Liberty

January 2002

Terror, War, Rock 'n' Roll

Antitrust vs. Microsoft The Real Loser Is You

By Dave Kopel

Battling Child Pornography

by Bradley Monton

Muslims in Paradise

by Alexander Boldizar

Martial Law Comes to Hawaii

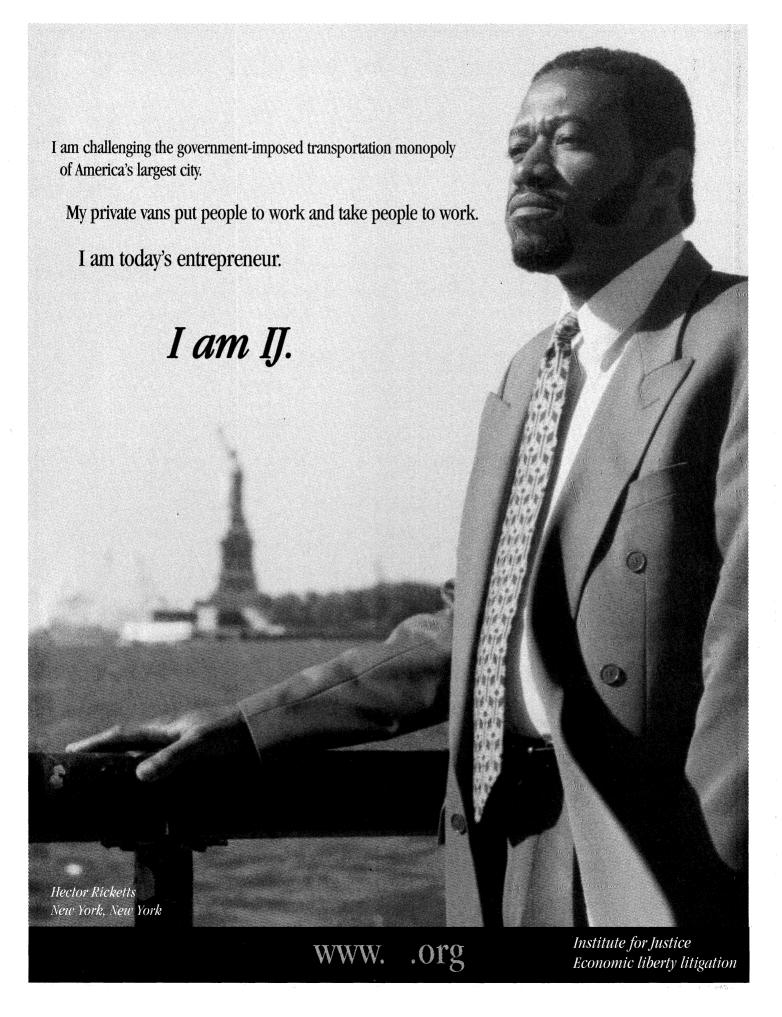
by Malia Zimmerman

Globalization and Gilligan

by Stephen Cox



Also: Robert Levy explains how the USA PATRIOT Act violates the Constitution, Stephen Browne tells how the Cold War almost got hot, Bettina Bien Greaves looks at the strange career of Alan Greenspan . . . plus other articles, reviews, and humor.



Liberty

R.W. Bradford editor & publisher Stephen Cox John Hospers Jane S. Shaw senior editors **Brien Bartels** David Boaz Alan Bock **Douglas Casey** Eric D. Dixon **Brian Doherty** David Friedman J. Orlin Grabbe Bettina Bien Greaves Leon T. Hadar John Haywood Gene Healy Robert Higgs Bill Kauffman Dave Kopel Bart Kosko Richard Kostelanetz Loren E. Lomasky Sarah McCarthy Wendy McElroy William E. Merritt Robert H. Nelson Randal O'Toole Ross Overbeek **Durk Pearson** Dyanne Petersen Bruce Ramsey Jeff Riggenbach Scott J. Reid Sheldon Richman Timothy Sandefur Sandy Shaw Tim Slagle Fred L. Smith, Jr. Martin M. Solomon Clark Stooksbury Thomas S. Szasz Martin Morse Wooster Leland B. Yeager contributing editors Kathleen Bradford managing editor Andrew Chamberlain Elizabeth Merritt assistant editors John Bergstrom S.H. Chambers Rex F. May cartoonists/illustrators Jon Kalb Jim Switz computer consultants Eric Raetz editorial assistant Caroline Evanger

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January 2002

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Letters

The USA: Everywhere It Shouldn't Be

"Bin Laden's objective," Jon Basil Utley speculated to Hernando de Soto, author of *The Other Path*, "is the expulsion of American interests from the Muslim world."

"No, no," replied de Soto, "it's more than that. He wants American interests out of the whole Third World."

How is it that the Peruvian de Soto understands bin Laden's motives, but some contributors to *Liberty* (November, December) don't? Because he has perspective and your Sarah McCarthy and Stephen Cox are unenlightened, narrow-minded, and myopic.

Let's bring both Osama bin Laden and the U.S. government before an international tribunal. And I don't mean a United States-sponsored kangaroo court like the one in The Hague. Instead, they should be tried before a court composed of, say, one judge from each of the world's nine most popular religions. McCarthy and Cox might be surprised by the verdict.

Geb Sommer Lexington, S.C.

Know Thine Enemy

Is some latent fear that libertarians might be considered wimps being expressed in the December Liberty? We are treated, on page seven, to a cartoon mocking anyone who is interested in understanding the anger that people around the world feel toward the United States. A few pages later, in "No Time for Fantasy," Stephen Cox condemns any outcry against the words "Nuke 'em all." Then Sarah McCarthy, in "Rage Now!" indulges herself with phrases like, "Good riddance to you, you miserable sexist, towel-headed mutant." Feel better now, Ms. McCarthy?

Let me make it clear: I support the pursuit of criminals. No action by the U.S. justifies the murder of innocents. But perhaps I missed the places where

Cox, McCarthy, and other self-congratulatory hotheads ask whether our assumption of bin Laden's guilt in the Sept. 11 attacks might require some actual evidence. Do they take George W.'s word at face value? I don't. I remember all too well Clinton's bombing the aspirin factory in the Sudan to distract from his weeniegate problems. Did Cox and McCarthy also support that action? If not, might they please explain on what basis they support the paving over of Afghanistan in pursuit of someone who might have been involved in the planning for Sept. 11?

I am not particularly interested in understanding the thoughts of actual murderers; they must in any case stand trial for their crimes. I am, however, very interested in understanding the hearts and minds of millions of Muslims who are *not* criminals. I suggest that the arrogant dismissal of such efforts does not foster the security of this nation. And I am frankly surprised to find the pages of *Liberty* given over to such a mentality.

John A. deLaubenfels Duluth, Ga.

No Time for Hubris

Terrorist attacks, says Professor Cox ("No Time for Fantasy," December), will continue until (1) terrorists get bored, or (2) we kill them, or (3) we "neutralize" states that support them.

This list does not even touch the real cause. Terrorist attacks will continue until we identify causes and eliminate them.

Consider just one example: We have blockaded and sporadically bombed Iraq for a decade. Shall we walk away fat, dumb, and happy thinking none of the injured would ever plot to smack us upside the jaw? We have not killed 5,000 people there. The Iraqi death toll is closer to 500,000; half of them children. Yet nowhere does the author acknowledge that we may have pro-

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voked justifiable resentment. The question is dismissed as merely "interesting in some respects." No lie. Hubris is what got us into this mess.

Jack Dennon Warrenton, Ore.

Stupid Liberal Arts Graduate

Hey, I've been reading you guys for years, and it's always a pleasure; sometimes a bit crazy, but a pleasure nonetheless. But, y'know, while there is much to like about R.W. Bradford's "Terror!" article: "Even so, my first thought was that the design of the World Trade Towers must have been seriously flawed, if an ordinary commercial jet could bring them down."

Ummm. Liberal Arts graduate, are we? This is outright stupid. Got news for you, old son — any teenager in a Toyota could drive right through your house, if he didn't care about dying in the process. A commercial jet, traveling at speed, has an ungodly amount of energy behind it. The only wonder was that the Towers didn't collapse instantly. Yes, you could maybe, possibly make a skyscraper jet-proof or a house safe from nuclear weapons. Unfortunately, no one would be able to afford to live in them.

Someone's been watching too many Roadrunner cartoons. Real-world physics doesn't allow you to bounce back after a 2,000-foot drop. Think once.

Tom Hanlin Englewood, Fla.

Bradford responds: In October, the History Channel broadcast a documentary on the building of World Trade Center that it had produced before the terrorist attack. It included an interview with Frank De Martini, manager of World Trade Center construction, who said, "I believe the building probably could sustain multiple impacts of jetliners." Apparently I wasn't any stupider about this than he was, though I am

We invite readers to comment on articles that have appeared in the pages of *Liberty*. We reserve the right to edit for length and clarity. All letters are assumed to be intended for publication unless otherwise stated. Succinct letters are preferred. *Please include your address and phone number so that we can verify your identity*.

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now more alive, thanks to the fact that he was working in his office in the WTC when the attack occurred.

For the record, I am aware that a Toyota can go through a house and that a jet can go through a building. I didn't say anything to the contrary. But there is a difference between the ability to "drive right through" my house or a high-rise building and being able to "bring them down."

As to whether this is a "design flaw," I invite you to consider a some-

what similar situation. You own property on a barrier island where hurricanes occasionally hit, sometimes with winds of more than 100 mph. You build a house that will collapse and kill all within it if it is hit with wind of 75 mph. Is there not a design flaw here?

The parallelness of these situations depends, of course, on whether the risk of an attack by an aircraft hijacked by suicidal terrorists is roughly the same order of magnitude as the risk of hurricane is in the first example. I think it is.

From the Editor . . .

America at war is America the hysterical, and America at war with terrorism is no exception. In a lttle-noticed proclamation on Oct. 31, the Bush administration has put an end to the long-cherished right to consult confidentially with one's attorney. In Hawaii, the state Legislature has passed the Economic Emergency Gubernatorial Powers Act, which gives dictatorial power to its governor so that he can deal with the reduction in tourism there in the wake of the Sept. 11 attacks. Congress has enacted the USA PATRIOT Law, gutting the Bill of Rights.

Other developments are just plain silly: Phoenix has made it a criminal offense to view architectural drawings of structures owned by the government; the FAA has grounded news helicopters in 39 cities. And don't expect aerial views of football games: The FAA has grounded the Goodyear blimp.

In this issue, we track the course of some of this hysteriaBob Levy of the Cato Institute analyzes the PATRIOT Act, and journalist Malia Zimmerman tells the bizarre story of Hawaii legislature's giving virtually unlimited power to the Aloha State's governor.

While one jihad heated up, another ended with a whimper. The Clinton administration's jihad against Microsoft was ended by a truce between the successor regime's Justice Department and the battered Microsoft. David Kopel, author of *Antitrust After Microsoft*, examines the settlement and discovers what consumers — and the American legal system — lost.

Elsewhere in this issue, Sally McCarthy puts a box cutter in her bra (on the off chance she run runs into an Islamic terrorist) and goes to the Concert for New York City to watch sexagenarian Mick Jagger strut his stuff. Alexander Boldizar sends a dispatch from Indonesia about struggles between Hindus and Muslims there. Stephen Browne looks back at the Cold War (remember that?) and draws some startling conclusions. And Ken Schoolland looks at the right to immigrate — and how it is losing support even among libertarians.

Our review section manages to avoid the war on terrorism altogether, a welcome relief for many, I suspect. Stephen Cox looks at American popular culture and Paul Cantor's *Gilligan's Unbound*, Jane Shaw takes issue with Hernando de Soto's look at the real cause of Third-World poverty, Bradley Monton looks at child porn on the Web, Martin Morse Wooster looks at the sorry state of entrepreneurs in literature, and Bettina Bien Greaves reviews a new book on Alan Greenspan.

As usual, we begin with a dose of salubrious feedback from our readers, and an overdose of reality in our *Reflections*.

R. W. Brafford

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We live in a country in which 35,000 jets take off daily and which has no effective means to prevent their being hijacked, despite the existence of thousands of potential suicidal terrorists. Designs of skyscrapers that do not take this into account are just as flawed as designs of homes in the hurricane belt that fail to take into account the possibility of high winds. If Mr. Hanlin is correct when he says that it is a wonder that the Towers didn't collapse instantly, it only strengthens the argument that their design was flawed.

So I am not convinced of that my "initial reaction" was "stupid."

But I remain convinced that it a "serious design flaw" to build a structure that vulnerable to such a easy-to-execute attack by any small group of suicidal terrorists who have the wherewithal to buy box-cutting knives, razors, plane tickets, and sufficient training to be able to steer an aircraft into it, especially when the result of such an attack will be the loss of thousands of lives.

The solution is simple, and is not even expensive: Instead of building vulnerable high-rise buildings, build lowrises. Such structures, of course, can still be damaged and some of their inhabitants killed by a suicide jet attack, but the loss of life and the property damage are far less. As a specimen of such a structure, look at the Pentagon. Each of WTC tower attacks killed about 3,000 building occupants; the similar attack on the Pentagon killed 120, about the same number of casualties one would expect if a jet crashed into a bowling alley or a small supermarket.

But perhaps this thinking is a tragic result of my liberal arts education . . .

Leonard, I Knew Ayn Rand, and You're No Ayn Rand!

I was sorry to read in the December Liberty (Reflections) of Brien Bartels' young friend's intellectual and emotional demise, parroting Leonard Piekoff's foolish performance on The O'Reilly Factor.

I "knew" Ayn Rand intellectually from the '60s, at a discrete distance, and can guarantee that Piekoff is no Ayn Rand; in fact, I could speculate a lot further than that.

I disagree entirely with the "cult" designation by some dilettantes of late (like the spoon, they never have tasted

the soup) of all the millions today that find Objectivism a very successful philosophy for surviving on this planet. Perhaps the original cadre (Brandens, etc.) were something of a mini-cult.

Jesus had his twelve cultistdisciples, too. He also had his Judas.

Ayn Rand has her Piekoff. Why she picked such a lightweight as her heir has always been beyond me. I suggest Bartels' friend bypass Piekoff and go back and reread Rand for himself. He is not lost, just sidetracked!

David H. Jones Raleigh, N.C.

Cry Treason!

I found your articles about the terrorist attack so un-American and borderline treasonous that I can no longer waste my time with this trash — I had no idea that libertarianism allowed individualism to go to this extreme.

William J. Hayden Lee's Summit, Mo.

He May Be a Crook, but He's Our Crook

I just read R. W. Bradford's comments on the Harry Browne mess in the November *Liberty* ("Showdown in Las Vegas"). It occurs to me that the reason the Democrats control the country is that they are willing to rally behind their scoundrels despite sexual misconduct or treason, and until Libertarians are willing to do the same, they will never have an opportunity to lead the nation.

Don Post Port Hadlock, Wash.

The New Harry

Your article "An Encounter with Harry Browne" (October) was uncompromising and, as usual, very interesting.

I was quite frightened by Harry's make-them-do-what-you-want-for-their-own-sake speech. Is he the same guy who used to speak about freedom as "the ability to live your life as you want to live it"?

I fear we must admit the worst: Harry has become a politician. He blatantly lies, he won't listen to facts, he doesn't respect his friends anymore. Sadly, he reminds me of the French president, Jacques Chirac.

Libertarian ideas are sound enough to exist — and thrive — without a

continued on page 20

Reflections

Friendly fire — A little-noticed news item in The Wall Street Journal (Nov. 9) reports that the extremely virulent form of anthrax — the Ames strain — was kept alive by the U.S. Army, which has for years financed academic research about anthrax for possible germ warfare use. Whoever got hold of the anthrax and mailed it to various politicians and news organizations apparently stole it from one of seven laboratories financed by the Army. So while we don't yet know whether the anthrax attacks are part of Osama bin Laden's terrorist campaign, we do know that they are the product of the Army's germ-warfare program and the loose security around its research facilities. — R.W. Bradford

The Big Sky rumbles — "After great pain a formal feeling comes." That's about where we are now, those of us who didn't lose anyone we loved on Sept. 11. We have gone back to a normal life, although perhaps in a kind of wooden way. There are some differences, of course. I read Jane Austen novels now instead of Nelson DeMille's.

It is Veterans Day, and that focuses our thoughts a bit. A radio host said we should telephone any veterans we know, and for the first time ever it occurred to me that my father is a veteran, not "someone who served in World War II." The Sunday sermon quotes from the Gettysburg Address. The Sunday comics are patriotic and sentimental. Even Garry Trudeau is a little gentler: "Psychologists are cautioning the public that a 100% approval rating does not actually make someone smarter," says his White House correspondent.

And three days ago, two F-16s, 30,000 feet above our small town, caused two sonic booms in the middle of the night. People ran to the windows, they called 911, they talked about it the next day; it made the front page of the newspaper. I guess that is the way it will be for a while.

- Jane S. Shaw

Dereliction of duty — The new anti-terrorist act includes a laundry list of new powers for the federal government. But the issue, as is often the case, is not so much that the government did not have the powers to fight terrorism but that the powers it already had were not being adequately used. In the incidents of Sept. 11, we find gaping holes in U.S. security enforcement. First: Mohammed Atta, the apparent ring-leader of the hijackers, was on the Customs Service watchlist, yet he was able to obtain a U.S. visa and come and go several times. Another hijacker was put on the CIA watchlist after it was determined he had a role in the bombing of the USS Cole. Second, at least one "suspicious financial activity" report was filed on Atta by a Florida bank, after he received numerous wires from overseas. As is usual with these reports, nothing happened. They were simply buried along with the millions of others. Thirdly, the World Trade Center roofs were locked, in violation of fire codes. However, the Port Authority, as a government entity, is exempt from fire codes. We could go on and on. We are not here arguing whether the powers the government had prior to Sept. 11 were appropriate. But we are saying that, as usual, the government has failed to use the tools it has, and does not need any more powers.

— Adrian Day

Feels good, but wait for the hangover—When is a "stimulus package" not a stimulus but a drag? When it relies on coercion—taxes or inflation—to pay the costs of the stimulus. What A, B, and C gain is at the expense of X, Y, and Z. And the bureaucrats take a cut off the top for arranging the transfer.—Bettina Bien Greaves

Soar like a turkey — I got a message the other day from the postmaster general. Maybe you got one, too. It didn't mention anthrax, but that's what it was about. Speaking on behalf of my deepest biochemical anxieties, it asked, "What should make me suspect a piece of mail?"

The problem was, the answers that the postmaster gave to that question described a large proportion of the mail I receive.

"It's unexpected or from someone you don't know . . . It's lopsided or lumpy in appearance . . . It's handwritten and has no return address or bears one that you can't confirm is legitimate. . . ." Most of the stuff that appears in my box emanates from no legitimate return address — it's junk mail. A lot of the rest is from people I don't know, because the post office can't do its sorting right. (I get mail from people who have the same apartment number, except that the apartment is on another street, two or three miles away. How does the post office manage that?) And you'd be "lopsided or lumpy in appearance," too, if the post office mangled you the way it mangles my mail.

Recognizing that danger, some of my correspondents put their mail in the suspect category by sealing their letters "with excessive amounts of tape." But all of my mail, without exception, bears the final mark of Cain: "It has excessive postage." Considering how bad our mail service is, any postage whatever must be regarded as excessive. — Stephen Cox

The Devil and Osama bin Laden — Hearing all the blather directed at those who would apply the rule of law even to Osama bin Laden and the Taliban, I am reminded of this exchange from Robert Bolt's "A Man for All Seasons":

Roper: So now you'd give the Devil benefit of law!

More: Yes. What would you do: Cut a great road through the law to get after the Devil?

Roper: I'd cut down every law in England to do that!

More: Oh? And when the last law was down, and the Devil turned round on you — where would you hide, Roper, the laws all being flat? This country's planted thick with laws from coast to coast — man's laws, not God's — and if you cut them all down — and you're just the man to do it —

d'you really think you could stand upright in the winds that would blow then? Yes, I'd give the Devil benefit of law, for my own safety's sake.

- Sheldon Richman

Distinguished Professor of Torture — I was surprised to read in the *St. Louis Post-Dispatch* that, along with the FBI, Professor Alan Dershowitz of Harvard Law School called for a "national debate" about the circumstances in which torture is permissible, and who should decide when to use it. He even suggested that courts issue "torture warrants" in extreme cases.

Although he is a professor of law at one of the country's most prestigious law schools, Dershowitz needs to reread the Constitution and spend some time examining the host of international treaties that strictly forbid torturing detainees and injecting them with mind-altering drugs.

Dershowitz's suggestion that the country create a new type of warrant, known as a "torture warrant," is preposterous on its face. I can scarcely think of a legal proposition that is more fundamental to our legal system than the presumption of innocence — a presumption that is grossly violated when the police are permitted to torture and drug suspects. For good reasons, our system does not permit judges to impose torture as punishment even after conviction of a crime, and our system certainly does not sanction the use of torture or forced drugging against people who have merely been detained by police.

The Fifth Amendment guarantees that no person "shall be compelled in any criminal case to be a witness against himself," and protects all people on U.S. soil, whether citizens or not. Torturing a person, or pumping him with drugs in order to extract a confession, is inherently coercive and renders any subsequent statements "compelled," involuntary, unreliable, and unconstitutional.

An absolute bar on governmentimposed torture and drugging exists worldwide and is codified in numerous international treaties. Article 5 of the Universal Declaration of Human Rights and Article 7 of the International Covenant on Civil and

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Romancing the Dismal Science • Mark Skousen unearths a dramatic tale — starring everyone from Carl Menger to Karl Marx — behind the history of the much-maligned

dismal science. (audio: A501; video not available)

Future Imperfect • David Friedman leads a thrilling exploration of coming developments in biotechnology, and how they'll radically change the way we think about law and each other in the coming decades. (audio: A503; video: V503)

The End of the World As We Know It • Is globalization the disease or the cure? **Fred L. Smith Jr.** explains how expanding markets cripple intrusive government and make liberty that much easier to find. (audio: A504; video: V504)

Prisons for the Innocent • Washington state Supreme Court Justice **Richard Sanders** exposes America's mental health gestapo, and shows how thousands have been locked up for life without ever committing a crime. (audio: A505; video: V505)

All the Lies That Are Fit to Print • Jeff Riggenbach chronicles media coverage of illegal drugs — from early 20th century "Negro cocaine fiends" to "crack babies" of the 1980s — uncovering a legacy of shoddy coverage and botched reporting. (audio: A506; video: V506)

Who's Afraid of the Antichrist? • **Douglas Casey** takes a provocative look at the tenets of radical Islam and how they inspired the recent terrorist attacks. Does God hate America? (audio: A507; video: V507)

Terrorism on Drugs • Alan Bock probes the link between terrorism and America's drug war — and proposes a single

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The War on Terrorism (Part I) • Durk Pearson, Richard Sanders, David Friedman, R.W. Bradford, and Fred L. Smith Jr. discuss what will happen to our civil liberties in light of the recent terrorist attacks. (audio: A509: video: V509)

The War on Terrorism (Part II) • Douglas Casey, Jeff Riggenbach, Randal O'Toole, Alan Bock, and R.W. Bradford ask how terrorism will change our lives; for the better or for the worse. (audio: A510; video: V510)

reform that will end terrorism in America forever. (audio: A508; video: V508)

Central Planning on Main Street • Randal O'Toole makes the case against the cult of "smart growth" — and demolishes the plan to cram the world's population into an area the size of Kentucky. (audio: A511; video: V511)

How Libertarianism Must Change to Succeed • R.W. Bradford looks over the Libertarian Party's successes and failures and comes to a surprising conclusion: It's time for the LP to give itself a chance. (audio: A512; video: V512)

Grass-roots Organizing for Liberty • Randal O'Toole asks, Why has environmental activism been a rousing success and libertarian activism an unremitting failure? (audio: A513; video: V513)

A Short Introduction to Libertarian Anthropology • William Merritt takes a hilarious look at differences between the sexes and how they got that way. (audio: A514; video: V514)

Abandon the LP? • **Bruce Ramsey** and **R.W. Bradford** discuss whether the Libertarian Party has failed in its mission — or whether that mission hasn't even been tried. (audio: A515; video: V515)

Law in Cyberspace • David Friedman explores how anonymity on the Internet can actually lead to a world of nonjudicial justice. (audio: A516; video: V516)

Kicking the FDA's Ass • Durk Pearson and **Sandy Shaw** recall their success over the Food and Drug Administration, and document the

state's continued refusal to comply with their landmark legal victory. (audio: A517; video: V517)

Stalking Garet Garett • Bruce Ramsey paints a picture of a paleo-libertarian from the Saturday Evening Post and his battle against the New Deal. (audio: A518; video: V518)

The Comedy of Tim Slagle • Tim Slagle takes on everything from vegetarians to the homeless in his classic comedy routine. (audio: A519; video: V519)

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Political Rights both provide that no one shall be subjected to torture or to cruel, inhuman, or degrading treatment or punishment.

