

Liberty

November 1997

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Diana's Death: A Defining Moment?

Computer Armageddon 2000

by Harry Browne

Jurors on Trial

by Laura Kriho

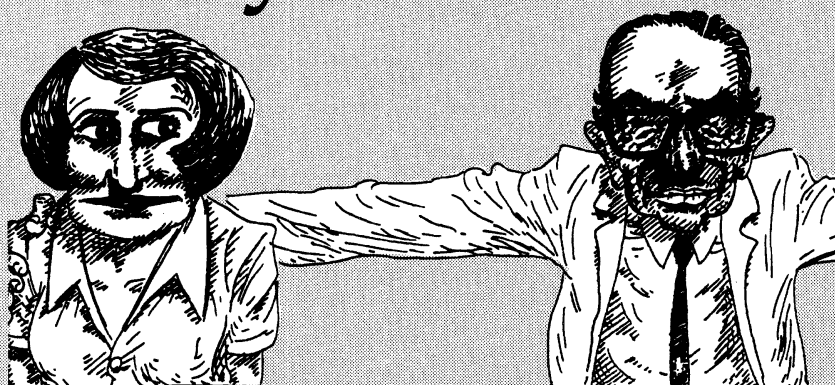
Busted in the House of the People

by Pierre Lemieux

Viruses of the Mind

by Scott Reid

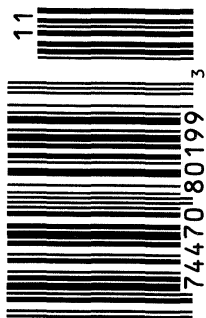
Alan Greenspan & Ayn Rand



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Does anything he learned from Rand mean anything to him today? His old friends from the Rand cult provide some answers.

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editor & publisher

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executive editor

Harry Browne
Stephen Cox
John Hospers
Jane S. Shaw
senior editors

David Boaz
Douglas Casey
Brian Doherty
David Friedman
J. Orlin Grabbe
Bettina Bien Greaves
Leon T. Hadar
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James S. Robbins
Sandy Shaw
Thomas S. Szasz
Leland B. Yeager
contributing editors

Kathleen Bradford
copy editor

John Bergstrom
James Gill
Rex F. May
cartoonists

Brien Bartels
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Inside Liberty

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cover illustration by James Gill

Letters

Clinton-Bashing: Enough Is Enough

I enjoy your magazine, but the continuing, sometimes mindless attacks on the Clintons seem irrelevant, since most of what is complained about happened before the first election.

I wonder if you showed the same zeal for John Connally, who (with friends) took taxpayers for five times the Arkansas S&L sum with no punishment?

Clinton may be a dangerous power-seeking Big Brother who wants you to love him, but he is no money-grubbing thief.

D.G. Winfrey
Kernersville, N.C.

Avoid the Rush

I marvel at the paucity of respect and recognition afforded the band Rush by the mainstream media in general and the music press in particular ("A Rebel and a Drummer," September 1997). Can you imagine any rock act with worldwide sales or 35 million not once appearing on the cover of *Rolling Stone*, or, back when MTV aired music video, enjoying a regular rotation of its often innovative video explorations?

John M. Keeley
Wheaton, Md.

Opposing Rights, Imposing Smoke

Alas, smokers and tobacco companies have found champions in *Liberty* writers Robert Higgs ("Victimology Unbound," September 1997) and Loren Lomasky ("Where There's Smoke There's Liars," September 1997). I grant that the current outrage against the tobacco industry has become very politicized, but that hardly tells the entire story.

When I decided that smoking was detrimental to my health and well being in the '60s, I found I could not

escape its unpleasant effects simply by abstaining. Back then, smoking was allowed in airplanes, offices and public places. Smokers were very often discourteous when asked to abstain. Unfortunately, unlike alcohol and other substances, tobacco and its after products cannot be completely isolated to their users and, of course, it's the after-products that are most noxious.

Is tobacco synonymous with liberty? I don't think so. Liberty is having the right to choose to smoke or to be in a smoke-free environment. For many years, the rights of non-smokers were denied by a nation that was "hooked" on tobacco. Now, the pendulum seems to have swung to the other side. This is unfortunate, but one should expect nothing less when there is conflict between diametrically opposed rights.

David J. Bastyr
Carrollton, Tex.

My Right to Exhale Smoke Ends Where . . .

Smoking in a public place, Mr. Lomasky, is anything but responsible libertarian behavior. No honest libertarian can believe that their liberty to smoke gives them license to trash someone else's air . . . just like one's right to own a dog doesn't include the right to let it shit in the neighbor's yard.

Grant W. Kuhns
Carlsbad, Cal.

The Barber of Incivility

For people like Gary Alexander's barber ("Documenting Disaster," September 1997), already conditioned by spin doctors, it is too frightening to believe that federal law enforcement (the "good guys") could be wrong; therefore, they rationalize the extreme use of force against the Davidians. With this rationalization in place, it becomes easier to blame the Davidians for their fate by accepting the official verdict of mass suicide. The resulting dehumani-

zation even makes sick jokes possible — witness the DJ who made on-air cracks about "Koresh-kabobs."

Today, one who criticizes the government's actions in Waco runs the risk of being labeled an anti-government extremist, especially in the wake of the Oklahoma City bombing. By marginalizing the critics, the government creates a new enemy class. The public goes on deluding itself that critics of the government are fringe crazies. But when there are no more politically incorrect targets, who becomes the new fringe?

Felecia Barbaro
Brooklyn, N.Y.

Linguistic Failure

It was a pleasure reading David Friedman's wonderfully well-reasoned article on government schools ("The Weak Case for Government Schooling," September 1997). My only quibble is his use of the term "market failure." Does it have any meaning other than that someone doesn't like the outcome that results when a market is free?

Richard Fuerle
Grand Island, N.Y.

Re: Distribution in Education

David Friedman asks us to swallow a whale when he states: "Indeed, most families do pay the cost of schooling their children out of current income — in the form of taxes to support government schools." Since when? His failure to acknowledge the huge educational subsidies enjoyed by breeding parents is a slap in the face to citizens who have not peed into the gene pool. It is also the dirty secret that ensures that parents will never be weaned from public schools, an unadmitted welfare program.

David, do the math. Between 40% and 60% of citizens never have kids. It is their tax dollars that keep public schools afloat. In California, public schooling costs approximately \$5,400 per child. Assuming only one child in a family, real estate taxes on an average home cover about \$1,000 of the total. Further, even if both parents work at

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jobs with average pay, generous tax deductions ensure they contribute — at best — another \$2,000 from income taxes (half of state revenues go to public schools).

Considering the cost of money, these parents will probably never repay the bill — but that's just the point. Politics is about taking money from those who earn it and giving it to those who don't. But Friedman apparently has little sympathy for the tax victims of such parents — having succumbed to the pro-parent claptrap emanating from nearly every media orifice.

Do I think parents deserve to control public schools? Hell, no! When you don't pay the piper, you can't expect to call the tune. And as far as I can tell, vouchers are precisely the wrong solution because they might conceivably improve educational quality for these undeserving parents. Why should I worry that a thief gets a good bargain when he goes shopping with the money he stole from my wallet?

David, get your values straightened out. My wife and I will fork over more than \$200,000 in present-day tax dollars for public schools before we are freed at last from the sight of our upper-middle-class neighbors wheeling their wide-load carriages full of hideous progeny around the neighborhood. Why are my spending plans for that money worth less than my neighbors'? As long as we live in a statist society, I think it only fair that breeding parents file an environmental impact statement for each child they dump on the taxpayer — or at least pay a user fee for the privilege of being allowed to inflict their genetic heritage on posterity.

Contrary to Friedman's assumption, today's parents are the best excuse for misanthropy I can imagine.

Lawrence M. Ludlow
San Diego, Cal.

The author responds:

The relevant passage is: "Indeed, most families do pay the cost of schooling their children out of current income — in the form of taxes to support government schools. In a private system, such expenditures might be harder for those with large families and low incomes than they are now, and easier for those with small families and high incomes."

While I didn't specifically discuss

the case of families with no children, I think the second sentence covers it. Zero children is the limiting case of a small family.

Incidentally, I don't think your "Between 40% and 60% of citizens never have kids" can be even close to correct — what is your source for it? I don't have a stat abstract ready to hand, but my guess would be more like 10–20%.

A further point, which I didn't raise in this article but have discussed elsewhere (my old "Laissez-Faire in Population: The Least Bad Solution"), is that the "injustice" you describe vanishes if we match up school expenditures on a child with the child's taxes instead of his parents. The more children I have, the more taxes my children (in total) will pay, *ceteris paribus*. So the real redistribution is by income (some children receive lots of schooling expenditures but have low incomes and thus pay little schooling taxes over their lifetimes) not by family size. That point was irrelevant to my discussion of the capital market problem, since children cannot borrow against their future income, but relevant to your point.

—David Friedman

Morale, not Morals

R.W. Bradford's reflections ("Out like Flinn," September 1997) about Kelly Flinn, like most other commentaries on the subject, danced all around the real issue: morale (not morals) and discipline — something even non-military people should understand — are more than somewhat important in a military organization.

As a retired Naval aviator, I don't have a great love for the Air Force, but I have to defend it in this case. Flinn, an officer, had lawn sex with an enlisted man, which she must have known was against the rules. Then she knowingly carried on an affair with the husband of an Air Force enlisted woman and repeatedly lied about it, at which point she was not in serious trouble. However, she had several chances to save her career, but she cast them aside.

I find it difficult to imagine a more stupid "role model" than a woman who apparently has the morals of an alley cat, and who would lie, cheat, and steal another woman's husband, then disobey a direct lawful order from her commander — all for a wimp who not

only cheated on his wife but turned against Flinn, too.

Sorry, no sympathy. She got off easy. A man would have been court martialed. The Air Force gave this woman a chance for a great career and she "blew it."

Richard L. Partridge
Brigham City, Utah

Lt. Strangelove

It wasn't "hairsplitting," to refer to the real cause of her dismissal as "making a false statement" (not to mention violating a direct order). Those were the real reasons. The fact of the matter is, literally hundreds of military personnel are brought up on charges of adultery every year. Most, unlike Lt. Flinn, don't choose to lie about it and subsequently disobey a direct order to cease the unlawful conduct. They simply admit their legal (and moral) transgression and take their just punishment, which virtually always comes in a non-judicial, i.e., administrative form. I don't know the Air Force term, but in the Navy, this is known as "going to the Captain's mast." It usually involves something on the order of suspension of one month's pay, plus extra duty for the next 60 days, in addition to a formal reprimand. Lt. Flinn's adultery was the military equivalent of a misdemeanor and her superiors tried to give her administrative punishment for it. When she lied to them and disobeyed their orders, she was spurning their efforts to deal with this situation in a non-Draconian fashion.

Additionally, Mr. Bradford fails to point out that Lt. Flinn wasn't merely having an affair with any old husband of a female Airman. She was having an affair with one of the technicians who serviced her nuclear-armed B-52. Mr. Bradford apparently regards objections to adultery as "old-fashioned," but many Americans, particularly the sort who join the military, are not so "enlightened" as he. It is entirely possible that Mrs. Zigo might have decided to exact retribution against Lt. Flinn by sabotaging her aircraft, killing everyone on board and causing nuclear warheads to be strewn across the North Dakota prairie. Admittedly, it's not likely, but it's because of just such potential security breaches that the military law against adultery must be taken seriously.

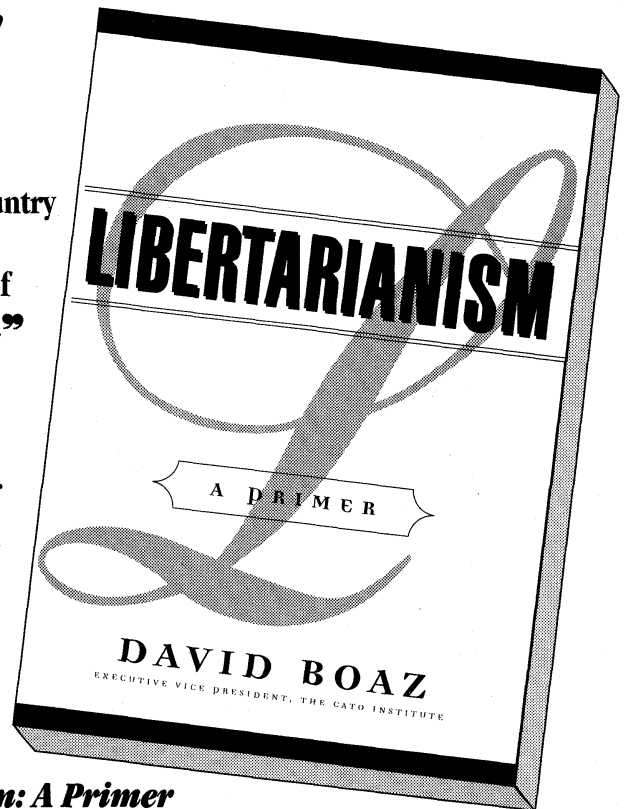
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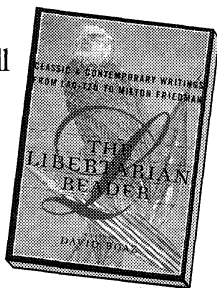


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Reflections

Whose ox is gored? — If Vice President Dan Quayle or Speaker Newt Gingrich had attended a fundraising event in a temple, where monks and nuns made \$5000 contributions to the Republican party, and had said he didn't realize that the event was a fundraiser, and if he had denied making fundraising phone calls from his government office, and then said he made them but with a campaign credit card, and then said it wasn't a campaign credit card but a National Committee credit card, and then said okay it wasn't a credit card at all but he'd reimburse the taxpayers, but in any case it wasn't illegal because they were calls for soft money, and then it turned out that actually the checks were deposited in hard money accounts, would he still be in office several months later? It is to laugh. A clearer example of media bias is harder to imagine. Sure, Gore's indiscretions have been covered, but where are the banner headlines and swarms of network reporters that would be hounding Quayle or Gingrich? Meanwhile, one of the few sources of tough coverage of the Clinton-Gore scandals — Mike Kelly, editor of *The New Republic* for the past nine months — was fired by owner Martin Peretz on September 5 and replaced with the more reliable Chuck Lane. *The New Republic*, an otherwise interesting and iconoclastic magazine, will be solidly in the veep's camp for the next three-and-a-half years. —DB

Art lesson — It is said that politics is the art of the possible. And Congress has demonstrated that, with Republicans, not much is possible. —HB

A legal matter — Recent revelations that the DNC raised money from convicted drug dealers raises the question: could the entire Democratic Party be seized under the zero-tolerance drug policy? —JSR

The fix is in — It is somewhat astonishing, but the feds seem to consider the possibility that marijuana might be medically useful to seriously ill patients an enormous threat to their "war on drugs." Both cocaine and morphine are used medically, yet nobody claims that this medical use sends the "wrong message" to teenagers. The latest government response to the call for more medical marijuana research (from an NIH panel, among others) shows just how threatened our professional drug warriors feel.

Researchers have long had a problem of getting "legal" marijuana from the National Institute on Drug Abuse (NIDA) for approved research protocols. One researcher, Donald Abrams, M.D., has been waiting to get legal marijuana for his study of the safety and efficacy of inhaled marijuana compared with dronabinol (synthetic THC). NIDA has refused to supply the drug for this study, however, almost certainly because that study was too risky: it might show benefits for marijuana, such as those previously observed in published papers. Instead, Dr. Abrams has been told to focus on toxicity in the AIDS patient population. As Dr. Abrams puts it: "All bets are off on trying to predict something using

logic in this field." I disagree. The logic is clear: prevent, at all costs, any research that might show medical benefits for marijuana. —SS

Over the hill, over dale — As the Gulf War Syndrome story ballooned like a bag full of Brian Martin's phosphorescent vomit, local papers began giving the spotlight to local gulf vets and their histories of sleeplessness, painful joints, memory loss, and lethargy.

In most of the stories that I saw, the reporter failed to draw any attention to the fact that the reportees were in, or were entering, their 40s. —BB

Armageddon and the Millennium — During the past several months controversy has erupted in some circles over the possibility that the dawn of the new Millennium will cause the nation's computers to drop dead. There are many old mainframe computer programs still in use that keep track of dates using only two digits for the year ("97" for "1997," for example); these programs will treat "00" when it arrives as "1900" and throw the economy into chaos.

Scary reports have been written that tell us how complicated these old programs are, and how difficult it will be to alter them and then test the alterations. Anyone who's ever programmed a computer knows that changing one line of computer code might cause unintended consequences in other parts of the program. Thus thorough testing is necessary before any altered program can be used by a bank, an airline, or anyone else. Estimates are being thrown around that the cost of fixing all the nation's computer programs will run a half-trillion dollars or more.

But the scariest reports say the job can't even be done before the end of the century. There aren't enough programmers, there isn't enough time, there isn't enough money, and — worse yet — corporate executives and other responsible people aren't taking the problem seriously enough to see that it gets solved. The result: the banks won't be able to open for business on January 2, 2000; government will shut down (oh my!); and it's even been implied that airplanes will fall out of the sky at Midnight on New Year's Eve, 1999. According to the scary reports, any prudent person should act now to convert his wealth to hard assets, move to a remote location, and prepare for the chaos that will hit society when the banks are closed, the military's computers don't work, and police equipment is immobilized.

Before I tell you what I think will happen, I must issue a disclaimer. I have a chemical imbalance in the brain that causes me to be overly optimistic, happy about 99.9 percent of the time, and thoroughly skeptical of any bad forecasts. I've been diagnosed as borderline euphoric with Pollyanna syndrome. I've considered taking downers to remedy this condition, but I don't like to mess with Mother Nature.

Consequently, during my 30 years in the investment business, I wasn't able to bring myself to take seriously the idea

that a sudden currency recall would flush out all our hidden cash in the 1970s — or that 120 percent of Americans would contract AIDS by 1995, or that the Arabs were going to own all of America by 1979, or that the Japanese were going to own all of America by 1989, or that the Chinese are going to own all of America by 1999.

So my first reaction to the Computer 2000 scare was to dismiss it as one more silly scenario from people who have been issuing such scenarios for decades.

However, after further investigation I realized that I should upgrade my reaction from skepticism to total disbelief.

In case you've been alarmed by the reports of impending computer doom, consider two points that never seem to be addressed in the doomsday scenarios:

1. If it's so difficult and expensive to make any change in an old, complicated computer program, *every bank and airline would still be operating with exactly the same program it had 25 years ago.* (Is that why my bank still gives me green stamps when I make a deposit?) But, in reality, even the most old-fashioned, complicated computer program is continuously updated. Companies have staffs of programmers who make changes every day — as the company's operations and requirements change. Arranging for 21st century dates to be recognized is simply one more alteration the programmers will have to make.

2. The computer industry — hardware and software — is the freest business in America. There are no special barriers to entering the market. Anyone who has something in demand can sell it — without getting a special license, passing a test, or submitting his product to the FDA for approval. That's a major reason for the spectacular decreases in prices and the spectacular increases in performance. The lack of barriers means that every computer problem that arises is met very quickly with a barrage of new products designed to solve it. That's already happening with the Computer 2000 problem. Almost every week sees the debut of another new product that's been created to solve any complicated date problems in existing programs.

I don't believe anyone can predict the future, but this is what I expect to happen: By the end of 1998, virtually every large company will have already fixed its computer problems or will be in the process of finishing up its corrections. Early in 1999, government agencies that still haven't corrected their programs will be ordered by Congress to contract with private companies to make the repairs — and 90 percent of all government agencies will have their programs working properly by the end of 1999. (Let's hope the IRS is among the other 10 percent.)

By New Year's Day, 2000, people will have long since stopped talking about the Computer 2000 scare. Instead, they'll be talking about some new catastrophe that is due to strike in 2005. —HB

That's why they're all blond

— It has now been acknowledged by the major press that Sweden, that most enlightened of welfare states, had an official sterili-

zation program based on the "science" of eugenics. The program had the blessing of Gunnar Myrdal, architect of welfarism and lover of the downtrodden. Some things just speak for themselves. —SR

The right to sleep and bear arms — I had such a pedagogically subversive experience this summer that I hope *Liberty* readers will forgive my relating another personal adventure. I happened to be camping in the woods ("where the state is nowhere to be seen," as Thoreau said) with a young woman who had never been initiated to arms. Since she did not have a slave's soul and since (of course) I had brought guns with me, I naturally taught her how to use them.

I started with the usual theoretical course on how guns work and how to handle them safely — check whether the gun is loaded, don't point it towards something you do not intend to shoot, don't put your finger on the trigger until you are ready to pull it and, well, safety time ends when the marching boots get close. Then, I lent her one of my guns for some practice shooting. Walking armed in the woods, she said, "I feel very empowered."

In Japan, it is apparently a great proof of trust to let somebody sleep near you, "for he could easily kill you during your sleep." The more so, of course, if your sleeping companion is armed. So, after the night had extinguished the last horizon fires, I suggested to my lady companion that, like me, she put a loaded gun alongside her sleeping bag, which she gladly did. And we slept the sleep of the just.

Pity the poor opponents of the right to keep and bear arms! They must distrust everybody except criminals and the tyrant to whom they concede the armed monopoly of their protection. —PL

If a bureaucrat falls in the woods . . .

Most Americans probably agree with Shakespeare's statement that we ought to "kill all the lawyers." But, in my view, the pseudo-profession that comes closest to true evil is not the law but planning. I say "pseudo-profession" because planners claim to be scientific when in fact they have no idea what they are doing.

If you don't believe me, take a look at Alaska's Tongass National Forest plan. The plan cost \$15 million and took ten years to write. Yet it is supposed to last for only ten years, after which the planners have to write another one. If the experience on other national forests is any guide, the plan will be totally obsolete in just four or five years.

Fifteen million dollars might be money well spent if the plan were any good. But of course, it is not. The data going into the plan were so worthless that an entire appendix was devoted to explaining them. For example, timber stands that were classed as "high volume" turned out to have lower volumes of wood than timber stands classed as "medium volume." As Forest Service computer specialists say, "garbage in, gospel out."

Known as the forest that sells trees for the price of a Big Mac, the Tongass has

Liberty's Editors *Reflect*

BB	Brien Bartels
DB	David Boaz
RWB	R.W. Bradford
HB	Harry Browne
SC	Stephen Cox
RH	Robert Higgs
PL	Pierre Lemieux
RHN	Robert H. Nelson
RO'T	Randal O'Toole
SR	Sheldon Richman
JSR	James S. Robbins
SS	Sandy Shaw
TWV	Timothy Virkkala

recently been doing a little better, selling timber for around \$100 to \$150 per thousand board feet. But it still loses nearly \$30 million a year building roads and administering timber sales.

Planners were able to claim that the forest will make money in the future by the simple expedient of assuming that timber is worth \$250 per thousand board feet instead of what they are really getting for it. The Forest Service also decided to sell 267 million board feet of timber a year even though its own research economists said that the demand for Tongass timber was limited to about 110 million board feet.

The Tongass is just a typical example of the National Forest System as a whole. Your tax dollars at work: the Forest Service manages 193 million acres of land worth an estimated \$100 billion dollars and manages to lose \$2 billion a year. —RO'T

Growth industry — I always thought that someday I'd buy a little land and go into the business of not raising corn, for which the grateful taxpayers would reward me handsomely. But now I've got a better idea: I'm going to not train doctors. After all, what can you get for not raising corn — a few dollars an acre? But the federal government has agreed to pay hospitals about \$100,000 for each doctor they don't train. I figure I'll start out not training ten each year, then gradually increase the number I don't train each year as my tastes get more expensive.

But seriously, folks: weren't we told just a couple of years ago that medical care was too expensive, and isn't decreasing supply a strange way to reduce prices? People in Washington have gotten so wrapped up in micromanaging a \$7 trillion economy that they've always got to be either subsidizing training or paying people not to train. Letting the market work out the optimal number of doctors doesn't seem to be on the table.

And would it surprise anyone to hear that it was Republicans who put this provision into the infamous budget deal? They were annoyed that hospitals in New York but not elsewhere were getting the non-training subsidies, so with good Republican instincts they insisted that the boondoggle be expanded nationwide. A spokesman for the often sensible Rep. Bill Archer, chairman of the House Ways and Means Committee, defended the plan with terms like "market-oriented" and "voluntary." A Heritage Foundation economist pointed out that it was hardly voluntary for the taxpayers.

The era of big government is over, but the government doesn't seem to know it yet. —DB

Rubber baby buggy bumpers — Two individuals well introduced in the royal courts of this world recently departed from the Pont de l'Alma tunnel for another kingdom. One of the ideas thrown into an Internet discussion group was that the fault partly lay with the absence of crash barriers in the tunnel. I thought the idea worth pursuing.

What a properly designed crash barrier apparently does is to make a crashing car bounce back on the road — sometimes, presumably, into innocent drivers passing by. But even if personal responsibility does not bounce so much, I am willing to accept that there are good arguments for crash barriers.

Now, let's not kid ourselves: we will not stop short of anything but immortality. Rubber highways and mandated rubber cars would certainly go part of the way. (They would be manufactured out of domestic synthetic rubber, by rubber barons.) Sun visors would feature yet another warning: "Caution! This car bounces. Uncontrolled bouncing may cause injuries or death. Don't drive and bounce. It's not only a good idea, it's the law." —PL

Merchants of death — Detroit, Sept. 2: Anti-driving activists cheered today when the head of one of the Big Three auto-makers admitted publicly that driving automobiles may have caused the traffic deaths of thousands of Americans.

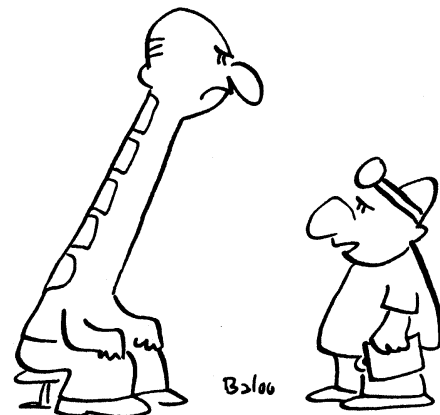
For the past decade the auto-makers have steadfastly denied any link between driving and auto accidents. Leaked documents show that they have suppressed any internal studies tending to support such a link.

Other leaked documents indicate that auto makers secretly tampered with the engines in their cars — regulating horsepower and fuel content to make the cars more powerful.

The documents also support the claim that auto makers intentionally target young people in their advertising — by showing racy automobiles, pretty girls, and happy drivers. Anti-driving activists maintain that the auto-makers have to recruit 40,000 new drivers annually to replace those who die from car accidents.

Today's admission by the Big Three auto maker may make it easier for state governments to win the many suits now in the court system — suits demanding that auto makers reimburse the states' Medicaid systems for money spent treating victims of auto accidents. However, supporters of the auto makers have long contended that auto accidents save the states money — by reducing the number of people who live long enough to receive state-supported health care.

The admission that driving may have caused traffic deaths still leaves unresolved the question of whether driving is addictive. When accused of trying to hook people on driving, auto makers traditionally produce witnesses who claim to have quit driving on their own and who insist they lead drive-free lives by using public transportation. But anti-driving activists say that, at the very least, cars should have strong warning labels — including a Skull & Crossbones, as with poisons.



"Stop griping — we were lucky to find any kind of donor at all!"

Also unresolved are a number of questions relating to the "second-hand driving" issue. Does driving cause pedestrians to die in car accidents? And, if so, should driving be outlawed completely? Or should it be regulated by the BATF as a weapon? Should driving be prohibited within 50 feet of federal buildings, as President Clinton wants?

Supporters of driving say the root issue is one of personal responsibility. They say people make their own decisions regarding whether or not to drive — and they have the right to make those decisions for themselves. They claim the current anti-driving crusade is a "wedge issue" for moralists who really want to control all aspects of life. What, they ask, will be the next activity to be attacked? Eating fatty foods? Using step ladders? Taking showers? Pretty soon, individuals will be prohibited from every activity that leads to any deaths at all.

In short, once you accept the principle that driving is addictive and dangerous, and that drivers can be manipulated by the auto makers, it is only a matter of time until the same reasoning is applied — for example — against smokers and tobacco companies. —HB

I ♥ FDR — If you want to know why the conservative rank and file is having a hard time keeping its spirits up, take a look at the July issue of *The American Spectator*, which is supposedly the house organ of uncompromising, in-your-face conservatism.

Most people read the *Spectator*, as I do, for Ben Stein's Diary. But that's really beside the point, so I won't pursue it. The point is that the July issue contains an article by Philip Terzian about the new FDR memorial in Washington.

Terzian's purpose is to show that the memorial misleads credulous visitors into believing that Roosevelt (reigned 1933–1945) conformed to the politically correct style of the 1990s. Terzian ably accomplishes his purpose. He could easily have gone on from there to demonstrate the genetic relationship between today's modern-liberal malarkey and the malarkey once emitted by FDR. This would be a very natural connection to make; as Terzian notices, "even today, the debates in Congress and the states about the size, scope, and character of government are based on principles and precepts [that Roosevelt] laid down." (If you don't believe it, ask Bob Dole.)

But perhaps the historical connection is just a bit too easy to develop, because Terzian decides to work on something different. He decides to build his own shiny verbal monument "to one who really deserves commemoration." And who should this "one" turn out to be but . . . Franklin Delano Roosevelt!

Oblivious to the fact that FDR found it easier to get along with Stalin than he did with the conservative members of his own party (e.g., Al Smith), and to the fact that American conservatism during the past 60 years has been impelled by a massive reaction against FDR and all his works, Terzian somehow finds it in his heart to call this man "the greatest president of the twentieth century." He is struck by the fact that Roosevelt "was elected to office four times." He is positively bowled over by Roosevelt's "style and mastery," his "gallantry and self-possession," the "sheer enthusiasm and joy, which he brought to the presidency — and which [allegedly] sustained the nation through the Depression

years." Cheerfully admitting that Roosevelt "delighted in appearing to be something he was not, or saying one thing while meaning another," Terzian asserts that it was "to Roosevelt's great credit" that he "misled the American people" during the lead-up to our involvement in World War II.

But I wonder, if all this misleading is so magnificent, why should Terzian be bothered by a misleading? —SC

The market for mayhem — When I walked up to the magazine rack, my heart skipped a beat. "Privatizing War," the headline read. Oh boy! I thought. National defense as a private good. America defended by a militia that looks like Switzerland with Boeing as the major industry instead of banking. *The Wild Geese* and *Tom Paine Maru*. Where do I sign up?

But the headline was on *The Nation*, and since privatizing anything gets *The Nation's* writers in a fury, I expected the worst. I was not disappointed. The article detailed how the military establishment is lengthening its reach by licensing various private "consulting" and "security" firms, supposedly composed of retired generals and spooks, to do dirty work abroad. Such firms would be beyond the groping of public disclosure; their methods, budgets and contracts would be "proprietary information."

Every anarchist longs to know: are private sector warriors more efficient? Perhaps. At the start of the war in Bosnia, according to Silverstein, the Croatian army was a bumbling mob, completely ineffective before the more warlike Serbs. An American firm, Military Professional Resources, Inc., bank-rolled by the gulf states, contracted to develop Croat officers leadership and, incidentally, democratize the brutish Croat military. Then, in 1995, the Croats went on a tear in northern Bosnia, seizing towns and driving civilians ahead of them in the pogroms that the Balkans have become justly infamous for.

So, the American retirees of MPRI score high on combat efficiency, but not quite as high at instilling magnanimity in victory.

And so, assuming that this story is true in its details — and one has to wonder about an article that quotes almost exclusively anonymous sources — private warfare, at least as the U.S. government conceives it, seems like a setback for civil society. Watch this space for the government's next venture: Rent-a-nuke. —BB

The market for hysteria — In response to public fears being whipped up over the dangers of *E. coli* and other contaminations of the beef supply, the Department of Agriculture has announced plans for increased oversight of the meat packing industry. It follows a tried and true formula for expanding bureaucratic power: find something that has the potential to create hysteria among the public, embark on a massive publicity campaign to fan up the flames, and offer to save the day at the very small price of expanding its power.

One of the early practitioners of this formula was Gifford Pinchot, who successfully lobbied for creation of the Forest Service in 1905. He spread the message that a "timber famine" was unavoidable. The nation was going to run out of wood soon, he said, and the cost of housing would go out

of sight. The Forest Service would rescue of the nation. It would conserve timber on public land and, Pinchot hoped, regulate its production on private land as well. (Pinchot did not succeed here). Not surprisingly, the whole idea of a timber famine turned out to be sheer myth.

This formula was repeated in the 1970s with only a little change in vocabulary. Now we had the "energy crisis" that was, Jimmy Carter said, the "moral equivalent of war." In the hysteria, Congress created the Department of Energy to address a problem that, it soon turned out, did not really exist. The price of energy today is about as low as it ever has been. Of course, the Department of Energy is still with us.

The Environmental Protection Agency was not going to be outdone by DOE. Soon we had the Great Cancer Scare, whipped up by EPA. The Superfund law passed in the hysteria over Love Canal, where no real damages have yet been found, despite the media hype at the time. Cancer fears fed by EPA helped to bring about the current tight federal control over the entire waste disposal system of the United States, and the all encompassing regulatory regime imposed by the 1984 Amendments to the Resources Conservation and Recovery Act. The costs to the nation of complying with RCRA are now estimated to exceed \$30 billion per year.

While the Democrats use hysteria over contaminants in air and water to increase government power, the Republicans use hysteria over contaminants in bottles or needles. The War on Drugs is the GOP equivalent of the environmental movement. Both the Republican war and the Democrat war are moral crusades to purge the evil corrupters of American society.

