

# Liberty

September 2008

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Warming,  
the Myth

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*by Lance Lamberton*

## Greens vs. Growths

*by Gary Jason*

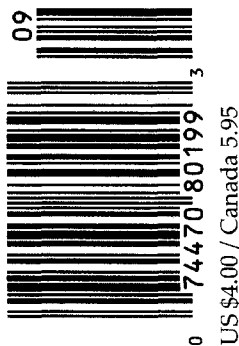
## Corruption and Hope in South America

*by Doug Casey*

## The Fall of a Royal House

*by Jayant Bhandari*

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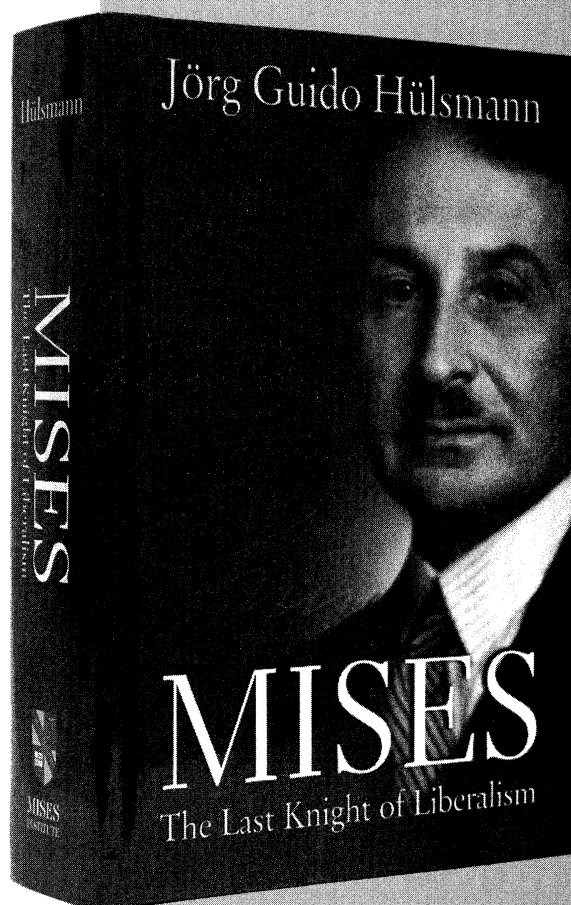
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# Letters

## Irgun and Hamas

In July's Letters section, Jon Harrison defended Carter's talking with Hamas, arguing that since Menachem Begin and Ariel Sharon were also terrorists (during Israel's fight to establish the state of Israel) that talking with the terrorist leader of Hamas was acceptable. The following facts were obtained from Wikipedia:

Ariel Sharon became a member of Gadna, the paramilitary battalion, in 1942 at age 14 and joined Haganah during Israel's War of Independence in 1948. Sharon engaged in no acts of terror against anyone. The Haganah was the main Jewish military force fighting for independence and a state at that time.

Menachem Begin was an active member and leader of the Irgun, an underground military group that split from the Haganah in 1931. The Irgun engaged in no terrorist activities; it only targeted the British military and its facilities. The Irgun did not target civilians. The Irgun did bomb the King David Hotel, but this hotel was the main headquarters of the British Army in Palestine and the Irgun had warned the civilian staff to leave the hotel over 30 minutes before the explosion.

On the other hand, Khaled Meshal, the leader of Hamas, has "claimed in public the responsibility for numerous suicide bomb attacks." Hamas' "willingness to target civilian facilities including buses, supermarkets, and restaurants is the reason why some governments classify it as a terrorist movement." Since 1993 Hamas has murdered 482 Israeli civilians and wounded over 2,500. Hamas has also sent over 3,500 rockets and 3,700 mortar shells into Israeli cities, murdering dozens and wounding hundreds.

Most people consider terrorism to be "violence against civilians to achieve

political or ideological objectives by creating fear." Harrison's comparison of Meshal with Begin and Sharon can only be described as either or both anti-Israel bias and anti-Semitism.

Ivan M. Lang

Glendale, Wisc.

## Into She'ol

In a response to criticisms of one of his articles, Jon Harrison wrote of his opinions on the Middle East, "Nothing would please me more than to see America turn its back to the wretched Middle East and its peoples — both Arabs and Israelis. If tomorrow the earth swallowed up the entire region from Morocco to the Persian Gulf, I would wonder at it, but shed not a tear."

Most everyone is frustrated with the never-ending quicksand of the modern Middle East, but this is an absolutely ridiculous comment. Not only is it generalizing and a bit xenophobic, it seems like something that an intellectually undeveloped teenager would say, not someone who writes articles for a serious publication.

In addition to being "wretched," the Middle East is the cradle of civilization, where history began and continues to occur. The dawn of Islam brought us algebra and modern mathematics while the Europeans were still in the Dark Ages. I, for one, would much rather hope for the people of this history-rich region of the world to somehow overcome their adversities, as Europe eventually managed to do, than theorize about them being eaten up by the earth.

Michael Powell

San Francisco, Calif.

**Harrison responds:** I had to shake my head as I read these two letters. Let's consider the arguments of each in turn.

I was rather taken aback by Mr. Lang's use of Wikipedia as a source. I picture the typical Liberty reader as

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being rather more sophisticated, intellectually speaking. But I'll go ahead and use the same source, to make it easier for Lang to look up the facts he conveniently ignores.

Regarding Ariel Sharon, please take a look Wikipedia's article on Qibya. On Oct. 14, 1953, Qibya was the site of a massacre of 69 Palestinian civilians carried out by Israeli troops under Sharon's command. According to Wikipedia, the massacre was condemned by the U.S. State Department, the UN Security Council, and by Jewish communities worldwide.

We then come to Sharon's role in the Sabra and Shatila massacres of 1982, in which as many as 3,500 Palestinian refugees were murdered by Lebanese Christian militiamen. Sharon, then Israel's defense minister, provided logistical support for the killers. According to an Israeli commission that investigated the massacres, Sharon bore personal responsibility for the deaths.

It is uncertain whether Sharon committed any atrocities during his military career before 1953. But the copious

amount of civilian blood on his hands is obvious.

Regarding Begin, just go to Wikipedia's article on the man. The Irgun under Begin certainly did target civilians. In the Deir Yassin massacre of April 1948, carried out by the Irgun in conjunction with the Stern Gang, over 100 Palestinian civilians were slaughtered. This was by no means the Irgun's only terrorist act. As early as 1946, the World Zionist Congress voted to condemn the Irgun for its "shedding of innocent blood as a means of political warfare."

You can find the facts on Wikipedia. There's simply no denying that Sharon and Begin were cold-blooded murderers and terrorists. I don't deny that Khaled Meshal is of the same ilk. I just think that if we are going to be involved at all in the Middle East, we should talk to the thugs on both sides. Sadly, the fact remains that one man's terrorist is another man's freedom fighter. In any case, ignoring important facts doesn't help Lang's argument. It simply appears dishonest.

Let me finish with Lang by saying that I cannot be intimidated by use of the term anti-Semitism. I utterly reject that perverse doctrine. Nor am I biased against Israel. I find our involvement with Israel and the Arab states equally distasteful.

Mr. Powell, in his letter, combines name-calling with tiresome platitudes. My earlier comment, "If tomorrow the earth swallowed up the entire [Middle East], I would wonder at it, but shed not a tear" was obviously (or so I thought) meant as hyperbole. I'm sorry if Powell took me literally, but I could hardly have anticipated such obtuseness.

I'm sure we're all grateful for Powell's penetrating insight, viz., that "the Middle East is the cradle of civilization." I read most of James Henry Breasted's works before my 16th birthday, thank you very much. Unfortunately, while geography is virtually unchanging, culture is not. The Middle East of Hammurabi and the prophets and Harun al-Rashid is long gone. Today it is a culturally insignificant region inhabited by little peoples whose quarrels should be ignored by Americans.

Are we libertarians or are we Wilsonian world-improvers? I for one regret every American life lost and every penny spent on the troubles of Arabs and Israelis. The fate of the American people is what concerns me. You may call that xenophobia if you like; I call it prudence and common sense.

## Convention Watch

Kudos to Andrew Ferguson for writing a splendid report on the 2008 LP national convention ("The Battle for the Libertarian Party," August). It was thorough, fair, and even loving, despite its deliciously barbed humor (aimed mostly at Christine Smith). I couldn't stop laughing at Jesse Walker's apt characterization of Wayne Allyn Root as having "the comportment of a Ronco pitchman with a squirrel in his pants."

Having said that, I also must say that I think Mr. Root is a terrific guy, and I hope he'll get the nod in 2012 as the LP standard bearer. I met him at this year's Pennsylvania LP convention, and can confidently state that he's not your typical high-pressure salesman. He actually provides solid libertarian reasons for every position he holds, and can educate non-libertarians like no one else I know, including Michael Cloud or the

## From the Editor

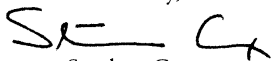
It's interesting to see that much of this issue of *Liberty* is devoted to debunking popular myths and crazes. Edmund Contoski goes after global warming; Jayant Bhandari provides a skeptical assessment of that great elixir of health, "democracy"; Gary Jason takes on America's fear and hatred of oil; Leland Yeager conducts a luminous exposé of the myth of "speculators" as the demons who produce economic distress. And there's more. And it's all good stuff.

Reading the works of these fine writers, I was reminded of how much I don't know about greenhouse gases, the former kingdom of Nepal, the price of oil in Pittsburgh, and many other things. I was also reminded of how important it is to maintain an open forum for discussion of issues that, some people tell us, have already been settled. And I recalled how many crazes *Liberty* has survived.

It wasn't too long ago that people thought the great threat to the environment was global cooling; that the logging industry was exterminating whole species of vertebrates; that right-wing militias were on the point of seizing the government; that the Japanese were going to monopolize the farmland of America and . . . pack it off to Japan, I suppose; and that the Soviet Union would lay us waste unless we granted its every strategic demand, and give it money too. If you're over 40, you may have forgotten these mighty threats — and *Liberty* deserves some credit, because this magazine has always been in the business of exposing nonsense and getting people to forget it all.

But why does anybody want to be petrified by fear? I don't know. I wish I did. Maybe it's because some people like to dramatize their emotions, but don't have any good ones to dramatize. Maybe it's because they're cowed by "intellectual" authority. But whatever the reason for other people's fears, *Liberty's* authors have never been afraid. No, not for a moment.

For *Liberty*,

  
Stephen Cox

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late great Harry Browne.

Anyway, thanks again to Mr. Ferguson. I'd planned to attend the convention as a delegate, but decided against it at the last minute. With the C-SPAN coverage and Ferguson's report, I now feel that I'm probably better informed about what went on than if I'd been there myself.

Harold Kyriazi  
Pittsburgh, Penn.

## Political Onanism

I enjoyed Andrew Ferguson's report from the Libertarian Party Convention. However, despite its entertainment value, the LP is and will remain a fringe party. This year's fight for the party's presidential nomination illustrated the conundrum the LP faces: should it remain ideologically pure and politically irrelevant, or should it sacrifice its principals and remain politically irrelevant?

Selecting Bob Barr as its nominee revealed a desire in the LP to play with the big boys of American politics. However, Barr isn't going to get the 4 to 6% of the vote he says he's aiming for. If he matches the 1% the LP obtained in 1980, I'll be surprised. A more ideologically pure candidate probably would fare no better.

Face it, membership in the LP is a form of political onanism. It provides a release for libertarian frustrations, nothing more. If Libertarians actually wanted to achieve something, they'd turn the party into an advocacy group. They'd focus on issues and influence, instead of pretending they count as office-seekers. They should grow up and try to achieve something real, instead of playing at being a political party.

Jon Harrison  
Poultney, Vt.

**Ferguson responds:** Four to six percent? Probably not, but failing to top Ed Clark's 1980 numbers would be quite a letdown. Barr's people have proven savvy enough to get him seen and heard; it remains to be seen if the money

will come through. Still, a "more ideologically pure candidate" would come nowhere near 1%; if nothing else, the convention showed that the "libertarian wing" of the party was not prepared to run or counter a modern multimedia political campaign. Next time around, I expect they will be.

As to the LP being onanistic, well, sure, but only insofar as electoral politics is inherently so, especially in our mutually-masturbatory two-party system. If libertarians are to "achieve something real," it will be by working local elections, running for unglaorous county- and city-level positions, making people consider specific proposals rather than confronting them with philosophies. And if, in the meantime, Bob Barr is getting national press to talk about the evils of the War on Drugs, or the stupidity of our leaders rattling the spears for war with Iran (a good issue for him: he went to high school there), I'm all for that, too — given the preeminence of corporate interests, labor unions, and all the other hangers-on of the American social state, I think interviews on CNN and in Vanity Fair are about the best soapboxes libertarians can hope for, until the American public loses its taste for authoritarianism.

## On the War Path

Although I am a great admirer of George Smith's writing, I believe that concentrating too hard on the finer points of philosophy can sometimes lead the unwary down ludicrous paths. When I read his question in "Thinking About War" (May), asking "Why should an innocent nation be constrained by the same rules of warfare that a guilty nation should observe?", I had to conclude that we had wandered down one of those paths.

First, since no nation will ever admit to being the guilty party, this question has zero practical application in the real world.

Second, real people in an actual war are daily consumed by precisely the opposite of this question: namely, how can a moral combatant compete effectively against an immoral combatant who thinks nothing of ignoring inconvenient restraints? This suggests that the other question is way off the mark.

Perhaps I'm just too much of an old

*continued on page 54*

## Erratum

The introductory blurb for Sandy Shaw's "Libertarian Like Me: The Search for the Libertarian Brain," (July, 2008) was, like most such blurbs, written by an editor to "tease" the article. At her request, Liberty's editors wish to clarify that the blurb, "Recent studies confirm evolved minds prefer liberty," is not an accurate representation of her thesis.

# Reflections

**Good and hard** — I'm not much of a fan of Winston Churchill's political thought. His most famous quote in that sphere, perennially trotted out by believers in polite mob rule, is "Democracy is the worst type of government. Except for all the others."

I'm much more sympathetic to his much less-known words: "The best argument against democracy is a five-minute conversation with the average voter." — Doug Casey

**We're number one . . . in drug use** — The United States has fallen behind in many international measures but still has the lead in a few. Despite draconian drug laws, a survey of 54,000 people in 17 countries finds that we are now number one in the percentage of the population experimenting with cocaine and marijuana. The drug war continues to bear out Herbert Spencer's dictum that the effect of shielding people from their own folly is to create a world of fools.

— David Beito

**Talk is cheap** — I have before me the June 16 Wall Street Journal, in which there is a full-page ad from the Federal Deposit Insurance Corporation. The top half of the page reads: "Insuring deposits up to \$100,000 without anyone losing a penny." Except that instead of "\$100,000," there is a picture of a \$100,000 bill, and instead of the word "penny," there is a picture of a penny.

Of course, the pictured \$100,000 bill is actually a gold certificate, and that denomination was used only among banks, not by individuals.

Is it merely a slip-up by a graphic artist on an internship, or a sick joke by an FDIC functionary, that the government reassures us of the soundness of our demand deposit accounts with a picture of a type of certificate — redeemable in gold — which the government long ago decided it would not honor?

I don't have the answer, but I'll try to rest easy knowing the FDIC insures my accounts for up to \$100,000 — which is about 40% of the price of a full-page color advertisement in The Wall Street Journal.

— Patrick Quealy

**New blood** — I recently sat next to Grover Norquist, the head of Americans for Tax Reform and the doyen of Washington, D.C., rightists. I asked him about the effect of the

Ron Paul campaign. "Nobody came out to vote for McCain who wasn't already on his team," he said. "The new blood in the Republican Party this year was all Ron Paul blood." He added, "By staying inside the Republican Party and organizing for his ideas, he is replicating what the Christian Coalition did. This is going to be very helpful for the Republican Party for the next 20 years."

I asked him whether Paul would be expected to endorse McCain — something I had said in an article in Liberty. "It is not necessary," he said. "As long as he's not overtly hostile."

— Bruce Ramsey

**Underwhelming conversion** — If you needed any more evidence of the media's Obama bias, try this from the Associated Press, June 26: "WASHINGTON. Barack Obama has won over more than half of Hillary Rodham Clinton's former supporters, according to an Associated Press-Yahoo! News poll that finds party loyalty trumping hard feelings less than three weeks after their bruising Democratic presidential contest ended."

Of course, the ordinary victor in a major-party primary soon gets virtually all the support of his former rivals. In this case, the victor is getting (as one learns in paragraph nine of the article, if one happens to read that far) a whopping . . . 53%! And this disastrous performance, compounded by the fact that a quarter of the Clinton voters intended to vote for McCain, is billed as if it were good news. — Stephen Cox

**It is as it does** — I'm a great believer in using words correctly and defining them precisely.

After all, if you don't know what a word means, how can you possibly know what you're talking about?

Take the word "stupidity." Members of the public, who themselves have a theoretical average IQ of 100, use it to denote someone of low intelligence. That's a fair enough definition. But it's a word often used in a thoughtless manner, as a pejorative. I too use the word "stupidity" often, but I like to think it's in a more technical and precise manner. There are two definitions of it I'm partial to. One is: "to be purposefully ignorant." The other, even better, usually, is: "to exhibit an unwitting tendency towards self-destruction."

Stupidity is a pervasive characteristic of government.

## EDDY IN AMERICA



Indeed, the main problem one has when analyzing officials' statements is to determine whether they constitute evidence of stupidity or malevolence. It's often hard to tell the difference, as my second definition implies. In other words, are we dealing with a knave or a fool? Or both?

Let's take Rep. Maxine Waters (D-CA) during a House of Representatives hearing with oil executives, where she and her colleagues were basically accusing the oil executives of charging too much for gas. Waters said: "And guess what this liberal will be all about. This liberal will be about socializing

... uh ... um ... will be about basically taking over, and the government running all of your companies. ..."

Based on her grammar and diction, we might conclude that she simply suffers from low intelligence — but how somebody speaks doesn't necessarily prove anything. Let's now use my first preferred definition. Is she purposefully ignorant? Clearly, the knowledge of what happens when a government nationalizes a business is everywhere; so she's either stupid or she does know what will happen, which makes her malevolent. But the most likely case is that she neither wants

## Word Watch

by Stephen Cox

Isabel Paterson said, "What this country needs is a lot less of all sorts of things." She was thinking primarily about governmental institutions. But what she said is also true of words, of expressions that infest the media long after the year or so to which strange new expressions are (perhaps) entitled.