Likewise the International Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment (Convention Against Torture), prohibits "any act by which severe pain or suffering, whether physical or mental, is intentionally inflicted on a person for such purposes as obtaining from him or a third person information or a confession."

Further, when the United States ratified the Convention Against Torture, we expressly acknowledged that "torture" includes "the administration or application, or threatened administration or application, of mind altering substances or other procedures calculated to disrupt profoundly the senses or the personality."

While chastising the government's tapping of phones to enforce Prohibition-era laws, Supreme Court Justice Louis Brandeis observed: "Experience should teach us to be most on our guard to protect liberty when the Government's purposes are beneficent. Men born to freedom are naturally alert to repel invasion of their liberty by evil-minded rulers. The greatest dangers to liberty lurk in insidious encroachment by men of zeal, well meaning but without understanding." (Olmstead v. United States (1928) 277 U.S. 438.)

In our rush to bring the Sept. 11 terrorists to justice, let's remember and respect the fundamental values that distin-

guish the United States from rogue terrorist groups. In our efforts to secure the homeland, let's not copy the terror techniques of our attackers.

— Richard Glen Boire

A crash in the Rockaways — On Nov. 12, two months and one day after terrorist-commandeered commercial airplanes slammed into the World Trade Center, another American Airlines jet crashed into the Belle Harbor section of the Rockaways peninsula of Queens. Fronting directly on the Atlantic Ocean, running from west to east, the Rockaways is a reinforced sandbar, less than one mile wide for most of its eleven miles. On the outskirts of the city, yet serviced by the subway, it is scarcely known to most New Yorkers, let alone the rest of the world. I've come to know the peninsula well in the course of planning to relocate there. The crash occurred around 129th St., slightly more than three miles away from my property at 67th St. In the Rockaways, as in Manhattan, there are 20 blocks to a mile.

One risk of living there, already familiar to me, is that all the planes from JFK take off at various angles directly over the Rockaways. The French Concorde, recently returned to service, is particularly noisy and noisome. Between the sandbar and JFK airport lie several miles of Jamaica Bay, which has islands various in size, only one of which is populated.

What I cannot understand, as I write the day afterwards, is why the plane crashed into Belle Harbor, where the peninsula is only a few blocks wide, rather than into several miles

The Perils of Unregulated Naming

He has had a name since before he was born, but today we went down to the Wola district registry office to register his name officially and get his birth certificate so that he can get his Polish citizen's number and his American passport.

Monika had wanted to name him Jerzy ever since we found out he would be a boy, because she has relatives she likes who bear that name. I suggested as a joke that he should be Jerzy Washington Browne but Monika liked it (she wouldn't, however, go for Robert E. Lee Browne). Then came the attacks on New York and Washington and the name was no longer a joke. I vowed that my son would be named for the man of rigid honor and inflexible purpose who led his country through its greatest crises.

So we went down to the registry office; driver's licenses on the ground floor, kid licenses on the second. There was a slight problem with our choice. It turns out that Polish law has an official list of approved names. Names must come from the list unless you are a foreigner. I am but Monika isn't. Furthermore, they insisted that "Washington" was not a given name but a surname. The director of the bureau had to be called in.

So I held the baby while Monika did nice-stubborn — an accomplishment I mightily admire. I do hostile-stubborn. The director pointed out that "Washington" is a city, a state, and a surname — but not a given name. Monika mentioned George Washington Carver, whom the director had never heard of. I contributed that he

invented peanut butter. (At this point I recalled that my sister Liz had predicted that even Poles would think he's black with a name like Jerzy Washington Browne.) The director justified himself by saying, "Why if we let everybody pick just any name somebody might name his child "Srubka" ("Screw"). Monika responded, "I'm not naming my child Screw I'm naming him Washington."

The director then discovered something wrong with my own name: Stephen Wayne Browne. He said, "Wayne isn't a first name, it's a last name, like John Wayne." Monika assured him it is a first name and said that anyway I've been wearing it for 50 years and there is nothing he can do about it.

The director said that we were on the banks of the Vistula, not the Potomac, and that if we gave our child a name like Washington he would have problems later in life. Monika replied that America was going to be his other home and there he would have many more problems with Jerzy. (That's pronounced Ye-zhay, not "Jersey.") Anyway, she said, who uses their second name anyway? It's supposed to be symbolic.

Monika succeeded with the director by being stubborn but not offensive; something I would never have been able to do — I was about ready to snatch the baby and head for the embassy. Finally we were allowed to register the name, subject to review by higher authorities who may yet try to overrule us. Diplomatic incident, here we come!

- Stephen Browne

of Jamaica Bay to the northeast or the infinite expanse of the Atlantic Ocean to the south. It would have been quite easy for a conscious pilot to hit water. That may have provided a better cushion for a falling plane and caused less damage. Hitting land is so unlikely that I'm not aware of any previous plane crashing into the Rockaways.

These considerations indicate to me that the pilot must have completely lost control before he could redirect his plane into water or even express alarm into the voice recorder. Then the question is, what could have prompted such a quick loss of control? So far commentators haven't focused on this anomaly, though I suppose they will by the time this reflection appears.

My fear is that government authorities want to avoid considering, or at least having the public consider, the option of sabotage. By hiding the question they are suspiciously obscuring the most obvious conclusion.

Don't be surprised if the motive has something to do with the fact that nearly all those who perished came from a single ethnic group.

My condolences go out to relatives of people on the plane and my Rockaways neighbors on the ground.

- Richard Kostelanetz

Caution: Sharing risk may be hazardous

to your health — The debate over whether airport security employees should be made federal employees is only half the story. It has been asked why a private airline would be so apparently negligent in security. In addition to the obvious factor that until Sept. 11, the terrorist risk at U.S. airports was not deemed significant, there's something else. Responsibility for security was shared by the airlines, the airport, and the FAA. When everyone is responsible, no one is responsible. Better one party is clearly in charge and clearly responsible. — Adrian Day

The market for safety — Adrian Day suggests that airport security would be better if a single entity were responsible for it, whether that were the government or some private group. I agree that it is important for responsibility to be taken, but I don't see why it must be taken by a single entity.

Another way to improve security would be to treat it in the way in which other services are treated. Airlines could offer any warranty they pleased to passengers and be held to those warranties. Some might guarantee safe transport, and back up that guarantee with a pervasive security system, complete with passenger, aircraft, employee, and baggage searches. At the other extreme, some airlines might make no warranty at all and allow passengers to board with no searching, profiling, or even identification. They might even want to make "travel at your own risk" a condition of boarding an aircraft, the way that baseball teams inform spectators that they are voluntarily accepting the risk of being hit by an errant ball or bat.

Of course, the airlines would have to be allowed to discriminate in any way they pleased with regard to the passengers whom they would allow to board an aircraft. Individual airlines could set their own policies on whether to search passengers, how intrusive the search should be, etc. If a pas-

senger didn't like the kind of search one airline has, he could select another with a less-intrusive search choose another means of transportation, or stay home.

If the airline guaranteed passenger safety and one of its planes were hijacked, it would be subject to lawsuit and possible bankruptcy. If it guaranteed only to take certain precautions and its aircraft were hijacked, it could be held liable only if it had failed to take those precautions. If it made no security guarantee at all, allowing quick boarding and no waits at the airport (i.e., if it treated passengers the way subways do), surviving heirs of victims of hijackings could not sue at all (and the airlines might have a difficult time finding passengers).

This approach — that is, following traditional commonlaw contract and liability law rather than the legal interventionism that has grown more and more widespread in recent years — would be no panacea. But freedom and competition and innovation are much more likely to reduce the danger of hijacking than the current policy of the government's deciding a single approach, imposing it on all airlines and all passengers, and taking no responsibility when it fails. It would also foster and reward people taking responsibility for their own safety, rather than relying on a government one-sizefits-all program of the sort that failed so miserably on Sept. 11.

- R. W. Bradford

Don't know much about history — I may be overly sensitive to the things that politicians say. Certainly it's a morbid tendency to follow political speeches with more attention than the speakers themselves have given them, even if (as is very common) that attention has been minimal. Still, I can't resist commenting on the bizarre views of American history that so frequently get embodied in their remarks.

Take, for example, Mark Green's weird speech on the occasion of his defeat by Michael Bloomberg in the New York City mayoralty race (Nov. 6). Green's "concession" speech was a mixture of self-pity and catty put-downs of Bloomberg for having stolen an office that had obviously been invented solely for Green. The embarrassing performance culminated in Green's impassioned recollections of the Sept. 11 attack. "Believe me," he intoned, "no American

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city has ever suffered a murderous attack . . . the way New York has." Then he lectured Bloomberg, the miserable winner, on his obligation to put his shoulder to the wheel and his nose to the grindstone and start to "rebuild" New York.

Now, listen. I'm still shell-shocked about Sept. 11, but nobody should be so shell-shocked as to believe that New York City is lying in ruins after the "murderous attack," or that if it were, only the mayor would be able to rebuild it. There is every reason to believe that if the mayor arranged police protection for the worksite and left for a year-long vacation, taking the other politicians with him, he would find the city nicely "rebuilt" by the time he got back. That's how private investment works. That's how the capitalist system works.

Because that's how people work. They don't sit around looking at ruins; they clear them away, and they start rebuilding, whenever the land that the ruins occupy has any value. That's what happened after the 1906 earthquake and

It grieves me to say this, but plenty of American cities have suffered more murderous attacks than New York suffered this year. During the Civil War, most large cities in the South were attacked and destroyed. Did Green ever see pictures of the ruins of Richmond in 1865?

fire in San Francisco, despite the fact that San Francisco had suffered incomparably more damage, in proportion to its size, than did New York in 2001. And that's what happened in Chicago, Detroit, and innumerable other American cities that were destroyed by fire in the 19th century. Those were the days, mind you, before big government.

A few days ago, I visited San Francisco's Swedish Hall, a beautiful gathering place for the Swedish-American community. The hall was constructed in 1906. "It must have been hard, building this place so soon after the earthquake," I said. "Oh yes," replied one of my hosts. "Lumber was in short supply, and labor was expensive. But the members pitched in, and got it built." Nobody seemed surprised that the Swedes didn't just stand around and wait for the mayor to put the roof on — and nobody should have seemed surprised. That's the way things are supposed to be. Then there was an additional comment: "They couldn't have built it anywhere near as fast today, with all the regulations and so on." Exactly right.

But let's go back to the earlier part of Mr. Green's remarks, the part about the uniquely murderous attack on

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New York. It grieves me to say this, but plenty of American cities have suffered more murderous attacks than New York suffered this year. During the Civil War, most large cities in the South were attacked and destroyed. Did Green ever see pictures of the ruins of Richmond in 1865? I can't see that the plight of cities like Richmond was lessened to any perceptible degree by the fact that the attackers happened to be Americans, not Saudi Arabians.

Perhaps Green would like to reflect on the fact that the Revolutionary War was fought almost entirely on American soil, and that it, too, resulted in quite a lot of nastiness in urban areas. He might also recall that during the War of 1812, the British captured the city of Washington and did what the terrorists of 2001 did not succeed in doing — they destroyed the White House and the Capitol.

In *Liberty's* last issue, I noted House Minority Leader Gephardt's wild assertion that in the Sept. 11 disaster "we lost more people on our soil than in any conflict in history." Democrats are always saying strange things, but this is one of the strangest. During the age of Nixon, Sen. Sam Ervin made himself ridiculous by talking about Watergate as the most serious crisis that our nation had faced "since the Civil War"; now Gephardt has forgotten that the war ever happened.

But I don't want to confine my attentions to Democrats. On Oct. 31, President Bush said that it was no surprise that "consumer confidence is down. After all, we're at war, and for the first time in American history, part of the battle-ground is here at home." Following remarks like that, I wouldn't be surprised if intellectual confidence were down. After all, we're at war.

— Stephen Cox

Terror vs. trade — I was talking the other day with a man seriously involved with public ports. He described how systems at airports and seaports were not designed for the sort of security now being imposed. The whole flow of people and goods, the delivery trucks, the parking of air passengers' cars, the parking of airplanes, the inspection of ships, the stuffing and certification of containers — all of it, the whole system, was designed in the innocent age in which the paramount value was trade.

Now the arteries of trade are to be clogged with more inspectors, maybe federal employees with public pensions and mandatory dues to the public-employee unions; more machines able to spot a greater number of knives, knitting needles, and guns; and more Guardsmen on patrol.

I do not argue, as some do, that all this is useless. Sure, procedures can be gotten around. So can the deadbolt on my front door. But I am safer with the deadbolt than without it. Nor do I buy the idea that the ultimate safety is to let everyone pack Rugers and Glocks onboard commercial flights. Pilots, maybe; passengers, no thanks.

Security creates no new wealth; it merely safeguards what is, and makes all things more expensive. At the ports, new security procedures amount to a blanket tariff on all goods and people crossing the national border. As Bastiat said, a tariff is a human blockage. Dig a tunnel to make it cheap to cross the mountain range, and slap on a tariff to make it expensive again. We have cut the cost of transport by building bigger and faster ships and airplanes, and now we cancel out those gains by making everyone wait in lines.

That doesn't mean I'm against it. I'm for some of it. I do resent having to have it.

— Bruce Ramsey

What's treason one day is patriotism

the next — This is a weird world. A good share of the mail that *Liberty* has lately received has excoriated us either for being absurdly pro-war or for being unpatriotic in opposing the anti-terrorist campaign. *Liberty*, of course, has published a variety of opinions, ranging from enthusiastic support for war against Muslim terrorists to outright pacifism in response to their attacks. But you'd never get a clue of this from the letter-writers. Those who favor a broad war on terrorism seem only to have read the commentaries we've published that warn against too wide a war; those who oppose a broad war against terrorism seem only to have read

the commentaries calling for an aggressive war against Muslim terrorism.

Letters written to me personally have been weird, too. In the November Liberty, I told how I'd spent Sept. going about my business normally, until the evening, when I caught up on the news about the attack and committed my thoughts to paper. The most notable of my thoughts were the ideas THIS IS OUR
VIRGIN RELARD?

WELL, WHAT ARE
THEY SUPPOSED TO
LOOK LIKE?

that (a) reacting the way most Americans reacted — by abandoning their daily routine, watching television reports of the same news over and over, wallowing in anger and hate — was to do exactly what the terrorists wanted; and (b) Americans in general were simply overreacting to the events — I cited episodes like the closing down of the state-owned ferry system in the Puget Sound — and would likely continue to overreact.

I received several letters denouncing me as unpatriotic for failing to spend my entire day in front of my television, as the writers had, and for failing to get madder and madder at Osama bin Laden and Muslims all day — or all month, for that matter.

As I write these words, I have the overnight news on the television in the background and several times I have noticed a public service announcement from the Ad Council hectoring me to be a patriotic hero by refusing to change my daily routine in response to terrorism. I wonder: Is the Ad Council being bombarded with letters denouncing it and its advertising as unpatriotic?

— R. W. Bradford

Vox Populi, Vox Dei? — The government has become a good deal more popular of late, which raises some interesting questions for the sociology of knowledge.

According to a *New York Times*/CBS poll as reported by the *Times* (Nov. 3), 55% of the respondents trust the government "to do what is right most of the time," up from just 33% expressing such trust prior to the Sept. 11 attacks.

According to a recent *Washington Post* poll, 53% of Americans think the government "is run for the benefit of all the people," up from just 35% likewise deluded shortly before the attacks.

Let's see if I understand what's happened. Not long ago, most people expressed little trust in the government, and believed it was run primarily for the benefit of the political in-crowd. Then, hijackers commandeered four airliners, crashing three of them into large, symbolic buildings in New York and Virginia, with great loss of life. Subsequently, people believed the government to be trustworthy and devoted to the broad public interest.

I would feel better about this seemingly nutty sequence of events if I thought the people being polled in the wake of



the Sept. 11 attacks were simply more afraid of the government and therefore more inclined to express positive opinions about it, lest somehow they get themselves in trouble with the authorities.

Unfortunately, I cannot credit that interpretation. Instead, I attribute the public's newfound confidence in government to a species of frightenedherd mentality all too

manifest in a variety of other forms during the past couple months. Desperately wanting to trust their presumptive governmental saviors, many people have resigned themselves to — nay, rushed pell-mell to embrace — pure wishful thinking. — Robert Higgs

A New York kind of weekend — Friday, Oct. 19: My wife and I are on the Jersey Turnpike heading into the Holland Tunnel, a frequently mentioned target of Islamic terrorists, a 1.5-mile tube that runs under the Hudson River from New Jersey to Manhattan, and not exactly a fun ride even before we had these crazies around.

For the apprehensive, the Holland Tunnel's history isn't altogether calming or unjinxed. Digging began in 1920 under Chief Engineer Cliff Holland, a 36-year-old father of four from Brooklyn. Five years later, Holland died suddenly, of apparent exhaustion, on the eve of the day workers from the New York and New Jersey sides were to meet in the middle. Milton Freeman, the engineer of construction who succeeded Holland, was himself dead five months later. By opening day, the project had claimed the lives of 13 "sandhogs," as the tunnel's construction workers were called at the time.

Something big last happened inside the tunnel on May 13, 1949, when a chemical truck loaded with 80 drums of carbon disulfide caught fire during the morning rush hour. By the time it was over, ten trucks and cargoes were destroyed, 13 more were damaged, and wall and ceiling tiles were demolished for 600 feet. All told, the fire created 700 tons of

debris (and zero deaths).

Today, cops are out in force at the tunnel's entrance, and so, apparently, is racial profiling. Not looking much like commandoes for Allah, we're waved right through. Off to the side, a driver who looks more Palestinian than British is pulled over, waiting for a cop with a mirror attached to a long pole to finish looking under his van.

Of course, with 100,000 cars coming through the tunnel per day, the checking can't be more than hit-and-miss. As we exit the tunnel, WABC news is reporting that the FBI and NYPD are at the offices of the *New York Post*, checking for anthrax contamination.

It's times like this that a good economist naturally thinks about costs and benefits, and wonders if coming to ground zero in Manhattan for The Concert for New York City is worth the price. My wife's response: "If I'm going to die, I want to die at a rock concert. The suicide bombers have Allah. I'll take Mick Jagger."

Saturday, Oct. 20: A block from our hotel is a small fire station on 51st Street in Manhattan — Engine Company 8, Ladder Company 2, Battalion 8. On the wall outside are the

names and pictures of the ten firefighters from this station who died at the World Trade Center. The sidewalk is overflowing with flowers, the walls are covered with notes and drawings from young kids.

"They bring flowers every day," explains firefighter Dave Offitto, "and drawings." His favorite message from the kids? He points to a crayon drawing of the World Trade Center, fire coming out of the windows and a fire truck on the way.. and these words: "Dear Firefighter, Thank you for going to those daindrose (dangerous) buildings. I felt so mad I wanted to join the war. I wanted to go over there and fight them. I was so angry I broke my toy. And I beat my big brother up. Love, Dennis."

Another firefighter provides some details about Sept. 11: "The call came in during the shift change. Men going off duty came back and headed for the World Trade Center. At the command center, three of our guys were sent to the teens, the 13th and 14th floors, etc., and seven went to the 40s. We never heard from them again. Altogether, they had 15 kids. The youngest was 23 days old on Sept. 11."

All told, 343 firefighters and 23 cops lost their lives at the

Elián: Gone, but Not Forgotten

Historians often say that one should not write about an event until 50 years later. Only then can one understand its complexity.

Not so with the Elián González case. It was understandable from day one. It was as simple as a government-sponsored kidnapping camouflaged with family values blather.

What a bizarro world we inhabited back then, one that demanded, not the pen of a historian to draw rationality from the events, but a master of the ironic and surreal like Joseph Heller. The then-president of the United States, a perjurer, argued that the "rule of law" required that Elián be returned to a Communist dictatorship. That president, who had broken up several homes by his perpetual adultery, expressed support for the verdict by citing a father's bond with his child.

The attorney general, who oversaw the scorched bodies of Waco, spoke of the SWAT team raid as saving the little boy. Others saw little wrong with the rioters' actions in Los Angeles but attacked the restrained Miami Cuban demonstrations as terrorist activities. Jesse Jackson, so verbal when it comes to raids on crack houses occupied by blacks, had little to say about the government raid into the house of people of another color. The first lady, a self-described defender of children's rights, advocated the return of a child to a totalitarian regime where he will be indoctrinated by force.

The ironies did not end there. In the past, government-sponsored raids were conducted against Castro — recall the Bay of Pigs and Operation Mongoose. The Clinton regime conducted a raid for Castro. In Cold War times, it was the Democratic Party that appeared on platforms with anti-Castro Cubans. Now Elián's father, a loyal member of the Cuban Communist Party, appears

amidst the pomp and splendor of a Democratic fund-raiser.

Presidential initiative was once pitted against totalitarian aggression: FDR's bombing of Japan, Truman's Berlin Airlift, Reagan's invasion of Grenada. Now it is used against ourselves. The Clinton government authorized a raid with no search warrant, kidnapped a refugee from a private home, and turned him over to waiting Cuban officials. It prevented this child from seeing his court-appointed lawyer, his Miami relatives, and media observers, while permitting Cuban agents to begin their brainwashing campaign using the "Young Pioneers."

Perhaps the greatest irony lies in the fact that not a word of protest was uttered by those who claimed to support human rights. No cries of governmental abuse from the ACLU. No cries of discrimination by the Rainbow Coalition. No serious attempts by Congress to investigate. Certainly no protest from the public, which saw the case as a normal custody procedure amidst the rampages of federal troops.