The press plays a critical role in this process. It feeds on stories of good and evil. That is what sells newspapers, or gets TV viewers. If real evil cannot be found, imaginary evils are invented. Morality plays about foreign chemical contamination of American innocence stir up a large audience.

Political scientists used to talk about an "iron triangle" of mutual sustenance, consisting of interest groups, government agencies, and Congressional supporters. This paradigm needs revision. Government agencies look to expand their domain, the media look for good stories, and Congressmen look for media attention, all acting out little morality plays for the American public.

I do not mean to suggest that the beef supply of the United States is perfectly safe, though probably at least as safe as in the past. There is a simple solution to the problem: irradiate beef to kill microorganisms, just as chicken is irradiated. Why isn't this solution used? Because environmentalist opposition to anything associated with radiation has blocked it.

Irradiation of beef would largely eliminate the current risks. The costs are acceptable. Why has this obvious answer not been adopted? Maybe because it would not do anything to expand the powers of the government. —RHN

Scheer stupidity — Though I am not an avid reader of our nation's magazines and newspapers, I am always looking for helpful writing tips from these masters of opinion and prose.

In the September 22 edition of *The Nation*, Robert Scheer performed an important service: he called to our attention an important story that has received little press, and he

demonstrated the usefulness of a literary technique.

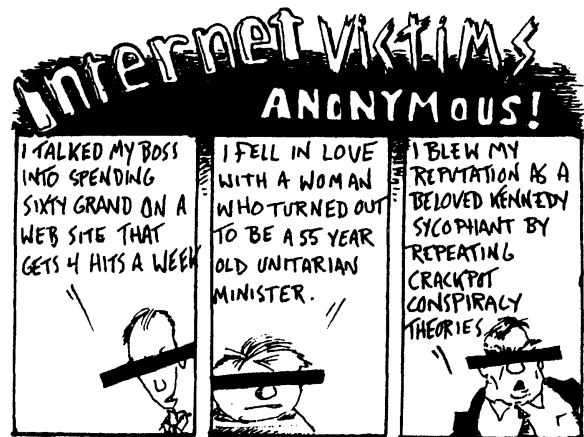
Scheer tells that the "stealth covering of the B-2 bomber melts in the rain, blisters in the sun and chips in the cold" — an amazing development in America's "peace-dividend" folly to churn out irrelevant war planes. And amazingly, according to Mr. Scheer, this "fatal flaw" cannot be fixed.

Scheer quoted the General Accounting Office as reporting that "Air Force officials said it is unlikely that the aircraft's sensitivity to moisture and climates or the need for controlled environments to fix low observability problems will ever be fully resolved even with improved materials and repair processes." Scheer rightly points out that "a plane that costs three times its weight in gold but deteriorates every time it leaves its climate-controlled hangar ranks as one of the most egregious examples of government waste of all time." But, he notes, there has been virtually no media coverage of this development, much less cries among the punditry for an investigation, or for heads to roll.

But I confess I am jaded. I *expect* government to be wasteful and foolish. Even — perhaps *especially* — in the Defense Department, no small part of which is protected from scrutiny by law, and what's left public is protected by the taboo against "weakening the nation."

What Scheer's article reminded me is that faux-naivete still works; that pretending not to understand something is still an acceptable and salable literary technique.

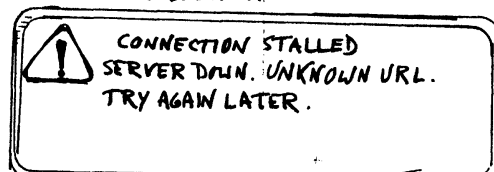
For example: "It is breathtaking that such an immense



12 Steps

- ① Acknowledge the existence of a Higher Power (Books)
- ② Resolve not to let Microsoft run my life
- ③ Admit that AOL is for pussies
- ④ Devote more time to my television
- ⑤ Promise to post only the highest quality porno J. pags
- ⑥ Make a list of everyone I've flamed.
- ⑦ Flame them again
- ⑧ I will NOT expect an apology from EarthLink when they screw up

....."TRANSFER INTERRUPTED".....



<http://home.earthlink.net/~rnmw/attach.html#how%20to%20flame>

ripoff of the taxpayers is not bigger news . . ." and "You would think it would register as one of the great scandals of our time that the plane's unique feature — the top-secret composite coating that was said to make it invisible to radar — degrades sharply under normal atmospheric conditions."

Well, you would think this if you thought "the media" didn't consist of a bunch of poseurs in bed with its "sources" left and right. But when you realize that the press *loves* power, and that the military-industrial complex is one of the most efficient "users" of the press in our time — knowing precisely how to string along the stringers, get them to slant the stories just the right way — then you will not be surprised at all.

And Scheer certainly knows this. He's an editor at *The Nation*, a well-known critic both of the military and of the mainstream press's "capitalist" craveness.

But, considering the tired clichés Scheer also feasts us with — "As this is written, 150,000 disabled children are having their Supplemental Security Income cut because their disabilities are not considered sufficiently severe. The \$800 million a year saved by cutting those kids off from S.S.I. amounts to less than one-third the cost of building and maintaining a single B-2." — considering this tired "guns vs. butter" comparison, and his complete lack of appeal to once-normal standards of honor that would make his case against the B-2 so much stronger, perhaps Scheer isn't merely playing naive. Perhaps he *is* naive. "It's time to expose the subversives who sold us a bomber that can't go out in the rain," he concludes. But the logical conclusion to draw from Scheer's tale is that nearly *everybody* in Washington — from Bill Clinton down to the interns serving Nina Totenberg — is a "subversive."

But so far, the stealth surface of our corrupt culture remains as unscandalous as the B-2 bomber's bubbling, flaking patina. And though Scheer proves that naivete still flies, it won't shoot down the boondoggle of American statism.

—TWV

What do libertarians want — As with any other group of people, libertarians don't agree on all political issues. But compared with the prevailing political order, they are very much in unison on the main issue that brings them together: they want a lot less government.

Libertarians recognize that force is the least efficient means of handling social and political questions. Any successful businessman can tell you that you achieve very little by trying to intimidate your employees; you accomplish much more by providing the proper incentives to motivate them to do voluntarily what you want them to do. In the same way, political force breeds resistance, injustice, and inefficiency; it is vastly inferior to arrangements that allow each individual to make his own decisions.

Libertarians may argue in their spare time about the details of a free society we haven't seen yet, but probably most of them have the same objective — to reduce the use of force to the absolute minimum possible, whether that means a society with no government or very little government. The objective of reducing force is neither radical nor unpopular; undoubtedly a vast majority of the population, if asked, would agree with the objective and, if any thought is given to the matter, wouldn't fault us for being more consistent in

striving toward that objective than they are.

Of course, there are many politicians — Democratic and Republican — who say they stand for smaller government, which implies that they want to reduce the use of force to solve problems, but never do anything to make government smaller. Even more telling, what separates them from libertarians is their response to newly discovered social problems. No matter what a libertarian's ideology tells him about the final goal for society, he thinks initiating force is the *last resort*. But the standard Democratic and Republican politician thinks of force as the *first alternative*.

Do some people have a problem getting health insurance? Don't question whether government may be responsible for the problem; instead, immediately propose a law to force insurance companies to do your bidding. Is there a problem in Bosnia? Send troops to enforce "our" solution. These are the standard political responses of both old parties. Libertarians may disagree about how much force might be required to maintain an orderly society, but none that I've ever encountered considered force to be the first choice.

It doesn't really matter whether a society can survive without any government at all. Today, that's an academic question with no practical application. What matters is that we, most other people, and society in general would be far better off with much less government than we have now. If we can reduce government to a fraction of its present size, it will become profitable for the best minds in the world to discover and offer methods of replacing the remaining governmental programs with non-coercive market institutions. We don't have to devise those solutions now, and we don't even have to wonder whether it's *possible* to devise such solutions. It simply isn't relevant — and it won't be until we've reduced government to a much smaller size.

—HB

Hubrisimus Maximus — Frank Moore Colby, who lived about three generations back, was irritated by the self-assurance of his fellow journalists. "What if the people you met," Colby asked, "talked like a newspaper — never made an admission or saw but one side, never retracted except on compulsion or paused in the praise of themselves?"

Of course, there is one person, and a person very frequently to be met with, who talks exactly like that: our president, William Jefferson Clinton. It's hard to find anyone who can equal Clinton in the never-admit, never-relent department (except, of course, his wife). He makes Lyndon Johnson and Huey Long look like conscience-stricken culprits casting themselves on the mercy of the court. He praises himself unctuously, he praises himself belligerently, he praises himself continuously. He never surrenders.

Even his assumptions of "responsibility" for the various things that might not have turned out *just right* around his office are really expressions of self-praise. To him, having been wrong yesterday simply proves that he is right today — which means, in effect, that he is always right, and you're wrong if you don't believe it. Some people imagine that Clinton has actually, on some occasion, made an overt confession of failure. But any such confession must have been one of those sleek, nimble things that jump up in front of the bulldozer just before it reaches the last of the weeds and garbage. They go by in a flash, never to be seen again.

The self-righteousness of this man is hard, grievously hard, to match. Yet there are people who try to match it. The Republicans try. Like President Clinton, the leaders of the Republican Party are always right in their own eyes, no matter what they do. One moment, they're praising themselves for planning to wipe the continent clean of the last microbe of Clintonism. The next moment, they're praising themselves for their ability to establish a nice working relationship with the parasite.

At the conclusion of this summer's Great Budget Deal, they guaranteed to Clinton what every friend of centralized government wants, the (continued) ability to use taxation as the world's least chewable carrot and most vexatious stick. The government will give you a piddling tax cut, or even a tax subsidy — but you gotta have a child! So the tax code adds another gripping chapter.

The Republicans agreed to this, and then they *celebrated* their achievement on the steps of the Capitol. It was peace in our time, and they were there to give themselves the Nobel Prize. —SC

I confess — A month ago, my landlord was exulting to me over NATO's snatching of a two-bit war criminal in Serbian Bosnia. This was, I took him to mean, some kind of turning point in civilization.

I had the temerity to tell my landlord that such an action would turn into "Somalia, Part Two," with no meaningful result other than a lot of dead Americans. To which my landlord replied, with a certain delicacy of phrase, that I did not know "shit" about history, that America was a "ball-less" country, as indicated by our refusal to get our people killed in the world wars, and that I needed him to educate me further in geopolitics.

Well, my pride was hurt by this, but now I am ready to admit that I was wrong. Wrong to compare NATO's current strategy of arresting war criminals in Bosnia with the U.N.'s policy of arresting war lords in Somalia.

Now that Serb youth are rioting against our troops, and now that we have divided the Serbian Republic between two authoritarian rivals, Karadzic and Plavsic, and now that the Dayton Accords of 1995 are looking more like the Geneva Accords of 1956, I confess that I was completely wrong with my facetious crack about Somalia, Part Two.

Stay tuned for Vietnam, The Sequel. —BB

Cunamania — Most people discovered the existence of Andrew Cunanan when they heard that he had shot Gianni Versace, the famous fashion designer. I, however, am not *most people*. I am one of those strange, nerdlike objects for whom Versace was simply the latest victim of Cunanan. I had been following Cunanan's adventures for weeks, but I had never even heard of Gianni Versace.

I won't try to account for my almost savage insensibility to the world of fashion. But I will try to account for my interest in the world of Andrew Cunanan.

Cunanan lived in my neighborhood, the Hillcrest district of San Diego. It's a place where — in the immortal words of *42nd Street* — "the underworld can meet the elite." I don't believe, however, that I (obviously one of the elite) ever ran into Cunanan. My interest in him was the presence of the absence, or maybe the other way around.

People who did collide with him reacted in various and contrasting ways. Some were impressed by his intelligence, breadth of learning, and mastery of world affairs. A local journalist suggested that Cunanan must actually have read a weekly news magazine, or he would never have been able to talk on terms of equality with wealthy and sophisticated friends.

Other, less intellectually minded people responded favorably to Cunanan's warmth, high spirits, and emotional generosity. To use their own words, "Andrew liked to have a good time." Many of Cunanan's acquaintances were unable to understand how a man who was thus the epitome of virtue could possibly have become a serial killer.

Some of my neighbors, to be sure, formed a less favorable opinion of Cunanan. To them, he was an obnoxious creep who dominated bars and restaurants with his relentless, aggressive, "bellowing" laugh. They thought that his high spirits should be regarded more as a vice than a virtue — and I'm inclined to agree. As far as I'm concerned, anyone who could bellow at people while they were eating would have no compunction about killing them, either. The mystery to me is why Cunanan suddenly decided to shoot and stab his victims instead of just ravaging their nerves and ruining their digestions.

And yet... there was a mystique about Cunanan as well as a mystery. It was the mystique of an unfulfilled potential. Consider the facts. Cunanan went to a high-priced prep school. He was passably good-looking. He knew how to dress. He liked being the center of attention. He knew how to target money. He read, or pretended to read, magazines. He smiled constantly. He was a pathological liar. He liked to dominate and manipulate. He was a pagan and a boor. These qualities led many people to admire him. They are the kind of qualities that make for social and political success.

Had Cunanan been born in one of the old royal houses, he would probably have massacred half the population of his country, reduced the other half to poverty, and been revered ever after as a national hero. Had he been born in twentieth-century America but had not suffered the crucial disability of being gay, he would probably be a congressman right now, and "in line for bigger things."

Cunanan's tragically frustrated career was one reason to be interested in what happened to him. Another, even

Flush with money...



Ted Turner gives \$1 billion to the U.N.

stronger, draw was the amusing nonsense that always accompanies a big crime story. To cite some instances:

Crime experts declared their belief that Cunanan, who wore glasses and liked to get his hair cut, had a remarkable ability to "change into other people." Cunanan sightings were thereupon reported in every state except Alaska and Hawaii.

The national media concluded that because Cunanan was gay, he must be murdering people to avenge himself on a community that had given him AIDS. They next announced that this only might be true, since no evidence supported it.

Residents of Hillcrest were reported to be living in deadly fear that Cunanan might, for reasons best known to Cunanan, emerge from hiding in order to participate in San Diego's annual Gay Pride parade. (*Liberty's* reporter detected no signs of panic.)

Televised authorities argued about how bad — or, if you looked at it another way, how very good — the televised coverage of Cunanan would be for gays, for crime, for women, and for inner-city blacks.

A Filipino-American columnist worried at length about the fact that Cunanan, whose father is a Filipino, was labelled "white" by the FBI.

A former FOA (Friend of Andrew) issued what was called "a plea to Cunanan to stop the violence: 'Turn yourself in, Andrew, and get some help.'"

Prominent policemen demonstrated, with many hilarious touches of pomposity, that they were incapable of finding the nation's most wanted man no matter how little effort he spent on hiding. Not only couldn't they find him, but they couldn't even find out how to pronounce his name (which is perfectly phonetic). Most of them kept calling him Andrew CUE-nuh-nin. Janet Reno, the Dick-in-Chief, went even further. She kept talking about some guy named CUE-nun. I suppose she's still trying to find that guy.

Well, I could go on and on like this. It's hard not to be entertained by such developments, so long as you forget about the poor, mangled victims that Cunanan left behind.

I'm sorry to say that I forgot. I surrendered almost immediately to the thrill of the chase, or whatever you want to call it. Every morning, I visited the internet for the latest reports; every night, I fell asleep beside the all-news channel.

When, at last, all regularly scheduled programs were interrupted for the announcement that Cunanan had managed to slay someone "important," Gianni Versace, I knew that Andrew — and, vicariously, I myself — had hit the big time. Now I could share my vast resources of Cunanania with all my friends, and they would, for a change, be interested. They wouldn't peer back at me curiously, almost clinically, and try to change the subject. I was suddenly a recognized expert, and I could keep babbling to my heart's content.

Then, I am sorry to say, Cunanan killed himself, and the circus went away.

Here ends the frank and open confession of my career in crime, or at least in the news of crime. All you O.J. addicts and Whitewater web-rats will please step forward, wipe that sneer off your faces, and make your own confessions. —SC

First mourner — There was little doubt that the Clinton administration would choose First Lady Hillary Rodham Clinton to represent the United States at services

honoring the late Mother Teresa. Hillary Clinton has made a minor fetish of associating herself with the not-yet-sainted nun of Calcutta. The first words of her first newspaper column were, "The first time I met Mother Teresa." When Mother Teresa appeared at the National Prayer Breakfast in February 1994, Mrs. Clinton literally shoved people out of the way in order to be standing next to the diminutive holy woman for the photo op. Hillary then put on a very brave face when Mother Teresa denounced abortion as "murder of a small child by the mother." In a March 1995 tour of Asia, Hillary Clinton made it a point to stop by the Calcutta orphanage run by Mother Teresa. She cuddled some babies for the cameras, and pledged that the United States would send beds and other supplies. Mother Teresa then explained why the orphanage would not in turn send any children to the U.S. for adoption — because the United States allows legal abortions.

A December 1996 Roper poll showed Mother Teresa as the most admired woman in America (19 percent of respondents named her) — Hillary was a distant second with 9 percent. Perhaps she feels associating herself with Mother Teresa will increase her standing, now that Teresa's 19 percent is up for grabs. Or maybe she feels justified in linking the two of them — she perhaps fancies herself as Mother Teresa's legitimate successor, at least when the cameras are rolling. But one thing is clear: it took the nun's death to give Hillary a chance to talk about her without being embarrassed by Mother Teresa herself pointing out the obvious — that the two have nothing in common, never had, and never will. —JSR

The vision of Diana — The death of Diana, Princess of Wales, followed by the widespread display of grief and anguish in Britain and even in other countries, was not an ordinary celebrity death. You do not get virtually an entire country of mourning people and a million people at the funeral of a mere celebrity. You don't get people willing to stand in a line for twelve hours to sign a Book of Condolences for a mere celebrity. So what was the meaning of all this?

The death of Diana, or rather, the public's yearning for the values that Diana represented, may prove to be a major turning point in the current political chaos taking place in the Western world. Diana chose for herself a life of service, a life of charitable work to help unfortunate people, such as lepers in third world countries. Not to help endangered animals. Not to lobby for an increase in welfare payments to the poor. Not for charity at an impersonal distance, but actual personal concern and caring for unfortunate people.

I think it is this vision of public service that has suddenly broken through the cynicism and apathy that people feel toward the current version of "public service" being offered by politicians and even by the British Royal family. People became suddenly aware of a Royal (an ejected one!) with a sense of social purpose that has so long been lacking in both the body politic and the Royals. A large number of people will now have a different vision of what it is they are looking for in a "public servant."

To be an individualist does not necessarily mean that one doesn't care about or want a sense of community and a sense of social purpose (e.g., the feeling that one's life work is good for others, as well as for oneself). But government social engineering has smothered the sense of community and of

social purpose by supplanting voluntary institutions that promote community service and by dividing people into warring factions.

In order to change human society, there has to first be a change in the vision of what society can be and ought to be. The death of Diana and the deep grief over the loss, not so much of an individual but of an individual who represented lost and nearly forgotten but deeply loved values, may prove to be an important turning point in the recovery of those values. —SS

Princess envy — Spend your time with libertarians, and you'll hear them talk as if all people want to be free. This idea also pops up repeatedly in American mythology — "land of the free," "our brave soldiers who fought for our freedom," blah, blah, blah. But you have to wonder. If people really want to be free, why do they tolerate so meekly the prevailing tyranny? I believe that most people could scarcely care less about freedom so long as they enjoy a modicum of creature comforts, amusements, and the illusion of security.

I gained a new perspective on this conviction as I watched the outpouring of what appeared to be genuine grief, especially in Great Britain, after the death of Princess Diana. Again and again, in explaining why they felt the loss of Diana so deeply, people on the street responded that they loved her because she treated everyone, even ordinary people, "as if they were real human beings." I suppose she did.

My point, however, comes from the contrast implicit in the public's special appreciation of Diana's conduct. Evidently, they expected that normally a member of the aristocracy would treat ordinary people as if they were . . . well . . . ordinary — mere sod for the feet of their betters to tread upon. Obviously, most British people ("the commoners") tolerate the presence in society of a whole class of hereditary privileged claimants ("the nobility") living off the ill-gotten gains of their ancestors' prowess in proving that a plain peasant was no match for an armed and armored man on horseback. The British even reserve the Upper House of Parliament for the descendants of those brutal and piratical knights of old. And they expect these fortunate few, as a rule, to treat others with disdain.

Well, you say, there's no accounting for the Brits. But they are not the only ones behaving strangely toward an aristocracy.

In this country, the cult of celebrity manifests many similar features. People clamor to know about the comings and goings of politicians, actors, athletes, and the visible super-wealthy — virtually anybody frequently seen on television, not excluding rapists and murderers. How else to account for the huge popularity of checkout-counter tabloids, *People* magazine and its clones, gossip TV programs focused on the blatantly rich and famous, and the immense crowds that gather to pay homage wherever celebrities appear?

These clowns compose the American aristocracy. They are no more and no less silly than the Europeans deemed aristocratic by accident of birth. It's no surprise when a Grace Kelly marries a Prince of Monaco, or a Jackie Kennedy hooks up with an Aristotle Onassis; it's all in the royal family. Nor is it mere happenstance that the likes of Senator Bill Bradley and Congressman Sonny Bono take up residence in the upper reaches of the Predatory State.

In ancient Rome, rulers employed "bread and circuses" to placate the masses. Contemporary American society, notwithstanding its democratic trappings, attests that the Roman rulers had seized upon a formula applicable in all epochs. The objects of the public's adulation revel in it; the masses recite their lines as if they were born to play the role of dolts; and hardly anybody has time to fret about the lack of real freedom.

Rest in peace, Diana. The circus just won't be the same.

—RH

One life to live — These people aren't sorry Di's dead. They're just enjoying being in a soap opera. —SC

Diana's dead and I don't care — *Liberty* managed to survive its first decade without a single mention of Diana Windsor neé Spencer, the moronic young petit nobleperson that the heir to the throne of the United Kingdom plucked from obscurity to be his bride. Her virtues were essentially those of the sort of livestock that win prizes at county fairs: she was good "breeding stock," attractive in a bovine sort of way, with "good" bloodlines, as amenable to bedding the homely Prince as a prize heifer is to being mounted by an especially treasured bull, and likely to bear healthy offspring that could carry the British monarchy into the next century. Her only attribute not especially prized at the county fair was her apparent chastity, this the product not of her virtue, but of the genteel poverty of her parents, which prevented her participation in the superaffluent lifestyle of her more affluent peers. Apparent chastity pleased the House of Windsor, whose reputation had been sullied by a generation whose behavior was the sort ordinarily thought of as more appropriate to the barnyard than the palace.

Diana served her function splendidly. She bore two healthy heirs as quickly as anyone could hope and maintained a virtuous image by careful selection of clothing, cosmetics and public activities. In this latter, her manifest lack of intelligence was actually a virtue. It enabled her to appear, without the transparent boredom of other royals, at the hospitals, charity balls and mall openings endlessly required of royalty.

But her marriage soon fell apart, apparently because Charles had the temerity to continue his affair with the woman — not Diana — whom he had loved all his adult life, but lacked the compliant press corps willing to look the other way, as his forbears had. While the matings and antics of the royal family have some slight value as amusement, I've always been slightly embarrassed by the interest that so many Americans have in the subject. It's not the trashy values embodied by the House of Windsor. It's the simple fact that this country had its origin in a war to rid itself of the British monarchy.

In the three weeks following Diana's death, the cable channel MSNBC transformed itself from a pretty good news source to the "All Diana, All the Time" network. A writer for *Newsday* told her readers that Diana's death was the "defining moment" for her generation, an observation echoed by NBC News' perky middle-aged airhead Jane Pauley. *USA Today* took the longer view: it concluded only that Diana's death "maybe" was the defining moment of this generation. One shudders to think what this generation is, if it must be

defined by the death of Diana Spencer.

Of course, Diana was no ordinary celebrity. Ordinary celebrities become famous by doing something. After this something eclipses their lives, they become, in Daniel Boorstin's phrase, "famous for being famous." Diana, in contrast, was famous purely for being famous. She was the

Platonic form of celebrity. It was this rarified metacelebrity-hood that enabled her to be more loved the more and more she revelled in banality. Even her death while cavorting with a dissipated playboy, in the back seat of a car driven by his drunken chauffeur, is blamed almost entirely on . . . people trying to take her picture! —RWB

Strategy Debate

The story so far: In the last issue, Harry Browne cited the Gallup poll that estimated 22 percent of Americans to be "libertarian" — that is, people who wanted less government in both their economic and their social lives. Harry argued that this was fertile ground for the Libertarian Party to conduct a recruiting campaign that could bring its membership to 200,000 by the year 2000 — and give it a "fund-raising base that can support a \$50 million presidential campaign," "troops who can carry the message door-to-door if necessary" and "the resources to run advertising that will let everyone know" about the party's program.

Bill Bradford was not convinced. He wondered, if 22 percent of the American people really were libertarian in any meaningful sense, then "why is it that an extraordinarily articulate LP presidential candidate backed by the fastest growing party in America cannot get more than one half of one percent of the vote?" He suggested that the 22 percent identified by Gallup as libertarian merely had "a general inclination to favor less government in the economy and in social life, or at least to oppose greater interference in those activities." And he expressed doubts that the exponential growth that Harry envisioned was plausible.

And now, the debate continues.

Dear Bill,

You say that "a general inclination to favor less government interference" is a far cry from supporting the LP's principle "that it is always wrong to use 'the initiation of force as means of achieving political or social gains.'"

But the LP doesn't have to ask people to support every jot and tittle of the LP platform. It need ask them only to join the sole party in America that is seriously pushing for smaller government. Good Libertarians don't have to be clones of Bill Bradford — or Harry Browne — or of anyone reading this. After all, we're not clones of each other. To grow rapidly, the LP needs only to recruit people who would rather support a party pushing to repeal the income tax than one pushing to censor the Internet or raise the minimum wage.

You say the annual growth rate required to get to 200,000 members by the year 2000 is a notion that "defies rationality."

But the LP has never conducted an all-out recruitment campaign. Membership has ebbed and flowed with the tides of election campaigns and member proselytizing. Now the LP has raised \$200,000 specifically to conduct massive tests of mailing lists — to find the demographic profiles that best respond to our message. When those tests are completed, if they show any prospect of success, the LP will have a solid business plan with which to raise the further money necessary to mail again and again to the best lists.

No one knows what the outcome will be, and experience is no guide because no one has tried this before. But we do

know that with every passing year, more millions of people become aware of the futility of government solutions and become more responsive to libertarian ones. And the best libertarian minds have been discovering ways to make our message more self-evident and attractive to people.

You ask: "If almost a quarter of Americans are libertarian, why is it that an extraordinarily articulate LP presidential candidate backed by the 'fastest growing party in America' cannot get more than 0.5 percent of the vote?"

After the last election, the LP commissioned a poll. Only 4 percent of the respondents could identify the LP presidential candidate from a list of choices. This is the result of having a small party that can afford only a \$3 million campaign. Even those who knew of the candidate and agreed with him had little reason to vote for him — since they never saw him on the evening news or in the daily newspaper, and they had no reason to believe anyone else was voting for him.

You ask, "Doesn't this suggest that the LP is doing an absolutely terrible job of marketing its program?"

No, the vote total is hardly a rejection of the LP message. Rather, it suggests that the LP has a marketing budget far too small to reach a significant number of Americans. With 200,000 members it would have at least \$50 million to spend on the 2000 presidential campaign. That would make the LP candidate at least as visible as Ross Perot was in 1992. And it would be able to mount a permanent advertising campaign to keep the LP and free-market alternatives continually in front of the public.

During the last presidential campaign I personally encountered — on the radio, at speeches, and in other venues — hundreds of individuals who weren't LP members, and who would not perhaps even call themselves "libertarians," but who desperately wished they could vote for a candidate who called for sharply reduced government and who had a chance to win. I believe these people were representative of millions more. The LP will get their votes when it can run large-scale TV advertising, when it shows up continually on the evening news and in the daily newspaper, and when people can vote with the confidence that others are voting with them, too. In other words, when the LP has a much larger party and fund-raising base.

If the LP has no chance to grow substantially, if it has no chance to raise the money necessary to run a first-class campaign, then why does it even exist? The same question applies to all libertarian activism. If it's true that people really *don't* want to live without an income tax, take control of their own retirement savings, have safe neighborhoods that aren't destroyed by the insane War on Drugs, then why are we wasting our time trying to reach them with the liber-

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tarian message? If we have no hope of making America substantially freer, what are we playing at? Why are we writing all these articles, giving speeches, attending meetings, and talking so much about a liberty we'll never see?

To me, this isn't a game. I became involved in political action only because I saw a ray of hope that in the 1990s it is possible to turn America around — something that seemed impossible in the 1970s and 1980s.

If I'm wrong, if Americans truly prefer the "security" of government to the liberty of controlling their lives and earnings (a choice not defined in any recent presidential election, possibly excepting 1980), then why don't we forget all this "liberty" stuff and make the best of a bad deal?

But if we do have a chance, why don't we start taking advantage of the anti-government mood that pervades America? Why don't we build a party that can capitalize on that mood? Why don't we bear down on the message — appealing to the self-interest of the tens of millions of Americans whose lives would be vastly improved by the changes libertarians want to bring about?

Those people aren't much different from us: they want to control their own earnings, their own lives, their own children, their own neighborhoods. They are almost all libertarians at heart. So why don't we speak to them in a language they can understand, rather than complaining that they don't understand us?

Harry Browne
Franklin, Tenn.

Dear Harry,

I wish you were right. I wish that 22 percent of Americans actually wanted "less government control in any area" of American life, but were prevented from voting Libertarian only by the sad fact that the party's "marketing budget [is] too small to reach a significant number" of them. I wish that these 22 percent constituted "an enormous number of people who are receptive to libertarian ideas," who would respond to the LP's membership growth campaign, with its \$500,000 budget, by joining the LP in sufficient numbers to insure that LP membership will rise to 200,000 and its presidential campaign war-chest to \$50 million in the next three years.

Unfortunately, I don't see any evidence that a single one of these propositions is true.

(1) I don't believe for a minute that 22 percent of Americans "want less government control in any area" of American life. If they did, they'd elect politicians who would lessen the power of government. Instead they vote for politicians who favor less control in some areas and more in others. Or for politicians who call for less control but support legislation that increases control. If people wanted less government, a lot more of them would have voted for you. During the course of the campaign, your radio and television appearances were heard by millions — yet you got fewer than a half million votes.

In 1994, 22 percent of Americans answered questions in a Gallup Poll that suggested they wanted less government control of the economy and less government control of social life. But there's no evidence that they wanted radically less than at present. Most of them probably just wished that taxes were a little lower and that the government would censor the Internet in a less ham-fisted way.

In June of this year, 79 percent of Americans told a *NBC*

News/Wall Street Journal poll that they wanted more "histories, documentaries, and the arts" on television, and fewer "talk shows and soap operas." The same *Wall Street Journal* reported that Oprah just signed a two year deal to continue her talk show for \$130 million, a share of the profits, and an option to purchase a huge block of stock in the distributor. Meanwhile the History Channel and Arts Channel limp along with negligible ratings.

(2) I see no evidence that Americans who want less government are particularly fertile ground for Libertarian Party recruiting efforts. Wanting less government (their sentiment) and wanting virtually no government (the LP's program) are very different things.

Of course, the LP need not ask people to support every jot and tittle of its platform. But if it merely asks them, in a general way, to join them in an effort to reduce the size of government, will it still be the Libertarian Party? If it abandons its radical vision, is it still the "Party of Principle"?

(3) I see no evidence that the LP can recruit enough of the target 22 percent into the LP to increase its membership to 200,000 in the next three years. About 100 million people voted in the last election. If 22 percent of them are good prospects, that means you've got a prospect list of 22,000,000. To recruit 180,000 of them into the LP would mean that 0.8 percent of them would join the party. That's even a higher response rate than your \$3 million presidential campaign got in the voting booth — where people could cast their votes without paying a \$25 membership fee, let alone donate the \$250 that you expect your average recruit to pony up for the presidential campaign.

You respond to my view that the plan to recruit 180,000 new members by direct mail "defies rationality" by pointing out that "no one has ever tried this before." Are you certain that this is the case? Are you sure that *not one* of the many nascent leftist or rightist political parties has tried to sell memberships by direct mail? And what about the Democrats and Republicans? Surely at least a few of these groups have tried.

You are certainly right to observe that political groups ordinarily don't use direct mail to recruit members. Why don't they? I think the answer is obvious: it doesn't work. Selling political party memberships by direct mail violates a fundamental principle of direct mail marketing: make your offer simple and easy to understand. Political direct mail can arouse emotion (anger, hatred, fear, greed) or play on feelings of guilt to get people to donate to a specific cause. And it can arouse curiosity, or lust for knowledge, or a sense of fun sufficient to get them to subscribe to a publication. Libertarians have used direct mail in these activities for decades. Much of this effort (like the LP's) is directly primarily at people already on libertarian-oriented mailing lists, people already warm to the cause.

But getting people to join a social organization is usually a far more complicated selling task. That's part of the reason why the LP has 50 times as many voters as it has members. The motives for joining a political party are complex and variegated: a desire to do good, a desire to have a positive impact on the world, a desire to advance one's career or otherwise improve one's situation, a desire to meet other people, a desire to promote an ideological agenda. If you want to get people to buy a party membership by direct mail, you have to arouse these emotions and offer a credible way to satisfy them. To say this is extremely difficult is a huge understatement.

