent the "public" and its interests, the unfortunate fact is that most of the public doesn't even know what is going on.

is going on.
The "Radio Deregulation Act of 1981 "(S.270) would not deregulate all that much. Station licenses would be granted for an indefinite period of time instead of for three years. This would free radio stations from some paperwork and uncertainty, but licenses could still be revoked on "fairness" grounds. The most important change wrought by S.270 is its restriction of the FCC's power to regulate program content. Until recently, the FCC issued guidelines controlling the quantities of news and public affairs programming heard on the air. It required program logs of all stations and forced them to ascertain the "needs and interests" of their service areas. Its guidelines also governed the length and frequency of commercials. The FCC stopped using these powers in January of 1981, noting that market forces regulated the quantity of commercials and public affairs programming better than its own guidelines. But S.270 would legislate an end to the FCC's power over radio programming, with the important exception of the Fairness Doctrine. This assures that the FCC will not issue program guidelines in the future, regardless of who the Commissioners are or who is President.

Television deregulation does not go even this far. The Television Licensing and Renewal Act of 1981 (S.601) would extend the license period from three to five years and leave programming regulations untouched. Both S.270 and S.601 would make another important change: the FCC would be empowered to use lotteries to award broadcasting licenses. Currently, when there are mutually exclusive applications for a radio or TV station license the FCC is required by law to hold "comparative hearings." When TV channels are available they frequently attract as many as 10 applicants. Comparative hearings are costly, time consuming anachtempts to evaluate the applicants' character, financial stability, and dedication to "community service." Aside from its other defects, the system simply cannot handle the caseload any more. Like many others involved in spectrum management, Dale Hatfield, Associate Administrator of the National Telecommunications and Information Administration complains that "the FCC is too often faced with selecting from among equally wellqualified applicants. In effect, they must distinguish the indistinguishable and decide the undecidable. The results are incredible delays and excessive costs that serve mostly to postpone or deny service to the public, raise prices to users, consume FCC and court resources, and simply enrich a legion of communications attorneys." Of course, lotteries are just as arbitrary as the hearings, but at least they're quicker and cheaper.

ronisms by which the FCC at-

Libertarians can support without qualification any measure which reduces governmental control over program content. There is no reason why electronic communications should not be accorded at least the same First Amendment protection enjoyed by the press. The old argument that broadcasters possess more power than traditional media won't wash, simply because there is more competition among electronic media outlets than daily newspapers. Moreover, a greater and greater amount of the information which ends up on the printed page got there the same way radio signals or TV images get to our receivers: by wire, satellite, or other telecommunications techniques.

Economically, though, the bills simply don't go far enough. A truly free market in broadcasting would assign freely transferable rights to users of the electromagnetic spectrum and allow unrestricted entry to new competitors. The current bills remove some government regulations. But the "deregulation" takes place within the framework of government ownership of the airwaves. Neither of the bills would even begin to establish market allocation of the spectrum. Entry into the broadcasting market is still severely restricted by governmental control of spectrum allocation and assignment. There is still no price system, no free exchange of broadcasting rights, and not nearly enough competition. Because of this, the existing bills will reinforce the privilege of established broadcasters.

Considerations of both justice and economics, then, indicate that deregulation of existing broadcasters ought to be coupled with efforts to deregulate entry and foster new competition. To its credit, the FCC does seem to be inching in this direction. It has ceased to hobble cable. It has entertained proposals to reduce AM radio channel spacing from 10khz to 9khz, a change that would make room for about 400 new stations. Pressure from established broadcasters has forced the FCC to reexamine its position on this, but it still may go through with it. The FCC is also planning to make spectrum space available for Direct Broadcast Satellite (DBS) systems. DBS is the beginning of the end of the national TV networks government-fostered monopoly, because it makes a large number of new "networks" technically and economically feasible. Established broadcasters are fighting against this too. Predictably, broadcasters complain of government regulation when it gets in their way, but fight for it tooth and nail when it protects them from competition.

The hypocrisy of the broadcasters, however, pales by comparison with that of the "liberal" opponents of deregulation. As these modest deregulatory bills moved toward a vote this Summer, "liberal" groups such as the National Citizens Committee for Broadcasting, the National Abortion Rights Action League, Americans for Democratic Action and the American Civil Liberties Union mobilized to defeat them. Their official line is that government control over the broadcasting industry must be preserved to assure "public access" to the media. They see license renewal hearings and program content control not as forms of censorship but as preservers of free speech in the electronic media.

Their use of the rhetoric of free speech, however, is belied by the allies they have attracted. For their desire to regulate the media has led them straight into an alliance with the Moral Majority.

That's right—the "liberals" have joined forces with the advocates of censorship and intolerance, specifically with the Rev. Don Wildmon and his Coalition for Better Television (CBTV) and National Federation for Decency. The largest member organization of CBTV is the Moral Majority.

The Rev. Wildmon has been very busy lately intimidating advertisers with boycott threats and attempting to prod the FCC into cleansing television of sex, violence, and profanity. Naturally, he sees deregulation as a threat to his crusade. "I'm a free enterprise sort of fellow," Wildmon says, but deregulation as proposed in the bills "would remove any incentive broadcasters have to be responsive to their communities." (Broadcasting, July 13, 1981)

Note well how the right wing has picked up on the "liberal" rhetoric about media outlets' "responsibility" to their communities. Apparently the liberals' and conservatives' common belief in media regulation has overcome their other differences. The National Abortion Rights Action League has made common cause with a group that believes contraceptive advertising on TV should be banned. And the ACLU, which claims to fight for the rights of minorities, has joined forces with a group whose pressures for "family" programming have prompted one network to eliminate a sympathetically portrayed homosexual character from a new TV series. Is this the kind of public "responsiveness" the liberals are working for?

To the fundamentalists, "responsiveness" means kowtowing to their particular values, just as the phony liberals of the NCCB and ACLU hope to use that power to enforce their standards upon the media. One would hope that the obvious conflict of standards here would give pause to those liberals who are truly interested in freedom of speech. Clearly, Wildmon and his ilk do not see government control of broadcasting as a way of protecting free speech or of providing public access to the media.

These fellows are out to suppress certain kinds of speech and to exclude certain portions of the public from the media. And the contemporary liberals' belief in government enforced "fairness" is aiding their cause.

The issue of telecommunications regulation makes clearer than ever before the intimate connection between the free market and civil liberties; i.e. between liberalism in the economic and social spheres. There has always been an inherent contradiction between the modern liberals' desire to license and regulate the electronic media and their professed belief in freedom of speech. Now, with broadcasting deregulation on its way, they must choose between the two. On one side is the First Amendment, on the other is the Moral Majority.

— Milton Mueller

The hopeful science

THE DISMAL SCIENCE. That's perhaps the best-known nickname for economics, and many of those who sat and suffered through the supply and demand curves for widgets in their college Econ I courses five or twenty or forty years ago would agree that the nickname fits. For most Americans, economics is for other people, the people "who understand that stuff," the people who become university professors and high-level federal bureaucrats. For most of us, going to the store and balancing our checkbooks are all the economic experiences we want to have. Reading in our newspapers about CPI and balanceof-trade and M1 and what Paul Volcker said can be intimidating and bewildering. We try to make sense of it, because we know it affects us, but we're not sure exactly how, and no one seems to want to give us a satisfactory explanation.

It may be that the essential problem with traditional economics is its lack of humanity. What, really, do curves, graphs, and the gross national product have to do with us? How are we supposed to get excited about a "science" based on the assumption that non-existent persons have per-

fect knowledge about nonexistent objects? If *n* represents the marginal utility of the last widget produced, should we take our last \$20 and go to a restaurant, or should we put it in the bank?

Yet while traditional economics appears remote and inhuman to most of us, the people "who understand that stuff" have been hard at work for most of this century, shaping the policy of government and directly affecting our lives. From fractional reserve banking to pump-priming to gunsand-butter, to tax expenditures, to safety nets, their policies, stemming from economic theories which take pains to factor out the actions of individual human beings, buffet these same human beings about as though they were so many pingpong balls in a wind tunnel.

A wrong theory, in and of itself, is of no particular threat, but when a wrong theory is translated into government policy by its adherents, tragedy and injustice ensue. And the predominant economic theories and policies of this century have been wrong, often tragically wrong. For if government's manipulation of money and credit during the 1920s brought on the Great Depression, if Franklin Roosevelt's massive (for that time) intervention into the market prolonged the Depression and provided the excuse for our entry into World War II, if Lyndon Johnson's statistical juggling created the myth that we could afford to "save" Vietnam with half a million troops, and if the mad currency inflation of Presidents Nixon, Ford, Carter, and apparently Reagan results in a society of individuals hopelessly trapped by rising prices, then the costs of traditional economic theories and policies in terms of human misery have been tragically high indeed.

Traditional economics, based on a view of human beings as interchangeable integers within a neatly packaged society, has failed. As its pristine theories and interventionist policies—from Keynesianism to the newest supplyside fads—rapidly unravel, it is no surprise that a diametrically opposing school of economic thought — what is known as the Austrian school — is ex-

periencing a resurgence. Austrianism, which views individual human action as the primary element upon which to base economic theory, provides a framework not only for the study of economic behavior but also for the issues of justice, freedom, individual rights, and peace which are inevitably affected, for good or ill, by the economic policies of governments.

Austrianism is not new. Its traditions extend back well into the nineteeth century, but were supplanted, nearly to the point of extinction, by opposing theories and policies more in step, with increasing state power. But a few strongminded individuals kept the Austrian theories alive, developing and expanding them virtually alone, and the greatest of these was Ludwig von Mises (1881-1973), whose works and teachings form the foundation of today's young, flourishing Austrian school.

This month, September, is the centennial of von Mises's birth. It is to his life, his work, his commitment to individual human liberty, and to the hope for the future his legacy represents, that we proudly dedicate this issue of *The Libertarian Review*.

—The Editors

The Libertarian Review

Publisher: Chris Hocker
The Editor: Roy A. Childs, Jr.
Senior Editor:
Joan Kennedy Taylor
Managing Editor:
Victoria Varga
Research Director:
Lee Williams
Editorial Assistant:
Alex Reyes
Intern:
Robert Capozzi

West Coast Office Editor: Jeff Riggenbach Assistant: Bob Berkel Intern: Bruce Cooley

Art Director: Sam Haltom Cover Design By: Melanie Price

Associate Editors:
Walter Grinder, Leonard P.
Liggio, Bruce R. Bartlett,
Milton Mueller
Contributing Editors:
Leslee J. Newman, Marshall
E. Schwartz, David Brudnoy,
Peter R. Breggin, M.D.,
Jack Shafer, Bill Birmingham
Sheldon Richman

ENCOURAGING AND SUPPORTING LIBERTY THROUGH SCHOLARSHIP, THE CORNERSTONE OF A FREE SOCIETY

The Institute for Humane Studies exists to support and advance the work of scholars who are daily advancing freedom, or publicly opposing the advance of statism.

You can help build this cornerstone, through an Institute Membership. You can help advance freedom or publicly oppose the advance of statism . . . by helping to support our seminars, conferences, research papers, and publications . . . sponsored by your Institute Membership.

You are concerned about advancing the cause of freedom. You are already part of an elite group who supports their concern with more than just talk.

Your Institute Membership will help you advance that concern, and Institute Membership has personal benefits. Members receive a **50**% discount on selected Institute publications. This year's featured publications, with the Member's Savings price, are listed below. And through our publications, you'll be more familiar with the best ideas and arguments supporting the case for the free society.

Many Members find Institute publications to be a good source of material for their personal conversations or writing. Good arguments and supporting data about . . . sometimes just the argument or fact to clinch a point, or change a mind.

So please support the Institute. Advance the study of the free society . . . the cornerstone of a society of free individuals. And take advantage of the Member's discount on books.

INSTITUTE FOR HUMANE STUDIES—MEMBERSHIP AND MEMBERS' BOOK ORDER FORM

	Enclosed is my one-year membership fee:
name	□ \$10 Student □ \$50 Sustaining
address	□ \$25 Regular □ \$100 Supporting
address	☐ In addition, I would like to contribute
city state zip	\$ · · ·

Please send me the following titles at the 50% members' discount

PUBLICATION	MEMBER'S PRICE	QUANTITY	TOTAL [.] PRICE
LITERATURE OF LIBERTY (one year)	\$ 6.00 4 issues		
PRINCIPLES OF ECONOMICS Carl Menger, 328 pp.	\$10.00 c 3.50 p		
L.S.E. ESSAYS ON COST J.M. Buchanan & G.F. Thirlby, 290 pp.	\$10.00 c 3.50 p		
EPISTEMOLOGICAL PROBLEMS OF ECONOMICS Ludwig von Mises, 264 pp.	\$10.00 c 3.50 p		
Please allow three weeks for delivery of your order.	Membership		
Make check payable to Institute for Humane Studies.	Contribution		
All contributions are tax deductible.	TOTAL ENCLOSED		

INSTITUTE FOR HUMANE STUDIES

1177 University Avenue Menlo Park, CA 94025 [415] 323-2464

Leonard P. Liggio President



20th ANNIVERSARY YEAR



Groucho Marx as Rufus T. Firefly, bureaucrat, in Duck Soup.

Rufus T. Firefly rides again

CHRIS HOCKER

THERE ARE TWO SEPArate and distinct entities occupying the little truncated diamond of swampland on the Potomac River between Virginia and Maryland. One is called "Washington, D.C.," or usually just "Washington." Washington is the Nation's Capital, the seat of the national government. It's where the administration and the federal bureaucracy are.

The other entity is called

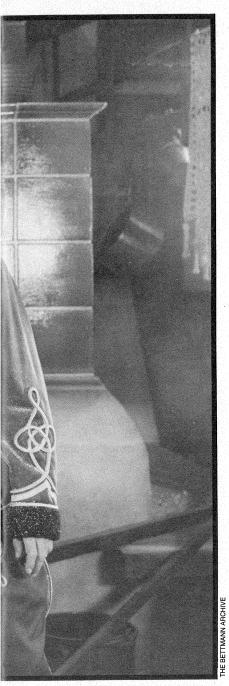
"the District of Columbia," or usually just "the District." The District is where people live, do their shopping, and pay taxes. Lots of taxes.

The White House, the Lincoln Memorial, and the restaurant Sans Souci are in Washington. Dupont Circle, Eastern Market, and the restaurant El Caribe are in the District. Living in Washington must be miserable; I wouldn't wish it on my worst enemy. Living in the District, however, has its pleasures and charms, as well as its drawbacks.

One of the drawbacks—although it includes a certain element of perverse charm—is the government of the District

of Columbia, consisting of a mayor, an 11-member City Council, and a bureaucracy as impenetrable as are the heads of most of the people who staff it. As near as I've been able to tell, the District government serves only one useful function: to utterly destroy the myth propounded by conservatives and other connoisseurs of fantasy that levels of government which are "close to the people" are somehow better and more responsive than those which are farther away.

To be fair about it, the District government has had some serious obstacles to overcome, placed in its way by the Washington government. Not too



long ago, the District didn't even have a government to call its own; Washington took care of it all. The District, therefore, became the experimental laboratory for all sorts of schemes that Washington wanted to impose on the rest of the country, but wasn't sure would work. Liquor prohibition, for example, was instituted in the District by Congress years before the Volstead Act was passed in 1919. Not that the people in Congress ever took it seriously for themselves—legends of Capitol Hill bootlegging are still making the rounds - but they thought it might be interesting to see if the hoi polloi of the District, many of whom were black,

could live with prohibition without getting out of hand. Antiquated liquor laws persist to this day in the District.

When Home Rule finally came to the District about ten years ago, District voters made the least of it, mainly electing a series of officials alternating between power-hungry schemers and posturing airheads, with an occasional lawbreaker thrown in for diversity. One City Council member, while in office, was arrested and convicted of assaulting and biting (yes, biting) a tow truck operator in a parking lot. He finally started serving his jail term five years after the incident; the delay was in part because he was a public servant and in part because he was and is an ordained Methodist minister. An elected member of the School Board has managed to break all records for sustained lunacy by verbally and physically abusing his colleagues and their staffs, and by running up massive bills attending various conferences in a number of foreign countries having nothing to do with education. During the Iranian hostage crisis, he took it upon himself to mediate between the U.S. government and the Iranian captors, calling the embassy in Tehran almost daily from his District office and distributing lengthy single-spaced documents proposing "solutions" to the crisis, including a suggestion that the Iranians release all Spanish-surnamed hostages and keep the rest.

The fact that most elected District officials are walking re-creations of Groucho Marx's Rufus T. Firefly character doesn't quite make up for the fact that there isn't a single shred of ideological consistency of any stripe which might explain what they do. It would be comforting, for instance, to be able to say to yourself, "Aha, the reason the City Councilman bit the tow truck driver was his deep commitment to suchand-such a philosophical world-view." Unfortunately, however, most District officials have the ideology of a bivalve, and from a libertarian perspective, their decisions are almost always wrong. On economic issues, their attitude is, "If it moves, regulate and tax it." On civil liberties issues, they think, "If it moves, repress it." On foreign policy issues ... well, you wouldn't ordinarily think that the District government would have a foreign policy, but the example of the School Board member and the Iranian hostages proves otherwise. Far more serious was a recent School Board decision to provide a list of high school seniors to the Selective Service System. Just trying to help, I guess.

Several weeks ago, one elected City Council member, David Clarke by name, decided to brave this current of craziness with a set of proposed revisions to the District's criminal code. Now Clarke is somewhat unusual in that he possesses a discernible ideological framework in which he operates: more or less that of a left-wing social democrat. He has, moreover, a reasonably strong commitment to civil liberties and understands the problems created by attempting to regulate individual personal behavior. This further distinguishes him from his colleagues, most of whom wouldn't recognize the Bill of Rights if they found it taped to the doors of their refrigerators. Clarke's proposed revisions to the District criminal code included decriminalizing consensual sex between teenagers; specifically, lowering the "age of consent" to 12 years so long as the partner was no more than four years older, but maintaining penalties for all forced sex, as well as for sex between adults and children. Clarke's rationale seemed sensible enough: it's ridiculous to turn a couple of kids into criminals for having sex, so as long as we're cleaning up the laws in this area, let's get rid of the ridiculous parts. The Judiciary Committee of the City Council agreed, and passed Clarke's package of revisions unanimously.

And then the District's newspapers got ahold of the story, and you would have thought that Clarke had advocated unconditional surrender to the Russians. Headlines varied, but their essential message was "Clarke Calls For Legalizing Kid Sex." This brought out the Moral Majority-types of all political persuasions and ethnic backgrounds, organized into groups with names sounding like "Concerned Citizens for Decency," and "Committee to Postpone Puberty Indefinitely," and Lord knows what else. Clarke's alleged "kid sex bill" became the Number One news

item in the District for a solid week. He held a news conference at which he tried to explain what his bill was really about, which he was able to do lucidly enough, but it was like reciting the Gettysburg Address to a convention of Bulgarian steelworkers. Both The Washington Post and the Washington Star solemnly editorialized against the evils of encouraging teenage sex, with the Star contributing the brilliant observation that since teenagers are never arrested for violating the present law, there's no sense changing it. Finally, the City Council voted to kill Clarke's bill — by voice vote, of course.

Clarke's revision was essentially trivial, little more than a housekeeping measure designed to make District law in this matter give at least a passing nod toward reality. And it was arguably the first sensible thing to come out of the District government since the Councilman who bit the tow truck driver was defeated for reelection. Watching the District government in operation is like watching a Mel Brooks movie. Even though what goes on is offensive and in bad taste, as long as you're there, you might as well laugh.

Of course, you can walk out of a bad movie, and probably even get your money back. But it's hard to walk away from the place you live, and it's impossible to get a refund on the taxes you pay. And the tragic aspect of this tragicomic situation is that virtually no one not the Post, or the Star, or the business community, or neighborhood leaders — ever really objects to it. After all, a government with the size, power, and visibility of the District's has a lot of resources to spread around. With the circuses comes the bread.

The issue here isn't that the District has a "bad" government which with some major alterations could be transformed into a "good" government. There's no inherent reason why the District' example of government run amok couldn't happen in Needles, California or Kokomo, Indiana. So if you find yourself praying for relief from Our Government Which Art in Washington, save a prayer for the government which art in the District. And save a few more for Needles and Kokomo.

The privilege to work

SHELDON RICHMAN

AT LEAST EVERY SIX months, some enterprising reporter ventures into the garment district of New York City looking for scandal: illegal aliens working in sweatshops. The reporter's message is a grab-bag of contradictions. Sweatshops (he says) indicate that the government hasn't yet fully stamped out capitalist exploitation. The presence of illegal aliens indicates that non-citizens are taking jobs from true citizens. What is the reader or viewer to conclude? That only documented citizens should be allowed to work in sweatshops? Or that out of sympathy for illegal aliens, we should send them back to a place they preferred to leave?

Whether the villain of the story is the businessman or the wetback, you can be sure that the government will be portrayed with clean hands and a pure heart. It, against great odds, works valiantly to save American labor from the twin evils of exploitation and cheap, foreign competition.