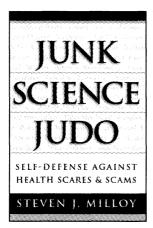
We were asleep then and we should be ashamed. Too many of us back then cared nothing about the Miami Cubans because they were people of another color. It was not our relative going back to Cuba. So we returned to our CDs, our videos, and our computer games, while the Constitution and human rights were chipped away by the Clintons, the Renos, and the Gregory Craigs of the world — those who wanted us to have a limited attention span, who wanted us to return to our inner worlds while they behaved like thieves in the night.

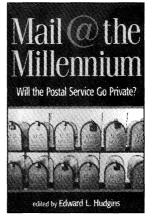
And all that is left is the empty house and the statue of the boy recently erected in Communist Cuba. But no reminder of the woman who lay at the bottom of the ocean.

— Ron Capshaw

Important Reading from the Cato Institute

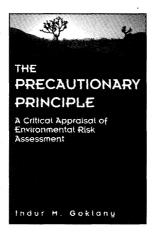
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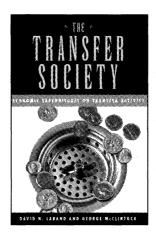




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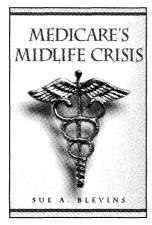
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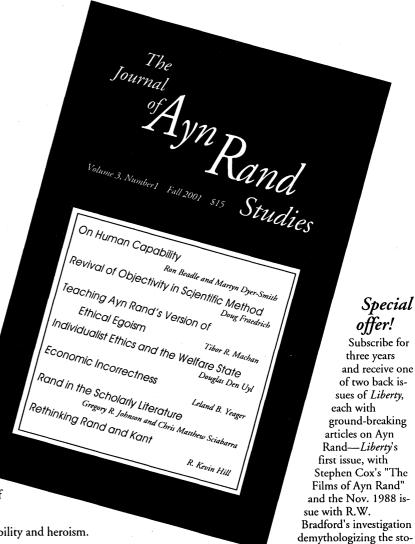
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ries that surround the Italian Fascist filming of

Rand's We the Living.

World Trade Center. They ran into the buildings and up the stairs as everyone else was running out. A note posted outside the police station on 51st St.: "Do not stand at my grave and weep, for I am not there. I am a thousand winds that blow, I am the diamond's gilt on snow. I am the swift uplifting rush of quiet birds in circled flight, I am the soft stars that shine at night. Do not stand at my grave and cry. I am not there. I did not die."

And the concert? At 7:00 p.m. in Madison Square Garden, it felt like New York City was never more loved, that cops and firefighters were never more appreciated. It was a night of old songs with new meanings — David Bowie's "Heroes," Mick Jagger's "Miss You," The Who's "We Won't Get Fooled Again." And a night for a firefighter's 10-year-old son to get up on stage and say how much he missed his father, and a night for New York City to show that it didn't die.

- Ralph R. Reiland

Take my freedom, please! — Writing in the Weekly Standard for Nov. 5, David Brooks observes that "the next few years will be defined by conflict. . . . We will destroy innocent villages by accident, shrug our shoulders, and continue fighting. In an age of conflict, bourgeois virtues like compassion, tolerance, and industriousness are valued less than the classical virtues of courage, steadfastness, and a ruthless desire for victory."

I am left wondering when "a ruthless desire for victory" became one of the classical virtues. Such bloodthirstiness strikes me as merely barbarous.

Brooks goes on to observe that "the greatest political effect of this period of conflict will probably be to relegitimize central institutions," such as the military, the FBI, and the CIA. "We are now only beginning to surrender some freedoms," he avers, "but we will trade in more, and willingly."

Speak for yourself, Mr. Brooks. Speak for yourself.

- Robert Higgs

Freedom and materialism — Often we hear people wondering what it is that holds Americans together. We are so diverse ethnically, religiously, politically, and philosophically; many worry that we will break apart and turn against each other.

Alexis de Tocqueville, the Frenchman who visited America in the 1830s and wrote *Democracy in America*, came to believe that materialism is one of the things that keeps America together. "The taste for well-being," he wrote, "forms the salient and indelible feature. . . . It is the constant pursuit of small pleasures which keeps America from disorder and mob rule, which is their life-affirming passion. The love of well-being shows itself to be a tenacious, exclusive, universal, but contained passion. It is not a question of building vast palaces, of vanquishing and outwitting nature, of depleting the universe . . . to satiate the passions of a man; it is about adding a few toises to one's fields, planting an orchard, enlarging a residence, making life easier and more comfortable. . . . These objects are small but the soul clings to them."

In the end, Tocqueville had confidence in Americans' ability to defend their democracy, because he saw they had something to love. He saw, says Adam Gopnik, in *The New*

Yorker, that "the pursuit of happiness is still our most radical idea." A chapter in *Democracy in America* considers how the love of the good things of life was what gave Americans' love of liberty an object. What Tocqueville saw as exceptional in America, writes Gopnik, "was that luxury and liberty, citizenship and consumerism, . . . set up housekeeping side by side." In his passage "How the Taste for Material Enjoyments Among Americans is United with Love of Freedom and with Care for Public Affairs," Tocqueville

"It is the constant pursuit of small pleasures which keeps America from disorder and mob rule, which is their life-affirming passion."

wrote that "Americans see in their freedom the best instrument and the greatest guarantee of their well-being. They love these two things for each other." — Sarah McCarthy

Four approaches to foreign policy — I went to a talk early in November by a senior fellow at the Council on Foreign Relations, Walter Russell Mead. With regard to foreign policy, he sorts Americans into four types: Wilsonians, Hamiltonians, Jeffersonians, and Jacksonians. These four, he says, appear and reappear throughout our history, and are all at play now in this fight against Islamic terrorists.

The Wilsonians believe in an international order based on law. They favor multilateralism, nation-building, human rights, and high-minded intervention. They would make the anti-terror crusade into a war for international law. Clinton was a Wilsonian.

The Hamiltonians believe in pursuing national interests, including economic interests, sometimes through multilateral coalitions and sometimes not. Whatever works. They believe in international order based on a balance of power. Bush is a Hamiltonian.

The Jeffersonians believe in defending the home territory against clear and present threats, and worry that militarism will reduce domestic liberty. They aren't interested in inter-

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national order. Nor do they focus on national honor, and tend to be more critical of their own country's acts abroad. After Sept. 11 the Jeffersonians were the ones asking what America had done to provoke such an attack.

The Jacksonians are believers in national honor, courage, and the well-being of the majority. They are pro-military, populist, unilateralist, and individualist. They are not interested in international law or of "blaming America first" for breaking it. They do not seek out foreign wars, but if they're in one, they want to win it. They opposed the war on Serbia — a Wilsonian war — but were willing to commit ground troops once we were in it. They are 100% behind the attacks on Afghanistan. John McCain might be called a higher Jacksonian, with the lower variety being the man with a flag sticker on his truck.

Libertarians are Jeffersonians — in theory. Judging from what *Liberty* has published in its last two issues, there is a strong Jacksonian strain in them — much more than there would be in left-wing Jeffersonians. There is a bit of Hamilton, too. Not much of Wilson. — Bruce Ramsey

Mill vs. Keynes — People are being asked to spend, spend, spend — out of patriotism and to forestall economic depression. But spending in itself does not prosperity make. Consider this advice of 170 years ago:

"Among the mistakes [of the classical writers]... was the immense importance attached to consumption. The great end of legislation in matters of national wealth... was to create consumers.... This object... was conceived to be the great condition of prosperity.

"In opposition to these palpable absurdities, it was triumphantly established by political economists that consumption never needs encouragement. . . . The person who saves his income is no less a consumer than he who spends it: he consumes it in a different way; it supplies food and clothing to be consumed, tools and materials to be used, by productive laborers. Consumption, therefore, already takes place to the greatest extent which the amount of production admits of . . . The usual effect of the attempts of government to encourage consumption is . . . to promote unproductive consumption at the expense of reproductive, and diminish the national wealth by the very means which were intended to increase it.

"What a country wants to make it richer is never consumption, but production." (John Stuart Mill, Essays on Some Unsettled Questions of Political Economy, 1830)

Today's economists consider themselves more sophisticated than the economists of yore. They would have government play market-manipulator, or God. Government should "stimulate" the economy by subsidizing some businesses and granting tax breaks to others. Congress has already passed a gigantic many-billion-dollar subsidy to the airline industry. How will it finance this and all other subsidies? It

Liberty

... makes a great gift. For special holiday rates, see page 55.

must tax, inflate, and expand credit. If it taxes to get money to pay for subsidies to some persons, the beneficiaries will have more to spend, but taxpayers will have less. No net gain there! Again, if government pays the subsidies by creating new money or expanding credit, the beneficiaries will gain but only by taking purchasing power from all owners of dollars and of fixed-dollar assets. No net gain there either! Or if the government tries to encourage investment by reducing interest rates some firms will be induced to invest at below-market interest rates in questionable, very likely unproductive, enterprises. No net gain there either!

To promote economic recovery, government should remove as much uncertainty as possible from the market. Entrepreneurs should have nothing to worry about but the usual risks of doing business and the unpredictable demands of consumers. Government should protect its citizens not only from the threat of domestic, foreign, and terrorist force and violence, but also from the arbitrary government interferences which will inevitably result from a "stimulus package." Inflation and credit expansion will distort prices and upset economic calculations; new taxes, controls, and regulations will add to the uncertainty and the costs of doing business.

— Bettina Bien Greaves

European disunion — Come January 2002, 300 million people in twelve European countries will start using the Euro exclusively instead of their domestic notes. The new European notes will carry pictures of bridges — how anodyne. But worse — instead of specific bridges, these will be pictures of architectural styles because specific bridges were deemed to favor one country over another. If they can't even have a picture of, say, the Pont du Gard on a banknote, how can these countries ever have a common monetary policy?

- Adrian Day

Strrrikkkke! — President Bush was the first president to attend a World Series game since Ronald Reagan. He threw the first pitch and it was a perfect strike. If he hadn't we would have heard more of that absurd talk about how he's the dumbest or laziest or most incompetent president of all time. The fact that he earned a Harvard MBA, graduating in the top half of his class, putting him in an IQ class above 135, is never mentioned. — Victor Niederhoffer

Credit where credit ain't due — "Sprawlwatch," an anti-suburb group, recently issued a report claiming that the suburbs are bad for our health.

Americans are obese, the report says, therefore suburbs are unhealthy. Are suburbanites more obese than urbanites? The report doesn't say. Or pedestrians sometimes get killed in auto accidents, therefore suburbs are dangerous. Do more pedestrians get killed in the suburbs than in cities? The report doesn't say. We know most air pollution is concentrated in the cities, not the suburbs, but the report blames toxic air, too, on the suburbs.

None of these myths would get much press except that this report apparently attributes them to the Center for Disease Control, listed on the report's cover below the author's names because the authors are employed by the CDC. Did the agency write the report? No. Did it even know about the report? Probably not. Did the anti-suburb crowd

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National Media Coverage

The Wall Street Journal. USA Today. The Washington Post. Time. Newsweek. Business Week. National Review.

ABC, CBS, and NBC Network TV News. 20/20. Dateline. Nightline. Face the Nation. Meet the Press. "Massachusetts raises taxes" is NOT news.

"Massachusetts Ends the Income Tax" IS news. National News.

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score a media victory? Yep.

- Randal O'Toole

Fanatics among us — There is a fear in this country today that we are walking alongside evil people who want to destroy the American way of life, even though they live here. These treacherous people want to reduce the most prosperous nation in history to the status of a Third World theocracy. They would prefer we were ruled by tyrannical mystics who speak directly with God, and desire the right to intervene into every aspect of our lives. They want to tell us what to eat, what to wear, how often we can bathe, and restrict free travel — they would like to see the entire world return to the technology and governance of the middle ages. I refer, of course, to environmentalists. — Tim Slagle

Sprawl is good for salmon — For a decade, Oregon has been pushing cities to concentrate their residents in high-density housing. But now the National Marine Fisheries Service (NMFS) says that the savior of Northwest salmon is . . . urban sprawl! Guidelines developed by NMFS scientists to protect salmon say that new developments should cover no more than ten percent of any given acre with pavement or buildings.

That means new developments should be no denser than, say, one or two homes per acre. Oregon's policies of packing people into much higher densities, say the biologists, are bad for the salmon. As a result, the executive of Portland's

regional planning agency, Mike Burton, says it is time to "take a second look at Oregon's land-use policies."

--- Randal O'Toole

Home runs and Dow Jones — The greatest World Series of all time is over, and baseball now takes its rightful place again as the national pastime. Baseball is played by people of average height and weight, often of average speed and muscle strength and is the favorite sport for parents to play with their kids. But for a while the World Series was displaced by the Super Bowl as the premier sporting event, at least as measured by TV ratings. The shift to baseball is a reflection of the renewed emphasis on normal everyday life.

Even so, I think the emphasis on home runs in baseball in recent years is deplorable. They reflect a tendency to try to win with the quick fix. Quick fixes are not healthy, for baseball or for the economy.

Laurel Kenner and I have looked into the relationship between home runs and the economy. We have found a -0.2 correlation between the change in the number of home runs in any five year period and the performance of the Dow in the next five years. Note that 1900–1919, and 1950–1979, the two eras of scientific baseball, were followed by the greatest rises of all time, and conversely that 1920–1929, and 1990–2000 were followed by disaster on Wall Street.

This is no coincidence.

- Victor Niederhoffer

Letters, from page 6

leader preaching them. Whoever we choose as a leader will eventually turn out to be a professional cheater: Leaders always live off the people they lead, don't they?

Nicolas Roussel St. Josse, France

Shame on Bradford!

I can't help but comment on what's appeared in *Liberty* about l'affair Perry Willis and the Browne campaign. R.W. Bradford does not present any positive solution to the problems he reports — demanding the party banish dedicated people who've advanced our cause doesn't cut it. Quite frankly, I find Bradford's venomous tirades about Harry Browne's campaign lacking in class. Face it, Perry Willis has said his *mea culpa*, been shown the door, and will never be a player in our party again.

Bobby Hess Jr. Orlando, Fla.

Bradford responds: In point of fact, I have not demanded that anyone be banished. I have suggested that if Browne, Willis, and the others show genuine remorse, then the LP should

respond with a mild sanction of refusing temporarily to rent them its mailing list and that if they refuse to answer the entirely appropriate questions that the party has put to them, the party should respond by refraining to do further business with them - a policy that has since been adopted by the party's national committee. Whether Willis will "every be a player in our party again" remains to be seen, as does future involvement by others who participated in the plot for Willis to secretly work on behalf of Browne's campaign for the LP nomination in contravention of his employment contract and the LP's rules.

The Errors of Lois Kaneshiki

In the December Liberty, Libertarian National Committee At Large Representative Lois Kaneshiki accused the LNC's Strategic Planning Team of being wasteful, bureaucratic, and unfocused. Not only did she get the facts wrong, but she misrepresented the vision and spirit of the LP's Strategic Planning Team itself.

Kaneshiki claims that the Strategic Planning Team (SPT) did not establish

the "LP's goals" at the start of the process. This is factually incorrect. The LP has a mission statement. It was read over and over at SPT meetings.

Kaneshiki says that the LP should try to elect candidates to public office. The LP's mission statement says: "The mission of the Libertarian Party is: to move public policy in a libertarian direction by building a political party which elects Libertarians to public office."

Kaneshiki states: "The first meeting was a brainstorming session in which we were asked to come up with any ideas we could think of on 'what the LP could or should be doing' to accomplish its goals. The only problem with this was that we had not yet agreed on what the LP's goals should be."

Again, Kaneshiki is wrong on the facts. The brainstorming session was only part of the first SPT meeting. In addition, SPT participants and state chairs were surveyed on their expectations for the party's performance in the future. Kaneshiki conveniently omits any reference to this effort to get input from those in the field.

continued on page 40

Techno-Law

Microsoft Capitulates

by David Kopel

In its battle with Bill Clinton's trustbusters, Microsoft learned some frightening lessons about how business *really* works in America. The government and Microsoft both gave up a little in the Nov. 2 settlement, but the real losers were computer users and justice in America.

Last fall, Microsoft and the United States Department of Justice announced a proposed settlement of the antitrust case against Microsoft. While the settlement amounts to a substantial victory for Microsoft, the long-term result of the case is harmful for Microsoft, consumers, the economy, and freedom.

Certainly Microsoft came away much better off than the mainstream media believed possible at most stages of the case. Federal trial judge Thomas Penfield Jackson's order to break up Microsoft was voided by the District of Columbia Court of Appeals in the summer of 2001. The new settlement does not include many of the terms ardently sought by the Department of Justice subsequent to the Court of Appeals ruling — such as restricting Microsoft's long-standing practice of giving away the Windows Media Player as part of the Windows operating system. Nor does the settlement include the most egregious terms which had been sought by the Department of Justice in the 1997 case which was the forerunner to the antitrust case — such as a prior restraint on any changes in the Windows operating system. And Microsoft did not agree to what the Department of Justice had originally demanded as the price for not bringing an antitrust case against Microsoft: A requirement that Microsoft distribute the Netscape browser with every copy of Windows.

Yet Microsoft's troubles are not necessarily over. While the Department of Justice and Microsoft worked out a carefully structured settlement, nine of the 18 states which the Department of Justice had convinced to join the original Microsoft antitrust case refused to settle. Federal District Judge Colleen Kollar-Kotelly opened a three-month period for public comment on the proposed settlement. A court hearing is scheduled for March 4. Whether the nine recalcitrant states will be able to undo the settlement, or to carry on with their own cases under state business laws, is uncertain.

However much trouble the states cause Microsoft in 2002,

Microsoft does owe the states a large debt of gratitude. In the spring of 2000, Microsoft and the Department of Justice had been led by mediator Richard Posner (a highly respected federal appellate judge) to a proposed settlement that was far more severe than the current proposed settlement. Microsoft and the Department of Justice were ready to sign, but the states refused, and demanded much, much more. The deal fell apart. Thus, state participation in the federal antitrust case deprived the Department of Justice of what would have been a major victory, a victory which, as a voluntary settlement, never could have been undone by a federal court of appeals. Now, the Department's strategy is again being thwarted by unrealistic state demands. Perhaps the Microsoft case will be a caution for future DOJ litigators to stick to bringing their own cases in federal court, rather than assembling a peanut gallery of state attorneys general with parasitic claims.

Moreover, even if all the state claims are eventually dismissed, the DOJ settlement leaves intact trial judge Jackson's findings of fact — including the finding that Microsoft is a monopoly. These findings are plainly wrong, since they define the "relevant market" so as to exclude Apple, since they falsely conclude that Linux is not a serious competitor to Windows, and since they are premised on indisputably incorrect data about Windows' share of the market (as Bob Levy of the Cato Institute has detailed).

Even so, a "finding" is a finding. Because the federal

Court of Appeals having affirmed the trial court's finding that Microsoft is a monopoly, scores of plaintiffs' attorneys will be able to bring private antitrust suits against Microsoft, relying on the conclusive findings from the government's case. These cases will natter at Microsoft for years, although the plaintiffs will have a very difficult time showing that consumers suffered as a result of anything Microsoft did.

Regarding the terms of the settlement itself, some terms amount to the government intervening to settle ordinary commercial disputes. For example, one issue on which Microsoft decisively lost at trial and on appeal related to the initial start-up screens — the screen the consumer sees the very first time he turns on a new computer. Microsoft insisted that computer manufacturers ("OEMs" - Original Equipment Manufacturers) not replace the Windows startup screen with a customized screen. OEMs could add as many icons as they wanted, but OEMs could not remove the icons that Microsoft included.

As a matter of copyright law, Microsoft was plainly within its rights to insist that its software display not be altered. The trial and appellate courts, however, found Microsoft's copyright irrelevant.

After the initial boot, changing the start-up screen once and for all takes only a few mouse clicks. OEMs could always include icons (along with supporting paperwork), to

Microsoft was a better market entrepreneur than anyone else, but the company failed to realize that its competitors were political entrepreneurs.

tell a user to "Click here to start your Gateway experience." From there, the OEM could customize at will, steering the user into the OEM's preferred Internet service provider, or wherever the OEM wanted to steer him.

If steering from the initial boot (rather than from the first screen after the initial boot) were really all that important, OEMs could have paid Microsoft a few dollars extra for each copy of Windows, and bought steering rights. Nothing prevented the OEMs and Microsoft from coming to mutually satisfactory terms. The effect of Department of Justice intervention, however, was to give the OEMs some of Microsoft's property rights, without the OEMs having to pay for it.



" I told you to bury that uranium deep!"

In a society in which we believe that people are capable of calling an 800 number in order to switch telephone companies, it also seems possible that many of them are capable of following menu instructions to change an opening screen.

Another provision requires Microsoft to charge OEMs uniform rates, with a published discount schedule. This will significantly change Microsoft practices. For example, IBM helped Microsoft develop Windows 3.1, and accordingly received a special discount from Microsoft for purchases of Windows 3.1. Compaq helped develop Windows 95, and received a special price for that product. These discounts were alleged by the government to be illegal antitrust violations, because they gave preferential discounts. Actually, it was a sound move for Microsoft, when developing a new operating system, to find a major computer manufacturer that could help design and debug the new operating system. This made the operating system more robust, less buggy, and better-tested for every consumer. A special discount is a reasonable reward for a company that does special work. At the antitrust trial, IBM complained that it didn't get the same deal on Windows 95 that Compaq did — even though IBM did nothing to help with Windows 95, and only belatedly decided to license Windows 95 when IBM discovered that its own OS/2 wasn't very popular.

But under the terms of the settlement, Microsoft is forbidden to offer special negotiated discounts to companies that help develop better products. The inevitable result will be more bugs, and software that has less testing, and is inferior to what would be produced in a world without the anticompetitive mandate of antitrust.

The real harm of the Microsoft antitrust case, however, has little to do with the terms of the settlement. Rather, the case's greatest destructive effects are how the case has transformed the computer business from one that was proudly independent of the government into one that participates in the same illicit relationship with government as does most of the rest of American big business. To understand this problem, let us look at antitrust law and the Microsoft case in political terms.

The principal-agent problem has long been recognized as one of the keys to understanding government intervention in the economy. The government is supposed to act as the agent for its master (the people). But the government's interest may not always be the same as that of the people. So when the government claims to act as the agent of consumers, the government may in fact be promoting its own interest (more government power) rather than consumer interests (better products at lower prices).

As economist Bruce M. Benson and other authors have explained, antitrust is just as subject to the public choice problem as any other form of regulation. That antitrust is enforced through post-hoc lawsuits, rather than anticipatory rule-making, does not alter the public choice incentives.

Indeed, antitrust is well-structured to enjoy insulation from the normal political processes that combat government economic favoritism. Most forms of regulation consistently harm some companies while benefiting others; antitrust, though, targets a shifting set of victims — sometimes large companies, sometimes small ones. Some industries may be left alone for decades, while others are hounded incessantly. And unlike with regulations such as federal price-setting for air or bus travel, the harm to consumers is indirect, and not felt firsthand. Further, antitrust enjoys intellectual respectability among some scholars who are ordinarily critics of government control of the economy.