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The latest annual report of the libertarian magazine *Reason* that I saw says that it spent about \$1,000,000 on direct mail during the previous year, during which time its subscriber base increased by, as I recall, a few hundred. The libertarian Cato Institute spends a significant amount of money prospecting new lists for people who may be willing to make donations of \$50 or more. Laissez Faire Books also spends a fair amount of money sending its catalog to non-libertarians.

What have these efforts achieved? In the past decade, during which somewhere perhaps \$15 million has been spent on direct mail outreach, the total libertarian universe (total number of different names of subscribers to *Reason* and/or *Liberty*, members or donors to the LP or the LP presidential campaign, have made at least one purchase from Laissez Faire Books or Cato, and/or donated to Cato) has increased by perhaps 20,000. That increase resulted from methods of outreach other than direct mail, too.

Think of it. The combined efforts of all forms of libertarian activism plus all the efforts of professional direct mail marketers spending \$15 million during the past decade have increased the libertarian universe by about 20,000 names.

So what are the chances that the LP's direct mail campaign will recruit 180,000 new members during the next 27 months? Virtually nil, I think. To believe otherwise is requires that one believe the LP's direct marketing professionals — whose experience is almost entirely in raising funds from libertarians — will manage in the next 27 months to bring into the libertarian universe nine times as many people as professional direct mail marketers at *Reason*, *Cato*, etc., managed to do in the previous decade. And they will accomplish this despite the fact that they have a far more difficult product to sell and far less money to spend.

(4) I seriously doubt that a 200,000 member party could pony up \$50 million for a campaign. Yes, I am aware that the 1996 campaign raised \$3 million from a membership base at the start of the campaign of 12,000, for an average of \$250 per member. But the today's LP today contains most of the really hard-core libertarians, people strongly motivated and inclined to make large donations. The 180,000 new members recruited by direct mail — if that could be done — would almost certainly be less enthusiastic and generous.

You wonder why I and others who agree with me that political success is not just around the corner are involved in promoting libertarian ideas at all, why we write, give speeches, attend meeting and talk about liberty. What's the point if we don't have a realistic chance at almost immediate electoral success?

There are lots of reasons. We give speeches because we want to share with others the vision of liberty that enriches our lives; because we want to enhance such liberty as we enjoy, even if the possibility of seizing control of the government is slim; because we feel benevolent toward other human beings; because we would like to "secure the blessings of liberty" for children. We attend meetings because we enjoy the company of others who share our thinking, because we believe that by co-operating with others we may advance our agenda more rapidly, even if we are not about to be a major factor in American politics. We promote libertarian ideas because they are true, and because we want to share the truth with our neighbors, and because we believe that truth is a good thing in and of itself.

You say: "To me, this isn't a game." I hope you don't think that it is only a game to me, or to the other libertarians who doubt that a quick victory through direct mail is in the offing. Advancing the cause of human liberty is a worthy, noble and enriching endeavor, even if we cannot win the next election.

You conclude with a barrage of questions. I'm not sure whether you want me to answer them, or intend them merely as rhetorical devices, but I'll do my best to answer them as if they were serious.

You ask: "But if we do have a chance, why don't we start taking advantage of the anti-government mood that pervades America?"

I answer: We already are taking advantage of that mood. though perhaps some of us are using different approaches than you are. In the past year alone, *Reason* and *Liberty* have sent out nearly 3 million pieces of direct mail soliciting new subscriptions; people from *Reason*, *Liberty* and the Cato Institute appeared on hundreds of radio and television programs and wrote hundreds of op-ed pieces; the LP spent about \$3 million on your campaign and a considerable amount on other campaigns; thousands of libertarians campaigned on behalf of libertarian candidates of the LP or the Republican Party (one of whom (Ron Paul) was elected to Congress); thousands of others advocated libertarian ideas in public forums and among their friends and acquaintances. All these are attempts to take advantage of the anti-government mood in America, such as it exists.

You ask: "Why don't we build a party that can capitalize on that mood?"

I answer: We already are doing so, and we've been doing so for more than 25 years — though, once again, some of us are using approaches that differ from what you advocate.

The reason that I'm not using your approach — a major direct mail recruiting campaign — is because I think it will fail and cost a great deal. Others disagree with me; according to a recent LP press release, enough supporters have been found to finance the direct mail plan, and it is about to be implemented. So the question of whether the plan is a good one will soon be answered. There's nothing I'd like more than to be proven wrong. But only time will tell.

You ask: "Why don't we bear down on the message — appealing to the self-interest of the tens of millions of Americans whose lives would be vastly improved by the changes libertarians want to bring about?"

I respond: Many libertarians are already trying to sell liberty on the basis of the self-interest. I recall your campaign last year was based almost exclusively on this appeal, and that many LP candidates followed your lead.

But surely you are aware that some libertarians believe that other approaches should be tried as well, that we should appeal to people's sense of morality, to their sense of fairness, to their religious beliefs, to their perception of the common good . . . so I wonder: are you proposing that libertarians should focus *only* on self-interest?

If this is what you are asking, then count me out. I think liberty is a wonderful thing, and I don't want to discourage anyone from celebrating it and advancing it among their friends and neighbors in any way that they want. I support *all* libertarians of *all* persuasions and *all* approaches.

R.W. Bradford

Port Townsend, Wash.

Lament

Paragon Lost

by Michael Oakes

The world's freest city ended with both a bang and a whimper.

As midnight approached on Hong Kong Island June 30, my frustration grew. In front of me, leaders of Hong Kong's Democratic Party paraded on stage and preached their gospel to an alert but relatively small street crowd of a few thousand. They said all the right things, the watch

words repeated frequently enough to communicate an unmistakable message to an audience persistently chatting in various Asian and European languages: Human rights. Democracy. Free speech. Hong Kong ruled by Hong Kong people.

That their speeches took place here at all symbolized a small but important protest. The stage fronted the Legislative Council building, which at midnight would no longer be a working home for Martin Lee, the party's president, or for other recently elected party council members. Yet, Lee et al. would come here after the midnight handover, trespass, and speak to us from the second floor balcony. There were some casual wonderings of a possible physical clash with government police over these Democratic Party plans, but nothing happened. The police focused on very reasonable crowd control, nudging photographers out of the way of oncoming cars and, even more usefully, directing cars out of the way of oncoming photographers.

With under half an hour remaining, a Chinese man gave a stirring summary of the events eight years ago at Tiananmen Square. The name itself — Tiananmen — ought to have

bumped up the emotional stakes a notch, and yet it really didn't. Not for the larger portion of the people watching and listening and waiting.

While no one looked bored, few looked anxious. This was a movie crowd, the kind snaking outside Santa Monica theaters on a summer film's first and second weekends — patient, mildly curious, casually checking watches. We drank Volvic and Coke and trendy fruit juices. We carried L.L. Bean backpacks and reasonably priced Japanese cameras. While throughout the island there were plenty of Chinese five star flags, even more of the bauhinia flags used by official Hong Kong as a Special Administrative Region of China, it was still the Nike swish which easily dominated the logo competition.

Even with 4,000 People's Liberation Army employees poised to take up positions in the city in just hours, the horrors of tanks and guns and mass murder by young soldiers in Beijing seemed not just distant but wholly alien. This crowd flashed establishment with every turn of its well-groomed heads. That doesn't mean Hong Kong's Statue Square wasn't filled with people willing to

fight for their freedoms. Or that given orders to clear it, the PLA wouldn't have been willing to use force if necessary. It was just impossible to imagine either side now bothering with such conflict. The media symbols of rebellion — those students in Beijing, the turbaned kids in Chynchen, the gun people in Waco — rarely are broadcast in Polo shirts and Eddie Bauer shorts.

When the clock finally ticked into Tuesday morning, July 1, 1997, the crowd cheered. *Cheered*. A dozen staged politicians, holding impressive torches symbolizing the flame of democracy, led the countdown. They cheered, too — at the moment they became former legislators, kicked from their posts by a communist regime, they cheered. The democratic leadership claimed all along, in fact, that they welcomed a reunification with mainland China. "At our meeting . . . with the chief executive [Tung Chee-hwa]," Martin Lee wrote in the *China Daily News* in January, "my Democratic Party colleagues and I made every effort to explain to Tung that we are not 'anti-China.'"

Indeed, "Support sovereignty, defend democracy," was the banner

phrase of the evening. Which is why, less than a mile away, Queen Elizabeth's first son found it a rather simple matter to step forward and hand the colony, lock, stock and 6.4 million people, over to communists.

I wanted that moment, the pause at the end of the countdown, to be exceptionally solemn. I wanted time stopped and the physical world moved in response to this passing of sovereignty. I wanted goose bumps — an explicit, chilling reaction to what we'd all just witnessed.

Instead, I got cheers, which blew my way a great, deep disappointment.

Early on as 1997 drew near, the dominant perspectives on the Hong Kong handover split into various barely competing camps, none of which offered a plausible position for anyone who values individual freedom and liberty. From the British and their supporters came an unjustified ambivalence and acquiescence. From the Chinese and the communist government supporters came an equally unjustified sense of pride and accomplishment. And from Hong Kong people themselves came a mix of everything — resignation and anxiety whipped up alongside anticipation, determination, and joy at reunification with a cultural motherland, what the new chief, Tung, called a "natural reconciliation ending a period of unnatural separation."

Each camp easily ignored the most important issue: two large governments just swapped land and people, a future king delivering quite appealing new subjects into the hands of tyrants. As the world only now begins to correct the dysfunctions created by the first Yalta, here in Asia we allowed a second one to take place without objection.

Not only did neither government bother to get the input of the subjects it traded, but this oversight failed to excite hardly anyone. The conventional media never touched this part of the story in any significant way. It was no better from other sources. On Internet news groups for months prior to the handover, many people argued for continued democracy and free speech. Others strung out tedious interpretations of the Basic Law, China's attempt at a constitution for Hong Kong. But almost no one debated the

legitimacy of the event itself. Most weeks on alt.hongkong.culture and alt.hongkong.politics, in fact, the most popular target of net wrath was Japan, which claims a small group of rocks near Taiwan called the Senkaku (Japanese) or Diaoyu (Chinese) Islands. Hong Kongers, Taiwanese and Chinese alike joined to renounce the Japanese claim.

Grant the Hong Kong democrats and their supporters credit for seeking a continuation of democratic reforms and civil liberties. Grant them credit for what looks and feels like genuine resistance to Beijing's desire for

When the clock finally ticked into Tuesday morning, July 1, 1997, the crowd cheered. Cheered.

unquestioned control. But so what? In a transaction in which everyone acknowledges the power of states to do as they wish with the sovereignty of people within their domains, where is the logic of protesting the details? Why *wouldn't* China be expected to rule as it wants? Why *wouldn't* a large central government, an openly totalitarian one at that, be expected to change the conditions of any agreement when it suits?

For libertarians, moreover, the Hong Kong handover represented an important mark in the struggle for world-wide freedoms I fear we may have missed. It may well have been the most dramatic reality check in decades. Not because the Chinese communists might limit civil liberties or slowly modify the economic game rules to favor the communist and PLA elite. And not because free speech might fade or the potential for political repression might increase.

But, rather, simply because it happened. Because moments before the arrival of the 21st century, big governments are still trading land and people without their consent. Charles may as well have ridden through Central and Wan Chai on horseback, sporting chain mail shirting and armor-covered legs. Jolly good show, Jiang. We've left the moat bridge down, as you can see, and

the peasants have already baked the morning bread.

Have we come no further than this?

Simple Traders

The easy answer is, yes. We've come a long way from the time when British and Scottish kings decided the fate of their people and then killed Mel Gibson.

Though tyranny still asserts itself, the world today is more open than ever. More people are in more control of their own destinies; more citizens have at least some direct participation in choosing their leaders. In general, as dozens of best selling authors will be happy to tell you, world systems and societies are decentralizing. The trend is clearly toward devolution of power.

That trend is sweeping through China, too. Vince Miller, president of the International Society of Individual Liberty, notes "considerable hatred and disdain for the corrupt Beijing regime throughout China, particularly in the south where massive western capital investment has occurred. These mainland Chinese look upon Beijing in much the same way American libertarians look on Washington, D.C."

International trade is expanding, not contracting. The bureaucratic nonsense of NAFTA, APEC and the World Trade Organization aside, barriers to trade are falling.

If democratic governments seem to some of us to be intruding into individuals' affairs at increasing rates, changes in technology and communications are at the same time making those governments less relevant. Government may well be expanding its reach, but it is also hollowing out.

Hong Kong itself may be the best evidence of our progress. By any measure, it is economically the freest parcel on the planet. It tops the indexes of economic freedom from Cato, The Wall Street Journal-Heritage Foundation, The Fraser Institute in Canada, and Freedom House in New York. It tops them, in fact, by considerable margins.

Hong Kong has virtually no tariffs; a flat 16.5 percent corporate income tax and personal income taxes amounting to two percent on the average income level; no taxes on savings, capital gains and other investments; easy, flexible

currency exchange systems (currency, indeed, printed under the auspices, and carrying the brand names, of three different banks); interference in business affairs and markets that is trivial when compared to other developed countries; a government budget that is both small (6.4 percent of GDP) and in constant surplus.

"We are just simple traders," said Sir Alexander Grantham, who governed the colony in the 1940s and 1950s, "who want to get on with our daily round and common task. This may not be very noble, but at any rate it does not disturb others." In significant ways, Sir Alexander and earlier leaders of the colony actually meant this. Free trade — in particular a free, untaxed port — was maintained throughout the 156-year history under British rule.

Hong Kong quickly became a haven for Chinese entrepreneurs, too. The segregation and discrimination policies of the British government and business establishment led mostly to restrictions on location and formal authority. Those policies did little to discourage private initiative by native Hong Kongers or by the growing numbers of immigrants. Chinese could not

Queen Elizabeth's first son found it a rather simple matter to step forward and hand the colony, lock, stock and 6.4 million people, over to communists.

live on the Peak, as everyone by now knows, and were restricted from important activities within the British communities and business areas. But while those and other racist policies seem repugnant to us now, they still left open a key ingredient for progress: property rights. Little prevented the Chinese from establishing their own businesses in their own communities, and, generally, their industriousness was just as protected by British law as that of any royal subject.

By as early as the 1880s, according to writer Jan Morris, 90 percent of the colony's tax revenue came from Chinese businesses and individuals.

Despite the "incorrigible" prejudice by Europeans, "in 1885 eighty-three British property-owners were rich enough to pay property tax, compared to 647 Chinese, and seventeen Chinese were among the eighteen richest of all (the eighteenth was Jardine, Matheson)."

Today Hong Kong hosts the largest container facility in the world. GDP per capita is greater than the United Kingdom's. It's the world's fifth largest financial center.

Importantly, those numbers were achieved during few periods of political calm. Mainlanders poured into Hong Kong during the Sun Yat-sen's revolution leading to the end of the Ching Dynasty. Japan's China invasion accelerated the numbers and pace until, during the war, Hong Kong's population shrank by nearly two-thirds. Hardly had anyone regained their footing after World War II before the communists challenged Chiang Kai-shek. That civil war drove hundreds of thousands out of the country, many of them back into Hong Kong. One more generation later, Mao's Cultural Revolution initiated yet another wave of immigration.

A large portion of these refugees realized that neither Japanese nor communist leaders were especially good for personal freedoms, including the freedom to conduct business. From Shanghai, for example, where China's communist elite still trace their beginnings, business owners packed up their stocks and machinery and moved it all into Hong Kong. Tung, the new leader, and his own family were refugees from the increasing communist victories against Chiang.

Arriving immigrants not only were often those deliberately looking to preserve their own freedoms, but they also landed in an environment ripe for them. Still without political rights, still ruled by the hand of throne sitters half a world away, Hong Kong people nevertheless were left alone. Residents never flew Gadsden flags; they had fewer reasons than most to do so.

Beyond the history and statistics is a broader message. Hong Kong illustrates the ability of individuals alone and in large groups to adapt to changing environments and still surge ahead. Quite quickly, Hong Kong's economy passed through familiar

development stages — from small, low-cost manufactured goods to high-valued electronics goods to a broad range of services — without the costly, delaying, and politically divisive turf battles common in North America and Europe. (Manufacturing went from about 24 percent of GDP in 1980 to about 9 percent today.) In European countries those battles still rage on. So

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does double digit unemployment and, incredibly, few seem to recognize the correlation.

The differences couldn't be sharper, nor the real life, general empirical contrast any more crystal clear: given the freedom to adjust, Hong Kong individuals and firms not only succeeded well as market conditions changed, they succeeded much better than those individuals and firms in advanced countries who petitioned government for help.

Britain, Colonialism, and Apple Computer

If the economic freedoms and resulting success enjoyed by people in Hong Kong represent progress for liberty, then it is at best progress clouded by ambivalence. The lessons we libertarians might think obvious from Hong Kong's experience often have been only vaguely referenced and, more often, either ignored or misinterpreted.

A much heralded 1993 study by The World Bank, for example, acknowledged the importance of general economic and political freedoms in seeding economic growth and rising standards of living. It then concluded that an important key to successful growth in Asia rested squarely with government macroeconomic management and intervention. "In most of the economies, in one form or another," the study explained, "the government intervened — systematically and

through multiple channels — to foster development, and in some cases the development of specific industries." ("The East Asian Miracles," 1993, The World Bank.)

Surprisingly little public promotion of the record came from the United Kingdom itself. British leaders, in fact, appeared awkward and even shy about trumpeting the results of genuine economic liberalism. There are at least two important reasons behind this.

First, the British experience at the end seemed inescapably burdened by its inauspicious beginning — by an expansive, empire-building colonialism

"One country, two systems" is as close as we will likely ever come to witnessing socialists admit defeat.

which claimed at one point a fifth of the world's population. Britain was the colonial champion, the gold medalist of imperial powers which trekked technological and organizational superiority around the world and staked claims just about anywhere and everywhere possible.

In Asia, colonialism began with the first Portuguese claim in India in 1498, soon after overland routes to Asia were closed by political problems in Turkey. Colonialism spread gradually for several hundred years until the military skills and technology of the West sufficiently exceeded that of native Asians to guarantee greater control over both larger land areas and greater numbers of people. By the early 20th century, even Japan joined the game, taking control of Korea and Taiwan. By 1925, nearly all of Asia save the greater part of China and Thailand was colonized.

Too bad for Japan that by then the game was almost over. A depression and a second world war later, none of the democratic Western governments had enough credibility, or political skill, to maintain the Asian colonies. They tried, of course — the French in Vietnam and Cambodia, the Dutch in Indonesia, the British in Malaya — but it was a ridiculous effort. One by one

after World War II, the colonies morphed into independent states. They often morphed again into some of the greatest hells in history, as regimes in Korea, Vietnam, Laos, and Cambodia made a mockery of the idea of self-rule. For many Asians, however (at least for those in power), what was often more important than their own personal security and individual freedom was that the Westerners were gone.

That view persists today. A colleague of mine, herself part Chinese, delivered a passionate commentary on the British exploitation of, and discrimination against, Hong Kong Chinese. Yet she had little to say about the atrocities committed after the Asian colonialists left. She had even less to say about commitment to individual rights in China today. When pressed for an explanation, she responded in part, that what happens inside a country is not as important as what happens between countries. Murder is never okay, she said, but it's much more of a problem if it's done by outsiders, where "outside" means beyond national boundaries.

The silly borders reasoning aside, her sense of bitterness toward Britain is indicative of the strong feelings colonialism still elicits. How bitter people feel toward 19th century colonialism in general, and in China in particular, predicts fairly well how delighted they feel about July 1, 1997. Plenty useful to affirmative action supporters in the States, this punishment-in-perpetuity argument holds the present British government and people forever on probation for the globally intrusive marauders of Queen Victoria's day.

Few people today support grabbing land and people by force, which is exactly what Britain did in Hong Kong. Yet there is something out of proportion here. Whatever the evils Victorian admirals and Jardine traders wrought, their actions against the individual rights of Chinese in Hong Kong are duly noted and mostly corrected. "Mostly" may not be enough. But it is much more than the current, late 20th century government of mainland China has done.

Obviously Britain ought to have turned control of Hong Kong over to Hong Kong people — or to at least

have given residents direct choice in how they wished to be governed. But no government carries an especially noble record regarding respect for individual sovereignty, rights and liberties. Instead, governments do all they can to retain power and control. That is, of course, exactly the point for many of us.

It is unconscionable, though, that the errors of British colonialism should weigh more heavily in evaluating Hong Kong issues than current totalitarianism on the mainland. Colonial Hong Kong grew into a flourishing, liberal society, with freedom of commerce unknown elsewhere in the modern world and freedom of speech unprecedented in Asia. The People's Republic of China is a police state.

Even Chris Patten, the governor who helped push through highly praised but generally weak democratic reforms, seemed bound by the past. In a *Newsweek* interview, he explained: "It would be ignorant and a demonstration of a lack of sensitivity not to recognize why there won't be great displays of gratitude. Anyone who is Chinese, even if they're ferociously anti-

Amazingly, Britain lost a PR campaign to old men in Beijing who wear really bad suits.

communist, will feel a totally legitimate pride at the end of what many Chinese would regard as a humiliating episode left over from the 19th century."

The second reason for British skittishness over the remarkable achievements in Hong Kong is that the government of the United Kingdom is burdened by its own lack of commitment to fundamental freedom and the resulting contradictions of its policies.

On the one hand, for example, Margaret Thatcher stepped forward in her 1982 meeting with Deng Xiaoping to end the antiquated colonial relationship. On the other hand, her government arranged to do this without giving the people it ruled any direct voice in the matter. Nor did it really make much sense that, in the name of international justice, Thatcher's government would drop Hong Kong people

off at the doorstep of communists.

On the one hand again, the degree of freedom in Hong Kong, and the restraint Hong Kong government administrators showed during sometimes strong pressures to intervene, represent a record with which any public servant who values freedom and limited government ought to be proud. On the other hand, policies in colonial Hong Kong stood in dramatic contrast to policies elsewhere in the Commonwealth and, indeed, on the isle of Britain itself. Even under Thatcher, people in the UK had to endure restrictions on their economic lives which, in many ways, look more like policies in Shanghai than in Hong Kong. Low corporate and personal income taxes, a restrained government, free and open ports of entry — in London these colonial policies would appear as though they'd been suggested by Martians.

The economic freedoms Hong Kong residents enjoyed created a truly remarkable environment, with equally remarkable results. Yet during the finale Britain failed to capitalize on this in any significant way — failed to turn it into a cause célèbre for liberalism. "As Hong Kong draws closer to its reunion with China," noted a front page article in *The Asian Wall Street Journal* the weekend before the handover, "thanking Britain is an unpopular activity; praising China scores more points."

If China scores points, it is because the scorekeepers abandoned all reason.

"One country, two systems," for example, is as close as we will likely ever come to witnessing socialists admit defeat. China received back into its fold territory it lost in 1841; that territory advanced so much under a foreign organizational system that the Communist Party can't possibly integrate the two worlds now. This ought to be embarrassing. Instead, the policy is praised by diplomats and journalists for its pragmatism.

Take the pride in reunification for another example. On July 1, many Hong Kong residents reunited with the same communist system from which they fled throughout the past fifty years. Mainland Chinese, on the other hand, welcomed back refugees who liked what they ran to so much they never returned.

What kind of genuine pride can take root under these conditions?

Where is the logic of celebrating reunification when Hong Kong's freedoms, denied to citizens of the People's Republic, enabled the colony to record GDP per capita more than 30 times that of the mainland?

And why wasn't it possible for the UK to turn this into the reflection on totalitarianism it should have been? It's as though the Thatcher and Major governments had decided the superiority

The general lesson materializing from 1990s reflections is that government can squeeze too tightly — not that it has no right to squeeze in the first place.

of liberalism was something best spoken of subtly — the Apple Computer approach to marketing.

Amazingly, Britain lost a PR campaign to old men in Beijing who wear really bad suits.

What Government Giveth, Government Taketh Away

Though it represents in many ways the best the planet has to offer, Hong Kong — or at least the nature of the handover to China — also suggests the struggle for world-wide liberty moves forward much more slowly than most prefer to acknowledge.

Though liberty seems to be a global trend, current decentralization has taken place largely out of short-term practical considerations, not because of any fundamental understanding of the relationship between liberty and prosperity or morality. Of course, any devolution of power is still better than no devolution of power at all. I don't question that. I'm just not so sure freedom arriving on the back of other motivations has much staying power.

Japan is a good example. Current political and market reforms are motivated by increasing government costs the tax base can no longer support and by a tightly bound, and stifled, economic environment few can any longer ignore. The Japanese understand cen-

tralized control went too far. They are anxious to implement enough reform to reduce currently high levels of unemployment and increase low levels of real business growth. Enough reform, but no more. Despite the seriously humbling last several years, there is little evidence of any greater understanding among Japanese citizens, politicians, bureaucrats, or executives that both economic and political freedom are good things in a far deeper context, even beyond the current support for reforms.

Instead, the general lesson materializing from 1990s reflections is that government can squeeze too tightly — not that it has no right to squeeze in the first place. The result will be some small form of genuine reform. But government will always have the authority, and once growth picks up the incentives, to ratchet up the controls again.

The seeds of freedom in Hong Kong itself were planted by mercantilists who were quite happy to factor into their production and distribution strategies the ample cannon power of British warships. And despite the reasons to celebrate Hong Kong's modern achievements, the environment that fostered them has been under attack for many years.

"But though Hong Kong may well be pure [market-oriented] relative to others," wrote Yeung Wai Hong in 1993 in the *Far Eastern Economic Review*, "the growing flirtation with welfarism has long since knocked Hong Kong off the straight and narrow."

Hong, publisher of *Next*, a popular, freedom-oriented magazine in Hong Kong, noted that about one half of residents now live in public housing. Throw in education and medical care, both of which are almost 100 percent sponsored by government, and "social welfare, health and education are taking up more than 42 percent of the government's budget, and expenditure is set to expand at rates faster than economic growth," wrote Hong.

With manufacturing continuing to decline relative to services in the Hong Kong economy, debate now concentrates on what kind of — and how much — government protection the sector ought to receive. New leader Tung, supported by many business leaders and MIT economists, wants to

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build industrial parks and fool with zoning and tax incentives to try to revitalize the industry.

However much we applaud the arrival of recent global liberalization, if increased freedom is dragged in by governments wishing merely to retrench under difficult circumstances, what chance is there for long-term success?

The discussions of Hong Kong's future centered on one key question: Will the Chinese government allow Hong Kongers the same degree of freedom allowed by their British colonial masters? The question implies what almost no one, inside or outside Asia, disputed: freedoms are things governments bestow.

Whether discussing a lack of political freedom under British control or possible erosion of economic freedom under Chinese control, the central message focused on how much freedom government would allow. Britain was the "good" government granting its subjects a great deal of economic rope; China may or may not become the "bad" (supervising) government, limiting civil liberties and destroying generally free markets.

This mass-communicated comparison misses the point — that our individual liberties are not the properties of governments to distribute, either for good or for bad. Until this sinks in, deeply, government will always be a useful tool for those who believe they, or their group, can manage our affairs better than someone else or some other group.

Rather than illustrate the possibilities unleashed when government steps back and lets individuals pursue their own interests, the mainstream attention on Hong Kong in 1997 actually helped legitimize government control of our lives. For all the protest about China scaling back civil liberties in the Basic Law, no one bothered to point out it ought to be the other way around — citizens ought to be presenting their governments with Basic Laws, scaling back official powers to intrude in individuals' lives.

The 1984 Joint Agreement signed in Beijing involves many difficult issues — the history of colonialism, the rise of modern states in Asia, a resurgent nationalism in mainland China, merging cultures and often differing politi-

cal and social cultures. Yet fundamentally, how different is it from Yalta? Have 50 years made so little difference?

No difference at all between Yalta and Hong Kong, answered Hong, the *Next* publisher, "though neither side is willing to admit that." Hong is in the thick of it. He is refreshingly direct and uncompromising as well. In an earlier brief in *The Wall Street Journal*, he described the continuing pressures for a shift to more freedom in Asia. "Meanwhile," he reminded, "by reverting to Chinese sovereignty, Hong Kong is thrown into the great abyss of the unknown." But his was one of only a few voices speaking of the enormity of the stakes in the handover.

Worth No Cheers — Certainly Not Three

I am still stung by the disappointment of Hong Kongers cheering the arrival of communist landlords.

One defense of the general passivity in the West surrounding the handover is that Hong Kong will fuel a final unraveling of the communist apparatus and socialist economic policies. I like this idea. I object to the lack of attention to the awful logic supporting

Despite Thatcher, people in the UK have endured restrictions on their economic lives which, in many ways, look more like policies in Shanghai than in Hong Kong.

the handover in the first place, but I will be happy to see the freedoms of colonial Hong Kong deeply penetrate the mainland.

More likely, however, the two will dramatically alter each other. Gordon Y. S. Wu, a Hong Kong tycoon and perhaps the largest single investor in China, put it this way to *Business Week*: "In 2047, China will not be the same as Hong Kong, but it will be close enough. So that you'll probably have a situation like in the U.S. and Canada — not much of an integration problem."

That's exactly what I fear. □

America's China, China's America

by Gary Alexander

As press and pundits play up the newest "evil empire," the real China blooms.

It's hard to get away with saying anything remotely positive about China these days. The press is replete with negative stories about the newest Evil Empire. We don't have to think very far back to come up with a long list of predecessors. We can certainly remember the twin Axis devils

of Nazi Germany and Imperial Japan in the early 1940s, and then the Soviet Union for at least 40 years after that. North Korea and North Vietnam had a brief spin atop the charts, before "the Arabs" became our *bête noire* of the 1970s. More recently, the 1980s was a great time to hate Japan, for "trade war" crimes like "product dumping." Leftists made a good living out of South Africa-bashing until Mandela's election. Saddam Hussein was good for about eight months of concentrated hate and outrage. And, at press time, it looks like Switzerland has become the American press's new favorite whipping boy, for allegedly collaborating with Nazi Germany in the 1940s.

Every religion needs a devil, and every ideologue seems to need a nation to hate — an international scapegoat. China, the latest super-devil, looks like it has some staying power. It is the biggest country in the world, with 1.2 billion people. They speak an unfathomable language; they have slanted eyes and a terribly bloody history, so that we can all fear "history repeating itself." China has something for everyone to hate: the rightists can hate the "Red" Chinese for their economic crimes and relig-

ious persecution, while leftists can hate them for human rights abuses, or the suppression of Tibet.

Left and right, in fact, have recently aligned against China, in the debate about trade relations. This year, Christian conservatives linked up with human rights activists on the left, and trade protectionists of all stripes, to oppose normal (i.e., Most Favored Nation [MFN]) trade status for China. (Even at the recent Cato banquet, last May, a left-wing speaker's call for banning trade with "the butchers of Beijing" earned a rousing round of applause from the right-wingers in the room!).

The conservative *Human Events* prints diatribes against China almost every week — giving it the role of reigning devil that they assigned to the Soviet Union in times past. The neo-conservative *Weekly Standard* devoted an entire issue to China ("China: The Issue") on March 23; not one of the *Standard's* articles had even a glimmer of hope in it! George Will expressed the dominant conservative view in an April column, titled, "The U.S. Goal Must Be to Subvert China's Regime" (syndicated column, April 17, 1997). And from the left come

grisly fund-raising mailing claims of "millions in forced labor camps," including "thousands of political prisoners," as well as Hollywood's focus on the persecution of the Dalai Lama and his followers, and the very real subjugation of Tibet.

I Saw the Real China

I might have joined this cynical chorus about China, had I not seen the rural, non-touristy "real" China for myself. But last spring I spent three weeks there, with my newsletter editor and partner John Dessauer, 30 newsletter subscribers, and an independent Chinese guide named Keren Su. Day after day, we met good, honest, hard-working people, who seem to love us Americans — particularly for saving them from the Japanese. Their openness and friendliness stood in stark contrast to the fear-frozen Soviets I saw in a visit to Moscow in 1986. Not one in 100 Soviets would even look us in the eye — but nearly all the hundreds of Chinese we met were delighted to see us, and were willing to speak openly, about anything.

What I saw in China was just a small sampling of the 720 million

Chinese under the age of 30, who will have a lot to say about the prosperity of the 21st century, no matter what you or I think about them. They are energetic capitalists. The gerontocracy in Beijing is dying out, and — from what I could tell — the vast majority of Chinese don't give a whit what Beijing thinks or says anymore. The next round of political leaders — the "Children of the Revolution," mostly born around 1950–55 — are my main source of hope.

I haven't seen this demographic angle discussed anywhere in the media, and I think it is very important. The majority of Chinese in our baby boomer range (age 35–50) went through a killer famine in their youth. Thirty million died; most others went chronically hungry for three years between 1959 and 1962. Then came the ten-year Cultural Revolution, which they lived through as teenagers and young adults. They were deeply scarred and humbled by this mass hysteria of their youth. They are the *opposite* of our pampered baby boomers (whom Doug Casey has characterized as Beaver Cleaver first mutating into campus radicals, then into greed-heads, and most recently into neo-Puritans). I met dozens of Chinese baby boomers. They are lean, intense, hard workers. When any return to the past is suggested, you can see the terror in their eyes. They think in terms of possibilities and opportunities. They are *not* drones of the state.