Yet anyone with a clear head probably wonders why the reporter neglects some obvious questions. A recent CBS television news story is fairly typical. The reporter, Richard Wagner, describes the sweatshops as dirty, unsafe, and illegal, then notes that there are more of them than ever, "chiefly because of the soaring number of illegal aliens in this city."

The camera pans to show a dingy, crowded sewing room with people hard at work. The pathos is overwhelming, and the CBS crew goes in for the kill. Wagner speaks with a woman from Honduras who is making less than the legal minimum wage. She says she was told the minimum wage is not for piece workers.

"Informed that this was not true," Wagner reports, "and that she was being exploited, Ophelia said she needs the money." The per capita income in Honduras, we're told, is \$480 a year. She is making \$100 each 60-hour week. Even Wagner had to concede that "the money, meager though it is, often looks good compared

to what they've come from." Nevertheless, the solution promoted by interviews with government officials is the closing of sweatshops and the cessation of illegal immigration.

The viewer is justified in wondering why the employer is portrayed so poorly. Hasn't he, after all, provided a relatively lucrative option to people otherwise consigned to abject poverty? If the options are few, is it the fault of those who provide them? If the conditions are wretched, why do the workers stay there, rather than seek better conditions?

The last question tears asunder all the premises of the story. Workers such as Ophelia are subject to exploitation, but it is not the classical Marxian version. For example, there are indeed cases where a worker, having performed the job, is denied the pay he or she was promised. It is also true that illegal aliens have their array of options artificially narrowed. So what is the source of this exploitation? It is, contrary to every one of these news reports, the government, specifically, the Immigration and Naturalization Service (INS).

If an American citizen is not paid for his work as promised, he can sue the employer for breach of contract. If the citizen dislikes the working conditions, he can complain to the employer or use any of dozens of ways to discover alternatives. But these are precisely the kinds of things an illegal alien cannot do without risking deportation. An illegal's ability to improve his or her condition is seriously hampered when anyone can threaten to call INS the moment the person "steps out of line." But who is the ultimate exploiter: the person who so threatens or the source of that power, the government? When Wagner says, "The exploited workers, in large part, seem willing to continue to labor in silence," he shamefully ignores the government-sponsored threat that forces this "willful" decision on the workers.

Illegal aliens lack a constituency. The government is their enemy. So are most labor unions, which exist to stifle the competition. (Check Cesar Chavez's horrible record on this issue. The exception among unions reportedly is the Teamsters, which allegedly op-

erates some sweatshops. The ICC sees to it that illegals don't compete with the truckers.)

Much of the business community would have a natural common interest with aliens, because they are potential employees and customers. But too obvious a public sympathy would tend to get them in trouble with workers and unions, and open them to the accusation of being exploiters.

The taxpayers have been maneuvered into hostility against immigrants by a welfare state that requires compulsory "charity." This creates the spectacle of refugees from tyranny being sneered at by Americans whose recent forebears were once in the same circumstances.

Despite all this, 2.7 million people are in the United States illegally. The Border Patrol, even with help from the Ku Klux Klan, hasn't been able to stop the movement across the U.S.-Mexican border. Mexicans, Haitians, Cubans, and El Salvadorans still manage to sneak in. This has led officials to seek new solutions. (A very old solution—liberty—is out of the question, of course.)

A Reagan administration task force recently proposed a set of measures so horrendous that its authors deserve a dose of their own medicine. Firstand this is the only good part amnesty would be granted to the illegal immigrants now here. This is not motivated by a consideration of justice, simply by helplessness. To sell this "generous" amnesty to the country, several other measures are proposed. Hiring illegal immigrants would be a crime. To make sure that emplovers know who is legal and who is not, everyone would be issued a counterfeit-proof Social Security card. The task force conceded that this "is a national identity card by another name" and "an additional intrusion of government into our daily lives." But they didn't let that stop them. (A Carter task force rejected this measure.)

Nor is that all. Illegal immigration is not the only problem the task force had to solve. There is also the refugee "problem." To prevent repetition of the Cuban and Haitian exoduses, the task force proposes that the President be empowered to have the Coast Guard

intercept boats en route to the U.S. INS officers would board the boats and determine on the spot who was eligible for asylum. The others would be returned to the home country. Those admitted to the U.S. would be held in camps, which the task force itself said would resemble concentration camps and would bring charges of racism.

The admittedly draconian measures are thought necessary because "the amnesty will be a big thing to swallow politically. The only way to sell it is to say it's a one-time thing and it won't happen again. That's where tough enforcement comes in."

President Reagan has not yet decided whether to accept the recommendations, which are endorsed by Attorney General William French Smith. In a speech before the Business Council in May, Smith promised "a comprehensive and rational policy on immigration and refugees" because "our society cannot much longer countenance the dislocations, sometimes invisible, that result from the swelling onslaught of illegal aliens."

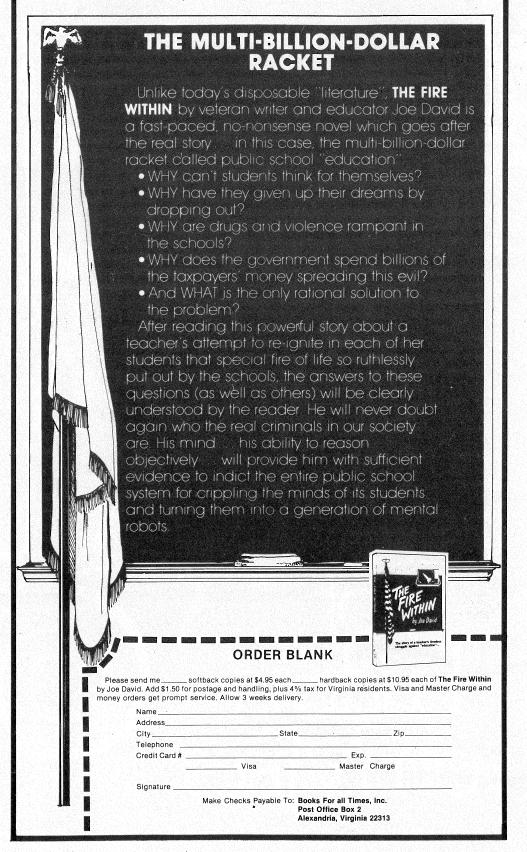
On the contrary. What our society can no longer countenance is hypocrisy. How else can one describe an administration that professes devotion to individual freedom and limited government, and that declares holy war on communism for its denial of human dignity, while simultaneously entertaining proposals to restrict free movement and issue national ID cards to those who "belong" here?

Once again, we arrive at the junction of economic freedom and civil liberties. Employers are to be told whom they cannot hire, and to enforce this, all are to be issued a government serial number, which presumably they will be required to show on order. The reason is the arbitrary lines called national boundaries, which may not be crossed without permission.

Devotion to liberty means more than playing with budgets and taxes and talking a good game. It means working to remove the state's impositions on human freedom. And freedom is a necessity for those on both sides of America's borders.

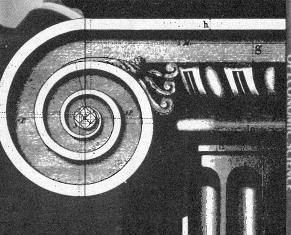
THE FIRE WITHIN

by Joe David



A Centennial Celebration

The Legacy Of Ludwig von Mises



Action

THE ULTIMATE FOUNDATION

Contemp

RALPH RAICO

t is said that a number of years ago, when Bill Buckley was at the beginning of his career of college-speaking, and somewhat more tolerant of libertarians than he is today, he once wrote two names on the blackboard thereby nicely dramatized the point that students in his audience were being presented with only one side of the great world-forming debate between capitalism and socialism. The name of the defender of democratic socialism —I think it was Harold Laski, possibly John Dewey—was recognized by most of those present. The name of Ludwig von Mises was entirely unknown to them. Needless to say, the situation has not basically improved since then (unless perhaps in the sense that most college students would now recognize the name of William F. Buckley, Jr.). How has it been possible that the great majority of economics and social science students, even at elite American universities, are completely unfamiliar with Mises? Even the New York Times, in its notice at the time of his death in October 1973, termed Mises "one of the foremost economists of this century," and Milton Friedman, though from a completely different tradition of economic thought, has called him "one of the great economists of all time."

But Mises was even more than a great economist. Throughout the world, among knowledgeable people—in German-speaking Europe, in France, in Britain, in Latin America, in our own country—Mises was famous as the great twentieth century champion of a school of thought which could be said to have a certain historical importance and a certain intellectual respectability: the one that began with Adam Smith, David Hume, and Turgot, and included Humboldt, Bentham, Benjamin Constant, Tocqueville, Acton, Böhm-Bawerk, William Graham Sumner, Herbert Spencer, Pareto, and many others. Offhand, one would have thought that this acknowledged position alone would have entitled Mises to being presented within the "pluralistic" setting of left-liberal Academe.

in MISES STEARNER AT A PRINT LANS イノIOTYT COVERNIE MISES On the Manipulation of Money and Credit BUREAUCRAC Liberalism: A Socio-Economic Exposition The Anti-Capitalistic Planning For Freedom MISES **Vientalit** on Wises 17011 FREE MARKET BOOKS Mise П

And then there were Mises's scientific achievements, which were extraordinary. For example, it is conceded on all sides that in the whole discussion revolving around the viability of a system of central economic planning, Mises played the key role. Quite possibly the great intellectual scandal (still unadmitted) of the past century has been that the vast international Marxian movement, including thousands upon thousands of professional thinkers in all fields, was for generations content to discuss the whole issue of capitalism vs. socialism solely in terms of the alleged defects of capitalism. The question of how, and how well, a socialist economy would function, was avoided as taboo. It was Mises's accomplishment — and a sign of his superb independence of mind—to have brushed aside this pious "one-just-doesn't-speak-of-such-things," and to have presented comprehensively and arrestingly the problems inherent in attempting rational economic calculation in a situation where no market exists for production goods. Anyone familiar with the structural problems with which the more advanced Communist countries are continually faced and with the debate over "market socialism," will perceive the significance and continuing relevance of Mises's work in this field alone.

How then can we account for the fact that those who managed to take a Laski and a Thorstein Veblen—or even a Walter Lippmann and a Kenneth Galbraith—seriously as important social philosophers somehow could never bring themselves to familiarize their students with Mises or to show him the marks of public recognition and respect that were his due (he was, for example, never president of the American Economic Association)? At least part of the answer, I think, lies in what Jacques Reuff, in a warm tribute, called Mises's "intransigence." Mises was a complete doctrinaire and a relentless and implacable fighter for his doctrine. For over sixty years he was at war with the spirit of his age, and with every one of the advancing, victorious, or merely modish political schools, left and right.

Decade after decade he fought militarism, protectionism, inflationism, every variety of socialism, and every policy of the interventionist state, and through most of that time he stood alone, or close to it. The totality and enduring intensity of Mises's battle could only be fueled from a profound inner sense of the truth and supreme value of the ideas for which he was struggling. This—as well as his temperament, one supposes—helped produce a definite "arrogance" in his tone (or "apodictic" quality, as some of us in the Mises seminar fondly called it, using one of his own favorite words), which was the last thing academic left-liberals and social democrats could accept in a defender of a view they considered only marginally worthy of toleration to begin with. (This would largely account, I think, for the somewhat greater recognition that has been accorded Friedrich Hayek, even before his greatly deserved Nobel Prize. Hayek is temperamentally much more moderate in expression than Mises ever was, preferring, for instance, to avoid the old slogan of "laissez faire." And it is hard to imagine Mises making such a gesture as Hayek did in dedicating The Road to Serfdom "to socialists of all parties.")

But the lack of recognition seems to have influenced or deflected Mises not in the least. Instead, he continued his work, decade after decade: accumulating contributions to economic theory; developing the theoretical structure of the Austrian School (which one may read about in Murray Rothbard's very lucid and intelligent little book, *The Essential von Mises*); and, from his understanding of the laws of economic activity, elaborating, correcting, and bringing up

ANOR III BONA



An oil painting of Ludwig von Mises done by George V. Augusta in 1971.

to date the great social philosophy of classical liberalism.

Now, within the classical liberal tradition, distinctions may be drawn. One very important one is between what may be termed "conservative" and "radical" liberals. Mises belonged to the second category, and on this basis may be contrasted to writers, for instance, such as Macaulay, Tocqueville, and Ortega y Gasset. There was very little of the Whig about Mises. The vaunted virtues of aristocracies; the alleged need for a religious basis for "social cohesion;" the reverence for tradition (it was somehow always authoritarian traditions that were to be reverenced, and never the traditions of free thought and rebellion); the fear of the emerging "mass-man," who was spoiling things for his intellectual and social betters; the whole cultural critique that later provided a substantial foothold for the attack on the consumer society—these found no place in Mises's thinking. To take an example, Tocqueville, in Democracy in America, at one point cries out: "Nothing conceivable is so petty, so insipid, so crowded with paltry interests — in a word, so anti-poetic — as the life of a man in the United States." Whether or not this judgment is true, Mises would never have bothered to make it. As a utilitarian liberal, he had more respect for the standards by which ordinary people judge the quality of their own lives. It is highly doubtful that Mises felt any of the qualms of liberals like Tocqueville at the Americanization of the world. (In fact, their attitude towards America would be a good rough criterion for categorizing classical liberals as "radical" or "conserva-

Mises and the next Generation

DON LAVOIE

There is an old cliché that great men of ideas seldom live to enjoy the fruits of their fame and influence, but in the case of Ludwig von Mises, it must have been still more frustrating—he began his career with a splash, as one of the most prominent young students of a world-renowned economist, Eugen von Böhm-Bawerk, only to watch his influence wane steadily throughout his very productive career. His first book, The Theory of Money and Credit (1912) was for years considered in Europe to be the standard work on monetary theory, and his famous challenge to socialists, "Economic Calculation in the Socialist Commonwealth" (1920), launched what must still be considered the most lively and important debate ever to grace the field of comparative economics. But then he found himself vainly resisting the overwhelming trends of the tumultuous thirties, he was uprooted by World War II to this country, and, by the forties, he had virtually no influence on his contemporaries. Most frustrating of all must have been the fact that his arguments had never been refuted, nor even seriously challenged; they were simply dismissed. It is not difficult to understand his bitterness when he wrote, "I have come to realize that my theories explain the degeneration of a great civilization; they do not prevent it. I set out to be a reformer, but only became the historian of decline."

In an age of infatuation with the application of sophisticated mathematical techniques to economic theory, there seemed to be no room for such an early and vociferous critic of this trend as Mises. With the triumph of Keynesian macroeconomics, abstract equilibrium modeling, and econometric number-crunching, Mises and his Austrian school found themselves all but excluded from any influence in the profession. Anyone who had compared

the journal articles of the last quarter-century with those of the previous 75 years would understand how drastic a change has gripped the economics profession, and how whole schools of thought could have been swept aside in the profession's rush to flex its newfound mathematical "muscles." Most economists ignored Mises's warnings that their exclusive concentration on states of equilibrium could blind them to examining the process of equilibration, and that their macro models and statistical averages could obscure their view of the individual choices that underlie social phenomena.

It is as astonishing as it is ironic that, in the brief span of eight years between Mises's death and the hundredth anniversary of his birth, we have seen his influence not only stop its tragic decline, but increase to a degree far higher than it ever has been in this country. Before the mid-seventies, it seemed as if the only people who took Mises seriously were a few of those crusty hard-money advocates outside of academia, and a handful of dedicated scholars like F. A. Hayek, Ludwig Lachmann, Israel Kirzner, and Murray Rothbard, who had never been seduced by mathematical technique. Suddenly at a conference at South Royalton, Vermont, and at a series of conferences since, there appeared dozens of bright young scholars, familiar with and serious about Mises's work. Within four years of Mises's death, twelve major conferences on Austrian economics had already been held, several books had been published in an excellent new series called Studies in Economic Theory (now continued through New York University Press), and young Austrian theorists could be found doing graduate work at such prestigious institutions of higher learning as Harvard, UCLA, Stanford, and the University of

The awarding of the Nobel prize to Hayek further accelerated the resurgence of interest in Austrian theory, and Austrian conferences were beginning to boast the attendance of scores of bright young professors and graduate students eager to extend Mises's work. At New York University, where Mises had taught in his last years, two of these top young professors were added to a faculty that already included two of Mises's most respected students, Israel Kirzner and Fritz Machlup, as well as the esteemed Austrian capital theorist, Ludwig Lachmann. The Austrian Economics Newsletter, begun in 1977, has, after eight issues, still

tive.") Mises, then, was a *radical* liberal, in the line of the Philosophical Radicals and the men of Manchester.

All the elements of radical liberalism are there: first of all, and most basic, his uncompromising rationalism, reiterated again and again. (Symptomatic of Mises's avoidance of everything he would consider mystical and obscurantist in social thought is the fact that, to my knowledge, he never in all his published writings once mentions Edmund Burke except in the context of someone who, in alliance with writers like de Maistre, was ultimately a philosophical opponent of the developing liberal world.) There is his utilitarianism, taking the end of politics to be not "the good," but human welfare, as men and women individually define it for themselves. There is his championing of peace, which in the tradition of those nineteenth century liberals most closely identified with the doctrine of complete laissez faire - Richard Cobden, John Bright, Frédéric Bastiat, and Herbert Spencer—he bases on the economic substructure of free trade. And, more surprising, there is in Mises a basically democratic concern and, in an important sense, an egalitarianism, such that this requires special comment.

Mises's fundamentally democratic and egalitarian outlook is not, of course, to be understood in terms of belief in some innate equality of talents or in equality of income. When Mises discusses the great question of equality he does not have in mind a future fantasy utopia, where each will absolutely count for one and none for more than one, but rather the empirical conditions under which human beings

have hitherto found themselves in various societies. What have actually been the conditions of class, status, degree, and privilege in the history of mankind, and what difference does capitalism make? The history of pre-capitalist societies is one of slavery, serfdom, and caste- and class-privileges in the most degrading forms. It is history made by slaveowners, warrior-nobles, and eunuch-makers, by kings, their mistresses, and courtiers, by priests and other Mandarinintellectuals - by parasites and oppressors of all descriptions. Capitalism shifts the whole center of gravity of society ("The World Turned Upside Down," as Lord Cornwallis's troops played at Yorktown). In the hackneyed but true and sociologically enormously important statement: every dollar, whether in the possession of someone totally lacking in the social graces, of someone of "mean birth," of a Jew, of a black, of someone no one ever even heard of, is the equal of every other dollar and commands products and services on the market which talented people must structure their lives to provide. As Marx and Engels observed, the market breaks down every Chinese Wall and levels the world of status and traditional privilege that the West inherited from the Middle Ages. It is the battering-ram of the great democratic revolution of modern times. Mises maintained that the pseudorevolution which socialism would bring about is much more likely to lead to the reemergence of the society of status and the redegradation of the masses to the position of pawns, controlled by an elite which would assign itself the title role in the heroic melo-

failed to keep up with the impressive number of Austrian articles, books, and conferences that have appeared since. Additional programs in Austrian economics have been launched at Rutgers University and more recently at George Mason University, while scores of seminars and conferences promoting Mises's approach have been run by such think tanks as the Institute for Humane Studies, Liberty Fund, and the Cato Institute.

There is no more important forum in academia (and no tougher one to break into) than the professional associations and the refereed journals. In economics such institutions as the American Economics Association and the Southern Economic Association essentially define the profession's view of itself and of the science, and there is no denying the fact that their journals are, as yet, quite innocent of any significant Misesian influence. But even in this, the most difficult arena, Austrian economics has already started to have an impact. In the fall of 1978, the Atlantic Economic Association devoted an entire issue of its journal to Carl Menger, the founder of the Austrian school, while special panels examining the central Austrian notion of entrepreneurship were held at both the Southern and American Economic Associations' meetings. The latest meetings of the AEA featured not only a panel on Mises, but also an entire opening session significantly entitled "Recent Developments in Economic Theory: Austrian Economics." The lead article in the July issue of the Southern Economic Journal is an attempt (not very successful) to reconcile Austrian economics with mainstream neoclassical economics, and a forthcoming issue of the AEA's Journal of Economic Literature will feature a major essay on the modern Austrian school.

The edifice of the single, unified neoclassical/Keynesian orthodoxy is already in shambles under challenges from Supplysiders, Rational Expectationists, Monetarists, Marxians, Neo-Keynesians, et al. The rise of competing schools or "paradigms" promising alternatives to "textbook economics" is already an accomplished fact. As a recent special issue of *The Public Interest* made clear, there is a serious crisis in modern economics that is begging for the emergence of a radically different perspective. And as Kirzner's contribution to that issue suggests, the modern Austrian school now stands ready to take up this challenge.

Perhaps the most encouraging characteristic of these modern Austrian scholars is their mastery of the highly technical mathematical economics of the profession. They are not content to repeat the terse arguments of their mentors but offer fresh and specific explanations of how and why the usefulness of mathematics in economics, though not a "null set," is far less than contemporary economists seem to realize. And they are at the same time beginning to demonstrate the explanatory power of the Austrian perspective by extending the frontiers of economics to the new problems of the 1980s.