Here are some words we can do without:

*Around*: "She's an advocate around inclusiveness issues." There's nothing wrong with "she's an," but every expression that follows those six letters is diseased. *Issues* has no content; *inclusiveness* is a pious cover-up for "forcing schools and businesses to hire, promote, and admit people whom they otherwise would not find qualified"; and *advocate* should be followed by *for*, so that the sentence would be forced to state exactly what proposals the advocate is advocating. But "around" is the worst word of all. It increases the sentence's intentional vagueness, while evoking a picture of the "advocate" whirling about the circumference of her "issues." Maybe the picture is accurate. It probably is. But we've seen enough of it.

*As a nation, as a people*, etc.: "It's time that we, as a nation, tackle the serious problem of ... whatever." Thank you. For a minute there, I thought we might have to tackle it as a herd of aardvarks, but now I see I was wrong.

*Behind*: "I am proud to say that I have always been behind inner-city schools." Being *behind* used to mean "being secretly responsible for": "Nixon was behind the Watergate affair." Now it means something on the order of *liking, giving money to, making favorable mouthings about*, or simply *advertising one's affection for*. Let's try another usage: "Get thee behind me, Satan."

*Cutting edge*: "The federal government needs to get behind cutting edge research to convert our industries to clean burning alternate fuels." First, *alternate* should be *alternative*, and *behind* shouldn't even be in the sentence (see above). Second, getting behind a *cutting edge* sounds a little dangerous to me, although I guess it's better than getting in front of one. Third, and most important, cutting edge is a cliché that was tiresome in 1975. It's been eligible for retirement for many years. Why won't it go?

*For the children*: "This initiative is for the children of California." Any time you see the definite article in a context like this — "for the children," "for the veterans," "for the working people" — you know that someone is lying to you. For the children? All right, which children? For your cousin, age 16, who can't master arithmetic because he spends all his time texting and smoking weed? For the veterans? Which veterans? For the jerk in your of-

fice who can't be fired because he's a "Vietnam era armed forces member," and who can't work because he spends all his time texting and smoking weed? For which working people? You? Me? Are we the people who are going to benefit from the proposed bond issue? You see my point.

*Homophobia, Islamophobia*, and other *phobias*: "In the wake of 9/11, there's a wave of Islamophobia sweeping the country." *Wake* and *wave* are hardy clichés; we'll never get rid of them. But action needs to be taken against *phobias*. It's wrong (also stupid, silly, childish, and sometimes murderous) to hate people because they are homosexual or Islamic or whatever else. That doesn't mean that everyone who hates his neighbor does so out of fear (*phobos*). The use of *phobia* in political and moral contexts originated in the 1960s, as a neat way of propagandizing for the (perfectly correct) view that gay people have the same rights as others. But rather than meeting silly objections to homosexuality as objections, advocates for gay rights made the unfortunate decision to psychologize their adversaries, insisting by their choice of words that these people were secretly afraid of gays and, perhaps, of being gay themselves. That was dumb. Still dumber is the idea that fear of Islam must be opposed, simply because it is fear of Islam. Of course, Christians, Jews, and atheists are afraid of Islam "in the wake of 9/11." The question is, *should* they be afraid, and if so, of what kind of Islam? My own idea is that no one would use the term *Islamophobia* if he had a plausible answer to that question. And if you don't have plausible answers to obvious questions, you ought to stop making noise.

*If it saves just one life*: "If it saves just one life, this otherwise idiotic action will be worth the cost." In May of this year, in a high school in Oceanside, California, highway patrol officers entered 20 classrooms and announced the deaths of a number of students who had allegedly just been slain as a result of drunk driving. Later, the "dead" students' friends, who not unnaturally had become hysterical upon hearing this news, were told that it was all just an act, designed to illustrate the horrors of drinking. Some students objected to the vile trick that had been played on them, but others were cowed by the rationale of the supposed adults: "If it saves just one life, it's worth it." Now, there may be a situation, somewhere in this world, to which "if it saves one life" may be applicable. It may be true that we should all drive 15 miles an hour, in cars built to resemble tanks, and blow our horns every time we think we see a pedestrian, or another car, because this conduct may "save just one life." But I don't think so. I think

to be actively destructive nor is purposefully ignorant. She's probably just unwittingly self-destructive. I'd say it's a pretty airtight case, almost any way you cut it, that Maxine is actually, truly, stupid. But no more stupid than a large majority of her colleagues.

As proof of that assertion, I offer the fact that on May 20, the House of Representatives passed a bill, 324–84, which sets up a task force to investigate, and allows the Justice Department to sue, OPEC members for limiting oil supplies and colluding to set crude prices, thus subjecting foreign countries to

U.S. antitrust laws. If the Senate passes its version, then presumably foreign heads of state will be required to testify in Washington and their countries' assets held hostage. Talk about an unwitting tendency to self-destruction . . . these people are really out of control. There will shortly be no foreign assets in the United States if the bill passes the Senate and succeeds in overriding a White House veto.

— Doug Casey

**Uppity with people** — Shortly after Karl Rove referred to Barack Obama as “arrogant” there was outrage.

that “if it saves one life” is a substitute for logic — indeed, one of the most dangerous substitutes available. By using this cliché, one can justify any action whatever (short of actually killing someone on the spot) that could conceivably prevent a death. “If it saves one life” can justify the scrapping of every vehicle, the junking of every ladder, the closing of every restaurant, the smashing of every liquor bottle, the prohibition of every romance, the suppression of every political journal in the world. It can even justify the use of the public schools to lie to young people and frighten them into convulsions, which is what went on in Oceanside. “If it saves” is a noxious phrase, and it should be put in the convenient receptacle where other noxious things are put.

*In the tank:* “NBC is completely in the tank for Obama.” I don't know how this expression got started, or what the “tank” originally was, but it's a pretty poor replacement for remarks about *favoritism*, *prejudice*, *bias*, and *journalistic hypocrisy* (all words that are fully and ripely applicable to the media's romance with liberal politicians).

*In this country:* “We have a healthcare crisis, in this country.” This moronic sentence additive continues to grow more popular. Originally, it was confined to the fulminations of left-wingers. It was used to imply an unfavorable comparison of *this country* to all other countries, to lands of bliss such as France or Paraguay or the Republic of Central Africa that don't have “crises” over healthcare (often because they have neither health nor care to worry about). But now, even the Republicans are using it — one more proof that there's nothing backward about the Grand Old Party.

*Negative and positive:* “The New York Times painted a very negative picture of Sen. McCain.” “Negative” and “positive” belong to the worlds of photography and mathematics. Period. I don't care how often you find them in other contexts — when they're used in those ways they are illegitimate substitutes for real adjectives: *unfavorable*, *sickening*, *gruesome*, *grotesque*, *absurd*, *repulsive*, *dangerous*, *Satanic*, *stupid*, and just plain *bad*; or *favorable*, *pleasant*, *nice*, *beautiful*, *wonderful*, *sexy*, *luscious*, *splendid*, *miraculous*, *angelic*, and just plain *good*. Why would you give up on all those other words, just so you, like The New York Times, could use “negative” or “positive” in every sentence you produce?

*People who aren't like you, people who don't look like you:* “And it's not surprising then they get bitter, they cling to guns or religion or antipathy to people who aren't like them . . .” (Barack Obama, on Americans who live in small towns). *Aren't like you, don't look like you* are ways of calling your opponents racists, without actually having to call them racists, and produce the evidence. They are hit-and-run terms. They deliver the blow, then act as if nothing was said. And, literally speaking, nothing *was* said. The literal accusation is meaningless: nobody dislikes other people just because they're not exactly like him or don't

look exactly like him; otherwise, no one would ever have sex. So there's no reason to accuse anyone of this psychological misdemeanor, unless you intend something worse, unless you intend something so dreadful that you have to employ a euphemism — a euphemism for race hatred. That's how these expressions work. They're nasty stuff, and they're everywhere on the Left.

*Proactive:* “I think we need to be proactive about the fight against global warming.” Barbara Branden tells me that she considers *proactive* one of the most repellent locutions on the planet. “If you're *active*,” she points out, “you're *active*. What does *pro* add to it?” The answer is: Nothing, except the pompous person's delight in making words fatter.

*White picket fence:* “The nice little house with the white picket fence is becoming obsolete in America.” I don't know whether people who use this cliché like or dislike the obsessively *white* picket fence, but I'm sick of it. I'm especially sick of it right now, because my neighbor has been waking me up every morning for the past three months, working on his stupid white picket fence — extending it, repairing it, and painting it the most glaring shade of white he could possibly find. But I suppose this doesn't matter. The idea that Americans like to own their own homes, and usually do so, shouldn't be ridiculed, either by me or by the multitude of pundits who hate the idea that Americans actually enjoy their little private capitalist homes with their silly white capitalist fences. These are the same pundits who shed crocodile tears whenever they think the modest abodes of the middle class have been rendered *unaffordable* by the capitalist system (a.k.a. *the banks and big lenders*). Well, make up your mind. Tell me which you want, private homes or state housing projects. Then you can talk about fencing.

*Um:* “The rich complain that they pay more than their share of taxes. Um . . . Is that because they already own the whole country?” The answer to that question is “No, rich people don't own the whole country; see ‘White picket fence,’ above.” But here's what *um* is doing in the line I just quoted. *Um* is doing what *duh* often does (especially on blogs); it's just doing it more coyly. *Um* means, “I'm pretending to consider your idea for a whole, long second, so I can insinuate, without stating any reasons, that it's a stupid idea, so stupid that it's ridiculous even to consider it.” This is grossly offensive. If you want to argue about something, go ahead and argue; but don't come out with this childish stunt: *Um. Duh. You're a tard, bro.* Bruce Ramsey alerted me to the threat of “um.” He says he's tired of getting *ummed*. No wonder — and there's no one who merits it less than Bruce.

A message to readers who noticed that I put “Um” after “White picket fence,” thereby violating alphabetical order: I apologize. I just wanted “Um” to be last, because, as Samuel Johnson said about “patriotism,” it's the last refuge of a scoundrel.

Apparently “arrogant” is a code word for “uppity” and people have reacted to Rove’s remark as if he really called him that. This has been going on for a while now. Last April, David Shipler alleged in the LA Times that “‘Elitist’ is another word for ‘arrogant,’ which is another word for ‘uppity.’”

I didn’t even realize that “uppity” is an offensive word. If I remember correctly it was actually the word that often followed “uppity” that everyone took issue with. By itself, “uppity” doesn’t have racial connotations. Any person who is acting insubordinate is “getting uppity.” If Oprah’s French maid refused to refresh the guacamole at Nancy Yi Fan’s book signing, she would be getting uppity with Oprah.

It all seems to have started when we gave the political correctniks the right to start taking words out of the English language. Once the offensive words were gone they started on the rest. The only reason why “arrogant” has supplanted “uppity,” is because we are no longer allowed to use “uppity” — a legitimate word, with a legitimate meaning. Perhaps it is not one of the nicer words, but all words have a purpose. It is just as important to have words that describe the darker side of human nature as ones that describe the good parts.

But if now we can’t use the word “arrogant” to describe arrogance, then are we going to have to find a code word for arrogant?

Much like the popular “six degrees of Kevin Bacon” game ends with the realization that everybody is linked with Kevin Bacon; if we continue with this word game, we will shortly learn that every word in the English language is “code” for an ethnic slur. George Orwell himself couldn’t have concocted a better device for destroying the English language.

Regardless, I see no purpose in Rove insulting Obama in a secret code. In fact, I think he just wanted to call him arrogant. — Tim Slagle

**Blackout** — African-American males are falling behind in the race to get a college education. Although black high school graduates attend college at a lower rate than whites (about 41%, compared to 47%), the major discrepancy is one of gender: about half as many black males attend college as black females.

The missing men were discussed at a recent symposium in honor of the distinguished black educator John Hope Franklin, held at Duke University. It turns out that there are quite a few initiatives to address the problem, ranging from the state-government-supported “African American Male Initiative” in Georgia to the private Student African American Brotherhood, which has motivational chapters around the country.

But it’s not clear whether these programs are tackling the big problems. The biggest, in my view, is the schools.

Indeed, the educators at the symposium, mostly members of minorities, spoke persuasively about how badly African-American boys are treated by the public school system, starting at least in middle school. There were comments about how kids must start algebra by ninth grade or they will never get to college. Yet, one speaker said, public school teachers haven’t been taught how to teach math, and the kids are “expelled” and “shuttled” and left to fend for themselves. In fact, said another speaker, African-American males are diagnosed for special education at twice the rate of white males.

But when I asked a panel whether vouchers and charter

schools might improve this dismal situation, only one panelist spoke up. He focused entirely on the charters that had sprung up in New Orleans after Katrina (he did say that the public school system was “dysfunctional” before Katrina, too). But he warned against too many vouchers because they could erode the public system (the one that was dysfunctional before Katrina). No one else said a thing.

Attendees, both those at the podium and in the audience, made clear what the problem was. But there was no appetite to tackle it. There is too much emotional investment, I suppose, in our sick public schools. Yet little will be done about the missing males until something happens to our public schools. — Jane S. Shaw

**Scrying game** — If anyone had any doubts about whether occupational licensing exists solely to protect the various licensed occupations and not to protect the public, he only need look at the results of a recent Mesa, Arizona, city council meeting. Someone on the city staff had realized that the previously passed licensing of fortune tellers was really silly and put it on the “consent agenda” to be repealed. (The consent agenda is used for those matters that everyone is obviously in agreement on and, therefore, need no discussion.)

But when this came up, two fortune tellers demanded that the city retain its regulation because, they alleged, there are charlatans out there and the reputation and credibility of the licensed fortune tellers is at stake.

This is the situation with all occupational licensing. It is always promoted as protecting the public, but its real purpose is to protect the regulated professions. How about doing something that actually benefits the public, such as repealing these ridiculous laws? — Roy Miller

**The energy civil war** — As the economy continues to crumble under the weight of spiraling oil prices, there is a growing divide among Americans about how to respond. There seems to be a coalescence of public opinion into two broad camps, which I call Growth and Green. Several recent articles in The Wall Street Journal reinforce this perception.

The Greens, to use their own preferred label, broadly oppose fossil fuels and (in most cases) nuclear power. Faced with the question of what they want us to use for reliable energy on the huge scale we use it, they generally suggest “alternative sources” such as solar, wind, biofuels, or — a new one I heard from a Green participant on a recent talk show — “microalgae.” And they want widespread, massive “conservation” — generally meaning artificial shortages, governmentally coerced by various means (such as taxes, cap and trade schemes, regulations, and various fees).

Indeed, given the clear high cost of their so-called alternatives, one suspects that Greens aren’t really serious about increasing our supplies at all, but only want a rapid economic contraction. Their view seems to be that the sooner sinful humanity dies off, the sooner will Mother Earth begin to heal, with bunnies and wolves dancing through pristine forests paw in paw.

The first article (May 12) reports data from an independent federal agency, the U.S. Energy Information Administration, about how much taxpayer money is used to subsidize various sources of energy. As of last year, almost \$17 billion was spent to subsidize the production of energy. In terms of

federal dollars per megawatt hour, the costliest forms of power are precisely the Green ones: "clean" coal (\$29.81 per megawatt hour), followed by solar power (\$24.34) and wind power (\$23.37). Vastly less costly to the taxpayer are the traditional, i.e., the Growth, forms of power: nuclear (\$1.59), hydroelectric (67 cents), normal coal (44 cents), and natural gas (25 cents).

To the inevitable Green reply that solar and wind power are new, so require more "start up" subsidies, the article notes that wind and solar have been heavily subsidized for many years, and still only generate about 1% of our electricity — compared to over 20% for nuclear power, even though no new nukes have been built for 30 years (thanks to Green opposition).

Again, if you look at the amount of taxpayer funding per BTU, you see that the Green sources again require an order of magnitude higher level of support than the traditional ones: biofuels require \$5.72 of taxpayer funds per BTU, solar \$2.82, and clean coal \$1.35, as opposed to 3 cents for oil and natural gas.

The proponents of growth, by contrast, support expansion of the proven, efficient sources of heat and electricity, while also supporting continued research into new sources of energy. The Growths don't want the *possible* best to be the enemy of the *actual* good: they want alternative sources of energy, but ones that actually work on the scale needed to allow the continued moderate economic growth that is needed for humans to flourish. The view here is that when human beings are able to have at least a decent level of affluence, they are most likely to be peaceful and productive — as Aristotle pointed out, a decent level of material wealth is necessary to allow virtue to develop. In particular, people are more apt to take care of their natural environment if they are first able to take care of their families and themselves.

For decades, the Greens have been able to advance their agenda in Congress and the courts, as low oil prices (because of slow growth in Asia and vast pools of oil in the Mideast) made it easy for the Growths just to give in. But in the face of the real likelihood of economic hardship caused by high energy prices, the struggle between the Growths and the Greens is becoming intense.

This is illustrated by a Journal report (June 9) that the Greens have once again been able to use their power to manipulate the federal EPA to thwart even moderate steps toward expansion of the supply of gasoline. Conoco-Phillips had received approval from the Illinois EPA to expand one of its *existing* refineries (note, not to build a new one) to handle more of the heavy crude that Canada produces. Now, you would think that any measure that would help us switch from buying oil from the Middle East (where the money often helps to fund groups of people devoted to blowing us up) to buying it from Canada (whose citizens at worst evince a snooty disdain for us) would be welcome. But no, not to Greens.

The Illinois chapter of the Sierra Club, together with another Green gang, the American Bottom Conservancy, got the federal EPA to block the expansion, sending it back to the Illinois EPA for yet more review. In their filing, the Green groups alleged that the company wasn't using the best available technology (a charge that the company disputes). But it is obvious that whatever technology the company had proposed, the Green gangs would have attacked it with endless

legal challenges. The Green agenda opposes all new exploration, drilling, and refining here in the U.S.; indeed, it proposes to destroy what we already have.

This brings us to a third Journal piece (June 12), an editorial criticizing the "dysfunctional" federal energy policy. ("Dysfunctional" I take to be a euphemism for "insanely self-destructive.") The piece points out that our lack of domestically-produced oil — now at its lowest level in 60 years — is the result of our own deliberate policy.