Keren Su is a typical example. Born in 1951 in Hangzhou, to professional parents, he was 15 when the Cultural Revolution exploded. His parents were sent to jail, and he spent eight of the next ten years in hard-labor camps in the cold north of China. Many of his classmates died of frostbite or disease, and Keren Su was 25 when he was finally free to re-create his life. He was not bitter. He made a name for himself bicycling all over China, then leading adventure tours. Today, he is a American citizen living in Seattle, and he loves his native country of China equally with the U.S. He leads several tours to China each year and is fond of saying that China has opened the door so wide, it will never be shut.

That's the *real* story of China, to me: a hardy group of Confucians who have suffered far more in any given year of

their lives (up to 20 years ago) than any of us will suffer in his entire life. Yet where is their bitterness, their search for historical justice, or revenge? Because of their Confucian heritage, still taught in their schools, they accept responsibility for their own lives and reject the "entitlement" mentality. They learn and save something each day.

Yet these generally happy people are damned by the Western press, based on what a few leaders in Beijing say and do. Consider the latest dooms-

China has something for everyone to hate: rightists can hate the "Red" Chinese for their economic crimes and religious persecution, while leftists can hate them for human rights abuses, or the suppression of Tibet.

day books on China, such as *The Coming Conflict With China*, by Richard Bernstein and Ross Munro, and *Who Will Feed China?* by that perennial Malthusian stopped clock, Lester Brown. Both books paint a dismal picture, forecasting a collision between China and the rest of the world. In this article, I can't refute all the half-truths (there are too many) — but let me at least ask Americans to look in the mirror first, before criticizing China.

Looking at China Through the Looking Glass

American China-bashers need a new perspective. To gain a new angle, I suggest using two "mirrors" — two thought experiments — that might expand the field of vision and allow a new look at "the problem of China":

(1) The reverse angle: instead of looking at China from American eyes, take a look at America through the eyes of the Chinese. How do we compare?

(2) Time travel: instead of looking at today's China, look at the America of 100 years ago — in the 1890s — and compare that America to the current China.

The first mirror is based on fair-

ness; the second mirror is based on the idea that 100 years ago America was in a state similar to today's China: We were 30 years out of a painful civil war, as China is today; we had child labor; crackdowns on unions; a majority of adults were not allowed to vote; we lynched blacks in the South and the Chinese in California; we polluted the air and water. On the positive side of the ledger, there were fewer business regulations, a weak and remote central government, an energetic entrepreneurial spirit and rapid economic growth. (That also describes the essence of the new China, today.)

Before launching into a look at China's deadliest sins — as covered by current press reports — let me make a few points clear, from the outset.

- China has some very real problems, as most countries do. There are human rights abuses there (as there are here), and some geo-political threats could emerge out of China. But I would ask you to agree with me on one point, at the outset: that the situation in China is far better than at any time in the last 150 years or more, and particularly during the terrible 50 years ranging from the Warlords of the 1920s to the death of Mao in 1976.

- This article is not about Chinese politicians. It is about more tolerance and respect for 1.2 billion real Chinese people, not their political leaders. President Jiang Zemin is the Bill Clinton of China; Zhu Rhongji is their Alan Greenspan and Li Peng is like the Newt Gingrich (or Pat Buchanan) of China. More importantly, they are like the Gorbachev and Yeltsin of China, the last of the strong central leaders. Still, they're garden-variety political hacks. I have no more interest in validating the current political leaders in China than I would argue for the Clinton crew, or our U.S. government in general.

- Free trade is the solution: even if the worst that they say about China is true, our best national strategy still would be to maintain open trade links with China. Trade sanctions don't work, and they often backfire. (This should not come as a surprise to *Liberty* readers, but if you want verification, see the June 25, 1997 Heritage Foundation report, "A User's Guide to Economic Sanctions" by Robert P. O'Quinn.) Closing down Chinese trade

could worsen any abuses we seek to cure. We could drive China back to its former, truculent, insular condition of 20 to 50 years ago. (I believe China will never turn back to that condition. A likelier outcome is that China will treat Americans the same way we treat them — by revoking our Most Favored Customer status, for instance; they would associate with friendlier nations.)

We already know that free trade helps cure human rights problems, in time, and that opening up a dialogue between leaders can help lessen the grip of any terrible dictatorship. Nixon's controversial opening to China in 1972 almost immediately helped to loosen Mao's total control over his people. Students were suddenly free to study English and Western texts, to travel more broadly, and to speak more freely. (The same principle applies to Cuba today. To promote freedom there, don't boycott trade. Let's buy their pricey cigars, so that they'll have the money to buy our McDonald's hamburgers later on.)

With that prologue in mind, consider the doomsday crowd's familiar litany. Let's run through the most egregious, most widely quoted excesses of the Chinese government,

I might have joined this cynical chorus about China, had I not seen the rural, non-touristy "real" China for myself.

and take a fresh look at those problems, using Mirror #1 (the reverse angle) and Mirror #2 (America in the 19th century).

Censorship and Press Control

In America, we revere free speech, and our press will constantly remind us about any places where a totally free press does not exist, or their reporters can't easily get at the dirt. Our myth is that the Chinese can't speak openly about their leaders. But in China, you can *say* just about anything you want to say, about just about any subject; but you can't *print* serious political challenges to Beijing. Through our translators, I heard normal Chinese

grouse about their government all the time — on trains, in villages, everywhere — just as we do. But they are smart about it; they don't put their worst complaints in print, or call a demonstration to air them in a public square. Does that mean there is no free speech in China? It means the press is not free, and that free assembly is abridged. But speech *as speech* seems as free as in America.

Keren Su and John Dessauer, in a trip about five months before my own, describe one example of the contradiction between news reports and their first-hand experience. Dessauer writes:

In China, I traveled from Guilin to Nanning by train. During the nine-hour trip, I shared a seat with two officials from the Communist party in Beijing Across the aisle were two more government officials, from the customs office. Eventually we got into a rousing discussion about the government in Beijing. It was no-holds-barred. The customs officials were openly critical of Beijing and made fun of certain high-level officials. Time and time again, I found the Chinese openly critical of their government and its individual leaders. Keren Su [had] bought a magazine at a Chinese rail station. Inside, he found articles accusing high-level party officials of taking bribes and gambling. He brought this up in the course of conversation. Our government traveling companions jumped on the subject and added a few more indictments of their own!

The speech codes were severe 20 or more years ago, but not today. China's totalitarianism was terrible in Mao's era (1949–1976) and during the Civil Wars, dating back 100 years to the Boxer Rebellion, or 150 years to the Taiping revolts and Opium Wars. But in the last 20 years, Chinese central power has receded into what you might call "normal Asian authoritarianism." Unlike the stifling rules of the Cultural Revolution, people can now wear what they like, share their outspoken opinions with their neighbors, choose their own careers, change jobs, voice conflicting opinions, vote locally — anything but challenge Beijing.

Persecution of Christians?

Another part of the First Amendment is freedom of religion. You have no doubt heard about relig-

ious persecution in China, but Keren Su (whose sister is a Christian living in China) tells me that Catholic and Protestant churches are currently being built in cities we visited last year, and that the Chinese freely worship in them. "But, isn't there persecution of Christians now?" I asked. "Oh, yes, during the Cultural Revolution, but now? Don't be silly, Gary. You saw that for yourself!" (Keren Su likes

I met good, honest, hard-working people, who seem to love us Americans — particularly for saving them from the Japanese.

to speak bluntly to us American doubters; he's always asking us why we don't believe our own eyes!)

Brent Fulton, managing director for the Institute of Chinese Studies at the Billy Graham Center in Wheaton College, recently reported that there is an "explosion in the number of conversions in China" and that the Chinese government in recent years "has allowed the printing and distribution of over 15 million Bibles." Gary Jarmin, legislative director of Christian Voice, is urgent in telling Americans that the vast majority of evangelical ministries favor open trade and open churches in China. "Unlike their religious right colleagues, most of these pro-MFN ministries have been laboring for 20 years or more against great odds to bring the Gospel message to China." The big-money Christian right fund-raisers don't actually have churches in China.

How about the final part of the First Amendment — the right to petition for the redress of grievances? If I told you that, ten or twelve years ago, Keren Su wrote a letter to Deng Xiaoping and other Beijing leaders, recommending that they open free trade zones in the coastal regions — when none existed — would you think he was headed for prison and hard labor? No, Keren Su is a prison survivor, and very wise. He knew that thousands of other Chinese were writing similar letters to Beijing, and Deng listened: he opened up those economic zones, so

that the Chinese would have a way to grow richer, instead of trying to escape to Hong Kong. But in China, they respect the "face" (*mianzi*) of their leader. They don't insult or criticize; they respectfully suggest.

A Foreign Country

Now, let's look in the mirror: in America, we have a grand tradition of speaking out against our government — in this publication and in thousands of others. America was midwived by a vitriolic free press, including Thomas

"Slave labor" has become the basic left-liberal term for a dead-end, low-wage job.

Paine's #1 best-seller, *Common Sense*, railing against the British crown. We gave the world Thomas Nast, and all those nasty political cartoons.

China has no heritage of open, printed dissent. So they're not free, right?

Look closer: America has an incredible level of censorship and legal barriers to "commercial speech." And it's getting worse. Today, you can't advertise certain products in certain media; you must print thousands of words of gobbledygook (which nobody will ever read) in order to advertise a legal drug, or a legal mutual fund; until the Supreme Court's *Lowe* decision in 1985, you couldn't legally write about securities without registering with the SEC. Back then, I kidded my fellow newsletter editors that the Supreme Court sided with Larry Flynt for printing pictures of the grossest human acts, as a form of protected free speech, but we serious journalists and investment advisors couldn't print even dirtier words, like "sell IBM." In fact, it's still illegal to print some truthful information on a drug label, or in a mutual fund prospectus.

By contrast, the Chinese have few censorship rules on commercial speech. It's a wide open market. Name your product — whatever you want — and sell it however you wish. No agent of the government is going to haul you into court for unlawful advertising.

In the end, it's just a matter of cul-

ture. Americans love free political speech but we're paranoid about free commercial speech. It's just the opposite in China.

Our religious freedom wasn't always so perfect, either. It was 150 years ago last April that the Mormons had to flee to the desert for their safety. And the Branch Davidians' religious beliefs were constantly ridiculed by the government agents who eventually killed them, as the new documentary, *Waco: The Rules of Engagement*, shows (see "Documenting Disaster," September 1997).

My main point is not that America is worse, or even as bad, as China on free speech, religion or petition of grievances. My point is that America is the nation with the Bill of Rights and its First Amendment. We are not living up to our founding principles. China has no such hypocrisy. They don't pretend to believe in total free speech; they believe in granting "face" to leaders, and then they complain in private, or out of earshot. Perhaps if America were closer to its own standards our criticisms of the Chinese might be more respectable. But at present, our double standard rests on the clay feet of hypocrisy.

China's Military Ambitions

When it comes to the traditional global arms trade, China is not even in the running among the globe's top arms dealers. For the last 10 years, the U.S., Russia and France have been way out front in selling arms abroad. China is not even in the top five nations in any recent year.

Looking back 50 years, to check out the history of nuclear proliferation, America is the nation that first let the nuclear genie out of the bottle. We then shared our nuclear secrets with allies, like France and Britain. American traitors then shared these secrets with the Soviets. Who are we to say that others must not have the secrets of the bomb we invented and shared?

Even though China is arguably the least expansive major power in this century, we still worry about what they *might* do. Our political leaders say, or at least strongly imply (in mainstream journals like *Foreign Affairs*, and elsewhere) that the whole world belongs to America. How dare China — the most populous nation on earth

— actually try to be the dominant force in its own territorial waters? Don't the Chinese know that America should rule the earth?

How would we feel if China scolded us for trying to control our own local lake — our Caribbean region — and berated us for kidnapping Panama's President, or for taking over Haiti or Grenada in order to shore up the leaders we choose? Worse yet, how would we feel if China had been the dominant force on our Caribbean shores for the last 150 years? Yet that's what the West has done to China for the last 200 years or so.

In the historical mirror, America has a Monroe Doctrine, in force since 1823, which basically states that our Hemisphere belongs to us. All others should stay out. If China had a Mandarin Doctrine in 1823, and the power to back it up, Britain never would have stolen Hong Kong, or traded opium for tea. Why can't China institute a kind of Mandarin Monroe Doctrine against European and American powers today?

What is it we actually fear from China? China has a better record at keeping treaties than we do. They have not invaded Hong Kong or Taiwan, though they could have easily done so. They have a comparatively non-aggressive history in their region (although the dynasties founded by the

By passing a law in April to restrict "sweatshops" worldwide, the U.S. Congress once again plays the role of King Canute, commanding the tide to stop coming in.

Manchus and Mongolians were more territorially acquisitive).

The Chinese invented multi-masted ocean-going ships about 1,000 years ago, giving them the power to sail the earth and build an empire. They could have done to the Europeans what the Europeans did to them, but China lacked the will to conquer.

The Tiananmen Massacre

That shows the true, brutal nature of the Chinese leaders.

Let's compare the 1989 Tiananmen Square "massacre" (in quotes because that's the normal word used in describing it) to the Waco "siege" in 1993: Each siege (and massacre) lasted about 50 days, then the tanks rolled in. The number of people killed, adjusted for China's larger population, is about equal. (*The New York Times* reporters on the scene estimated a death toll of 500.) China jailed some of the surviving dissidents. But our government tried to jail surviving dissidents, too. In America, the handful of surviving Branch Davidians were tried, convicted and sentenced to up to 35 years, on simple gun possession charges. (In another famous case, Randy Weaver was tried — even though he lost his son to a federal marshall's bullet and his wife to an FBI sniper. But Randy Weaver was saved by a dying vestige of our Bill of Rights, trial by jury.)

China has a lot of advantages in this analogy. The idealistic young demonstrators in Beijing in 1989 literally asked to be martyred. They told the press they were willing to die for their cause. They rejected any and all compromises and camped out in a public square, expecting (and getting) a massacre. By contrast, the Texas Davidians, and the Weavers in Idaho, were sitting peacefully in their own homesteads when the government terrorists struck. They had not asked for a conflict, nor volunteered to be martyrs.

In addition, China learned a lot more from their mistakes in 1989 than our government seemingly learned from Waco in 1993. China learned it can't repeat that mistake. American storm troopers seemed to have learned nothing. In 1989, world opinion was against Beijing, but in 1993, the mass of U.S. public opinion favored Janet Reno over these "religious nuts." Americans rooted for that Chinese man standing up to the tank in Beijing, but at home they root for more "law and order" against such "nuts."

In the final analysis, should China be defined by this one act, on one night, in June of 1989? Should that event be Deng Xiaoping's only, or major, legacy in life? If so, then America must become defined solely by Waco, with Bill Clinton going down in history primarily as the Butcher of

Bible Believers. In truth, Chinese leaders were reacting out of fear in 1989, in the same paranoid way Clinton and Reno acted in 1993.

Consider America, about 100 years ago, when some Southern white Americans were lynching hundreds of blacks each year. Fledgling unions were being busted and organizers beaten in public, by police. Like China, we had our own Civil War, killing 10 percent of the South's young males. We slaughtered thousands of Indian nations, as well. But is the United

The Chinese cannot understand our victim's rights mentality, or our whining claims to fictional entitlements to a life without conflict.

States of 100 years ago defined solely by these negative acts? The time from 1870 to 1910 was also a golden era of freedom — with no income tax, no Federal Reserve, fewer regulations, a time of great per capita economic growth, new businesses, new inventions, a can-do spirit, family unity, traditional values. . . . oops! I'm also describing much of today's China.

Slave Labor and Prison Labor

Are there eight million prisoners in prison in China, working for state-run businesses, making tennis shoes or toys? First off, I'll bet nobody knows the number, but even if that number were right, then China would have the same percentage of their population in prison that we do. And we have U.S. slave labor in prison, too — at 11 cents an hour, making license plates, or other busy work. (You have no choice in most prisons — you must work for 11 cents an hour, about 2 percent of minimum wage.)

America has always been among the top two or three nations in the world in terms of prisoners, per capita. When I was deeply involved in this subject (from a first-hand perspective) in the mid-1980s, America was surpassed only by the Soviet Union and South Africa. Then, in the 1990s, those nations became more free, and their political prisoners were largely

spared. By the mid-1990s, we had more prisoners per capita than any other nation, about 1.6 million. China is not in the top three.

We also hold political prisoners — ranging from a head of state (Manuel Noreiga), to a broader definition of political prisoners — including thousands of Cubans trying to escape Castro's poorhouse, arrested and held by our military in Guantanamo Bay and in Louisiana. We also criminalize almost everything in America. We are one of the few nations which send tax delinquents to jail; we seize assets routinely (check out the official list in *USA Today* Life section, every Wednesday). We do so without warrant, charge or trial.

It gets really trivial: most laws have a gun or a prison cell at the end of a long list of punishments. In filling out forms to run for a Virginia state office on the Libertarian Party ticket, I had to sign (under notary) a half dozen forms which each promised to send me to jail for up to ten years for knowingly putting down any false information on such trivial items as who my Treasurer was. On my way to work, I often pass a sign that says, "maximum penalty for speeding: six months in jail." I went to jail myself for "failure to keep adequate (tax) records"! So tell me about China's political prisoners?

Now let's get down to what the "slave labor" furor may be all about. I think "slave labor" has become the basic left-liberal term for a dead-end, low-wage job — beneath the dignity of the average American, i.e., requiring more than eight hours a day at work, in a less-than-safe factory.

Even one of the premier China bashers, Richard Bernstein, co-author of *The Coming Conflict With China* wrote in *The New York Times* (June 29), in an article entitled "China-Basher Bashes Bashing": "The idea that [China's] economy rests on prison labor is a nightmare invented at the radical edge of the human rights movement. Most of China's exports are made in the special economic zones, created in coastal areas; they are not made in jails."

Think about this a second: What is the economic advantage of arresting, housing, clothing and feeding millions of able-bodied workers — who have already proven themselves to be

willing to work long hours, for low wages, all while taking care of their own food, housing and clothing?

I asked Keren Su about prison labor and he said, "Criminals in prison, who have stolen property, or killed people, must work. Why should they get a soft hotel bed? But nobody sends people to prison just to get a job worker. That would be silly, Gary. Who would do something like that?"

In the historical mirror, United States in the 1890s also had jobs with low wages and long hours, in unsafe factories. In the final analysis, most such "slaves" are not really slaves, but workers with limited options. They're trapped in a one-industry town, and, like in the old saw: "I owe my soul to the company store."

Most Chinese businesses are small and entrepreneurial. The percentage of the labor force in big, state-owned businesses is declining, now under 35 percent (down from 100 percent in 1978). State workers are notoriously lazy, well-paid and inefficient — not slave-driven by any means. Even in the "sweat shops" (mostly privately run), it is usually voluntary work, albeit at a low wage — by our standards, not theirs. In China, they're not as upset about this as we are.

Workers we talked with couldn't fathom the concept of going home early and missing out on more piece work at night. Long work, at piece rates, in a factory, beats stooping over all day in the rice paddies, and they work toward a better future by working long hours, saving and funding education.

The slave labor camp story is mainly the product of Harry Wu, a

man who is not widely respected in China. He is revered in America (on talk shows and book signing tours), so maybe you haven't heard the other side of his story. Harry can't forget the past. In that, he is an anomaly in modern China. His prison experience is not so rare. Harry Wu was one of about 10 million political prisoners in the 1960s and 1970s, when times were really bad in China, and Western academia was in love with Mao. But there are nowhere near such numbers

Before we hector China about Tibet, we should look at our own history, 150 years ago.

in Chinese prisons today. Harry is one of the few, among those 10 million, trying to make a living out of his prison experience, walking into China and daring them to arrest him. In one case (Keren Su tells me), Harry wore a policeman's uniform and pretended to be a cop, and was joined by a reporter, whom he called his wife. On another occasion, he carried hidden cameras into factories — normal procedure in the U.S., on *60 Minutes* and the like, but not in China. The Chinese think it's reprehensible for a man to pretend to be a policeman, and then to hide behind female reporters and international friends when the jig is up. Such people usually get what they ask for, prison, even in America.

The Chinese have remarkable resilience. Despite all the evils of this century, hardly anyone is trying to seek out justice for past crimes. The typical Chinese moves on to take full advantage of new opportunities. That's the culture of Confucianism in action. I could find hardly any bitterness in the faces of the Chinese I met — and I know that anyone over 40 has suffered a whole lot. The Chinese would never understand our victim's rights mentality, or our whining claims to

fictional entitlements to a life without conflict. Which is why they don't seem to appreciate Harry Wu.

Children in China

Americans are certainly confused about China's "one child policy." We saw several rural families, especially among the Miao minorities, with five to ten children. One house we visited, at random, had seven daughters before they finally got their revered son! Farmers and peasants (the majority) can have more than one child. Even urban families can have a second child, if they give up some valuable government benefits (the opposite of U.S. tax policy). With greater prosperity today, more and more urban families invest in a second child.

Yes, there is widespread, state-provided abortion in China, and, tragically, some infanticide, mostly of girl babies. But we have over 5,000 partial birth abortions each year in this country. That's infanticide by all but the most technical of definitions. We have also seen 30 to 50 million legal abortions since *Roe v. Wade*. And I remember the 1960s, when leading population control activists like Paul Ehrlich advocated forced abortions to defuse the American population "bomb," no matter what the pain or loss of freedom. Ehrlich was wrong about the population bomb then (and now), but at least he was honest enough to realize that forced population control is not a very clean process.

Ehrlich argued then (and now) that the results of population control are beneficial enough to justify the cost — that the survivors will be better off. That's China's philosophy today. The Chinese think it is better to have 1.2 billion people, climbing out of poverty to a better life, than have two billion living in poverty. I don't buy that line of thinking, but I can understand why they think that way. And isn't it curious that most Americans find these notions quite respectable when voiced by Western population-control zealots? Anyway, as family planning becomes more widespread, instances of forced sterilization are becoming less and less frequent.

Childbirth choices are usually based on economics; rural families need plenty of helping hands. In past generations, high rates of infant mor-



"If that's my wife, I'm not here."

tality required a lot of pregnancies in order to get enough grown-up hands later on. Infanticide is also growing less frequent, as the reason for having a boy — to support his parents in their old age — becomes less significant.

Regarding child labor, it's hard to understand the American outrage at Chinese teenagers working in "sweat shops" to make sneakers or toys. A century ago, American children often worked in factories, although it wasn't as widespread as reported. What is seldom considered is the fact that child labor was not considered wrong in those days. In fact, it was often a step up, toward a better life. Child labor was a given: the child either worked on a farm, or in a factory. In fact, the factory was often the work of choice, for the family's overall economic well-being, and it was no harsher than farming.

By passing a law in April to restrict "sweatshops" worldwide, the U.S. Congress once again plays the role of King Canute, commanding the tide to stop coming in. We can't even police our own underground sweatshops, much less those in Sri Lanka or China or Haiti. Besides, like the minimum wage laws at home, such laws would insure that poor families stay out of

The Chinese are making a good-faith effort to stop product piracy trade, though that effort is about as successful our government fight against the illegal drug trade.

work and out of hope. Anyone who has visited real "sweat shops" will find many workers putting in long hours for average, or relatively good, pay for that area. (The pay is good enough that Asians habitually save 35 percent of their "slave wages" for future goals, like education, a car, or a house.)

The Crushing of Tibet

The occupation of Tibet is indeed a tragedy, but let's compare the Chinese occupation of Tibet, which started in the 1950s, to our war against American Indians, 100 to 200 years ago. Like Tibetans, our Indians represented the alien species on our "Southwestern

frontier." But Tibet is a very sparsely peopled part of China, while American Indians once outnumbered Whites. Tibet holds only about two million people, or 0.15 percent of the 1.3 billion in China. Even if you include two million Tibetans overseas, this is just 0.3 percent of China's population.

Before we hector China about Tibet, we should look at our own history, 150 years ago. Even before the Indian wars began with a vengeance, we took over Texas in 1845, and then we took much of the rest of the Southwest, in the Mexican War of 1846–48. We were good enough to "buy" the Gadsden Purchase, but we didn't pay any of that money to those who lived there. Instead, we drove out the remaining Mexicans, subdued the Indians and put the Indian survivors on reservations. (At least China doesn't have a Bureau of Tibetan Affairs, to keep their minorities in god-forsaken desert slums.)

Trade Violations, Product Piracy and MFN Trade Status

What if, perhaps ten years from now, China says to us, "Unless you clean up your slums, raise your SAT scores, quit sending tanks into religious compounds, quit seizing assets of private citizens, improve your urban crime rate and drug use, stop aborting babies, give the Mexicans and Indians their land back, etc., then we won't trade with you. We won't renew your 'Most Favored Customer' status." With the tables turned, how would Congress react?

Each spring, our Congress reviews the Most Favored Nation status (MFN) for China. Congress first issued China MFN status in 1979, but it has been under review by Congress every year since 1979. In this way, Congress is treating a proud nation like a bad teenager on probation. Never mind that we grant MFN to all but a half dozen countries in the world — everyone but the likes of Libya, North Korea, Cuba, Iran, Myanmar and Iraq. Never mind that we grant MFN to some murderous dictatorships in Africa. China has to be on constant probation and review every June.

Never once in this debate did Washington or the U.S. media consider the consequences to Hong Kong. But economists in Hong Kong calculated

that if the U.S. denied MFN status to China, it would be a disaster for Hong Kong. The U.S. Congress is now the greatest threat to Hong Kong, because a sharp cutoff of trade with Hong Kong could precipitate what we fear most.

How about product piracy? Yes, we saw some unauthorized Disney dolls in rural Kaili. Do we Americans ever Xerox copyrighted books, or use

That's the real story of China, to me: a hardy group of Confucians who have suffered far more in any given year of their lives than any of us will suffer in his entire life.

pirated CDs or copied software? Do we copy music from a friend? We ought to be careful to look at the comparable volume of piracy in both nations.

Take a reverse-angle look at product piracy. The U.S. did the same thing in the 19th century, as did Japan in the 1950s. And just how angry should we be with China, anyway? The Chinese are making a good-faith effort to stop product piracy trade, though that effort is about as successful as our government fight against the illegal drug trade.

The only workable solution to product piracy is for the Chinese to grow rich enough that they have too much to lose by breaking the law. China will reach this point sooner than most Americans think. In the meantime, most companies who deal with China have no product piracy problems, because they take the time to make the right connections with the right people. The others — the big 800-pound gorillas in the U.S. market, who never like to give up their dominant market share or licensing agreements (like Disney and Microsoft) should look at product piracy as so much free advertising for future theme parks or software products, as helping establish a brand identity. (In private, that's probably their plan.)

In many ways, China has more economic freedom than some neighboring "Tiger" nations, especially if you view them at comparable stages of economic

development. For instance, China is much more open than Taiwan or South Korea was a generation ago. China already allows more foreign investment per year than Brazil has for the last 50 years combined.

China is open to foreign ways of organizing their technology. China, for example, takes Motorola's pager system as its national standard, while Japan tailors regulations to keep Motorola out. China keeps construction costs down by letting Bechtel compete openly, while Japan still protects its own inefficient Zaibatsu oligopolies. Avon's tens of thousands of Chinese Avon ladies would never have been tolerated in Japan or Korea. For all its tradition of suspicion against Westerners, China is wide-open to innovation.

No Voting Means No Democracy — Which Means No Freedom, Right?

Americans tend to revere democracy, as not just the *best* form of government, but really the *only* form of government we will honor in other nations. But Churchill was only half right when he said democracy was the worst form of government, except for all those others. This has some validity, in that the only better system than democracy is no government at all. But Americans take as an article of religious faith that voting makes them powerful — the bosses over the bureaucrats. If China's people could just vote, Americans think, all would be okay. But if they can't vote, all is wrong.

That analysis is misleading. Sure, China will have no open, free national elections in the near future, but the average Chinese citizen has a real chance to prosper, through economic freedom. The Asian Way is to pursue economic freedom before political freedom. And most Chinese can vote — in local elections. About 80 percent of localities have elections, and some local autonomy. Beijing strongly supports local elections, to promote responsive local leaders. Though Jiang Zemin has said that China will have to remain in the "early stages" of socialism for "a long time," he seems recently to have changed his tune. As we go to press, we see the privatization

trend accelerating. At the current rate, in just a few years there will be no major state businesses.

To play the democracy card against China, especially regarding Hong Kong, strikes me as extremely peculiar. China, after all, never has been a democracy, and doesn't purport to be one. But more to the point, for 155 years, Hong Kong was a British colony that kept ultimate power fully in the hands of the colonial Governor. Is an appointed governor from 800 miles away, in Beijing, less democratic than an appointed governor from 8,000 miles away, in London? Will Beijing's appointment be any less politically motivated than John Major's appointment of his friend, Chris Patten, in 1992? (At least the current governor of Hong Kong can speak Chinese languages.)

In that context, the Chinese have been pretty patient, waiting for the 99-year lease on Hong Kong to expire. After all, China could have taken over Hong Kong any time in the last 50

Americans rooted for that Chinese man standing up to the tank in Beijing, but at home they root for more "law and order" against such "nuts."

years. Mao called Hong Kong a "pimple on China's belly," which he could "pop" any time he wished. Hong Kong is connected to the mainland, and dependent on China for basic resources.

China never invaded Hong Kong during a three-year famine, when 30 million died. They never invaded Hong Kong during the ten-year Cultural Revolution. They stayed away during and after Tiananmen Square in 1989. Would we show the same restraint the Chinese have shown? No, our history shows that Americans go for the cheap land grab whenever it's available.

It's too late to install a full democracy in Hong Kong now. The Chinese couldn't do it even if they wanted to. They have little experience in running a democracy. Therefore when we talk about forcefully imposing our level of

democracy on Hong Kong, all we do is raise the level of anxiety among Hong Kong citizens. After all, full democracy did not come to America overnight. First, the British crown ruled, then the landed white males got the vote after 1787, then came a few more white men in rural areas, then came a theoretical franchise for blacks (in 1865), then for women (1920), then practical voting rights for blacks (1965), then for college-age youth, ages 18-20 (1972). We grew our democracy in stages, so why can't the Chinese take their time? Does the world have to do it faster, and with less blood, than we did it?

The Chinese Are Buying Political Influence in America!

In Congressional hearings on campaign finance, the latest fad inside the Beltway is to bemoan Chinese influence in the Congress and in the Clinton Administration. This, of course, has never happened here before involving any other nation. Or does Pat Buchanan have a point, about the Israeli lobby's "Amen corner" in Congress, or influence-peddling from nearly all our allies? Those embassies in Washington aren't there for show. Those are real profit centers.

Why should the foreign purchase of political influence surprise us? This is the core of the kind of democracy Americans purport to love. As long as Americans vote people into power positions to take our money, and then make foreign trade laws, Americans cannot help but be co-conspirators in this game. Voters tend to want trade protection for their jobs, but those nations we trade with also want trade favors. Voters want their government to use force to give us an unfair edge. Why do we let Congress interfere with trade, requiring special favors to ensure freedom?

In conclusion, I believe that Americans should start looking at their own problems, and excesses — mostly stemming from abuse of government power — before we presume to tell the people of any other nation, including China, that they are bad boys and girls, deserving eternal punishment, or trade probation. If you really need an Evil Empire to fight, look at the shadowy side of our own national history, and current governmental intrusions — before condemning China. □

Busted in the House of the People

by Pierre Lemieux

You are invited to testify before the National Assembly against mandatory national identity cards. But first, there is a problem with your ID.

At least in this part of the world, there are still circumstances where one can show Leviathan who is theoretically the master and who is the servant. Granted, such opportunities are getting rare, but I just had one on August 28.

I had been invited by a Parliamentary Committee of the Québec National Assembly (the equivalent of a State House of Representatives) to come to Québec City and defend my brief against the government's attempt to impose a citizen ID card. Since, more than ten years ago, a disturbed soldier went on a killing rampage with army weapons in the National Assembly, you have to go through a metal detector, have your briefcase X-rayed, and . . . provide ID.

Now, wait a minute! Not only am I a sovereign individual, but I am coming here precisely to speak against ID papers. Since an official ID card does not yet exist, they expect you to provide a driver's license or a medicare card, even if the law explicitly forbids requiring these as ID except for their specific purposes. So, I produce my American Express card. A short discussion follows, where I explain that I never provide government ID.

I have apparently won the discussion, when the young receptionist asks me to state my birth date which he has to enter into his computer. (The Canadian police database works with names and birth dates.) When I

once again refuse, the situation suddenly becomes more tense.

A big, uniformed cop comes from behind (*"his hands upon his leather belt like it was the wheel of some big ocean liner,"* as in Leonard Cohen's song).

"I am a police officer and I demand that you identify yourself."

I refuse. He orders me to pick up my things and come with him. With impatient and threatening gestures (but without touching me, although I feel it comes close), he pushes me before him along a corridor and into a vaguely Kafkaesque office. I have been busted in the House of the People.

Half a dozen desks are evenly spread around the room, with a big plain-clothes cop behind each. "I leave him with you," the cop says to his colleagues. In French, his formulation could also mean, and probably meant, "I leave this thing with you." I stand in the middle of the room, with a dozen eyes staring at me in a deadly silence. I finally say something like, "Well, Gentlemen, who's the boss, here?" Apparently nobody.

The only cop who does not have his tongue in his concealed holster

finally talks.

"We are investigators from the *Sûreté du Québec*" (the provincial police), he says proudly.

A kind of conversation starts with him. Yes, I do refuse to give my birth date since this is none of their business. And, no, I don't have a medicare card. (I am probably the only Quebecker in this situation.) My driver's license? I will not show it. "Anyway," I add, "I am lucky enough to still have the old one, without a photograph, since the bureaucracy issues the new one when you renew your medicare card." I kindly agree, though, to tell them my address and phone number in Montreal. The cop writes them down in a small notebook.