The economics profession has for some time contended that with the "tools" of higher mathematics the contemporary economist can rise above the crude squabbles of the older nonmathematical forms of economic discourse; that it could end controversy in the discipline by force of the undebatable rigor of formal mathematics. But today the precision, the decisiveness, and the relevance of much of this "higher" economics are beginning to come under attack. Students are beginning to wonder whether it really helps our understanding of inflation and unemployment to master Laplace transforms, matrix algebra, differential equations, or linear programming. Is it not possible that these fancy techniques can no longer plausibly be considered to be tools of the economist, but have become our masters? Is it not conceivable that the exclusive reliance on those problems that lend themselves to these techniques, to these "muscles," has made the profession not stronger, but muscle-bound? Have we the courage to admit that we have let our preoccupation with technique transform the most advanced and important of the social sciences into an exercise in sterility, into a truly dismal science?

But there is nothing dismal about a book like Mises's magnum opus, *Human Action*. Austrian economics is not just true; it is also exciting, sweepingly profound, and enormously encouraging about the possibilities open to a free society. It is not a settled body of doctrine but a living process of inquiry into the functioning of the market order. It not only explains the decline of the economies of the modern world, it points the way to a dramatic increase in prosperity. And it is beginning, at last, to mount a sizable following in the academic community.

Such is the stuff intellectual revolutions are made of.

Don Lavoie is the editor of *The Austrian Economics Newsletter* and teaches economics at George Mason University in Fairfax, Virginia. He is a frequent contributor to *The Libertarian Review*.

drama, Man Consciously Makes His Own History.

As far as the caliber and quality of Mises's thinking goes, my own view is that he is able to penetrate to the heart of important questions, where other writers typically exhaust their capacities on peripheral points. Some of my favorite examples are his discussions of "worker control" (which promises to become the preferred social system of the Left in many Western countries), and of Marxist social philosophy (which Mises deals with in a number of his books, most extensively and trenchantly in *Theory and History.*) As an illustration of the power of Mises's thought, however, an example of greater interest might be his clarification of the relationship of Christianity to capitalism and socialism.

That there is an intimate relationship between commitment to a free society and faith in Christianity is a view trumpeted not only by many fundamentalist hucksters, but by influential conservative writers and politicians as well. The thinking behind these pious mouthings could, it seems to me, be tightened up immeasurably by a reading of the brief section in Mises' *Socialism* dealing with "Christianity and Socialism."

As Mises points out, although the social philosophy implied in the Gospels is "not socialistic and not communistic," the Gospels are of no help to the free society either, being "indifferent to all social questions on the one hand, full of resentment against all property and all owners on the other." It was Christianity's very lack of close involvement with any particular social system that was in part responsible for its phenomenal success: "Being neutral to any social system, it was able to traverse the centuries without being destroyed by the tremendous social revolutions which took place. Only for this reason could it become the religion of Roman Emperors and Anglo-Saxon entrepreneurs, of African Negroes and European Teutons, medieval feudal lords and modern industrial laborers. Each epoch and every party has been able to take from it what they wanted, because it contains nothing which binds it to a definite social order." Interestingly, this is the same conclusion which Tocqueville finally reaches in his preface to The Old Regime and the Revolution, where he despairs of Christianity's being of any particular value for the free society, because "the patrimony of the Christian faith is not of this world."

Christianity, moreover, could sometimes be harmful to the free society. Mises, who had witnessed the rise to prominence of a "Christian social thought" and Christian social movements that tried to distance themselves equally from socialism and from horrid laissez faire, underscored the continued warfare of the churches against liberal institutions in terms which some may find surprising: "It is the resistance which the Church has offered to the spread of liberal ideas which has prepared the soil for the destructive resentment of modern socialist thought.... It is not as if the resistance of the Church to liberal ideas was harmless....In the last decades we have witnessed with horror its terrible transformation into an enemy of society. For the Church, Catholic as well as Protestant, is not the least of the factors responsible for the prevalence of the destructive ideals in the world today....'

Finally, Mises contrasts the ethical achievements of Christianity over two thousand years with what capitalism has accomplished in a couple of centuries: "Compare the results achieved by these 'shopkeeper ethics' with the achievements of Christianity! Christianity has acquiesced in slavery and polygamy, has practically canonized war, has, in the name of the Lord, burnt heretics and devastated countries. The much abused 'shopkeepers' have abolished slavery and serfdom, made woman the companion of man with equal rights,

proclaimed equality before the law and the freedom of thought and opinion, declared war on war, abolished torture, and mitigated the cruelty of punishment. What cultural force can boast of similar achievements?"

What emerges from these pages is by no means a free-thinking attack on Christianity per se: Mises, perfectly content with his own personal rationalist and scientific world-view, looking on all forms of "fanaticism" with an almost French irony and skeptical detachment, could not be less interested in any individual's profession of religious faith. But, as a historical and sociological matter, the notion that Christianity is particularly useful to proponents of a free society (in reason, of course, and not as a propagandist's trick), and the naive Sunday preacher's idea that it is synonomous in actual practice with all elevated ethics, are rendered completely untenable.

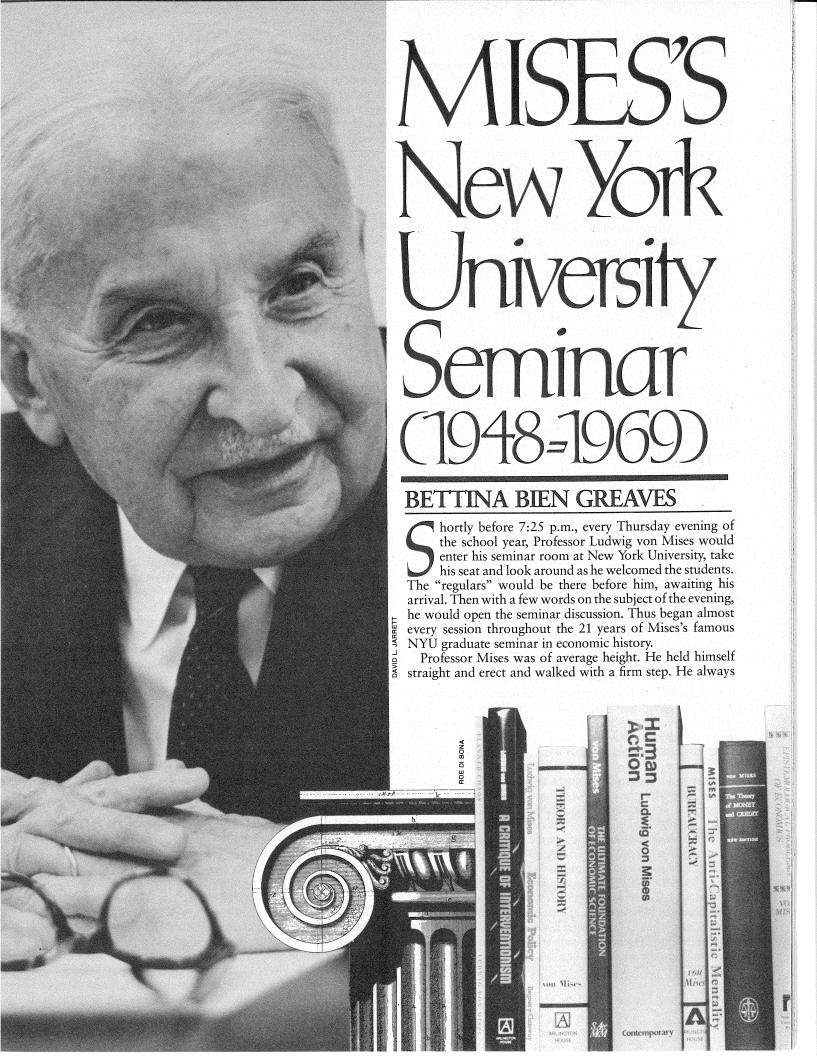
In the conjunction in this brief discussion of great intellectual scope, rigorous reasoning, and the proud defense of classical liberal values, the reader can glimpse something of the distinctive character of Mises as social philosopher.

No appreciation of Mises would be complete without saying something, however inadequate, about the man and the individual. Mises's immense scholarship, bringing to mind other German-speaking scholars, like Max Weber and Joseph Schumpeter, who seemed to work on the principle that someday all encyclopedias might very well just vanish from the shelves; the Cartesian clarity of his presentations in class (it takes a master to present a complex subject simply); his respect for the life of reason, evident in every gesture and glance; his courtesy and kindliness and understanding, even to beginners; his real wit, of the sort proverbially bred in the great cities, akin to that of Berliners, of Parisians and New Yorkers, only Viennese and softer—let me just say that to have, at an early point, come to know the great Mises tends to create in one's mind life-long standards of what an ideal intellectual should be. These are standards to which other scholars whom one encounters will almost never be equal, and judged by which the ordinary run of university professor—at Chicago, Princeton, or Harvard—is simply a joke (but it would be unfair to judge them by such a measure; here we are talking about two entirely different sorts of human beings). It was altogether fitting for Murray Rothbard, in the obituary he wrote for Mises in Libertarian Forum, to append these lines from Shelley's Adonais, and it is fitting for us to recall them in the year of Mises's centenary:

For such as he can lend—they borrow not Glory from those who made the world their prey; And he is gathered to the kings of thought Who waged contention with their time's decay, And of the past are all that cannot pass away.

Finally, for the serious reader of politics and social philosophy who has never studied Mises my advice would be to make the omission good as soon as possible: it will save a lot of otherwise wasted effort on the road to truth in these matters. *Liberalism* or *Bureaucracy* would be a good start; or, for those with a special interest in twentieth century history, *Omnipotent Government*; or his *Socialism*, which remains for me the finest book I have ever read in the social sciences. Considering the absolutely critical place America has in Western civilization today, it would truly be a tragedy if a few establishment professors succeeded in keeping intelligent young Americans from acquainting themselves with the rich heritage of ideas left us by Ludwig von Mises.

Ralph Raico is senior editor of Inquiry magazine, and a frequent contributor to LR.



dressed very properly in suit, vest, and tie. His grey hair and moustache were always neatly brushed. He was serious, no nonsense or frivolity in his attitude toward his subject, but his eyes sparkled. A sense of humor was apparent in the anecdotes he told and the illustrations he cited in informal remarks and *ad lib* answers to questions.

In 1934, anticipating political unrest and turmoil in Austria, Professor Mises made plans to leave Vienna and he took a position with the world-renowned Graduate Institute of International Studies in Geneva, Switzerland. In August 1940, with his wife, Margit, he arrived in the United States. No job awaited this refugee scholar from war-torn Europe. For several years he free-lanced, writing articles and lecturing. A foundation grant enabled him to write *Bureaucracy* and *Omnipotent Government*, both published by Yale University Press in 1944. Then, with the encouragement of Henry Hazlitt, he began writing what became his magnum opus, *Human Action*, published by Yale in 1949.

Mises's first graduate level teaching position in this country began with the spring term of 1945 when he was invited by New York University, Graduate School of Business Administration (NYU, GBA) to become a visiting professor and to present a lecture course on Monday evenings. Then 63 years of age, he was embarking on a new teaching career which was to extend for more than 24 years. In the fall of 1948 he began the graduate seminar at NYU on Thursday evenings. The Monday evening courses — one semester devoted to socialism and the market, the other to government controls — ended in the spring of 1964. However, Mises continued to conduct the Thursday seminar through the spring term of 1969, when he was in his 89th year.

With NYU's permission, Mises frequently invited friends visiting New York City to drop in on his Thursday evening seminar, and several from the area attended regularly over the years. Thus, the participants in Mises's seminar fell into three categories — registered NYU students, occasional guests of the professor, and former NYU students especially interested in learning all they could from Mises, who continued to attend on a regular basis.

The typical registered graduate student was apt to feel somewhat at sea at the beginning of his first semester. Mises's accent was difficult to understand at first. His vocabulary and subject matter were often foreign to what American university students usually heard in graduate economics courses. Instead of speaking in terms of econometrics, macroeconomics, economic growth, price level, economic stability, or aggregate statistics, Mises was likely to be talking about such concepts as apriorism, epistemology, teleology, purposive action, or value judgments. He assumed the participants in a graduate seminar would be well read in history and philosophy as well as economics (including his own books) and prepared for intellectual discussion. Thus, he tended to stretch the minds of those who were interested and sought to understand. One graduate student once commented that Mises's seminar was one of the few university classes he had attended in which the students were treated like mature scholars.

Mises spoke from a tremendously broad background. He was a lawyer as well as an economist, his doctorate from the University of Vienna having been in "Both Laws — Canon and Roman." He was a prodigious reader all his life and had a comprehensive knowledge of history. He read and spoke a number of languages. He was thoroughly familiar with the classics. He kept abreast of new books being published and he read several newspapers regularly. He was an ardent opera and theatergoer. He also went frequently to the movies. Thus, his lectures were sprinkled with allusions to

persons and events of ancient and European history as well as recent happenings and people in the daily news.

Mises selected a broad general theme for each college year or semester of the seminar. Among the topics covered in the 18 years I attended were capitalism, epistemology, praxeology, bureaucracy, interventionism, socialism, Marxism, capital theory, monetary theory, interest theory, prices and competition, monopoly and monopoly prices, institutional economics, the profit and loss system, as well as various theories of the trade cycle. A half dozen words, no more, neatly and precisely written in Mises's old-fashioned European script, on a small piece of paper, usually about 2'' x 3'', were sufficient to remind him of the important points he wanted to cover in an evening's discussion.

Mises encouraged participants in his seminar to ask questions. They should not accept his every statement as absolute truth or, he said, he might as well be a dictator. They should ask questions about anything they doubted, couldn't accept or understand. Thus, many topics were raised over the years — cartels, copyrights, agrarian reform, election returns, multinational corporations, new government regulations, Federal Reserve policies, recently published books, and even issues suggested by the latest presidential press conference. Every question offered Mises an opportunity to talk about various aspects and applications of economic theory.

Questions on "economic growth," for instance, led Mises to discuss the nature and methodology of economics. Implied in the term "economic growth," he explained, was the idea that it was possible somehow to measure the improvement, or deterioration, in economic conditions from one time to another. However, this is not possible. Measurement is possible, he pointed out, only when you have an unchanging "yardstick," and there is no yardstick for measuring improvement or deterioration in conditions. Measurements may not always be perfect in physics, because of the fallibility of the persons doing the measuring and interpreting the data, but they are theoretically possible. In economic theory, however, we are dealing with ideas and values. "Economics is not potatoes," he told us once. "Economics is human action. Potatoes are only something that people have used for consumption during a certain period of time."

We should never forget that the realities of economics are the actions of men who are motivated by ideas, values, and plans, and who aim at ends. The economic unit from which all action stems is value. Value, like love, is subjective and always changing. We may count and weigh the potatoes and automobiles, for instance, that are produced and sold in one year. We may precisely determine how much or how many more or less potatoes and automobiles are produced and sold in a different year. But if the production and sales of potatoes and automobiles go up, while the production and sales of meat, airplanes, and shoes, for instance, go down, will conditions be better or worse? And from whose point of view? What will be the basis for comparison? If there is no unchanging unit of measurement, no yardstick, with which the economic conditions at the two different points in time may be measured, how can we know whether or not there has been "economic growth"?

"What do people mean," Mises asked, "when they speak of measuring 'economic growth'? People would think it foolish to try to 'measure' love. But when they try to measure economic conditions they are in effect trying to measure 'love,' the 'love' or preference people have for certain conditions and certain changes. The idea of economic measurement denies the distinction between human action and what takes place in the physical world outside of man."

The reality economists deal with is the reality of ideas and actions as they are applied to external things. The realities of economics are actions. Every action is an exchange of something a person has for something he values more. But that value can no more be expressed in cardinal numbers or measured in arithmetical terms than can love. Values can only be arranged or graded in accordance with the actor's ordinal preferences.

Value is the importance men attach to ultimate ends. Out of the subjective values of many persons acting on the market, out of their preferences for goods and services on the one hand and for money on the other, prices evolve. You are willing to pay a certain price for a good or service because you have definite ideas about the relative value of the good or service and of the purchasing power of money. The prices that result are not *measurements* of value, however, but exchange ratios of the two values expressed in money terms.

Mises was often asked also about the use of economic statistics in forecasting. First of all, he always pointed out that statistics are necessarily always history and as such they cannot tell us about the future. However, he realized that knowledge of the past is necessary to know what has gone on before and to be able to improve anticipations. In order to plan intelligently, businessmen need to know as much as possible about past production and past prices. The busi-

If students accepted his every word as truth and failed to ask questions, Mises said, then he might as well be a dictator.

nessman, therefore, analyzes the statistician's tables. But to them he adds most important ingredients — his own interpretation, understanding, and anticipations of future changes. What the businessman learns from the statistical reports, which always refer to the past, is one thing. What he will do in the future, on the basis of his knowledge and anticipations, is something else. The businessman must always interpret the statistics on the basis of theory, knowledge, and understanding. Historical statistics, without theory, are of no help in making economic anticipations.

Theory and an understanding of economic principles make economic forecasting possible. They permit us to predict the consequences of certain actions. For instance, we can say on the basis of economic theory that if in 1999 the government enacts controls on milk, in the attempt to hold its price below the price that would have prevailed in a free or unhampered market, there will inevitably be certain undesired consequences — an increased demand for milk accompanied by reduced supplies. Economists cannot predict that that will happen in 1999. They cannot know if the government will enact price controls on milk in the future, for that will depend on the joint actions of people and government. Their actions will depend on their ideas. But we do know that if men come to understand the inevitable undesired consequences of enacting price controls, they will be able to avoid them, if they want to, by changing their

To illustrate the effects of anticipation on the basis of more than historical economic statistics, Mises described the situation in Europe between 1910 and 1914. At that time, there was considerable discussion about what seemed to be unreasonably high prices for the stocks of certain corporations. These were corporations which manufactured things governments were likely to buy in time of war—tin goods or preserves, as well as armaments. Although the statistical reports then available contained no reference to future military conflict, enough people anticipated that the world was on the brink of war to act in a manner that bid these prices up several years before the start of World War I.

Mises's extemporaneous remarks were often vivid, colorful, and succinct. Here are a few gems selected from my years of seminar notes:

You say the secret is in selling something above cost. But the situation is really very different. The problem is to produce something for which consumers are willing to pay above cost.

Education can only hand down what was present in the old generation. The innovator cannot be educated. There is no school for the inventor.

Prices are like the snows of last winter. They come, but at the moment we catch them, they are already something of the past. Concerning statistical averages which conceal the truly significant factors: If a man has one leg on an iceberg and the other in a fire, the *average* is then all right.

The French government buys and stores wine, just as this government buys and stores wheat and butter. But wines improve with age, while the same cannot be said of wheat and butter.

Ideas are called "imported and alien" when one doesn't like them. It is exactly the opposite with wine.

Beginning with Omar Khayyam, wine has been advertised by the poets. Were the poets in the pay of the "Whiskey Trust"? Why not say that the desire for cleanliness is the result of the "Soap Trust" and its advertising?

Concerning the idea of nationality: St. Francis of Assisi and Casanova were both Italians. But what did they have in common? Only the fact that they both used the same language, though for very different purposes!

Why should the members of Congress be so nasty as to fix a minimum wage lower than their own?

What "runs away" is not the inflation, but the good sense of the government.

Saints don't usually serve in the offices of foreign exchange controls.

The real "jewels" are morals.

Mises understood very well that the fate of the world depends on the ideas men hold. He found little in the daily papers to give him hope that the inflation would soon be halted. Thus, he was inclined to be pessimistic. Yet he told us on occasion that he was becoming more optimistic about the future, for he had confidence in "the genius of the people." That, he said, is why he wrote his books. His hopes were also buoyed by the few brave voices in this country cautioning against continued monetary expansion and warning against the inevitable consequences to be expected from increasing government intervention. And he was encouraged by the members in his seminar who had "moral caliber and the ability" to realize "that economics books were written not only for libraries but also for some practical use.... Nothing is more important than the ideas, commonly called economic ideas, developed by persons we do not even know today. These ideas are the real material out of which the future will be built.... I have full confidence in the members of my seminar."

Bettina Bien Greaves is on the staff of the Foundation for Economic Education.

Mises Himself

The keystone of Western civilization is the sphere of spontaneous action it secures to the individual. There have always been attempts to curb the individual's initiative, but the power of the persecutors and inquisitors has not been absolute. It could not prevent the rise of Greek philosophy and its Roman offshoot, or the development of modern science and philosophy. Driven by their inborn genius, pioneers have accomplished their work in spite of all hostility and opposition. The innovator did not have to wait for an invitation or order from anybody. He could step forward of his own accord and defy traditional teachings. Then came the emancipation of the individual in the field of business, an achievement of that new branch of philosophy, economics. A free hand was given to the enterprising man who knew how to enrich his fellows by improving the methods of production. A horn of plenty was poured upon the common men by the capitalistic business principle of mass production for the satisfaction of the needs of the masses.

Theory and History

Liberalism is no religion, no world view, no party of special interests. It is no religion because it demands neither faith nor devotion, because there is nothing mystical about it, and because it has no dogmas. It is no world view because it does not try to explain the cosmos and because it says nothing and does not seek to say anything about the meaning and purpose of human existence. It is no party of special interests because it does not provide or seek to provide any special advantage whatsoever to any individual or group. It is something entirely different. It is an ideology, a doctrine of the mutual relationship among the members of society and, at the same time, the application of this doctrine to the conduct of men in actual society.