Liberty

Milton Friedman used to be one of those scholars, because from a standpoint of theoretical economics, a proper use of antitrust could benefit consumers — such as by deterring conspiracies to fix prices. Yet in 1998 Friedman noted that many of his fellow economists have concluded that antitrust laws "tend to become prey to the special interests. Right now, who is promoting the Microsoft case? It is their competitors, Sun Microsystems and Netscape." In the abstract world of economic theory "Monopoly is a problem," Friedman acknowledged, and for that reason antitrust used to enjoy universal support among economists. But in real life, monopoly "tends to be transitory, to be very short-lived in most cases. The only ways in which monopoly can last is when it has government backing." In 1999, Friedman elaborated: "as I watched what actually happened, I saw that, instead of promoting competition, antitrust laws tended to do exactly the opposite, because they tended, like so many governmental activities, to be taken over by people they were supposed to regulate and control. And so, over time, I have gradually come to the conclusion that antitrust laws do far more harm than good, and that we would be better off if we didn't have them at all, if we could get rid of them."

In *The Wealth of Nations*, Adam Smith argued that "Consumption is the sole end and purpose of all production, and the interest of the producer ought to be attended to, only so far as it may be necessary for promoting that of the consumer." The Microsoft case was accompanied by the usual proconsumer rhetoric — despite the government's failure at trial to prove that consumers had been harmed. Indeed, the government never put on a single witness who described consumer harms. To the contrary, Microsoft's market successes in operating systems, spreadsheets, word processing, Internet browsers, and other software products were the result of dramatic price reductions and quality improvements. Consumers benefited, but competitors suffered greatly. It

By bringing the antitrust case, the Department of Justice demonstrated to every computer maker in America that political tactics were a good way to get the government to harm one's competitors.

was these suffering competitors who were the origin of the Department of Justice case against Microsoft.

Microsoft was a better market entrepreneur than anyone else, but the company failed to realize that its competitors were political entrepreneurs. The Federal Trade Commission (in the early 1990s) and the Department of Justice (starting in 1993) did not develop an interest in Microsoft by reading computer industry news magazines. Rather, they began to notice Microsoft only after a long, persistent, and well-financed lobbying campaign by various Microsoft competitors. The acronym for this group is NOISE (Netscape, Oracle, IBM, Sun, Everyone else).

Among the most prominent companies in "everyone else," was Novell, a Utah-based company which has suffered doubly at the hands of Microsoft. Novell's small-office net-

working business has been eroded by the small office networking capabilities built into Windows 95, and improved in Windows 98. Novell also bought WordPerfect when it was still the leading word processor, and sold it a few years later for a loss of hundreds of millions of dollars, after WordPerfect was supplanted by Word, in large part because of Novell's miserable product management. Utah is also the home state of Sen. Orrin Hatch, chair of the Senate Judiciary Committee in 1995–2001. His widely publicized anti-Microsoft hearings helped lay the political foundation for the DOJ antitrust prosecution.

AOL was also an important member of NOISE, even before AOL acquired Netscape. While Netscape did sin-

The settlement forbids Microsoft negotiated discounts with companies that help it develop better products. The inevitable result will be more inferior software.

cerely care about Internet Explorer — as a threat to Netscape head Jim Barksdale's self-proclaimed "God-given right to a 90% market share," the rest of the NOISE coalition did not. They had about as much genuine concern about the Internet browsers as Lyndon Johnson did for whether the North Vietnamese had actually been the aggressors in the Tonkin Gulf Incident. The alleged aggression was simply a pretext for war with a long-hated enemy.

What about the rest of NOISE? IBM sells to businesses and consumers, while Oracle and Sun sell almost exclusively to businesses. For all three companies, the model is high price and low volume — the opposite of the Microsoft model. Sun does not just integrate a web browser into its Sun Solaris operating system. Sun takes integration much further: If you want to buy the Sun operating system, you also have to buy microprocessors, storage, system software, and middleware. If you want a Sun server, then you have to buy Sun workstations, the Sun Solaris operating system (a version of Linux), and Sun software. The same non-choice is offered to business network customers of IBM.

Nobody challenged the model of making business customers buy everything from a single source. That is, until Microsoft entered the market in the early 1990s. Microsoft's Windows NT operating system for servers is sold as a standalone product, and works on many different kinds of computers. The NT software is also simpler to use, has a well-designed graphic interface, and is cheaper than the products from the dominant companies. Computer hardware to run Windows NT machines is made by many different manufacturers, and is significantly cheaper than the proprietary Linux machines made by Sun. With Windows NT as a platform, low-cost hardware companies like Dell and Gateway (which at the time knew a lot about Windows, but nothing about Unix) could start taking sales away from more expensive machines.

Suddenly, the NOISE companies discovered that Microsoft Windows 3.1, and then Windows 95, and then Windows 98 (all made for the desktop market, not the server

market) were infected with all sorts of antitrust violations. Incidentally, these consumer products also happened to be the cash cows that gave Microsoft the resources to get into the server software business. These consumer products also used a popular graphical interface that made many office workers eager for their companies to adopt Windows NT — since the worker could use an interface like the one that was already familiar from his home computer.

Did the NOISE companies really believe their own warnings about Microsoft's "chokehold" on the Internet? Was Microsoft's style of competition really different from that of the NOISE companies? In fact, every weapon Microsoft used in the browser war (e.g., giving the product away, special deals with favored websites) was also used by Netscape.

Microsoft's Internet Explorer — the original target of the Department of Justice's antitrust suit — is descended from the Spyglass browser, for which Microsoft bought a license from its creator Doug Colbeth. But when Microsoft started giving the browser away for free (to beat Netscape), Colbeth's licensing agreement became worthless. The Department of Justice interviewed Colbeth as a potential witness in the antitrust case. But Colbeth refused, explaining that Microsoft simply behaves like every other Internet company, and that the CEOs complaining about Microsoft are hypocrites: Netscape's "Barksdale and [Sun's] McNealy,

Microsoft has learned political lessons. Microsoft used to be a company which was proud to stay out of politics.

they've all done what Gates has done. There is nothing there I wouldn't have done."

It is strange that Americans are being lectured on business ethics by Larry Ellison of Oracle. Ellison hired a detective company (previously known for digging up dirt on women who accused Bill Clinton of sexual misconduct) which attempted to steal trash from the offices of think tanks that defended Microsoft. Ellison defended the theft and spying on the grounds that it was a "public service." If only Richard Nixon had been creative enough to claim that the Watergate burglary showed his commitment to open records and public disclosure. More recently, Ellison tried to convince the Bush administration to create a national ID card — which would run on Oracle's database software.

Not just Oracle, but the entire NOISE coalition has lobbied, successfully, to pervert the law, and to deploy the coercive force of government against a company that has done nothing wrong except compete aggressively and cut NOISE's profit margins. To add insult to injury, the NOISE propagandists self-righteously proclaimed their devotion to "competition." It is as if Torquemada began each Inquisition by announcing his firm support for religious liberty and tolerance.

By bringing the antitrust case, the Department of Justice demonstrated to every computer maker in America that NOISE political tactics were a good way to get the government to harm one's competitors.

Sadly, Microsoft has also learned political lessons. Microsoft used to be a company which was proud to stay out of politics. Even after an FTC investigation in the early 1990s (over Microsoft's agreement with IBM to work together on the development of the next iteration of Windows and on OS/2), after a Department of Justice investigation culminating in a 1995 consent decree, and after a 1997–98 lawsuit over the consent decree (in which Microsoft's interpretation was vindicated), Microsoft's financial and lobbying involvement in Washington, D.C. was puny. In 1995, Bill Gates was naive enough to declare that political issues are not "on our radar screen." As of 1994, the company had one lobbyist in Washington. Even in late 1997, Microsoft "had zero presence on the Hill," according to Republican Rep. David McIntosh.

Incredibly, Microsoft's political non-involvement was dubbed "arrogant" by the Washington, D.C., establishment — as if the D.C. political class were an organized crime syndicate to which every large company should be expected to pay protection.

The May 1998 antitrust lawsuit served as a Pearl Harbor for the company, which finally began to spend as much money on lobbying and campaign contributions as do similarly large companies which are under heavy political attack. In 1995, the Microsoft PAC spent only \$16,000 (on copyright and encryption issues), but now Microsoft is one of the largest corporate political donors in the United States. Microsoft has bought itself a major lobbying presence in Washington, and begun throwing soft money at the two major parties, and hard money at various candidates.

Microsoft's belated self-defense spurred Microsoft's competitors (who got into the influence-buying game years earlier) to put out their paid consultant Robert Bork to fret that "There is so much Microsoft money flowing through the system that the danger for nonpoliticized law is very real." This was like Hirohito complaining that American submarines were threatening to militarize the Pacific Ocean.

Microsoft's enemies managed to gin up a mini-scandal in early 2000, over the fact that Microsoft and its allies were lobbying against a record budget increase for the Department of Justice Antitrust Division. If Microsoft's lobbying was morally wrong, then it is wrong for victims of abusive IRS enforcement to lobby against a higher IRS budget, for gun stores victimized by the BATF to lobby against BATF budget increases, and for Branch Davidian survivors to lobby against more money for the FBI "Hostage Rescue Team." In fact, Microsoft's mistake was not that it lobbied in 2000, but that it failed to lobby in earlier years to reduce or eliminate the budgets of abusive federal divisions and bureaus. When a pack of wolves is tearing into one's tent, an interest in predator control is legitimate, but belated.

Given the new national mood after Sept. 11, Microsoft is probably safe from the political predators, at least for the foreseeable future. The Antitrust Division appears to be less interested in playing to the politics of envy and attacking successful American businesses. Yet one can only wonder how much stronger the information economy, and the rest of our economy, might be today if corporate success depended entirely on satisfying consumers, rather than on the ability to employ or resist the use of antitrust laws as a political tool against business competition.

Mash Note

Terror, War and Rock 'n' Roll

by Sarah McCarthy

The Concert for New York, a Pakistani cab driver, and the pulsating body of Mick Jagger make for one hell of a weekend.

On the way to the Concert for New York City, my husband and I were waved through the checkpoint at the entrance to the Holland Tunnels, probably because we were perceived as too old and vanilla to be terrorists, but since Sept. 11 I've wanted to become a terrorist myself and have begun carrying a

box cutter in my bra on the off chance I'd run into an Islamic terrorist. Since the Twin Towers fell, I've been scaring myself, wondering whether I have Tourette's syndrome, yelling outrageous things like "kill a Taliban, show your tits." Heading up the New Jersey Turnpike on the way to New York City, I was fantasizing about what I'd do to an Islamic terrorist who got the idea that he could kill Mick Jagger at the concert. Meanwhile, the darker-skinned young were being pulled over by police and having their trunks searched.

Riding across the Pennsylvania Turnpike, we played CDs and guessed which songs would be sung at the concert. We both guessed The Who would sing "We Won't Get Fooled Again," the rousing song George W. Bush used last year on his presidential campaign stops. I knew "Sympathy for the Devil" and "Gimme Shelter" would be out — Jagger would have no sympathy for the current crop of devils, and "Gimme Shelter" is a make-love-not-war song written during Vietnam. I thought Jagger would choose "Paint It Black," one of my Stones favorites, a serious and highly dramatic song that is mostly forgotten except by fans heard on live albums yelling, "Paint it black, you devil!" With wild guitar and drums, black mood, and grand finale of agonizing screams, the song, though written nearly 30 years ago, had enough gravitas for the occasion, capturing strains of the shock and horror of Sept. 11.

I see a line of cars and they're all painted black. . . . I see people turn their heads and quickly look away. . . . I look inside myself and see my heart is black,

no colors anymore

I want them to turn black.

Maybe then I'll fade away and not have to face the facts,

It's not easy facin' up when your whole world is black. . . .

I could not foresee this thing happening to you.

If I look hard enough into the settin' sun, my love will laugh with me before

the mornin' comes. . . .

I want to see it painted, painted black, black as night, black

I want to see the sun, blotted out from the sky.

Paint it, paint it, paint it black.

Songwriter Gene Ellsworth, writer of "The Fool," sung by Lee Anne Womack, and "The Visit" by Chad Brock, and who hangs at our bar between trips to Nashville, said "Paint It Black" was too dark and pessimistic for Oct. 20. New York had moved past Sept. 11, and into a spirit of resolve and rebuilding. He was right. Along with "Miss You," Mick and Keith sang "Salt of the Earth" in tribute to the firefighters, police, rescue, and construction workers who were clearing the still-smoking debris. Bon Jovi sang "Wanted, Dead or Alive" and "Livin' on a Prayer," and the Goo Goo Dolls sang "I Just Want You to Know Who I Am." A beautiful assemblage of stars if there ever was one!

We arrived in Manhattan on a beautiful sunny day and heard on the car radio that at the Philadelphia Greyhound station a bomb the size of a bar of soap, packing enough firepower to level the station had just been found in a locker. Though hotels were, and are, discounting — the Waldorf Astoria, usually \$400-500 per night, was going for Thanksgiving weekend nights for \$150. Upper and Midtown Manhattan were bustling. Business was thriving at the Uptown restaurants like the Café Pierre and the Boat House in Central Park, where we sat outdoors by the lake and, following a half-hour wait, lunched on frittatas topped with asparagus spears and warm goat cheese. We rode bikes in the park with thousands of others, and rode a carriage decorated with plastic bouquets pulled by one of the horses lined up along the curb outside of the Plaza. The driver said business was down by half, and after eight years in the United States, he was planning to return with his wife and children to his native Brazil, where the standard of living was easier. He scoffed at the American bombings of Afghanistan: "They are bombing caves."

There was a media swarm in front of the building that houses Fox News and the *New York Post* where anthrax had

Heading up the New Jersey Turnpike on the way to New York City, I was fantasizing about what I'd do to an Islamic terrorist who got the idea that he could kill Mick Jagger at the concert.

been discovered, and the Manhattan post office was cordoned off, guarded by soldiers. The Oct. 20 *New York Post* carried a front-page anthrax story with a full-page picture of a *Post* employee with skin anthrax on her middle finger. "Anthrax this!" was the banner headline above the woman's raised middle finger.

Feeling a bit apprehensive about how difficult it would be to provide adequate security when bombs the size of soap bars had the firepower to destroy large buildings, and about how vulnerable a target-rich gathering of politicians and rock stars would be at Madison Square Garden, built on top of a train station, I was glad to see a busload of soldiers in camouflage arrive on the afternoon of the concert and head downstairs to Penn Station. My husband asked them if they were here to attend the concert or provide security. "Both," they answered.

Because of the passions they inspire rock stars have always been vulnerable to attack, and though no one said so, I would expect that rock stars like Mick Jagger might be somewhere on the Taliban's long hit list of decadent free-wheeling American infidels. Jagger hired the Hell's Angels as security at a Stones' concert at Altamont Speedway in 1969, and the resulting mayhem and murder was hailed as the end of the '60s. On tour shortly after the assassination of John Lennon, Jagger was asked if he had upped his own security. He responded that nothing could protect him from some "nutter in the third row" with a gun. Since Sept. 11 it has been brought home to me that no amount of security can protect any of us from a nutter with a gun.

The Concert for New York City opened to a full house of 19,000 people who had paid anywhere from \$250 to \$5,000 each, with David Bowie sitting quietly at a piano on a dark-

ened stage singing Paul Simon's "America." "They've all come to look for America," he sang, a simple and beautiful beginning for a beautiful night of unity and resolve; except for the jarringly out-of-sync moments when politicians like Hillary appeared on stage. She, at least, was booed on sight.

Bowie's second song was "Heroes":

Though nothing nothing will keep us together We can beat them forever and ever Oh we can be heroes just for one day. Though nothing will drive them away We can be heroes Just for one day We can be us Just for one day. I can remember Standing By the wall The guns Shot above our heads And we kissed As though nothing could fall And the shame was on the other side. Oh we can beat them Forever and ever Then we can be heroes Just for one day.

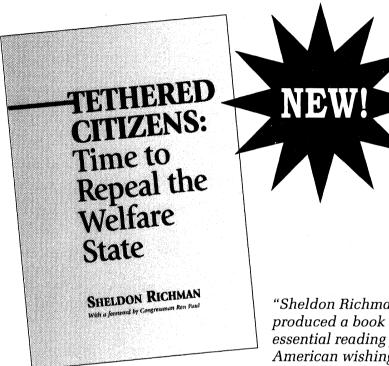
It's quickly become a cliché that Sept. 11 has changed all of us. Molly Haskell writing in the *New York Observer* says, "I find myself responding to threats to our country with feelings of non-pacifist aggression I didn't know existed." Even Rosie O'Donnell has switched, taking her son to a Yankee game to see George W. Bush, whom she says she now loves, throw a pitch. There are still goofball pacifists around like Richard Gere, booed at the concert for saying we must be careful not to let "this horrendous energy turn into revenge," and silly lovesonger Paul McCartney who winded up the concert with the words, "Let it be America, let it be."

Let it be? I don't think so.

Or Joe Biden, who swishes over the political landscape faster than a windshield wiper in a blizzard, saying things like we don't want to be "high-tech bullies." High-tech bullies? Would Biden prefer that we, or the young soldiers sent to do our dirty work, be low-tech victims?

During Vietnam I was a peace activist and protester, which I would be today if circumstances were the same. No, I am a would-be terrorist. I warily agreed with President Bush in Desert Storm because I thought Saddam Hussein was Hitlerlike with grand designs to take over the Middle East, one country at a time; empowering himself with time, money, and oil conquests. I believed that he would eventually use biological, chemical, or nuclear weapons against the United States, and we needed to stop him. But at what point can a civilized people decide to pre-empt a Hitler on the move? Before Sept. 11 we had the luxury of doubt, the possibility that time would change things, the hope that he would fall from power, that everyone would come to his senses. There was the ever-present heartbreaking specter of body bags if the United States invaded Baghdad. But now the danger is imminent and real; one way or another there are going to be body bags, the question is whose.

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Having never before known any real Islamic people, since Sept. 11 I have been seeking them out, wherever I find them, to see what they think. In New York we ran into two Pakistani cab drivers and an Islamic maitre d'. They all seemed nice enough, but right under the surface were some very weird beliefs. The Pakistani cab driver who picked us up at "the site" where the World Trade Center had once stood, was passionate about his ideas. We had gotten to the point in the conversation where I could ask if his wife wears a veil. "Of course, of course," he said. "Look at those two Americans right there," he said, pointing to a plain-Jane, innocuously dressed, middle-aged, unsexy couple strolling along the sunny New York streets in sleeveless jerseys and shorts. Their shorts were modestly cut as were their shirts.

"What if you saw a young man with big, big muscles and no shirt here," he said, making the gesture that men usually make to demonstrate a woman with large breasts. "It would give you bad thoughts." He argued passionately, waving away a woman who wanted to get into the cab now that we had parked at our hotel curb. "Take the next cab," he told her, "I want to finish this conversation." I began now to babble as my brain began going faster than my tongue. My thoughts raced. The veil and all those robes constrict movement, I babbled, they restrict freedom, there's nothing bad about sexual thoughts, it's like Chinese foot binding, it cripples women and men, there is nothing to be so terrified of and, finally, I just couldn't deal with what was nothing less than terror of the bared arm, a terror more primitive and puritanical than I could ever imagine.

When I got out of the cab I thought what I should have said: The main reason I was in New York was my magnetic and magical attraction to an aging rock star who, by many people's standards, was laughably ugly with skinny arms

People hear a few chords of Mick and Keith playing "It's Only Rock 'n' Roll" or "I Can't Get No Satisfaction" and they fall in love.

and little legs, big lips, a long, stuck-out tongue, and a lot of wrinkles. I am attracted to his spirit, his life force, to his defiance, his competence, his lyrics, his guitar and harmonica skills. I love him, though he is not my husband, for his accomplishments, for the music and the joy he brings, more impressively at near-60, because he is, in my view, a genius, a maverick, a triumphant individual with a smart mouth and staying power and an irrepressible love for freedom. He shows us what we are capable of. I love him because he is funny. He laughs at himself, making fun of his own face by sticking it two inches away from a television camera and singing, "people think I'm cra-a-a-zy." I love him because he's rich and cocky and determined, and I knew he wouldn't stick around at the Concert for New York City to be Paul McCartney's backup singer. He did his two songs and was gone. Between songs he said we have learned one thing from all this: "Don't fuck with New York!"

I love him because he defied Bill Clinton and was a noshow for an appointment at the White House. I love him because he said England's two best assets were himself and the queen. I love that he runs ten miles a day to keep in shape for his concerts. He is totally disciplined wildness. He is an achiever. He is not afraid of sex nor of strong women. Probably because I am large and heavy, I love his agility. I would pay anything to watch him dance. His music soars and he makes my spirit soar, and I would never resist sleeping with him if I had the chance, and I think God wouldn't give a shit. He has more important things to worry about, like radical Islamics who dream they are going to see Allah and want to take the whole planet with them. People hear a few chords of Mick and Keith playing "It's Only Rock 'n' Roll" or "I Can't Get No Satisfaction" and they fall in love. So what are you going to do about that, Muhammad? Are you going to outlaw dancing and music and skinny arms and humor and wit, genius, achievers and freethinkers and rebellion, and the life force itself that causes sexual attraction in the first place? Yes, of course you are, you already put all that under wraps. I saw the cassette tapes hanging from the Taliban's trees in Afghanistan. I saw the veiled women, some

Are you going to outlaw dancing and music and skinny arms and humor and wit, genius, achievers and freethinkers and rebellion, and the life force itself that causes sexual attraction in the first place?

of them doctors and lawyers, being stoned by what in Afghanistan passes for grown men and shot in the head in soccer stadiums by brainwashed punks. Your veiled women speak volumes. Those shrouded females are monuments to your cowardice, you who are so weak you quake before your own bodies. Now New Yorkers are buying canaries to check for things amiss in the air, and terrorists say they want to see the White House painted black. You want to turn us into the wreckage that you are. Yours is a sick religion, a crippled, dead-end culture, caught up in destruction. You really need to rethink, re-evaluate, throw off the mind chains of the Islamic religion which is nothing more than a little cult that grew, start building instead of destroying, build a culture and get a life. And now I'll tell you what I really think.

If you threw off your mind chains, Muhammads (are you all named Muhammad?), you would have to stop acting like kindergarten bullies kicking over other kid's towers of blocks and begin facing all the complexities and challenges of adult life. Yes, sexuality is a powerful, dangerous thing, like fire, that can be used both to create joy or cause destruction. Free adult people make fine-tuned judgments about managing and channeling their sexual desires rather than trying to obliterate temptation in the world around them. When you obliterate temptation you are obliterating the life force itself. It is who we are, how we are made. It is inborn. If you try to obliterate greed, you obliterate ambition. Human drives should not be annihilated from existence; it is up to each of us to channel and manage our own destructive pro-

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Analysis

Toward Martial Law

by Robert A. Levy

Our government has exploited the events of Sept. 11 to impose national police powers that skirt time-honored constraints on the state.

If you think the Bill of Rights is just so much scrap paper, and the separation of powers doctrine has outlived its usefulness, then the USA PATRIOT Act, passed overwhelmingly on Oct. 25, is the right recipe to deal with terrorists. On the other hand, if you are concerned about Fifth Amendment protection of due

process, and Fourth Amendment safeguards against unreasonable searches and seizures, then you should be deeply troubled by the looming sacrifice of civil liberties at the altar of national security.

To be sure, the Constitution is not a suicide pact. Government is legitimately charged with defending life, liberty, and property against both domestic and foreign predators. First among those obligations is to protect life. With America under attack, and lives at risk, civil liberties cannot remain inviolable. But that's a far cry from asserting that they may be flouted to wage war against fanatics.