For example, Congress has renewed a ban on offshore drilling every year since 1982, and a 1990 executive order banning offshore drilling has seldom been waived, even by the supposedly pro-oil Dubya. This blocks us from extracting an estimated 86 *billion* barrels of oil (which would produce 2.32 *trillion* gallons of gasoline and diesel), not to mention 420 *trillion* cubic feet of natural gas.

In addition, Congress has continuously blocked the development of the over 10 billion barrels of oil (equivalent to over 270 billion gallons of gas and diesel) in ANWR, even as late as last month — while unemployment jumped from 5 to 5.5%! Last year, the same crazy Congress blocked the leasing of federal lands containing 80% of America's oil shale, estimated to hold 1.8 trillion barrels of oil (or almost 50 trillion gallons of fuel, which is roughly equivalent to 200 years' supply).

To Growths, this is just plain nuts. We can address our energy needs by simply moving toward nuclear power for our electricity and opening up our own immense fossil fuel resources for use. But the Greens will fight bitterly every step of the way.

The Journal article contains one ray of good news, at least for us Growths. The most recent Gallup poll shows that 57% of Americans favor opening wilderness and coastal areas, with only 41% opposing. And only 20% blame high oil prices on big oil companies — this, after months of Democratic demonization of those companies. In truth, the Democrats need to bash the oil companies, in order to obscure the fact that it is their party, so dominated by Greens, that has created this crisis. But the Growths may be starting to turn the tide. — Gary Jason

**Men in black** — I state in "Corruption and Hope in South America," (page 29) that unlike socialists, the fascists



"Keep it under your hat, but I want you to enrich some uranium."

don't have a philosophy — if you care to so dignify their assertions. But they do, after a manner. Take this quotation from Mario Palmieri ("The Philosophy of Fascism," 1936):

Economic initiative cannot be left to the arbitrary decisions of private, individual interest. Open competition, if not wisely directed and restricted, actually destroys wealth instead of creating it. . . . The proper function of the State in the Fascist system is that of supervising, regulating and arbitrating the relationships of capital and labour, employers and employees, individuals and associations, private interests and national interests. . . . More important than the production of wealth is its right distribution, distribution which must benefit in the best possible way all the classes of the nation, hence, the nation itself. Private wealth belongs not only to the individual, but, in a symbolic sense, to the State as well.

It's a great description of how most Americans think and feel. It could come out of the mouths of any of hundreds of popular economic and political pundits, or any of hundreds of Congresscritters. They like the idea of fascism; they're only embarrassed that previous fascists were so stuck on those silly black uniforms.

— Doug Casey

**Lament of the FBI** — Robert Mueller, the director of the FBI, is upset about the *Heller* decision. Flanked by armed FBI agents, he declared that "weapons harm people, and more often than not they harm the people carrying them." It is understandable why Mueller would think this. It was his agency, after all, that gave us the legendary Lon Horiuchi, a graduate of the Barney Fife School of Marksmanship.

— David Beito

**This is not a distinction** — Brad Jayakody, a British IT consultant, was not allowed to board a flight at Heathrow airport because he was wearing a T-shirt showing the Transformer Megatron holding a gun. Transformers are robots that can convert themselves into other objects. Megatron can convert himself into a gun. So, as Stephen Colbert put it, for all the TSA agent knew, the T-shirt was actually a picture of Megatron holding another Megatron, "and, obviously, we just can't have that."

Is this simply an example of one idiot working for a government bureaucracy? Or is it policy?

Consider the plight of Marnina Norys, who was prevented from boarding a plane in Canada because of her silver necklace with a 1.75 inch Colt .45 replica. Norys explained that the small silver ornament was not actually a real gun and couldn't actually shoot real bullets. But an official with the Canadian Air Transport Security Authority, in justifying their decision to the press, stated, apparently with a straight face, "How do you know it wasn't a real gun?"

The French painter René Magritte is known for his highly realistic painting of a pipe, under which he painted the words "*Ceci n'est pas une pipe*" ("This is not a pipe"). The painting, titled "The Treachery of Images," makes the point that there is a difference between a thing and an image of a thing. One would be making a category error if one tried to light up the painting after stuffing it with tobacco.

Perhaps a libertarian entrepreneur could make a T-shirt of a Glock semiautomatic, under which would be written "*Ceci n'est pas un fusil*." Granted, those hired for TSA positions are not known for their philosophical acumen, to say

nothing of their sense of humor, but the shirt would make a statement, and possibly even a Supreme Court case. It would be ironic indeed if the Supreme Court, having just ruled that Americans have 2nd Amendment rights to own a gun, would subsequently conclude that we don't have First Amendment rights to wear a t-shirt with a picture of a gun, making a political statement to the gray-shirts of the TSA.

*Ceci n'est pas un pays libre.*

— Ross Levatter

**Presidential politics** — So, Bob Barr carries the standard for the LP in this year's presidential election. The former Republican congressman from suburban Atlanta is a convert to the ideals of limited government and classical liberalism.

He carries some heavy baggage — the heaviest being the central role he played in drafting and sponsoring 1996's odious Defense of Marriage Act.

There are many reasons to dislike the DoMA. It is a state intrusion into the private realm of personal relationships. It's a pretext: a law clearly aimed at preventing same-sex marriage while claiming instead to uphold so-called "traditional" values. It was drafted and supported by hypocrites, men like Bob Barr and Bill Clinton who were trying to hide their own contempt for traditional marriage behind legislative gestures.

Barr has been divorced twice and married three times. Apparently (and against all physical evidence), he has long been a womanizer — according to some media outlets, he cheated on his second wife with the woman who would become his third.

A weakness for the ladies and multiple divorces don't make Bob Barr a bad presidential candidate. What does? Shamelessness and hypocrisy. Having a nontraditional approach to marriage while enforcing "traditional" marriage on others.

Barr spent an entire career drafting and supporting laws that tried to dictate how people should live. He was a staunch supporter of the War on Drugs. He was a willing cog in the machinery of an expanding state.

It bears note that Barr lost his congressional seat, in part, because the Libertarian Party in Georgia targeted him for attack because of his support for the War on Drugs. Barr's father was a military officer and a disciplinarian; perhaps there is a Freudian quality to the officer's son seeking the nomination (and approbation) of the party that punished him.

The LP should have chosen someone else.

Barr's rise within the LP illustrates the Party's fatal shortcomings. Its decentralized nature (its main appeal) leaves it prone to being overrun by charlatans and hypocrites.

In the meantime, Ron Paul does more for the cause of limited government by working within one of the establishment political parties. GOP operatives, aware of the shortcomings of their presidential candidate, talk a lot about making room in their party for "the Ron Paul people." In other words, the Republican Party needs to do things that will attract — or refrain from doing things that will repel — principled, limited-government advocates.

Paul does something for people who love liberty by reminding porcine Republican leaders to make room for "his" people. Barr does little for anyone with his very public journey of self-discovery.

— Jim Walsh

**Bury his heart . . .** — My old friend Russell Means recently reappeared in the news. That's because he is in back of the Lakota Nation's "declaration of continuing independence" from the United States, issued December 21, 2007.

"We are no longer citizens of the United States of America and all those who live in the five-state area [parts of Nebraska, South Dakota, North Dakota, Montana and Wyoming] that encompasses our country are free to join us."

Russell went on to say the new country would issue its own passports and driving licenses, and living there would be tax-free.

Sign me up.

It's true the Indians (and Russell prefers that term to the politically correct "Native Americans," believing that when Columbus met them, he referred to them as people who lived "in Dios," or with God) have generally gotten a bad deal. But throughout history, technologically backward people have always had their lands taken from them by more advanced invaders — not that that makes it right. And it certainly seems true that the U.S. Government has violated all of its treaties with not only the Sioux, but every Indian tribe. Russell argues that withdrawing from the treaties is entirely legal because Article Six of the Constitution states that treaties are the supreme law of the land.

But since the whole U.S. Constitution is essentially a dead letter anyway, it's a meaningless point.

It's easy to understand why a self-respecting Indian would be unhappy about his ancestors' bad luck, and the fact that many billions of dollars that were supposed to go to them were misappropriated by the criminally mismanaged Bureau of Indian Affairs. And, since they've been treated as wards of the state — basically welfare cases — for generations, Indians as a group suffer more alcoholism, chronic unemployment, high crime rates, and bad health. The same problems as among blacks, and for the same reasons.

Indians have a justifiable beef with the U.S. Government. But my advice, unless you want to be a Professional Indian, is to get over it; revanchism creates nothing but problems. Instead, stop drinking, adopt good work habits, and open a casino. Professional Indians, like Professional Irishmen, can easily become parodies of themselves. I prefer to associate with people who see themselves first as people, not as members of ethnic groups, which are simply accidents of birth.

Russell has opted for a different path. He's a cross between Crazy Horse and Al Sharpton; Sitting Bull and Jesse Jackson. He loves the spotlight, and since he joined the American Indian Movement in 1968, he's basically been a professional activist, participating in AIM's occupation of Alcatraz in 1970, Mt. Rushmore in 1971, and the Bureau of Indian Affairs in 1972. He led the famous standoff at Wounded Knee in 1973. In 1984 he ran as a Republican VP candidate with Larry Flynt. He ran against Ron Paul to be the 1988 Libertarian candidate for president. But he's best known for his acting roles, notably in "Natural Born Killers" and "Last of the Mohicans."

I spent a few days with Russell when he came to a couple Eris Society meetings, and then we were on the board of the Fully Informed Jury Association together for a while. I found him to be the kind of guy you want to like, but he's got such a chip on his shoulder, it's offputting. He's always looking for a real or imagined slight, making him volatile company. It's

true that he has libertarian inclinations. But, to Russell, everything takes second place to being a Professional Indian, and going down in history as another Geronimo, or King Philip, or Pontiac.

The Lakota independence movement is a step in the right direction — in that I'd like to see the United States break up into about 300 million sovereign entities — but it's unlikely to get anywhere. One reason for that is that Russell and his co-conspirators don't actually have standing to speak for 100,000 Sioux. They couldn't even keep AIM, where everybody shared a common goal, together in the '70s. The Lakota independence movement is, regrettably, basically a publicity stunt, if only because most Indians are — as Russell will readily admit — complacent, apathetic, and corrupted by the negative aspects of the White Man's civilization.

But it's symptomatic of what's going on all over the Western Hemisphere. Morales in Bolivia and Chavez in Venezuela aren't simply socialist throwbacks to the '60s; they're also Indian nationalists. It's why Russell's group visited the Bolivian and Venezuelan embassies, as well as the U.S. State Department, when they made their declaration. In September 2007, the United Nations adopted a nonbinding declaration on the rights of indigenous people. Of course, resolutions like that are worth nothing, but they're indicative of the tenor of the times. You can absolutely plan on more lawsuits, roadblocks, protests, and grandstanding all over the world from indigenous people whenever there is proposed development (often meaning a mine) on what they consider to be disputed land. At a minimum, a politically correct shake-down is worth a few million bucks.

If, by some chance, Russell gets some traction with a significant number of Indians, or starts getting money from Morales or Chavez, the U.S. Government will take action. Which would suit Russell just fine. He's not a "hang around the fort" Indian, and, at 67, probably wouldn't mind going out in a blaze of gunfire with the Federales. Then I'd feel saddened to do another obit.

— Doug Casey

**Blame speculators** — Conservative talk show host Bill O'Reilly has joined the chorus of voices who blame the soaring prices of oil and gasoline largely on speculators and who suggest that Congress could rein in the evildoers, if only it would. As Joseph Schumpeter observed in "Das Wesen des Geldes" (1970, p. 59), it is an old, old "theory" that market disorders, in foreign exchange in particular, are "the work of evil speculators, enemies of the country, whose activities must be put down."

The chorus of blame does not utterly ignore the "fundamentals" of oil. These include growing demand in China and India and at home, geological and political obstacles to discovering and exploiting oil deposits, and restraints on production by the OPEC cartel.

Less often emphasized is weakness of the currency in which oil is priced. Several years of too loose a monetary policy have been eroding the dollar's purchasing power and foreign-exchange value, besides causing other disruptions. (I don't particularly blame Ben Bernanke and his colleagues, though; for, without hindsight, I wouldn't have known how better to operate the flawed Federal Reserve system.) Anyway, as Irving Fisher regretted already in 1911, people

are inclined to blame inflation on conditions affecting specific markets: crop damage, bad fishing, natural disasters, monopolies, unions, and so forth ("The Purchasing Power of Money" [1985 reprint, pp. 174-183]). The underlying monetary cause is obscure because inflation proceeds raggedly, raising some prices before others and making those that respond earliest or most sharply appear to cause the whole upward procession. Nowadays, the price of oil is one of those symptoms mistaken for causes.

No conclusion follows from how cheaply oil from existing wells could be gotten out of the ground and transported. That expense is only part of the full cost, which in this case includes the so-called opportunity cost of losing future supplies by premature exploitation. Part of the logic of private property in land and resources and of their markets and prices is that they promote conservation. Here this means sensibly spacing exploitation over time, to the extent that unavoidably imperfect knowledge and foresight permit. If something is likely to be relatively scarce and high-priced in the future, that is reason to start economizing on it now by allowing those expectations to affect its current price. In a well-functioning market, the current price includes opportunity cost in the sense explained.

Free-market prices in effect move some of a currently abundant good or resource into the future of relative scarcity (or, in the opposite case, move some of a relatively abundant future good into today's time of scarcity). Prices and responses to them in effect transform a relatively abundant and cheap good into a more valuable one, creating wealth like the wealth that physical production creates. Astute speculators contribute to this price determination and wealth creation. They earn profit as a fraction of what they create. Speculators have a profit-and-loss incentive to get their facts and assessments right. Those who are consistently wrong lose money and tend to abandon the market. Even when speculators are wrong and lose money, the other market participants arguably benefit.

In active commodity markets, much more of the trading takes place in contracts for future settlement than for current actual delivery of the good traded. Few traders in futures are in a position to make or take actual delivery of the thing traded; rather, as everybody understands, profits and losses will be settled in money.

Nothing is scandalous about this arrangement. More traders can apply their knowledge and assessments to the market than if trading were limited to deals for actual delivery. The activities of these traders in mere paper, often so scorned, make the markets more active and liquid than they would otherwise be, and less vulnerable to manipulation by one or a few big players. They make the markets more available and dependable for hedgers, who are actual producers and users of the things traded and are trying to shed price risk by agreeing in advance on prices to be received and paid at a future time. Again, speculators are productive.

Arbitrage links futures and spot prices (prices for actual present delivery), so a rise or fall in the futures price contributes to a spot-price move in the same direction. (Spot/futures differentials hinge on such factors as interest rates, storage costs, and transactions costs.)

Am I painting too rosy a picture of speculation? Market manipulation, as by collusion and false rumors, would be a

different matter. Speculation by index funds trading in preestablished baskets of commodities, as distinguished from speculation on individual commodities in the light of conditions specific to them, is an issue on which I reserve judgment.

At any rate, before heeding popular clamor, members of Congress should try to pinpoint the specific market distortions, if any, to be addressed. They should consider whether contemplated remedies might do more harm than good.

Unfortunately, to judge partly from committee hearings shown on C-SPAN, they prefer to make speeches in the guise of posing questions; they badger witnesses for predictions about how quickly the proposed legislative or administrative remedies would take effect.

One witness, however (to judge from the snippets of testimony that I saw), provided an admirable example of diplomacy. Badgered to agree that speculators were to blame for the high price of oil, the head of the Commodity Futures Trading Commission did not identify the questioners' economic ignorance, but tactfully replied, "So far, we have no evidence to that effect" (or some such words).

Senators and representatives should spend less time sitting and speechifying in hearings and save some time to learn the pertinent economic analysis. Their behavior is, however, readily understandable in the light of Public Choice theory. So are the reasons why economic ignorance is an actual advantage for honest politicians: they can practice economic demagoguery with a clear conscience, not knowing any better.

— Leland Yeager

**Impossible expectations** — Recently, I overheard this exchange between two supporters of Sen. Obama:

"He's really going to change *everything*."

"I *know*. He knows what it feels like to be ignored; he's going to change *everything*."

An agent of change whose core support is from the SEIU and teachers' unions? Someone used to being ignored — at Punahou prep, Columbia, and Harvard Law?

If Obama is elected president, get ready for the backlash: a generation of cynics whose hearts were broken by the messiah who turned out to be just another silver-tongued statist hack.

— Jim Walsh

**Game of kings** — Economics studies how people go about producing and consuming. Politics studies how some people decide who gets to consume what others produce. It's not a game. At its most artful, it's a swindle. Far more commonly, it's a large-scale mugging dressed up with slogans, rhetoric, bunting, and those jaunty straw hats with the red, white, and blue bands the delegates sport at conventions.

The political story of the U.S. is one of persistent and entirely un-American growth in government. America was once unique, being the country where — to a great extent, anyway — an individual was sovereign as long as he just observed the two great laws: 1) Do all that you say you will do, and 2) Don't impinge upon other people or their property.

"Democracy" and "majority rule," contrary to popular belief, have little to do with the essence of America. Liberty, not democracy, was the central virtue; democracy of an attenuated sort was valued largely as a barrier to the tyranny of kings. Indeed, America is much more an idea than a nation or a place.

That said, although the United States still has many advantages over most other places, it no longer represents the values that once made it stand out. It's become highly politicized, a country where perhaps half the people are net recipients of largesse from the state. What you can do, how you can do it, and when you can do it, are pretty much determined by law. No swimming. No fishing. No talking. No running. No jumping. No loitering. No speeding. No smoking. No drinking. No privacy. No joking. No shoes. No sassing. And you pay about 40% of what you produce for the privilege of asking for a hall pass.

It's not just that the president resembles an emperor. It's that the huge bureaucracies that rule in his name — most prominently now the Department of Homeland Security — have lives of their own. They're mindless, predatory robots that can't be killed, and they're very, very dangerous.

Is there any hope of a change in trend? On the contrary, there's every reason to believe the trend is going to continue accelerating. The Reaganites once said, "If not us, who? If not now, when?" That question has been definitively answered.

And each of the candidates for president seems worse than the other. It's pretty much the situation the Romans confronted after Augustus. When Tiberius died, they thought things would get better. Then they got the moron Claudius. And then Nero. Surely it couldn't get any worse . . . but then came Caligula. Etc. Etc.