"Hurry up," I say, "for I am to appear before the Parliamentary Committee in ten minutes."

A cop you would mistake for a killer if you met him in a dark street says, "Wait for me." He comes back a few minutes later.

"Follow me."

We walk (this time, side by side) through new corridors, up to another office, obviously belonging to a super-

ior officer. Nobody is there. I sit in a deep easy-chair in front of the empty desk. My cop stays on guard behind his own desk in the waiting room, just across the open door.

"Am I under arrest?" I ask.

After a few seconds of hesitation, he says, "No."

"So, I could leave immediately."

"Yes."

But he does not seem to mean that I could just walk into the Committee's meeting. Since I have driven 170 miles in the previous two hours to come here and do my resistant's social duty, I decide to stay.

Broken bits of conversation are exchanged with my uncommunicative guardian.

"It's strange, isn't it, that I am asked to provide official ID when people who work here pretend to be my servants, not my masters."

The cop frowns.

"You mean that I am your servant?"

"Not exactly, Sir. The Members of the National Assembly are my servants. You, you are one notch lower, you are an employee of my servants."

"If I am your employee, you cannot prevent me from doing my job," he replies with a fleeting flash of genius in his eyes.

"No, but I can prevent you from doing what I did not hire you for."

His closed face darkens again, and he resorts to the last line of defense he used before in our conversation: "You have the right to your opinion, Sir."

Finally, the boss arrives. By now, the first cop has obviously become nervous. Taking me to witness, he explains to his boss: "The gentleman asked me if he was under arrest, and I answered No." Approving nod from the boss.

I repeat to the newcomer that I will not provide any more information than what I already gave. "And hurry up, the Parliamentary Committee must be waiting for me." The malaise — *their* malaise — is now tangible. So, *noblesse oblige*, I decide to be nice with my servants.

"But I can show you the invitation letter from the Committee."

"May we see it?" the boss asks, in a conciliatory tone.

I pull it from my attaché-case.

"May we make a Xerox copy?"

"Sure!"

The boss rapidly returns, gives me the letter back, and orders his underling to walk me to the control booth and get me a laissez-passer. There, the young receptionist stares blankly to his computer screen, where the field "birth date" is still empty.

"I leave this as is?" he asks the cop.

"Yes."

During the presentation of my brief, I mentioned this incident to the MNAs. I even told them my birth date,

The cop frowns. "You mean that I am your servant?" "Not exactly, Sir. The Members of the National Assembly are my servants. You, you are one notch lower, you are an employee of my servants."

to show that I had nothing to hide, but only a principle of liberty and personal dignity to defend. Somewhat unexpectedly, an Opposition member of the Committee lauded my brief quite profusely. And he added the ultimate flattery: "You actually don't look 50." Perhaps fighting the tyrant is the Fountain of Youth.

A representative of the ruling (government) party was not so laudatory — although he sensed danger and remained relatively soft-spoken. He pompously and naively told me, "You are at home here." He looked as if had been hit by a philosophical truck when I responded: "When I come home, nobody asks me for ID papers."

The last cop who had had me in his hands — or in his way — attended all my presentation, and left the room when I did.

One might say that this is all pretty innocuous. After all, they would have accepted my American Express and taken my birth date on my word — if only I had looked more submissive. I was not tortured in the castle dungeon. There were probably some attempts at intimidation, but they quickly stopped when it became clear that I would call their bluff. Except for the first bully who considered me as a simple subject under arrest, the cops were correct and polite. I forgot to ask for the Prime

Minister's social insurance number, but I finally entered the holy temple without providing any official ID or my birth date.

But wait . . . Wait till an ID card (compulsory or "optional") has been legislated. Or just wait until unofficial ID papers have attained here the status they have in other countries (including the U.S.). The National Assembly's praetorian guard will then bark, "Your papers!", and anyone refusing to comply will be, at best, *persona non grata*. Official ID papers will bring many other extensions to our administrative tyranny.

Auberon Herbert, a former British Member of Parliament who became a staunch defender of liberty, wrote a remarkable 1894 article entitled "The Ethics of Dynamite." He argued that the anarchist terrorists of his time were not really opposed to government, they were "government in its most intensified and concentrated form." The terrorists' dynamite, he wrote, is "the perfection, the *ne plus ultra*, of government." Speaking of the "war between those who govern openly by majorities and those who govern secretly by dynamite," he was "content to undertake the defense neither of the one nor of the other."

Herbert's hope was that terrorist violence would provoke a reaction against the use of force in human affairs, including state coercion itself. But, he warned, "if we cannot learn, if the only effect upon us of the presence of the dynamiter in our midst is to make us multiply punishments, invent restrictions, increase the number of our official spies, forbid public meetings, interfere with the press, put up gratings — as in one country they propose to do — in our House of Commons, scrutinize visitors under official microscopes, request them, as at Vienna, and I think now at Paris also, to be good enough to leave their greatcoats in the vestibules . . . I venture to prophesy that there lies before us a bitter and an evil time . . . force users will be force begetters."

What is surprising is how much time it took for Herbert's prophecies to come of age. When their realization becomes obvious, we will regret not to have, while it was still time, peacefully resisted state harassment and firmly asserted our individual liberty and dignity. □

Deep-Cover Radical for Capitalism?

by R.W. Bradford

Thirty years ago, Federal Reserve Chairman Alan Greenspan was a member of Ayn Rand's "Collective." Does anything he learned from Rand mean anything to him now?

"*Atlas Shrugged* is a celebration of life and happiness. Justice is unrelenting. Creative individuals and undeviating purpose and rationality achieve joy and fulfillment." Thus began a letter to the editor to the *New York Times Book Review* in October, 1957. The letter was signed, Alan Greenspan.

It was the first time Alan Greenspan's name appeared in the *New York Times*. By this time, Greenspan had abandoned a career as a jazz saxophonist, got a degree at New York University's School of Commerce, enrolled in and abandoned the Ph.D. program at Columbia, worked as staff economist with what today would be called a think tank, and become a partner in a Wall Street economic forecasting firm.

Very alert readers noticed Greenspan's name in the *Times* again seven weeks later, this time in Lewis Nichols's column "In and Out of Books." The subject of the column was a group of admirers of Ayn Rand, who gathered on Saturday evenings in the living room of Rand's apartment "for discussions of philosophy." Greenspan is listed among members of the group and identified only as "an economic consultant."

Nichols described the group as a "class," though he noted that "uncouth outsiders" were apt to use the language of religion rather than education to describe it. That may have been the last time Rand's following was described as a class; as her following grew in number and devotion, it gradually came to be treated as

a religion, and, increasingly, as a cult. At its head stood Nathaniel Branden, a psychotherapist 25 years Rand's junior. He lectured on Rand's philosophy, which she had christened "Objectivism." He also co-edited (with Rand) *The Objectivist Newsletter* (later *The Objectivist*) and controlled access to Rand. He recently described the beliefs of the cult in these words: "Ayn Rand is the greatest human being who has ever lived. *Atlas Shrugged* is the greatest human achievement in the history of the world. Ayn Rand, by virtue of her philosophical genius, is the supreme arbiter of any issue pertaining to what is rational, moral, or appropriate to man's life on earth."

From its origin as the tiny group that met in Rand's living room in the early 1950s, Rand's following grew rapidly. By the mid-1960s, over 20,000 copies of *The Objectivist* were selling each month, and people in more than 80 cities were gathering around tape recorders to listen raptly to Nathaniel Branden Institute lectures.

But all was not going well. Unbeknownst to all but their spouses, Rand and Branden had been having an affair since the mid-1950s, and by

now Branden wanted out. This led to a bizarre chain of events, culminating with Rand calling Branden to her apartment, where she cursed him ("If you have an ounce of morality left in you, an ounce of psychological health — you'll be impotent for the next 20 years! And if you achieve any potency, you'll know it's a sign of still worse moral degradation.") and slapped him around. In the next issue of *The Objectivist*, she repudiated Branden "totally, permanently" because of a "disturbing change" in "his intellectual attitude," to wit, "a tendency toward non-intellectual concerns." She also charged him with poor management of their jointly owned publishing effort and detailed some of the events that had led to their split. She did not mention that he had jilted her.

Greenspan was a member of Rand's inner circle during this entire period and beyond. He lectured on economics for the Nathaniel Branden Institute. He wrote for the very first issue of *The Objectivist Newsletter*, and when Rand broke with Branden he signed a public statement condemning Branden "irrevocably." When Gerald Ford appointed him to the

Council of Economic Advisors, he invited Rand to his swearing-in ceremony, and attended her funeral in 1982.

The Organization Man

Greenspan was introduced to Rand by Joan Mitchell, a young woman he was dating. She was a friend of Barbara Weidman, Nathaniel Branden's fiancé and already a member of the group of young admirers who met in Rand's living room on Saturday evenings. "I was not really able to interest him in

Greenspan was a member of Rand's inner circle. He lectured on economics for the Nathaniel Branden Institute. He wrote for the very first issue of The Objectivist Newsletter, and when Rand broke with Branden he signed a public statement condemning him "irrevocably."

Objectivism," Joan Mitchell Blumenthal recalls. She and Greenspan got married, but quickly discovered they had little in common. It was only after their marriage was annulled that "he started showing up at Ayn's, a strange turn of events."

By all accounts, Greenspan and Rand didn't hit it off. In his memoir *Judgment Day*, Nathaniel Branden claims that Greenspan was philosophically a logical positivist and economically a Keynesian — both doctrines anathema to Rand. "How can you stand talking to him?" Rand asked Branden. "A logical positivist and a Keynesian? I'm not even certain it's moral to deal with him at all." This story is colorful, considering Greenspan's subsequent career. But it is probably inaccurate. Nathaniel Branden's memory of this period is notoriously bad. Greenspan denies that he was ever a Keynesian, and Barbara Branden who knew him well during this period concurs.

In any event, Branden engaged Greenspan in some "very long and involved philosophical, metaphysical, epistemological, political, economic

and moral conversations," according to Barbara, which soon "had a profound effect upon him." Soon, along with other members of the Collective (as the Rand's young acolytes ironically called themselves), he was reading chapters of *Atlas Shrugged* as it was being written.

"Alan became much warmer, more open, more available," recalls Barbara Branden. "I mean Alan will never be Mr. Warmth, that's just not his personality and nature. But the dourness, the grimness, the solemnity that he had when we first met him practically disappeared, I think, because he accepted us and knew that all of us including Ayn and Frank accepted him. It was like a family, it really was. And he was part of that family."

Not everyone shared Barbara's opinion. One member of the Collective recalls, "It's simply that he is a very cold person. It's very hard to know what's on his mind. Through those thick Coke-bottle glasses, you can't even tell that he's awake sometimes."

More than one member of the Collective marveled at his ability to attract beautiful women. "It was incredible how he always had a beautiful woman at his side," recalls Barbara Branden. "I think it was the attraction of his intellectual power and probably his reserve. You couldn't knock him over by batting your eyelashes at him. He certainly had a profound effect on women." Another member speculates: "Maybe he was a good kisser, from all those years as a saxophone player." His ex-wife Joan Mitchell Blumenthal offers a different explanation. "He is very clever, he knows a lot about a million things, and he has a wonderful sense of humor. Alan is charming and always interesting."

Greenspan was one of three older members of the Collective. This was liable to be a problem. As Edith Efron explained:

You were better off with [Rand] if you were sort of a piece of malleable nothing. If you were not a malleable nothing . . . well, the older people got into trouble. You have to realize how very young the others were when they met Ayn. They were too young to have any achievements that were not colored by her. That was certainly something that Murray and Alan and I had in com-

mon. We had a life and work before we [met Rand]. We never got thoroughly scooped up. I did not give her the kind of special adoration which the youngsters gave her, which she could not get from an adult.

One of the other older members of the collective, Murray Rothbard* was expelled less than a year after he had

An advocate of completely free markets chairing the Fed seems a little bit like the fundamentalist minister running a bawdy house.

joined, though there were other factors at work here.** Philosopher John Hospers, who never bought in to all of Rand's thinking on epistemology and metaphysics, but was sufficiently sympathetic with her esthetics, ethics, and politics to be a frequent guest at Collective gatherings, was expelled instantly in 1962 after he had criticized Rand's address to the American Society for Esthetics, which he had arranged. Journalist Edith Efron, who had joined the Collective after she interviewed Rand for Mike Wallace's syndicated column, was expelled without explanation in 1967.

Greenspan's aloofness may have

*The Collective had no formal membership, so the question of who was and who was not a member is somewhat nebulous. Some members casually refer to Murray Rothbard as a former member, while others bristle at the notion.

**Rothbard had been invited to meetings of the Collective in 1957 after he had written a gushing fan letter to Rand. By that time, Rothbard was already involved in a small ideological group, the Circle Bastiat. Like Rand, he was the oldest member and leader. He brought the entire group to Rand's living room, and for a few months, the Rothbard group was a sort of junior partner of the Collective. But the situation was not stable. Less than a year later, Rothbard was put on trial for plagiarism, convicted and expelled from the Collective. Members of Circle Bastiat were forced to choose between Rothbard and Rand. George Reisman and Robert Hessen chose Rand; the others (Ralph Raico, Ronald Hamowy, Leonard Liggio, Bruce Goldberg) stayed with Rothbard.

been part of the reason he was able to survive. Coming to meetings late, leaving early, he wasn't very involved in the battles. John Hospers recalls that "he avoided talk about philosophical issues altogether," which also helped keep him above the storm. He was certainly aloof from the biggest battle of all, the battle between Rand and Nathaniel Branden in 1968. By this time, he was off working as a policy advisor to Richard Nixon, who was campaigning for president. He'd

been recruited to the campaign in 1967 by Martin Anderson, who had become a peripheral member of Rand's coterie after reading *Atlas Shrugged* in the early 1960s. It turned out that an old friend of Greenspan was also involved in the campaign: Leonard Garment, who had managed the jazz band for whom Greenspan had played the sax back in the late 1940s, had become Nixon's law partner and was working on the campaign. Greenspan quickly became domestic and economic policy analyst for Nixon. When the Rand-Branden split occurred, Rand asked Greenspan to repudiate Branden publicly. Without ever speaking to Branden, he agreed.*

Odd Man In

But there was another reason that Greenspan's relationship with Rand endured while others did not. Edith Efron explains:

He was her special pet, because he was older, and in the business world. Joan painted, and Allen was

*Barbara Branden and Greenspan eventually reconciled: "It was very weird when we saw each other again," Barbara Branden recalls. "It was twelve or 13 years after the break, and Alan knew nothing about what had really happened. He had signed Ayn's statement about the break because he believed what she told him. And he'd never heard my side of the story and he was the most stunned man on earth when I told it to him. He had heard rumors [about Nathan's and Rand's affair] but he hadn't believed them, they were too preposterous."

a musician, but there wasn't anybody known to her closely who was a businessman who was out in the world of power, and I think that in that particular sense he was very important to her. . . . She would indulge him in ways that she would not indulge others. I think she allowed him more intellectual liberty than she did other people.

One area in which Greenspan was apparently permitted ideological deviation was economics. The "official"



Objectivist theory of economics was the Austrian theory of Ludwig von Mises, which, among other tenets, holds that economic forecasting is impossible. The issue never seems to have come up for discussion, but Greenspan continued his successful career as an economic forecaster after becoming involved with Rand. And he never, as one of the members of the Collective rather archly pointed out, "attended Ludwig von Mises seminars at New York University, despite ample opportunity to do so." (Today, Greenspan describes himself as an "eclectic, free-market forecaster, who generally agrees with Austrian economics.")

"He was different," Barbara Branden remembers. "Which was very wise of him. He kept his private life to himself, which the rest of us did not do." Another recalls: "[He] used to come late to everything and leave early. And he had his own relationship with [Rand] which was dignified. And he kept somewhat aloof from everybody — which was a smart thing to do."

And he remained a puzzle to some. "Alan Greenspan is incredibly terse," one member told me. "Like everything

he sends is a telegram and they're charging by the word. He's deliberately low-keyed and ponderous. On the other hand, he is a musician, so there obviously is a side of him that has passion and emotion, but . . . I would say he's very guarded. He must be a wonderful poker player."

Barbara Branden remembers this differently. "Alan had no talent for and no interest in small talk. So if people around him were engaged in small talk they wouldn't get anything from him. I mean then he would simply stand there and have nothing to contribute. But if there was something interesting, then he was very social."

After the 1968 campaign, Greenspan returned to economic forecasting in New York, refusing job

offers from the Nixon administration. Six years later, President Gerald Ford, who had replaced the disgraced Nixon, offered him a position as Chairman of the Council of Economic Advisors. Greenspan accepted. He returned to private life with Ford's defeat in 1977, but was appointed to head a special commission on Social Security by Ronald Reagan in 1981, and since 1987 has headed the Federal Reserve System.

At the Fed

From the start of his political career, questions have arisen about Greenspan's political beliefs. Shortly after his appointment to the Council of Economic Advisors, he was questioned on *Meet the Press* about whether he had changed his opinion, published years earlier in a pamphlet published by the Nathaniel Branden Institute, that anti-trust laws ought to be abolished. He replied forthrightly that he continued to believe they should be, but he was well aware that such a move would be politically unpalatable for the foreseeable future.

Greenspan has taken flak from other Randians for failing to implement policies that would radically free

the economy. "Alan Greenspan, whatever his rationalization," John Ridpath of the Ayn Rand Institute told an interviewer for the Canadian Broadcasting Company, "[has] abandoned any philosophically principled stance . . . [and] compromised himself and what he learned from Ayn Rand over and over."

Others accuse him of trying to implement those same policies in a deceitful manner. Michael Lewis recently wrote that Greenspan "has preserved a hard core of fanaticism, encasing it in a shell of pragmatism. No more waiting for everyone to realize that extreme laissez-faire capitalism is the best system: He's taking control of the process himself, ever so quietly." Only a few months earlier, Greenspan had recommended to a Senate committee that economic regulations all should be sunsetted. Senator Paul Sarbanes accused him of "playing with fire, or indeed throwing gasoline on the fire," and asked him whether he favored a sunset provision in the authorization of the Fed. Greenspan coolly answered that he did. Do you actually mean, demanded the senator, that the Fed "should cease to function unless affirmatively continued"? "That is correct, sir," Greenspan responded. "All right," the senator came back. "The Defense Department?" "Yes."

The Senator could scarcely believe his ears. "Now my next question is, is it your intention that the report of this hearing should be that Greenspan recommends a return to the gold standard?" Greenspan responded, "I've been recommending that for years, there's nothing new about that. . . . It would probably mean there is only one vote in the FOMC [Federal Open Market Committee] for that, but it is mine." This may be the first time that advocating a policy on a nationally televised Senate committee meeting has been characterized as trying to implement a policy "ever so quietly."

Greenspan refuses to talk to the press as a matter of policy. But the evidence is that he has tried to implement policy changes coherent with laissez-faire capitalism whenever it was possible to do so, and he has articulated his case for such policies when given the opportunity. As Barbara Branden observes, "Alan believes in the art of the possible." And, as his friend Joan

Mitchell Blumenthal has observed, "Alan is very devoted to Ayn. He still thinks of her most kindly."

But the question raised by John Ridpath is a very interesting one. For an advocate of completely free markets, chairing the Fed does seem a little bit like the fundamentalist minister running a bawdy house. The Fed, after all, is a government central planning agency. It is curious, given the dispute into which central planning has fallen since the collapse of socialism,

More than one member of Rand's group marveled at Greenspan's ability to attract beautiful women. "Maybe he was a good kisser," one speculated, "from all those years as a saxophone player."

that virtually no one in the West favors abolishing central banking, the oldest and most fundamental kind of central planning agency. Indeed, the nearest that any important public figure has come to calling for the end of central banking may well be Greenspan's call for sunsetting the Fed.

There are two questions here. From an Objectivist or libertarian perspective, is it moral to manage a central planning agency? And is it possible to advance liberty by doing so? In other words, is the world better off having skilled free-market advocates in positions of influence over market intervention?

Where Does Right End and Wrong Begin?

Rand herself made a valiant attempt to deal with the moral question in her celebrated essay "The Question of Scholarships."* Rand formulates the question thus: "Is it morally proper for an advocate of capitalism to accept a government research grant or a government job?"

Rand offered a clear and concise answer to the question:

The recipient of a government [scholarship, research grant, or job]

is morally justified *only so long as he regards it as restitution and opposes all forms of welfare statism*. Those who advocate [the benefit], have no right to them; those who oppose them, have. If this sounds like a paradox, the fault lies in the moral contradictions of welfare statism, not in its victims. (*italics hers*)

More specifically on the subject of government jobs, Rand wrote:

The growth of government institutions has destroyed an incalculable number of private jobs and opportunities for private employment. This is more apparent in some professions (as, for instance, teaching) than in others, but the octopus of the "public sector" is choking and draining the "private sector" in virtually every line of work. Since men have to work for a living, the opponents of the welfare state do not have to condemn themselves to the self-martyrdom of a self-restricted labor market — particularly when so many private employers are in the vanguard of the advocates and profiteers of welfare statism.

Rand recognizes two exceptions to her "if-you-oppose-it, you-can-benefit-from-it" principle. The first: "one must not accept any job that demands *ideological services*, i.e. any job that requires the use of one's mind to compose propaganda material in support of welfare statism."

Most people who head powerful government agencies spend a good deal of time "composing propaganda" on behalf of their agencies, generally trying to obtain more power and influence in the process. But Greenspan is not most people. I haven't examined his record in detail, but I haven't heard him advocate increasing the power of the Fed, or promulgating the rationale for its existence. Indeed, as I pointed out already, he has publicly advocated sunsetting the Fed. And if the gold standard he supports were implemented, the Fed would lose virtually all of its power. So Greenspan seems to pass Rand's muster here.

The second sort of employment that one must refuse, Rand argues, is "any job in a regulatory administrative agency enforcing improper, non-objective laws." Her rationale is straightforward:

[I]t is proper to take the kind of work which is not wrong per se,

* *The Objectivist*, June 1966.

except that the government should not be doing it, such as medical services; it is improper to take the kind of work that nobody should be doing, such as is done by the F.T.C., the F.C.C., etc.

If Greenspan accepts this thinking, he ought not work for the Fed, for there is no doubt that all sorts of the Fed's legislated powers are "improper" and "non-objective," as Rand uses those terms. The Fed's primary functions are to control the money supply by creating fiat currency and to regulate the banking industry. Both of these are improper activities for government, by Rand's theory, certainly at least as improper as the FCC's regulation of broadcasting. And if the Full Employment and Balanced Growth Act of 1978's requirement that the Fed "maintain long-run growth of the monetary and credit aggregates commensurate with the economy's long-run potential to increase production" does not qualify as "non-objective" law, then I don't know what would. If Rand had applied the rules she argued for in

"You were better off with Ayn Rand if you were sort of a piece of malleable nothing. If you were not a malleable nothing . . . well, the older people got into trouble."

1966, she have had to condemn Greenspan for accepting his position atop the Fed in 1987.

Rand's theory seems quite sensible from a libertarian perspective. But it has problems. For one thing, its meaning is a little bit obscure. Does she really mean that it is wrong to take "any job" in an agency that enforces improper laws, as she says in the first passage quoted above? Or does she mean any job that enforces improper laws, as the second passage suggests?

If she means the former, then where does she draw the line? Sure, it's easy to see that, say, the FBI murder of Vicki Weaver while she held her baby in her arms in the doorway of her home is an "improper" function

of government. But what about the secretary who helps the FBI agent who killed Mrs. Weaver with his paperwork? Is his job also improper? What about the cook in the FBI cafeteria? Is his? And what about the person who hauls the trash from the FBI headquarters? Does it make a difference if the trash hauler or the cook work for a private firm that contracts with the FBI?

I suspect that Rand, and most libertarians, would reply that these tasks are peripheral to the murder of Mrs. Weaver, and that the person who prepared the FBI agent's lunch is not acting improperly. Presumably, this is what Rand was thinking about when she made her exception for "the kind of work which is not wrong per se, except that the government should not be doing it, such as medical services" — and, presumably, trash hauling, food preparation and secretarial services — while condemning "the kind of work that nobody should be doing, such as is done by the F.T.C., the F.C.C., etc." and, presumably, the murder of Vicki Weaver.

But this doesn't really answer the question of where exactly the boundary between proper and improper action lies. If we can drop the context (working for an agency that enforces improper laws) when evaluating the morality of the window-washer at the IRS headquarters, why not drop the context when evaluating the morality of the IRS agent?

The simple fact is that the activity of the IRS auditor is "the kind of work that nobody should be doing" only in the context of his auditing on behalf of the IRS. In a society with complete laissez-faire capitalism there might still be auditors with powers virtually identical to those of the IRS auditor. Stockholders in a corporation, for example, might insist on the right to hire auditors to examine the accounts of the corporation to verify that management is reporting income properly. So might the smaller investors in a partnership. Depending on the contract that created the corporation or the partnership, these auditors could have precisely the same rights as IRS auditors: They could arrive unannounced and examine books, require management to produce documentary support for expenses and sales, bank records,

etc., and be able to assess additional liabilities or even penalties. Commercial leases of retail space frequently make the lease payment a percentage of sales, and give the landlord rights to audit.

The same kind of logic can be applied to the murderer of Vicki Weaver: The mere act of firing a gun is

"It's simply that he is a very cold person. It's very hard to know what's on his mind. Through those thick Coke-bottle glasses, you can't even tell that he's awake sometimes."

not improper, and we can imagine situations in a free society in which firing a gun might be part of the activities of a person who has "proper" employment.

Now I am *not* suggesting that it is appropriate to drop the context in the case of IRS audits or FBI murders. Ethics is all about context. No action is inherently good, or inherently evil, taken by itself. What determines whether any action is right or wrong are the circumstances that surround it.

Here are a few of the factors that are important in determining the boundaries of moral action:

(1) Knowledge. If one doesn't know that an act will result or contribute to something that is wrong, one's action is generally acceptable. We'd never blame the cab driver who drove the FBI agent to the airport, to catch the plane that flew him to Idaho, when he murdered Vicki Weaver, since he didn't know anything about the agent's intentions or aspirations. For that matter, if the FBI agent did not know that the bullet he fired would kill an innocent person, we'd hold him morally blameless (or, at any rate, less blameworthy: we might blame him for reckless behavior).

(2) Causal distance. We'd likely condemn a person who loaded the FBI agent's gun and properly adjusted its sights the morning of the murder (providing, of course, that he knew the FBI agent hoped to bag an innocent person

that day). But we'd probably hold harmless, say, the person who taught him to shoot, even though that person knew that he was an FBI agent who might one day murder an innocent person.

(3) Availability of other means. Suppose that the FBI agent had mentioned to his cabdriver on the way to the airport that he was hoping to kill an innocent person while in Idaho, and that the cabbie nevertheless drove him

Greenspan's aloofness may have been part of the reason he was able to survive. Coming to meetings late, leaving early, he wasn't very involved in the battles.

to the airport. Would we condemn the cabdriver? Probably not, I think, because we realize that if he had told the agent to take a hike, the agent would have flagged another cab to the airport and proceeded to do the killing. (Of course, we'd likely expect the cabbie to report the incident.)

(4) The enormity of the crime. Suppose you are standing in line at your bank, and the person ahead of you asks to buy a money order. The teller casually asks what the money order is for, and the person says he is buying a subscription to *The Economist*, at a special rate for high school students. The person is in his fifties. Would you condemn the teller for selling him the money order? Suppose instead that the person informs the teller that he intends to use the money order to pay a hitman to kill his spouse. Would you condemn the teller this time?

(5) Circumstances. I believe that one ought not patronize government-owned enterprises unless there is no practical alternative. Consequently, I generally do not use the public library. But I realize that my circumstances are such that I have many fairly convenient and affordable alternatives, and that some other people do not. So I feel no urge to condemn others who patronize their public library.

Consider the case of a person living

in Soviet Russia in the 1970s, who is trained in bookkeeping. All jobs available are state jobs, since the government owns everything. To condemn him for taking a job as a bookkeeper for a state enterprise is absurd: his alternative is extreme poverty or even starvation. But what about, say, a bookkeeper in the United States in 1870. He can get a job with a private company or one with the Internal Revenue Service. I'd be liable to condemn him for taking a job with the IRS.

The boundaries between what is moral and what is immoral in these cases are a bit fuzzy. Despite her attempt to provide simple and apparent boundaries, even Rand recognizes this fact: "[T]here are many situations so ambiguous and so complex that no one can determine what is the right course of action."

The Best of a Bad Job

My suspicion is that, had Ayn Rand lived to see Greenspan's appointment to chair the Fed, she would have applauded it, notwithstanding the rules she promulgated in 1966. Her reason may have been friendship to a loyal disciple, but her rationale could easily be constructed from the ambiguity and complexity of the situation.

Leaving aside the question of the morality of Greenspan's chairing the Fed, the question remains: just what is an advocate of absolute laissez-faire capitalism doing heading an agency for central planning? Isn't he bound to do more harm than good, if only by lending his name and reputation to the regulatory and central planning process? And just what good could he possibly hope to accomplish, anyway?

Quite a lot, actually. Like the fundamentalist preacher managing a bordello who might try to keep the girls disease-free, encourage the patrons to use the service only when their wives or sweethearts are out of town on long trips, and protect the inmates from police extortion, an advocate of laissez-faire capitalism running a central bank can try to keep government creation of fiat money to a minimum, argue against new spending proposals, and promote the general reduction in government power.

Greenspan endeavors to do all of this.

Central planning inevitably fails, and I have no reason to believe that a Fed managed by an intelligent advocate of laissez-faire will prove anything different. Nevertheless, the fact that central planning inevitably fails does not imply that all attempts at central planning are equally disastrous. Americans are undoubtedly better off with Greenspan at the helm of the Fed than they would be if, say, another William McChesny Martin were at the helm.

Our Only Health Is the Disease

What about liberty? What about the historic war between liberty and the state? Does Greenspan's tenure at the Fed help or hinder the cause of liberty? Would liberty be better advanced by allowing the Fed to be headed by an inflationist who would advocate increased planning and greater regulation? A case can be made that it would, that things have to get worse before they can get better, that people aren't going to reject government control of money until they have seen more of its ugly conse-

Do you actually mean, demanded the senator, that the Fed "should cease to function unless affirmatively continued"? "That is correct, sir," Greenspan responded.

quences. In T.S. Eliot's words, "to be restored, our sickness must grow worse."

At a recent conference, Charles Murray noted that if no changes are made, the Social Security system will go bankrupt by 2010. "Here is a case where one kind of feels a little like a Leninist statelist," he added, "who says that things have to get worse before they get better. I kind of hope that they don't deal with it now. Because if they deal with it now, they could do some minor fixes that might be able to avoid major reform. I'd like this to blow up in people's faces."

Well, it certainly would validate what libertarians have been saying

continued on page 52

Reality Check

Czech Reality

by Aviezer Tucker

The Czech Republic pays lip service to liberty and subsidies to state industries.

Last year, the prime minister of the Czech Republic, Vaclav Klaus, addressed the Cato Institute. Describing the transition of the Czech Republic from a command economy to the free market, he claimed that the operation is over and the patient is in the recovery room. No more painful measures, he declared, were in store for the Czechs; economic growth at 5 percent per year and low unemployment at 2.8 percent would be sustained. The Czechs would have a "market economy without any disqualifying adjectives; private property; small government; the rule of law; liberty; and individual responsibility."

And these bright words were scarcely unprecedented. In February 1990, Klaus (then minister of economics) had firmly declared his libertarian intentions:

We want a market economy without any adjectives. Any compromises with that will only fuzzy up the problems we have. . . . The market is indivisible; it cannot be an instrument in the hands of central planners. . . . I often use the line by F. A. Hayek that the world is run by human action, not by human design. To talk about planning an economic system is to talk in old terms, and I find myself sometimes having to teach Westerners about what the market really means. They often don't realize that they often might need a little market revolution in their own countries. . . . What we want is to establish the rules of market economy — not to plan its outcome.

Such rhetoric made Klaus the darling of libertarians, and it has been reinforced by his political achievements. The general elections in the Czech Republic in the summer of 1996 solidified a distinctively Western European political map. Ninety-nine of 200 seats in the Czech parliament went to the ruling center-right coalition of three parties, made up of Klaus's ODS Civic Democratic Party and its junior partners: ODA Civic Democratic Movement, a small party with an explicitly libertarian ideology; and the Christian Democrats, a centrist party with connections to the Catholic Church. Another one third went to the Social Democrats, while the communists received little more than ten percent and the neo-fascist "Republican" party a little less than ten percent. The satisfaction of Czech voters manifested itself as well in the increased share of the vote won by the coalition partners (though they lost their absolute majority, thanks to the complexities of a new proportional distribution system). These election results contrast sharply with events in most of east-central Europe, where former communists have gradually been returned to power.

These achievements aside, however, recent developments have revealed the underlying weakness of the Czech economy. Less than a year after the last elections, the deficit in the balance of trade had risen to over 10 percent and the Czech currency (the crown) had to be devalued by about 15 percent. The Klaus government responded by introducing austerity measures: a cut in government salaries, "import deposits" (requiring importers to deposit in the bank 20 percent of the value of the goods they import), cuts in expenditures for welfare and investment, reduced state support for export loans and loan guarantees, and increased excise and income taxes. Interest rates have risen to 30 percent; the sole exception to the trend of more taxes, lower expenditures is a four percent cut in corporate taxes.