Proponents of the new bill surely understood that many of its provisions were incompatible with civil liberties. Yet rather than modify the offending provisions, the president and Congress decided to promote the bill as an expression of patriotism. Hence the acronym — USA PATRIOT — and its bloated title, "Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism." The sales pitch worked. Fearful of being labeled disloyal after the September atrocities, the House endorsed the bill 357–66, followed by a 98–1 rout in the Senate, with only Russ Feingold, D-Wis., in opposition.

From its initial draft to its final adoption, USA PATRIOT zipped through in six weeks — gutting much of the Fourth Amendment in far less time than Congress typically expends on routine bills that raise no constitutional concerns. Congress' so-called deliberative process was reduced to this: Closed-door negotiations; no conference committee; no committee reports; no final hearing at which opponents could

testify; not even an opportunity for most of the legislators to read the 131 single-spaced pages about to become law. Indeed, for part of the time, both the House and Senate were closed because of the anthrax scare; congressional staffers weren't even able to access their working papers.

This negligible legislative record will make it difficult for courts to determine the intent of Congress. And because legislative intent matters to some judges — for example, Supreme Court Justices Stephen Breyer and David Souter — the USA PATRIOT statute might ultimately be invalidated as unconstitutionally vague. Ironically, Congress' rush job, which facilitated passage of the bill, could be the cause of the bill's downfall. The same law that was promoted as an act of patriotism might even provide a rationale for releasing the madmen who committed the horrific terrorist acts against the United States.

Yet the more acute objections to the new statute are substantive, not procedural. They fall into three main categories. First, any law with the potential to alter dramatically conventional notions of individual freedom should fastidiously guard against abuse. The doctrine of separation of powers, a centerpiece of our Constitution, has been a traditional buffer against such abuse. By requiring advance judicial authorization of certain executive actions, followed by judicial review to assure that those actions have been properly performed, our liberties are shielded from excessive concentrations of power in a single branch of government. As we shall see, the

USA PATRIOT Act does not pass muster.

Second, if the new rules are at all justifiable, they are defended as a necessary instrument of anti-terrorism. If so, why do many of the provisions apply not only to suspected terrorist acts but also to everyday national security investigations and even ordinary criminal matters? In effect, our government has exploited the events of Sept. 11 to impose national police powers that skirt time-honored constraints on the state. The executive branch will not always wield its new powers in the service of ends that Americans find congenial. Better that the government be shackled by the chains of the Constitution.

Third, laws that compromise civil liberties must be revisited periodically to assure that temporary measures, undertaken in response to a national security emergency, do not endure longer than necessary. Such laws must contain sunset clauses: That is, they should expire automatically within a short time of enactment — thus imposing on government the continuing obligation to justify its intrusions. In this instance, the Bush administration rejected any sunset provision whatsoever. Congress demurred, and insisted on including such a provision; but it applied only to new wiretap and surveil-

If the new rules are a necessary instrument of anti-terrorism, why do many of the provisions apply not only to suspected terrorist acts but also to everyday national security investigations and even ordinary criminal matters?

lance powers, not to the whole bill. Moreover, the sunset date was fixed at Dec. 31, 2005 — more than four years after passage of the legislation. Plainly, a shorter time frame one year, or two years at most — would have been appropriate. If the emergency persisted, Congress and the president could re-enact the law.

Skeptics might dismiss those objections as mere abstractions — civil libertarianism run amok — unless they are illuminated by concrete examples from the statute. Here, then, are just a few of the more egregious threats to personal freedom.

During the Carter administration, Congress passed the Foreign Intelligence Surveillance Act, which created a new federal court to approve electronic surveillance of citizens and resident aliens alleged to be acting on behalf of a foreign power. Until now, the FISA court granted surveillance authority if foreign intelligence was the primary purpose of an investigation. No longer. Under Section 218 of the USA PATRIOT Act, foreign intelligence need only be "a significant purpose" of an investigation. That sounds like a trivial change, but it isn't. Because the standard for FISA approval is lower than "probable cause," and because FISA now applies to ordinary criminal matters that are dressed up as national security inquiries, the new rules could open the door to circumvention of the Fourth Amendment's warrant requirements. The result is rubber-stamp judicial supervision of phone and Internet surveillance, even in regular criminal cases, and FBI access to medical, educational, and other business records that might conceivably relate to foreign intelligence probes.

This is but one example of the government's expanded powers to conduct searches and surveillance. There are others. Government will have access to some financial records, without notice or judicial review. While judicial approval is necessary to retrieve voice-mail messages, the requisite court order can now be obtained with a minimal showing of relevancy. That same low standard governs traces on Internet surfing and email. Perhaps worst of all, under Section 213 of the act, secret "sneak and peek" searches of physical property will be condoned in routine criminal investigations. Those searches can be conducted without knowledge of the property owner until a "reasonable" time after the search has occurred. No knowledge means no opportunity to contest the validity of the search, including such obvious infractions as rummaging through office drawers when the warrant authorizes a garage search, or even searching the wrong address.

On the money-laundering front (Sections 301 through 377), the secretary of the treasury is empowered to label any jurisdiction a "primary money laundering concern," which case foreign banks will be required to disclose their customers and transactions. Predictably, the identified countries will be those with low tax structures and strict laws protecting the privacy of their customers. Yet there is little evidence that tax havens are a magnet for dirty money. In fact, when money is transferred across borders and back again, the risk of detection is high. That serves as a deterrent to such transactions. To punish nations that harbor terrorists and their assets, we should shut off U.S. access to financial institutions that refuse to provide evidence associated with the September carnage. We should also invoke existing bilateral agreements, and negotiate new agreements, waiving bank secrecy and requiring mutual cooperation when prosecuting terrorist acts.

Civil libertarians are rightly alarmed that the attorney general can detain, for seven days, noncitizens suspected of terrorism. After seven days, pursuant to Section 412 of the act, deportation proceedings must commence or criminal charges must be filed. Originally, the Justice Department had asked for authority to detain suspects indefinitely without charge. Congress could not be persuaded to go along. But the final bill, for all practical purposes, allows expanded detention simply by charging the detainee with a technical immigration violation. And if a suspect cannot be deported, he can still be detained if the attorney general certifies every six months that national security is at stake.

To illustrate the magnitude and scope of that problem, The Wall Street Journal reported on Nov. 1 that seven Democrats had filed Freedom of Information Act requests for a detailed accounting from Attorney General John Ashcroft on the status of more than 1,000 detainees. The lawmakers cited reports that "some detainees have been denied access to their attorneys, proper food, or protection from . . . physical assault." Some of them were allegedly being held in solitary confinement even though they hadn't been charged with any criminal offense. According to a representative of

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Analysis

The Mussolini of Maui

by Malia Zimmerman

Drastic times call for drastic measures. Or at least that's what Hawaii's governor would like us to believe. Meet the biggest, baddest, most power-hungry governor since Huey Long.

During an "emergency special legislative session" held Oct. 22 through Nov. 2, the Hawaii Legislature considered a bill giving the governor powers to overturn state and local government decisions relating to zoning, permitting, and the use of public facilities such as harbors, airports, and highways. It

also exempted him from the state's procurement code. And it authorized him to change, amend, and modify any state contract, lease, or agreement with no oversight in every version of the bill passed, with the exception of the emergency powers law itself.

The rationale for giving the governor these unprecedented powers? The terrorist attacks some 5,000 miles away, the theory went, had discouraged Americans from vacationing in Hawaii, thereby creating an "economic emergency" for which immediate action was required. Measures had to be taken so quickly that there was not even time for the Legislature to act, despite the fact that the governor's own party controls 63% of the house of representatives and 88% of its senate.

Even before this sweeping measure, Gov. Benjamin Cayetano was the most powerful governor in the nation, controlling the nation's only statewide school district system, and centralized transportation, health, and correctional systems — functions normally performed at the local level in the other 49 states. With it, he is the most powerful governor in American history, with the possible exception of Huey Long's dictatorship in Louisiana early in the last century. Its effect is to put Hawaii under martial law.

Even with the governor's huge majority in the legislature, it was not an easy bill to pass. Most media in Hawaii endorsed or did not report on the bill, leaving the public blind for the first few days of the session. It is not surprising that the media acted like the governor's lap dog: Cayetano is

notorious for boasting publicly, "I will reward my friends and punish my enemies," and has been known to legally harass reporters, publications and media that criticize him.

The media in Hawaii are reminiscent of a lap dog that licks its government master in adoration, no matter the scandal, refusing to bite the hand that controls it. If one should step out of line, suddenly big business or big government pulls advertising, and a newspaper or news show is crippled until the offending reporter is fired or retreats apologetically.

Republican Party chair Linda Lingle, who had challenged Cayetano in the 1998 election, was tenacious, energetic, and loud in her opposition. She told state legislators at the only public hearing on the bill: "The emergency powers bill goes against the basic beliefs of a democracy. While it can be argued that it might allow for a quick response to a particular business or individual problem, the bill is so filled with the potential for widespread abuse, favoritism, corruption and a general disregard for the views of the public as to make it completely unacceptable in any form."

Her testimony went largely unreported on in the press, and Democrats responded that the public must "trust the governor" to use his new power wisely.

Attorney General Earl Anzai was asked at the public hearing whether there were any contracts or actions that the governor would be barred from interfering with under the new legislation. He said there weren't. Asked whether the governor already possessed enough power to solve the problems used to justify the bill, such as waiving landing fees for passenger aircraft or modifying existing airport-related contracts, he admitted that the governor already did. When legislators asked whether the governor's new powers would apply to an acting governor he said they would. The unelected attorney general had just served as acting governor when the governor flew to Japan and the lieutenant governor to Washington, D.C.

Further testimony revealed that the governor did not have a uniform plan to waive, defer, or reduce fees on state facilities in order to bolster tourism and instead planned to renegotiate each contract with each individual business. This is especially disturbing in Gov. Cayetano's case, given his history of awarding state contracts to political favorites.

Democrats tried to disguise the emergency powers bill as a simple measure to "help local businesses deal with blows

But such a sweeping measure could not be enacted, even in what Forbes calls the "People's Republic of Hawaii," without stirring up some opposition.

from the economy's downward spiral." Democrats have enjoyed a political monopoly in the 50th state for more than 40 years and now occupy all four of Hawaii's congressional seats, the majority of county council seats, the office of the lieutenant governor and governor, in addition to their huge majorities in the Legislature. And they believed they had little to fear from the voters. Most consider themselves "Teflon," no matter the sleazy, unethical, or illegal acts in which they are involved, thanks to an apathetic public that almost robotically elects them year after year.

But such a sweeping measure could not be enacted, even in what *Forbes* calls the "People's Republic of Hawaii," without stirring up some opposition.

People in Hawaii overwhelmingly oppose fluoridation of the state's drinking water, but the governor supports it. Opponents of fluoridation publicly worry that the governor might impose fluoridation on the people under the authority



of the measure.

Opposition also came from opponents of casino gambling, another political position not popular with the people of Hawaii but which the governor, who has long been associated with international gambling interests, disagrees.

But the brunt of the battle was born by the Republicans. "It's often said jokingly that a democracy is a very inefficient form of government and that a dictatorship allows you to get things done faster," Lingle told legislators. "True or not, we all know and agree that democracy is the best form of government. Anyone who votes to pass the Emergency Powers bill is saying that they have lost confidence in democracy." House Minority Leader Galen Fox was even more emphatic. "This is unconstitutional. There are three branches of government, not two," he said. "The public and Republicans throughout the state are rightly horrified by this legislation."

Some members of Cayetano's own party expressed concerns privately, but only two, Rep. Lei Ahu Isa and Rep. Terry Yoshinaga, failed to support it. Even Common Cause, which claims to be a watchdog against corruption, acted more like a sickly, whimpering pup, with its Hawaii branch supporting the legislation, offering only a few technical amendments.

In a tactical move, the three senate Republicans, led by Minority Floor Leader Fred Hemmings, proposed several limiting amendments to the bill, which after a series of closed-door, backroom meetings, were adopted by

This "emergency" law makes Hawaii Gov. Benjamin Cayetano the most powerful governor in American history, with the possible exception of Huey Long's dictatorship in Louisiana early in the last century. Its effect is to put Hawaii under martial law.

Democratic party legislators. The governor coyly said that whatever the Legislature wants, he can live with.

Even so, Republican Minority Leader Sam Slom saw little mitigation in these amendments. "There is absolutely no question this is still a bad bill, unprecedented, unnecessary and one that some lawmakers hope will shift blame from them to the governor when the Hawaii economy further declines," he said. "It is still 'less evil' than the original proposal and that is what lawmakers do best: give voters a choice between the 'lesser of evils,' not the choice between the best alternatives."

The special session ended Nov. 2. The bill passed swiftly, with House Republicans still attempting to kill it. It was immediately signed by the governor.

Since Hawaii is the only state in the union that has neither statewide initiative, referendum or recall, the next chance to ensure this kind of power grab never happens again won't come until November 2002, when virtually every elected official statewide will have to run for reelection, thanks to one section of the Hawaii State Constitution legislators haven't yet dare touch.

International

Muslims in Paradise

by Alexander Boldizar

Bali is an island of peace and prosperity in a sea of Muslim fundamentalism. But the price of paradise is eternal vigilance.

A few years before the world went mad, Ketut had a Javanese girlfriend, a Muslim. As their relationship ripened, she became sad. "It's a shame I can't marry you," she would sigh.

There was no need to ask what the obstacle was. Although a liberal Muslim, she had made it clear that he was an infidel, a Balinese Hindu, and unless he changed they had no future.

"Would a Muslim man ever change to the religion of his wife?" Ketut asked.

"Of course not," she answered. "Islam is the true religion. And I will not become Hindu."

Ketut thought about the problem for a few days. He could give up a thousand years of Hindu ancestry, he thought. But not for Islam. Anything but Islam. The "vile, long-haired princes of Bali" as the Islamic Javanese had called his people nearly 600 years ago, had fought against the spread of Islam to the shores of paradise since that time. Islam was brought to Indonesia by Arab traders, gained a foothold in Sumatra in the 13th century, spread to the coastal areas of Java, then eroded the great Hindu kingdom of Majapahit in the early 16th century. But the aristocracy of the Majapahit, the priests, jurists, artists, artisans, painters, sculptors, architects, goldsmiths, gongsmiths, writers, and dancers were for the most part unwilling to accept Islamization. They fled to Bali and the protection of King Waturrenggong.

King Waturrenggong had "lionhearted courage, incomparable daring, and magical powers" in battle. An incarnation of Wisnu, he unified the aristocracy with the people and built a military bulwark against Islam. His high priest and teacher, the Just-Arrived-Magic-Powerful-High-Priest Nirartha, another refugee from Java, redesigned the temple system in Bali so that each village had its own temples; this forged a closer bond between the people and their Hindu gods, a

bond unlike that in any other Hindu kingdom, and one which Islam would find difficult to sever, despite 600 years of pressure. It was this exodus of devoted Hindus and the fear of Islam that created in Bali the paradise that Western tourists have been admiring since 1597, when Captain de Houtman, the first Dutch explorer to the area, arrived and many of his men mutinied; refusing to leave the island that was so beautiful, where women bathed nude in the rivers, where the king's chariot was pulled by white buffaloes and his retinue was made up of 50 dwarves whose bodies had been bent to resemble kris (traditional dagger) handles.

The historic hatred of Islam by the Balinese is one of the reasons Ketut admired his girl, that she had been willing to come here from Java on her own, to risk ancient racism in order to enjoy the much higher standard of living and greater freedoms that Bali offers in comparison to the other islands of Indonesia.

"Very well," he said after a few days of thinking, "let's both become Buddhist."

No, she had answered. Nor Jewish, Jainist, or Zoroastrian. Not even to Christianity, which to Ketut seemed very similar to Islam, especially in its need to proselytize and spread. It was Islam or nothing.

So Ketut ended the relationship, but without acrimony. He had seen too many Muslim daughters in Bali pulled along the pavement, their fathers dragging them by the hair, beating them senseless, outraged at their dating an infidel. It

is difficult to be strong in the face of such a pedigree.

There are some Muslims now in Bali. Bali is part of Indonesia, after all, and Indonesia is 90% Muslim. They come legally despite local objections, though they are at times subject to vandalism and random attacks by young Balinese.

"I see her in the village sometimes," Ketut said. "She is the fourth wife of a Muslim man. He lives in another city and rarely sees her or their child. And I think she is very unhappy, but she wears the veil now and has become much more fanatical."

And Ketut is again unhappy about fanatical Muslims. He runs an Internet café and a tourist agency now, and over 1.3 million tourists have cancelled Indonesian holidays since the Laskar Jihad, the Islamic Defenders Front, and other radical Islamic groups in Java (supplied by Osama bin Laden with money, men, and arms) began rioting and threatening to "sweep" all Westerners out of Indonesia. Villages in Bali have put their traditional guards on alert, the Balinese People's Council has promised to fight any hostile Javanese,

In 1906, the Balinese royalty burned their own palaces, then, wearing their finest jewelry and waving golden swords, they followed the rajah and priests out against the modern weapons of the Dutch.

and the Balinese have staged large demonstrations against any "sweeps." They are not alone in this, of course. In Muslim Jakarta, areas dependent on tourism have also set up neighborhood militias to defend tourists against sweeps, and have already repulsed one group of radicals attempting to do mischief.

Tourist arrivals have declined sharply all over Indonesia, but at least in Bali this is largely a problem with perception, the difference between being inside and outside. The 22,791 foreign visitors in Bali as of Oct. 7 are not moving up their departure plans, although their families, governments, and media all seem to be calling for them to come home and risk anthrax attacks rather than stay in Indonesia.

The package tourists do worry some, because any true sweep would have to include Bali, the Indonesian island that in 1937 was already described as overtouristed. But expatri-



"You're in the right place and this is the right time, but I'm afraid you're in the wrong alternate universe."

ates living here are used to periodic flare-ups of instability and apart from postponing trips to Java, few seem worried. They feel well-protected by the Balinese.

"If the Javanese come to sweep, we will make lawar out of them," says Ketut, referring to a type of haggis made out of pork stomachs. Then smiling a small smile, as if saying something not to be aired loudly, he adds, "Maybe it would be good, maybe it would begin a war for independence."

"But they won't come," he sighs. "They are frightened. The Balinese are quiet, quiet until they decide it is time for puputan. The Javanese remember this." Puputan is a suicidal fight to the death, which historically has seemed necessary once every 50 years or so. In 1906, the Balinese royalty burned their own palaces, then, wearing their finest jewelry and waving golden swords, they followed the rajah and priests out against the modern weapons of the Dutch. Four thousand Balinese died in 1906 and a larger number in a similar puputan in 1945, again under the guns of the Dutch.

It was only through Western weaponry that Bali became part of Indonesia, and suicidal armies scare Muslims as much as they do Westerners. Unlike radical Islam, however, in Bali it is not the uneducated and used who become human bombs; it is the priests and leaders themselves.

And the battle between Bali and Islam that began 600 years ago has never really been put to rest. It has merely moved to other dimensions. Balinese medicine men continue to fight against Muslim medicine men from Java and Lombok. Although Islam does not officially permit magic, curses are nevertheless thrown back and forth over the narrow Bali Strait, fireballs of invisible energy fly overhead, Islamic clerics put love spells on Balinese women to fall in love with Muslims, and Balinese holy men rub the affected in pigs' blood to undo the spell. The Balinese holy men often

Fireballs of invisible energy fly overhead, Islamic clerics put love spells on Balinese women to fall in love with Muslims, and Balinese holy men rub the affected in pigs' blood to undo the spell.

use pigs' blood against the Muslims, and the Muslim holy men chant sentences from the Quran as magic mantras, while clutching a small fetish or two.

Islamic magic often includes poison and teluh, says Empu Resi, a holy man in the village of Ubud. Teluh is an attack by which whole daggers and saucepans are materialized into the stomachs of enemies, who today have them removed with Western medical operations.

But despite the fearful teluh, the Balinese claim that in the war of magic the Muslims have no chance. In Bali the other dimension, the dimension in which the war has never stopped, is magic. In America the magic is Hollywood, the Bill of Rights, capitalist greed, rational public discourse, and humanitarian aid. These are what Osama bin Laden is really fighting over, not Palestine or Iraq. Without the Soviet Union to fight the American magic, the air-conditioned magic against which the rest of the world has no chance, the attack

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has become too sharp. So Islam is hardening in its more visible dimensions.

In Indonesia this means that the Indonesian government doesn't clamp down on anti-Western threats, that years of Islamic bias in all aspects of Indonesian public life have become more and more institutionalized, and that Islamic political parties are increasingly pressing for Shariah (Quranic Law) to become the law of Indonesia, whether the subjects be Muslim, Hindu, Buddhist, Christian, or Animist. But sweeps would destroy the Balinese tourist economy, Shariah would subject the Balinese to a religious system they despise, and the constant bias chafes. So even while the old Balinese cannot imagine independence, many young men increasingly want to bring the fight into the open.

Ketut's friend, Made, for example, has insomnia. He has found a cure, however. He says for the last few years he cannot go to sleep until he finds a Javanese Muslim and gives him a good punch. Then he can sleep.

When there are too many young men of any stripe or

belief, nations go to war.

Ketut and Made and other young Balinese still think about King Waturrenggong and the Just-Arrived-Magic-Powerful-High-Priest. They celebrate the latter's memory twice a year. Muslims still think about Mohammed's war to take Mecca and destroy the 300-odd religions represented there before A.D. 623. It is only North America that has a stunted sense of history, with anything predating World War II classified as "ancient," and it is only the West that insists religion and politics are separate issues.

George W. Bush has said "you are either for us or against us," and blindly called the war a "crusade." Osama bin Laden agrees, countering that "you are either a believer or an infidel." In the post-WTC world, in country after country, movements and complaints which had seemed long buried are emerging back into the visible dimensions. Slowly, behind the scenes, fault lines which go back thousands of years are beginning to show.

Even in paradise.

Mick Jagger, from page 28

clivities. To do otherwise is to kill human life itself, which is precisely what you are trying to do.

A few weeks after the attack on the World Trade Center, Salman Rushdie, whose Satanic Verses inspired crowds to pour into the streets of Teheran, burning books and calling for his death, wrote about Islamic fundamentalism in the Washington Post:

The fundamentalist seeks to bring down a great deal more than buildings. Such people are against, to offer just a brief list, freedom of speech, a multiparty political system, universal adult suffrage, accountable government, Jews, homosexuals, women's rights, pluralism, secularism, short skirts, dancing, beardlessness, evolution theory, sex.

There needs to be a thorough examination, by Muslims everywhere, of why it is that the faith they love breeds so many violent mutant strains. If the West needs to understand its Unabombers and McVeighs, Islam needs to face up to its bin Ladens.

United Nations Secretary General Kofi Annan has said that

we should now define ourselves not only by what we are for but by what we are against. I would reverse that proposition, because in the present instance what we are against is a nobrainer. Suicidal assassins ram wide-bodied aircraft into the World Trade Center and Pentagon and kill thousands of people: I'm against that. But what are we for? What will we risk our lives to defend? Can we unanimously concur that all the items in the above list - yes, even the short skirts and dancing - are worth dying for?

The fundamentalist believes that we believe in nothing. In his world view, he has his absolute certainties, while we are sunk in sybaritic indulgences. To prove him wrong, we must first know that he is wrong. We must agree on what matters: Kissing in public places, bacon sandwiches, disagreement, cutting-edge fashion, literature, generosity, water, a more equitable distribution of the world's resources, movies, music, freedom of thought, beauty, love. These will be our weapons. Not by making war but by the unafraid way we choose to live shall we defeat them.