— Doug Casey

**Third-party tug-of-war** — Ron Paul will not be leading his supporters this November as a third party or independent candidate, which means that the Paul vote is officially up for grabs. Neither Sen. Obama nor Sen. McCain has paid any attention to them since they secured their respective party's nominations, but they haven't been ignored. Actually, the race for the Ron Paul vote has pitted against each other the two largest third parties in the country: the Constitution Party and its candidate, Chuck Baldwin, and the Libertarian Party, led by Bob Barr. Although Paul failed to win a single state in the Republican primary and only garnered about 50 delegates, Baldwin and Barr have recognized in his voters a few elements that could jolt a third party into respectability: high energy, deep commitment, expertise in internet programming, and enthusiastic willingness to donate huge amounts of money, mostly online.

The two candidates' approaches have been different: Baldwin is targeting the traditional, Buchananite conservatives while Barr is focusing his appeal to the staunch supporters of radically limited government. They've made their pitch to the Paul voters directly and unmistakably.

Baldwin, the CP's 2004 vice-presidential candidate, had been a vocal supporter of Paul's presidential campaign, which he officially endorsed, throughout the primary season. After Baldwin captured the CP nomination in the last week of April, he made clear his intention to reach out to Paul voters in an email he sent out to supporters, which contained an essay entitled "If I Were President." This essay, a basic summary of the goals of a Baldwin Administration, mentioned Paul's name five times, cited two pieces of legislation that he sponsored — the Sept. 11 Marque and Reprisal Act of 2001 and the Sanctity of Life Act — and reminded readers of his endorsement of Paul's candidacy in the Republican Primary.

If you browse through Baldwin's official campaign website, [www.Baldwin2008.com](http://www.Baldwin2008.com), you will also find numerous references to Ron Paul and his ties to Chuck Baldwin. In the "Issues" section, Baldwin cites the two aforementioned bills sponsored by Congressman Paul and discusses them at length. If you're looking for websites that Baldwin recommends, simply visit the "Links" section and you'll find a list containing a number of sites explicitly devoted to Ron Paul and his work.

Are Paul and Baldwin friends, you ask? Check out Baldwin's "Media Center," flip through his picture montage, and you'll come across one with Paul and Baldwin standing with each other, smiling amiably.

What does Paul have to say about Baldwin? If you visit the "What People Are Saying" tab under the "Supporters" section, you'll find two complimentary quotes by the Texas congressman. In one, Paul states, "(Chuck Baldwin) is a good friend. He's worked very hard for my campaign." In the other, he notes that, in regard to Baldwin, "His views are very close to mine."

If you stay in the "Supporters" segment of his website, but click on the "Endorsements" tab, you will find a list of Baldwin supporters divided into "Endorsement Groups," ranging from military officers to Christian ministers to businessmen, and many more. One of these groups is aptly named "Ron Paulers," former supporters of the Paul campaign who feel that Baldwin is best fit to continue the "revolution" — as opposed to Bob Barr, who is targeted in some of these endorsements and dismissed as an untrustworthy neocon with no place in the Ron Paul movement. Which brings us to the Libertarian nominee.

Bob Barr, the former Georgia congressman and leading figure in the Clinton impeachment, has made similar efforts to woo the Paul voters through his website and television interviews. When discussing his appeal to these voters with Neil Cavuto on Fox News, Barr stated, "Certainly, the message that we bring to this campaign, and that is of limited government, and greatly enhanced individual liberty, shrinking the size of the government, government spending being dramatically cut, will appeal, we believe, very strongly and very clearly [to Ron Paul's supporters]." In order to reach out to this bloc, Barr includes "Talking with Ron Paul supporters" as one of the activities that he encourages of his volunteers on the "Get Involved" page of his website.

And then, when Ron Paul officially terminated his campaign for the presidency, Barr released this statement: "Congressman Ron Paul has fought tirelessly in both the Libertarian Party and the Republican Party to minimize government power and maximize individual liberty. I want to thank him for all that he has done for liberty in this nation, and encourage him to continue his fight through whatever avenues he sees fit." Clearly, Barr hopes that one "avenue" comes in the form of an endorsement for his candidacy; to his disappointment, Paul has made very clear that this is not going to happen.

When asked by CNN's Wolf Blitzer about whether he would endorse Barr's campaign, Paul said this: "Well, I think he's running a very important race and I'm encouraging him. I haven't endorsed him, but he's saying the kind of things that I like to be heard said and I hope he does real well. But we also have Chuck Baldwin, who runs on the Constitution Party. His

views are very, very close to mine, and he worked very hard in my campaign, so for me to pick one over the other is not easy. I hope they both, together, get a lot of votes."

This semi-endorsement of both of their campaigns is more than Paul has ever given fellow Republican John McCain, whom he has thus far refused to endorse. Paul has never publicly stated that he hopes that McCain will get "a lot of votes," or even that he will get more votes than Barack Obama. In any case, it seems that Paul will vocally support only these third-party candidates, but endorse none.

This leaves the movement of the Paul vote completely up to the voters themselves. Disgruntled Republican primary voters who voted for Paul only as a "protest" vote against his competition may be more inclined to remain with their party in the general election and cast their vote for McCain. But those deeply committed to his campaign — the internet wizards, the vocal cheerleaders at the televised debates, and, of course, the money bombers — will almost definitely not vote for either major-party candidate. Whether they move into the Baldwin or Barr camps, or simply stay home this November, the decisions of this small group of supporters could very well have a profound influence on this election and may even make third-party history.

— Matt Varvaro

**Jimmy the bigot?** — In July's *Liberty* this reflector told you about former President Carter's journey to Damascus, which resulted in a dispute between Carter and the State Department over whether the former president was officially warned not to meet with Hamas leader Khaled Meshal.

Israel's ambassador to the UN, Dan Gillerman, commented on the Carter-Meshal meeting by calling Carter a bigot. Gillerman used that exact word. Bigot, of course, is another term for anti-Semite.

Now, Carter may or may not be much of a diplomat (though he did broker the Israeli-Egyptian Camp David accords). He may be a liar. But I don't believe he can realistically be called an anti-Semite.

Gillerman's attack on Carter is an example of what Ayn Rand called "the argument from intimidation," which, she stated, "is not an argument, but a means of forestalling debate . . . [it] consists of threatening to impeach an opponent's character by means of his argument, thus impeaching the argument without debate."

Gillerman doesn't like Carter's view of the Israeli-Palestinian dispute, but rather than argue his case on its merits, he dismisses the ex-president by libeling him. Given the historical precedents, Gillerman should be ashamed of himself.

— Jon Harrison

**Obama's war?** — A friend of mine who's an unreconstructed bleeding-heart liberal rues the future — although he thinks Barack Obama will be elected president in November. My friend is a pacifist who tries to apply his beliefs consistently. He believes that both major U.S. political parties are captive to what he calls "imperialist" corporate interests; and he thinks that Obama will prove to be as much a warmonger as W. Bush has been.

Obama may withdraw from Iraq. And he may not engage Iran militarily. But, my pacifist friend predicts, President Obama will send the Marines and more into Darfur.

This scenario makes some sense. For years, the American

Left (and particularly the Hollywood Left) has been calling for military intervention to stop Sudan's war against its break-away province. These people believe military action is justified to prevent genocide — even though one man's genocide is another man's civil war.

A political bonus: that justification might also give political cover to more Machiavellian goals.

China's political and economic ties to the Sudanese regime could draw the rising superpower into a North African quagmire. According to my pacifist friend: "All those Kissinger wannabes at Harvard will look at a proxy war in Darfur as a chance to bleed China."

Obama would seek international support for a war to achieve the humanitarian goal of Darfur's independence. Doing so, he would rebuild diplomatic bridges burned by his predecessor. And he would isolate China in its support of Sudan, which would cost China money, military resources, and world opinion.

What about Obama's professed opposition to foreign military entanglements?

My pacifist friend scoffs: "That's just campaign rhetoric. These guys are all the same. They're like junkies and military entanglements are like heroin. Wars make them feel important."

Maybe so. Maybe, come 2016, we'll hear hair-splitting arguments about how they were always against war in Darfur (despite their voting records) from the next crop of candidates.

— Jim Walsh

**Offshore flippers** — The looming possibility of a severe recession — if not an outright depression — caused by skyrocketing oil prices is making a number of politicians publicly revise their previous opposition to offshore drilling. Those who have flipped to favor finding and using any oil located on the American outer continental shelf now include Reps. Roscoe Bartlett (R-MD) and James Walsh (R-NY). They join Gov. Charlie Crist of Florida, who had earlier changed his mind on the issue. All three had been prominent critics of the idea, but now want to see the federal ban lifted so that states can pursue the policy.

And Sen. McCain has joined the bandwagon. He has long had the reputation of being pro-environmentalist — if not a deep Green, at least a sort of mint color. He now favors removing the federal bans on offshore drilling, and leaving it to the states to decide what to do. People in California would likely oppose drilling offshore there — as of last year, a poll showed that Californians were opposed by a 52% to 41% margin, and Gov. Schwarzenegger has restated his opposition. But with recent polls showing that the majority of Americans have now come to favor the policy, Floridians seem to be warming to the idea, not just for the oil revenues but also for the large number of high-paying blue collar jobs it would bring.

Unfortunately, McCain's position doesn't seem to square very well with his continued opposition to drilling in ANWR. After all, Alaskans are generally supportive of opening up ANWR, or at least the one-tenth of 1% of the area that would actually be involved. Perhaps that is because all Alaskans get an annual check for their share of the state's oil revenues.

Part of the reason for the new willingness to consider offshore drilling is, of course, the price of gas. But part, too, is

the growing realization that the drilling technology is much safer today than 40 years ago, when a large oil spill despoiled the beaches at Santa Barbara. Despite a number of major hurricanes in the Gulf of Mexico — including Katrina — the oil rigs have not leaked any appreciable amount of oil. Indeed, on average, offshore rigs leak only about 870 thousand gallons of oil annually, compared to the 47 million gallons of oil that leak out naturally from the seabed.

— Gary Jason

**Urban legends** — On a recent walk through my local video store, I noticed how many of the titles fit into the horror genre. While that kind of film lost its appeal to me years ago, I still get a kick out of them. The plots today are as predictable as Scooby-Doo cartoons, and the idea of suspense has been replaced with gallons of fake blood spraying under pressure that would be impossible to find in a human body.

But it goes to show how much humans like to be scared. These films rake in billions of dollars satisfying a primal urge to face mortal danger, without the discomfort of leaving your living room. Ditto for the popularity of roller coasters, a market entirely based on tickling that part of your brain that reacts when you are about to plummet to your death.

So it should be no wonder why bad news stories are always the more popular. Nobody wants to hear good news; they're looking for a scare. Just like nights around a campfire are most often spent telling ghost stories, news outlets like to tell people that their untimely end could be lurking in the basement.

I think that any story about global warming, health risks, or impending economic chaos should be treated the same way: like a ghost story, a roller coaster, or a monster movie. It's a great ride, but don't for a minute think that it's real.

For those of you who have a propensity to believe these things, remember: the stories of New York someday being submerged are just another version of the little girl, who died 30 years ago tonight, right here, on a night much like this . . .

— Tim Slagle

**If only it was Ponzi** — All residents of British Columbia are getting a check for \$100 as a "climate action dividend . . . to make it easier . . . [for them] to choose a lower carbon lifestyle." The letter accompanying the check is signed by Premier Gordon Campbell.

The wife of a friend of mine is looking for ways to use this money to make a better world; my friend is fuming. He says that all the government is doing is taking a lot of money away from him in taxes, then returning a very small bit of it — literally stealing thousands of dollars with one hand and returning pennies with the other.

His wife and children may look at the government as a benevolent entity, but isn't it funny that government did absolutely nothing and still gets the credit for doing something, while my friend's slogging for his family is seen by them as his own responsibility? No wonder the situation with families in the West just keeps getting worse.

But that is not the point to think about today. One must think about the check itself, and wonder why the very educated people of Canada cannot see this utterly childish farce for what it is. This is not a complex pyramid scheme created by crooked businessmen, but a scheme created by extremely dumb and lazy people in the government.

The people should be able to see what is right in front of them . . . the government is mailing the checks to millions, spending money on tons of paper and postal resources, and creating a huge carbon footprint. Even with my agnostic views on climate change, I find this a destructive waste. Anyone not suffering from a warped sense of reality should feel angry, very angry.

— Jayant Bhandari

**The poverty of nations** — It's a funny thing, how in each era leaders all around the world seem to mirror one another. It's as though they all read the same political fashion magazine. Hitler, Stalin, Mussolini, Franco, Roosevelt, Mao, Peron, De Gaulle, etc., etc. — all of them strong, nationalistic, collectivist-minded leaders. They typified the '30s and '40s. When the '80s arrived, Reagan, Thatcher, Deng, Yeltsin and many others of similar orientation resembled each other — believers, to a fair degree, in the market, globalism, and more individual freedom. What's the next crop going to be like? Putin and Bush certainly aren't a happy start. But leaders tend to be products of their societies.

I'm of the opinion that the nation-state — a perfectly horrible idea that's only been around for a few hundred years, even though people think it's part of the cosmic firmament — is on its last legs. That's thanks to things like cheap jet travel, truly global businesses, and the internet. But its demise won't come next week.

Because people are tribal when you agglomerate them, they immediately tend to see any other agglomeration as a potential enemy. My nation (whether I'm Chinese, Indian, American, Russian, Somali, or whatever) is smarter, more righteous, more deserving, and generally better than any other simply because that's where I live.

One result of this atavism is that governments are embarrassing the export of farm commodities all over the world, to keep domestic prices down. Of course this is idiotic, because lower food prices within productive countries only mean less food will be produced, lowering the standard of living for both producers and consumers everywhere. Governments in a number of countries are also levying confiscatory taxes on the production of oil and minerals, which will have exactly the same impoverishing effects. These things are likely to be seen as hostile moves by other countries that can be expected to reply with economic counter-measures. Or perhaps military ones. Surpluses make for easy living; shortages are a *casus belli*.

I don't believe the Romans had truly friendly relations with any of their neighbors. Ever. If they weren't client states that rolled over, they were conquered — or at least attacked. But it's a bad model. In those days it was possible to steal wealth, and it was acceptable to massacre entire populations. Genocide wasn't a crime, it was proof of success. Today, wealth actually disappears when it's stolen, as "Atlas Shrugged" explains at great length. Wealth is increasingly the energies of people, as opposed to stuff.

— Doug Casey

**Geek twilight** — Bill Gates completed his last full day at Microsoft on June 27. He's stepping back to focus mostly on the work of his philanthropic foundation.

Good things come out of Microsoft; parts of the Office suite come to mind. But the real innovators often leave Microsoft, and Bill Gates, in the dust.

The product that put Microsoft on the map was MS-DOS, which was a tweaked version of software it bought from another company. Gates' role was not that of a programmer, but a broker, between IBM and geeks who had less business sense than he did. That formula worked well, so he used it again. The Windows operating system was a sloppy copy of Apple's more elegant MacOS (which in turn was based on a design by Xerox).

Google, with its flagship search functionality and a googplex of successful side projects, has delivered on the internet-enabled software revolution that Microsoft hoped to own. Internet Explorer has a tortured and buggy history compared to its major competitors. Amazon's Kindle, a wireless, digital attempt to replicate some of the best features of paper books and improve on others, has sold well. AOL beat Microsoft to offering a free, ubiquitous chat client. YouTube uses the internet to deliver streaming video; Netflix cornered the market on brick-and-mortar-style DVD rental.

So much for the software empire: Microsoft plays catch-up more than it innovates. Now Gates is revered for his philanthropy.

When he decided to do something with the pile of money he'd accumulated — with billions of dollars and experience as a supposed information-age wizard at his disposal — with what goal did he task his foundation? "To help reduce inequities in the United States and around the world." What a new and exciting idea.

I'll bet there are many bright, young capitalists who, with a hundredth of the Bill and Melinda Gates Foundation's endowment, could do more to end poverty, hunger, and AIDS than the Gates ever will — and because they'd unashamedly turn a profit for themselves at the same time, they probably won't see any of the foundation's money.

I don't begrudge Gates his wealth or success. If the market thinks he's earned them, he has. He found a niche (operating systems) and recognized it wouldn't remain a niche. That was perceptive, but that's where his brilliance ends: he's a capable geek and a good businessman. The reputation he enjoys of being a visionary is disproportionate.

I'm not criticizing Gates, but his adoring fans; and I do not overlook his greatest contribution to humankind. It's not Windows, nor the Gates Foundation, but the collection of stupid, counterproductive typesetting features Microsoft Word has turned on by default. It is thanks to these features that Dan Rather was caught making an elementary journalistic mistake (so elementary, it looked like an attempt at libel) when he failed to authenticate documents reflecting poorly on President Bush's service in the Texas Air National Guard. The documents, purportedly produced in the 1970s, were obvious fakes produced in the 21st century with Word; if the typeface hadn't given it away, Word's cutesy habit of superscripting the "th" in ordinal numbers would have. — Patrick Quealy

**Five straight shooters** — Judicial activism is unquestionably a major threat to individual liberty. Of course, life is complicated and it's a fact that activist judges have at times advanced liberty's cause. It's hard to dispute that *Brown v. Board of Education* in 1954 didn't advance the cause of black Americans' freedom. The Warren Court in the 1960s, despite its excesses, helped to curb abuses of police power.

However, in the last 40 or 50 years, judges have too often gone beyond the role foreseen for them by the founders, and have usurped functions reserved for the other two branches of government. In my home state of Vermont, and in neighboring New Hampshire, the citizenry faces crushing property tax burdens imposed by the judiciary, which directed the legislatures of both states to change the method of funding education. Technically, the judges weren't legislating, but by severely restricting the legislature's freedom of action, they were in fact imposing a tax regime on the voters of the two states. This, simply put, is judicial tyranny.

The Supreme Court of the United States has recently handed down a couple of awful decisions. The single word *Kelo* should be enough to get every reader's jaw grinding. That 2005 decision concerning eminent domain was probably the worst the nation's highest court has rendered since *Dred Scott*. In this term, the court decided that habeas corpus must be extended to enemy combatants captured on the battlefields of Afghanistan and Iraq. While that decision was not a blow to individual liberty per se, it was based, as Justice Scalia stated in his dissent, on an inflated notion of judicial supremacy.

But as the current term came to close, the court (by a 5–4 vote) struck a great blow for liberty by preserving the meaning of the Second Amendment. Because of its decision in *District of Columbia v. Heller*, citizens will retain the fundamental right to keep and bear arms. Thank you, Justices Roberts, Scalia, Thomas, Alito, and Kennedy.