Liberalism

The customary terminology misrepresents things entirely. The philosophy commonly called individualism is a philosophy of social cooperation and the progressive intensification of the social nexus. On the other hand, the application of the basic ideas of collectivism cannot result in anything but social disintegration and the perpetuation of armed conflict.

Human Action

The characteristic feature of the market economy is the fact that it allots the greater part of the improvements brought about by the endeavors of the three progressive classes—those saving, those investing the capital goods, and those elaborating new methods for the employment of capital goods—to the nonprogressive majority of people. Capital accumulation exceeding the increase in population raises, on the one hand, the marginal productivity of labor and, on the other, cheapens the product. The market process provides the common man with the opportunity to enjoy the fruits of other peoples' achievements. It forces the three progressive classes to serve the nonprogressive majority in the best possible way.

The Anti-Capitalistic Mentality

He who says: The state is God, deifies arms and prisons. The worship of the state is the worship of force. The worst evils which mankind ever had to endure were inflicted by bad governments. The state can be and has often been in the course of history the main source of mischief and disaster.

Omnipotent Government

The vain arrogance of the literati and the Bohemian artists dismisses the activities of the businessmen as unintellectual money-making. The truth is that the entrepreneurs and promoters display more intellectual faculties and intuition than the average writer and painter. The inferiority of many self-styled intellectuals manifests itself precisely in the fact that they fail to recognize what capacity and reasoning power are required to

develop and to operate successfully a business enterprise.

The Anti-Capitalistic Mentality

Today millions are fascinated by the plan to transform the whole world into a bureau, to make everybody a bureaucrat, and to wipe out any private initiative. The paradise of the future is visualized as an all-embracing bureaucratic apparatus. The post office is the model for the construction of the New Jerusalem. The post-office clerk is the prototype of future man. Streams of blood have been shed for the realization of this ideal.

Bureaucracy

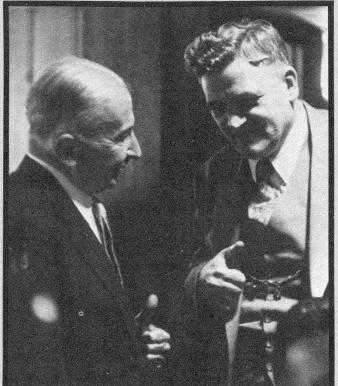
Liberalism starts from the premise that not war, but peace is the father of all things. What alone enables mankind to advance and distinguishes man from the animals is social cooperation. It is labor alone that is productive: it creates wealth and therewith lays the outward foundations for the inward flowering of man. War only destroys; it cannot create. The liberal abhors war, not, like the humanitarian, in spite of the fact that it has beneficial consequences, but because it has only harmful ones. With the triumph of liberal principles, people no longer took seriously the idea that a great war could ever again break out. But events have turned out quite differently. Liberal ideas and programs have been supplanted by socialism, nationalism, protectionism, imperialism, statism, and militarism. Whereas Kant and von Humboldt, Bentham and Cobden had sung the praises of eternal peace, the spokesmen of a later age never tired of extolling war, both civil and international. And their success came only too soon. The result was the World War, which has given our age a kind of object lesson on the incompatability between war and the division of labor.

Liberalism

There can be no freedom of the press where the government owns every printing office. There can be no free choice of profession or trade where the government is the only employer and assigns everyone the task he must fulfill. There can be no real freedom of scientific research where the government owns all the libraries, archives, and laboratories. There can be no freedom in art and literature where the government determines who shall create them. In a socialist community the individual citizen can have no more freedom than a soldier in the army or an inmate in an orphanage.

Omnipotent Government

Mises with Percy L. Greaves, author of Understanding the Dollar Crisis, at the NYU faculty club in 1958.



The present unsatisfactory state of monetary affairs is an outcome of the social ideology to which our contemporaries are committed and of the economic policies which this ideology begets. People lament over inflation, but they enthusiastically support policies that could not go on without inflation. The suggested reform of the currency system and the return to sound monetary conditions presuppose a radical change in economic philosophies. There cannot be any question of the gold standard as long as waste, capital decumulation, and corruption are the foremost characteristics of the conduct of public affairs. Cynics dispose of the advocacy of a restitution of the gold standard by calling it utopian. Yet we have only the choice between two utopias: the utopia of a market economy, not paralyzed by government sabotage, on the one hand, and the utopia of totalitarian all-round planning on the other. The choice of the first alternative implies a decision in favor of the gold standard.

The Theory of Money and Credit

Opium and morphine are certainly dangerous, habit-forming drugs. But once the principle is admitted that it is the duty of government to protect the individual against his own foolishness, no serious object can be advanced against further encroachments. A good case could be made out in favor of the prohibition of alcohol and nicotine. And why limit the government's benevolent providence to the protection of the individual's body only? Is not the harm a man can inflict on his mind and soul even more disastrous than any bodily evils? The mischief done by bad ideologies, surely, is much more pernicious, both for the individual and for the whole society, than that done by narcotic drugs. If one abolishes man's freedom to determine his own comsumption, one takes all freedoms away.

Human Action

Behaviorism proposes to study human behavior according to the methods developed by animal and infant psychology. It seeks to investage reflexes and instincts, automatisms and unconscious reactions. But it has told us nothing about the reflexes that have built cathedrals, railroads, and fortresses, the instincts that have produced philosophies, poems, and legal systems, the automatisms that have resulted in the growth and decline of empires, the unconscious reactions that are splitting atoms. Behaviorism punctiliously avoids any reference to meaning and purpose. However, a situation cannot be described without analyzing the meaning which the man concerned finds in it. If one avoids dealing with this meaning, one neglects the essential factor that decisively determines the mode of reaction.

Theory and History

It is certainly possible to stop the further progress of capitalism or even to return to conditions in which small business and more primite methods of production prevail. A police apparatus organized after the pattern of the Soviet constabulary can achieve many things. The question is only whether the nations that have built modern civilization will be ready to pay the price.

Theory and H

Life is a process, not a perseverance in a status quo. Yet the mind has always been deluded by the image of an unchar existence. The avowed aim of all utopian movements is to end to history and to establish a final and permanent Conservatism is contrary to the very nature of human acti it has always been the cherished program of the many, of the dully resist every attempt to improve their own cor which the minority of the alert initiate.

The Anti-Capitalistic Me

History looks backward into the past, but the lesson it concerns things to come. It does not teach indolent quie rouses man to emulate the deeds of earlier generation dresses men as Dante's Ulysses addressed his companior

Considerate la vostra semenza: Fatti non foste a viver come bruti, Ma per sequir virgude e conoscenza. Consider ye the seed from ye sprang: Ye were not made to live like unto brutes, But for pursuit of virtue and of knowledge.

Theory and History

The most amazing thing concerning the unprecedented change in earthly conditions brought about by capitalism is the fact that it was accomplished by a small number of authors and a hardly greater number of statesmen who had assimilated their teachings. Not only the sluggish masses but also most of the businessmen who, by their trading, made the laissez-faire principles effective failed to comprehend the essential features of their operation. Even in the heyday of liberalism only a few people had a full grasp of the functioning of the market economy. Western civilization adopted capitalism upon the recommendation on the part of a small elite.

The Anti-Capitalistic Mentality

Society lives and acts only in individuals; it is nothing more than a certain attitude on their part. Everyone carries a part of society on his shoulders; no one is relieved of his share of responsibility by others. And no one can find a safe way out for himself if society is sweeping towards destruction. Therefore everyone, in his own interests, must thrust himself vigorously into the intellectual battle. None can stand aside with unconcern; the interests of everyone hang on the result. Whether he chooses or not, every man is drawn into the great historical struggle [between capitalism and socialism], the decisive battle into which our epoch has plunged us. Neither God nor a mystical "Natural Force" created society; it was created by mankind. Whether society shall continue to evolve or whether it shall decay lies in the hand of man. Whoever desires that society should exist and develop must also accept, without limitation or reserve, private ownership in the means of production.

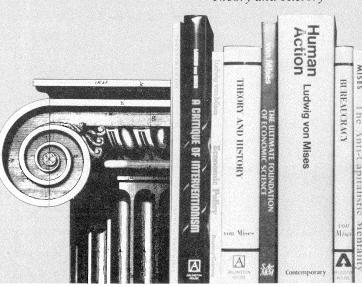
Socialism

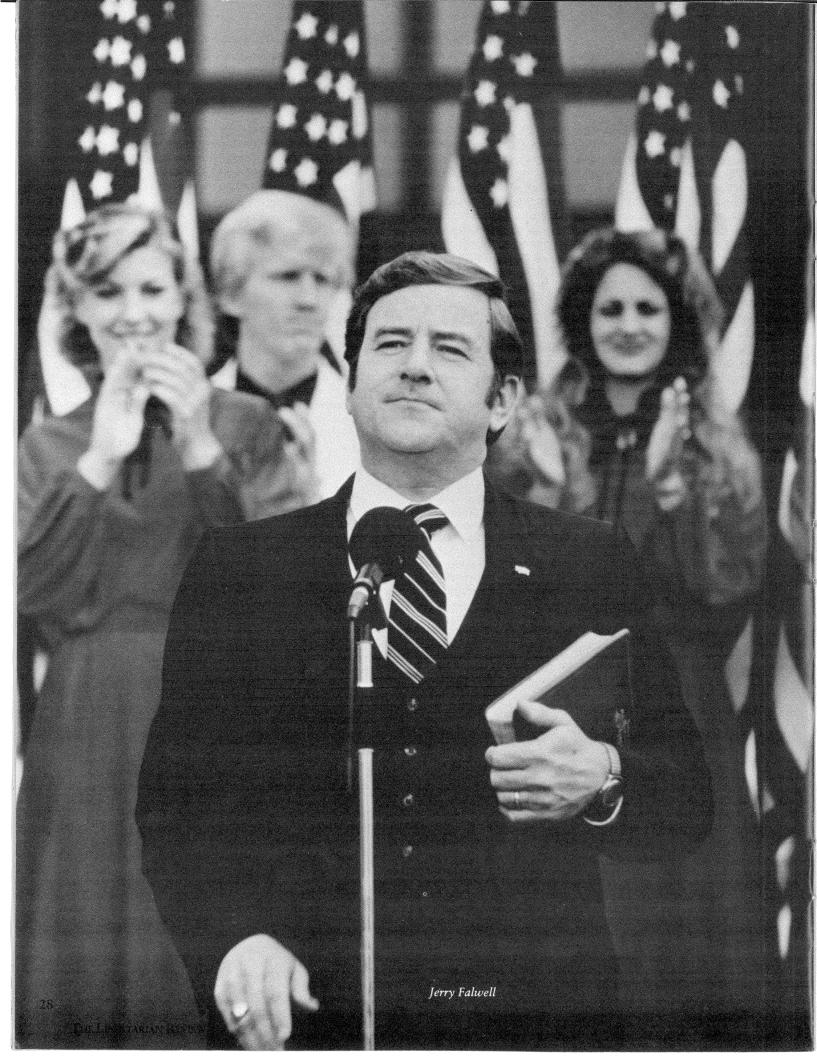
The exuberance and variability of human life and action cannot be fully seized by concepts and definitions. Some answered or even unanswerable questions always remain, some problems whose solution passes the ability even of the greatest minds.

Theory and History

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 and are fighting it passionately. The success of Nazism in Germany in 1933 was due to the fact that the immense majority of the Germans, even of those voting the ticket of the Marxist parties, of the Catholic Centrum party, and of the various "bourgeois" splinter parties, were committed to the ideas of radical aggressive nationalism, while the Nazis themselves had adopted the basic principles of the socialist program. Great Britain would not have gone socialist if the Conservatives, not to speak of the "Liberals," had not virtually endorsed socialist ideas.

Theory and History





The New Theoracy

erry Falwell begins his 1980 book, *Listen America*, by discussing the issue of liberty. He quotes Robert Ringer, author of *Restoring the American Dream*, who is concerned that the American dream of individual freedom will be lost. But, while praising Ringer for defending the free market, Falwell ignores the fact that the very principles of liberty which Ringer uses to defend free enterprise are also used by him to support the legalization of homosexuality, prostitution, and drugs. Falwell and his organization, Moral Majority, seem to believe that the only justifiable freedoms are economic.

In his book, Falwell emphasizes that without economic freedom all other liberties are in danger. He is right. However, if the theocratic state he envisions is established, then all liberties, including those which are economic, will be lost. For in spite of all of his talk about liberty, Rev. Falwell is no libertarian: his liberty is arbitrary, and arbitrary liberty is not liberty at all.

"Protection of each and every individual's right to acquire property is a necessity of freedom," writes Falwell, "[t]o destroy or to control a man's right to own or use property is to diminish him as an individual, for property rights are human rights. Freedom to own property is a basic tenet of this society."

By contrast, he recently signed a fund-raising letter addressed to "Dear Friend of the Moral Majority," asking the recipient to sign and return a ballot to him, voting against laws permitting homosexuality, abortion on demand, and pornography, which he calls "the three most vital moral issues affecting America today."

When Jerry Falwell says "vote," of course, he is not just using a figure of speech. During the last election campaign he predicted that the activist group which he founded, Moral Majority, would have registered four million new Christian voters by last November's election. Moral Majority "in just under two years has gained a national membership of 400,000, including 72,000 ministers and priests," according to an article by Joan Kennedy Taylor in last December's issue of *The Libertarian Review*, and Falwell's TV evangelism and letter writing campaigns continue to

keep his influence growing.

How is it that Falwell can defend property rights and yet ignore the one property that each of us own, our own bodies? Ownership implies the right to do with the property as one pleases as long as the rights of others are respected. Ownership of one's body would then give one the right to engage in consensual sexual acts, heterosexual or homosexual. It also implies the right to ingest any substance, from laetrile to marijuana, and the right to carry a pregnancy to term or not. Falwell ignores the other side of his own statement. Human rights are property rights. To restrict the right to do with one's own body as one pleases violates the principle of property rights and is antithetical to the logic of free enterprise. It was John Stuart Mill who wrote in the classic On Liberty:

The sole end for which mankind are warranted, individually or collectively, in interfering with the liberty of action of any of their number is self-protection... 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.... The only part of the conduct of anyone, for which he is amenable to society, is that which concerns others. In the part which merely concerns himself, his independence is, of right, absolute. Over himself, over his own body and mind, the individual is sovereign.

But, say the thousands of fundamentalist ministers and members of their congregations who make up Moral Majority and its allied organizations such as Religious Roundtable, they are only speaking out on moral issues, as churches always have. However, what is being suggested is a panoply of religious *laws*—the aim is to establish a Christian state in place of a secular state. When Gary Potter, the president of Catholics for Christian Political Action, was quoted in an article in the January 1981 *Playboy* on what "Christianizing America" would mean, he said,

When the Christian majority takes over this country, there will be no satanic churches, no more free distribution of pornography, no more abortion on demand and no more talk of rights for homosexuals. After the Christian majority takes control, pluralism will be seen as immoral and evil, and the state will not permit anybody the right to practice evil.

Moral Majority's Grab for Power

Jim Peron

Anatomy of an issue

One of the key items on the agenda of Moral Majority is to stop any and all attempts to "promote" homosexuality. The New Right has emphasized this issue more than any other. Fund appeal letter after letter urges "decent" Americans to send in their cash to fight "militant" homosexuals.

Alan Crawford, in his 1980 book *Thunder on the Right*, says:

The key to all of these appeals is anger and fear. As Terry Dolan of the National Conservative Political Action Committee told me, his organization's fundraising letters try to "make them angry" and "stir up hostilities." The "shriller you are," he said, the easier it is to raise funds. "That's the nature of the beast," he explained. The fund-raising letters of the New Right groups depict a world gone haywire, with liberal villains poised to destroy the American Way of Life.

Falwell himself, according to Crawford, admitted, "We are very much trying to create emotional involvement in these issues."

The key purpose of exploiting the issue of homosexuality is to motivate support from frightened fundamentalists. A minister who attended a Moral Majority meeting in Pennsylvania reported in the Fall 1980 issue of *Record*, published by Evangelicals Concerned, that Rev. Robert Billings, first executive director of Moral Majority, said, "I know what you and I feel about these queers, these fairies. We wish we could get in our cars and run them down while they march." However, gay people clearly serve a useful purpose in the crusade to "Christianize" America. "We need an emotionally charged issue," said Billings, "to stir up people and get them mad enough to get up from watching TV and do something. I believe that the homosexual issue is the issue we should use."

Falwell, on the *Tomorrow* show with Tom Snyder, claimed that Moral Majority is not trying to deny gays their civil rights. But once again the claim doesn't correspond with the facts. Moral Majority National Secretary Greg Dixon, along with many other Moral Majority officials, has contradicted these claims. In a sermon he preached at the Indianapolis Baptist Temple on August 8, 1977, Dixon said, "When they say homosexuals should have their civil rights I ask one question: Do you give criminals rights like honest citizens? Absolutely not! Criminals do not have their civil rights."

Dixon appears to view the jailing of gays as only a step in the right direction. In the 1977 Indianapolis sermon he said, concerning homosexuals, "I say either fry 'em or put them in the pen. Don't unleash them on the human race." Dixon made it quite clear that "fry 'em' means execution. In the same sermon he said, "I don't know how in the world you can get a society that won't even put their murderers to death, I don't know how you can ever get them to put these homosexuals to death but God's word would uphold that. They which commit such things are worthy of death."

Might Dixon only be representing his own personal views when speaking from the pulpit of his church and not his views as a national leader of Moral Majority? On WIND radio in Chicago, Dixon appeared as a spokesperson of the group, in March of 1981, and the following dialogue took place:

Q. Does the Moral Majority have a specific position on the matter of gay rights?

Dixon: Yes, the Moral Majority would be opposed to homosexual rights.

Q. To any kind of homosexual rights?

Dixon: Moral Majority, I feel, would take the position that

homosexuality is a perversion and should be a felony.... From a practical standpoint you're never going to get capital punishment for homosexuality but the Bible would certainly stand by a society that would be willing to do that.

Q. Would God's Word allow a society to execute homosexuals?

Dixon: Absolutely correct.

Q. Do you think we should follow God's Word?

Dixon: I said it would allow it if society was willing to do that, but I've got sense enough to know that we won't even make homosexuality a felony. Let me give you an example. God's Word would back up making adultery a felony but society isn't going to make adultery a felony. There was a time when adultery was a felony but not now.

Q. If you had your way, would adultery be a felony? Dixon: Yes, if I had my way but I can't have my way.

Q. If you had your way would homosexuality be a capital crime?

Dixon: If I could have my way, yes. These are moot questions, they are stupid questions and they are silly questions.

Q. Why is it a silly question?

Dixon: I'll be happy to tell you why it's silly. Because I never called for the State of Indiana, the General Assembly, to pass a law to make homosexuality a capital crime. I have called for the General Assembly of the State of Indiana to make homosexuality a felony. That's the reason the question is silly.

Q. Dr. Dixon, would you throw all gays in jail?

Dixon: In the first place, just because you have a law against a particular crime doesn't mean that the penalty is always to throw everybody in jail.

Q. Felony is not something like a misdemeanor, you're talking

about jail.

Dixon: But in general terms, and by the way up to four years ago it was a crime in the State of Indiana. Yes, I believe that

homosexuals ought to be in jail, I certainly do.

Dixon and his supporters succeeded in getting Don Boys, the Administrator of the Indianapolis Baptist Temple's school, elected to the Indiana House of Representatives. One of the first efforts undertaken by Boys was to introduce a "Right to Decency" bill to make it a felony to be homosexual. Boys wrote in a 1979 book Liberalism: A Rope of Sand, "We want homosexuality to once again be a crime. We want homosexuals to be pressured into seeking help and to stop living as if Christ never lived on the earth and never told men how to live. If they refuse to obey the law, they should be placed in jail after a fair trial for the good of society." The Boys bill had as its express purpose the jailing of homosexuals. His book explained, "I don't hate perverts; I just want to see them in jail away from decent, innocent people. That's what my bill to reinstate sodomy as a crime would have done." According to the Indianapolis Star the bill called, "for an automatic 2-to-21-year prison sentence for those found guilty of committing homosexual acts." Greg Dixon pushed hard for the Boys bill; he even rented a large arena and staged a "Rally for Decency" to show support for it. Two major fundamentalists were brought in from out of state to promote the bill at this rally; these two were Anita Bryant and Jerry Falwell.

Similar views concerning capital punishment are held by Dean Wycoff, a spokesperson for Moral Majority in the San Francisco area. Wycoff announced that Moral Majority, along with a coalition of other fundamentalists, intended to spend \$3 million on a media campaign to build anti-gay feeling in the community. Wycoff commented, "I agree with capital punishment, and I believe homosexuality is one of those crimes that could be coupled with murder and other sins." According to Wycoff the campaign was begun in San Francisco because it is "the Sodom and Gomorrah of the United States and the armpit of this perverted movement." These antics were enough to cause the *Chicago Tribune* to editorialize that "Falwell should worry less about what his



Falwell on the movies: "We do not even condone the so-called 'good movies' since they also contribute to the support of an industry that is basically corrupt."

enemies are doing to make him look foolish and more about what his associates are doing to make him look dangerous."