Such an austerity package is, of course, likely to hamper growth — something Klaus's election promises have left the Czech public unprepared for. Not surprisingly, the Klaus government's popularity is now at an all-time low. Polls show that if elections were held today, the opposition Social Democrats would win with more than

a 10 percent lead over Klaus's party.

The patient, to be sure, is outside the operating room. But he may soon have to go back into surgery again, despite his physician's assurances that the cure is complete.

To understand what's happening in the Czech Republic today, we need to take a look at the country's origins and recent history.

Background

Czechoslovakia's independence was agreed in Pittsburgh, Pennsylvania, it was declared in Independence Hall in Philadelphia, in the wake of World War I, when President Woodrow Wilson was carving up the Austro-Hungarian Empire. By the mid-1930s, led by the philosopher-president T.G. Masaryk, it had the world's seventh highest total national industrial output and east central Europe's only liberal democracy. In 1938, however, the Western democratic powers sacrificed Czechoslovakia to Hitler, hoping to direct Nazi expansion eastward. Betrayed by their democratic allies, the leadership did not find the inner strength to resist invasion, and capitulated without a fight.

After the war, the Communist Party emerged as the most powerful organization in the country, and in 1948 conducted a *coup d'état* with covert Soviet support. As in 1938, the democratic political forces failed to resist. More than a decade of Stalinist oppression was followed by liberalization during the 1960s, culminating in Alexander Dubcek's attempt to create "Socialism with a human face." This ended abruptly in August 1968, when Soviet forces invaded Czechoslovakia.

Again the country's leadership failed to order the military to defend the nation. The Soviet invasion was followed by so-called "normalization," a return to the oppressive Soviet model.*

During the "Prague Spring" of 1968, an unprecedented non-communist journal of culture, art, and literature called *Tvar* ("face") was able to print a few issues before the regime closed it down. Among its young contributors were Vaclav Havel, a playwright, and Vaclav Klaus, an

Privatization in the Czech Republic was a far cry from the process that Vaclav Klaus described to the Cato Institute. In fact, it was a complete sham.

economist. During the next twenty years their roads parted, only to converge again in the early 1990s. Vaclav Havel became a founder of the dissident movement, Charter 77, whose signatories numbered two thousand out of a Czech population of ten million. Charter 77 was a document demanding that the Communist Czechoslovak Government honor its signature on the final provision of the Helsinki human rights declaration of 1975. It was written collectively by the leading dissidents of the time, and its signatories comprised the movement. Its first three spokespersons were the philosopher Jan Patocka (who then died after police interrogation in 1977), Vaclav Havel, and Jiri Hajek, who was Dubcek's foreign minister in the Prague Spring. After the death of Patocka, Havel became the leading dissident, spending years in and out of jail, and suffering constant harassment by the state.

Vaclav Klaus, by contrast, chose like most Czechs to stay in the "gray zone," neither a collaborator nor a dissident. During the 1980s he had had access to contemporary Western eco-

nomics as part of his work at the Prognostic Institute, whose task was to provide the communist government with reliable economic predictions. Unlike economics professors and students at universities, who were kept blissfully ignorant of the law of supply and demand, the members of the Prognostic Institute were able to study contemporary "bourgeois" economics.

When the "Velvet Revolution" finally erupted at the end of 1989, the communist rulers were replaced by the dissidents of Charter 77. Though they had the highest standards of personal integrity, twenty years in the social wilderness had left them with a much better knowledge of phenomenology and existentialism than of General Equilibrium Theory. Further, twenty years of learning to hold on to their principles against all odds had not prepared them to make necessary political compromises or develop their management skills. They were gradually replaced by people from the "gray zone," like Klaus. Today, the political elite is largely made up of former members of the Prognostic Institute — including the leader of the Social Democrats, as well as the influential minister of trade and industry (now former minister, since he resigned in the wake of the recent economic crisis), and Macek, the architect of Czech privatization, who now runs the Prague stock exchange.

When President Vaclav Havel formed his first government, he chose Vaclav Klaus as economics minister (a job Klaus held until the 1992 elections, when he became prime minister). They faced the same tasks as those of the leaders of all other former communist countries: democratize the political system, restructure the economy by privatizing government property and stabilize prices and exchange rates. It is difficult to do all three simultaneously. Restructuring with stabilization temporarily creates high unemployment, causing grave political difficulties in a society whose people had long been guaranteed a job. In most of the former communist countries, "shock therapy" attacks on all three problems led to high unemployment, with a confused and anxious electorate responding by voting the communists to power.

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*For more on the peculiarities of Czechoslovak history and its philosophy, see: Aviezer Tucker, "Shipwrecked: Patocka's Philosophy of Czech History," in *History and Theory*, vol. 35 (1996), 196-216.

To prevent this scenario, Klaus sought to restructure the Czechoslovakian economy in small steps, cushioning the shock of change with extensive government intervention. This policy seemed to work well enough in the western part of the country, in what was to become the Czech Republic. But in the economically weaker east (what's now Slovakia), even this slow pace pushed unemployment above 10 percent, strengthening separatist tendencies which ultimately led to the 1992 split known as the "Velvet Divorce." Since then the pace of reform has slowly ground to a halt.

Labor Policies

Nevertheless, Klaus's policies seemed to work extraordinarily well for a while. The sharpest contrast between the Czech Republic and post-communist economies that underwent shock therapy is the "miraculously" low rate of Czech unemployment. After peaking at 4.4 percent early in 1992, unemployment fell to 2.5 percent later that same year, giving the Czechs the lowest unemployment rate in Europe. This widely lauded statistic, however, was achieved at the cost of diminished growth — and after recovering from shock therapy, post-communist nations such as Poland and Hungary have sprinted past the Czech Republic in productivity, while their unemployment levels have gradually declined as well. Meanwhile, Klaus seems to have forgotten about his plan for a "market economy without any adjectives": seeking to stifle unemployment, he has doubled the income tax for those above retirement age and extended state-paid maternity leave to four years, while continuing to subsidize money-losing firms and fix the crown at an artificially low exchange rate, which in turn has led to a spiraling trade deficit. Most importantly, Klaus has pursued a policy of pseudo-privatization that has kept basic industries in the hands of the government.

Subsidies

When direct subsidies to producers and consumers ceased in 1991, prices increased sharply. (Subsidies were maintained for farms and railways.) Though subsidies for industry were

eliminated, reimbursements of "bad debts" of banks and "bad receivables" of enterprises have been fulfilling an identical function while management practices continue as before, with soft budget constraints, monopolistic behavior, and no bankruptcies. Since banks are owners and lenders at the same time, they have no interest in foreclosing on bad loans that just go unpaid. Since the state owns the banks it gives the banks money so they do not collapse. When small private banks collapse, like the Bohemia Bank, the state moves in to integrate the bank with its own big banks. Similar acts are taken regarding small private health insurers. The big mining and heavy industry concerns operated on bad loans. For example, the heavy industry in Ostrava (the main industrial city in the north east of the country) are kept afloat with indirect

subsidies called bad loans from government banks.

The government uses state funds to bail out both state and private enterprises, including banks. This almost completely prevents bankruptcies, but keeps efficiency low. (Actually, the government has just allowed the first bankruptcies to appear, among travel agencies — obviously because it considered this industry a luxury.)

The government has also continued to subsidize and regulate rents and utilities in the state-owned buildings where most Czechs live. Tenants in properties that have been restored to their pre-1948 owners enjoy regulated rent that is far below market rates. These measures do prevent homelessness and ensure "little old ladies" that they will not be "thrown into the street." But they preclude the creation of a real estate market.

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All this has led to major strains on the budget, with 1997 subsidies for housing increasing by 42 percent, for transportation by 57 percent, and for exports by 60 percent.

Privatization and Pseudo-Privatization

Everywhere in Eastern Europe, the former communist elites have attempted to preserve their status and privileges. In the former Yugoslavia they adopted nationalism, while in Hungary and Poland they manipu-

Communism created a complete separation between what is said (ideology) and what is actually practiced. That is true of Klaus's libertarianism no less than of the Communist Party's Marxism.

lated the fears of the unemployed, welfare recipients, and pensioners. Only in the Czech Republic did privatization allow the *nomenklatura* to maintain its economic hegemony.

True, Klaus's privatization scheme has been very successful with small businesses such as shops, hotels, restaurants, etc., which have been uniformly restored to their pre-communist owners or sold to new owners. One just has to visit Prague to see the beautiful effects of free enterprise, the hustle and bustle of privatized retail activity and hospitality business.

For large enterprises, however, Klaus's privatization policies have systematically defeated their ostensible purpose. Shortly before the 1992 election, private citizens were invited to register to receive vouchers, which could be used to purchase ownership of the enterprises to be privatized or sold off. The rest of the vouchers — 72 percent of them — were sold to Privatization Investments Funds (PIFs). Each PIF may control up to 20 percent of a firm. A typical enterprise is controlled by a group of PIFs, with the government National Property Fund retaining a minority share. A few PIFs, such as Harvard Capital & Consulting, are controlled by foreign

capital. The other PIFs are controlled by the four biggest Czech banks or by the biggest Czech insurance company, Ceska pojistovna, a former state monopoly.

When real privatization occurs, bloated payrolls are trimmed, inefficient operations are streamlined, and those operations that are unprofitable are sold or eliminated. But the financial institutions that control the nominally privatized companies in the Czech Republic are themselves controlled by the government — and the government seeks to prevent unemployment at all costs. So inefficient operations have continued and unproductive workers have been kept on the payroll. When companies, predictably, continue to lose money, the banks simply lend them more.

Privatization in the Czech Republic was a far cry from the process that Vaclav Klaus described to the Cato Institute. In fact, it was a complete sham. The state has retained control of management of large enterprises, with individual voucher holders owning an insignificant percentage of firms; moreover, the complex of government, government-controlled banks, and PIFs have every incentive to continue resistance to restructuring.

The purpose of Klaus's pseudo-privatization was to preserve full employment and minimize bureaucratic opposition, thereby preserving the political viability of the Klaus government. Those who sold their vouchers received in cash from PIFs the equivalent of an average monthly salary. And "privatization" pacified the communist managerial *nomenklatura*, whose positions remained more or less unchanged. According to Pavel Mertl, Czech managers correctly anticipated that they rather than the nominal owners would continue to control privatized firms. They either borrowed money to buy out the firm, or settled for voucher privatization when they could not — either way maintaining their power. And because "privatized" Czech industry has not really been restructured, there have been virtually no bankruptcies (in comparison with 30,000 per year in Hungary). This too has contributed to the stagnancy of Czech output. Czech privatization has thus strayed far from the neo-liberal

rhetoric of its designers.

The Persistence of Corporatism

In 1991, Czechoslovak hourly wages were half of those in Poland, though productivity was higher (this was before Poland had gone through shock therapy with nearly 25 percent unemployment). The low salaries were not challenged by the trade union movement, which regards itself as a leftover from communist times. Trade unions restrict themselves to managing their many properties.* There are no strikes or labor disputes. A tripartite council of government, employers, and trade unions was developed to negotiate salaries. Following their communist traditions, the unions regard themselves as semi-official, and the workers distrust them. Peter Rutland suggests that in the Czech Republic there is nascent corporatism — trade unions acquiesce in government policies in return for allowing the unions to keep their properties and operate. As Rutland has noted, "This is very different from . . . Thatcherism, which shunned corporatist intermediation and relied on high unemployment to

Klaus sought to restructure the Czechoslovakian economy in small steps, cushioning the shock of change with extensive government intervention.

bring labor into line and limit wage inflation."

Unfinished Transition

The lack of restructuring is even more evident in the state civil service, the security services, the judiciary, and the educational system. All these bureaucracies have changed little since 1989. The voting pattern in the military and the police is completely different

*Trade unions are among the largest property holders in the country. Their properties include resorts, hotels, restaurants, etc. Since the unions were part of the government, Klaus was able to pressure them by threatening privatization of their property, the power base of the former communist leadership of the unions.

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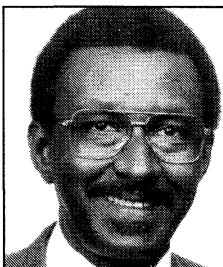
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from that in the general population; in the 1996 elections, 38 percent voted for the Social Democrats, 18 percent for the Communist Party, 14 percent voted for Klaus's Civic Democratic Party, 14 percent voted for the neo-fascist "Republican" party, and 9 percent for the junior members of Klaus's coalition. Allowing for the votes of ordinary men, who are universally conscripted for one year of military service, it

Klaus's libertarian rhetoric sounds beautiful, and before the reality became known in investment circles about two years ago, it helped him build confidence among investors.

appears that more than one-third of Czech security services have extremist anti-democratic views.

Despite the encouraging emergence of some independent schools with higher quality of instruction, authoritarian education by incompetent teachers is still prevalent within state schools. This stagnant swamp has been preserved largely through the effects of the 1990 higher education reform law, which decentralized universities before they were reformed. Power in the universities now lies with a democratically elected senate that elects deans, who in turn control budgets and have the authority to hire and fire. When the reform law was passed, universities were full of incompetents who owed their positions to political allegiances rather than scholarship. When they received the right to elect their deans, they naturally voted for functionaries who would protect their positions, promote them, and prevent professionally competent and morally sound teachers from replacing them.

These developments have encouraged strongly negative public sentiments towards schoolteachers — and when teachers became the first public-sector union to strike for higher wages, the government felt it was safe to ignore them. The strike promptly collapsed, and the minister of education was rewarded with a promotion to minister of economics, with the task of

similarly resisting future pay-raise demands from the public sector.

Finally, the attractiveness of the Czech Republic to foreign investors is diminished by the widespread corruption of the legal system. The rule of law demands a competent, impartial, and independent judiciary. This does not as yet exist. Foreign investors confront murky capital markets, with the government, the banks, the PIFs, and the firms themselves collaborating to divvy up the proceeds of what is known in colloquial Czech as capital "tunneling" or "juicing" (that is, bribes, racketeering, inside trading by management, banks, and government). And with the police and courts unwilling to challenge such established powers, investors are increasingly turning to other emerging markets. It should be stressed that all this corruption could be eliminated simply by real privatization, especially of the banks and by replacing the higher echelons of the former communist bureaucracy.

What Must Klaus Do?

The recent crisis may soon force the Czech government towards policies it should have implemented long ago: first, the scheduled privatization of the biggest banks and insurance companies should have a ripple effect, finally restructuring the market as a whole. Restructuring, however, is likely to lead to more unemployment, currently at 4 percent, and it is far from clear whether Klaus's coalition will be able to master the political muscle to enforce it.

The forthcoming admission of the Czech Republic to NATO will require restructuring the military. The history of the Czechoslovak army was less than glorious; it turned its guns only on Czechs and Slovaks themselves. Currently, Czechs are debating whether or not we should phase out conscription and have only a NATO-compatible professional army. In any event, future policy makers will have to consider measures to ensure that the military will serve the elected Czech government and will be found trustworthy by its NATO allies.

Replacing personnel in the police, judiciary, and education systems is not even under discussion, but in my opinion would be a necessary condition for effective democracy. Even the

European Commission has demanded that the Czech Republic cut its bureaucracy in preparation for joining the European Union.

I do not want to undermine the considerable achievements of Klaus's government: democratic politics and human rights are now firmly entrenched. Unlike in other formerly communist countries, in the Czech Republic the Communist Party has no chance to return to power. The worst that could happen in the 2000 election is that the opposition Social Democrats will form a coalition government with the centrist Christian Democrats. And even if they do, their policies are likely to be more of the same.

Klaus also managed the non-violent splitting of Czechoslovakia, and his privatization of small properties was generally successful. Perhaps some kind of gradual approach to transition is necessary to prevent a communist restoration. Klaus's mistakes may have started when gradualism gave way at a certain point to stagnation. But he should not have promised audiences at home and abroad that the transition process is over. Klaus's libertarian rhetoric sounds beautiful, and before the reality became known in investment circles about two years ago, it helped him build confidence among investors. Still, calling Klaus's actual policies "libertarian" is, how shall I put it, stretching it a bit. . . .

In general, Western analysts should understand that communism has left at least two enduring legacies. First, communism created a complete separation between what is said (ideology) and what is actually practiced. That is true of Klaus's libertarianism no less than of the Communist Party's Marxism. Second, communist states can be viewed as a huge patronage machine where people traded favors, goods, and privileges — irrespective (indeed against) the interests of the organizations in whose hierarchies they served. In the post-communist Czech Republic, loyalty to a social network where people trade job-related favors with each other is more important than any above-board organizational interests. This is true of government banks, investment companies, and other firms today no less than it was true of communist industries in the Soviet Union or Czechoslovakia before 1989. □

The EPA and Asthma

by Ben Bolch & Harold Lyons

New clean air regulations run afoul of science.

Now that the EPA has imposed its newest round of clean air regulations, the first unintended consequence is in the air: there will be a showdown between the EPA, numerous state and municipal governments and even members of congress on new EPA clean-air standards.

The story begins in September, 1996, when EPA Administrator Carol Browner announced that the agency would set forth a broad national agenda to protect children from the hazards of the environment, an initiative ranging from reducing air pollution that induces asthma to regulation of toxic chemicals. The new regulations apparently stem from a suit brought against the EPA by the American Lung Association. But, as Thomas DiLorenzo writes in a Mises Institute report, the Lung Association received at least \$4.1 million in EPA "outreach" funds between 1990 and 1994. The result of this transaction is that the EPA is using tax money to sue itself into inventing new regulations. In effect, taxpayers are paying for both sides of the case.

Last November, when the EPA proposed unprecedented new regulations for ground-level ozone and particulate matter (soot), it was not surprising that sufferers of asthma and other childhood respiratory diseases were listed as among the greatest beneficiaries. But the EPA's own research provides no health-related basis for the changes. Plainly, the EPA is attempting to use our natural sym-

pathy for children to increase its power, obscuring the fact that these regulations are both extremely expensive and based on science that is woefully inadequate.

Under these regulations, a municipality or other defined geographic area will need to reduce ozone concentrations roughly by one third to remain in EPA compliance. This new position on ozone comes in spite of the advice of EPA's own Clean Air Scientific Advisory Committee (CASAC) that such additional reductions on ozone probably would not have a significant impact on public health. In fact, CASAC notes that since some biological response to ozone seems to occur at virtually any level, no matter how small, it is probably not possible to set scientific standards for a lowest-observable-effects-level that would lead to establishment of some "safe" level of ozone. So any standard that is set must be political in nature.

As for particulate matter, the new regulation states that the size of the particles requiring regulation is to be reduced by about 75 percent. Again CASAC has advised the EPA that sci-

ence has not yet established any direct link between exposure to extremely small particulate matter and increased mortality.

The EPA claims that among other benefits these new standards will produce 250,000 fewer cases of aggravated asthma, 250,000 fewer cases of acute childhood respiratory problems and 20,000 fewer premature deaths. How these astounding figures are arrived at would make an interesting study in itself, since they are reminiscent of other fallacious predictions by the EPA associated with radon, Alar and dioxin. But the EPA has provided no such study on which to base its claims.

The prevalence of asthma in Westernized societies has doubled in the last twenty years. Although some of this increase may be attributable to changes in reporting, the large increase in frequency of asthma in the West seems to be real. And, as many scientists have pointed out, it has come at precisely the time that air quality in the West has undergone major improvement. In the United States small particulate matter (10 microns or less in diameter) has

decreased in concentration by 22 percent between 1986 and 1995 according to David Hanson who cites EPA's own data in the January 6, 1997, *Chemical and Engineering News*. Similarly, carbon monoxide, nitrogen dioxide, sulphur dioxide and lead levels have all shown dramatic reductions over the same period. If the air is getting cleaner why is asthma getting worse?

William Cookson and Miriam Moffatt of Oxford University report in the January 3, 1997, issue of *Science* that while air pollution might aggravate asthma, it is not responsible for the epidemic. In fact studies have been done that compare such places as Leipzig in East Germany (high pollution) with Munich in West Germany (low pollution): they find a higher asthma rate in the less polluted environment. The same high-asthma-clean-environment linkage applies to comparisons between such places as Poland (polluted) and Sweden (unpolluted). Physician David Lang and biometrician Marcia Polansky report in a 1994 issue of the *New England Journal of Medicine* similar findings for Philadelphia: the mortality rate from asthma increased while the number of days when concentrations of pollutants exceeding EPA standards decreased. It may well be that asthma is caused not so much by something in the environment as by something *not* in the environment.

What may be involved, say Cookson and Moffatt, is a lack of immune system development among children. Children today suffer fewer respiratory and other infections than

did children in the past, probably because of our pristinely clean Western environments and widely available health care. By building immunity, these infections may actually protect children from asthma. Cookson and Moffatt cite a number of studies done in such diverse environments as Great Britain and Japan which tend to confirm this effect. They also note that it may be possible to develop an asthma vaccine.

Of course there are other possible causes of the asthma epidemic. For

How the EPA's astounding figures are arrived at would make an interesting study in itself, but the EPA has provided no study on which to base its claims.

one, people tend to spend more time in poorly ventilated houses as a result (among other things) of urbanization and of the government's harping on the need for energy efficiency. Dust mites, cat dander and other antigens in such enclosed spaces are clearly associated with asthma. And it is clear that there are hereditary influences, a notable one being that blacks in the 15-24 year age group have been found by the Center for Disease Control to be as much as six times more likely to die of asthma as whites in the same age group.

About all that can be said with certainty is that asthma is a very complicated disease whose cause should not be blamed on pollution of the kind that the EPA wishes to control under these proposed regulations. Surely it is not too radical to ask that the science be done before the regulations are imposed.

There is uncertainty even within government about the ambitious new program. A draft letter

written by the staff of the Senate Committee on Environment and Public Works to EPA chief Browner highlights many of the scientific uncertainties of the proposed standards. It points out as well that a simultaneous revision of standards for both ozone and particulate matter, despite the advice of EPA's own Clean Air Scientific Advisory Committee, would be the largest single step taken under the Clean Air Act. The letter also questions whether states will have the resources to control programs for both standards at the same time and expresses concern over the probable low cost-benefit ratio for the new regulations. The EPA's own estimates of the cost of the particulate regulations are in the neighborhood of \$14 billion annually and the ozone regulations could cost as much as \$2.5 billion annually. Of course any bureaucracy's own cost estimates are nearly always low, so the true costs may well come to many times these figures.

We can expect that the resistance to the new regulations will come largely from the Republican side of the aisle, but Democrats also need to be aware of potential political fallout. The environmental newsletter *EPA Watch* estimates that virtually every metropolitan area in the country (which include many a Democratic stronghold) will be judged out of compliance and will face restrictions not only on such small businesses as dry cleaners but also on the lawn mowers, boats and fireplaces.

The EPA has been guilty of grossly exaggerating predictions of the harm of chemicals such as dioxin. The science that supports the current proposed Clean Air Act standards is clearly weak, if not junk. But rather than a review of the science behind the regulations, we can expect an EPA public relations campaign that appeals to our desire for healthy children. While the EPA carefully couches its claims about the effects of the environment on asthma to aggravation, not cause, you can bet that when the debate starts the media will show us juvenile asthma sufferers who will be portrayed as victims of the environment. Patriotism may be the last bastion of a political scoundrel, but appeals for healthy children are the equivalent for environmental zealots. □



"I'd refer you to another doctor, but I'm not sure you could get there in time."

A Juror's Duty, a Juror's Right

by Laura Kriho

The primary casualty of the War on Drugs is the rule of law.

On May 14, 1996, I was the lone juror who refused to convict a defendant accused of methamphetamine possession in a trial in Gilpin County, Colorado. Sixty-six days later, I was cited for contempt based on evidence of "improper" arguments I made in the jury room about jury nullification and the harsh sentence the defendant could receive.

At the time, I didn't know much about juries. I was passingly familiar with the doctrine of jury nullification, but for the record, I wasn't trying to "nullify" the drug laws. I had reasonable doubts based on the lack of evidence, which I argued about extensively during deliberations. I only mentioned my vague understanding of jury nullification as a last resort, in frustration at the other jurors' desire to convict and get home for dinner. I know a lot more now.

On February 12, 1997 I was convicted of contempt of court, in part, for failing to *volunteer* my knowledge about the doctrine of jury nullification to the court during jury selection, even though I wasn't asked any questions about it. On March 7, I was fined \$1,200, though I could have received six months in jail. My conviction is under appeal to the Colorado Court of Appeals. The Colorado American Civil Liberties Union and the Colorado Criminal Defense Bar filed briefs supporting my appeal.

Contempt proceedings against jurors are quite rare. I've been told mine is the first like it in over 300 years. On its face, my case seems like an anom-

aly, a rare aberration. But there is more to it than that.

It is with some trepidation that I write this. A letter to the editor of a Denver newspaper about non-psychoactive hemp fiber was used as evidence against me at my trial. But since the government seems so determined to prevent citizens from knowing about their full powers as jurors, it is important for me to share what I have learned.

Jury "nullification" describes the historic power of jurors to vote their consciences, even if it is contrary to the evidence. Juries can "nullify" laws in a particular instance, either because the jurors believe that the law is unjust or because they believe the application of the law in a particular instance is unjust. A jury can acquit for any reason.

This power is also referred to as jury "discretion." Police use discretion when deciding whether to enforce a particular law in a particular case; prosecutors use discretion in deciding whether to bring a particular violation of the law to trial; judges use discretion in deciding whether to dismiss those charges. Jurors have similar power to use discretion in applying

the law.

This power of juries is widely recognized. It has been upheld by the U.S. Supreme Court and was even reaffirmed by Gilpin District Judge Henry Nieto in his ruling that convicted me. However, for the past 100 years, the courts have ruled that jurors do not have to be *informed* of their power to evaluate laws, and judges typically instruct juries that they can only judge the facts of the case, and not the merits of the law.

My conviction has taken this judicial promulgation of ignorance a step further. It implies that any potential juror who knows the power of the jury and who fails to volunteer that knowledge during jury selection, even if not asked, can and will be prosecuted.

There is a nation-wide movement among judges actively to mislead jurors about their power to use their discretion. One of the leaders of this movement is a Gilpin County Judge, Fred Rodgers, who wrote an article in *Judges' Journal*: outlining strategies for judges to use to keep jurors ignorant of their power to "nullify" unjust law and for prosecuting "obstructionist" jurors who don't volunteer their knowledge of this power to the court.

Shockingly, Judge Rodgers discussed the supposed facts of *my* case in his article, although it was written *before I was even charged*. Judge Rodgers denied any conspiracy to prosecute me as part of his crusade for juror ignorance, but he did admit to a local reporter that the article "might have been lying around in the lunchroom and someone from the district attorney's office may have gotten a hold of it."

This movement among judges to deceive and frighten jurors suggests the real reason I was prosecuted. They

wanted to purge juries of anyone who knows they have the power to acquit, make jurors afraid to acquit, and prosecute jurors who do acquit.

Having read this article, you possess this same forbidden knowledge. If you tell the court that you know that as a juror you have the same power of discretion as police, prosecutors and judges, you will be excluded from the jury. If you fail to volunteer the fact that you know this, you can be prosecuted and fined, like I was, or even imprisoned.

The jury is the last line of non-violent defense against a tyrannical and oppressive government. The systematic exclusion of knowledgeable jurors results in juries acting compliantly as tools of the state. It subverts justice and undermines the very purpose of the jury.

To serve on a jury is a great responsibility. It is the only direct voice that citizens have in a government whose laws are often imposed upon them without their consent and is a barrier against unjust persecution. □

Bradford, "Deep-Cover Radical for Capitalism?" *continued from page 42*

about government Ponzi schemes. But would it advance the cause of liberty?

Economic crisis is certainly a stimulus to radical change. When humans are happy with their situation, they aren't very interested in change. And they are especially uninterested in radical change. It is only when a political or economic crisis occurs that people are interested in changing the political or economic system.

Unfortunately, crises effect other political movements — especially other radical political movements — in much the same way it effects the libertarian movement. A major crisis is likely to stimulate growth of socialist, nationalist, racist and other obnoxious political movements as much or more than it would stimulate the growth of the libertarian movement.

Of course, the climate of opinion that prevails when a crisis occurs has a powerful influence on the effect of the crisis. For example, the economic crisis

of 1929–1940 occurred when the idea of human liberty was in steep decline, identified in most people's minds with the "old order," seen as "unscientific" and unmodern. Not surprisingly, this crisis stimulated the growth of various nutball social theories and had no positive impact on liberty.

The crisis of socialism in the late 1980s and the minor economic crisis of the West in the late 1970s, on the other hand, occurred in a much more favorable climate. By now libertarian opinion was growing and statism increasingly questioned. So these crises tended on balance to stimulate the growth of the libertarian movement. Of course, so far as most of us in the U.S. were concerned, these were fairly small crises: the economic crisis of 1979–80 passed rather quickly and the crisis of socialism was mostly just television entertainment so far as most people were concerned.

How would Americans react to a crisis in Social Security of the sort that Murray relishes? They might conclude government entitlement programs are con games that ought to be abolished. But they also might conclude that the rich aren't contributing their fair share and raise the income tax rate back to 90% or more. This far in advance, I don't

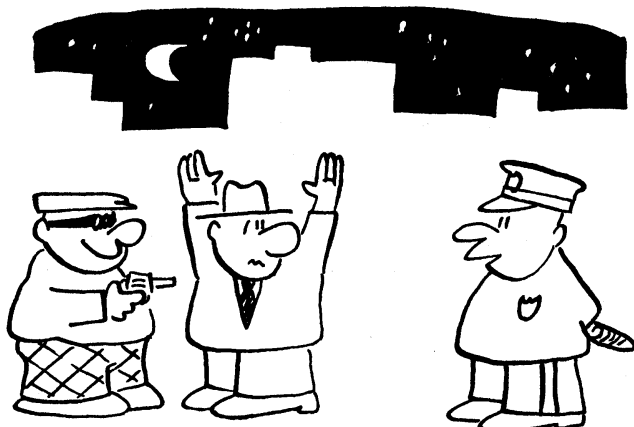
see any way to forecast which is more likely to happen on any kind of scientific basis.

Personally, my own inclination is to figure the state will have enough crises without any libertarian acting to foment them. In the meantime, we can work to change the climate of opinion to one that is more favorable to libertarian ideas, so that when a crisis does occur, it will tend to stimulate growth of our movement.

Of course, Murray did not advocate doing anything to foment the crisis he foresees. But then he's a political analyst, outside government, so he lacks the means of either accelerating that moment of crisis or of postponing it or softening its impact.

Greenspan is in a very different position. When he was involved in the Social Security task force in the early 1980s, he faced this question: he could have put together a patchwork measure that would postpone the crisis and perhaps even enable a "soft landing," or he could have allowed the whole system to go down in flames. He chose the former. He is in a similar position with the Fed. He can either manage the money market in an idiotic way or in a semi-intelligent way. And he has chosen to do so in a semi-intelligent way.

Which is better: the Murray-Leninist approach or the Greenspan-accommodationist approach? From a practical perspective, the main factor is whether we are in a position where our ideas will gain credibility and our agenda will be enacted. But there is also a moral question: do we really want to gain credibility at the price of human suffering? □



"I'd like to help, sir, but this is a government of laws, not of men."

Memorial

Freedom's Unknown Guru

by Harry Browne

Thirty five years ago, an obscure rocket scientist ignited interest in liberty in thousands of Southern Californians. But first he made them agree never to tell anyone about his ideas.

Andrew J. Galambos never wrote a book or appeared on national radio or TV. But he was nonetheless an extremely influential libertarian. Although he was known only to those who had direct personal contact with him, his effect on people who heard him speak was so profound that he

changed their thinking — and very often their lives. And he spoke about liberty to thousands of people who took his courses in the 1960s. Undoubtedly the ripples from the stones he dropped eventually touched many of today's leading libertarians.

I knew Andrew Galambos in the early 1960s. He was a fascinating mixture of contrasts. He combined a brilliant mind with an ungracious personality. He was an astrophysicist, but he taught social science. He preached the importance of respect for intellectual property, but freely lifted the ideas of others without giving them credit. He inspired honesty in others, but was dishonest himself. He disdained the word "libertarian" while turning thousands of people into libertarians. He was an insensitive teacher, and yet he changed the lives of most of the people he taught.

And he pushed out of his own life practically everyone who was important to him. One of those people was Alvin Lowi — a long-time friend and business associate, who had taught some of his courses. This memoir is based on my brief relationship with

Galambos and on Alvin Lowi's more extensive recollections.

A Life

Andrew Galambos was born in Hungary in 1924. His parents moved to New York City soon afterward, and Andrew grew up there. After serving in the military in World War II, he attended Carlton College in Minnesota and earned a master's degree, probably in astronomy or astrophysics.

In 1952, he moved to Los Angeles to work for North American Aviation in the new field of InterContinental Ballistic Missiles (ICBMs). His purpose wasn't to make the world safe for democracy, but to make money for himself. In 1958 he was an astrophysicist at Ramo-Wooldridge Corporation, which later became TRW Space Technology Laboratories.

In 1957 the Soviets had launched Sputnik. Most of the engineers at Ramo-Wooldridge were unfamiliar with the concept of artificial earth satellites. Galambos became a respected mentor by explaining ballistics and astronautics to them in a series of noon-time lectures.

Andrew was well-versed also in astronomy, philosophy, the history of science, the scientific method, economics, investments, and insurance. And he was a master at coining precise definitions for words whose meanings we sometimes take for granted.