The decision was finely rendered. The majority did not open the floodgates by finding a right for citizens to own machine guns, or by giving felons and lunatics the right to arm themselves. Reasonable restrictions on firearms, as determined by legislatures, will still be possible. The five justices showed wisdom and restraint — the opposite of what their activist brethren typically display.

The case, I should mention, got to the court thanks to the efforts of libertarians, specifically people at Cato. The victory was a shining moment for the libertarian cause.

Additionally, we must admit — shocking as it is — that George Bush's presidency has produced some good after all. Justices Roberts and Alito would not be sitting on high today if John Kerry had won the 2004 election. With Kerry appointees on the court, that 5–4 majority probably would have gone against us. God knows what would have followed from that. Here in Vermont, reflexive leftism does not extend to guns. No state in the union is more pro-Second Amendment than we are. Had the court denied us our rights, there would have been outrage — possibly even revolution. — Jon Harrison

**Laws for thee** — I trust you've heard about the Liechtenstein bank official who stole its list of clients and sold it to the German government for something on the order of \$7,000,000. As far as I know, this is unprecedented on a number of levels. While I'm sure that various agencies have always had moles in banks (especially in poorer tropical countries), it's unprecedented that an advanced "rule of law" country like Germany would bribe an official to commit a common crime and then receive stolen goods. And then forward relevant data on to tax authorities in other countries, which apparently have no problem receiving the fruits of the theft.

Even more appalling is the total lack of protest from any

quarter. Even the Nazis and the Soviets were unable to pull off this crime. And if they had, there would have been international outrage.

The arrest warrant issued for the thief by Liechtenstein states that he may have been issued a new identity and passport by the German government.

The consequences of this are profound. It means there can be truly no expectation of financial privacy anywhere any longer. If the thief gets away with this, his actions could be duplicated by opportunistic sociopaths working in tax havens the world over.

It also throws a lot of grease on the slippery slope that Europe has been on for many years. I've long said that the only things that keep the intensely regulated, grossly over-taxed socialist welfare continent above water are 1) centuries of accumulated capital, which will take a long time to dissipate, and 2) black money. Unlike in the United States (and other Anglo countries), tax evasion in the rest of the world is considered self-defense, and an obligation to one's family. The money kept from the clutches of the State has been a massive underpinning to productive investment. Now that money either won't be saved at all, or it will make its way to East Asia — probably after being sheltered in a nominee-owned company. It won't stay in Europe.

Europeans, who as a group are even more shamefully like whipped dogs than their American cousins, will ultimately be rewarded for this type of stupidity. The continent will eventually be no more than a source of houseboys and maids for wealthy Chinese.

In the shorter run, however, it's another indicator of the renewed vigor of collectivism almost everywhere.

— Doug Casey

***Hypocrisy about hypocrisy*** — Humans are sensitive to hypocrisy. It is ingrained in us by our evolutionary history. We maintain the group cohesion so essential to our survival by enforcing our tribal rules, and this involves detecting cheaters who break those rules. To put it simply, people just don't like hypocrites.

But the mainstream media, dominated as they are by the Left, are very selective about their outrage over hypocrisy.

For example, when a televangelist was caught buying the services of a hooker, the press went crazy over the story. Here is one of those awful Christians who tell us that we should be faithful in marriage, breaking his own vows! There is no doubt that the televangelist was despicable. Yet a recent story of a prominent preacher breaking the tenets of his faith has gone unnoticed by the mainstream media. I refer to the Right Reverend Al Gore.

Gore is the high priest of Ecofaith, the religion that views human beings as sinfully defiling Mother Earth. We have had no end of sermons from him about how we are raping the hapless Goddess of Nature.

But Rev. Gore has been far from faithful to his own creed. A recent report by the Tennessee Center for Policy Research, a free market research institute based in Nashville, shows that Gore's mansion used more than 213,000 kilowatt hours of electricity last year, roughly 20 times what is used by average American homes.

Worse still, his usage is up by 10% over the previous year.

His personal wealth is also up — by \$100 million — because of his investments in "global warming technology" and his fees for sermonizing around the country.

A second illustration of hypocrisy that fails to excite the media is the recent decision by Barack Obama to break his promise to use public financing in his run for the presidency. He will be the first presidential candidate to forego matching funds since the passage of the public financing bill 30 years ago. This means that McCain, who has reaffirmed his pledge to accept the \$85 million spending limit, will be outspent by Obama by a three to one, or perhaps even a five to one, margin.

Now, Obama has portrayed himself as a believer, like McCain, in campaign finance reform. But when he saw that he stood to gain a huge advantage by opting out of the system, he did so. His rationale, that McCain's allies are going to spend millions smearing him, was obviously just a fig leaf — after all, his own allies are already running attack ads on McCain.

Obama's hypocrisy notwithstanding, who has any sympathy for McCain? He is one of the main architects of the campaign finance reform movement, which has restricted free speech while screwing things up even more. That he's been had by Obama is only cause for yawning.

— Gary Jason

***An armed society . . .*** — You may have seen the bumper sticker that reads "I love my country but I fear my government." Those of us displaying this sticker recognize that there is an important distinction between our country and our government. With the recent Supreme Court decision confirming that gun ownership is an individual right protected by the Constitution I feel that I can now remove that sticker from my bumper.

It is instructive to note that most of the liberty that is lost in the world is taken away by one's own government, not by some invading force. The Second Amendment is a check on this. It is not needed, as some suggest, to protect hunting or gun collecting. Its importance is in self defense and, sadly, it is occasionally needed to defend against the armed agents of our own government who, in their zeal, would take our freedoms.

The War on Terror is only the most recent example of an excuse that government uses to take away individual rights, through such legislation as the PATRIOT Act. With this Supreme Court decision Americans at least have the assurance that our right to defend ourselves is recognized and protected.

— Roy Miller

***All too common*** — There is nothing that brings out the homages, the exaggerations, and the outpourings of superficial grief from national journalists, more than the death of a national journalist.

One cannot imagine the days of coverage granted to the untimely death of Tim Russert — a power broker in Washington who made his living by interviewing other power brokers in Washington — if it had been, say, Steve Jobs who had died. Why spend more than a couple of minutes reporting on the death of someone who just created and designed products that add to the happiness and productivity of millions?

I don't recall days of mourning and reminiscing among the overpaid talking heads when Sam Walton died. After

all, he never did anything except make life better and goods less expensive for millions of people of the sort that Tim Russert grew up with and, more recently, sometimes tipped extravagantly.

No, the honor of solipsistic, never-ending, pretentious tear production is reserved for those who dress up on Sunday to make sure that people watching at home — fewer and fewer each year — are up to date with the talking points and bromides of those who rule over us.

It was constantly repeated that Russert was an excellent interviewer — fully prepared, thoroughly researched. That meant, of course, that his staff was very good at finding statements that politicians made decades earlier that were in conflict with statements they made more recently. “You say you support No Child Left Behind, Senator, but as this clip shows, you spoke against its implementation in the Senate educational subcommittee in 2002.” Of course, Russert’s renowned research never involved questions relating to whether or not some regulation or law was actually constitutional. Although he had a law degree, the idea that there was any limit to power in Washington was never something that came up on his Meet the Press.

A few months before his death, Russert interviewed Ron Paul, then a Republican presidential candidate. Russert was struck that a Republican candidate for president not only opposed the invasion and occupation of Iraq without a clear congressional mandate but actually opposed modern American foreign policy that involved interventions anywhere in the world, on almost any rationale. Russert’s crack research didn’t lead him to ask Paul if he agreed with Eisenhower’s warning about the military-industrial complex. It didn’t lead to his asking Paul to explain how the Republican Party had evolved its views since 1940, when it ran Sen. Robert Taft (the son of a former president and chief justice of the Supreme Court) on the basis of his call for strict neutrality and not getting Americans into another foreign war.

He didn’t ask Paul whether he thought it was right and proper for Truman to send troops to Korea without a congressional declaration of war, or whether it was right and proper for LBJ to lie to Americans about the Tonkin Gulf and send American troops into harm’s way on the basis of that lie. No, Russert’s deep research led him to ask Paul whether he opposed Lincoln for fighting the Civil War — a completely neutral question, certainly not meant to imply on national television that anyone who opposed Lincoln must have favored the continuation of slavery.

This is gotcha politics, and Russert was a master of it. That is what all his colleagues were bemoaning as being lost every Sunday morning in the foreseeable future, now that Russert is dead.

Russert, of course, began his career in Washington by working for Sen. Daniel Patrick Moynihan and later for Gov. Mario Cuomo, both Democrats. So it’s not surprising that his deep questioning each Sunday morning ranged from “How can you say you’re in favor of families, Mr. [insert name of Republican politician] when you voted against an increase in funding for job training for single mothers?”, all the way to “You voted to support an increase in the minimum wage, Mr. [insert name of Democratic politician], but frankly it only increased from \$5.15 an hour to \$5.85 an hour, and isn’t sched-

uled to reach \$7.25 an hour until the summer of 2009. Do you really think that’s doing enough to help poor families?”

Asking questions of this depth got Russert out of the middle class he was raised in and into a very rarefied atmosphere of wealth and power. Yet it amused him to claim, as he jetted from one of his houses to another, that he was still a “common man.” All too common, in Washington, D.C., where so many go to do good and end up doing very well.

A week or so after Russert’s death, the world lost another man who got a lot of airtime when he was alive, at one point using seven words that one couldn’t say on television to make a point about civil rights and freedom of speech — an act which got him some jail time. The death of George Carlin four days after the Kennedy Center announced that he was to be honored this November with the Mark Twain Prize for American Humor grieves me more deeply than Russert’s passing. Carlin could see hypocrisy and political pomposity that managed to escape Russert’s eye, great researcher that he nevertheless was. Yet while Carlin’s death certainly made the news, it won’t be constantly reflected on for days on end, save maybe on the Comedy Channel. But thinking about Carlin’s last honor, I’m guessing that Twain would have known just what to say about Tim Russert and the coverage of his passing: “The reports of Tim Russert’s death were greatly exaggerated. . . .”

— Ross Levatter

**Vince Miller, R.I.P.** — As I write, I have just learned of the death, on June 28, of my friend Vince Miller, who devoted the last three decades of his life to making sure that libertarian ideas found an audience outside the English-speaking world.

Though I had thought he seemed his usual chipper self when I last saw him at the Libertarian Party’s presidential nominating convention on Memorial Day weekend, my wife Suzanne, who looked more closely, thought he seemed a bit tired. And she noted that he spent several hours of each day of the convention resting in his room. As usual, Suzanne was right. Vince wasn’t feeling up to par. And by the time he got back to California, where he had lived for the last 20 or so years of his life, he felt even more subpar. It wasn’t long before he was hospitalized with what was at first believed to be pneumonia. He was never released. He did not live to see his 70th birthday in December. He will not see how the Libertarian nominee does at the polls in November.

I first met Vince Miller in 1978, when he had just signed on as editor of *The Mercury*, a new libertarian magazine financed by Roger MacBride. Before that meeting I had known him only by reputation, as the Canadian libertarian who, with Marshall Bruce Evoy, had put out *Libertarian Option*, probably the second most professionally edited and printed libertarian magazine (after *Reason*) of the early ’70s. But Vince wasn’t destined to be the editor of *The Mercury* for very long. It survived for only a few issues before MacBride apparently decided he’d chosen a poor time to get into the libertarian magazine business (at the same time that the much wealthier Charles Koch was launching major new ventures in the same market) and pulled the plug.

By 1980, Vince was announcing a new project, an organization called *Libertarian International*, which would work

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# The Fall of a Royal House

*by Jayant Bhandari*

When things go wrong, it's easy to blame an incompetent leader, or a degenerate political system. But what about the society that fostered them?

On May 28, 2008, King Gyanendra Bir Bikram Shah Dev of Nepal was deposed by a democratically elected parliament. His security was immediately reduced, and he was given detailed instructions about his transition to the life of a "common citizen." After these humiliations, he quietly conceded, understanding that the masses were not with him, and vacated his palace. The palace will become a museum; Nepal will become, at least in its own estimation, a proud, democratic country, joining the mainstream world.

When Gyanendra was born, his father, following the advice of an astrologer, refused even to look at him, packing him off instead to live with his grandmother. Astrologers were again consulted during the fall of the monarchy, when Gyanendra solicited their advice on how to look for a new home. He also appeared in public to participate in an animal sacrifice ritual designed to preserve power. During the ceremony, the throats of five animals were slit in front of him. Their livers were then cut out and placed in a small container that the king took to his palace. Religious rituals and mysticism, not action, have been a cornerstone of the history of Nepalese royalty.

Religion doesn't necessarily mean morality. Gyanendra is believed by some to have been behind the killing of his brother, King Birendra, and other members of the royal family

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who were massacred by his nephew, Crown Prince Dipendra, in 2001. This belief appears to be the product not of solid evidence but of the unpopularity he incurred by his other misdeeds. He illegitimately dismissed the parliament in February 2005, taking over complete control of the government, and followed this act with repression of dissent. His son, Crown Prince Paras, even less liked than Gyanendra, lived a life of violence and drunk driving, with complete impunity. It's hard to argue that such people don't deserve to be humiliated and removed.

Yet, while Gyanendra's political conduct may be distasteful, there is really nothing special about it — except in its degree. Every government in the world kills people and abuses the political system for personal advantage. And the degree of abuse is mostly ordained by the masses. They are the

ones who provide the cues by which governments define their limits. If the "revolution" that Nepal recently experienced had anything to do with liberty, social awakening, or development of a sense of self-responsibility and respect for the individual, the removal of the king would have been completely justified. Alas, this is never the case with political "revolutions." And it has certainly not been the case with the events in Nepal.

Did the royals merit the treatment they got? The answer to this question will depend on the answers to several others. What kind of goons will come next? What are the implications of the democratic mindset for the future of Nepal? Was monarchy really the fountainhead of Nepal's poverty?

Not too long ago, the Nepalese king was seen as the living God — the reincarnation of Lord Vishnu, one of the three major Hindu gods. People had complete and absolute respect for him. They stood up when his photograph appeared before them. They dared not speak against him. Barely two decades ago, Nepalese living in India were considered the country's most trusted community, one composed of brave and responsible people. Not only in India, but during the British times, Gurkha people from Nepal and parts of northern India were noted for their courage and loyalty, so much so that their brigade still survives in the British army. Yet, behind the romanticized respect for the king, and the courage, resilience, and responsibility of his people, there was something else.

The people's respect for their monarchs came not from an appreciation of their competence, for they likely had none; and, if they did have any, the Nepalese would not have had the eyes for it. The respect was simply a conditioned response, borne out of mysticism. So was the case with the "bravery" of the Nepalese. It had nothing to do with a commitment to any principles of life. It was a non-thinking devotion to the orders of their superiors.

The social system in Nepal is extremely rigid, conformist, hierarchical, and ridiculously superstitious. Animal sacrifices are common, difficult to avoid seeing when one visits. The low

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*Not too long ago, the Nepalese king was seen as the living God — the reincarnation of Lord Vishnu, one of the three major Hindu Gods.*

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status of women and children is immediately evident. Many young women are lured into slavery or sold by their families for minimal money. Most of those sold never run away, never report to the police. Can it be that as sex-slaves living in dingy and abusive brothels in India, they find life better than they did back home in Nepal? So rigid is Nepalese society that even in India, where critical thinking is deeply discouraged, Nepalese were seen as non-thinking, albeit trustworthy, idiots. Typically, Nepalese in India have worked as guards, servants, maids, army personnel, and prostitutes.

But something happened during the past two to three decades. Did Nepal change for the better? Did people start thinking for themselves? Did they become more confident of themselves?

No, people don't change that quickly. Certainly societies don't. Watching the Western world on TV, the intellectuals of the developing world have started thinking that it is "democracy" that has the capacity to resolve their predicament. And

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*Since the Nepalese did not enjoy wealth and happiness, it was suggested, the king must be responsible. According to the democratic mindset, this must be true.*

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why should the people not listen to them? Societies deeply engrossed in mysticism and superstition inhabit a worldview in which some higher authority always has the power to generate wealth and happiness.

Since the Nepalese did not enjoy wealth and happiness, it was suggested, the king must be responsible. According to the democratic mindset, this must be true, despite the fact that his removal leaves the core of Nepal's problems unaltered. In effect, democracy replaced monarchy as the higher power from which all benefits must be expected.

But hasn't democracy roused and inspired people around the world? Hasn't it empowered them? Not if you are talking about Zimbabwe and the rest of Africa, or Afghanistan, Iraq, Iran, Pakistan, or Bangladesh, or many of the ex-Soviet countries.

Really, it is hard to think of any country that has changed for the better as a result of democracy. Until very recently, the world was euphoric about East Timor (The Democratic Republic of Timor-Leste). It now lies in ruins, mired in poverty, and dependent on the charity of foreigners, its inhabitants so lacking in trust for one another that foreign forces must stay there to maintain peace. But the Western mind, with its fanatical belief in democracy, refuses to see this truth, rationalizing away the evidence when challenged.

No, democracy does nothing. It is when individuals awaken that their condition improves. The Western world was on the path to development long before it became democratic.

So, what is the future of Nepal? Deeply imbued with mysticism, Nepal has taken up democracy, but nothing else has changed. Perhaps the situation has become worse. "Democracy" has dissolved the aforementioned "respect" and "bravery" — the glue that kept the deeply ritualistic, backward Nepalese society from disintegrating and falling into chaos. Some consequences of this are already visible.

Today, the Nepalese are among the most distrusted people in India. Indians shy away from employing them. And the possibility that Nepali society will awaken has receded further,

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# The Dog That Didn't Bark

*by Randal O'Toole*

Both the bubble and the rubble can be attributed,  
not to the usual suspects, but to land-use planners.

Numerous economists, pundits, and reporters have blamed the recent housing bubble and subsequent mortgage meltdown on the Federal Reserve Bank, Fannie Mae and Freddie Mac, loosely regulated banks, unscrupulous mortgage companies, or all of the above. But any explanation of the crisis must account for the dog that didn't bark.

Sherlock Holmes fans will remember the case in which the police arrested a stranger for the murder of a horse trainer, but Holmes pointed out "the curious incident of the dog in the night-time." "The dog did nothing in the night-time," said the policeman. "That was the curious incident," Holmes replied. Since the dog did not bark, Holmes reasoned, a stranger could not have been responsible for the murder.