USA PATRIOT, from page 30

the New York Legal Aid Society, several Arab detainees had been limited to one phone call per week to a lawyer and, if the line was busy, they had to wait another week.

Maybe those reports will turn out to be groundless. But it's time for some answers. Here's what the Washington Post had to say in an Oct. 31 editorial: "The Department of Justice continues to resist legitimate requests for information regarding the 1,017 people it acknowledges having detained in its investigation of the September 11 attacks. . . . The questions are pretty basic. How many of the 1,000-plus are still in custody? Who are they? What are the charges against them? What is the status of their cases? Where and under what circumstances are they being held? The department refuses not only to provide the answers but also to give a serious explanation of why it won't provide them."

Ultimately, the Supreme Court may have to clarify how the civil liberties or national security tradeoff will unfold.

This past term, in Zadvydas v. Underdown, the court held that immigrants who have committed crimes cannot be detained indefinitely, but must be deported within a reasonable period or released. Moreover, said the court, temporary and even illegal immigrants, not just U.S. citizens, are entitled to due process. Still, the court noted that different rules may apply to immigrants who are denied entry, suspected of terrorism, or considered to be national security risks.

Thus, the law is murky, and the legislation passed in the aftermath of September's events adds new elements of uncertainty. Nonetheless, the controlling principle is unambiguous. Any attempt by government to chip away at constitutionally guaranteed rights must be subjected to the most painstaking scrutiny to determine whether less invasive means could accomplish the same ends. The USA PATRIOT anti-terrorism bill does not survive that demanding test. In a free society, we deserve better.

Rethinking

New Perspectives on the Cold War

by Stephen Browne

The Soviet Union never intended to leave us alone; their goal was always to conquer us. Our intelligence capability, as misused as it sometimes was, was a major factor in keeping the peace.

I first came to Poland in 1991. Since then I have lived and worked in Bulgaria and Yugoslavia and have traveled frequently in the Czech Republic, Slovakia, Lithuania, Estonia, and Belarus. On the whole I've been happy in Eastern Europe; I've bought an apartment in downtown Warsaw, married, and fathered a child here.

Ever since I came to Poland, I've been consumed with the question of what the Cold War was all about and how we came to win it. And win it we did. Whatever Europeans say about America and Americans, justified or not, people everywhere I've been want to be as rich as Americans, as free as Americans, and as ballsy as Americans. Some, of course, believe that the way to do this is to become American by emigration. But nowadays others dare to hope that an American standard of living — and standard of law — might someday be theirs in their own homelands. Not anytime soon, to be sure, but the phenomenal changes in the last ten years have already made much of Eastern Europe quite a pleasant place to live.

So what was the Cold War all about and how did we come to win it? The place to find an answer to this question is to determine what we know for sure, what we can reasonably suppose from the available evidence, and what the most plausible speculations are based on the first two categories.

What we know to a fair degree of certainty is coming to light through such sources available in English as the Venona Transcripts, the Mitrokhin Archives, the testimony of high-ranking defectors such as Col. Kuklinski of the Polish army General Staff. More are becoming available as new sources are declassified or translated from Eastern European sources and as former mid- to high-level personnel of the old Soviet hegemony publish their personal memoirs.

Let me be clear that I am not a "spook." But I have known some spooks, both American and European. I have met them in bars around Eastern Europe, I have worked with some, and, as it happens, I knew the intelligence officer of the American Embassy in Bulgaria through a family connection. Interestingly enough, I worked there with a Russian boy, an English teacher, who was quite certainly the son of his opposing number in the KGB.

I also know an Englishwoman who is the widow of a Russian defector who worked in the KGB bureau SMERSH, from the Russian for "Death to Spies." ("James Bond's old enemies!" I said. "Oh yes," she replied "those dreadful Bond books.") She still has family contacts within the command structure of NATO. And there is of course my father-in-law, a former Major of the Tajna Kancelaria (Secret Chancellery) of the Polish army.

So, which questions from the last half-century can be said to be settled? To begin with, Alger Hiss was guilty, the Rosenbergs were guilty, and J. Robert Oppenheimer's innocence is extremely dubious. The American government, particularly the atomic weapons research establishment and the state department, was deeply penetrated by traitors acting as Soviet agents. There is not the remotest possibility that the Soviets could have developed the atomic bomb when they did without receiving extensive and detailed reports about the progress of the Manhattan Project. The former head of the Soviet atomic bomb project has freely admitted this (as revealed in the excellent documentary *The Red Bomb*).

The Warsaw Pact countries were in fact captive nations,

not allies of the Soviet Union. Can there be any doubt of this after the events of 1989? The buffer states of a mighty empire turned their guns around to face the Soviets once the Solidarity movement in Poland proved that the Soviet Union no longer had the ability or the will to project power into its satellite states.

I had the opportunity to ask a student of mine, a retired geologist who was a veteran of the Warsaw Uprising, whether the period of communist control was an occupation. "Well, something like one and in other ways not." Large Russian forces were based in the country, but they were kept in out-of-the-way areas so as not to antagonize the population — and so that the Russians did not get to mix with the local population and take home accounts of how much better life was in Poland than in Russia. Most young people in Warsaw told me that they had never seen a Russian soldier. Ironically, Poles now have far more contact with Russians than they ever had during the Soviet occupation because Russians are flooding into Poland to sell whatever they have for hard currency (the zloty!) and find what casual work they can.

Russian forces were withdrawing from Poland and the rest of Eastern Europe when I came to Poland, and the boxcar loads of soldiers in a railroad siding remains one of the most pitiful sights I have ever seen. The poor sods ripped

The leadership of the anti-war movement was hijacked very early by hard-line communists whose motivation was not a desire for peace, but hatred of America.

everything they could out of buildings to take home to sell or use, even concrete pillars. Often all they left behind were toxic slums.

I remember an account of two Russian soldiers who were killed as they tried to salvage a live electrical cable. And I remember the report of a Russian officer who sat in a car outside a playground near his Red army base in the east of Poland, with a bottle of vodka and a rifle. When he was drunk enough he pointed the rifle out of the car window and shot a 10-year-old boy through the head. The Polish government could do nothing but grit its teeth and ask the Russians to get the murderer out of the country as soon as possible.

There is a story that the prime minister almost had to be physically restrained when the commander of the Russian forces in Poland showed up in his office and demanded a huge sum of money for "all the good things the Red army has done for Poland."

The intentions of the Soviet Union were always hostile. They had always planned to invade and conquer Western Europe when the time was right — that is, when necessity forced them to loot the West in order to support their crumbling system. The date set was 1983, according to my English friend. A Polish friend close to the military hierarchy guesses that it was to be around 1981. In any case all the estimates I've heard agree on the early '80s.

We can reasonably suppose that the invasion plan

involved the Red army driving the forces of their Eastern European satrapies before them to bear the brunt of the assault, in much the same way that hopelessly underarmed Russian soldiers were driven into the German invaders with guns and the gulag waiting behind them if they retreated. (My English friend's husband was sent against the German army with only a rifle and three cartridges.) We can also reasonably suppose that in case the soldiers retreated, the Soviets would have mined Eastern Europe with nukes to destroy the pursuing NATO forces. The Soviets would have regarded the poor lands of Eastern Europe as far more expendable than the rich lands of the West with the loot the Soviets desperately needed.

Poland is the flattest land between the Fulda Gap and the Urals, and thus the natural invasion corridor between East and West. One has to see Poland to appreciate this. In 1991, shortly after I arrived in Poland, I took a trip from Warsaw to Gdansk. Afterwards a Polish friend asked me, "How did you like your first trip across the Polish countryside?" "Lovely," I replied, "but a nightmare to defend!" He nodded and said, "You're not the first American to tell me that."

In the north of Poland, near the sea, there are woods and gently rolling hills that would make jolly tank country. They are not high or steep enough to impede armor, but they are high enough to play hide-and-seek from direct line-of-sight observation and good for camouflage against aerial observation. In central Poland around Warsaw (north of the mountains on the southern border that protect Poland from the marauding Czechs), the terrain is so flat that the only real hiding places for serious concentrations of armor are in the towns and cities. A conventional war in this area would have been disastrous enough, a nuclear war would not have left enough of Poland to resurrect itself again, as it has in the past.

The realization that, if a European war went nuclear, the Soviets had written off Poland was evidently a primary reason for the defection of Col. Kuklinski, who passed highly classified information to the United States before finding refuge there. In America, one of his sons was killed in a hit-andrun accident in which the driver and car were never found, and the other disappeared while on a diving vacation with friends. His daughter is now living in hiding. The KGB still has a long arm. My father-in-law and many of his colleagues in the Polish military think Col. Kuklinski was a hero who did what they would have had they been in a position to do so.

My English colleague says that the Russian military was convinced that the West had been weakened by conscious agents, fellow travelers, and "useful idiots" from within, and that when the time came the Western powers would lack the will to resist the Soviets and the United States would be paralyzed by internal dissent.

What happened during the Vietnam war lends credence to this. The Russians could see that for a modest investment in small arms and ammunition, the Vietnamese could tie up U.S. forces far from a European theater and inflict huge expenses on the United States. All the presidential administrations during the war, both Democratic and Republican, played into the Soviets' hands by not only pursuing a war with murky goals, no exit strategy, and no practical justifica-

tion, but by turning many of the United States' potential defenders against their country by conscripting them for such a war. The leadership of the anti-war movement was hijacked very early by hard-line communists whose motivation was not a desire for peace, but hatred of America.

So how did the West win the Cold War? Of course, the whole Soviet block went broke in a big way and fell apart. But why didn't it invade Western Europe before it collapsed? One source told me that, according to contacts in the highest circles of NATO, the Falkland Islands War was a crucial event in the West's victory; after the quick British victory over Argentina, the Soviet chief of staff stormed into a meeting of the Politburo and shouted something to the effect of, "You lied to us! You said the West was weak and unwilling to resist, and now one single nation has mounted an operation that I could not with all the forces at my command."

The result was that the Russians put off indefinitely their intended invasion of Western Europe while the Soviet system collapsed of its own inability to provide even the bare necessities of an industrial civilization.

I cannot vouch for this, nor am I free to divulge its source. But I have from time to time asked the opinion of former American military officers, including one who maintains an active interest in the history of military logistics and matériel. Each seems to have his own favorite point at which the hinge of history turned, but the common agreement seems to be that, while American arms failed to secure decisive victories in protracted guerrilla wars, in the proxy wars fought in the Middle East, in which forces that the United States armed and trained met forces armed and trained by the Soviets, the U.S.-backed forces always won. The superiority of Western arms and technology quite obviously would have more than offset superior Soviet numbers along an European frontier.

I grew up on and around U.S. Navy bases. When I first came to Eastern Europe, I saw the military bases here and

Which questions from the last half-century can be said to be settled? To begin with, Alger Hiss was guilty, the Rosenbergs were guilty, and J. Robert Oppenheimer's innocence is extremely dubious.

was shocked. I saw the Polish army base in Modlin and was struck by how filthy the buildings were (even the bakery) and how overgrown with rank grass and weeds the grounds were, breeding a loathsome concentration of mosquitoes. On a trip to Tallinn, Estonia, in the early '90s I passed a huge Russian army base surrounded by a high wall of badly laid brick and my first thought was, "How did such a small country come to have such a large prison?"

What I thought was that if U.S. military intelligence could have seen this, heads would have rolled, and if the U.S. tax-payers could have seen it, they could never have been talked into paying taxes for such a large military budget — no one could believe that the Russian army was a serious threat.

I am no longer the isolationist I once was. The Soviet

threat was real and the Western world owes a debt of gratitude to the United States and the NATO allies who guarded the West until the threat subsided. The French deserve contempt for their refusal to participate in NATO even while they hid behind its lines. It is also my impression that the United States carried a bit more of the load than was its fair share, but maybe that's just me.

Radio Free Europe and the Voice of America were money well spent. Many Eastern Europeans have told me they got uncensored news and even learned English from them, though a Slovakian colleague wondered why they had not

The boxcar loads of Russian soldiers in a railroad siding remains one of the most pitiful sights I have ever seen.

been a little more aggressive in their advocacy of liberty and done more in their efforts to educate people on the principles of a free society.

The seemingly senseless proxy wars supported by the United States seem to have had a beneficial effect, something I find vaguely disturbing. I am still convinced that Vietnam was the wrong war at the wrong time and in the wrong place. Military strategists from Sun Tsu to the present have all agreed that it is a capital mistake to allow the enemy to choose the time and place of battle. But without a trial of arms in conventional wars the Soviets might never have had convincing proof of the inferiority of their arms and been tempted into a disastrous full-scale war in Europe.

I may not like these conclusions, but I cannot ignore them simply because they don't fit my personal likes and dislikes. I most definitely don't like America's ham-handed interventions in the affairs of countries of no real importance to our national interest.

The operative phrase is "important to our national interest." There is a kind of simple-minded isolationism floating around libertarian circles that favors having no military presence at all outside our borders and even abolishing the FBI and CIA.

This kind of isolationism assumes that if we left the Soviets alone they would leave us alone. This we now know to be false. We know that the Soviet Union never intended to leave us alone; their goal was *always* to conquer us. Our intelligence capability, as misused as it sometimes was, was a major factor in keeping the peace — as was theirs. We were able to find out enough about their capabilities to counter them. Yes, the government may have exaggerated the Soviet's capabilities for self-serving reasons. But would you rather they had underestimated them? And the Soviets were able to find out enough about us to be reassured that we did not intend to annihilate them with a sneak attack.

I am still convinced that the struggle with communism was ultimately a battle of ideas and that the thing that won it was a superior idea. But we have to remind ourselves of what the enemies of freedom have never forgotten: An idea cannot be killed, but ideas reside in people's heads and people can be killed. Free men need not only superior ideas, but the courage and force of arms to protect them.

Letters, from page 20

The first meeting also included a session in which a SWOT (strengths, weaknesses, opportunities, and threats) analysis was begun. A SWOT analysis is a critical part of strategic planning. Only when you have identified the current situation of the organization can you decide how best to proceed. Also, the SWOT analysis is an excellent way to test the strategy that is developed. Kaneshiki conveniently omits any reference to this as well.

At the brainstorming session, people were asked to come up with ideas to advance the LP to the next stage in achieving its goals. Repeatedly during the brainstorming sessions, as people suggested ideas at the tactical level, I asked them to "think bigger" and to come up with broader ideas (i.e., strategies or goals instead of tactics). I personally resent the fact that Kaneshiki would falsely represent what I said and did. Yet Kaneshiki writes: "Givot argued that the LP cannot achieve its goals if it does not have tactics available to achieve them. So he thought that the LP should come up with a list of tactics first."

Kaneshiki criticizes me, in my role as SPT facilitator, with the following statement: "The one thing that really undermined the strategic planning sessions, though, was that Givot was consciously determined not to take a critical look at what the LP has done in the past and how each campaign or \program has helped or hurt the party. Look forward, not back. Let's not rehash the past. This would be fine,

Erratum

In editing Lois Kaneshiki's article "Brainstorming Without Brains," (December) an editor inadvertently changed the meaning of one small passage. Ms. Kaneshiki had written: "In my opinion the bylaws are clear. The LP should be trying to identify individuals in politics and getting involved in their local government . . ." We rendered this: "The party bylaws make it clear that the LP's purpose is to identify individuals who are . . ." Our apologies to Ms. Kaneshiki and to any readers who were confused or mislead. — the Editors

except that the goal of the sessions was supposed to be to find out what it is about our organization that has kept us politically irrelevant for three decades."

At the stage in the SPT process that I asked participants to maintain a forward-looking focus, I never suggested that the SPT would not use past data to determine the efficacy of what the SPT proposes. Quite to the contrary, early in the process, I identified the need to gather data about past performance so that the SPT could evaluate what to do in the future. Furthermore, at the May SPT meeting, SPT participants received a large package of information about how past efforts had done. The information was compiled by staff based on requests made by SPT participants. Furthermore, I requested that all SPT participants, including Kaneshiki, request LP staff to provide them any data thought to be relevant.

Kaneshiki claims that "the goal of the sessions was supposed to be to find out what it is about our organization that has kept us politically irrelevant for three decades." That is not what the SPT mission statement — approved at the LNC meeting, attended by Kaneshiki, in Dec. 2000 — says. The SPT mission statement says: "The mission of the LNC Strategic Planning Team (LNC-SPT) is to develop and recommend a strategic plan to the LNC to advance the mission of the Libertarian Party."

Kaneshiki writes: "We simply wound up with a 'let's do more' version of what we're already doing — at a cost of \$93,000 and six and a half weeks in hotel rooms."

There are three factual misstatements here.

First, the proposed strategic plan is absolutely not "a 'let's do more' version of what we're already doing." If Kaneshiki thinks so, then this is further evidence of her inability to discern the difference between her perceptions and reality. Here are some of the recommended strategies which are new to the organization:

- Strategy 1: Define, develop, and promote the LP brand.
- Strategy 3: Redevelop the Libertarian Party Platform, presenting

both direction and destination, with an eye toward electoral success without compromising core beliefs.

• Strategy 18: Focus resources to achieve the repeal of drug prohibition at the federal level by 2010 and get substantial credit for it.

And there are many others that are completely new. Kaneshiki's suggestion that these are "just doing more" of the same is absurd.

Kaneshiki claims that \$93,000 was spent on the SPT. This is false. She has the national director available to her to provide this number.

The national director advises me that the cost was about \$70,000 — travel and lodging for SPT participants.

I find it outrageous that Kaneshiki would publish such an outright lie without confirming the accuracy of the number. However, I have come to expect Kaneshiki to come to meetings ill-prepared and to make statements that can be disproved from the materials which she has in her possession. So I am not surprised.

Steve Givot Evergreen, Colo.

Kaneshiki responds: Mr. Givot delights in charging me with getting my facts wrong. For example, he claims that my reporting that the SPT cost \$93,000 is false, citing as his source a conversation with National Director Steve Dasbach. I do not know what Mr. Dasbach told him in private, but I do know what Mr. Dasbach told the National Committee in public at its Aug. 25 meeting: namely, that the SPT had cost \$93,000 to that point.

He also claims that I was wrong to report that the Strategic Planning Team (SPT) did not establish the "LP's goals" at the start of the process. Here he is mixing apples and oranges. The fact that the LP's mission statement was repeatedly read and reread at the start of the process is not the same as establishing goals, and in fact no goals were established at that first meeting. Instead, it produced a long list of "ideas" from the brainstorming session.

I shall not bore the readers with a point-by-point discussion of all of Mr. Givot's assertions of error. Suffice it to say that I stand by my story.

Argument

Open Minds, Closed Borders

by Ken Schoolland

Open borders mean prosperity, freedom, and happiness. So why are so many libertarians turning against them?

Walk into any group of libertarians and ask whether 19th-century runaway slaves should have been returned to their masters. You will be greeted with stunned expressions, followed by horror stories involving America's Fugitive Slave Law, the Underground Railroad, and the abolitionist movement. There

would be a unanimous expression of outrage at the hated Dred Scott decision of the U.S. Supreme Court that ordered the forcible return of runaways to their masters.

Walk into any group of libertarians and ask if immigrants should be returned to tyrannical governments in foreign lands. You will be greeted with sharply divided opinions regarding immigration, because of immigrants' potential for welfare dependency, a lack of space, or the necessity of personalized invitations and guarantees for tax liabilities.

Did the abolitionists reject runaway slaves because they might become dependent on Northern charity or relief programs? Did they turn runaways over to authorities because they worried about where runaways might settle? Did they demand that runaways be invited into free states by a responsible citizen or that they own property?

No. They championed the right of slaves to live free of tyranny, like all other human beings. The issue of private slavery never divided libertarians. But governmental slavery does. Indeed, increasing numbers of libertarians are rejecting the whole notion of open immigration.

A survey of libertarians conducted in 1988 revealed that 69% believed that "the U.S. should remove all restrictions on immigration." When the same issue was put to libertarians in 1998, only 50% agreed. This percentage has surely fallen further in the wake of the Sept. 11 terrorist attacks. Many citizens now see every airplane and ship as a potential Trojan horse filled with dangerous invaders.

No matter that the federal government has been incapa-

ble for decades of coping with terrorist networks or even individual criminals, public confidence in government is soaring, and so is support for tighter restrictions on immigration; sweeping aside foreign refugees, workers, and students as so much collateral damage.

The intense and bungled war against the illegal movement of people is having many of the same tragic consequences as the intense and bungled war against the illegal movement of drugs. Government agencies thrive, smugglers thrive, and innocent victims abound.

Can this really be happening? Are libertarians really abandoning a fundamental policy tradition? I realize that there are reasons for this shift in opinion. But, try as I might, I cannot justify restrictions on immigration.

Who's Allowed to Walk?

Immigration is the movement of people from one place to another across the territorial demarcations of nation-states. These lines do not exist only on maps, they exist in the "us vs. them" mentality that gives most people a sense of personal and cultural superiority and an identity with the policies and practices of political officials.

Immigration is only part of the issue of peoples' right to live where they please. There is also the matter of emigration — people leaving a country. There is only one country that allows its citizens a virtually unlimited right to emigrate. And between four to ten million of its citizens have taken

advantage of this right. That nation is the United States of America.

American emigrants leave their country for a variety of political and economic reasons. A few leave because they fear their government would jail them for offenses ranging from drug trafficking to tax evasion. But most are economic migrants who move abroad simply to improve their economic conditions.

American emigration no doubt results in unemployment or lost income among citizens of other countries, since Americans do work that might otherwise be done by locals. Most of these new arrivals are unfamiliar with the language, the manners, and the customs of their new home and they stubbornly cling to the language, customs, and eating habits of their homeland, typically congregating at McDonald's restaurants, speaking English in their homes, and raising their children as Christians. They congregate in isolated ethnic enclaves and are loathe to mix with the native population. Indeed, they are usually preoccupied with sending money home and arranging for relatives to join them.

They maintain strong ties with the homeland, leaving

The intense and bungled war against the illegal movement of people is having many of the same tragic consequences as the intense and bungled war against the illegal movement of drugs.

their loyalty to their adopted homes suspect. Worse, these newcomers are parasites on the services and amenities that have been established by the generations of taxpayers who built the infrastructure before their arrival.

Yet most countries see an influx of expatriate Americans as an economic benefit, much the same way Americans see the arrival of skilled immigrants from Western Europe to be a benefit. Why doesn't the same logic apply to immigrants from other countries?

I suspect that the reason for rejecting people from some countries and not from others has much more to do with snobbish attitudes about ethnicity, status, and wealth than it does with economics. The economic effects of immigration have been explored by Julian Simon.* Does the arrival of poor people ruin the economic health of a nation? According to Simon, immigrants provide extraordinary benefits to their host countries. In a comprehensive survey of research on immigrants in the United States, he found that most immigrants come when they are in their most productive years.

Simon found that immigrants average one year less of education than the native population of the United States, but that their children are highly motivated and excel beyond the level of native Americans in school. Immigrants have a higher proportion of advanced degrees than the native population, especially in technical fields such as sci-

ence and engineering. Immigrants, even from poor countries, are in general healthier than natives of the same age. Family cohesion, and a tradition of hard work, is stronger than among natives.