Although his life's work turned out to be the promotion of a free society, his interest in the social sciences was only a means to an end. His primary interest was astronautics; he wanted to create a commercial transportation service to the moon. He believed this would be possible only after the government got out of the way. For Galambos, the first step toward space travel was to create a free society.

In 1961, he went to New York to meet Ayn Rand, Ludwig von Mises, Leonard Read, Murray Rothbard, and Henry Hazlitt. Galambos had a very strong personality, and he and Rand rubbed each other the wrong way — perhaps because they were so much alike. He spoke disparagingly of her thereafter. Mises wasn't willing to discuss Andrew's economic ideas — possibly because Galambos' background

was in the physical, not the social, sciences. Rothbard treated him cordially — as he did almost everyone — and thereafter Galambos was more respectful of Rothbard's work than that of the others.

Also in 1961, he established the Free Enterprise Institute (FEI) in Los Angeles — where he offered courses to the paying public on the construction of a free society. Thousands of students passed through his courses over the next two decades. He was one of the most successful "freedom entrepreneurs" ever — making very good money preaching the gospel of liberty and capitalism. Some of his later courses cost \$500 or more (the equivalent of \$2,000 today) and each were attended by several hundred people. He had very little overhead, advertising was mostly word-of-mouth, and he didn't spend money to make his students comfortable in the classes.

In addition, he made money selling mutual funds — advocating his own investment strategy of cost-averaging and holding for the long term. He had no reservations about selling mutual funds to his students; he thought that earning investment profits would make them stronger advocates of capitalism.

Sometime during the 1980s Galambos became afflicted with Alzheimer's Disease, and in 1990 he was institutionalized. Because he had been financially successful and had taken good care of his money, he didn't have to rely on relief or charity. In 1996 Suzanne Galambos, his wife of over four decades, died. And, finally, on April 10 of this year, he died.

The news undoubtedly saddened thousands of people whose lives had been improved by his teaching.

Genius at Work

Alvin Lowi remembers the Galambos of their early days in Los Angeles as gracious, thoughtful, and hospitable. But after his courses made him important to people, he apparently no longer felt the need to be gracious. By the time I met him, his personality was quite different.

Sometime in 1963, someone had handed me a small pamphlet Andrew had written — one of the very few publications that came out of his work. It contained some novel thoughts that I

considered worth quoting in a syndicated newspaper column I was writing at the time. As was my custom, I sent him a copy of the column. He was very pleased to be quoted and he wrote back, rather than calling, even though we were both in Los Angeles. Further communications led me to take his course, which I'd heard about from others.

In a phone conversation the day before the first lecture, he said he was looking forward to meeting me — as he was impressed by some of my articles that I'd sent him. But when I finally met him in person and said, "How do you do? I'm Harry Browne,"

Andrew Galambos was the stereotypical genius — impossible to deal with, but the source of great innovation.

he looked at me as though to say, "So?" I extended my hand, which he responded to only after a long pause, and he eventually replied, "How do you do?" No smile, no sign that we'd had any communication before. But then, during his lecture, he solicited my opinion a couple of times — referring to me as a fellow toiler in the fields of liberty. This was my first brush with Andrew's contradictions and strange manners.

By any normal standards, he was a very poor lecturer. His course, "Capitalism — the Key to Survival," was billed as a series of 16 two-hour lectures, but each one ran well over two hours. And as the course went on, the lectures were longer and longer — with the last few running over four hours apiece. He used no script and very few notes — and sometimes rambled so far from his main thread that you didn't know whether he'd ever find his way back (but he always did). There was a single break in the middle of each lecture — during which Andrew would get a soft drink. After the break, he'd continue sipping his drink — and he'd suck on the ice while talking.

The chairs were uncomfortable and the lecturer was insensitive, but the course was fascinating. As Andrew covered the gamut from science to society, you learned about the special

contributions to technology of various scientists, about the scientific method, about Andrew's desire to apply the discipline of the physical sciences to the social sciences, and much more.

(A few years later, I realized that the inability to conduct controlled, repeatable experiments made it impossible to transfer the methods of the physical sciences to the social sciences — including economics and investments. Still later, I came across Mises' *The Ultimate Foundation of Economic Science*, in which he explains this point better than I could.)

There were so many ideas discussed in a Galambos lecture that it was hard to sleep afterward. People who took the courses began looking at the world in new ways; in many cases they changed their businesses, their marriages, and their lives.

The Galambos Philosophy

In 1960, Andrew had gone to the Republican convention in Chicago to encourage Barry Goldwater to compete for the GOP nomination against Richard Nixon. And his first courses promoted limited, constitutional government. However, his own consistency, together with input from his students, caused him eventually to advocate a society without any political government.

He had reached that point before I took my first course from him in the winter of 1963-64. His free society relied on private, competing protection and judicial agencies. National defense was to be provided by insurance companies that reimbursed you if they failed to protect your property. His method of getting from here to there involved building private alternatives to government until those alternatives dominated society — at which point most people would see no reason to continue to rely on government for anything.

He strongly opposed voting or any other form of political action. He believed the act of voting signified a willingness to abide by whatever the winners decided to do. He transformed the familiar slogan into, "If you vote, don't complain."

Morality was a key element in his philosophy. Unlike Ayn Rand, who attempted to prove that there was a single morality that must be obeyed

(what I call an absolute morality), Galambos felt that acting morally was optional, but that there was a single morality that would increase the happiness of anyone who lived by it (what I call a universal morality). In practice, the two moralities were similar — revolving around non-coercion toward others.

Although he felt his greatest contribution was in the integration of many ideas and details into a single grand theory of freedom, I was less impressed by the overall design than I was by the precise way he defined and organized many of the details.

Property

Everything in the Galambos philosophy revolved around property.

He described societal freedom as that condition in which everyone has 100% control of his own property and 0% control over anyone else's property. This was a particularly succinct way of describing freedom. And with everything privately owned, many traditional questions about freedom would be automatically resolved.

Can I shout fire in a crowded theatre? That depends on who owns the theatre and what his policy is. Should Nazis be allowed to demonstrate in

Galambos required every student entering one of his courses to sign a contract agreeing not to divulge any of the course ideas without his permission — and not even to use the ideas, in business or elsewhere, without permission.

Skokie? That depends on the street owner's policy.

A weakness in Andrew's thinking, in my view, was that he assumed that questions of property borders and definitions of property itself could be easily resolved. In Andrew's mind, they already were resolved — and eventually they probably will be to the satisfaction of others. But the technology for doing so was very primitive in the Galambos courses.

A cornerstone of Andrew's philoso-

phy was the concept of intellectual property. In the words of the late Charles Estes, Galambos

defined "primordial property" as a person's own life and "primary property" as his ideas. All other property he derived from these two fundamental kinds."

Thus Galambos referred to physical property as "secondary property." Because primary property was antecedent to secondary property, he felt that respecting the ideas of other people was more important even than respecting their physical property.

Although academics have long honored the concept of proper intellectual credit for ideas, the Galambos view of primary property went far beyond anything previously promulgated on either the political left or right. He considered it immoral to use someone's ideas without gaining permission and providing compensation. This meant, in effect, that the inventor of the wheel was due a royalty on every automobile sold.

While this would seem to lead to chaos and the stifling of technological progress, Andrew believed it wouldn't be difficult to work out the mechanics of handling such payments — and he already had developed a number of techniques. Andrew's system recognized independent development of ideas — so that it would be unlikely that an eccentric inventor of, say, the computer could arbitrarily halt development of all computers.

His Vulnerability

Andrew was very possessive of his own primary property. He continually promised to write a book setting forth his philosophy, so that ownership of his ideas would be well-documented. But he never did. It may be that he felt intuitively that his grand plan was impressive when delivered orally, but might not hold up when examined in print; or that he wasn't by nature a writer and the task intimidated him. Or perhaps he was simply a procrastinator.

Whatever the reason, the lack of a written document to confirm his authorship apparently made him feel vulnerable — afraid that anyone could soak up his ideas, walk off with them, repackaging them, and claim them as one's own inventions.

He required every student entering one of his courses to sign a contract agreeing not to divulge any of the course ideas without permission from Galambos — and not even to *use* the ideas, in business or elsewhere, without permission. In effect, the course tuition bought you the right to become aware of the ideas, but not to use them or talk about them to outsiders.

This led to the humorous situation in which a graduate would rave about

This led to the humorous situation in which a graduate would rave about the course and insist that you take it — but when you asked him for examples of what was good, he would say, "Sorry, I can't tell you."

the course and insist that you take it — but when you asked him for examples of what was good, he would say, "Sorry, I can't tell you."

Needless to say, some people did talk about the ideas. And many more graduates used the ideas profitably. This bothered Andrew, but he claimed to be bothered most by individuals who seemed to be using his ideas in other courses, lectures, or writings.

He spoke frequently of one individual or another who had stolen his ideas. And if it were pointed out that the person was preaching ideas that were the opposite of Andrew's, Galambos would say the person had stolen Andrew's ideas but had gotten them all wrong. One of his favorite epithets toward an enemy was that the person had "flunked the course."

Alvin Lowi suggested to me that Andrew, despite his protestations, may not have been concerned about intellectual thievery. Instead, he may have been jealous of the success others were achieving — success in presenting and marketing the ideas of freedom, and success in applying the ideas to their business and personal lives.

Whatever his secret concerns may have been, his possessiveness, criticism, arrogance, and thoughtlessness served to alienate and eventually chase

away every important person in his life. The one exception was his wife, Suzanne, who suffered frequent verbal abuse from him in public but never deserted him.

My Experience

My own experience with him was typical in several ways.

Taking his first course inspired me to bring back to life an earlier idea I had for a course on free-market economics. I discussed the idea with Alvin Lowi, who encouraged me to go ahead with it. Andrew also supported the venture and allowed me to mail advertising to his customer list. The first presentation of the 8-session, 2-hour-per-lecture course was well-received by my customers, and Andrew suggested that his

Galambos spoke frequently of one individual or another who had stolen his ideas. And if it were pointed out that the person was preaching ideas that were the opposite of his, he would say the person had stolen his ideas but had gotten them all wrong.

Institute sponsor the course thereafter. I agreed to the arrangement.

Another presentation of the course began, and the trouble started. Andrew said he had heard from some of my students that I was presenting his ideas but not giving him credit. I explained that there was very little in the course that hadn't been a part of my repertoire for some time — and that I did, in fact, give credit to him for any ideas I had gleaned from him.

He maintained that he was unconvinced. He frequently phoned me — saying he had heard further tales of my using his ideas without credit. He would berate me in conversations that lasted an hour or two or three. Looking back, it's hard to imagine what could have been said that made those conversations so lengthy — or why I put up with the situation as long as I did. But, then, I was only 31 at the time.

I sent him transcripts of my lectures, along with a box full of articles I'd writ-

ten prior to meeting him, so he could see that my world didn't begin with him. I marked the appropriate passages in my articles so he could skim through them quickly. But he claimed he didn't have the time to look at them. So instead of taking an hour to go through the material, he spent many hours on the phone literally yelling at me.

Andrew was willing to acknowledge that I (or anyone else) could have been exposed to similar ideas prior to meeting him. But he maintained that his packaging of the ideas was so revolutionary that one's understanding of freedom was severely limited before taking his course. Thus, no matter what you knew before your exposure to him, you were indebted almost totally to him for your understanding of freedom. Therefore you should credit him even for ideas about freedom you developed yourself or heard earlier from someone else.

Because I believed he was an important person and we were doing important things, I tolerated all this for about six months. And then I informed him — in the spring of 1965 — that I would no longer give my course under his auspices. He told me I couldn't unilaterally terminate the relationship — although we had no agreement that prevented me from doing so. In effect, he claimed I had to continue working with him until he no longer wanted me to. But I simply refused to put up with him anymore.

After this close, very intense relationship lasting about a year, I never saw him again. We spoke only one more time — briefly on the phone in 1973.

When I became somewhat well-known through my books, people would sometimes ask Andrew what he thought of my ideas. Andrew would shout that I had stolen all my ideas from him — even though I can't imagine that he ever took the time to read any of my books or even knew what they covered.

But, as Lowi pointed out, the issue of how people were using his ideas may have been a red herring. He may have been more upset by the fact that I had published my ideas, and that I was making a great deal of money with them, while he was bogged down in weekly lectures and the trivia of running his course business. Again, the only reason he was even involved in

the social sciences was to create a society in which he would be free to be an astronomical entrepreneur.

But that dream was fading because — although he was financially successful — he wasn't getting very far in creating the free society in which he could start his lunar airline.

Although I had been closer to him than most people, my experience wasn't unique. He thought of numerous former students as his enemies — and the more successful they were, the more he condemned them publicly.

Dishonesty

As possessive as he was of his own intellectual property, he was very careless with the ideas of others. He often argued against someone's suggestion, only to incorporate it as part of his own "original" thinking a few months or years later.

Although he lavished praise on some thinkers who were long since dead — Thomas Paine, Isaac Newton, and so on — he rarely gave credit to any living person. When he did, it usually was only in general terms, rather than for any identifiable contribution to his philosophy. And on some of the rare

Whatever his secret concerns may have been, his possessiveness, criticism, arrogance, and thoughtlessness served to alienate and eventually chase away every important person in his life.

occasions when he gave specific credit to a living person, it was backhanded.

For example, Alvin Lowi was Andrew's closest associate and a great intellectual stimulus to him. But in all of Andrew's lectures I attended, I heard him give credit to Alvin only once. On that occasion he discussed the way a particularly thorny social problem would be handled in a free society; he identified a key factor and said, "Once you get past that point it is, as Alvin Lowi has said, as easy as falling off a log."

After the lecture I tore into Andrew. "Why in the world would you embar-

rass Alvin by implying that he was taking credit for such an expression? You know he would never claim to have coined it."

Andrew answered, "But Alvin's contribution was in applying it to this situation."

"That isn't the way the audience understood it."

"That's the way they *should* understand it," he said.

While appearing to be generous in dispensing credit, in truth Andrew — as far as I know — never acknowledged the many original ideas Alvin *did* provide.

Also, although he stood foursquare against force and fraud, he engaged in fraudulent practices himself. One example was the aforementioned contract students were required to sign before entering a course — acknowledging that Galambos was the owner of the ideas, that they were buying exposure to them only, and that the ideas were not to be repeated or used without Andrew's permission. The contract was so full of gobbledygook that no one really understood what it meant, and some people refused to sign such a vague agreement.

Thinking I was doing him a favor, I wrote a far clearer version of the contract and presented it to him. The event was much like your cat bringing a dead bird into your house and proudly laying it at your feet. Galambos said, "Don't you understand? If people know what the contract says, they won't sign it."

"But how can you ask people to sign something they don't understand?"

"Because after they take the course, they'll understand it and agree with it."

Of course, not everyone who took the course came to believe that he should get Andrew's permission before using any of the ideas.

He also had his own definitions for words, which he didn't explain until you took his course. This allowed him to state his beliefs in public without shocking anyone. For example, he defined "government" as a private company with whom you contract for protection (contrasted with "the State," which he defined as a coercive agency), and he would go before liberal groups to say he was in favor of world government. He also called himself a "liberal" — knowing that mod-

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ern liberals would mistakenly consider him to be a political ally.

Influence on Me

Andrew Galambos was the stereotypical genius — impossible to deal with, but the source of great innovation. Much like the composer Richard Wagner, he aggravated, inconvenienced, and exploited many people while enriching their lives.

That certainly was true in my case. Although I paid a high price then, my life is far better for having met Andrew Galambos. Although much of what I consider valuable might not be what he'd want credit for, I did learn much

People would sometimes ask Galambos what he thought of my ideas. He would shout that I had stolen all my ideas from him — even though I can't imagine that he ever took the time to read any of my books or even knew what they covered.

from him. For one thing, my writing became more precise, better organized, and — learning negatively from him — more considerate of the reader.

And probably no one influenced the course of my personal life and career as much as he did. His ideas prodded me to make several major changes.

Most of all, he inspired and encouraged me to give courses — which led to my writing ten books — which led

to everything else worthwhile that has happened to me over the past 30 years.

Benefits to Others

Despite his personality and his business practices, he had a way of changing almost all his students' lives. And I never heard of a Galambos graduate regressing to his former ways.

Ironically, one thing many people seemed to glean from his courses was the value of honesty — even though I don't recall him preaching it and he certainly didn't practice it himself. Doing business with a Galambos graduate was usually straightforward, profitable, and pleasurable.

Whether Andrew somehow attracted smart people to his courses or listening to him made them smarter is a chicken-&-egg question. Either way, his clientele consisted of first-rate people who knew how to use what they learned. He appealed to people who wanted to solve problems. They wanted to know how to make a better world, but they also sought the means of improving their own lives in a realistic way — not with a magic cure-all.

Andrew provided the conceptual tools by which individuals could organize and refine their own ideas — their own observations about how the world works. In effect, they didn't adopt Andrew's philosophy so much as they made better use of their own.

They didn't accept Andrew's ideas because they were Andrew's; they accepted what made sense to them. Because many of them were emotionally stronger than Andrew, they were able to survive the criticism and pettiness Andrew inflicted; if Galambos was

abusive, they knew enough to ignore what wasn't true and drink in from Galambos all that would help them. And they were secure enough in their own lives to be able to acknowledge their intellectual debts to him, even if he accused them of intellectual piracy.

Andrew Galambos made the world more intelligible to them, and they made the most of their newfound understanding. In the process, his graduates proved that a proper understanding of the free market can be used to effect a happier, more productive, much more prosperous life.

The Galambos Legacy

One of Andrew's greatest failings appeared to be his inability to recognize that there are no final answers for a free society. If a totally free society will exist in, say, the year 2020, we

Galambos provided the conceptual tools by which individuals could organize and refine their own ideas — they didn't adopt his philosophy so much as they made better use of their own.

have no way of knowing today how property will be protected, how the nation will be defended, how drivers will be charged for using roads, or how any of the thousands of other technical issues will be handled.

If someday there is a profit to be made from providing neighborhood protection or national defense, hundreds of ideas will come gushing forth — as some of the best minds in the world see an opportunity to get rich and to be intellectually challenged by devising the best possible systems.

It is presumptuous of us to think we can somehow foresee all these ideas and know now how these matters will be handled. All we can do is cite *potential* ways to take care of them — to reassure people that matters can be handled without resorting to the coercion, inefficiency, and monopoly of political methods.

Andrew Galambos devised or promoted potential ways to deal with

continued on page 60

“LEGAL TENDER?

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Mises and Monarchy

by Ralph Raico

The Mises Institute deserves better treatment. And who is Tom G. Palmer, anyway?

Ludwig von Mises and F.A. Hayek are widely considered the most eminent classical liberal thinkers of this century. They are also the two best known Austrian economists. They were great scholars and great men. I was lucky to have them both as my teachers.

Yet it is clear that the world treats them very differently. Mises was denied the Nobel Prize for economics, which Hayek won the year after Mises' death. Hayek is occasionally anthologized and read in college courses, when a spokesman for free enterprise absolutely cannot be avoided; Mises is virtually unknown in American academia. Even among organizations that support the free market in a general way, it is Hayek who is honored and invoked, while Mises is ignored or pushed into the background.

To a degree, this is understandable. Leaving aside their relative scientific achievements, Hayek is simply more "respectable." He was always much more accommodating to his adversaries, for instance, dedicating his best known book, *The Road to Serfdom*, "To the socialists of all parties." (A noble gesture, perhaps, but what socialist was ever brought over by it?) In contrast, Mises is looked on as "dogmatic" and "doctrinaire." Certainly, Mises would no more have dedicated a book to socialists than Ayn Rand would have dedicated *Atlas Shrugged*, "To thugs of all descriptions." Some might even find

that rather admirable.

One difference between the two thinkers is obvious and admitted on all sides: Mises was, always, an uncompromising advocate of the social order of private property, while Hayek was, always, prepared to accept significant infringements on it. Hayek spurned the term, *laissez faire*; Mises exulted in it. Hayek's view of the state resembled that of a British public servant; over and over again, he declared that, besides maintaining minimal order, the state should function as a wide-ranging service agency. For Mises, the state was legalized force, and its business was simply to defend life and property by beating anti-social elements into submission. Mises relied on voluntary methods for aiding the poor, while Hayek championed a minimum income for all. In fact, Anthony de Jasay has gone so far as to write that, taking all of his welfare proposals together, what Hayek essentially proposed was the Swedish model under the label of classical liberalism. Nowadays, leftists, in defending the welfare state, use the argument, "Even Hayek conceded..."

The "intransigent" Mises, Jacques

Rueff called him. Yes, gloriously intransigent, over six decades — including the desperate 1930s, when Frank Knight, founder of the Chicago school of free-market economists, was urging people to vote for the candidate of the Communist Party for president of the United States.

There is only one free-market organization today that makes no bones of its devotion to the thought of Mises. It happens to be called the Ludwig von Mises Institute, located in Auburn, Alabama. Founded in 1982, with the full support of Mrs. Margit von Mises, who chaired the board until her death in 1993, the Institute has enjoyed the close collaboration of prominent thinkers in the Austrian tradition, most of all Murray Rothbard, who headed its academic programs until he died two years ago. Besides keeping alive the thought of the great Mises, the Institute is the center for preserving and disseminating the ideas of Murray Rothbard as well. Others seem to have forgotten who Murray was and what he meant to the libertarian movement in America. The Mises Institute is building a library to house the books and

papers of Murray Rothbard.

Associated with the Mises Institute are dozens of senior and adjunct scholars, from the United States and abroad. They are among those who have presented the hundreds of papers delivered at the three Austrian Scholars conferences held in recent years and at the special conferences on subjects such as the gold standard, the end of Keynes, the demise of Marxism, and the costs of America's wars. The Mises Summer University, a week-long seminar, has now been held for the past thirteen years and has "graduated" close to 2,000 students from America and overseas, very bright kids, filled with intellectual energy and enthusiasm for liberty.

Here are some other accomplishments of the Mises Institute: publishing or subsidizing over 100 monographs and books, like Rothbard's *Man, Economy and State* and Mises' *Theory and History*, besides many new works; conducting hundreds of seminars and conferences; producing three documentary films; placing nearly 500 op-ed pieces in newspapers and magazines; and providing financial assistance to thousands of undergraduate and graduate students. The Institute publishes five periodicals (four of them for at least the past ten years), including *The Free Market* and *The Review of Austrian Economics*.

Not bad, one might think, especially for an organization boasting a staff of six and lacking any massively

rich benefactors; one which must depend on the donations of thousands of individuals of relatively modest means. In the sub-headline to an article by Tom G. Palmer, in the September *Liberty*, the editor asked rhetorically, "Who is Lew Rockwell?" In case he does not know: Llewellyn H. Rockwell is the man who created the Ludwig von Mises Institute and has served as its president from the start.

This year the Mises Institute celebrated its fifteenth anniversary. As part of that celebration, Karl von Habsburg, son of the Archduke Otto, was invited to address the gathering in Atlanta, at the end of September. For many people, myself included, the Habsburgs are the best symbol available of Old Austria and of the world of central Europe before the arrival of the Nazis and the Reds. If for nothing else, then for this: the old ruling house stands for the way the Jews of Austria and Hungary — including the Mises family — were treated, compared to what came after.

In a letter promoting the affair, Lew Rockwell said some nice things about the Habsburgs. The unpleasant episodes in the record of the 700-year-old dynasty he tactfully ignored. After all, the Archduke Otto, head of the family, has for many years now been a respected member of the Mont Pelerin Society, and Mises himself in 1942 advised Otto on how monarchy might be restored in Austria. One could

argue, I suppose, that a libertarian is obliged to chide Otto and Karl for the misdeeds of their ancestors. But then Peter Bauer and Ralph Harris, on being raised to the peerage, probably should have said something about the countless crimes of the English crown — or Hayek, for that matter, when he was made a Companion of Honour.

Tom Palmer replied with outrage to Rockwell's letter, even affecting to *defend* Mises against the Mises Institute. There is little point in subjecting Palmer's critique to a detailed critique in turn — noting, for instance, his confusion of republicanism with democracy; or filling in a few gaps in his ten-word interpretation of the origins of the First World War; or correcting his dismissive description of the "obsequious" Edmund Burke; or informing him why Lew Rockwell is not alone in judging the Habsburgs to have been guardians of European civilization (hint: it has something to do with the Turks). What would be gained by trying to demolish the attempted demolition of what was, when all is said and done, basically a *promotional letter*? In all fairness, how much can this matter, one way or the other, in view of fifteen years of solid service to the thought of Ludwig von Mises and Murray Rothbard that Rockwell and his Institute have given to the world of scholarship and to the libertarian movement? □

Browne, "The Unknown Libertarian," *continued from page 58*

some of the thorniest issues of a free society. In this, he provided a great service. But he was wrong to think that his ways were *the* ways — and that this is *how it will be*. He set himself up as the final authority on these questions. In effect, he was playing God, and he was no better at it than anyone else who tries to fill that role.

But those who have criticized his ideas can be just as mistaken. If there was some part of his grand design that was defective, if he presumed too much — so what? No matter how Andrew perceived his role, he wasn't setting the rules for a free society; he was helping us see how responsive and effective the free market can be when confronted with any sort of human need.

That was a large part of his great genius, and it opened the minds of a multitude of individuals who were exposed to his courses.

In the same way, there are thousands of other unknown libertarians around America — and around the world — who are helping people move a step further in their understanding of the limitless benefits of liberty. Whatever we think of the details of their ideas, we are indebted to them for opening the minds of so many people.

Andrew Galambos was one of the most important of these teachers. He transformed conservatives, liberals, and moderates into libertarians at a time when liberty was the most radical idea imaginable — when the welfare state was at the very peak of its popu-

larity in the mid-1960s. With massive confidence, he encouraged thousands of people to live better lives and to become better salesmen of liberty.

As Alvin Lowi put it:

Galambos' legacy is a work in process embodied in a few individuals enriched with new vistas of a rational world including a humanity worthy of survival. Those individuals have proceeded to celebrate that legacy with a strengthened courage of conviction to live their lives more fully and unashamedly for themselves, at no expense to anyone else, in the unshakable belief that in doing so, the world would be the better for it. In this outcome, Galambos could have taken ample satisfaction. □

Reviews

Thought Contagion: How Belief Spreads Through Society, by Aaron Lynch. Basic Books, 1996, 192 pp., \$24.00.

Viruses of the Mind

Scott Reid

In March this year, I was briefly infected by a virus. The infection occurred when I received an e-mail from a friend (whom I will call "John"), containing the following warning:

There is a computer virus that is being sent across the Internet. If you receive an e-mail message with the subject line "Good Times," DO NOT read the message, DELETE it immediately. . . . It has a virus that rewrites your hard drive, obliterating anything on it. . . .

Luckily, there is one sure means of detecting what is now known as the "Good Times" virus. It always travels to new computers the same way, in a text e-mail message with the subject line reading "Good Times." Avoiding infection is easy once the file has been received simply by NOT READING IT!

The act of loading the file into the mail server's ASCII buffer causes the "Good Times" mainline program to initialize and execute. The program is highly intelligent — it will send copies of itself to everyone whose e-mail address is contained in a received-mail file or a sent-mail file, if it can find one. It will then proceed to trash the computer it is running on. The bottom line is: If you receive a file with the subject line "Good Times," delete it immediately! Rest assured that whoever's name was on the "From" line was surely struck by the

virus PASS THIS WARNING
ON TO EVERYONE YOU KNOW —
DO IT NOW !!!!!

Naturally, I was alarmed. Of course I was safe — the warning had reached my computer in advance of the nefarious "Good Times" virus. But what of my friends? I quickly prepared an e-mail address list of everybody with whom I correspond, so that I could send the warning to each of them. Fortunately, just before sending out the copied message, I checked my e-mail again. A single new message from a mutual friend was in my in-box, addressed to John and to everybody to whom he had sent the warning:

Oh, John. Oh, John, John, John. (Here I shake my head sadly, as one who first saw this thing three years ago and nearly passed it on himself before saying, "Wait a minute . . . a virus that works in a text e-mail message? That opens just by *reading* it? That works independent of the platform? Hmmmm . . .")

It's a hoax, amigo. The WARNING is the virus (damage: eats up time, causes needless worry, wastes bandwidth), and it's been circulating for years. . . . Friends, please don't forward the warning; delete it instead.

As this episode illustrates, it is easy for a person's consciousness to be exploited by a mind virus identical in nature to a computer virus or a biological virus.

In each case, the virus is a package of information that exploits the

resources of a host to replicate itself and to transmit itself to new hosts. A biological virus encodes itself in DNA, wraps itself in a protein shell, and is transmitted when bodily fluids are exchanged between hosts. A computer virus is encoded in computer software and is transmitted when computer code is exchanged between computers. A mind virus encodes itself as a thought or a bit of consciousness, and can be transmitted visually or aurally, on paper, on a computer screen, or as speech.

This startling insight was first promulgated in 1976, in Oxford biologist Richard Dawkins's book, *The Selfish Gene*. Dawkins had argued in the first part of this book that genes (which he defines as "a portion of chromosomal [and therefore potentially self-replicating] material which potentially lasts for enough generations to serve as a unit of natural selection") are the primary units of Darwinian evolution. It is genes, not individual plants and animals, that replicate themselves by producing characteristics in their host that

Once successfully established in my mind, the meme makes me want to pass it on.

allow the host to live longer or reproduce more successfully. Every time that a gene programs its host to run faster, grow larger, or in some other way improve its chances of surviving and reproducing, the gene increases its own likelihood of being replicated in larger and larger numbers. This process is generally beneficial for the host, but it is the gene, not the host, that is selected for replication. From a genetic point of view, all hosts, including humans, are merely complex amalgams of overlapping physical characteristics, all of which are produced by genes.

In the final chapter of *The Selfish*

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Gene, Dawkins introduced an even more radical thought. He suggested that just as genes rather than organisms are the fundamental units of biological evolution, it is possible that the fundamental units of consciousness and cultural evolution are not human minds, but rather the individual thoughts and sentiments that occupy our minds. In order to take the argument further, he invented a word, "meme," to describe these mind-genes.

Dawkins described memes in these terms: "When you plant a fertile meme in my mind, you literally parasitize my brain, turning it into a vehicle for the meme's propagation in just the same way that a virus may parasitize the genetic mechanism of a host cell." Once successfully established in my mind, the meme makes me *want* to pass it on, or at least to engage in actions that will cause the meme to be passed along. This was clearly the case with the mind virus that my friend had e-mailed to me. A far longer-lasting "infection" has been the desire, planted in me when I read *The Selfish Gene* more than a decade ago, to learn more about memes and to transmit the concept to others.

A similar desire has clearly infected Aaron Lynch, the author of *Thought Contagion: How Belief Spreads Through Society*. Twenty years after the publication of *The Selfish Gene*, Lynch's book represents the first attempt to produce a more popularly written and easily accessible presentation of memes and of the emerging science of memetics. Regrettably, it is not particularly successful at achieving these goals.

Part of the problem is that Dawkins and the other scientists who have written on memes have done so in the same crisp, readable, non-technical language that made Charles Darwin's great books so accessible. So in a sense, there is less need for this sort of popularization in memetics than in, say, economics.

More fundamental, however, are the flaws intrinsic to *Thought Contagion*.

Lynch has arranged the book as a sort of laundry list of examples of memes. After a *pro forma* discussion of how memes work and how they are transmitted, he launches into literally hundreds of different examples of memes at work. Some of the ways in which he has applied meme analysis to the study of sexual taboos and religion

are quite interesting, but more often than not the examples seem to be arbitrarily chosen and inadequately discussed. In the space of seven pages, for example (pp. 136-142), his sub-headings include "Circumcision," "Bottle-feeding," "Diets," "Freudian Analysis," "Astrology" and "Memes and AIDS." Perhaps unfairly, I was left with the impression that this muddle of sometimes-intriguing, sometimes-erroneous examples could have been assembled from the collected e-mail that Lynch and fellow memetics enthusiasts may have been bouncing back and forth.

Lynch's failure to tell where he gets his information is particularly annoying. When I did encounter a particularly interesting idea that I wanted to pursue further, Lynch left me no indication as to whether the ideas he was expressing were his own or someone else's. In some cases I recognized ideas that had originated in other sources. He suggests that the Jewish law "against eating shellfish, pork and other parasite-laden animals [is a meme that has survived because it] may reduce mortality rates, thus propagating the movement." (105) This old chestnut originated nearly a hundred years with William James, but Lynch fails to credit or acknowledge James at all. He also fails to mention the alternative, and still very viable thesis, that most of the dietary and behavioral laws in Leviticus are primitive taboos with very little positive or negative impact on the survival and propagation of the Jewish religion.

Even more frustrating is Lynch's frequent presentation of highly debatable propositions regarding the influence of a meme, without making mention of alternative reputable hypotheses, some of which are meme-based and some of which are not. Consider the theory that genes for male homosexuality tend to increase in periods when the culture is dominated by gay-intolerant memes that drive homosexuals underground. Once homosexuals have been forced into heterosexual unions, they reproduce the gene for homosexuality, and the genes spread through the population. Once gays reach a critical mass in society, gay-positive memes spread, and homosexuals are able to "come out." However, homosexual unions do not produce off-

spring, and so the gay population gradually subsides, starting the cycle of intolerance over again.