In the case of the housing crisis, the dog, or dogs, that didn't bark are Houston, Dallas-Ft. Worth, and Atlanta. In terms of sheer numbers, these are the three fastest-growing metropolitan areas in America, each of them gaining more than 130,000 new residents per year. Yet housing prices in these regions did not bubble in the early part of this decade, and did not decline — even by 1% — in the latter part.

Federal banking and housing policies and the finances and ethics of the mortgage industry apply just as much to Atlanta and Houston as to San Diego or San Francisco. Yet housing

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prices in the San Diego and San Francisco metropolitan areas, which are growing by fewer than 20,000 people per year, doubled between 2000 and 2006 and now are rapidly falling.

This suggests that local factors had more to do with the housing bubble than national and international credit markets. And the most important factor that distinguishes such places as Atlanta and Dallas-Ft. Worth from such places as San Diego and San Francisco is the amount of regulation imposed on landowners and developers.

In short, the housing crisis was caused by land-use planners. And unless someone stops them, the next housing bubble will be even worse.

More particularly, the crisis was caused by artificial housing shortages resulting from a form of land-use planning called growth-management planning. Growth management

(one form of which is also known as smart growth) attempts to control either the rate or location of growth. Smart growth, for example, uses urban-growth boundaries or other regulations to limit growth in rural areas even as it uses subsidies and minimum density zoning to force denser growth in already developed areas.

Growth management creates artificial shortages of land, which in turn drive up housing prices. So it is not surprising that there is a strong correlation between the recent housing bubbles and states and regions that do growth-management planning. There is also a correlation between the date of state growth-management laws and the time when housing prices start to accelerate upwards.

Cities have been planning and zoning since the 1910s, but this form of planning did not significantly reduce housing affordability. As smart-growth critic Wendell Cox notes, most early zoning was "responsive" in the sense that planners designed zoning codes to provide the cities people wanted. Existing neighborhoods were zoned to allow most of the uses found in those areas. When developers wanted to build on vacant land, planners would zone the land to allow the kind of development that the builders thought would sell. So, in many ways, zoning was really market-driven.

Contrary to claims by the National Association of Realtors, housing prices do not normally double every ten years. In U.S. markets unfettered by government regulation, prices keep pace with family incomes, which means they grow by 1 or 2% a year above inflation. In fact, house sizes have grown as well, so it is likely that the inflation-adjusted cost per square foot has remained constant.

As recently as 1970, housing cost about the same throughout the United States. From San Francisco to Miami, from Houston to Minneapolis, you could buy a median-priced home for about twice the median family income. At that price, a median family devoting 25% of its income to a 6% mortgage with a 10% down payment could pay off a median home in 14 years.

The one exception to this rule was Honolulu, where the home price-to-income ratio was 3.4, meaning it would take 23 years to pay off a mortgage. Not by coincidence, the Hawaiian legislature had passed the nation's first growth-management law in 1961. This allowed state planners to designate "growth

areas" (mainly existing cities) and to rule most of the other land in the islands off limits to development.

In the early 1970s, a number of cities and states around the country began to try to manage growth. In 1970, Ramapo, NY (a suburb of New York City) passed the first adequate public

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*Contrary to claims by the National Association of Realtors, housing prices do not normally double every ten years. In markets unfettered by regulation, prices keep pace with incomes.*

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facilities ordinance, stating that the city could approve new developments only after the capital improvements needed for the developments were fully financed. Also in 1970, Vermont became the second state, after Hawaii, to pass a growth-management law.

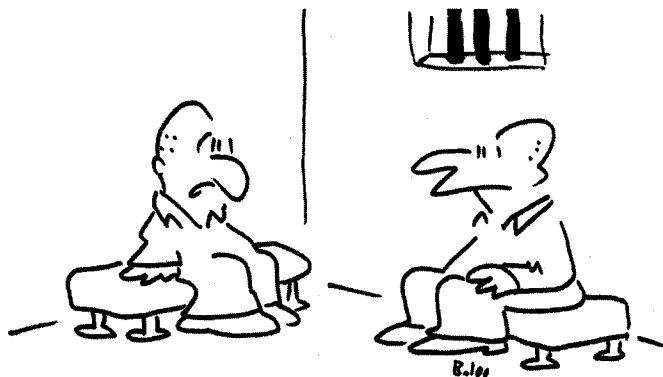
In 1972, Petaluma, Calif. passed a rule limiting new home permits to no more than 500 per year. Soon after, Boulder, Colo. limited its building permits to no more than 2% of the existing housing stock each year. Boulder also decided to try to control where growth would take place by buying a "greenbelt" of land around the city boundary. To date, it has purchased an area eight times larger than the city itself.

In 1974, San Jose took a more direct approach to locating growth: working with Santa Clara County, it created an urban-growth boundary that forced all new development to take place within the city. Oregon's 1973 growth-management law created a state commission that directed all cities and counties in the state to draw similar growth boundaries. Eventually, the commission ruled nearly 98% of the state off limits to almost any development.

In the 1970s, housing prices rose rapidly in Oregon cities, as well as in Boulder and other cities that had passed various growth rules. Most of these cities ended the decade with price-to-income ratios of three or more. But the biggest surge in home prices was in California, which had not passed a growth-management law but which saw median home prices rise to more than four times median family incomes. This gave planners in Oregon and elsewhere comfort that it was something other than their plans that was making housing unaffordable.

In fact, California's housing problems resulted from an obscure 1963 law designed to deal with disputes over which cities would get to annex particular pieces of developable land. The law created commissions in each California county consisting of representatives of the city councils of all cities in that county. All annexations, incorporations of new cities, and creations of special districts aimed at funding and operating water, sewer, and other infrastructure required the approval of these commissions.

The cities quickly realized that, if they denied all proposals for annexations, new cities, or new service districts, then



"I didn't know my mortgage was *that* adjustable!"

all new development would have to take place in the existing cities. The law became a de facto growth-management act, allowing the cities to keep all future taxpayers within their boundaries. By the year 2000, 95% of the people in California, the nation's most populous state, were jammed into just 5% of the land area of that state. No other state has forced its residents to be so concentrated.

In 2001, Dartmouth economist William Fischel proposed the homevoter hypothesis to explain why governments pass land-use rules that drive up housing prices. At least since 1950, a majority of voters have been homeowners, so they have supported policies that increase the value of their properties, to

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*Once cities gain control of areas outside their boundaries, they feel free to impose lengthy and expensive requirements on new development.*

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the detriment of future residents of the region. While there is some truth to this, in most cases the decisions are made by city officials, and their goal is to protect their tax base from migrating into some nearby jurisdiction.

California's experience revealed that the key to keeping housing affordable was the presence of developable land outside of city limits. So long as developers could step across the city boundary and find land to build housing and other developments, cities would do what they could to make developers feel welcome. But once cities gained control of the rural areas outside their boundaries, they felt free to impose lengthy permitting processes, high impact fees, and expensive planning requirements on all new development.

In Texas, by contrast, developers typically assemble 5,000 to 10,000 acres or more outside of Dallas, Houston, San Antonio, or another city, and privately plan a complete community: schools, parks, shops, offices, and, of course, homes. They form municipal utility districts that sell bonds to fund construction of roads, water, sewer, and other services. They write deed restrictions governing the size and design of homes in various parts of the development, then sell lots to homebuilders or homebuyers. Homeowners are assessed an annual fee, similar to a property tax, to repay the bonds that financed the municipal utility districts. Developers can do all this with minimal government permitting or oversight. Such master-planned communities are virtually impossible in states with growth-management planning.

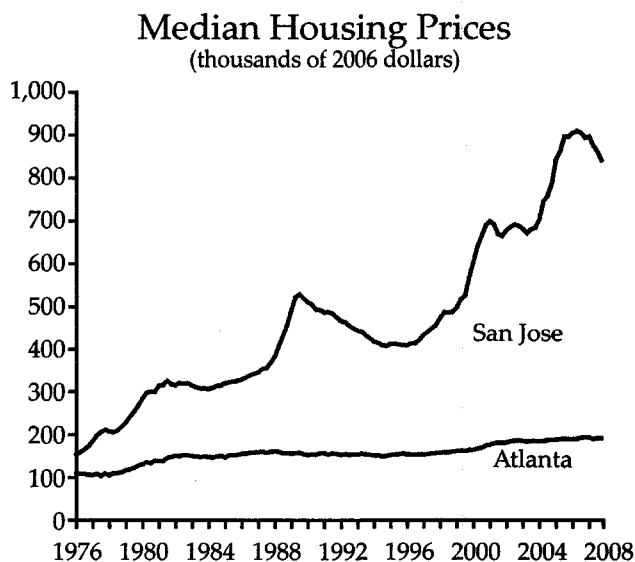
Like salt, housing is an inelastic good, meaning people need a place to live (and salt in their diet) no matter what the cost. In a growing region, even minor restrictions on the construction of new homes can have a major effect on the price of new housing. On top of that, sellers of existing homes are highly aware of the price of their competition, new homes. So when local governments try to raise money by imposing impact fees on new homes, they make all housing less affordable and create windfall profits for existing homesellers.

The 1970s saw housing bubbles in California, Hawaii, Oregon, and a few other places, with prices collapsing when the Federal Reserve Bank raised interest rates to fight inflation. Though California's housing market is huge, these were too few states to have a significant impact on the economy as a whole. California saw another bubble in the late 1980s that collapsed when defense spending declined in the early 1990s.

In 2002, California homebuilders compared the costs of building homes in San Jose with those in Dallas. A 7,000-square-foot lot in Dallas cost \$29,000; because of San Jose's urban-growth boundary, a 2,500-square-foot lot there cost \$232,000. Getting a permit in Dallas cost an average of \$9,900 per home. But because San Jose's permitting process can take years and carries a strong risk that the permit will never be granted, the average cost is \$100,000. San Jose also imposed \$29,000 in impact fees, compared with \$5,000 in Dallas. On top of that, because housing is so much more expensive in San Jose, labor is also more expensive, which added \$43,000 to the cost of a three-bedroom home.

In addition to boosting prices, growth management also makes them more likely to fall during a recession. But when housing prices crash, they don't fall to pre-bubble levels. Instead, they decline only about a third of the increase in prices during the bubble. This means that each successive bubble makes housing more expensive and less affordable. California prices, which were four times median incomes in 1979, reached five to seven times median incomes in 1989 and eight to eleven times in 2006.

At seven times median incomes, a family would have to devote half its income to pay off a median-priced home in 30 years. This leads people to stretch their budgets and take higher risks. Worst off are those who buy a home near the top



While housing prices in places like San Jose ride a roller coaster of booms and busts, prices in places like Atlanta have grown slowly but steadily. In 1976, a median home in San Jose cost about 40% more than in Atlanta, partly due to higher incomes. Today, the median San Jose home is nearly five times more expensive than the median Atlanta home.

Source: Office of Federal Housing Enterprise Oversight, Census Bureau

of the market and then, for whatever reason, have to sell during the bust, when the total value of their house may be less than the amount they still owe on it.

Planning advocates laid the groundwork for the recent housing bubble when they convinced several more states to pass growth-management laws between 1985 and 2000. These included Arizona, Florida, Maryland, Washington, and many of the New England states. In addition, even without state laws, several major urban areas, including Denver and Minneapolis-St. Paul, wrote their own growth-management plans restricting development outside of some urban-growth boundary.

The recent housing bubble began when the dot-com bubble collapsed in 2001 and investors looked for someplace else to put their money. Rising home prices in California, Florida, and other growth-management states attracted some of that money, contributing to a speculative boom. This boom was certainly fed by looser credit, particularly the availability of no-down-payment loans, interest-only loans, and other new forms of mortgages. But without the planning-induced artificial housing shortages, fast-rising prices would not have attracted the speculators in the first place.

This speculation was obvious in San Jose, which lost 17% of its jobs between 1999 and 2004. Office occupancy rates declined from 97% to 70%. Yet housing prices grew by 60%.

In Texas, Georgia, and most other states with no growth-management planning, the lack of government regulation allowed developers easily to meet the demand for new housing that had been sparked by easy credit. Because families in these states did not have to take such risks to buy homes, their foreclosure rates are expected to be lower than those of states like California and Florida.

With so many states having passed growth-management laws, the latest housing bubble was much more significant than previous ones. By 2006, American housing was overpriced by more than \$6 trillion. Nearly half of that was in California alone, and more than 95% was in just 13 states, including Arizona, Florida, Hawaii, Oregon, and Washington.

With one exception, all the states with overpriced housing had state or local growth-management laws or plans. The exception was Nevada, whose land is 90% owned by the federal government. The rapid growth of Las Vegas and Reno had been fed by sales of federal land to developers, but such sales slowed after 2000 because of environmental issues. In essence, Nevada suffered from federal growth management.

On the other hand, with one exception, all the states with growth-management laws had overpriced housing. The excep-

tion was Tennessee, which passed its growth-management act in 1998. The urban-growth boundaries that Tennessee cities drew under this law included so much vacant land that developers were easily able to meet demand for new homes. Expect Tennessee housing prices to bubble in the next boom.

Planners are quick to deny that their actions have contributed to housing shortages. Instead, they see prices solely as a function of demand. Their plans have made their communities more livable, they believe, leading people to pay more to live in them.

Planners' usual response to rising prices is to blame the greedy developers. Their solution is to require that developers devote 15–25% of all new housing units to "affordable housing," meaning selling or renting the units at below-market prices to people with less than median incomes. Typically, buyers of such affordable housing are not allowed to resell them for more than a fixed percentage increase over what they paid. Of course, such policies simply lead developers to build fewer homes and pass the cost of the below-market sales onto the buyers of the remaining homes they build. The result is a housing market that is even less affordable.

Undaunted by the chaos they have caused, planners hope to extend the dubious benefits of growth-management planning to even more states. In many states that have not yet passed a growth-management law, some gullible representative of the people introduces a growth-management bill in almost every session of the legislature. If some of these bills pass, the next housing bubble will affect even more states, and the subsequent crash will wreak even more havoc on the nation's economy.

Unfortunately, nearly all media attention to the housing crisis has focused on subprime lending, which is actually only a small part of the problem. Without subprime mortgages, we still would have had a housing bubble. Without growth management, the subprime mortgages and other signs of loose credit might have created a problem for some families, but they would not have caused a worldwide financial meltdown.

To protect the economy from future housing booms and busts, states with growth-management laws should dismantle them. Any laws that give cities control over land uses in the countryside around them should be repealed. Legislators in states that haven't passed such laws should be educated regarding the cost of growth management.

Most important, perhaps, urban planners, and the city officials they advise, should be required to take courses in basic economics. □

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## The Fall of a Royal House, *from page 22*

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for its focus on the means of changing their predicament has decidedly moved to the Western weed, "democracy."

As Nepal's situation predictably worsens, the media and the pro-democracy intellectuals will simply forget all about it. The world is so complex that as time passes there will always be a scapegoat. If challenged for reasons why Nepal still suffers, the intellectuals will always find a reason to keep their eyes off the real problem, which is Nepalese society's utter and total backwardness.

Compared with that, the monarchy was merely a ripple, and perhaps the best political option that Nepal had. It doesn't take much imagination to foresee who will come to power when hordes of superstitious people vote.

Nepal should not be seen as a young country. It is an ugly, old, feeble country. The last thing it needed was democratic plastic surgery, which gives the patient the ability to look in the mirror and ignore any signs of his inner weakness. If he remains weak, he can blame others, instead of seeking the sole possibility of redemption, which is searching within. □

# On the Beach in an Arab City

*by Jacques Delacroix*

Life in an Islamic society is not  
as predictable as one might think.

I don't remember the 100,000 Muslim Men's March on the Mall in Washington to protest terrorism. The reason I don't remember it is that it never happened. Neither did a 10,000-man march or even a 5,000-man march. Like many other literate, open-minded Westerners, I often wonder silently whether Muslim rationalists are so few, or so few and far between, that they never meet, or that they meet at such a low density that they are unable to catch the media's attention.

Islamofascists, on the other hand, do grab media attention all the time. For this difference in visibility, I am tempted to blame the media's love of sensationalism. Live decapitation on the internet is newsworthy; a small-town school teacher — who happens to be a Muslim — affirming the self-evident virtues of religious tolerance is just a bore. Yet, today, my enlightened system of self-protection against bad news is breaking down.

As I write, I am in the capital of a moderate and conservative Muslim country where I have been before. There is not much presence in the local media of the voices of moderation one sometimes hear in the Muslim diaspora of Western, democratic countries. In fact, there is little presence of anything in the local media.

To enter this country is to fall into a sort of informational

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vacuum. On the national television as well as in the periodicals, published locally in a language I understand, a girls' team basketball victory can easily occupy second place in the news. That would be right after the complete text of the head of state's speech to visiting foreign dignitaries. There may be a paragraph's worth on Iraq and another on the Palestinian-Israeli conflict (or the Palestinian-Palestinian conflict).

In today's edition of what local intellectuals assure me is the best periodical in the country, a page and a half is dedicated to the allegedly growing problem of cheating at national exams. (A persistent local legend is that some female students wear a head veil only on exam days, as a cheating prop used in ways that bedevil the imagination.)

By the way, the story on cheating is competently told and well written, in a European language.

The source of information that is most like what I am used to in America — the most attractive, the most familiar in appearance — is incontestably the Arabic-language television network Al-Jazeera. Often accused of anti-American bias, Al-Jazeera is clearly patterned after CNN. It supplies, at a fast clip, a mixture of pictures of events of international interest and important statements by world actors.

I don't understand Arabic, so I can't speak to content, but Al-Jazeera's format looks modern, contemporary — "globalized," I would be tempted to say. The fact that every tyrant in the Middle East has, at one time or another, demanded that the network be shut down makes me slow to condemn it. Each time, the emir who funds and protects the network has sat on his broad Gulf ass and declined with an equally broad smile.

The city I am in, aside from a small, picturesque old quarter, is the most Western of Arab cities. It's airy, built along broad avenues; its traffic is moderate and fairly disciplined. Pedestrians seldom seem to die on the street; occasionally, a car even stops to let an old lady or a family with small children cross. Traffic cops don't ask for bribes. Taxi drivers don't cheat foreigners; or, if they do, it's on the moderate scale of 5% or so — a nearly imperceptible tax on the more fortunate, which one would have to be a curmudgeon to question.