Simon reports on 14 separate studies that conclude that immigrants do not cause unemployment, even among very sensitive groups of low-paid, minority, or low-skilled natives. Another twelve studies revealed that immigrants do not have a negative effect on wages.

Simon concluded from a review of the research that, when they are not prohibited from working by anti-labor laws, immigrants contribute more in taxes than they draw in government welfare services. And, over the years, immigrant earnings exceed the earnings of comparable native groups.

Simon also found that in most industrial nations it would be more logical to argue that taxpaying, wealth-producing immigrants provide the last glimmer of hope for sustaining the bankrupt welfare systems supporting aging native populations. Without immigrants, state welfare would collapse sooner.

If the benefits from immigration are so great, then why aren't immigrants treated as treasures? Why aren't politicians the world over competing with each other to lure these valuable human resources to their land in the same manner that they compete to lure the capital and products that are made by all this human labor?

When people think of opening borders, they imagine crowds of people rushing into their living rooms and backyards. Where would immigrants fit if they were all allowed to come? Where's the space for all this humanity?

Hong Kong is known for being one of the most densely crowded places on earth, with 17,500 people per square mile. Yet few people are aware that living conditions are as crowded as they are in Hong Kong in part because 40% of the land area is zoned for parks!

The same is true in Hawaii. There isn't a lack of land, but there is a lack of politically approved zoning. In all of the Hawaiian Islands, only four percent of the land area is zoned for all commercial and residential use. There would be plenty of room for newcomers on those tiny islands in the Pacific if only the government stood out of the way.

In fact, if people in Hawaii were willing to accept a third of the population density of Hong Kong, then all of the refugees in the world could live on the Hawaiian Islands, and still leave 40% of the land area for parks, as in Hong Kong. If those people were allowed to farm the abandoned sugar plantations, there is no doubt that diligent Chinese and Filipino newcomers could turn the land into abundance without a penny of government subsidy, just as their ancestors did a hundred years ago.

Space is not the problem. Government policy is.

But don't Americans prefer open space to cities? Don't we need rolling hills and great expanses between each other? Some do, yes. But as a general rule, Americans are like people everywhere. They prefer to live and work in cities or suburbs. That's where the action is. When these cities have problems, it isn't because of the number of people, it is because of the failure of governments to provide primary services. A free market can perform effectively where gov-

^{*} Simon, Julian. Immigration: The Demographic and Economic Facts. Washington, D.C.: Cato Institute, 1995. Another excellent source is Mitra, Barun, eds. Population: The Ultimate Resource. New Delhi: The Liberty Institute, 2000.

ernments have failed.

As anyone who has flown across the United States can confirm, the population is highly concentrated in certain regions. One can fly for hours across vast expanses of land that is virtually uninhabited. But even the most desolate of land becomes inviting when the law permits freedom. For instance, the number one travel destination for residents of Hawaii is Nevada, not for the open spaces, but for the crowded casinos of Las Vegas.

The land area of the United States, a third of which is owned by the federal government, could support ten times its current population and still be less densely populated than Japan. If only one percent of that number of people were allowed into the United States, the country would be able to accommodate the entire refugee population of the world. This includes all refugees who have fled across international borders, as well as those who have been displaced within national borders by civil strife.

One of the most frequent arguments against opening borders is that it would add to the welfare burden of the state and innocent taxpayers would be compelled to pay for slothful immigrants.

This is the same circular logic that is used to propound government control of just about *everything*:

- Citizens cannot smoke cigarettes or marijuana, because the state *might* compel us all to pay the potential medical costs of their illnesses.
- Citizens cannot keep a child out of government schools, because the state *might* compel us all to pay the potential unemployment costs of those with inadequate training.
- Citizens cannot keep their money out of the Social Security system, because the state *might* compel us to pay the potential retirement costs of those who stayed out of Social Security.

If one accepts this logic, then the right to all individual human action is lost to the state.

Many free marketeers champion individual freedom in

The reason for rejecting people from some countries and not from others has much more to do with snobbish attitudes about ethnicity, status, and wealth than it does with economics.

virtually every aspect of economics except immigration. They might accept immigration theoretically, but only after all forms of welfare have been abolished. Which is to say, not in any of our lifetimes.

This was the argument of my hero, economist Milton Friedman, at the Costa Rica conference. His own parents immigrated to the United States, but he argued that things are different today because of the welfare system that now exists.

If we truly believe in the notion of personal responsibility for individual actions, then we must punish politicians for the welfare system; not immigrants, who had no say in the policy. Blaming immigrants is just as illogical as holding a refugee to account for the tyranny of the dictator that drove her from her home.

Arguing the practical side, Julian Simon asserted that it is a misconception that immigrants, as a group, are a welfare burden on taxpayers. Immigrants do a great deal to contribute to the economic health of a country and they pay more in taxes than they absorb in benefits, so the continuation of welfare benefits for citizens may well depend on their contributions. This is especially true in countries like Japan and the United States, nations that find it more and more difficult to maintain social services regimes that cannot keep up with their aging populations.

Is Milton Friedman correct to suppose that immigrants are lured by the American welfare system? Evidence shows that the opposite is true.

Proof can be found in migration patterns within

Immigration is spurred by the promise of opportunity, not of welfare. People who are too lazy to work are usually too lazy to move away from the familiar.

America's 50 states, where there are no border guards and virtually no language and cultural barriers. Do people move between states to find the most welfare? No. Just the opposite.

States that give the most welfare have the most outmigration. States with the least welfare have the most inmigration.

Take my home state as an example. Hawaii is the most socialistic state in America and has by far the most generous welfare benefits. According to Michael Tanner and Stephen Moore of the Cato Institute the six basic welfare benefits in Hawaii (six out of 77 welfare benefits the state provides) could provide a mother and two children with the equivalent of a pre-tax income of \$36,000, or a wage of \$17.50 an hour. By the welfare-magnet theory every welfare mom in America should be living in Hawaii.

They don't. According to recent Census data, Hawaii experienced a net domestic out-migration of 9% of its population during the 1990s. In fact, all of the top welfare regions — Hawaii, Alaska, Massachusetts, Connecticut, and the District of Columbia — experienced net domestic out-migration.

Hawaii has an ideal climate, fabulous beaches, and wonderful people — but the economy is in decline. In fact, it is the only state in the nation that experienced negative real growth for the entire decade of the 1990s. No wonder, since it has been chronically listed as the number one tax hell in the country by *Money* magazine.

The legislature feels it has to raise taxes to pay for the welfare, and by raising taxes they drive people away.

Contrast this with states that grant little welfare. Mississippi offers only a third of the welfare money that Hawaii does. In fact, the median income of a worker in Mississippi is \$6,000 less than what a family can get on welfare in Hawaii. Did everyone abandon Mississippi to get on the gravy train in Hawaii?

Just the opposite. In fact all five states at the very bottom of the welfare list — Mississippi, Alabama, Arkansas, Tennessee, and Arizona — experienced net domestic in migration. And the deserts of Arizona and Nevada, with some of the lowest taxes, were the fastest growing states in the nation.

There's no doubt about it. Immigration is spurred by the promise of opportunity, not of welfare. There are exceptions, but people who are too lazy to work are usually too lazy to move away from the familiar. It is the courageous of the world who are likely to risk everything to go to a new and potentially hostile land where the language, the customs, and the people are all unfamiliar.

Hans-Hermann Hoppe has proposed an antiimmigration argument based on property rights.* He argues that just as an owner of private property has the right to invite or exclude whomever he pleases from his property, a government has the right to exclude whomever it pleases from government property such as streets and bridges; giving it the power to bar immigrants from the country altogether.

Most libertarians dismiss this notion out-of-hand, arguing that government property is fair game for privatization or homesteading. Hoppe responds that this approach is unrealistic. Government property won't be privatized or open to homesteading anytime soon, so we should be realistic in the apportionment of government services and infrastructure so that immigrants won't be an additional burden on citizen taxpayers.

Hoppe's conclusion is that immigrants must not be allowed to cross a border unless they are personally invited by a citizen who agrees to take full responsibility for the additional costs of government services and infrastructure. So even if the inviting citizen does not want the government provision of such things as welfare, subways, art commissions, libraries, schools, parks, space launches, farm subsidies, and border patrols, he is still obliged to guarantee payments on behalf of those he invites.

The same logic implies that parents must take on these obligations as well — that people should be denied the right to have children unless they can first guarantee their lifetime support. I can hardly believe anyone can take this argument seriously.

I believe that the limits of government are best determined by which rights people possess as individuals. Thus, if I have a right to do something, then I have a right to ask someone in government to do it on my behalf. But if I do not have a right to do something, then I don't have a right to ask someone in government to do it for me.

Since I do not have the right to prohibit an immigrant from stepping foot on a government sidewalk, then I have no right to ask a government official to do this dirty work for me. How is it that the advocates of by-invitation-only assume the right to ask government officials to do something that they have no right to do themselves?

It is interesting that this individual liability for government services has never been applied to tourists, business travelers, or academics at conferences. People assume that

* "The Case for Free Trade and Restricted Immigration," The Journal of Libertarian Studies. 13:2 (Summer 1998).

tourists, businessmen, and academics bring wealth with them. But this is not assumed of the immigrant.

If we are to be consistent toward all newcomers, would it be realistic to hold tourists, business travelers, and academics to the same standard to which Hoppe would hold immigrants? Imagine Hilton Hotels or Disneyland being told that they must first sign papers guaranteeing full liability for government services and infrastructure that would be used by each of the tourists to whom they rent rooms.

Other manifestations of the by-invitation-only theory suggest that newcomers can only become real, responsible citizens by owning real estate. In this manner it is said that newcomers would have a stake in the policies of the nation. But this also has complications.

Under such a plan, would the nonlandowning majority of Americans lose their citizenship, or would it only apply to newcomers? How much land is necessary? Who decides? Will a square inch be enough? And what if a citizen sells all of his land to a newcomer? Should the seller be deported? Does this mean that bankrupts have no rights as citizens?

This line of argument misses the point. Immigrants have the same rights as all other human beings. They have the right to live their lives in any manner they choose so long as they respect the same right of others. Merely walking on a government sidewalk does not constitute aggression against the rights of others.

Take away the legal excuses for immigration barriers and there is no doubt that thousands of American employers would contract to hire millions of immigrant workers. The current battery of laws that make it illegal to hire immigrants is sufficient proof of this.

Every one of these laws is a violation of the right of citizens to hire the best and most productive workers. Consider the words of Robert W. Tracinski, a senior writer for the Ayn Rand Institute:

The irrational premise behind our nation's immigration laws is that a native-born American has a right to a particular job, not because he has earned it, but because he was born here. To this right, the law sacrifices the employers right to hire the best employees and the immigrants right to take a job that he deserves. To put it succinctly, initiative and productiveness are sacrificed to sloth and inertia.

The American dream is essentially the freedom of each individual to rise as far as his abilities take him. The opponents of immigration, however, want to repudiate that vision by turning America into a privileged preserve for those who want the law to set aside jobs for them, jobs they cannot freely earn through their own efforts. . . . Any immigrant who wants to come to America in search of a better life should be let in and any employer who wants to hire him should be free to do so.*

The American dream *is* freedom. The most ardent and consistent champions of that freedom are libertarians. Libertarians, despite the best of intellectual gymnastics, must not collaborate with their government masters to return innocent runaways.

 [&]quot;Tracinski, Robert W. "Opposition to Immigration is Un-American."
 Ayn Rand Institute.

Reviews

Gilligan Unbound: Pop Culture in the Age of Globalization, by Paul A. Cantor. Rowman & Littlefield, 2001, 297 pages.

Globalization, Little Buddy!

Stephen Cox

Did any book ever have a better title? And the motive behind the book is almost as good — to do some justice, for a change, to the study of American popular culture.

For too long, popcult has been the restricted grazing land of the politically correct. The largest herd on the range bears the "cultural studies" brand. These are people — almost always academic people - who hold to quaint Marxist notions and spend their time hunting for ways in which culture embodies and ramifies the allegedly oppressive structure of capitalist institutions. And their categories of "oppression" are as fixed as their methodology. What counts for them is racial oppression, class oppression, and gender oppression. The oppression of boredom never occurs to them.

As for "globalization," the key term in our author's subtitle, the cultural studies folk know all about that, of course. At least they know how evil it is, since it is a product of the capitalist system. The logic is straightforward, though the intellectual result, from a historical point of view, is a bit peculiar. Since the time of Marx himself, the left has expended enormous energy excoriating nationalism and particularism of every kind, demanding world peace and improved communications among peoples, and just generally raising cain about the desperate need to

globalize the globe. The left now finds most of its fondest dreams fully realized. Barriers to trade have fallen on every hand; enmities among nations are at an all-time low; the peoples of the world are united as never before by instantaneous means of communication that exceed the ability of any government (or predatory capitalist corporation) to control them. But because this globalization happened largely as a result of capitalist processes of profitseeking, the reaction of the left has not been to rejoice but to wring its hands and mourn. Also, on occasion, to scream and shout and hurl rocks and

So globalization, which was always heralded as a solution to every problem, is now regarded as a problem in itself, or even as a kind of cultural disease. Once globalization is defined as a disease, of course, any cultural tissue that bears it will be subjected to the type of treatment appropriate to disease: It will be dissected, not enjoyed. All over this favored land, there are college courses being taught about the "McDonaldization" of the world, but I can't imagine that any of these classes are anywhere near as enjoyable and stimulating as an order of burgers 'n' fries. The same might be said about all the academic prosecutors who refuse to let Elvis, Snow White, and I Love Lucy (which are, no doubt about it, global phenomena) escape from accusations of racism, sexism, and hegemonism by pleading guilty to the lesser charge of simple-minded entertainment.

The New Puritans

The humorlessness of the cult studies elite — the "New Puritanism," in our author's phrase (p. 214) — has done much to discredit all analysis of popular culture, not to mention all use of the term "globalization." What Cantor proposes to do, however, is to demonstrate that both the term and the pursuit can have value, that they can actually help us to identify interesting features of the kind of world we live in.

Cantor, a distinguished professor of literature at the University of Virginia, knows that popular culture is basically entertainment, and should be analyzed as such. He also knows that some types of entertainment will bear more analysis than others, because they are more carefully organized, more mentally challenging, more capable of projecting complex intentions. Yes, popular culture is often a collaborative enterprise, but there are individual intentions involved, nevertheless; it wasn't just the Spirit of the Age that named an episode of Gilligan's Island "Our Vines Have Tender Apes."

Ranking the four television shows with which he is principally concerned, Cantor says that The X-Files "has genuine artistic merit," Gilligan "is television at its most average . . . simply mass entertainment," and Star Trek and The Simpsons "fall somewhere in between these two extremes" (xxxviii). This, it seems to me, is a sigundervaluation Simpsons, America's finest work of satire, but never mind. Cantor recognizes that there is something else to consider besides economic and political isms; there are also the marks of artistic intention that lead one to attend to certain cultural objects in ways that one does not attend to others. In attending to The Simpsons, indeed, Cantor shows that he does perceive the subtlety and

complexity of its satire.

Throughout his book, he allows his method of analysis to respond to the nature of its objects, rather than insisting, as the practitioners of cultural studies routinely do, on applying the same reductive method to every work. He also maintains the sense of humor that constitutes, one would think, a minimum qualification for the analysis of anything at all in the world of

All over this favored land, there are college courses about the "McDonaldization" of the world, but I can't imagine that any of these classes are anywhere near as enjoyable and stimulating as an order of burgers 'n' fries.

human beings, but particularly for the analysis of popular culture. With great comic propriety, he dedicates *Gilligan Unbound* to Sony SLV-420, his VCR, "Without which this book could not have been written." His "Notes on Method" begin in this way:

As a professor, I am expected to give an account of my methods. My general readers, who are mainly interested in what I have to say and not in how I am going about saying it, may feel free to skip this section. My academic readers will probably conclude that I am epistemologically naive no matter what I say. Now that nobody is reading, I feel ready to proceed. (xxix)

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Common sense and a sense of humor go a long way with Cantor's subject. But this author has another rare quality. He is one of the few academic humanists in America who actually understands economics. Libertarian readers will be especially interested to know that he participated (as a high-school student!) in the seminars of the great free-market economic theorist Ludwig von Mises. Cantor is a leader of a small but energetic avantgarde that is bringing literary people the news that the study of economics did not cease with Marx and Veblen.

Cantor understands that globalization is the logical extension of the economic principle of division of labor, without which cultural progress — culture and civilization themselves could not exist. He also understands that the global expansion of markets and communications represents an enormous economic benefit, an enormous expansion of wealth, for the billions who participate in it — not just the wealth that can be counted in dollars, but the unquantifiable wealth of knowledge, freedom, and expression.

Economics of *The X-Files*

And Cantor sees the debits as well as the credits. No economic development is all for the best. Economics is not a branch of morality; it does not teach us that a good economic system will produce nothing but good results. The Misesian brand of economics, which emphasizes individual choice, contingency, and risk, allows Cantor to see the many sides of the cultural phenomena he examines. He fully appreciates the fact that The X-Files' obseswith international (and sion interplanetary) conspiracies represents a ridiculous development of globalist anxieties; yet he also appreciates the fact that there are no unmixed economic blessings, that one person's practical benefit may be another person's psychic hardship. The cultural costs of globalization are as worthy of analysis as its cultural benefits, even though the benefits, to Cantor's mind, as to my own, greatly outweigh the

As an analyst, however, Cantor is principally concerned with America's movement from the preglobalist to the globalist phase of popular culture. He examines four television series in depth, a pair from each of those historical phases. The earlier pair — Gilligan's Island (1964-1967) and Star Trek (1966-1969) — express a pre-globalized "ideology of the American nation-state" (xv). In Star Trek, it's liberal America versus the totalitarian Klingons, and liberal America always has the stuff to win. Indeed, as Cantor points out, the Prime Directive (don't interfere with the beings you visit) always has a way of yielding to the intrepid voyagers' desire to remake every culture in their own liberal-democratic image. "These people aren't living," the ineffable Dr. McCoy announces in one episode, "they're existing.... They should have the opportunity to choose — we owe it to them to interfere" (43). And the interference is uniformly successful. It is as if America actually had the power, which leftists always assert it has, to remake the globe in its own image.

Gilligan's jungle isle may seem radically different from the command

Nobody ever was that smart, not even John F. Kennedy or Mr. Spock, but Americans somehow survived. They did so by means of individual, self-interested choices, not because of their genius for democratic social organization or their skill at operating a command economy.

deck of the Enterprise, but a similar ideology prevails. As Cantor shows in hilarious detail, the island is a goofy idealization of the American political landscape, a place where people are always learning the right lessons about how to behave in liberal-democratic society. Gilligan himself is the perfect representative of democratic man: "Unlike the other characters in the show, he has nothing to distinguish him and that constitutes his form of preeminence in the context of a democratic regime" (5). Other characters -Skipper, the Professor, the Millionaire — have qualities that ought to give them authority, and would automatically give them authority in any but a modern-liberal society; yet they always lose out to the incompetent but lovable Gilligan. And the loss is harmless: As a group, the castaways survive and flourish. Cantor argues that the salient image is that of a group of liberal American democrats who can land on any spot in the globe (just as Capt. Kirk and his friends can land on any spot in the galaxy), take it over, and make it work.

The Death of James T. Kirk

This flattering self-image of American democracy was, of course, subjected to withering attack in the 1960s and 1970s. Cantor's other two examples of popular culture — The Simpsons (1989-) and The X-Files (1994-) - show what remains after the assault. Here is an America that no longer reaches out confidently, with the solution to every problem on the planet. Here is an America that is goofy, instead, with fears about "alien" influences (The X-Files). Here also, to go to the other extreme (The Simpsons), is the America that makes the Kwik-E-Mart (the local franchise of a multinational corporation, operated in Springfield, USA, by the amazing Apu Nahasapeemapetilon) the focus of its social existence. The two programs represent opposing visions of the same globalizing process. According to the X-Files' vision of America, people are now faced with tragic choices of loyalty between the traditional community of family, friends, and nation, and the larger, more potent, and much more dangerous world that impinges on them from the outside, psychically as well as economically. According to The Simpsons' vision of America, however, it is definitely "possible to have your global cake and eat it locally, too" (205). Homer Simpson sees a lot of the world, but it never affects his appetite, or his ability to satisfy it.

This comic vision, Cantor senses, is much closer to the truth of our world. The Simpson family, that platonic form of fecklessness, always manages to survive into the next episode, despite the fact that its members never really take anything very seriously, whether it's the United States government or the forces massing across our borders —

and it all seems a lot more realistic than *The X-Files'* images of a world that is out to get us, and probably will, because nobody, even Mulder and Scully, is smart enough to figure it all out and do all the right things about it. Well, nobody ever was that smart, not even John F. Kennedy or Mr. Spock, but Americans somehow survived. They did so by means of individual, self-interested choices, not because of their genius for democratic social organization or their skill at operating a command economy.

Cantor's book was published just before the events of Sept. 11 and of course was not informed by them. But I doubt that anything happened on that date that is outside the scope of his analysis. The story he tells is the story of the decreasing cultural potency of the nation-state, when measured against the new economic

and technological forces that now disseminate not only information but also power, of a kind, throughout the planet. We no longer live in a world where, as Cantor aptly recalls, all the computers that Capt. Kirk was likely to encounter were brontosauruses operated by some central government,

Gilligan's jungle isle may seem radically different from the command deck of the Enterprise, but a similar ideology prevails.

agencies of conformity and delusion that could nevertheless be dispatched by a single thrust of Kirk's liberaldemocratic mentality, or phaser. (The fact that Kirk's own by-no-means-

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democratically-operated spaceship was itself controlled by such a computer is an irony that apparently escaped the creators of *Star Trek*, which is redolent throughout, as Cantor shows, of the Kennedy era's innocence of its own ironies.) We live in a world in which either a terrorist or a heaven-born scientist can use a laptop to transform reality, and the nation-state will have a hard time stopping him.

That may seem tragic, in an *X-Files* way, especially in the light of Sept. 11. If it does seem tragic to you, however, you might think a little more about

what the terrorists (and the antiglobalists) are trying to do. They are trying to use the technology of a globalized world in order to destroy globalization. They want to go back — back to a regime of nationalism, particularism, and statism, back to a world in which only one kind of voice had the power to make itself heard. Merely to state this intention is to show how ridiculous it is. We do not know exactly how such intentions will fail, but they will fail. We know that, compared with Osama bin Laden, even the Simpsons are political geniuses.

The Mystery of Capital, by Hernando de Soto. Basic Books, 2000, 276 pages.

Bystanders to Success

Jane S. Shaw

Since Sept. 11, a lot of people have attempted to explain "why they hate us." Yet the vast majority of people in the world don't hate us, or if they do it is because they envy what we have. They want to live the way we do. They want to live a normal life. They want to make some money and buy a nice house and send their children to college and achieve some success that they can be proud of.

This kind of normal life, seemingly so simple, is available to only a few. Why?

That is the question that Hernando de Soto addresses in *The Mystery of Capital*. And he offers a pretty good answer. The vast majority of people "still linger at the periphery of the capitalist game" (p. 207).

They "may wear Nike shoes and flash their Casio watches, but even as they consume the goods of the West," they are bystanders. They live in a country whose government, like most governments, has made it virtually impossible for them to own property legally. They can't start businesses because it takes a morass of bureaucratic actions to obtain a permit. They can't own a home because they are squatters, and even if the government theoretically allows them to claim ownership, it takes hundreds of steps (728 in Lima, Peru for example) to acquire title. Most people can't navigate that labyrinth.