In the area of other "moral" issues, most members of Moral Majority, if not all, favor the death penalty. Murder is a capital crime, they say, and they claim abortion is murder. The *Moral Majority Report of Illinois* published an article in its December-January 1980-81 issue, "The Bible and Abortion," by S. M. Davis, which states, after calling abortion murder, that the Bible teaches "if a man purposely injures a women carrying a child, and the child... dies, 'then thou shalt give life for life.' "It seems as if the article is saying that the death penalty is an appropriate punishment for abortion. But the verses in question actually do not support the theory that abortion is murder.

What Exodus 21:22,23 does say is, "If two men are fighting, and in the process hurt a pregnant women so that she has a miscarriage, but she lives, then the man who injured her shall be fined whatever amount the woman's husband shall demand, and as the judges approve. But if any harm comes to the women and she dies, he shall be executed." This verse clearly says that the death of a fetus is not a capital crime and therefore not worthy of capital punishment. This verse does not treat the fetus as being equal with the mother and it is not afforded equal protection.

The Rev. Dan Fore, head of the New York state chapter of Moral Majority, was questioned on the abortion issue when he appeared at a meeting of the National Coalition Against Censorship. Fore told conference participants, "If a woman kills a child, she's a murderess." A woman then asked him, "Then she would be executed?" Fore became very uncomfortable and told the audience that he wasn't sure, because abortion was now legal: "It's an interesting question, I'll have to study it." Since Fore's hesitation seemed to come from the present legality of abortion, one can only guess what his answer will be if a "Right to Life Amendment" passes Congress.

The Moral Majority and the First Amendment

Another issue of great concern to Moral Majority is pornography. A recent full-page article in the national *Moral Majority Report* reported on the activities of the Rev. Tom Williams who "is involved in a local battle against pornography." Williams is not attacking the sale of explicit magazines in some adult bookstore. The "pornography" he is fighting is in the Washington County Library in Abingdon, Virginia. It isn't even one or two books on the shelves that he wants banned for being "utterly vile and filthy" but "well over 100 books."

In November, 1980, Rev. Williams demanded to be furnished with a list of all library patrons who had checked out books which he declared "pornographic." The librarian, Kathy Russell, courageously refused to hand over the names. According to Nat Hentoff, reporting in the February 2, 1981 issue of *Inquiry*, Williams claimed that "the liberal crowd in Abingdon" is resisting the direction this country has taken. Russell and her supporters, says the Reverend, "must realize they can't impede the change. All they can do is to be run over."

Hentoff also records that Reverend George Zarris, chair of Moral Majority of Illinois, told the *New York Times*, "I would think moral-minded people might object to books that are philosophically alien to what they believe. If (their libraries) have the books and they feel like burning them, fine."

Another example of Moral Majority's fight against pornography occurred in Annapolis, Maryland. Jim Wright, executive director of that state's Moral Majority chapter filed a complaint with the office of the state's attorney charging a local bakery with selling pornographic cookies. Wright says, "These are obscene cookies, and there's no way you can get around that." The offending bakery was selling

gingerbread men (and women) that were anatomically correct. The charges were not pursued by the state since no law had been violated.

Moral Majority official Tim LaHaye is the author of a 1980 book, *The Battle for the Mind*, which is an attack on the ultimate enemy of fundamentalism, humanism. In the book he discusses one of the world's greatest art treasures: "The giant replica of Michelangelo's magnificent David stands nude, overlooking that beautiful city. Quite naturally, this contradicts the wisdom of God, for early in Genesis, the Creator followed man's folly by giving him animal skins to cover his nakedness.... The Renaissance obsession with nude 'art form' was the forerunner of the modern humanist's demand for pornography in the name of freedom. Both resulted in the self-destructive lowering of moral standards."

With such an attitude, it's hardly surprising that another endeavor of the Moral Majority is its recent campaign to clean up television and films. Television and the rest of the media are allegedly in the hands of a humanist conspiracy, to take over the United States and destroy the basic "profamily" values upon which it is built. (While using the word "humanist," some Falwellians apparently mean "communist." According to Moral Majority national board member Rev. Jim Kennedy, humanism is actually "communism waiting to be crowned with its political rights.")

If Moral Majority is successful in taking over this country and proceeds to "Christianize" it, one wonders what will be left of our thriving movie industry. Falwell was once asked, "What is the justification for forbidding movies? Why does it apply to even Walt Disney-type films?" His reply was,

Any spiritually discerning person must acknowledge that the vast majority of Hollywood movies are anti-Christian in their philosophy, and immoral in their content... Modern movies have done more to undermine the moral fibre of our nation than any single aspect of the media. That influence is now spilling over into television. Man cannot continually look upon sin and evil without either developing a taste for it, or lowering his standards in regard to it. We do not even condone the so-called "good" movies since they also contribute to the support of an industry which is basically corrupt. It is never right to accentuate the good in order to tolerate the evil.

Falwell, in a tirade against the networks before the City Club of Chicago, said "The plan is to go down, down, down until all the networks are dumping cesspools in our living room. That's the kind of pornography we're talking about." He told the audience, "We don't need any bedroom scenes or four-letter words." And in a seeming reversal of his defense of private property he claimed that television "is an invasion of our privacy and our civil rights" because "the airwaves belong to the people."



A Moral Majority rally: "It's time somebody take over."

Khomeini in America?

Former Secretary of Health and Human Services Patricia Harris, in a speech at Princeton University, compared the actions of Moral Majority and its founder, Rev. Jerry Falwell, to those of the Ayatollah Khomeini. Her concern was centered around "the arrogance with which they propose a crusade to 'rechristianize' America." Such a crusade, Harris believed "is depresent for our democracy."

believed, "is dangerous for our democracy."

The religious "republic" of Khomeini is in fact a *theocracy*, defined in Webster's *New 20th Century Dictionary* as "government by priests claiming to rule by divine authority." Harsh and cruel punishments are the typical sentence for those who offend the strict morality of the fundamentalists who rule the nation of Iran. Homosexuals, adulterers, and prostitutes are publicly executed. Pornography, defined in the broadest sense possible, is illegal. Censorship is official policy. And strict penalties also await those found guilty of committing economic "crimes" in violation of Khomeini's concept of providing goods and services.

Is it fair to compare the smiling Falwell to the grim Iranian dictator? Are the followers of Moral Majority as intolerant and dangerous as the followers of the Ayatollah? Is there a significant difference between the "Christianized" America envisioned by the religious Right and the horrors of the

Islamic regime?

Hundreds of fundamentalist ministers and members of their congregations filled the auditorium of the Indianapolis. Baptist Temple in early February, 1980, at the national convention of Moral Majority. Founder Jerry Falwell had called a conference of these "key pastors" and supporters. One of the best received speakers was an aging minister, W. E. Dowell, who had been Falwell's pastor many years ago and is now one of the leading lights of the Bible Baptist Fellowship and heads Moral Majority for the state of Missouri. Taking the pulpit, Dowell was direct and to the point:

Newspapers asking Brother Jerry Falwell today, several time they've asked him this, "Well, won't it be something like it is over in Iran—you religious people taking over—become a religious system." I said, I don't know what he said, but if it had been me I'd said, well the other crowd's had it long enough and they failed, and made such a terrible blot of it, it's time somebody take over. His remark was loudly cheered by his audience. If one is to believe Falwell's statements that he is against establishing a theocracy, then one must assume he holds a minority view among the members of Moral Majority. And certainly Fal-

well has claimed to "have a divine mandate from God to go

right into the halls of Congress and fight for laws that will save America."

Worried as he is about omnipotent government, Falwell. should be calling for less government involvement in morality, not more. Instead, the Moral Majority leaders and allies are seeking ever increasing government influence. Rev. Robert Billings, besides being the first executive director of Moral Majority, is Vice Chairman of Paul Weyrich's Committee for the Survival of a Free Congress. Weyrich, in turn, according to New Right direct mail king Richard Viguerie, "spent hours with electronic ministers Jerry Falwell, Jim Robinson and Pat Robertson, urging them to get involved in conservative politics," and affiliates of Weyrich, together with Billings himself, are responsible for the drafting of the proposed Family Protection Act, which is the key piece of legislation being promoted by Moral Majority. The Religious Roundtable revival meeting in Dallas last August was attended not only by evangelists but by such politicians as Senator Jesse Helms, Representative Phil Crane, and



The Religious Roundtable revival in Dallas in August, 1980 was attended by many politicians anxious to gather votes. Senator Jesse Helms, Representative Phil Crane, and Ronald Reagan (above) were among the participants.

Ronald Reagan himself. No wonder that a page one story in *The Wall Street Journal* last September was able to quote Richard Viguerie as saying, "We've already taken control of the conservative movement, and conservatives have taken control of the Republican Party. The remaining thing is to see if we can take control of the country."

If they do, no one will be safe from the prying and probing of the ensuing monster state. How powerful a government would we need to police the morality of 220 million people? Will every bakery be policed to prevent the sale of obscene cookies? What bureaucracy will make sure that the libraries don't have "vile" books on their shelves? How big will our government prisons become when we jail all homosexuals? Will the death penalty be enforced on women who "murder their babies" through abortion? The greatest irony of all is that even those economic freedoms in which the members of Moral Majority so fervently believe will fall victim to the moral state. A theocratic state requires a big, expensive government; when you add in the cost of the super-military the Moral Majority also wants, massive governmental expenditures can be expected - and the only way to pay for them will be to severely limit economic freedom by increasing the power of taxation.

Civil liberties and economic freedoms are two sides of the same coin. Destroy one, and the other will disappear with it. Under the Theocratic State, freedom and liberty will be memories of the past. This is something that the members of Moral Majority have not recognized.

An article in the liberal religious magazine Christian Century noted,

There is evidence that these new groups take an inconsistent view of the role of government. For the most part, they desire to limit its power. Yet on certain issues they call for more government involvement. For example, they seek a broad role for government in eliminating abortion, in restricting the rights of homosexuals, in taxing for new weapons systems whose need is unclear, and in

mandating prayer and Bible reading in public schools. In short, they do not want government intervention when their own freedoms are at stake, but they are willing to use the power of government to force life-style changes on others. One does not have to be a proponent of abortion or homosexuality to see their inconsistency. If it is not right to use the government to force one group to tolerate the life style of others, then it is equally wrong to use the government to compel the second group to tolerate the life style of the first. [Richard Smith and Robert Zwier, "Christian Politics and the New Right."]

Such an attitude has grave implications for the future of liberty. For, as the great Ludwig von Mises wrote in *Human Action*,

No open attack upon the freedom of the individual [has] any prospect of success. Thus the advocates of totalitarianism choose other tactics. They reverse the meaning of words. They call true or general liberty the condition of the individuals under a system in which they have no right other than to obey orders... They call freedom of the press a state of affairs in which only the government is free to publish books and newspapers. They define liberty as the opportunity to do the "right" things, and, of course, they arrogate to themselves the determination of what is right and what is not. In their eyes, government omnipotence means full liberty. To free the police power from all restraints is the true meaning of their struggle for freedom.

The blatant threat from Falwell and his colleagues, Moral Majority and its allied organizations, lies not in the expression of their opinions, bigoted, intolerant, and inconsistent as they may be. Nor does it lie with their hypocrisy in the conduct of their affairs. Instead, the danger comes from their clearly and amply-documented eagerness to force their views upon the rest of society through the power of government at every level.

The only moral policy is one of liberty.

Jim Peron is a former fundamentalist who attended a Bible college and now lives and works in Connecticut.



Philip Green

Book Reviews

The elitist as egalitarian

TOM G. PALMER

The Pursuit of INequality, by Philip Green. Pantheon Books, 306 pp., \$14.95.

AS THE LIBERTARIAN movement grows, it is to be expected — and welcomed — that its growth will generate at-

tacks and criticisms from the left and the right. In fulfillment of this expectation, academician Philip Green, chairman of the government department at Smith College in western Massachusetts, has come forth to do battle. Green, an outspoken "egalitarian," has previously attacked libertarianism in the pages of The Nation ("America Amok" and "In Defense of the State") and democracy ("Two Cheers for the State"). In The Pursuit of INequality he is at it again, attempting to refute not only libertarianism but other currently popular systems that oppose egalitarian statism.

The Pursuit of INequality is an important anti-liberal (in the classical liberal sense of that term) work which deserves close examination. For one thing, Green is a thoroughgoing and consistent egalitarian. He recognizes, as few leftist egalitarians do, that if we are to have "equality of outcomes" we cannot have "equality of opportunity." As Green points out, "The two aspects of liberal individualism that will be discussed - the principle of equal opportunity for individuals and the principle of limiting government

BOOK REVIEWS



interference with the 'free' market—might at first glance seem unrelated to each other; certainly many people who uphold the first of those principles would repudiate the second unqualifiedly. But in practical fact they are deeply related." Green at least has the courage to recognize this truth and to reject both market freedom and equality of opportunity

Four chapters of his critique of "inegalitarianism" are devoted to a somewhat confused refutation of "sociobiology." While Green does occasionally score some solid hits, in the process he exhibits numerous flaws in his understanding (e.g., treating sociologist Steven Goldberg, author of The Inevitability of Patriarchy, as a "sociobiologist"). While I do not agree with the sociobiologists' genetic, sexual, and racial explanations and justifications of the existence of "inequality," I still found Green's attempted refutation of them unconvincing. As Green admits, he believes, "The crucial difference between explanations of social phenomena is not in their 'scientific validity' but in the purposes they serve.' Since these arguments do not serve his purposes, Green opposes them. This is hardly a convincing starting point for a serious refutation.

It is libertarianism, however, which the author believes to be the most formidable opponent of his new egalitarian order. In the section entitled "The New Individualism: The State, the Public, and Liberty" he focuses on the political theories of Milton Friedman and Robert Nozick, to the exclusion of such Austrian economists as F.A. Havek and Murray Rothbard, seeming to deliberately sidestep any confrontation with the (to my mind) much more sweeping arguments for libertarianism, both from the classical liberal side and from that of more thoroughly anti-statist partisans.

Green presents himself as a mainstream modern liberal, but his basic analytical and sociological framework is Marxist. It is, however, a decadent pop-Marxism, without

the virtue of Marx's understanding of social reality. Marx (along with Adam Smith, Carl Menger, Ludwig von Mises, F. A. Havek, and Murray Rothbard, to name a few) understood social reality, as Thomas Sowell put it, "in terms of the mutually constraining complex of relationships whose results form a pattern not necessarily similar to the intentions of any of the individuals involved." That is, it takes more to explain society than the "intentional" goodness or wickedness of social actors. Green superficially employs a Marxist sociology of change, yet he simultaneously places the blame for injustice and inequality on the intentional behavior of discriminatory, racist, greedy, mean businesspeople, unfiltered by any matrix of incentives and disincentives and thus reduces the Marxist system to a mere parody of social analysis.

He has apparently read Milton Friedman's Capitalism and Freedom and a book review of Robert Nozick's Anarchy, State and Utopia. He makes some telling points against Friedman's "public goods" justification of the state. When it comes to Nozick, however, Green is on much shakier ground. Nozick's step-by-step justification of the minimal state is totally misstated by Green. Green states that Nozick is a social contract theorist, although Nozick himself writes in Anarchy, State and Utopia that his view "differs from social compact views in its invisible-hand structure." Green has Nozick "postulating" the legitimacy of the minimal state, whereas Nozick attempts to demonstrate its legitimacy. Green reverses (to the detriment of the argument) the order of Locke's argument concerning the legitimacy of property, by listing it as property first in inanimate objects, then in one's own labor, although both Locke and Nozick have it the other way around. Green sidesteps the crucial Nozickian argument that, because one cannot avoid the assignment of rights to control objects that cannot be used by two or more different people at the same time and in the same respect, all political theories are property rights theories.

The distortions and misrepresentations of Green's argument could be catalogued forever, but the core of his anti-libertarian perspective is contained in his answer to the question he puts to the reader: "Is a 'free man' who owns large-scale means of production the same kind of 'free man' as one who does not, who owns nothing but his own body and its ability to do labor?"

To which he answers that "the owner of a mere body is 'free' to sell labor at its price, and get the returns on that sale from his or her employer. The latter sells products, the price of which includes the price of the employed labor plus profit. But whereas the employee can bargain with the employer about the rate of pay for labor, there is no bargaining about the disposition of profit: that belongs entirely to the employer; it is the 'property right' of ownership of productive property." (Emphasis in original)

But this is self-contradictory. If profit is defined, as Green defines it, as the difference between the product of labor and its wage, and if wages are subject to negotiation, then profit is subject to negotiation. But Green's argument isn't just self-contradictory—it is in fact based on the fallacies of Marxist economics which have been exploded again and again in economics, from Eugen von Böhm-Bawerk's famous refutation in his Capital and Interest and Karl Marx and the Close of His System to Israel Kirzner's recent brilliant analysis in Competition and Entrepreneurship and his most recent collection of essays, Perception, Opportunity, and Profit. The fallacious Marxist view holds that exchange is not "equal" when the transactors possess unequal resources; therefore the equality of opportunity offered by a liberal society is in reality inequality. Hence, Green's explicit opposition to the liberal or libertarian advocacy of equality of legal rights.

Green sketches a brief scenario which he believes typifies "capitalist society." A family lives

in a house near a lake. . . . The members of the family all work at a nearby industrial plant. They contracted freely to work there, agreed quite cheerfully to the contractual terms of employment, and consider themselves free agents still. However, because of its ability to employ them and their fellow workers at average wages lower than the average revenue it earns from the workers' total contribution to the sale of the product they help make ... the corporation is enabled to make a profit — to realize an investable surplus. With this investable surplus, which over time becomes immense, the company buys the neighbor's lakefront property for expansion purposes. It promptly closes down the family's access to the lake. Of course, the lake has a circumference, not all of which is taken over by the company; with some trouble, the family can still find a public beach. But then the company, which manufactures chemicals, begins to discharge their residues into the lake....The family decides to take its freely earned wages and move. At this point, however, the company uses its surplus funds to contract with a road-building company to drive a giant highway from its expanded operation to the outside world — a sloping downhill road in which giant trailer trucks reach a double-clutched climax about ten feet from the family's front door. Their property has become worthless; they can no longer sell it at a price that will enable them to replace it with a similar abode. The company, of course, will buy it from them-for

... Without ever expecting to do so in the slightest, this family of workers have [sic] discovered the relationship between surplus value in the particular form of private profit outside their control, and alienation...

It would indeed be shocking if Green's portrayal were an accurate picture of what the market was like. But it isn't. As an attempted portrait of the market economy in the real world, Green's horror story can perhaps best be described as plain silly. It conveniently leaves out all possible options and alternatives which the workers — or for that matter, the corporation — might have in such a series of events. In a market system based on prop-

erty rights, for example, the corporation would be legally accountable for the pollution of the lake. And once the highway was completed, it would make the worker's property more valuable as commercial property, whether the worker wanted to use it commercially, or sell it. There is no mention of the possibility of collective action on the part of the workers at the factory, if in fact the employer's actions were damaging their interests, or of class action suits, if the other neighbors were not fellow employees. Equally unrealistic, and far worse in terms of a vision of humanity, is Green's elitism in portraying the family of workers as poor dumb saps, frozen in time and space, helpless against the omnipotent onslaught of the Corporate Monster.

From the point of view of economic analysis, Green's scenario is based on Marx's fallacious Labor Theory of Value, a theory refuted in the late nineteenth century by the "marginalist economists." The fallacies of this theory are worth discussing briefly here.

Green's analysis accepts Marx's belief that labor is the only possible unit of value, and supposes that the only reason the corporation can make a profit, or "investable surplus," is that it pays the workers less than the value of their "total contribution" to the product, i.e., their labor. This in turn rests on the notion that the exchange of goods implies an equality of value between them (if 3 oranges are exchanged for 10 apples, then 3 oranges are equal in value to 10 apples). Marx tried to identify this equality by looking at various possible constituent elements of value, finally settling on labor. He concluded that commodities exchange in proportion to the amount of "crystallized labor time" contained in them; that is, the amount of labor necessary for their reproduction.

Since labor too is a commodity, it also contains "crystallized labor time," that is, the amount needed to produce the means of subsistence (food, shelter, clothing) required to

reproduce it. But a laborer produces in a day more than the "equivalent labor" needed to support him or her at the subsistence level which according to Marx determines his or her wages. This difference is called "surplus value" and is what constitutes profit. Hence the capitalist who employs labor reaps surplus value — profit — which would otherwise belong to the worker.

This theory fails totally to explain such phenomena as business losses, rising living standards, etc. — which gave rise to its refutation by the marginalists, whose key point was that an exchange of goods is *never* based on equal valuations, for if valuations were truly equal, there would be no

would-be philosopher kings. This elitist argument is beneath contempt. If I cannot wisely run my life (or even choose others to advise me), why is Green more competent to do it for me? Does not the argument apply to him as well? How easily egalitarianism slides into elitism.

The second argument is that past statist interventions have had a powerful influence on present institutions, therefore justifying further interventions. It is regrettably true that previous injustices have had lasting effects, and to the extent that the victims of such injustices can be identified and compensated, libertarians favor strict and immediate restitution. That is, after all, the

basic requirement and founda-

erful examples of how states inevitably use their power to exploit and oppress their subjects — as would Professor Green's egalitarian state.