This capital is cleaner than a number of American cities I could name.

The local people, as I found in a previous, longer stay, are universally affable, even charming. They are as easy a people to love on sight as I have ever met. Remarkably, this is true even when they are in a position to pull rank.

One evening, at the riverside, I was mindlessly treading on a marble promenade still under construction. A young security guard approached to let me know that I was breaking the rules. He stood at attention three feet from me, gave me a military salute, delivered his message in a contrite voice, then apologized for doing so and shook my hand. I suspect he came close to kissing me on both cheeks, as he would do with a beloved uncle. If that isn't sweet, there is no sweet!

As a capital, the city attracts the usual diplomatic, bureaucratic, and degree-ed fauna. Many of the locals speak noticeably better French than you are liable to hear in France today. It's grammatically correct, precise, and richer in vocabulary than the childish patois that seems to afflict the whole French

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*Many of the locals speak better French than you are liable to hear in France today. It's grammatically correct, precise, and rich.*

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nation. More surprisingly, even the man in the street knows enough French — sometimes enough Spanish — to send a lost tourist on his way.

On the national television, entertainment programs in Arabic alternate with programs in French, all of great variety. Late in the evening, it shows old American movies, dubbed in

French, of course. A large fraction of the population works in Europe or has worked there. It's difficult to imagine a native person who does not have relatives elsewhere, usually in

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*Six out of ten women you see on the street or in public places wear the hijab, the Islamic head veil. I don't think the hijab makes an innocent statement.*

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Europe but sometimes in America. The city looks and feels so Western that it disappoints tourists, who soon flee southward in search of thicker local color.

But yet, yet, it's a Muslim city. If you missed the numerous mosques or the muezzin's call five times a day, the large number of women wearing Islamic dress would soon alert you to this fact.

I estimate that six out of ten women you see on the street or in public places wear the *hijab*, the Islamic head veil. Other items of pious Muslim dress are everywhere. A tiny number of women hide behind full face covering, but they might be foreigners. The women who go around in Western clothes apparently do so unmolested. A few sport short skirts and high heels. The push-up bra is *de rigueur* among them.

Vacationing adolescent children of emigrants carry on arrogantly in the manner of such young people everywhere. Some of the emigrant girls exhibit themselves in outfits that would be daring in Nice. Although they draw stares, this could be more from interest than disapproval. No one makes any nasty comment.

I don't think the *hijab* makes an innocent statement, nor does female Islamic attire in general. For one thing, I can't imagine a God who would want women to wear a gabardine overcoat and a thick scarf tightly wound around their heads in 100-degree weather, while their menfolk walk before them sweating in their athletic shirts. Secondly, there is no way I can avoid noting the similarity between the *hijab* and the former headgear of Catholic nuns, women who have explicitly renounced the pleasures of the flesh and thence any sort of seductiveness, however light or innocent.

Virtuous women have no obvious reason to deny themselves the pleasure of showing off a little. Since there is no monasticism in Islam, I should think unmarried women *must* exhibit themselves in some way, to attract a mate — unless, that is, mating is entirely in the hands of parents and other relatives. So there is no escaping the fact that the *hijab* is not a neutral cultural item; it's an instrument for the subjection of the individual's will with respect to one of the most important aspects of life.

Incidentally, and contrary to a belief widespread among both unlettered Muslims and many naive Western "multiculturalists," the wearing of the *hijab* does not appear to stem from an obligation imposed by religious doctrine, strictly

*continued on page 34*

# Corruption and Hope in South America

*by Doug Casey*

Nazis, priests, and black markets: Paraguay  
is a land trying to crawl out of its history.

Paraguay is far off most people's radar screens. It's landlocked and isolated. You could say it's the Tibet of South America, except that the California-sized country is basically as flat as a pancake. The western side of the country is the Chaco, which is dry, scrubby and generally looks like West Texas. The eastern side is green and lush and could pass for Mississippi or Louisiana. Sociologically it's unique in Latin America, as far as I know, because the conquistadors truly assimilated with the Guarani, the dominant local Indians. Roughly 95% of the population consider themselves *mestizos* (people of mixed blood), and almost everybody speaks not just Spanish but Guarani as well, both of which are official national languages.

This is very unlike, say, Bolivia or Peru or Guatemala, where most of the population are unassimilated Indians who still speak their native tongue, even though Spanish is the only official language. But it's very much like the other Latin countries — and, it seems, like the United States too, now — in that wealth is very much concentrated in the top 10% of the population and poverty in the other 90%.

Paraguay has traditionally had one of the worst reputations in the world, in many ways. Until 1989, when the country's last (and longstanding) dictator, Alfredo Stroessner, was himself deposed by a coup, its governments were without exception changed by military coup. But the place is in the throes of major change.

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## The Boys from Brazil

On a flight from Capetown in 1980, I sat next to the South American rep for Bally Corporation (the world's leading maker of gambling equipment at the time). The guy was, obviously, an old hand, so I spent as much time as he'd allow asking his opinion on various countries on the continent. I don't remember much of what he said, except about Paraguay. He said he was a dual national of the United States and Israel, and that he wouldn't dream of using his Israeli passport there. He'd been to Paraguay once and had no desire to go back.

Actually, my first contact with someone who'd been there was a couple of months earlier, when I was invited to give a speech at a conference in Washington, D.C., sponsored by a notorious ultra-rightist tabloid called the National Spotlight. The main themes that I recall were the righteousness of owning silver and accepting the tenets put forth in "The Protocols of the Elders of Zion" (a widely promoted anti-Jewish hoax).

The publisher of the Spotlight was Willis Carto, who sported (I kid you not) a right arm wrapped in black leather; he was rather reminiscent of Dr. Strangelove. Anyway, one of the other speakers was a Graf Sixtus von P., who I spent some time talking to. He was a German Junker, old enough to have been in the Hitler Youth during most of WWII, and possibly the Waffen SS at the very tail end. Sixtus was good looking,

*The publisher sported a right arm wrapped in black leather; he was rather reminiscent of Dr. Strangelove.*

well educated, charming, and well spoken. He lived mostly in Spain, a situation that during the Franco years was a bit suspicious for someone with his background. I mentioned to him that Paraguay was in my travel plans in the months to come, and he said: "Ach, zat is fery gut. You must call my zon, Bertram, who is in Asunción." I made a note.

When I arrived in Asunción, I called Bertram. After the usual pleasantries, we decided to have lunch together at the Hotel Guarani, where I was staying. Bertram asked: "Und how vill I know you?" I said: "Well, I'm tall, have blue eyes and brown hair." Bertram said: "Ah, zat iss fery gut. Und I alzo am tall, mit blue eyes. *Und blond haar!*" I knew it was going to be a fun lunch.

After 28 years I can't recall many of the other details, but his self-description and one other incident are burned in my consciousness forever. After a superb meal of surubi, a fish that flourishes in the Parana River, and a bottle of Chilean white wine, I got around to telling Bertram about my encounter with the Bally guy on the plane over. He nodded sagely at its implications. Picking up on the mood, I asked him, quite innocently: "So, are there many Jews here in Paraguay?" Bertram didn't respond immediately. But after a few moments he leaned forward in his chair, and said, thinking we were reading from the same page of "Mein Kampf," "Vell, zere are people who keep track of zese things . . . und zere are about 467."

My bona fides apparently established, he invited me to a party that evening with about a dozen other young guys, aged from about 25 to 40. They mostly seemed to be barons, counts and princes, and were all definitely of a like mind. The party started out well enough but . . . I have a hard time keeping my views to myself. Even though I thought I was being quite circumspect, suspicions were soon aroused. It's a good thing I had been introduced by Sixtus and was not just some American who showed up. It was actually a frightening situation. I promise you they were scary guys. I made my excuses, had a cab called and was glad to bail.

Where are they now? I didn't have the time to conduct as thorough an investigation as I would have liked. But an acquaintance who was good enough to show us around Asunción for a few days, assures me that there is one old hotel where Germans of a certain age and background tend to hang out. Paraguay under Stroessner was a refuge for peo-

ple like Josef Mengele, Adolf Eichmann and, it is said, Martin Bormann.

There are at least 50,000 people of German descent living in Paraguay today, but almost all of them are Mennonites, who populate an area of the Chaco, farming quietly and successfully. I'd like to see their community someday.

There's a possible change of political culture with the new government, to be headed up by ex-Bishop Fernando Lugo come August.

## President Priest

Latin American priests tend to be either arch-conservatives that support the most repressive government available or radicals that promote things like "liberation theology," "agrarian reform," and '60s-style socialism. Lugo resigned his bishopric because both the Catholic Church and the Paraguayan constitution have prohibitions against priests serving in political office. My impression is that, although he has spoken of himself as "the priest of the poor," Lugo is not a socialist ideologue. He does see that the average guy has gotten very little over the years, while those who control the government (and therefore the economy) are essentially thieves. Any decent person would want to change that. The problem is that, like most would-be reformers, indeed most people generally, he's economically illiterate, reflexively conflating capitalism and the free market with the fascist ruling order. Although regrettable, it's an understandable leap of logic, in that the long-ruling Colorado party has historically been supported by the supposedly capitalist United States because they're anticommunist. My enemy's friend is probably also my enemy.

Here I think it's important to define some widely misunderstood terms. Those who use words in a sloppy manner, without knowing what they mean, can't know what they're talking about.

A "communist" is one who believes in state ownership and control of both the means of production and distribution (factories, fields, stores and the like), and of consumer goods (houses, cars and the like). Mao's China, Kim's North Korea, and Hoxha's Albania came close to that ideal.

A "socialist" is one who also believes in state ownership and control of the means of production, but allows private ownership of consumer goods. The old Soviet Union and today's Cuba are fair examples.

A "fascist," from a strictly legal point of view, is one who allows the private ownership of both the means of production and consumer goods, but strict state control of both. In

*After a few moments he leaned forward, thinking we were reading from the same page of "Mein Kampf."*

economic reality, fascism tends to foster a regime of economic regulation so extensive that private ownership is reduced to little more than a legal formality. Almost all of the world's countries — prominently including the United States, the UK,

Russia, and China – are economic fascisms. Or, more precisely, a mixture of fascism and socialism. Because fascism is closely associated with Nazi Germany and Mussolini's Italy, people tend to think its essence is jackboots and aggressive militarism. But those things can occur in any statist system.

Only pure laissez-faire capitalism allows for total private ownership and private control of everything. The closest example in modern times is probably Hong Kong under the British. A side note: democracy has no essential connection to any of these things. It's simply a method of deciding who runs the government.

In any event, socialists have always said they wanted to help the little man. And they have a coherent-sounding pitch, however unsound in reality, that appeals to people's gentler instincts. The fascists have never had anything that passes for a philosophy; at best they say that their system is more efficient or productive than socialism. But humans care more for what seems moral and just than what might be more efficient. Regrettably, the human animal probably isn't evolved enough, is too fearful, too atavistic, and too innately collectivistic to embrace pure capitalism. So even good-hearted reformers have usually styled themselves socialists, for lack of what seems like an acceptable alternative.

The one definitively bad thing going on in Paraguay today is that they're almost certainly putting in a graduated-scale income tax, with a 35% maximum. You can almost smell the involvement of the U.S. government. Incidentally, with the exception of Iraq, the United States supposedly has its largest (in terms of square footage, though not personnel) embassy in Asunción.

The important thing to remember is that Stroessner's Colorado Party ruled the country for 60 years. They still control the bureaucracy and the legislature, and Lugo was elected through a coalition of a half-dozen minor parties, all of them with differing, short-sighted, self-interested agendas. The Colorados can probably best be compared to Richard Daley's Democratic Party in Chicago in the '60s, especially considering that Paraguay's population of 6.5 million is comparable to that of a U.S. city. It will be impossible to break all those rice bowls anytime soon.

So while there are not likely to be any major changes in the way the country works, there will be some changes around the edges. One consequence will be more foreign visitors, ideas and capital. I see Lugo, therefore, as mostly a good thing. And, in any event, an inevitable thing.

## Searching for the Star Wars Bar

I spent the first couple of days on this trip in Ciudad del Este, located on the eastern tip of the country, only a few miles from the giant Itaipu Dam and Iguazu Falls. The falls are fairly spectacular, resembling a smaller version of Victoria Falls on the Zimbabwe-Zambia border. You can see them in the excellent Robert de Niro/Jeremy Irons movie "The Mission," which recounts part of the story of the Jesuit colonization of this part of the world.

Ciudad del Este (often referred to as CdE or just "Ciudad") has the reputation as the most wide open, lawless place in a notoriously wide open country. My friends in Argentina all appeared to think I was quite daring to want to go there, as if they were expecting gun battles in the streets. For years I'd

heard of at least one bar that was supposed to be a real life version of that famous bar from the first Star Wars movie. In CdE, it's said, you can buy any weapon, any drug, any new identity, and anybody. It certainly sounded like my kind of place. But, as with most things, the legend exceeds the reality. For example, CdE is supposed to be a hotbed for Hamas and Hezbollah operatives, but the closest we could come to finding any were some guys smoking water pipes in a Lebanese restaurant after lunch.

Ciudad's *raison d'être* is to be an entrepot in low-tax, unregulated Paraguay, on the border with its much bigger and much more heavily taxed neighbors, Brazil and Argentina. You can drive across the border into Brazil and back at any time, without being stopped. (I never tried crossing back into Argentina, whence I came.) From there, you can go anywhere you want in Brazil, a place where American passport holders need a visa. U.S. passport carriers also need a visa for Paraguay. (They don't for Argentina, fortunately.)

Getting a visa is an expensive nuisance and serves no purpose except to infringe on the individual's right to go where he wants, when he wants. Of course the same is true for passports, which were once an optional document, originally intended to increase the convenience of the bearer.

It was refreshing not to need no stinkin' visas or passports to cross back and forth between Paraguay and Brazil; it gave the wonderful and welcome illusion we were free men. Why go to Brazil? Although everything costs about twice as much, it was nice to see the Brazilian nightlife. Ciudad is all business and pretty much rolls up the sidewalks at the end of the day. One rather up-market nightclub in Brazil featured rhythmic music so loud I could feel it through the soles of my feet. It made the fabric of my shirt pulse and the surface of my beer ripple. No one could talk. Well, that's not exactly true; you could talk in the way you can talk if you're standing next to a jet engine or a jackhammer. About 1,000 people, perhaps all deaf-mutes, just stood there on the dance floor, not dancing, just staring at each other, almost all of them trim, well dressed, and good looking. It was quite surreal, which is good. But entirely too tame.

So we told our driver we wanted a place "*un poco más interesante y peligroso*." He took us to a giant cowboy bar, like

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*Paraguay under Stroessner was a refuge for people like Josef Mengele, Adolf Eichmann and, it is said, Martin Bormann.*

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a Latin Gilley's or Billy Bob's. It was a rougher crowd, lots of trucker's caps on the men and about 20 pounds of extra weight on the women. The bouncer made sure we complied with the sign advising that no knives or guns were allowed on the premises. Most of South America, like most of the United States, is reasonably gun-friendly. After a couple more hours of roaming around, we gave up the search for the Star Wars Bar.

The essence of Ciudad is commerce. Evidence of this is the

obvious mix of races and nationalities — Chinese, Koreans, Japanese, Arabs, East Indians, Africans in addition to lots of locals from the region. This mixture is actually quite unusual in South America. The fact that it stands out in CdE is a sign of dynamism, an excellent indicator. The streets fill up with stands selling merchandise of every description during the day — electronics, DVDs, clothing, you name it. Pretty much like Bangkok, pretty much the same prices. I examined the latest generation of fake Rolexes at one stand, and have to say the quality keeps going up, and the price keeps going down. Now, for \$20, you can get something that's nearly indistinguishable from the real thing, except that its electronic movement will actually keep good time. I hate Rolexes, which are unquestionably the most overrated and overpriced watches in the word. Heavy and clunky. Need an expensive cleaning every couple years. Ostentatious and very nouveau riche. And, of course, rotten timekeepers. Montblanc pens and Louis Vuitton luggage knockoffs were also extremely well done, and about 5% the price of the originals. But, as with the Triple Frontera and Ciudad themselves, the legend almost always exceeds the reality.

Ciudad probably deserved more of its rep in the old days, before globalization reduced duties and taxes in its neighboring countries. And when it was younger and less established. It's quite perverse, but by the time something has been around long enough to gain an international reputation, the party is already over.

## The Dam

The Itaipu Dam was just starting construction when I was there in 1980. The thing is one of the largest engineering projects in history and is correctly described as one of the seven wonders of the modern world, stretching 4.8 miles across the Paraná River and reaching a height of 643 ft., using 12,800,000 m<sup>3</sup> of concrete and enough iron and steel to build 380 Eiffel Towers. It impounds a reservoir 125 miles long, and its 13 gigawatts of power make it equal to approximately 13 mid-size nuclear plants.

Half of the project belongs to Paraguay, and it used to be said that the country, with its small population, was going to be the Saudi Arabia of electric power. Of course, as Saudi Arabia — and absolutely every other oil-rich country — has

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*Democracy has no essential connection to any of these things. It's simply a method of deciding who runs the government.*

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proven, a resource does about as much good for a "developing" country as a Lotto win does for somebody who lives in a trailer park. All it does is enrich the merchants that sell him trinkets before it's all frittered away and he's left with nothing but even more bad habits.

Paraguay has the right to 50% of Itaipu's power — but only for its own consumption, not for resale. The Brazilians buy the excess at a rate that was fixed, for 50 years, back in

1973. On the face of things, this was a stupid deal, except, it's widely presumed, for the guys who actually cut the deal. Since it was done when both countries were under military rule, there can't be any question there are some very rich ex-generals in both countries.

As a matter of equity, however, I would say the Brazilians should get the lion's share, simply because they put up almost all the capital and expertise. The Paraguayans brought nothing to the party except the good luck to live on one side of the river. Paraguay's new president, Lugo, has said the treaty will be adjusted. I suspect it will, as much as the Brazilians will protest, and somewhere between several hundred million and a couple billion new dollars per year will eventually flow into Paraguay.