Scientists have posited other explanations for homosexuality, a fact Lynch fails to mention. For example, Edward O. Wilson, the father of sociobiology (the discipline from which memetics is derived) has suggested that homosexuality is the result of a purely genetic reproductive pattern in which some males, by demonstrating homosexual behavior, remove themselves from the struggle for mates that is the main source of conflict in primitive societies. By serving as peacemakers, homosexuals allow for their close relatives to produce more offspring. In this way, the homosexuality gene passes on as a recessive gene to the primitive homosexual's nieces and nephews. Although Lynch cites Wilson's book, *On Human Nature*, in his bibliography, he fails to even mention the peacemaker hypothesis.

For some reason, Lynch insists on treating the concepts of "meme" and "idea" as interchangeable. A far more robust definition of "meme" regards the concept as including any thought process that causes acts of volition on my part. If I regard a piece of music as beautiful and am therefore motivated to purchase a copy of it, that music is a meme. But clearly a symphony is not an *idea*. Similar observations could be made for all the arts, and presumably even to such unlikely things as the scents contained in commercial perfumes. Dawkins realized this, and said as much in *The Selfish Gene*. But Lynch sells the concept short by limiting his definition of memes to that class of memes that affects my intellect, and excluding those that affect my senses directly. At one point he begins what could have been a fascinating discussion of drug dependence as a form of meme, but he pursues the issue for exactly 38 lines of text and then drops the subject.

Memetics is the most exciting new field in psychology, and appears to be spreading. While preparing this review, I heard a radio interview in which Daniel Dennett, one of the leading advocates of memetics, described memes with a clarity that far exceeds Lynch's. When I heard Dennett refer to complicated self-replicating structures like the novel *Moby Dick* as "meme

complexes," I reached for *Thought Contagion* to see if Lynch had used the term even once. He had not, despite its

importance in explaining how works of art or entire philosophies spread through society. □

***The New Golden Rule: Community and Morality in a Democratic Society*, by Amitai Etzioni. Basic Books, 1996, 305 pp., \$26.00.**

Community Rules

Aeon Skoble

It is ultimately pointless to review this book. Readers of this magazine, for the most part individualists, are already predisposed against communitarianism, which announces itself as a reaction to individualism. But a magazine with a largely communitarian readership wouldn't run this review, which will be negative, because the reviewer is one of those blinkered individualists. A "mainstream" magazine might run it, but that would be pointless too — and the reason indicates the main problem with this book, and with the communitarian movement in general: the book contains no new arguments against individualism, and this review's criticisms will be as completely ignored or caricatured as every other criticism of communitarianism. Why review it then? Because that is the way the game is played — and when the book comes up in conversation, readers of this magazine may want to know what they are facing.

Amitai Etzioni is generally regarded as a "leader" of the communitarian movement, so his book will be taken seriously. But the problem is not so much that communitarianism continues to be taken so seriously, but that communitarians do not argue honestly. Their criticisms of individualism are built around caricatures and strawmen. When taken to task for this in mainstream publications, their response is: nothing. The next manifesto contains the exact same mistakes and misrepresentations. Not even Marxists are so

blatantly ignorant of their critics. Most ideological movements proceed by advancing a theory, considering criticisms, and then responding to those criticisms or modifying the theory. Communitarians do none of these things.

Nine years ago, Steven Holmes wrote a long article in *The New Republic* pointing out many flaws and misrepresentations in communitarianism. But recent work by Etzioni, Robert Bellah, and Michael Sandel make exactly the same arguments and continue the same caricatures. The charge of dishonest argumentation is not hyperbole — these authors never address their critics in a forthright way, and continue to misrepresent individualism. They begin passages with statements like "according to liberalism . . ." or "liberal individualists argue that . . ." without referring to actual liberal authors. The *Atlantic Monthly* ran a long excerpt from Michael Sandel's recent book on communitarianism, which is the sort of exposure these flawed arguments depend on to get mainstream acceptance. The excerpt was filled with non-references to the theorists he criticizes. The *Atlantic Monthly* is unlikely to run a similar-size piece by any contributor to this magazine. But sadly, it wouldn't matter if the *Atlantic* did, because Sandel, Bellah, and Etzioni would continue to attack strawmen, misrepresent liberalism, and ignore criticism. Indeed, every criticism that follows has been made before of earlier works by communitarians.

Etzioni's most recent book is called *The New Golden Rule*, a title that simul-

taneously evokes both a widely-held moral intuition and a sense of "progressive" thinking. Such evocative rhetoric, built around emotional appeals and caricatures of their ideological opponents, is a staple of communitarian theorists left and right. Instead of advancing a theory and responding to criticisms, communitarians prefer to evoke a sense of community, of neighbors sitting on their porches while children play in the yards, and then contrast this image with the specter of the selfish individualist, who doesn't care about anyone but himself. This contrast is rarely made explicit, partly

There's a hint of old-fashioned fascism in Etzioni's conception of the community as an organic whole (try rereading any passage substituting the word "state" for "community").

because the sort of individualism being rejected is the invention not of liberal thinkers, but of critics of liberalism — Marxists, fascists, and others. Etzioni's descriptions of the "liberal self" are generally borrowed from such theorists as Sandel and Charles Taylor, who actually reject the liberal notion of the self.

According to these theorists, liberalism views people as atomistic units, unencumbered by social ties or moral sense or fellow-feeling. Individualism is said to promote excessive selfishness, alienate people, and be destructive of the common good. Hence, the individualist paradigm must be replaced by communitarianism, which gives proper weight to shared social values.

The problem is that only anti-liberal theorists describe the liberal self this way. Etzioni typically begins passages with "according to liberalism . . ." without referring to actual liberals. The reason is undoubtedly that liberal theorists — such as John Locke, Adam Smith, J.S. Mill, Herbert Spencer, F.A. Hayek, Milton Friedman, John Rawls, Robert Nozick, Tibor Machan — all recognize that there is a social component to human well-being, and that commu-

nities are good things. They object, of course, to the coercive establishment of artificial communities, but place high value on voluntary, cooperative communities.

Etzioni complains that liberal individualists don't value cooperative activity, which is simply false. The markets praised so highly by liberals, for instance, depend on elaborate networks of cooperative activities. Cooperation and self-interest need not be seen as conflicting, of course, but that makes an easy contrast. Etzioni doesn't make any sort of argument that there actually is such a conflict, or that self-interested activities are somehow not really cooperative. Instead, Etzioni says "[s]ome strong individualists argue that . . . shared values are not necessary because people . . . will come to agree on public measures that they all consider compatible with their individual formulations of the good" (p. 87). What individualist ever said anything like that? But the next paragraph details Sandel's criticism of this strawman.

Etzioni frets that we suffer from "rampant selfishness" and "excessive individualism," but he cites as evidence only his own writing, or that of other communitarians such as Bellah or Sandel. Is it really excessive individualism, though, which is responsible for religious and racial intolerance?

When he does bother to use real liberal individualists, Etzioni gets them wrong, and in suspicious ways. For example, he claims that Milton Friedman "argued that [business] had no social obligations" (65). But Friedman's view, of course, is that corporations do have an obligation: to make profits for the shareholders, an obligation whose pursuit encourages investment and creates jobs. Corporations have other obligations also, such as respecting others' property rights. Etzioni's point is that corporations do not have the charitable "obligations" that he thinks they should have. The real problem, though, isn't that Etzioni has Friedman wrong here, but that he misrepresents him. Similarly, he gets Mill very wrong, and in a transparent way, when he claims that Mill sees no difference "between the coercion of the law and the urging of the moral voice" (132).

Etzioni complains that liberals place too high a value on autonomy, which

according to him leads to de-valuing the community. That just doesn't follow. There is no logical contradiction in the notion of a voluntary community, or in the notion of communities which respect individual autonomy. In any case, Etzioni also praises autonomy, and explains that his ideal society wouldn't be coercive. But a non-coercive community which respects individual autonomy sounds like liberalism, so this may be a case of wanting to have it both ways. Worse, it may suggest that the "real" way to have a good life is to live in a community (which is probably true, but uncontroversial) and that individualism won't allow this (which is false). In many cases, Etzioni's prescriptions are vague and almost contradictory: we shouldn't have too much autonomy, because that's bad for community; but we shouldn't enforce community plans in tyrannical ways, because that's bad for autonomy. Indeed, in his frequent use of the phrase "voluntary social order," he might at times be mistaken for an Hayekian. But he never addresses the tough questions about the proper relation between the individual and soci-

A theory which holds that everything belongs to everyone is actually more conducive to, say, dumping sludge in the lake, than a theory that upholds robust property rights.

ety. Should an individual be compelled to, say, salute the flag, in order to promote the symbolic displays that make a strong community? Should print matter with offensive messages be banned, and if so, who determines what "offensive" means? How can compulsory national service, which he endorses, be made compatible with individual autonomy, which he praises? More fundamentally, what exactly is wrong with the various theories of individual rights which inform classical liberalism, and if communitarianism allows for some rights, what are the criteria for abridging them? Why is Mill's criterion (harm to others) insufficient? None of these questions is addressed with any speci-

ficity, let alone answered.

Etzioni is on the right track when he criticizes the trend toward "minting new rights," but he fails to distinguish between rights-as-entitlements and rights-as-liberties. He is right, for example, when he explains that it is not censorship to deny federal grant money to an artist because the government doesn't approve of the artist's themes. And he acknowledges that society needs to be careful about creating new entitlements, since the resources to meet those new claims need to come from somewhere. But liberty is not newly minted, and respecting liberties doesn't consume resources. Hence Etzioni's communitarian slogan ("Rights and Responsibilities!") is based on a fallacy.

Potentially even more disturbing is his insistence on basing the community in "shared values." This is troubling in more than one way. First, it implies that majority consensus is the correct way to determine right and wrong. One requires little imagination to see the potential in this view for "tyranny of the majority." Of course, Etzioni is right when he says that democracy is

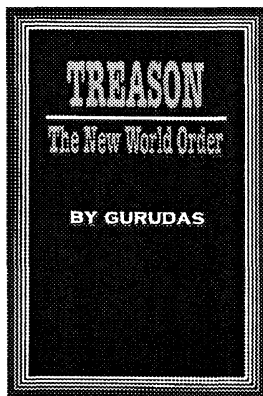
better than "values imposed by a minority elite" (222), but what does that prove? Furthermore, he claims that democracy isn't merely a means to an end, but ought to be valued as an end in itself (199). Yet he wants to distance himself from pure majoritarianism and complete relativism. He likes the Bill of Rights. This section is confusing at best.

The second troubling thing about "shared values" is the implication that communities have values or interests. Despite attempts to distance himself from thinking that communities are entities, he falls back on this notion at times, mostly when it is important to talk about the "values of the community," as if this were something other than the values of the members of the community. In this theory, the community seems really to exist as an entity; "the community" is said to be a moral agent (187). There's a hint of old-fashioned fascism in Etzioni's conception of the community as an organic whole (try rereading any passage substituting the word "state" for "community"). It is this "sense of shared values" which leads to the policy pre-

scriptions which Etzioni actually makes explicit: national service, social consensus on media and educational policies, and "symbolic displays" of community solidarity.

In the book's final sentence, Etzioni clarifies: he wants "a commitment to a moral order that is basically voluntary, and to a social order that is well balanced with socially secured autonomy" (257). Let's look at that very closely. The moral order is supposed to be voluntary — does that mean that I don't have to participate in national service? Or is it things like promise-keeping and generosity that are supposed to be voluntary? In either case, it's sufficient for the moral order to be "basically" voluntary — but what exactly does that mean? The social order (as opposed to the moral order?) is to have socially secured autonomy — does that mean the political structures of the society secure our individual autonomy (which sounds like liberal individualism)? Or does it mean that our autonomy is "tied to" social security of some kind (which sounds like fascism)?

Etzioni has been criticized elsewhere, notably in *The Economist*, for



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making pronouncements which might be thought to entail fascism, but which are couched in such vague theories and mild policy suggestions as to be largely devoid of content. But the suggestion that communitarians are a harmless bunch, who want only to stop corporations from dumping sludge in the river and for families to have a greater say in school policies, overlooks a darker side. Despite the ambiguities and inconsistencies, there is a coherent theme lurking in this book, and in the works of Sandel and Bellah: that society is worse off for allowing individuals to be self-determining, because they may act in ways which undermine the common good.

That raises an important question: first, is it individualism which undermines the common good? Recent trends towards denial of personal responsibility, which Etzioni rightly bemoans, are more sensibly attributable to an anti-individualist philosophy which holds that a person's actions are the product not of individual choice, but of social circumstances. Individualist theorists are actually more likely than others to emphasize personal responsibility. Perhaps we could better understand the common good in terms of the good of the individuals who make up the community. In arguing that corporations should respect the rights of their workers and their neighbors, for example, individualism seems a theory to appeal to, rather than to blame. And a theory which holds that everything belongs to everyone is actually more conducive to, say, dumping sludge in the lake, than a theory that upholds robust property rights. Finally, a theory privileging the community over the "selfish" or "atomistic" individual is more conducive to the racial and religious intolerance Etzioni bemoans than a theory that privileges the individual.

One also wonders: which notion of "the common good" does Etzioni think is undermined by individualism? It's safe to say that individualism does undermine at least some versions of the "common good" (for instance, that of National Socialism). But that's precisely why those versions are unacceptable. Etzioni more likely has in mind the shared "core values" that emerge from a consensus. But he needs a much more persuasive argument to show what

those values are, where they come from, and how an individual pursuing happiness without violating anyone else's right to do the same would undermine those values.

Will these criticisms lead communitarians to rethink some of their prem-

ises, or reformulate some of their arguments? Will communitarians read more about classical liberalism and explore its nuances? Or will they continue to advance an anti-liberal agenda, and caricature or ignore their critics? Only Etzioni can say. □

***Marx, Hayek, and Utopia*, by Chris Matthew Sciabarra. State University of New York Press, 1995, 178 pp., \$59.50 (hc); \$19.95 (sc).**

To the Dialecticians of All Parties

Bettina Bien Greaves

We are not apt to speak of Marx and Hayek in the same breath. Marx stood at one end of the political spectrum, urging the use of force to overthrow the existing power structure. In the *Communist Manifesto*, he called on "Communists everywhere [to] support every revolutionary movement against the existing social and political order of things." They should "openly declare that their ends can be attained only by the forcible overthrow of all existing social conditions. Let the ruling classes tremble at a Communistic revolution. The proletarians have nothing to lose but their chains. They have a world to win."

At the opposite end of the political spectrum was F. A. Hayek, who believed that the most powerful agent for change was not force, but ideas. "We must make the building of a free society once more an intellectual adventure. . . . Unless we can make the philosophic foundations of a free society once more a living intellectual issue, and its implementation a task which challenges the ingenuity and imagination of our liveliest minds, the prospects of freedom are indeed dark. But if we can regain that belief in the power of ideas which was the market of liberalism at its best, the battle is not lost" ("The Intellectuals and Social-

ism," as quoted by Sciabarra, pp. 119-120).

Marx vs. Hayek

In *Marx, Hayek, and Utopia*, Chris Sciabarra acknowledges the differences between the two men, but finds similarities as well. Both Marx and Hayek shared the view that "social reality is a dynamic process constituted by human action." Both men recognized that the actions of men had unintended social consequences. Both recognized the fragmentation of knowledge. Both were constructivists of sorts in that they had ideas about how society should be constructed. Both were utopians in that they had ideals about what society should be. Both recognized that state intervention could destroy capitalism.

According to Sciabarra, the trait it is most surprising to find shared by Marx and Hayek is their dialectical methodology. Dialectics, as Sciabarra defines it, is simply a methodology which searches for roots — that is, it is a "radical" methodology. "Hayek would agree wholeheartedly with Marx's observation: 'to be radical is to grasp things by the root.' Social theory, for both thinkers, must be based on a fundamental commitment to this truth. To be radical in this methodological sense, is to be dialectical, to search for roots." Thus, Marx and Hayek shared a common radical dialectics. But even when the two thinkers' ideas and ideals were similar,

their interpretations and recommendations differed sharply; and their similar dialectics led them to radically different conclusions.

Their most profound difference, as Sciabarra sees it, stems from their views of the human mind. Marx did not consider the limitations of the mind inherent or "natural." Rather these limitations were "historically conditioned" or "historically specific." To change the capabilities of the mind — and, thus, to change man himself, his society, and his destiny — one need only eliminate the historical factors, imposed by capitalism, that limit the mind. It was capitalism that had prevented "the development of the richness of human nature"; therefore, capitalism should be destroyed. And according to Marx, a "revolutionary proletariat" could accomplish just that; it could overcome the obstacles capitalism had placed in its path and "transcend unintended social consequences while consciously creating nonexploitative social conditions that emerge from specific historical circumstances."

Hayek, in contrast, grasped that the human mind was limited. This limita-

tion, as he saw it, was "natural," inherent in the nature of mind; men could never know everything. According to Hayek, "the contents of human consciousness are circumscribed in, and relative to, a social and historical setting, but the methods of consciousness — the means and character of knowledge — are universal and limited; no matter how far human knowledge and methods advance, there will always be rules regulating the mind." And Hayek sees these universal methods and rules as the means enabling men to use their minds to reason and think logically.

The sharp contrast between the two thinkers emerges most clearly in their views on the fragmentation of knowledge — whose existence they both recognize, but whose implications are seen very differently. Marx argued that under capitalism, the capitalists, the bourgeoisie, control both machinery and the forces of production. The capitalists thus have a monopoly on bourgeois knowledge and skills, which leads to a split between two categories of knowledge — bourgeois and proletarian. According to Marx, such a fragmentation of knowledge is inevitable and

insoluble as long as capitalism exists.

For Hayek, "knowledge is *essentially* dispersed," fragmented, precisely because the human mind is limited and man is not omniscient. But it is this very fragmentation of knowledge that enables the market to function — and which prevents socialist economies from functioning efficiently. Hayek saw the capitalist market economy as "the best means of coordinating fragmented information." By intervening in the market process, the state only subverts and distorts the generation of knowledge on which the market economy is based.

Marx and Hayek would agree that increased state intervention is "a sign of the dissolution of capitalist economy." But they differ radically in their evaluation of the consequences. Marx rejoiced at the prospect of destroying capitalism through state intervention, for he saw the destruction of capitalism as a preliminary to socialism. State intervention was the necessary first step toward his long-time goal of a communist society.

Hayek was not so ambitious. Hayek simply wanted to establish a social framework within which peace, free-

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dom, and human dignity could be achieved. Hayek considered capitalism desirable and deplored its destruction through state intervention, for he, like Marx, perceived intervention as a preliminary to the dissolution of the market process.

Both Marx and Hayek recognized that in the real world, actions often have "unintended social consequences." Marx blamed these "unintended social consequences" on capitalism and on unforeseen state interventions. However, he maintained that the proletariat would be able to transcend the "unintended social consequences," overthrow capitalism, and set the stage for the new communist

society. He predicted that "the great mass of the proletariat would expropriate the property of the minority capitalist class and centralize the means of production in the hands of the state." Once the state took possession of the means of production, that would be "its last independent act as a state." Then the state would just "wither away."

Hayek attributed "unintended social consequences" to the fact that men are not omniscient, that they cannot foresee all the effects of an action. "In Hayek's view no individual or group of individuals is capable of consciously producing desired effects on a social scale, while blocking the emergence of unintended consequences" (97).

Both Marx and Hayek professed to being anti-utopian. But Sciabarra believes that "Despite their common anti-utopianism, both Hayek and Marx, to differing degrees, project a 'constructivist' ideal to complete our understanding of what it means to be 'radical.' For Hayek, that ideal is anti-statist and non-authoritarian. Hayek merges a dialectic

Both Marx and Hayek recognized that state intervention could destroy capitalism.

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cal sensibility with a substantive recognition of epistemic structures [i.e., the mental structures that let people find knowledge] and real potentials, human freedom, the rule of law, and the unfettered market. But Hayek provides little guidance as to how such a libertarian ideal could be realized. . . . Hayek is adept at tracing the spontaneous emergence of market categories. But he does not offer a similar scenario for the spontaneous evolution of power and class relationships, and state structures. He is apt to make the dualistic claim that 'Societies form [spontaneously] but states are made.'" (40)

It is ironic that Hayek, who had tremendous respect for the power of men to reason, recognized that it was not within their power to plan society. "For Hayek, *Man is not and never will be the master of his fate*" (98). On the other hand, Marx, who looked on individuals as helpless pawns, subject to the "extra-neous objective forces of history," believed men could plan history and determine their own destiny. In Hayek's view, Marx "proposed a resolution that remained on the precipice of utopia" (98).

Sciabarra's conclusion is that "[t]he prime difference between Marx and Hayek is not ethical or political, but epistemological. Though both thinkers recognize the organic link between goals and context, between potentiality and actuality, they differ in their comprehension of the nature of epistemic limitations," or limits to knowledge (119).

Sciabarra's insights into the similarities and differences between these two thinkers are surprisingly original. And

he also discusses new leftists Hilary Wainwright and Jurgen Habermas, who have "fleshed out the full epistemic implications of the Marxian vision, but who "have embraced ideals of 'radical' or 'participatory' democracy that are less state-centered" than Marx.

Whatever the scholarly merits of the book, however, Sciabarra's turgid prose makes it difficult to read.

For instance: "Dualistic methodology is inspired by an atomistic worldview. Like atomists dualists emphasize separation, fragmentation, and division. Typically, dualism attempts to distinguish two irreconcilable spheres of social reality, though it often leads theorists to totalize one sphere to the detriment of another" (23).

Or, "Thus far, I have discussed three polarities in Marx's critique of capitalism. The first, a polarity between appearance and essence, is the basis of capitalist ideology. The second, a polarity between form and content, is the foundation of the bourgeois notion of freedom. The third, a polarity between human intentions and unintended social consequences, illustrates the spontaneous character of capitalism, a system that denies to people the ability to master their own fate. From these dualities, Marx claims to identify the existence of more concrete polarities generated by the capitalist mode of production" (63-64).

Judging by Sciabarra's insightful analysis in *Ayn Rand: The Russian Radical*, he is capable of writing clearly. But this book is his doctoral thesis; perhaps Sciabarra's professors confused density with profundity, and he wrote this way to satisfy them. □

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Letters, continued from page 5

Furthermore, Lt. Flinn was a pilot of the B-52, a plane which carries nuclear payloads. Do you seriously want such a craft piloted by a person who has a record of disobeying orders? Perhaps Lt. Flinn, driven into a rage by Christiane Amanpour's CNN diatribes, would decide to eschew orders one day and deliver a nuclear message to the "Butchers of Belgrade."

Kevin R. O'Keefe
Campbell, Cal.

Shaving the Issue with Occam

I think that I agree with Jane S. Shaw's review of Michael Behe's *Darwin's Black Box* ("Darwin Defied," July 1997), although her appraisal is so even-handed that it is sometimes difficult to tell whether she is criticizing or supporting the author. I firmly believe that in the matter of "Evolution vs. Creationism" the principal of Occam's Razor must be applied: "Do not devise more explanations than necessary for any given situation." The simplest explanation that accounts for all the observed phenomena is most likely the correct one.

In the matter under discussion evolution elegantly explains many observed aspects of life on Earth, while the alternative "theory," creationism, explains nothing and requires a supreme being (choose your favorite flavor) to design the system. One would expect such a designer to be more complex than the system being designed.

Clinton C. Owen
Belfair, Wash.

Justifying War

Mr. Damon Falconi ("Send in the Hypotheticals," Letters, September 1997) is right that after Operation Barbarossa there was little chance of Germany winning the war. The question I was asking was rather: Should the U.S. have become involved even without the possibility of invasion by victorious Nazis? Danger of invasion is the most obvious reason for engaging in defensive war. But surely there are others. One reason might be: to put a stop to a policy of racial genocide. Another reason might be: to honor the terms of an alliance. It's true that nations have been dragged into war because they entered into alliances (as isolationists constantly remind us);

but wars have also been prevented from occurring because an aggressor would have to take on the target and its allies.

The question should not be evaded by the usual remark that "if we hadn't joined World War I, there would have been no World War II." Though it may be true, it doesn't touch on the rather intricate question of what conditions justify engaging in a defensive war.

John Hospers
Los Angeles, Cal.

A Real Turkey

Oliver Becker's comment on recent developments in Turkey ("Asia Minor's major coup," September 1997) proves only one thing: *He understands nothing of Turkey.*

He goes out of his way to tell us that Turkey has been a "relatively" free nation for 75 years now. Maybe he needs to be reminded of the Armenian holocaust in the 1920s, the outright genocide of all remaining Greek Orthodox populations of Istanbul and Northern Turkey, the 1974 invasion of Cyprus, the resulting 200,000 refugees, the utter disregard of international law and its failing to comply with *unanimous* United Nations resolutions for withdrawing from the occupied lands of Cyprus, and the current genocide of the Kurds. But most important, we must acknowledge Turkey's persecution of its own citizens: The censorship of the press, the jailing of journalists and others who "threaten" the State, and the daily violation of human rights at Turkish prisons (this is not an exhaustive list). Even though every lover of freedom should rejoice at Erbakan's fall, the means of his fall are important. A powerful military establishment in Turkey has long been a deterrent to its move towards those institutions that could guarantee its political and economic freedoms.

Becker should better do his homework before informing us on the freedom credentials of internationally acknowledged oppressive regimes.

Dr. Anthony Rodolakis
Selkirk, N.Y.

The Other Party

Mr. Harry Browne declares ("The 22% solution," September 1997) that when the Libertarian Party reaches 200,000 members it will be a political war horse. But spending \$500,000 to

Notes on Contributors

Gary Alexander is a writer and editor living in Reston, Virginia, with a recently completed booklength manuscript on China under his belt.

"Baloo" is the alter ego of cartoonist Rex F. May.

Brien Bartels is an editorial assistant at *Liberty*.

John Bergstrom is a Californian cartoonist and animator.

David Boaz is author of *Libertarianism: A Primer* and editor of *The Libertarian Reader*.

Ben Bolch is co-author of *Apocalypse Not: Science, Economics and Environmentalism*.

R.W. Bradford is editor of *Liberty*.

Harry Browne is the author of the classic *How I Found Freedom in an Unfree World* and other books.

Stephen Cox is the author of the biographical introduction to the Transaction edition of Isabel Paterson's *The God of the Machine*.

James Gill is an artist living in Seattle.

Bettina Bien Greaves is co-compiler of *Mises: An Annotated Bibliography*.

Robert Higgs is the editor of the *Independent Review*.

Laura Kriho is a resident of Gilpin county, Colorado.

Pierre Lemieux is an economist and

pamphleteer living in Quebec.

Harold Lyons is co-author of *Apocalypse Not: Science, Economics and Environmentalism*.

Robert H. Nelson is the author of *Reaching for Heaven on Earth* and other books.

Michael Oakes is an American writer living in Japan.

Randal O'Toole is a forest economist and the editor of *Different Drummer*.

Ralph Raico is a historian and translator living in Buffalo New York.

Scott Reid is a Canadian policy adviser heading for an academic career Down Under.

Sheldon Richman is the author of *Separating School and State*.

James S. Robbins is a foreign policy analyst in Massachusetts.

Sandy Shaw is co-author with Durk Pearson of *Freedom of Informed Choice: FDA vs. Nutrient Supplements*.

Aeon Skoble is Visiting Assistant Professor of Philosophy at South East Missouri State University.

Aviezer Tucker is a member of the faculty of the Department of Politics of Palacky University, in Olomouc, Czech Republic.

Timothy Virkkala is executive editor of *Liberty*.

Somehow, I think that many libertarians are unable to distinguish between their own pet fantasies and actual political possibilities.

David Hoscheidt
Bloomington, Ill.

Note: The debate between Harry Browne and R.W. Bradford on the progress of the Libertarian Party is continued in this issue (see p. 16).

Interpreting Liberty Authors

I call your attention to Mr. Stephen Cox's "Raising the Standard" (September 1997). In his last paragraph Mr. Cox expresses surprise at the small number of readers who have written to denounce his writings. I would like to point out that just because someone is in print is no guarantee that anyone reads his articles. No doubt, the reason for the small reader response to his articles is that other readers, like myself, usually pass over his writings because the simplistic blathering they contain is never worth reading. Cox is in print because he rides on the coattails of other writers, those worthy of a publication such as *Liberty*, certainly not because of his own literary talents.

To prove my point, I ask you to read his reflection in the same issue entitled "Father, forgive them, for they know not what they say." No doubt Cox is talking about himself, for he fails to take in the obvious, which is that the King James Version is itself an interpretation. It has simply been around a lot longer than modern interpretations. However, it is no less vulnerable to misinterpretation from its origins — which is the Geneva Bible.

The Geneva Bible became illegal to own or read in England after its interpretation, ordered by King James — pervert and admitted sadistic child molester, who had the Geneva Bible interpreted for his own political goals.

That a simple mind like Cox's is not aware that the King James Version is itself an interpretation, is apparent. Cox obviously lacks the knowledge from where the interpretation originates. That he would base his religious beliefs and blindly follow, like a brainless sheep, the King James "Misinterpretation" comes as no surprise.

Rev. Mark H. Miller
San Francisco, Cal.

recruit new members will not do it. The top contender for the LP presidential nomination must also seek the Republican nomination. Of course, he or she will not win but an articulate candidate such as Browne himself would do well in national televised debates.

Joseph R. Tobin
Emerson, N.J.

Is This the Real Life, or Is This Just Fantasy?

Harry Browne apparently believes:

1. That the American people will elect a Libertarian President before they elect a sizable number of Libertarians to the Congress.

2. That Congress, while still dominated by non-libertarians, will nevertheless pass a bill or bills designed by the Libertarian President to bring about massive change in American society.

3. That a sudden, radical implosion of government is necessary because otherwise the non-libertarian Congress, the same Congress that approved the change in the first place, will immediately try to reverse it.

4. That millions of American voters already agree with radical libertarian ideas, but nevertheless will refuse to vote Libertarian until they perceive that the Libertarian candidate has a reasonable chance of winning.

I believe these ideas are nonsense.



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How I Found Freedom in an Unfree World

by Harry Browne shows how you can use libertarian ideas and principles in your personal, business, and social life to make yourself happier, richer, and freer than you ever dreamed possible.

Most Libertarians are too busy complaining about government to take back their personal freedom.

You could be a lot freer than you are.

Even if the IRS gets really nasty. Even if the BATF stays armed and dangerous. Even if Congress is in session.

Why You Are Not Free

Government tries to fold, spindle, and mutilate your life, liberty, and property.

Government tries to stop you from living your life the way you want to – and force you to live the way it wants you to live.

Why?

It's for your own good. Just ask the government.

It's for the good of others. Just ask the government.

It's for the good of the less fortunate, the good of the children, the good of society as a whole, or the greater good. Just ask government.

No doubt about it. Government tries to restrict and control you in many ways.

Some of these are avoidable and some aren't.

But there are a lot of other areas of your life where you put up with unchosen burdens, needless restrictions, fictitious duties and obligations, and unwanted relationships.

Freedom is living your life the way you want to live it.

Why are you allowing needless interferences with your personal freedom?

What's keeping you from living your life the way you really want to live it?

"Traps," says Harry Browne. Traps are unexamined and unchallenged anti-freedom beliefs.

False assumptions, myths, and illusions.

You were exposed to these anti-freedom traps throughout childhood, taught them in public schools, at church, and by people who want more government. People who believe government works.

How many of the 14 most common anti-freedom traps are affecting your work and relationships?

- Are you making these two mistakes about individualism?
- How is the Group Trap keeping you from doing what's best for you and those you love?
- Do you know how to avoid the previous investment trap?

How many of the 14 most common anti-freedom traps have you vaccinated yourself against?

Let Harry Browne show you what's wrong with these traps, how to escape and protect yourself from them, and the libertarian alternative.

"... I'm now free to live my life as I want to live it. Despite all-time high taxes, I pay ridiculously few taxes. Despite my irregular life style, I live my own life without interference from society.

Everyday of my life is mine to use as I see fit. My time isn't committed to the state, to society, to a treadmill, or to fruitless relationships with people with whom I have nothing in common.

I haven't needed to hide my head in the sand to achieve this. I have valuable relationships – personal, professional, and romantic. I make far more money now than when I was restricted – and it takes far fewer hours to make it.

I'm involved with people who add to my life, and I'm independent of those who would take from it.

... **How I Found Freedom in an Unfree World** is not an autobiography. The title was chosen to let you know that at least one person has accomplished the freedom you seek, and that it can be done without changing the nature of the world."

- **Harry Browne**

How You Can Be Free

You can use your libertarian ideas and principles to live the life you want to live.

You don't have to change other people's minds.

You don't have to convince others that you're right.

You don't have to sell out, settle, compromise, or conform.

Nor do the people you deal with.

If you had the only copy of **How I Found Freedom in an Unfree World**, if no one else could read it or accept its conclusions, you could still break free now.

And, in the process, you could free the people you deal with everyday.

You can free yourself from many restrictions and burdens of government. You can free yourself now from business problems, insecurity, exploitation, or the treadmill.

You can put freedom into your relationships, your marriage, or your family.

And you can free yourself from guilt, social pressure, unchosen obligations, demanded duties, and even emotional blackmail.

A New Life

"A book should be an ice pick to break up the frozen sea within us," said Kafka.

How I Found Freedom in an Unfree World says "Yes."

"Two libertarian books changed my life," says Michael Cloud.

"*Atlas Shrugged* by Ayn Rand and **How I Found Freedom in an Unfree World**

by Harry Browne."

"**How I Found Freedom in an Unfree World** doesn't just give you ideas. It gets new ideas out of you. It shakes you awake. It disturbs and perturbs," says Cloud. "**How I Found Freedom in an Unfree World** will change your life – and let you breathe the pure oxygen of liberty now."

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Art Matsko, Publisher