We now come to what I consider to be the underlying purpose of the book. After studying the work, I found *The Pursuit of INequality* to be aptly named, though not for reasons the author might advance. It is appropriately named because, in the final analysis, inequality is precisely what Professor Green is pursuing.

Under the pretense of criticizing all those who oppose the imposition of egalitarian statism on society, Green argues that the opponents of egalitarianism are merely defending their "class interests." This is not only a questionable technique of argumentation (at least in isolation), it also neatly sidesteps the question of Green's own class interests. The Pursuit of INequality is first and foremost a polemic for the imposition of the rule of "intellectuals" such as Professor Green over the rest of us.

Why is this so? The answer is to be found in the characteristics that define intellectuals as a class. As Thomas Sowell argues in his brilliant Knowledge and Decisions, intellectuals are people who deal in the transmission of articulated knowledge. Knowledge comes in many forms. Prices in the market, for example, convey effective, but unarticulated, knowledge; one need not know the causes of a diminution or expansion of the supply of wheat, for example, for the price rise or fall to lead to a change in one's purchasing patterns. This is merely one example of the many kinds of unarticulated knowledge that come into play in the regular interactions of human beings. In another interesting work which supplements the point Sowell is making, Michael Polanyi's The Tacit Dimension, Polanyi discusses the implications of the fact that "we know more than we can say," that is, we know more than we can put into explicit language. Playing the piano, painting, sculpting, turning a lathe, all rest on kinds of knowledge which are

Professor Green's book is a polemic for the imposition of the rule of intellectuals over the rest of us.

reason to exchange. Rather, voluntary exchange occurs because the parties to the exchange each place *unequal* valuations on the goods: I value your three oranges more highly than my ten apples, and vice versa; the exchange is unequal for both parties; and the outcome is mutually beneficial.

Green never stops to analyze — or even to make explicit — the theories underlying his story of the family by the lake. Nor does he address the theories of the marginalist economists—he barely pauses to scoff at them, but in doing so he reveals that he does not even understand the economist's use of the word "marginal."

There are two further arguments which Green believes provide the coup de grace for libertarianism. The first is that consumers do not have "the faintest idea" of how to spend their incomes on the goods and services now provided by goverment agencies; "only trained people familiar with the specific problems and paid to devote time to them can do that," i.e., Green and his fellow

tion of the system of justice underlying the free market. However, the results of many previous injustices cannot be so rectified (the criminal parties — or the victims — are dead, or the victimization did not result in any lasting theft of property with identifiable victims or their heirs). This decidedly does not justify further state action. By way of example, the past actions of states have had profound effect on the ideas widely held today. Had Socrates not been condemned to death by the Athenian jury, the world might be a far different place. Vagrancy laws and Green's beloved compulsory state "education" have done much to shape present values and attitudes toward work. Do these facts justify further censorship and crushing of dissent? or justify socialism? Quite the contrary. If anything, they should strengthen our resolve to do away with such injustices, not encourage us to heap on more of the same. Green's recitation of past state interventions merely provides us with pow-

BOOK REVIEWS!



"tacit" rather than explicit. But they are instances of knowledge, nonetheless.

Since intellectuals like Professor Green are interested both in the cognitive process and in the occupational process (job) of articulating and transmitting knowledge, they have unique class interests interests vigorously advanced by Philip Green.

It is in a statist context that intellectuals can most fully advance these class interests, by attacking as "unjustified" and "irrational" all resort to cognitive processes other than those employed in their own occupation. Green criticizes entrepreneurs "whose own performances have never been explicitly judged by any 'objective' standard"; that is, they are not fully susceptible to the kind of cognitive process regularly employed by Professor Green's class. Professor Green merely seeks to establish and perpetuate a new ruling class, the intellectual class of which he is a member.

That this form of class rule is on the rise is incontestable, for intellectuals have in recent years come to tremendous power through the growth of a bureaucratic state that seeks, not merely the kind of forcible expropriation of resources that has characterized states since the first robber band began to systematically plunder its victims, but the subordination of all social decision making processes to its own power. Such "scientific" regulation of others requires the articulation of knowledge on a previously unprecedented scale. Notice, for example, the specifications for bus seat padding in Chris Hocker's article on "Transit as if People Mattered" in last month's LR. The reams and reams of paper required by such a regulation can be the product only of the cognitive process of articulation, the stock-in-trade of the intellectual class.

That Professor Green is simply interested in his own class interests, or privileges, is nowhere more evident than in his claim that an egalitarian socialist state need not violate freedom. His notion of freedom, of course is limited to the pursuit of the occupational interests of intellectuals - the freedom to engage in the articulation and transmission of certain kinds of knowledge. The freedom to work, trade, produce, love, and otherwise express one's values voluntarily is not to be protected; rather, such voluntary processes of choice are to be totally usurped by the scientific-rational- intellectual- egalitarianbureaucratic state.

Green's egalitarian state would in fact prove to be more hierarchical than any previously witnessed. For in stateruled societies, as Gaetano Mosca pointed out in his classic book The Ruling Class,

[M]inorities rule majorities, rather than majorities minorities. . . . In reality the domain of an organized minority, obeying a single impulse, over the unorganized majority is inevitable. The power of any minority is irresistible as against each single individual in the majority, who stands alone before the totality of the organized minority. At the same time, the minority is organized for the very reason that it is a minority. A hundred men acting uniformly in concert, with a common understanding, will triumph over a thousand men who are not in accord and can therefore be dealt with one by one. Meanwhile it will be easier for the former to act in concert and have a mutual understanding simply because they are a hundred and not a thousand. It follows that the larger a political community, the smaller will the proportion of the governing minority to the governed majority be, and the more difficult will it be for the majority to organize for reaction against the minority.

Green's elitism comes out clearly in his discussion of who will do the undesirable "dirty work" in an egalitarian community, and who will hand out the assignments. The question of the "dirty work," says Green,

is a question that can seem daunting only to someone who is not an egalitarian in the first place. The logic of egalitarianism is that if any job has such an impact on those who do it as to become a degrading trap, then it cannot be a normal career line in an egalitarian society. The answer to the question, in other words, is either that no one will do such jobs (we will not have a society of equals until we have created machines that eliminate such work); or that everyone will share them out, or will do them in turn at different stages of life (e.g., teen-agers by way of national service); or that they will be done by incorrigible criminals by way of punishment (but a more humane punishment than being in prison), or by the truly feeble-minded by way of "treatment" in the community, or by genuine drop-outs who don't want to do work that entails any responsibility at all. [Emphasis

The last four alternatives, of course, are clearly the choices that will be implemented, being both non-utopian (machines, indeed!) and the path of least cost to the decisionmakers in the state apparatus (teenagers, for instance, have a lesser capability than their parents of fighting back; that is why they are always the first to

be conscripted). Lest we merely chalk this vision of a future Gulag up to an unfortunate dichotomy between a beautiful theory and the difficulties and exigencies of its practical implementation, it should be pointed out that Green is deliberately condemning all of society's "square pegs"—everyone who won't fit into Green's carefully prepared round holes - to chattel slavery. This is not merely an unfortunate and unintended result of Green's egalitarianism, it is the logical and intended means of its implementation. The poet whose poetry is not approved by the state, the entrepreneur driven to the black market, the "economic criminal" who saves a few grains of rice for his or her children, the "grumbler" unsatisfied with the job assigned to him or her by the state, the homosexual, the malcontent, and above all, the libertarian, must be forced at gunpoint to labor for the state (that is, for Green and Co.). This is the real meaning of Professor Green's humanitarianism; there is no humanity here, only the malodorous evil of coercion, exploitation, and naked class

In short, Professor Green has presented us with a subtle attempt to rationalize the crea-

domination.

tion of a new hierarchical system of masters and slaves with his class holding the whip all in the name of humanity, justice, and equality. That he viewed libertarianism and the growing libertarian movement as the most significant obstacle in the path of the intellectuals' climb to class power (via the convenient political vehicle of egalitarism ideology) is a powerful testament to the emerging acceptance of libertarianism as the champion of freedom, progress, justice, and peace.

Tom Palmer has a fellowship in applied Austrian economics from the Institute of Humane Studies, and writes frequently for libertarian publications.

Roots of Austrianism

DANIEL KLEIN

Principles of Economics, by Carl Menger. New York University Press, 328 pp., \$7.00 paper.

THE ENGLISH-LANGUAGE edition of this work, that began the economic tradition which Ludwig von Mises and F.A. Hayek considered themselves part of and did so much to advance, was published by Glencoe Free Press in 1950 and has long been out of print. Fortunately, New York University Press has recently reprinted that edition and added an article by Hayek to serve as an introduction. Originally published in 1871 as Grundsatze der Volkswirtschaftslehre, this book is the pioneering work of what became known as the Austrian school of economics.

Substituting Carl Menger's Principles of Economics for every textbook presently being used in college Introductory Economics courses would, in about 95 percent of the cases, mean an improvement in students' understanding of the subject. Menger's work, even though it is now 110 years old, still excels as an accurate outline of the foundations of economic science. Menger's success can be attributed mainly to his original method of analysis.



Unlike the classical economists who preceded him and the neoclassical, Keynesian, and supply-side economists who followed him, Menger employs a strict methodology of individualism and a corresponding emphasis on subjectivism (the fact that the world is perceived differently by each person) to establish the laws of economics.

Ultimately, the individual is and must be the fundamental unit of economic analysis, according to Menger. Decisions are neither determined nor executed in a non-factorable collective sense, so the economist, when setting out theories of social interaction, must treat it as the product of the decisions of individual actors. But since each individual receives information and responds to it in a wholly independent and subjective way, it is erroneous for economics to deal with such aggregate concepts as utility, wealth, pain, and emotions. The different evaluations that different individuals place on a good is the only basis for voluntary exchange. Menger held that economic theory must never lose touch with these principles of individual action, because when it does, we forfeit our only criteria of knowing with certainty whether or not such theories depict reality.

This methodology is the pri-

mary revolutionary contribution of Menger's book, but, from the time of its publication right up to the present, this aspect of his writing has been either ignored or misrepresented. Instead, Menger has been recognized chiefly for the part the Principles played in the Marginal Revolution, a part that is seldom distinguished from the part played by the works of the other two marginalist authors of the day, W.S. Jevons and L. Walras. Few people realize that Menger's presentation of marginal analysis is only one of many pathbreaking discoveries that resulted from his Austrian methodology.

Neoclassical microeconomics, which is omnipresent in today's academic world, may seem to have an approach similar to Menger's, in that it attempts to establish the rules governing economic reality by beginning with the individual. But in the case of the neoclassicists, a student observing their assumptions and conclusions feels compelled to ask, "Individual whats?" The models in the literature of neoclassical microeconomics certainly bear little resemblance to individual human beings, and don't help us to understand their interactions. Rather, the individuals

of the neoclassical tradition are mechanistic constructs, reactors with perfect knowledge, governed by perfectly quantifiable revenue and cost alternatives, which in turn are comprised of infinitely divisible and costlessly exchanged goods.

But the many human characteristics that are absent in the neoclassical system are actually the starting points of Menger's work. He sees economic reality as comprised of individuals searching for and engaging in transactions in discrete goods, from which they expect to benefit. As he explains, "Error and imperfect knowledge may give rise to aberrations, but these are the pathological phenomena of social economy and prove as little against the laws of economics as do the symptoms of a sick body against the laws of physiology.

This book is primarily an exposition of what was later to be called microeconomics. Menger also, however, provides the basic Austrian analysis of production which forms a framework for macroeconomic generalizations he was the first to explain how production proceeds through stages, which he called orders. First-order goods are the finished products, consumer goods; second-order goods are those goods which are used to produce first-order goods; third-order goods are those used to produce second-order goods, and so forth. This structure of production, composed of different kinds of interdependent higher order (capital) goods, is the general backbone of modern Austrian capital and monetary theory, which was to be developed by Ludwig von Mises and Nobel prize winner F. A. Havek.

Contemporary mainstream macroeconomic theorists, Keynesians, and supply-siders would find in Menger little to agree with. Most of them conduct their analyses with grand models which are supposed to portray the "entire economy." These models usually correspond to either no microeconomic laws or the fallacious ones derived from

the neoclassical micro models. The individual, the true driving force of the economy, is obliterated in favor of autonomous aggregates like "consumption," "investment," "savings," and "gross national product."

Menger and the Austrians who followed him staunchly disapprove of this treatment of important macroeconomic concepts. In regard to wealth, for example, Menger advises that "national wealth ... be regarded rather as a complex composite of the wealths of the members of society, and we must direct our attention to the different sizes of these individual wealths." Austrian macroanalysis sees that different kinds of capital goods are employed in individuals' investment and production plans, and these plans spontaneously mesh with the plans of other individuals to form production processes of higher and lower stages. Changes in relative prices between stages and industries come about as a consequence of different economic forces acting upon different individuals. The Austrian is then in a position to develop theories of the causes, manifestations, and results of these forces, and the Austrian school, therefore, has a unique, direct bond between its macroeconomic theory and its microeconomic foundations.

Menger's ideas have not yet received the attention that such a unique and consistent body of thought deserves. The Principles stands as possibly the most original, enlightening, and universal presentation of economic principles published prior to this century - even compared to the works of Menger's two most prominent students and intellectual heirs, Friedrich von Wieser and Eugen von Böhm-Bawerk, it is less in need of semantic revision. It is to be hoped that the decision to republish this book is a sign that Menger's great contributions are beginning to be fully appreciated.

Daniel Klein is a student with the Center for Market Processes at George Mason University in Fairfax, Virginia. He is also a research assistant for the Cato Institute.

BOOKS OF LUDWIG von MISES

NOW IN PRINT: WITH ANSWERS TO OUR ECONOMIC PROBLEMS

THE ANTI-CAPITALISTIC MENTALITY		OMNIPOTENT GOVERNMENT	
An analysis of the illogical "envy and hatre who blame their own failures on the capitalism	tic system.	Written during World War I general and German Nazism i	in particular.
140 pages, paper \$ 6	5.00	300 pages, hardcover	\$12.00
BUREAUCRACY		ON THE MANIPULATION OF MO	ONEY AND CREDIT
An explanation of why the inefficiencies of h	bureaucracy	A translation of some of Mi	ses' major contributions on
are a necessary corollary of political activities	s which can-	money, credit, inflation and t	
not be limited by market competitions.	7 00	350 pages, hardcover	\$15.00
138 pages, hardcover \$ '	7.00		50 (1911년) 12 (1912년) 12 (1912년) 12 (1912년) 12 (1912년) 12 (1912년) 12 (1912년) 13 (1912년) 13 (1912년) 13 (1912년)
CDITIONE OF INTERVENTIONISM		PLANNING FOR FREEDOM (EN	
A CRITIQUE OF INTERVENTIONISM A translation of some of Mises' writings of	f the 1920s	A collection of essays and a of middle-of-the-road approa	
explaining how political interferences with		unrivaled paper on <i>Profit and</i>	
processes always reduce consumers' satisfaction		292 pages, paper	\$ 6.00
164 pages, hardcover \$ 8	3.95		22: 20: 20: 10: 10: 20: 20: 20: 20: 20: 20: 20: 20: 20: 2
		THEORY AND HISTORY	
CONOMIC POLICY		A serious and important cont	tribution on the importance
Published posthumously, 1979, these six led		of sound ideas for both hist civilization.	tory and the future of our
very readable introduction to the basic ecor ciples expounded by Mises and their relation		393 pages, hardcover	\$13.00
primary problems of our times.	silip to the	575 pages, nardeover	913.00
그 이 이 그는 그를 가는 사람들이 되었다. 그를 가장하고 있는 것이 되었다. 그는 그 그들은 그는 그들은 이 없는 것이 되었다면 하는 것이다. 그를 가지 않는 것이다.	.95	SOCIATISM	
		SOCIALISM A devastating analysis of t	the economic basis moral
PISTEMOLOGICAL PROBLEMS OF ECONOMIC	:S	ethics and alleged inevital	
A collection of essays that demonstrate	the logical	famous work, Mises reveals	그러움 이 취임하는 아이들은 그렇게 하는 어느라 되어 하는데 모든 그리고 있다.
legitimacý of economics as a science of hun	nan action.	possibility of socialists' dream	
This volume provides an insight into Mise		608 pages (plus index) pape	
that made possible his many contributions. 19		이 교통일이 어느가 하고 얼마 있었다. 그 마다는 물리 환경 사용이 없었다. 그 그 그 가장 생	lcover \$11.00
262 pages, paper \$ 7	.0000.	는 경기 가입니다. 그렇게 되었다면 하지 않는 것이 되었다. 그는 것 같은 사람들은 사람들은 사람들은 사람들은 것이 되었다.	
hardcover \$20	.0000.	THE THEORY OF MONEY AND O	CREDIT
IUMAN ACTION		Mises' first major contribution	
The most rigorously reasoned statement of t	the case for	"Austrian" subjective theory	of value to money, credit
capitalism. The counterweight of Marx, I		and the trade cycle. 413 pages, hardcover (old ed	L)
other proponents of government-run economic	ies.	544 pages, paper (1981 ed.)	
924 pages, hardcover \$35	5.00	hardcover (1981)	
		는 그 가는 것 않아 하지 않아 그 나무를 받는 것 같아. 그렇게 가장	
JBERALISM (formerly, THE FREE AND PRODUMNONWEALTH)	OSPEROUS	THE ULTIMATE FOUNDATION (
A translation of Mises' 1927 presentation o	f 10th cen-	A concise presentation of t	
tury liberalism principles of limiting governm		of a free society and refutation dermining our tranquillity and	
protection of lives and peace in the market		165 pages, paper	\$ 5.00
private ownership of the means of production		hardcover	\$ 5.00 \$15.00
justice under law.			
225 pages, paper \$ 5	.00 00.		
	.00		
OTES AND RECOLLECTIONS			
A translation of Mises' personal thoughts and e in Europe before he fled to the United States			
198 pages, hardcover \$ 9	.95	New York residents, please include appropriate sales tax	
	tar Titli Salay . Badi	ON ALL U.S. ORDERS	
ORDER FROM:	OKC	Toward postage a	and handling \$1.50
FREE MARKET BOO P. O. Box 298	OKS	(Foreign postage	
Dobba Formi NV 10	0500		

The National Letters

The renaissance of lying

IEFF RIGGENBACH

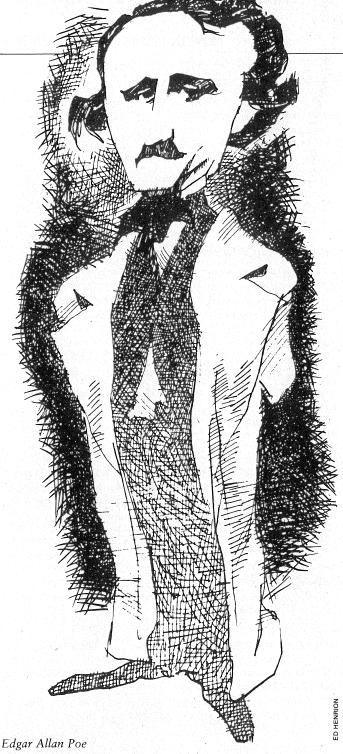
EARLIER THIS YEAR when a young Washington Post reporter named Janet Cooke became, however briefly, the best known American fiction writer of her generation, the event which catapulted her so suddenly into that position of eminence her abrupt resignation from the Post after returning the Pulitzer Prize she had just been awarded - occasioned quite a flurry of agitated but, alas, mostly profitless discussion in the opinion columns of the nation's newspapers and magazines. As all the world knows by now, the problem with Ms. Cooke's receipt of a Pulitzer Prize lay in the fact that she did not receive the prize for fiction, but rather for newsfeature writing, and the fact that the work for which she received it was not a newsfeature, but a piece of fiction, a very traditional, quite competent short story, in fact, about Drugs, Depravity, Hopelessness, and Despair on the Wrong Side of Town, and written in a contemporary version of the "naturalistic" style of Ambrose Bierce and Stephen Crane.

I compare Janet Cooke's style to Bierce and Crane, rather than to Hemingway or John O'Hara or Sinclair Lewis. all of whom might seem more obvious choices, because on the one hand it was Bierce and Crane (along with Mark Twain) who taught Hemingway, O'Hara, and Lewis much of what they knew about writing, and because on the other hand Bierce and Crane make much better symbols than Hemingway, O'Hara, and Lewis—they less ambiguously embody and cast into relief the peculiar characteristics of the fiction writer who is also a news reporter, a journalist. Both Bierce and Crane earned their livings as newspaper reporters, and both of them pub-

lished their most famous works — The Devil's Dictionary, The Red Badge of Courage, "An Occurrence at Owl Creek Bridge," "The Open Boat"—in the pages of newspapers. By contrast, Hemingway, O'Hara, and Lewis only began their careers as newspapermen before moving on to The Novel — never mind that their novels were read in their own time as they are still read today: as journalism, as more or less accurate portraits of World War I (A Farewell to Arms), the Spanish Civil War (For Whom the Bell Tolls), 1920s vintage small town respectability (Appointment in Samarra), and 1920s vintage evangelical Christianity (Elmer Gantry).