Thus, de Soto argues, millions — in fact, billions — of people in the world don't have capital. Or, in his phrase, the capital they own is "dead." Unlike in this country — and parts of the world such as Europe, Japan, and Hong Kong — their assets are not protected or respected by the government. Thus, they can't formally buy and sell their homes, purchase stock, use their property as collateral for businesses, or even have a legal address for tele-

phone lines, mail, and cable installation. They can't make their assets work as capital to earn more money through investment or collateral.

This story is not new. De Soto has been preaching the basic message since he published The Other Path in 1989. He has persuasively argued that local people know and recognize the property rights in their community, but these rights cannot be put to use. The "owners" are not part of the legal infrastructure that converts property into capital. He has made his point with the now-famous example of dogs barking: All the evidence of ownership you need is the serial barking of dogs as a stranger walks by the homes of different families. Ownership is real but ineffectual because it is not official.

De Soto's book has captured the attention of the establishment publications of the United States. The *New York Times* has published two articles about *The Mystery of Capital* — not merely reviewing the book favorably but also interviewing the author. I don't know exactly why the book has aroused such interest, but I welcome it.

The reason may be that de Soto is sympathetic to Marxism. Marx, he says, was perceptive in seeing that capital was more than just pieces of equipment or physical assets. However, Marx "did not see that it is the mechanisms contained in the property system itself that give assets and the labor invested in them the form required to create capital." Marx recognized that resources are "more than their physical properties" but "did not quite grasp that formal property was not simply an instrument for appropriation but also the means to motivate people to create additional usable value" (215). There may be something to this praise of strikes but it Marx. overreaching.

There are some flaws in the book. For one thing, it's repetitive. Second, it's frustrating to read because he alludes to, but does not relate, what must be fascinating stories about living on the outskirts of capitalism. De Soto's team of researchers actually went through the process of setting up businesses in places like Port-au-Prince and Lima and attempted to measure the value of underground or nonlegal assets. He reveals the results in numer-

ical terms (the number of steps to start a business in Peru, for example), but he declines to bring the message home with anecdotal information about what his team encountered.

And I can't help but wonder whether he has misstated the problem. I'm not sure that this problem is really about capital. I think it is about property rights. Dressing it up as a mystery about capital drenches it in Marxism and avoids the main point, which is simply that private ownership is essential to economic growth.

Also, de Soto writes too sympathetically about governments. Their intentions are always good, it seems; "governments in developing countries have tried for 180 years to open up their property systems to the poor" (153). Oh, come on.

Yet in spite of these flaws, *The Mystery of Capital* is an extraordinary book. Emily Dickinson once said, "If I feel physically as if the top of my head were taken off, I know this is poetry." I felt that way when I read that de Soto is talking about four-fifths of the peo-

De Soto's researchers actually went through the process of setting up businesses in places like Port-au-Prince and Lima.

ple of the world who are outside what he calls the "bell jar" of capitalism.

I had thought that the fall of communism would bring capitalism to most people in the world. But it hasn't. "Capitalism is in crisis," de Soto says, "because developing and former communist nations have been unable to 'globalize' within their own countries." In spite of cell phones and Internet cafés, the world of trade remains offlimits to most people. The reason is that they don't have capital. They are not allowed to own property.

This is more than an observation. It is the articulation of a tragedy, one that changed my thinking almost as much as the attacks on Sept. 11 did. How can the world be stable if one-fifth of its population has property rights and four-fifths don't? This must change. Perhaps de Soto's next book will tell us how to do it.

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Beyond Tolerance: Child Pornography on the Internet, by Philip Jenkins. New York University Press, 2001, 260 pages.

Child Porn on the Net

Bradley Monton

Philip Jenkins, a professor of hisreligious and studies Pennsylvania State University, has made something of a career of pointing out that the public has an exaggerated perception of various social problems. He has worked on debunking myths about such issues as synthetic drugs, serial murder, and clergy child abuse. Jenkins is a self-described libertarian, and the incentives for a libertarian to debunk such myths is evident: Public hysteria about social ills tends to fuel legislation which further new encroaches on our civil liberties.

Before Jenkins started the research that led to *Beyond Tolerance*, he assumed that the public's excitability over children, sex, and the Internet was no more justified than for the other issues he had investigated. Jenkins writes:

Having spent a decade arguing that various social menaces were vastly overblown — that serial killers and molesters did not lurk behind every tree, nor pedophile priests in every rectory — I now found myself in the disconcerting position of seeking to raise public concern about a quite authentic problem that has been neglected. (p. 9)

This book is, in part, Jenkins' attempt to rectify that neglect. It also provides a highly readable analysis of a fascinating group in society: The maligned subculture of those who trade child porn on the Internet.

It is perhaps best to start by pointing out what Jenkins is not attacking.

He has no problem with adult porn on the Internet; in fact he suggests that adult porn can be beneficial and liberating. He is not concerned about adults attempting to seduce children on-line, nor is he concerned about children gaining electronic access to pornographic materials. Jenkins believes that the moral panic about these issues involving children has obscured what is the important issue, which is the flourishing trade of pornographic images involving children on the Internet.

Jenkins provides a detailed yet engaging account of how that trade works. Though he hasn't done it himself, Jenkins knows how to access free child porn images with minimal risk of being caught. The method is to utilize both sophisticated Internet technology and the fact that countries like Japan, Russia, and the South Pacific states of Nauru and Tonga are less strict about child porn than, for example, the U.S. Web-based bulletin boards operating out of servers in these countries. The "Maestro" bulletin board is one of the most popular; "Maestro" is a pseudonym because Jenkins does not want his book to be a manual for Internet pedophiles. On the bulletin board, people post URLs of sites which contain child porn images. These sites exist on standard web-hosting servers, such as Yahoo's egroups.com. Often hundreds of pictures in a series are posted. The trick is that these sites on which these pictures are posted are temporary, generally staying up no longer than a few hours. Moreover, the files posted on the sites are generally encoded, unviewable by anyone lacking the requisite password. Only after the site is removed is the password posted on the bulletin board. A person downloading files from the site can use a "false flag" address which hides the uniquely identifying IP address of his computer. Even if the police were to get the logs of the server, they would not be able to identify the true IP addresses of the visitors.

People do get arrested for trading child porn on-line, and the penalties in countries like the United States are severe. Nevertheless, the proportion of people who get caught is minuscule, primarily because law enforcers lack the technical expertise required in tracking down the perpetrators, the diplomatic skill required in dealing with the law enforcement agencies of various countries invariably involved, and the resources to deal with the sheer number of participants in the Internet child porn trade. (Jenkins suggests that "tens of thousands" is a modest estimate.)

But while the government has failed to stem on-line child porn, vigilante groups have had considerable success. Anti-porn activists have posted messages on the bulletin boards encouraging participants to go to sites

The government has failed to stem on-line child porn, but vigilante groups have had considerable success.

which are booby-trapped with viruses. They also have electronically attacked the bulletin boards themselves, shutting them down at least temporarily. The reasons these vigilante groups are more successful are that they are willing to use illegal means, they have more economic resources than police agencies, and in general have more technological expertise. While Jenkins clearly is impressed by the success of these vigilante groups, he does offer words of caution: If we accept extralegal intervention in the realm of child porn, where else might we find it occurring? Jenkins worries that people will try to take down any site with views they find offensive, and as a result the Internet would no longer be effective as a medium for discussion and controversy.

Jenkins' exploration of the personalities of the people who trade child porn is engrossing. He presents what in many ways is a typical subculture: shared interest results in feelings of unity and solidarity. Many participants in the subculture have a "collector fetish" — their images are intricately organized and cataloged, and they are always on the lookout for pictures to fill in gaps in series they collect. The danger of being caught excites them, and lends an aura of drama to their activity.

These prosaic and entertaining discussions of the subculture lead the reader to sometimes forget that child porn is highly illegal for a reason, that children are often molested in the course of producing it. Some collectors of child porn recognize that their actions are morally reprehensible:

To do what we do requires that some four year old ends up sucking her dad's dick and gets the pics sent to newsrooms for our pleasure . . . society's reluctance to allow freedom for that to happen does not surprise or upset me one bit. (139)

Generally, though, participants in the discussion on the bulletin boards

These prosaic and entertaining discussions of the subculture lead the reader to sometimes forget that child porn is highly illegal for a reason, that children are often molested in the course of producing it.

"assert a libertarian value system," according to Jenkins (121). Here is a typical example of the libertarian approach:

This board is for people who like and appreciate the human body. We also like thrills we get at looking at little boys and girls in their birthday suits. We have a freedom of choice and speech on this board which is rare in this day and age. We also don't impose or force our views on others on this board. (122)

As a libertarian, I find it instructive

to see how easily libertarian rhetoric can be misused to support immoral ends.

I suspect that one claim that Jenkins makes may be false. He says that, while sexual images of children are illegal in the U.S., written stories describing sexual acts involving children are protected by the First Amendment. But the situation is less clear after the July 2001 prosecution of Brian Dalton in Columbus, Ohio, for

child porn fantasies he had written in his diary. In order to ensure reduced jail time, Dalton pled guilty to the charge of pandering obscenity involving a minor. Even though Dalton had no intention of distributing his diary, he created it, and that was enough to justify the pandering charge. As repugnant as collectors of child porn are, I am more offended by the government agents who think that child porn justifies their acting like Big Brother.

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The Representation of Business in English Literature, by Arthur Pollard. Institute of Economic Affairs, 2000, 182 pages.

The Literature of Business

Martin Morse Wooster

It's hard to say which of the professions is the most entrepreneurial, but literature would have to be one of the top contenders. Authors may have day jobs or grants, but writing is still a piecework profession; writers produce handcrafted, labor-intensive products in a trade in which they compete against other rugged individualists. Authors may be semi-organized in trade associations or the National Writers Union, but they've never amalgamated into corporations as have other professions. (They haven't even formed multi-member partnerships as do lawyers and doctors.)

Given the individualistic nature of the professional author, you'd think that most novelists would admire their fellow entrepreneurs. But pick up a typical novel, and you'll find that whenever a business executive is mentioned, it's usually in a bad light. From the international super-villain of the trashy thriller to the mean-minded small-town doctor or lawyer in the naturalistic novels of Sinclair Lewis and his successors, most fictional characters who run businesses spend their days lying, cheating, stealing, crushing rivals, revelling in greed and wealth, or engaging in international supervillainy.

How did novelists learn to hate business? In *The Representation of Business in English Literature*, six British scholars provide different answers to this question. With the exception of an episodic and inconclusive essay about modern fiction by Brunel University's John Morris, the scholars commissioned by the Institute of Economic Affairs do a fine job in showing how British authors learned to hate capitalism.

It should be noted that, with one

exception, when the authors of these essays talk about "English literature," they mean literature written in Great Britain. You won't find very much here about important American novelists.

But because the contributors are experts in British fiction, they come up with interesting bits of trivia. You'll learn, for example, that among Adam Smith's lesser-known achievements was helping to end the slave trade. I also was surprised to find out that Alex Comfort, before he abandoned fiction to write *The Joy of Sex*, was the author of *The Power House* (1944), a lengthy novel about a failing French textile factory.

And if you read this book and are at a party where someone asks, "I say, who could this fellow John Galt possibly be?" you can answer, "Well, as everybody knows, he was the early 19th-century Scottish novelist who wrote Annals of the Parish in 1821." (Don't blame me if you get pummeled.)

The arguments of the six authors of these essays run as follows: Until World War I, most British novelists who wrote about business tended to be cultural conservatives who critiqued capitalism from the right. Early 19th-century novelists were most likely to admire the aristocratic ideal of the leisurely life, and tended to think that labor was something that grubby city-dwellers did.

The great Victorian novelists Charles Dickens and Anthony Trollope were successful entrepreneurs who knew the value of the intellectual property they created. But as Salford University English Professor Angus Easson shows, they tended to avoid discussing what their characters actually did when they were working. They used these characters as tools to cause fantastically complex plots to move, but ignored most of the details

about what makes capitalism work. For example, Trollope's characters often scheme to acquire railway shares, but his readers learn little about the stock market.

The acid poured by World War I and the Great Depression corroded culture and, according to John Morris, tended to polarize both left- and rightwing British novelists against business. The conservatives, such as T.S. Eliot, W.B. Yeats, and Wyndham Lewis, thought that business was bad because as society became "more the creature of applied science, industry, and technology they felt standards were being debased." The leftists thought that corporations were evil because they accumulated capital. No one had anything good to say about enterprising Britons. (Morris' essay, which is good in describing British novelists before 1945, turns episodic and uninteresting in talking about the post-1945 period.)

Is there anything that we can do to cause authors to treat business more favorably? In a preface, Institute of

Pick up a typical novel, and you'll find that whenever a business executive is mentioned, it's usually in a bad light.

Economic Affairs President John Blundell offers these suggestions to business leaders.

- Invite young novelists to spend a day at your plant to see what factory life is really like.
- Endow a prize for the best novel which paints a realistic portrait of business.
- Don't endow chairs at universities. Creating an "Oxbridge Chair in Literary Capitalism is not only fruitless but self-defeating, as such resources will be immediately captured by the anti-capitalists."

Blundell doesn't offer any suggestions for readers, but I have one: If you're reading a good novel with an objectionable capitalist character in it, why not write or email the author and complain? Writers don't hear enough from readers, and if you're calm and reasonable, you might help persuade your favorite novelist that doing business is not inherently evil.

What Does Mr. Greenspan Really Think? by Lawrence Parks. The Foundation for the Advancement of Monetary Education, 2001, 115 pages.

Gold and Mr. Greenspan

Bettina Bien Greaves

Money is one of the most important phenomena, if not the most important, in the market. Money (indirect exchange) evolved out of barter as a medium of exchange that allowed man to turn goods into money, and then trade later for what he really wanted. In time, the division of labor evolved; one man produced shoes, for instance, another armor. Armor could then be exchanged for money, which could be exchanged for shoes and vice versa, each according to how people value them. Thus it became possible for the originators of an exchange, who could not get today what they needed, to take in trade a medium of exchange that was more negotiable than the goods that they brought to market, and which they could exchange for goods they needed in the future. With money, they could finally acquire what they themselves wanted to consume.

To be acceptable in trade, a medium of exchange must be something people value: Gold, silver, or currency redeemable in gold or silver. The destiny of an inconvertible paper currency is bound to be, as Hobbes described precapitalistic life, "nasty, brutish, and short." Consider, for example the Continental dollars of our revolution, the Confederacy's paper money, the German marks of the early 1920s, and the post-World War II moneys of Hungary, Argentina, and Bolivia. Governments can, of course, support the value of a paper money and maintain it in circulation for a time by declaring it "legal tender," and compelling creditors to take it. But for how long?

In What Does Mr. Greenspan Really Think? Lawrence Parks — an ardent proponent of the gold standard — is concerned by the complete divorce of the U.S. dollar from gold, and the Federal Reserve's unlimited power to create dollars. He argues that the U.S. dollar is threatened by the very institution responsible for protecting it.

Parks analyzes, sentence-by-sentence, a speech by Federal Reserve System Chairman Alan Greenspan. His basic criticism of the Fed is that its role as a "lender of last resort" provides a "safety net subsidy" to banks. This reduces their risks, "induces" them to make questionable loans to less qualified borrowers at lower interest rates, and assures them of gains without fear of suffering losses (p. 37). The "market signals that usually accompany excessive risk-taking" are "muted," so that when trying to set interest rates, the Fed's "regulators are compelled to act as a surrogate for market discipline" (39). Greenspan realizes that lowering interest rates induces malinvestment, while allowing interest rates to rise tends to snuff out jobs. In attempting "to simulate the market responses that would occur if there were no safety net," the Fed's regulators make decisions every day, "either explicitly or by default" (38-39), without ever knowing for sure whether their decisions are "appropriate" (48).

In the talk Parks analyzes, Greenspan admits, not once, but *five* times, that the central bank has "unlimited power" (41) to create unlimited dollars (5, 7, 12,

41–42). The market value, the purchasing power, of our "legal tender" currency has become completely dependent on faith in the Fed. Greenspan admits that "the abandonment of the domestic convertibility of gold effectively augmented the power of the monetary authorities to create claims [dollars]" (12). And if, in some crisis, the Fed should increase dollars without limit — as Greenspan admits it has unlimited power to do — it could destroy entirely the value of the U.S. dollar, its usefulness as a medium of exchange, and thus the market itself.

Parks highlights the Fed's inability to counteract the negative effects of the "safety-net subsidy" to banks by simulating the market, and calls attention to the Fed's unlimited power to create unlimited dollars. Yet today owners of U.S. dollars and of all other assets fixed in dollar terms have no recourse but to rely on the Fed and the fallible human

When Parks asked, "So why don't you speak out?" Greenspan replied: "Because my colleagues at the institution I represent disagree with me." Parks reminded Greenspan this could lead to complete monetary collapse. Greenspan gave "a very pained look" and walked away.

beings who operate it, and who by Greenspan's admission can never know if their decisions are "appropriate."

Parks quotes a pro-gold-standard article Greenspan wrote in 1966 (10). Asked in 1993 whether he still agreed with his 1966 conclusions, he replied "Absolutely!" When Parks asked, "So why don't you speak out?" Greenspan replied: "Because my colleagues at the institution I represent disagree with me" (83–84). Parks reminded Greenspan this could lead to complete monetary collapse. Greenspan gave "a very pained look" and walked away (84).

This incident illustrates Greenspan's dilemma. Should he resist Fed expansionist pressures or face a possible monetary collapse from inflation?

Honolulu

One man pitches in to help alleviate the travel industry downturn in the wake of the terrorist attacks in New York, from an advertisement in the Seattle Times:

"Our commitment to America's paradise! As Americans, we've shown an immense compassion for the families of the recent tragic events. Now it's time for us to show our courage by flying again. 'Keep 'em flying' is Pleasant's commitment to

help get America's economy back on track by making Hawaii USA, and all our destinations, more accessible and more affordable than ever before. Help to support the 16.2 mil-American employees whose jobs depend on travelers like you. God Bless America!"

London

Interesting theory about the origins of the Islamic jihad, courtesy of Rupert Murdoch's News of the World, as reported in The Économist:

> "'Osama had booze-filled sex romps with hookers,' based on a 'secret FBI dossier' which explained that Mr. bin Laden's hatred of America originated from an encounter with a girl from Chicago who laughed at his small penis."

Salt Lake City

Curious way federal officials deal with stress on the job, reported in the Deseret News:

Assistant U.S. Attorney Laurie Sartorio has been charged with two counts of public lewdness. While walking her dogs she first swore at a group of people for no apparent reason, and then proceeded to pull down her shorts and lift up her shirt, revealing the fact that she was not wearing any underwear. One witness reportedly heard her use the phrase "woo-hoo" during the incident.

Arkansas

Support for the adage that "there's no place like home" is observable even among hardened criminals, reported in The Mercury News:

Twice-convicted murderer Kenneth William is demanding his right to be placed on death row after he was transferred instead to a maximum-security facility for the system's "most problematic cases." He claims that the move "has caused him mental, emotional, and physical distress."

Tarrytown, Md.

Curious development in the Old Line State, reported by the Associated Press:

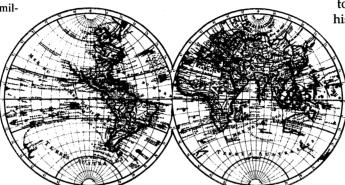
In response to a wish for "some old-fashioned fun," said Naomi Lowenthal, the city recreation director, the city lifted its "unofficial 20-year ban on Halloween festivities."

Brooklyn, N.Y.

From a letter calling for better teacher salaries, written by teacher Sunny Liang to the influential New York Post:

"Only if our society realize that there are so many factors contributing to a student's test score, then teachers will be willing to take the blam game. Who is to blam when students don't do homeworks? who is to blam when pareants don't care to come to the teacher pareant conference?"

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national.

Washington, D.C.

Startling evidence that the president is more heartless toward the less-advantaged than his predecessors, revealed by The New York Post:

President Bush stopped a federal program that was teaching publichousing tenants "to burn incense, carry lucky gemstones and wear feel-good colors like apricot to reduce stress." Expenses went toward such things as: classifying people according to their "glandular points," aroma

packs, and nutrition kits containing "sugar, salt, candy - and Jim Beam whiskey." The "Creative

Wellness" program, which cost \$860,000 and was funded from the housing agency's drug-fighting budget, was about to go

United States

Dispatch from the U.S. Marine Corps, reported by the Miami Sun-Herald:

A recent complaint alleges that a U.S. Marine general tolerated a "'hostile atmosphere towards woman' at his command" because weekly runs "exposed women to ridicule because they were slower than men."

Port Townsend, Wash.

Fighting juvenile crime in rural America, from a flier distributed by local police officers:

A week-long program called "Connecting Chord" is being sponsored by the Port Townsend Police Department. It is a program that uses "poetry as a tool for crime and violence prevention" and will culminate "in a performance of original poetry & music by Port Townsend police officers and teens."

Seattle

The progress of higher education in the Evergreen State, from a dispatch in The Seattle Press:

The state board that evaluates college-degree programs recently approved bachelors and masters programs in "astrological studies" at Kepler College, thereby enabling its astrology students to qualify for "loans and grants from the U.S. Department of Education."

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(Readers are invited to forward news clippings or other items for publication in Terra Incognita, or email to terraincognita@libertysoft.com.)



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The 5 Biggest Obstacles to Voting Libertarian ... and How You Can Shatter Them!

Why don't people vote Libertarian?

5 Obstacles

- 1. The Wasted Vote Argument:
 "I don't want to waste my vote. If I vote Libertarian, the worst of the other two candidates might get elected."
- 2. **The Spoiler Argument:** "The Libertarian cannot win, but he can cause the lesser of two evils to lose."
- 3. The 'You Can't Win'
 Argument: "If the Libertarian could win, I'd vote for her. But she can't win."
- 4. The 'I'm a Democrat or Republican and I Vote the Party Line' Argument: "My family has been Republican for 80 years. I always vote Republican. I never cross party lines." (A majority of registered Democrats and Republicans never cross party lines.)
- 5. The Deal Breaker Argument: "I disagree with the Libertarian candidate on one issue: abortion, immigration, the Drug War, foreign policy, or gun ownership so I won't vote for him."

The Solution

The Small Government Act: Our Libertarian Ballot Initiative to End the Income Tax in Massachusetts.

Why does this work?

1. The Wasted Vote Argument only applies to 3-way political races. Every Ballot Initiative is a

- 2-way race. You vote for our Ballot Initiative to End the Income Tax in Massachusetts or you vote against it. Every vote counts. Every vote matters.
- 2. The Spoiler Argument only applies to 3-way races. Ballot Initiatives offer voters 2 choices: yes or no. It cannot be spoiled.
- 3. Tax-Cut and Tax-Limitation Initiatives can and do win. In California. Colorado. Michigan. Even in Massachusetts.
- 4. Ballot Initiatives are Non-Partisan. There is no party line to vote. There is no party line to cross.
- 5. There is <u>no</u> Deal Breaker on Ballot Initiatives. One issue. One vote. If a voter doesn't like the Libertarian position on abortion, gun ownership, immigration, foreign policy, or the Drug War...she can happily vote 'Yes' on our Ballot Initiative to End the Income Tax.

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Ballot Initiatives shape the political debate.

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