It might be objected that such topics as these fit better today under the heading "History" than under the heading "Journalism." But this is mere sophistry and hairsplitting. "History" is only another name for very old news. And "Literature" is yet another. "Literature," Ezra Pound said, "is news that stays news." There are, after all, only three possible subjects which any writer can address: he can write about the past, whereupon he will be called an historian; he can write about the present, whereupon he will be called a journalist; or he can write about the non-existentthe future, the purely fanciful, the purely theoretical whereupon he will be called a fiction writer, a seer, or a sage. Whichever of these subjects a particular writer may choose, however he may come to be labeled by those who read his works, it all comes in the end to the same thing—reporting. We all live in the same world, the only one there is - and, therefore, the only one anybody has to write about. "The man who writes about himself and his own time," George Bernard Shaw wrote nearly a hundred years ago in the pages of Benjamin R. Tucker's Liberty, "is the only man who writes about all people and about all time."

But Shaw did not go far enough. The man who writes about himself and his own time is the only man who writes at



all. "I should not talk so much about myself," said Thoreau on the first page of Walden, "if there were anybody else whom I knew as well. Unfortunately, I am confined to this theme by the narrowness of my experience." So it is, of course, for everyone. What can any man write about but his own experience of life, including what he reads and thinks and daydreams as well as what he does and has done to him? Inevitably, all authorship is autobiog-

raphy.

There is a sense, then, in which all authorship is journalism - though not, of course, in the same degree. The sine qua non of journalism is that it be concerned in its subject matter principally with news. And what is news? Simply, whatever is new in whatever field one may be writing about. Ask a politician, "What's new?" and you'll get a different answer from the one you'd get if you put the same

question to a literary critic or a baseball fan or a paleontologist. But whether you write of what's new about the past; or of what's new about the present; or of what's new about the conceptual and imaginative frontiers of human creativity; or just about what's new with you, you are a journalist. Whether you write non-fiction or fiction or something in between the two, if you write about news, you are a jour-

If it seems odd, even perverse, to speak of fiction writing as a species of journalism, this is only because we have somehow forgotten what we once knew very well about the history of modern fiction generally - and American short fiction in particular — and the ways in which that history has been bound up from the beginning in the history of modern journalism. Why do I say particularly the history of short fiction? Because most news is written for broadcast or periodical publication, and it is precisely the character of almost all such writing that it is short, succinct, pithy, to the point; that it respects its readers' chronic lack of time. "The increase within a few years of the magazine literature," Edgar Allan Poe wrote nearly 150 years ago in the col-umn called "Marginalia" which he intermittently conducted during the 1840s in the pages of four leading American magazines, the Democratic Review, the Southern Literary Messenger, Graham's Magazine, and Godey's Lady's Book,

is but a sign of the times—an indication of an era in which men are forced upon the curt, the condensed, the well-digested - in place of the voluminous - in a word, upon journalism in lieu of dissertation.... I will not be sure that men at present think more profoundly than half a century ago, but beyond question they think with more rapidity, with more skill, with more tact, with more of method and less of excrescence in the thought. Besides all this, they have a vast increase in the thinking material; they have more facts, more to think about. For this reason, they are disposed to put the greatest amount of thought in the smallest compass and disperse it with the utmost attainable rapid-

Nearly a hundred years later, as we all know, the situation Poe describes is the same, only more so. The idea that we are confronted by an information glut has become not only a cliché but also an understate-

keeping with the rush of the age. We now demand the light artillery of the intellect.... On the other hand, the lightness of the artillery should not degenerate into popgunnery - by which term we may designate the character of the greater portion of the newspaper press.... Whatever talent may be brought to bear upon our daily journals, and in many cases this



H.L. Mencken

ment. We can agree unqualifiedly with Poe. It is a sign of the times that to deal with facts, ideas, knowledge, is to be always behind, always racing to catch up.

We can agree with him also that it is this state of affairs which has elevated journalism, and most especially magazine journalism, to a position of special intellectual and literary importance—that is, as he put it in another of his "Marginalia" columns,

The whole tendency of the age is Magazine-ward. The Quarterly Reviews have never been popular ...their ponderosity is quite out of talent is very great, still the imperative necessity of catching, currente calamo, each topic as it flits before the eye of the public must of course materially narrow the limits of their power. The bulk and the period of issue of the monthly magazines seem to be precisely adapted, if not to all the literary wants of the day, at least to the largest and most imperative, as well as the most consequential portion of them.

Poe was no mere talker either; he was willing to put his career where his mouth was. As late as 1844, only five years before his death, he wrote the following description of the strategy he had followed in building his career: "Holding steadily in my view my ultimate purpose — to found a Magazine of my own, or in which at least I might have a proprietary right, it has been my constant endeavour in the meantime not so much to establish a reputation great in itself as one of that particular character which should best further my special objects. Thus I have written no books and have been so far essentially a Magazinist...." And in fact, all his major works, the tales and essays - and many of the poems too, though mainly the tales and essays — which have made his one of the greatest international reputations ever earned by an American writer, were originally written for and published in the pages of magazines ... and, more signific-

antly, newspapers.

Why more significantly? Because for all Poe's apparently singleminded devotion to the magazine medium, it was in fact in the pages of daily and weekly newspapers that he enjoyed most of his biggest popular successes and published a number of his most famous pieces - including "The Raven," "The Gold Bug," and "The Facts in the Case of M. Valdemar," his famous tale of the man who was mesmerized on his death bed and proceeded to remain conscious and rational and without visible signs of deterioration for seven months after his death to be exact, until the very moment when he was awakened from the hypnotic trance, whereupon "his whole frame at once—within the space of a single minute, or even less shrunk — crumbled — absolutely rotted away beneath my hands. Upon the bed, before that whole company, there lay a nearly liquid mass of loathesome — of detestable putrescence." This story was first published in 1845 in the Broadway Journal, a weekly tabloid, not unlike the modern-day New York Review of Books in conception, which Poe edited during the second of his nearly five years as a resident of New York City. It was offered not as fiction - something the *Journal* theoretically

didn't publish at all—but as a factual article on a series of extraordinary but real events which had taken place only a couple of months before publication. And it was widely accepted at face value.

Mesmerism was in the news in 1845, just as heroin is in the news today. It was an article of common knowledge in 1845 one of those things which "everybody" knows, with that complete intolerant certainty that is the characteristic product of ignorance — that mesmerism was a momentous scientific discovery whose possibilities were almost limitless. Today, of course, it is an article of common knowledge that heroin is a drug which enslaves and destroys all who use it, and that heroin use is encouraged and spread by satanic "pushers" who commonly

choose defenseless children as their victims. When Poe published his fictitious account of an amazing experiment in mind over matter through mesmerism, common knowledge insured that many of his readers would accept it as truth. When Janet Cooke published her fictitious account of the home life of Jimmy, the eight year old junkie, common knowledge insured that many of her readers would accept her story as truth. After "The Facts in the Case of M. Valdemar" first appeared in the *Broadway* Journal, it was quickly reprinted on both sides of the Atlantic, drawing fan mail from students of mesmerism in Boston and Edinburgh, causing a sensation in London (where it was reprinted in both the Morning Post and The Record, a widely circulated weekly),

and taking in so many American readers that Poe felt obliged before the year was out to explain in a letter to one of his best friends that the tale was "a hoax, of course." After "Jimmy's World" first appeared in the Washington Post a year ago this month, it was quickly reprinted by other important newspapers all over the country, touching off a search of the Washington, D.C. ghetto for some sign of Jimmy himself, advancing Janet Cooke immediately and dramatically in the newsroom pecking order at the Post, and winning her a Pulitzer Prize.

There was, of course, one big difference between the case of Poe's hoax and the case of Janet Cooke's. "Judging from the reaction in the industry,' Nicholas Von Hoffman wrote this past July in The Press, "an innocent reader might think that printing fiction is an unheard of occurrence in our business, a sin so mortal that anyone suspected of committing it will sure as shootin' be drummed out of our Daily Bugle news corps." But no such hypocritical reaction followed upon the exposure of Poe's mesmerism hoax. Why should it have? Poe's readers and fellow journalists knew that he had done the same thing before, and more than once. though most notably only about a year before, in April of 1844, when the story we know today as "The Balloon Hoax" was published in the daily New York Sun as a straight news story under the headline "Astounding News by Express via Norfolk! THE ATLAN-TIC CROSSED IN THREE DAYS." As Julian Symons writes of what happened next, in his recent Poe biography The Tell-Tale Heart (Harper & Row, 1978), "The story caused excitement of a kind not known again until Orson Welles's War of the Worlds was broadcast nearly a century later. According to Poe, the square surrounding the Sun building was besieged, 'ingress and egress being alike impossible,' for several hours. The regular Saturday edition announced the news, and then the extra was delivered, conMark Tivain

taining full details of the flight. Again according to Poe, they were bought up regardless of price. 'I saw a half-dollar given, in one instance, for a single paper, and a shilling was a frequent price." In another account of the hoax, Poe described it as having made an "intense sensation." And there can be little doubt that it was instrumental in advancing his career. His authorship of the story and its character as a hoax were both common knowledge within a few days, and within a few more days he had been offered a position as a columnist with the daily New York Evening Mirror, a job he had to give up after only a few months in order to take another offer his hoax had brought him: the editorship of the Broadway Journal.

Poe got himself a reputation as a Very Clever Fellow in 1845 for doing the same thing that got Janet Cooke drummed out of the newsroom in disgrace in 1981, not only because Poe had already given his profession and his readers fair warning that he was a perpetrator of hoaxes, but also, and more im-



NATIONAL LETTERS



portantly, because his readers and fellow professionals did not regard short fiction as we do today, as essentially and inherently different from short non-fiction. Both were published as a matter of course by both daily newspapers and weekly and monthly magazines. Sometimes the fiction was clearly labeled as such; sometimes it was only identifiable as fiction because it strained credulity beyond endurance if it was taken as fact.

In 1845 the phrase "short story" meant nothing more than a story which was shortirrespective of whether the story in question was true, or even factual. It seemed to the journalists of the eighteenth and nineteenth centuries, apparently, that they were all really in the same business, the business of telling stories. And it seemed to them, apparently, that it made no difference whether the details of any particular story — the persons, places, things, and events which in the most fundamental sense are that story — were drawn from the real world or simply "made up" — that is, drawn from the world of the imagination, a world which is different for every writer. They seem to have realized, these early journalists, that it is entirely meaningful to speak of a work of fiction as true or false, accurate or inaccurate, factual or packed with misinformation, just as it is entirely meaningful to speak in such terms of a work of non-fiction. Where is it possible to find so factual, so accurate, so altogether true an account of what is now happening in the American economy as in the pages of Ayn Rand's science fiction detective thriller Atlas Shrugged? And where is it possible to find such a false, inaccurate, distorted compendium of misinformation on the same subject as in the pages of Lester Thurow's recent tract, The Zero-Sum So-

It is perfectly reasonable to look to fiction for accurate reportage. One finds it there often—quite as often, in fact, as one finds highly imaginative invention in works of nonfiction. And is it even necessary

to specify the reasons not only why this should be so, but why it should be inevitable? Or are they so obvious to common sense that to name them is to insult the intelligence of one's readers and bore them silly to boot? Well, nothing ventured, nothing gained. "Newspaper men like to think of news as something wholly objective," H.L. Mencken wrote in "A Note on News" which he published in the Baltimore Evening Sun in May of 1937 (for by that time what had been the common knowledge of every journalist in Poe's day had been utterly forgotten), "but it can be so only under exceptional circumstances. In its ordinary forms it is not merely a statement of overt facts; it is some concrete individual's opinion of the truth and significance of those facts."

"It is, in truth, this admixture of opinion," Mencken continued, "which gives good reporting all its savor. The minutes of Congress include all the essential facts about its proceedings, but no one wants to read them in that form: they are too dull, and what is more, they are largely unintelligible. What the reader wants is not only a report of what went on, but also an interpretation of it. If the reporter in the gallery is a good one, he produces a clear and vivid picture of the show. He does so by getting his own view of it into his report, and by illuminating that report with whatever wisdom he may have at his command." Even the reporter who believes "that he is there to discover and publish the truth," Mencken argues, will run up against the obstinate fact that "the definition of truth differs among reporters as much as it does among other men, and in consequence every one of them is thrown back, soon or late, on his habitual attitudes of mind. He can see only through his own eyes, and he can weigh conflicting evidence only in the balance of his own judgment. That judgment may be better in some men than in others, but in none is it completely un-

How could it be? Think of the influences and pressures

ranged against the very possibility. "There is," Mencken wrote, "primarily, the influence of congenital philosophies. Every Englishman, said W.S. Gilbert, is born either a Liberal or a Conservative. This is, again, the powerful effect of schooling, and of the worldly experience that runs parallel with it. Finally, there is the tremendous effect of everyday associations — of the ties of friendship and common interest, of customary wont and habit. The reporter succumbs to these pulls just as every other man succumbs." And any news report, therefore, is no more likely in principle to be accurate or true than a frank fiction or blend of fact and fiction written about the same subject. All writing of any kind is inescapably the presentation of some individual's perspective on the world, as that world is revealed in some particular event(s). And no two indivduals are totally alike.

This is why the magazine and newspaper writers of Poe's day made no distinction between their fictional pieces and their non-fictional pieces, but thought of both and frequently referred to both as "articles." This is why newspapers and magazines of current issues and events routinely printed outright fiction in their columns, not only in Poe's time, but before it and long after it: American newspapers were still printing fiction as a matter of course as late as the 1930s. This is why it has been common practice ever since Poe's time for American newspapers and magazines to employ eminent novelists and writers of short fiction to cover major events of various kinds, from the days when Stephen Crane covered the Spanish-American War to the days when Ernest Hemingway covered the Spanish Civil War to the days when Ray Bradbury covered the moon landing to the days when Gore Vidal and Norman Mailer cover the political conventions. This is why every distinctly and unmistakably American fiction writer of even the slightest importance in the past hundred and fifty years has begun his career or spent

some significant portion of his career as a working journalist, writing about current events and ideas for newspapers and/or magazines. This is why the overwhelming majority of these American fiction writers have worked entirely or primarily in the medium of the short story and have commonly made their livings as writers of fiction for magazines.

Journalism has been central

to the American literary tradition because America has been from the beginning of that tradition a nation in a hurry. Poe wrote of the vogue of journalism arising out of "the rush of the age," reasoning correctly that an age in a hurry needed a literature in a hurry — which was what Matthew Arnold called journalism: "literature in a hurry." But what made America a nation in a hurry except the industrial revolution which had been touched off by its creed of individual freedom and its system of near-laissez-faire capitalism? The industrial revolution had begun in England, of course, which was why journalism emerged there first. But where conditions were freer, the industrial revolution grew all the bigger all the faster, and the pace of change and the sheer volume of new ideas, new information, and new inventions became even more unmanageable even more quickly. Since around 1840, if not before, any American who feels a strong interest in the doings and comings and goings of ideas of his own age has found himself with too few hours in the day to keep up with it all. And he has therefore demanded, as Poe said, the brief, the compact, the succinct, the pointed: the light artillery of the intellect. He has demanded that he be both amused and informed by anything he reads. And he has demanded that any lengthy thing he reads justify its length by providing him with detailed knowledge of some aspect of American life which cannot be compressed into the compass of a few thousand words.

Long before modern philosophy and modern theoretical science began implanting an

extreme skepticism in the minds of almost all American college graudates, American writers had been writing exactly the sort of thing Janet Cooke recently became so famous by writing for the Washington Post. And their reason for doing so seems to have been not so much philosophical or scientific as broadly political: it seems to have originated, that is, in the individualist doctrine that, no two individuals being exactly alike and every individual being unique, it is inevitable that any two pieces of writing about the world by any two different individuals will inevitably be personal statements whose real subject is not so much the world as the mind of the individual doing the writing. American writers seem to have understood that journalism is an art long before Seymour Krim got around to announcing it officially in his indispensable essay "The Newspaper as Literature" (1967) and long before New Journalists like Tom Wolfe and Hunter Thompson got around to proving it conclusively at about the same time Krim was making the announcement. Both the announcement and the proof had been offered before, many times over. If it is now commonplace that most of our best contemporary writers are engaged in journalism rather than in some other kind of writing, this is only because our writers have learned long since, intuitively if not consciously, that there is no other kind of writing. And if many in the American newspaper business today have somehow eluded the discovery of this fact so far in their own careers, and have lately joined in a rousing chorus of damnation against those who "besmirch the profession" by "lying in print," it is our part not to follow such fools, but to suffer them gladly - and hope they will live to see wiser days.

LR West Coast editor Jeff Riggenbach is a 15 year veteran of the news business who has worked in various radio newsrooms and written for various newspapers and magazines in Houston, Los Angeles, San Francisco, and New York. On View

Giants in the Earth

DAVID BRUDNOY

MEN OF STEEL. MEN WITH icewater in their veins, with stout hearts and unblemished souls, men brave enough to confront evildoers, however overpowering in number or might, men who walk tall, straight into the lion's den without flinching: We speak of heroes, known for their valiant deeds, not of celebrities, known for being known. We speak of "heroes" as if there were any to be found in an unheroic age embarrassed by if not actually hostile to genuine heroism. Ours is a society that devours its political leaders, whom we consider heroic when they come to office in a landslide and whom we consign to the rubbish heap mere months after they begin to take charge.

Gone, totally, is the sense we once had that mere mortals could in our own time stride the earth like giants; gone, too, our once common expectation that what other generations knew we could know: achievers without feet of clay. Little wonder, given the ridiculousness of those who pop up now and again to make waves or muscle into power, that only the pathetic find merit in our homegrown would-be saviours while almost everybody is drawn to those who claim nothing of us but adoration of their glamour.

Fact denies us comfortable familiarity with genuine heroism, repeatedly dashing any hopes we may have that soand-so will somehow be less a fraud, less a knave, than the other so-and-so who came before him. We turn to fiction, to pulpy novels fit for the beach, to witless extravaganzas on television, to colossal motion picture epics to find our giants, and when the latter turn to dust (Clash of the Titans; Legend of the Lone Ranger—August LR) we shrug and come back next

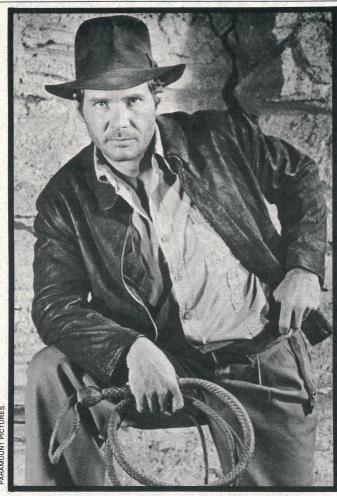
Saturday night, knowing that sooner or later we'll get the real thing. On the whole the movies are increasingly dreadful, but there are enough of them that work, enough that satisfy our craving for someone to look up to, among them the two biggest hits of the year thus far and two lesser items that, albeit less directly, mine the same ore.

Superman II; Raiders of the Lost Ark

Neither Clark Kent nor Indiana Jones exemplify the heroic mode when they come before us in their civvies, in their business suits and spectacles. Giants don't wear neckties, Nature's noblemen don't work in offices. But these mundane fellows have only to change into costume, the one, that garish red and yellow and blue flying suit; the other, the dashing though rumpled uniform of the great white hunter, and they are off, their destinies proclaimed first by what they are wearing, then



Superman (Christopher Reeve) swings a superpowered villain (Terrence Stamp) in Superman, II, one of those rare sequels that is better than the original.



Harrison Ford as the wry adventurer, Indiana Jones, in Raiders of the Lost Ark.

by what they do. Superman II and Raiders of the Lost Ark immediately captured the affections of the moviegoing public for all the obvious reasonstheir wit, humor, tongue-incheek quality, nifty tricks and derring-do — and also because they center on the exploits of men who are more than men. Kent in tights has the powers his Krypton genes programmed into him; Jones in pursuit of the Ark of the Covenant has, ultimately, the power literally of God rushing into the fray when all would appear to be lost. There is, I think, something more than simple coincidence accounting for the tremendous success of the two films this year that chronicle the adventures of men who without magic are the functional equivalent of geldings.

We are extremely uncomfortable with heroism flowing entirely from the essence of humanness. Not that otherworldly powers will alone make a film a winner—Perseus had Zeus, no less, on his side in Clash of the Titans, and the film came a cropper. But without the distancing from familiarity and the humdrum that a large dose of something greater than mankind presents, a hero capable of outstanding deeds would seem to moderns to be an extended joke. We would titter in disbelief if - even without the silly stuff at the end of Raiders, the religiosity that so jarringly made explicit what ought to have remained, in keeping with the bulk of the film, implicit and delightful because of the implicitness - Indiana Jones hadn't always around him the obvious blessings of the Deity whose holy of holies he so gutsily sought to save from the Nazis.

Both films delight us with their special effects and their off-beat romantic diversions. Both perked up a dreary summer that confronted us not long before with the morose spectacle of both the President and the Pope targeted for death and that went for many weeks-I write this in early July - without the major national religious observance, professional baseball, to take our minds off inflation and Jerry Falwell. They came at the same time, a double dose of the yearly gift that Hollywood offers by way of the blockbuster magic movie in the latter-day tradition of Star Wars and Rocky and Close Encounters and the first Superman and The Empire Strikes Back. They are both exceedingly violent, but the violence is never for a moment believable or jarring, since only bad humans, Nazis, suffer in Raiders and only renegade bullies from Krypton take it on the chin for long in Superman II. And they both are graced by splendid casts: wonderfully resilient heroines (Margot Kidder as Lois Lane and Karen Allen as maid Marion in Raiders), deliciously hateful villains (Terrence Stamp and Gene Hackman in Superman II and Ronald Lacey and Wolf Kahler as Raiders' Nazis), and perfect heroes. Christopher Reeve has shown in one other starring movie role and on Broadway in The Fifth of July that he is not yet a very versatile actor, but as Kent/Superman he is flawless; flawlessly nerdy and ineffectual when mild-mannered, flawlessly virtuous when, shall we say, on the wing. And Harrison Ford, though not Steven Spielberg's and George Lucas's first choice for Indiana Jones, brought with him to Raiders the good will and heroic reputation he has built up as Han Solo in the two Star Wars films and brought off without error the difficult transformation of character from college professor to wry adventurer. This much, minus the verbiage, any ten-year-old will tell you.

More, however, accounts for the glorious triumph of these two movies. I am convinced that both films touch us at precisely the points of our greatest cultural vulnerability: our remorse that we have no real heroes, and our unease occasioned by our national loss of faith. The Moron Majority and its witch-hunting comrades in the battle against the twentieth century fall short in the heroism department (unless the Rev. Donald Wildmon and Jesse Helms and Strom Thurmond and Jeremiah Denton will suffice for you as heroes) but they have ingeniously allied a specific combine of repressive atavisms with the endlessly repeated claim to the blessings of God. Not only hillbillies and snake-kissing primitives in backwater gospel tents feel the lack of a certainty through faith that the neo-fascistic evangelist demagogues now offer. The rest of us, at least many of the rest of us, want somehow to square our sophistication with our childlike craving for Big Daddy Up In The Sky, and since we cannot, absolutely cannot, be soiled by anything so preposterous as hate-fear Fundamentalist crackpottery, we take half the loaf. We take a few hours of escape into fantasy, into magic, into powers, or if you will, The Power - this year's version of The Force from Star Wars-Empire Strikes Back. What Clark Kent has always within him, save only for the brief period of powerlessness that comes when he voluntarily abandons his destiny in order to bed Lois Lane, what Kent manifests for all to see when he strips off his tedious business outfits and appears before us in his priestly vestments; what Indiana Jones is capable of because he is fighting the battle of The Lord; what, for that matter, The Lord demonstrates stupendously at the eleventh hour; what both these giants in the land possess is what secularized mankind devoutly desires: certainty, belief, and superhuman might, not to mention a large enough cause to engage our attention, something along the lines of striving, as Superman put it on his first outing on screen, for "truth, justice, and the American way."

Dragonslayer

The abysmal critical failure of Excalibur (July LR) ought to

do nothing to quench the cinema fires currently burning for medieval pageantry; for all that John Boorman's stupefying retelling of the Arthurian saga left its audiences panting for release, it also revealed the photographic potential of the murky forests and sorcerymystery of that time out of mind. Dragonslayer demonstrates how a less artsy and more spirited approach to similar material can work beautifully. Unburdened by the weight borne by any new approach to a classic tale, unburdened, that is, by the upstart aura pervading Excalibur, this joint venture from Paramount Pictures and Walt Disney Productions starts afresh with a new story set in ye olde England before it grew merry and infuses that dimly known epoch with surefire ingredients. Dragonslayer has a ferociously terrifying villain, a dragon who flies, belches fire, lives in ooze and 'neath a lake of fire, mourns its young, and feasts periodically on a diet of tender virgin. It has an old wizard, Ulrich (Sir Ralph Richardson), who is cranky and visionary and sagely able to husband his resources for the time when a neat miracle will come in most handy. It has a dashing young wizard's apprentice, Galen (Peter MacNicol), who is to Dragonslayer what Mark Hamill's Luke Skywalker is to the Star Wars cycle, combiner of swain with beloved of the magic powers. It has lovely maidens, Caitlin Clarke and Chloe Salaman, the latter a victim of the dragon's specialized appetite, the former a fit companion for the young blond avenger. It has eye-poppingly meticulous settings, gloomy landscapes, several awesome flights of fancy in the special effects department, and it has a script, by Hal Barwood and Matthew Robbins, that straddles expertly the fine and often rickety fence separating camp from conviction.

Our young giant, Galen, is nothing more than a dreamy, idealistic teenager working on his first degree in wizardry, until his master confers upon him the power and arranges for his baptism by (literally) fire — dragon's breath — in service to

truth, justice, and (why not?) the Saxon way of life. Like Clark Kent, Galen is pleasant but ineffectual without magic; like Indiana Jones, his eye is turned by a comely maiden's come-hither. Like both of the heroes of the two major movies before us, the hero of Dragonslayer is, if we squint our eyes and stretch our minds to the limit, us, if only we could fly or work for God or wear a glowing amulet that might make us immortal. Dragonslayer lacks the gusto and jocularity and dynamism and, for that matter, the star-power in its lead performer, of Superman II and Raiders of the Lost Ark, and its destiny is not to be numbered among the top ten grossers of all time. Moreover, it arrived when the other two movies came to the screen and is overshadowed by them. But its theme is their theme, in all but detail, and its heroic structure and its glorification of the intertwined glory of human bravery and superhuman grace and giftedness is unmistakably its prime claim to our affections.

Escape From New York

Manhattan for Superman is Gotham, your ordinary crimeridden big city. Manhattan for John Carpenter's latest screen venture is a maximum security prison, circa 1997, containing three million of the most horrid criminals in the land. The future doesn't look so good to moviemakers these days, and in a later column I'll have more to say about that. For the moment, Escape From New York comes before us as a sometimes chilling glance ahead into a world that is unfortunately far more plausible than the world the progressive-optimist brigade holds out for us. While the plot of Escape is silly - a terrorist seizes the American President's plane, crashes it into Manhattan, leaving only the President alive, and the government in need of someone to go into the prison island to rescue Numero Uno—the vision is at once dyspeptic and convincing. The man chosen to find and rescue the President, and with

him, somehow, not sufficiently cogently told to bear repeating here, to save the world, diverges 180 degrees from Superman and the sorcerer's apprentice, veers even from the corrupted but still noble Indiana Jones. Snake Plissken (Kurt Russell) is anti-hero all the way, a very rotten apple indeed, just about to be consigned forever, as are all of Manhattan Prison's inmates, to his fate in the urban jungle as gargantuan jail. He had, we learn, been decorated for bravery in the Battle of Leningrad— World War III, presumably and the man responsible for patroling (from across the rivers) the island prison, Bob Hauk (Lee Van Cleef), sees Snake as America's one chance to save the President and humanity. There follows from this decision a suitably harrowing adventure in rescue, with the expectable confrontations with the scum-lord of the prison, Duke (Isaac Hayes), and a generous dose of bloodshed and savagery.

Snake is sinewy and snarly, one eye patched, the other glowering with hatred, and he is "heroic" because he will be killed in 24 hours if he doesn't rescue the President. His only touch with magic is a handi-pak of electronic gadgetry, and he has only the usual plot devices of suffer-make to suffer-get out in the nick of time, to recommend him to the company of the other screen giants. His situation, however, and the status of a society that is so riddled with crime that it makes of our once greatest city our greatest testament to the failure of the American democracy, draw Escape From New York into this discussion.

All four movies share these elements: one man on whom everything depends; powers beyond that one man qua man that prove crucial to the happy resolution of the conflict; and a peril that is truly do or die. Superman must win or the world becomes the playpen of three villains with Kryptonite might; Indiana Jones must get to the Ark of the Covenant, containing the broken tablets of the Commandments and the majesty of Jehovah, or the Nazis will get it and, Hitler

thinks, be invincible; Galen must kill the dragon or the dragon will gobble up the virgins of the village and the dragon's children will, presumably, roam the land and wind up eating everybody; and Snake Plissken must get the President and the papers and tape cassette he carries or the world summit conference coming up will dissolve into another world war, presumably the final world war.

On Snake's muscular shoulders, and through his forced compliance with a desperate plan standing little conceivable chance of success, rests the future. On many a thinner reed have the fates of nations depended, and as the old poem goes, for want of a nail the shoe was lost, for want of a shoe the horse was lost, for want of a horse the king was lost, and with it, the kingdom. Once there were heroes, all too mortal, often vicious, often, like Alexander, merciless to enemies, giddy when in love, prisoner to the noblest incarnation of the grape, but a hero just the same. Now there are only politicians and bureaucrats, game wardens in the human zoos we call metropoli, and public relations firms trying to make a silk purse out of John McEnroe. A week ago a young man, robbed of everything including his clothing, was chased by a crowd of 40 people hurling bottles and cans into a New York subway station. When he died, screaming, electrocuted by the live third rail, the crowd howled with laughter. That is New York City, July 1981. In Escape, when assaulting New York, 1997, Snake Plissken, for all that he is a vicious criminal, becomes a hero, a giant. It's all in the timing.

LR's film critic also reviews for WNAC-TV (CBS), WRKO-AM (ABC), and *The Boston Herald American*. He is host of "The David Brudnoy Show" on radio and of "Nightscene" on television, writes a nationally syndicated newspaper column, reviews books and restaurants, and lectures frequently on popular culture and politics. He serves as Deputy Sheriff of Suffolk County and also, again, as Deputy Sheriff of Middlesex County (Massachusetts).

© Copyright David Brudnoy 1981

LR CLASSIFIEDS

CLASSIFIED ADVERTISE-MENTS are accepted at the discretion of the publisher of The Libertarian Review. 30 cents per word (minimum \$7.50); six or more insertions: 10 percent discount; 12 or more insertions: 20 percent discount. Payment must accompany order. The deadline is two months before the desired issue date. Address: Classified Ad Department, The Libertarian Review, 1320 G Street, SE, Washington, DC 20003.

BOOKS

FEAR & FORCE VS. EDUCA-TION: A Study of the Effects of Coercion on Learning by Charles G. Wieder, Department of Art Education, The Ohio State University. Written for those teachers, parents, and others concerned with humane, quality education. Topics: fear and force tactics prevalent in schools—their demeaning effects on teachers, and their detrimental effects on learning; the kind of respectful, purposeful atmosphere that must prevail for real learning to occur; educational structure—the range and limits of teacher authority, a Libertarian Student Bill of Rights, proper behavioral restrictions, and improper social sanctions which suppress intellectual and psychological growth. Soft cover, 72 pp., \$2.50. Order from M. A. Gray Dist., 201 Old Bristol Rd., Boone, NC 28607.

NATIONALISM AND CULTURE by Rudolf Rocker. A definitive libertarian study of the state's destructive influence on society. Hard cover, 614 pages, \$16. postage paid. From: Michael Coughlin, Publisher, 1985 Selby Ave., St. Paul, MN 55104.

AT LAST! A book club for Libertarians. Harleian Miscellany, Rt. 10 Box 52A, Florence, SC 29501, offers books about freedom at unbeatable prices, and many other benefits.

DISCOUNT LIBERTARIAN BOOKS. For more information send S.A.S.E. to world's only discount Libertarian bookstore. Free Forum Books, Deer Park, #12, West Willington, CT 06279.

FREE MARKET

ACTIVIST LIBERTARIANS. Be-

come an *LR* representative and receive a 20% commission for subscription sales of *LR* and *Update*. Contact Alex Reyes at *LR*'s DC offices.

FIGHT ORGANIZED CRIME—ABOLISH THE STATE, THE STATE SUCKS, over 60 buttons, with selections of bumper stickers, posters, fliers, cassette tapes of leading libertarian thinkers, and books. Free catalog. SLL, Box 4, Fullerton, CA 92632.

PENNY STOCKS have great profit potential. As low as 2¢. 1,000% annual price swings. New Books. Free brochure. Penny Stock Press. P.O. Box 430—B-9, Queens Village Station, NY 11428.

T-SHIRT: "KEEP YOUR LAWS OFF MY BODY." Graphic Art Work (Statue of Liberty) with the words "Peace, Prosperity, Freedom/The Libertarian Party." Sizes S-XL, blue, yellow, tan, white. \$5 + \$1 postage and handling. Send order and payment to L. P. K., P.O. Box 274, Prospect, KY 40059.

TRS-80 COMPUTERS — Buy from Libertarian Radio Shack Dealer Charles Blackwell. Lowest prices. Call collect (803) 684-9980. 30 North Congress St., P.O. Box 732, York, SC 29745.

FLATULENT? (FREQUENT-LY?) FEAR NOT! Read Benjamin Franklin's long-suppressed essay of 1780 on (believe it or not) farting. Hilarious! Frameable. \$4. "Essay," Box 69-L, Carrboro, NC 27510.

ELIMINATE SOCIAL SECURITY TAXES LEGALLY—C.P.A.s explain 6 methods. For more information write: A & M Institute of Research, Post Office Box 41, Providence, Utah 84321.

101 BIBLICAL CONTRADICTIONS, \$3. Also, you will receive sample copy of controversial newsletter and an interesting book list. Discovery, Box 20331-LN, West Valley City, UT 84120.

PROTEST THE ULTIMATE MAIL FRAUD — with Anti-Postage Stamps (TM) depicting a snail delivering mail and the slogan: "Abolish the Federal Postal Monopoly"! \$2/sheet of fifty stamps. 50% off for 25 + sheets. From: Mail Liberation, Inc., Dept. LR, Box 14128, Minneapolis, MN 55414.

ACCOUNTANT: Libertarian CPA. Tax preparation & planning. Business & financial consultation.

In-house computer. Ronald Hoover, CPA, 1824 Sunset Blvd., Los Angeles, CA 90026. (213) 484-1121.

WRITERS, EDITORS, WANT-ED. Ground floor opportunity. National magazine. Work at home. The Libertarian Digest, 1920 Cedar, Dept. W, Berkeley, CA 94709. Send stamped, selfaddressed envelope.

LIBERTARIAN ANNOUNCEMENTS

BECOME AN ORDAINED MINISTER. Start a non-profit organization. Many benefits! Credentials and information \$10. Universal Life Church, 1335 Seabright Ave. (LR), Santa Cruz, CA 95062.

THE DISCUSSION CLUB OF ST. LOUIS presents its annual seminar featuring Robert LeFevre on "The Anatomy of Law and Order: Can the New Administration Provide It?" Oct. 2 & 3, 1981, Breckenridge Hotel, Clayton, MO. \$60 per person, \$70 after September 18. Special rates for students, faculty and clergy. For information contact H. F. Langenberg at 300 North Broadway, St. Louis, MO 63102 or call (314) 342-4052 or (314) 361-1232.

ASSOCIATION OF LIBERTAR-IAN FEMINISTS sample literature 50¢. Complete set of discussion papers and sample newsletters \$3.00. Write ALF, 225 Lafayette, Rm. L1212, New York, NY 10012.

ANNOUNCING THE NEWS-LETTER OF LIBERTARIANS FOR LIFE — LFL REPORTS: Sample copy; additional antiabortion, anti-draft literature: \$2. Libertarians for Life, 13424 Hathaway Drive, Wheaton, MD 20906.

CITIZENS AGAINST CRIME is a non-profit corporation that educates the public regarding a basically libertarian approach to crime: heroin maintenance and the legalization of victimless crimes. For free information write to: Box 702, Ross, CA 94957.

THE LIBERTARIAN STUDENT MOVEMENT is growing fast. Join us. For information, literature: Students for a Libertarian Society, 2262 Hall Pl. NW, Washington, D.C. 20007.

PERIODICALS

the dandelion, a modern quarterly journal of philosophical anarch-

ism. Subscription \$4.50/yr. Sample copy send 25¢ to cover postage. Order from Michael E. Coughlin, 1985 Selby Ave., St. Paul, MN 55104.

ANARCHY, nuclear power, free market money — some of the topics dealt with in recent issues of FREE LIFE, organ of the Libertarian Alliance. Write for details to Libertarian Alliance, 40 Floral Street, London WC2, U.K. (Or enclose \$12 for membership, including subscription to all L.A. publications.)

No Time to Read? LITERATURE OF LIBERTY is a journal designed to keep you abreast of current research in economics, foreign policy, history, law and philosophy, the humanities, and sociology with summaries of articles published in 400 international quarterlies. Also includes bibliographical essays on interdisciplinary topics relating to human liberty and a free society. This year's issues include "Government and the Medical Marketplace," "Contemporary Currents in Libertarian Political Philosophy," "Anti-interventionist Tradition: Leadership and Perception," "Ludwig von Mises and the Austrian School," and "American Literature on Liberty." Send order and payment (\$12/4 issues) to Literature of Liberty, Dept. L, 1177 University Dr., Menlo Park, CA

EXPAND YOUR LIBERTARIAN HORIZONS! Read about other magazines' articles. The Libertarian Digest, 1920 Cedar, Berkeley, CA 94709. \$7 annual, \$1 single. Current literature, brief surveys.

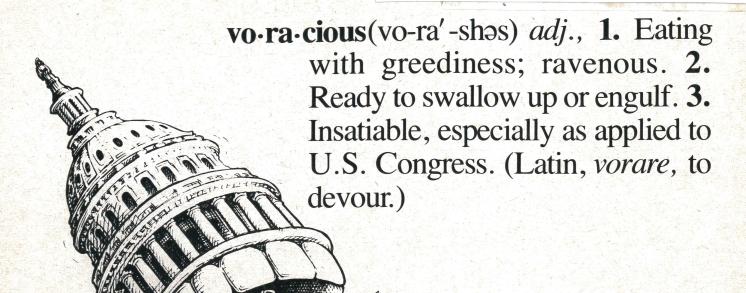
LIVING FREE promotes selfliberation. Maximize your personal freedom, even while society remains unfree. Much can be done. \$7 for 6 issues. Or request free sample: Box 29-LR, Hiler Branch, Kenmore, NY 14223.

PERSONALS

LOOKING for meaningful relationships? Read Contact High, the only national publication written by singles for singles. Intelligent, attractive, insightful. Free advertising policy. \$15 per year or send for free brochure: Box 500-LR, 600 Main St., Mendocino, CA 95460.

WORLD'S MOST SARCASTIC ORGANIZATION! \$10 annual/\$50 life ("barter" accepted). Send S.A.S.E. for free lucky wooden nickel & details. Not-Safe, Box 5743LR, Montecito, CA 93108.

REAGAN LOOKS MORE LIKE CARTER EVERY DAY. For zero inflation, zero war, zero unemployment and zero death send a S.A.S.E. to Brainbeau, Box 2243, Youngstown, OH 44504.



It's true.

Yes, it has become a common observation that the spending and taxing practices of Congress are out of control. This is dangerous both to your pocketbook and your freedom.

Over 75 percent of the public believes that cuts in government spending are possible and would make a major contribution to an improved economy. While others talk, we're doing something about it.

A PHILOSOPHY.

The National Taxpayers Legal Fund was founded in 1973 to protect the civil liberties of taxpayers threatened by government taxing, spending, and regulatory policies.

We believe that it is important to challenge the all-too-common notion that taxpayers exist merely to serve the government. We reject the idea that the civil liberties and property rights of taxpayers can be ignored when the time comes to pay for all the programs dreamed up by bureaucrats and special interests.

The rights to own property, contract freely, and retain profits are fundamental human rights jeopardized by a centralized, overgrown government.

Cases in the files of NTLF reveal the regularity and frequency of IRS abuse against indi-

A PROGRAM.

vidual taxpayers. Proposed legislation known as the "Taxpayers Bill of Rights" is the major reform effort to protect the constitutional rights of taxpaying Americans. NTLF research has focused congressional and public awareness on the urgent need for this protection.

The Project on Military Procurement. About 30% of next year's federal budget will go to the Pentagon. Much of it will be misspent or wasted. Yet the Department of Defense is considered by many to be exempt from public scrutiny. NTLF's Project on Military Procurement has shown the cost overruns and ineptitude at the Defense Department to be a national scandal, endangering the legitimate defense interests of the country.

The relationship between the Pentagon and contractors in the defense industry is scrutinized by the Project and brought to public attention, as is the impact of military spending on the economy, taxes, and peace.

The Banking Study Project. NTLF conducts a continuing investigation of the influence of

multinational banks on American foreign policy. The International Monetary Fund and the Overseas Private Investment Corporation illustrate the capacity of the banking community to transfer its liabilities onto the hapless taxpayer.

We are initiating research projects on election law reform, alternatives to the bankruptcy of Social Security, and fundamental changes in the federal income tax system.

NTLF is involved in a wide range of issues because we are convinced that fraud, waste, and regulatory excess in government are themselves violations of taxpayer rights. You can get involved by becoming a sponsor of the National Taxpayers Legal Fund. Your contribution is tax-deductible.

NTLE. □ Sign me u enclose \$2	p as an NTLF spons 5 or more so please	or. l
me Iax Ac	tion Report every mor	ıın.
Address		

Find out what's really going on in Congress. Dial NTLF's Congress Watch. (202) 546-9696. Updates on Congressional activity.