I don't know whether this dam "should" have been built. The price 25 years ago was \$18 billion, which, realistically, makes it like \$100 billion today. Not counting the value of submerged land, and compensation that should have been paid to displaced people. It was probably a misallocation of capital. But it's impossible to tell when politics are involved. How do you factor in the political favors? How do you back out greased palms and inflated costs? And, as a practical matter, the dam probably couldn't even be built today, because the reservoir displaced tens of thousands of people. But in those days, the generals did pretty much what they wanted, and didn't need trouble themselves with legions of lawyers catering to scores of NGOs in today's world of heightened eco-consciousness. And the power has to come from somewhere. All things considered, even though hydro isn't as good as nuclear, it's superior to coal, oil, or gas.

One good thing about the dam is that when asked exactly how much Paraguay should be paid for its theoretical half of the power, Lugo said, "the market price." Once someone makes a statement like that, it could be we're no longer dealing with a socialist. And, likely, someone who isn't corrupt. At least not yet.

## Corruption

With low taxes, minimal enforcement of what tax laws there are, and minimal regulation, plus its status as an entrepot for almost everything, I had to ask myself why Paraguay wasn't as prosperous as Hong Kong.

Part of the answer lies in a joke that's popular throughout Latin America (although I first heard it in Argentina). An American politician is feting his friend, a Paraguayan politician, at his beautiful riverfront estate outside Washington, D.C. The Paraguayan asks him how he can afford such a nice place on a public servant's salary. The American points to a bridge in the near distance and says: "See that bridge?" The Paraguayan nods. The American politician then pats his pocket and says: "Ten percent, right here." Later, the American goes to visit his friend in Paraguay, at his magnificent estancia in the Chaco, and asks him how he can afford it on a public servant's salary. The Paraguayan politician points off over plains and says: "See that bridge?" The American looks hard, but says: "What are you talking about? There's no bridge there." The Paraguayan then pats his pocket and says: "100%, right here."

I had an appointment set up with the newly elected vice president, and I hoped to get some measure of the new

government. But it turned out his ailing father died that day, and the meeting was canceled. Plan B was to see the number three guy, the new president of the senate. He seemed very conventional and a little dim. My colleague, in his inimitable style, diagnosed him immediately and correctly (in my opinion) as one of the younger sons of a wealthy family, who was neither fit enough for the army nor bright enough to take over the family business. So they got him into politics, with a

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*It was refreshing not to need no stinkin' visas to cross between Paraguay and Brazil; it gave the wonderful and welcome illusion we were free men.*

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minority party, where he was unlikely to get into much trouble. And then lightning struck, moving him into a position of prominence.

We received a politician's meaningless answers to our questions until I brought up the new income tax and asked him, "Don't you realize that you're going to have to pay 35% of your income too?" Here, one of corruption's many possible facets came through. He responded: "Well, I'm not so sure about that. . . ."

Let me digress briefly on the nature of corruption. In a free-market society, corruption (which can be defined as a betrayal of fiduciary trust, or the non-observance of rules for one's personal benefit) is, without exception, unethical and despicable. It's completely black and white. The problem arises when the state inserts itself into the picture. As Tacitus observed almost 2,000 years ago: "The more numerous the laws, the more corrupt the State." Once you go beyond the Two Great Laws — "Do all that you say you're going to do," and "Don't aggress against other people or their property" — you're inviting corruption. Almost all the laws that fill libraries with tomes of law books have nothing to do with these principles. Instead, they regulate social and economic relationships between otherwise willing parties, imposing rules and costs on third parties. Giving substance to the psychological aberrations of the legislators. Forcing people to do things that benefit the government (and those who court its favors). An abundance of law makes corruption necessary, the only way to get anything done. Perversely, the dead hand of the state turns corruption into a good thing.

The real problem arises when people start confusing laws that should be broken or disregarded with laws that at least have some basis in the Two Great Laws. From there on, it's a slippery slope.

The big problem with Paraguay is that — despite its huge potential advantages — there's been little development simply because everybody in the government has to be paid off to allow something to happen. It's like having to pay blackmail to everybody, forever. This is why there are no factories in the country to manufacture goods and employ workers. On paper, Paraguay seems like an investor's dream. The location is great. There's unlimited low-cost power. Wages are very

low. Land and construction costs are very low. Taxes are very low. But the government here exists only to enrich the people who work for it. So there's an informal tax system, bribery, that inures to the direct benefit of the bureaucracy. It's arguably even worse than an official tax system, because you never know how much it's going to be or how they may choose to make your life miserable. The fact that you can count on a shakedown, but for an unknown and perhaps unknowable amount, and still may not get what you want, makes it almost impossible to plan, and that makes investment very hard, at least above the small-business level. And it's become part of the culture.

The exception to this is agriculture.

## Agriculture

Farming and cattle are good businesses here. It's possible to get up to two crops a year. Out in the boondocks, you can do what you like on your own land. There are no property nor income taxes. There are no price controls or quotas.

The big drawback to agriculture in Paraguay is the meager facilities for carrying crops to market. You can't use a freight train because there aren't any. As backward and corrupt as the country has always been, nobody has bothered building a railroad. No railroad, and marginal roads. The roads are why it took us five hours to drive from Ciudad to Asunción, a distance of less than 200 miles. The country's main road is a two-lane blacktop filled with trucks hauling grain and cattle. This has been an immense disadvantage for an agricultural country.

One good thing about Paraguay is that land titles are solid, once it's established that you actually have good title. The lack of this is one of the reasons Africa is going nowhere fast; they have a long history of simply taking land on that continent if they want it. As in Argentina and Uruguay, that's never happened here, and I consider it unlikely.

Speaking of land, you've probably heard the rumor that the Bush family has bought something like 40,000 hectares in the Chaco, near the Bolivian border. And also near a reputed huge American airbase, called Mariscal Estigarribia. I could discover no evidence it's true, and we had several amused denials from people who should know the facts. Another reason to discount the rumor is that those floating it usually conjecture that Bush bought the land because Paraguay doesn't have any extradition treaties, and he's planning on hiding

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*Now, for \$20, you can get something that's nearly indistinguishable from a real Rolex, except that it will actually keep good time.*

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out there after he's indicted for war crimes. Of course, I think he should be indicted for war crimes, but the thought of his going on the lam to Paraguay belongs in a comedy sketch. In fact, the country actually has had an extradition treaty with the United States since 1998. Brazil has one too, incidentally. It's not like the old days. □

## On the Beach in an Arab City, from page 28

speaking. It's not mentioned in the Qu'ran (which limits itself to generalities about "modesty"). It is recommended by some *hadiths* (post-Qu'ranic religious commentaries), but without clear attribution. And, according to Islamic intellectual tradition, a *hadith* with no known scholarly, credentialed author is no *hadith* at all. (I associate this insight with the "*Contre-pêches*" of the Tunisian philosopher Abdelwahab Meddeb.)

Thus, on admittedly superficial examination, religious justification for this particular form of head covering appears to vanish into thin air.

What I find deplorable in the widespread wearing of the *hijab* is that it seems to express compliance with the most narrow-minded, abusive, and probably fallacious interpretation of Islam, and that it is found precisely where I would least expect it. It's an undramatic but highly visible signal of the failure of individual modernity where one could reasonably hope it would keep its place. It confirms my worst, most illiberal suspicion: a few mad, bloody-minded zealots are steadily imposing their absurd, narrow, regressive view of the culture claimed by hundreds of millions. And there appears to be little resistance to this step backward.

I can't hide my unfavorable perceptions behind the usual academic copout, to the effect that I may not understand the finer points of psychology behind the practice, because of my cultural ignorance. First, I remember well that until the '60s, women were expected to cover their hair upon entering a Catholic church, probably for the same reasons that Muslim women are expected to cover theirs. Second, I fear that I understand all too well the repressiveness inherent in much religion, because I am familiar with world history. About a thousand years ago, my ancestors put to the sword every last inhabitant of Jerusalem after they stormed the town to free the nonexistent Tomb of Christ. On their way there from Europe, they had taken a detour to slaughter the Rhineland Jews — for practice, I suppose.

Soon, I am chewing on these somber thoughts on a beach just outside the capital. It's the first Sunday of school vacations. The sand is black with people, mostly in families. Here too, on this hot, sunny afternoon, most women, including very young ones, are wearing the *hijab*. Almost all the males are in some version of a bathing suit, more or less as in California. The sep-

arate daily fates of the sexes could not be more pronounced. Of course, many guys are enjoying a refreshing swim, or they have just been swimming in the temperate ocean.

Then, from the corner of my eye, I notice a couple of young mothers following their small children into the water. Both have on the *hijab* as well as long dresses with full sleeves. Soon, they are immersed to their shoulders. When they come out of the water, the effect is impressive. (I have seen something similar in India. I called it "the wet sari contest.") I can't believe that much younger men than I fail to see what I am seeing. Yet, there is no fuss at all. Perhaps good manners trump almost everything.

Gradually, my eyes open to other anomalies. Two girls in their teens walk arm in arm. One is wearing full Islamic dress, head to toe, the other, a bikini straight out of the French Riviera. They are obviously together; neither acts the least embarrassed about the other. Perhaps they are cousins separated by emigration. In back of the beach, two groups of teenagers play beach volleyball. The boys boast surfer's trunks of the O'Neill brand, designed in my very own town of Santa Cruz, California. The girls wear tiny skirts over bathing suit bottoms and halter tops (a risky garment anywhere, in conjunction with volleyball). No ogling or reproachful crowd is in sight.

Girlish squeals draw my attention. Twenty yards from the dry sand, a very young couple is fooling around in the water. Drawing on old beach memories of my own, I would bet the little rascal is making her feel his virility.

A willowy silhouette appears in front of me out of nowhere — a very pretty girl in her early 20s. She is wearing an elegant white-on-gray thin cotton outfit. Her long skirt, worn low on the hips, exposes her slender bare feet. Her round brown arms emerge from half-sleeves. Silver bracelets circle her thin wrists. Her undulating stride enhances likely curves in all the right places. Lovely rich brown hair peeks from under her *hijab*. She leaves behind her a wake of admiring male gazes.

This is not chance, not even luck. The whole effect is exquisitely calculated! Suddenly, my mood is transformed. Perhaps I am worrying about nothing. Perhaps, I should place more faith in human nature, especially in human nature of the female persuasion. □

## Reflections, from page 20

to encourage the spread of libertarian ideas around the world. After merging with the venerable, '60s-era Society for Individual Liberty nearly a decade later, Libertarian International became the International Society for Individual Liberty — ISIL. To the world at large, for the next two decades, ISIL was an outfit that sponsored international conferences (in settings as diverse as Russia, Costa Rica, Estonia, Swaziland, Lithuania, Mexico, New Zealand, and most of the capitals of northern and western Europe), introducing thousands of students in other countries to libertarian ideas. ISIL sponsored translation and publication of libertarian classics in former Iron Curtain countries and in other countries where libertarian ideas had made little headway up to that time. It also published and distributed leaflets, brief introductions to and

overviews of the most basic libertarian issues, that were typically printed on both sides of a single 8½ x 11 sheet, and distributed these leaflets everywhere.

But for those who lived in the San Francisco Bay Area during those years, ISIL was more than just the outfit behind these activities, important as they were. In the '90s, ISIL was also the proprietor of a libertarian bookstore and mail drop in a somewhat seedy section of Market Street in San Francisco. Local Libertarian Party meetings and other sorts of libertarian gatherings took place there. And its managers, Vince Miller and Jim Elwood, were to be found anywhere in the Bay Area where any sort of libertarian event was happening.

*continued on page 54*

# Global Warming, Global Myth

*by Edmund Contoski*

*“Unless we announce disasters, no one will listen.”*

— Sir John Houghton, first chairman of the Intergovernmental Panel on Climate Change (IPCC) and lead editor of its first three reports.

During the 20th century, the earth warmed 0.6 degree Celsius (1 degree Fahrenheit), but that warming has been wiped out in a single year with a drop of 0.63 degree C. (1.13 F.) in 2007. A single year does not constitute a trend reversal, but the magnitude of that temperature drop — equal to 100 years of warming — is noteworthy. Of course, it can also be argued that a mere 0.6 degree warming in a century is so tiny it should never have been considered a cause for alarm in the first place. But then how could the idea of global warming be sold to the public? In any case, global cooling has been evident for more than a single year. Global temperature has declined since 1998. Meanwhile, atmospheric carbon dioxide has gone in the other direction, increasing 15–20%. This divergence casts doubt on the validity of the greenhouse hypothesis, but that hasn't discouraged the global warming advocates. They have long been ignoring far greater evidence that the basic assumption of greenhouse warming from increases in carbon dioxide is false.

Manmade emissions of carbon dioxide were not significant before worldwide industrialization began in the 1940s. They have increased steadily since. Over 80% of the 20th century's carbon dioxide increase occurred after 1940 — but most of the century's temperature increase occurred before 1940! From 1940 until the mid-1970s, the climate also failed to behave according to the greenhouse hypothesis, as carbon dioxide was strongly increasing while global temperatures cooled. This cooling led to countless scare stories in the media about a new ice age commencing.

In the last 1.6 million years there have been 63 alternations between warm and cold climates, and no indication that any of them were caused by changes in carbon dioxide levels. A

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recent study of a much longer period (600 million years) shows — without exception — that temperature changes precede changes in carbon dioxide levels, not the other way around. As the earth warms, the oceans yield more carbon dioxide to the atmosphere, because warmer water cannot hold as much carbon dioxide as colder water.

The public has been led to believe that increased carbon dioxide from human activities is causing a greenhouse effect that is heating the planet. But carbon dioxide comprises only 0.035% of our atmosphere and is a very weak greenhouse gas. Although it is widely blamed for greenhouse warming, it is not the only greenhouse gas, or even the most important. Water vapor is a strong greenhouse gas and accounts for at least 95% of any greenhouse effect. Carbon dioxide accounts for only about 3%, with the remainder due to methane and several other gases.

Not only is carbon dioxide's total greenhouse effect puny, mankind's contribution to it is minuscule. The overwhelming majority (97%) of carbon dioxide in the earth's atmosphere

comes from nature, not from man. Volcanoes, swamps, rice paddies, fallen leaves, and even insects and bacteria produce carbon dioxide, as well as methane. According to the journal *Science* (Nov. 5, 1982), termites alone emit ten times more carbon dioxide than all the factories and automobiles in the world. Natural wetlands emit more greenhouse gases than all human activities combined. (If greenhouse warming is such a problem, why are we trying to save all the wetlands?) Geothermal activity in Yellowstone National Park emits ten times the carbon dioxide of a mid-sized coal-burning power plant, and volcanoes emit hundreds of times more. In fact, our atmosphere's composition is primarily the result of volcanic activity. There are about 100 active volcanoes today, mostly in remote locations, and we're living in a period of relatively low volcanic activity. There have been times when volcanic activity was ten times greater than in modern times. But by far the largest source of carbon dioxide emissions is the equatorial Pacific Ocean. It produces 72% of the earth's emissions of carbon dioxide, and the rest of the Pacific, the Atlantic, the Indian Ocean, and the other oceans also contribute. The human contribution is overshadowed by these far larger sources of carbon dioxide. Combining the factors of water vapor and nature's production of carbon dioxide, we see that 99.8% of any greenhouse effect has nothing to do with carbon dioxide emissions from human activity. So how much effect could regulating the tiny remainder have upon world climate, even if carbon dioxide determined climate?

Since carbon dioxide is a very weak greenhouse gas, computer models predicting environmental catastrophe depend on the small amount of warming from carbon dioxide being amplified by increased evaporation of water. But in the many documented periods of higher carbon dioxide, even during much warmer climate periods, that never happened. During the time of the dinosaurs, the carbon dioxide levels were 300–500% greater than today. Five hundred million years ago, the level of carbon dioxide in the atmosphere was 15–20 times what it is today. Yet the catastrophic water-vapor amplification of carbon dioxide warming never occurred. Today we're told catastrophic warming will result if carbon dioxide doubles. But during the Ordovician Period, the carbon dioxide level was 12 times what it is today, and the earth was in an Ice Age. That's exactly opposite to the "runaway" warming

that computer models predict should occur. Clearly the models are wrong; they depend upon an assumption of amplification that is contrary to the climate record of millions of years. There is no reason to trust the computer predictions — or base public policies on them. Reid Bryson, founding chairman of the Department of Meteorology at the University of Wisconsin, has stated, "You can go outside and spit and have the same effect as doubling carbon dioxide."

There are other examples where the computer models fail to agree with reality. According to the greenhouse hypothesis, the warming should occur equally during day and night. But most of the warming that has been observed has occurred at night, thus falsifying the models.

All of the models agree — for sound theoretical reasons — that warming from a greenhouse effect must be 2–3 times greater in the lower atmosphere than at the earth's surface. This is not happening. Both satellites and weather balloons

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*During the Ordovician Period, the carbon dioxide level was 12 times what it is today, and the earth was in an Ice Age.*

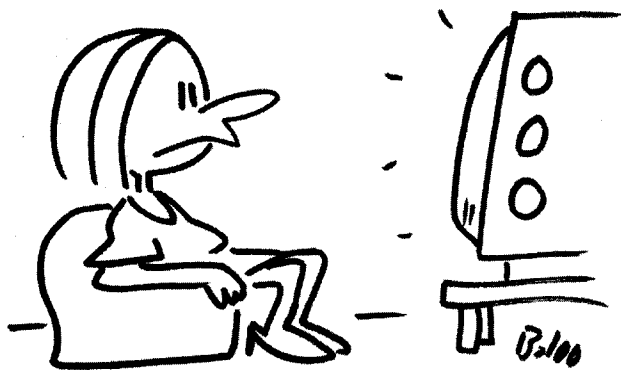
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show slightly greater warming at the surface. These atmospheric temperature measurements furnish direct, unequivocal evidence that whatever warming has occurred is not from the greenhouse effect.

Everyone knows the sun heats the earth, but the public is generally unaware that the sun's heat is not uniform. Solar radiation is affected by disturbances on the surface of the sun, called "sunspots," which correspond to the sun's 11-year magnetic cycle. There are also several solar cycles of longer duration. Superimposed, these cycles might augment or cancel each other. There are also periods when sunspots "crash," or almost disappear, which can lead to dramatic cooling of the earth for several decades. This is what happened 400 years ago during the Maunder Minimum, which was the coldest part of the Little Ice Age. During one 30-year period during the Maunder Minimum only about 50 sunspots were observed, compared to a typical 40–50 thousand.

Sunspots have now virtually vanished. You can check out pictures of the sun day after day after day for the last few years at <http://tinyurl.com/6zck4x>. Very few show more than one sunspot and many show none. We are currently at a solar minimum, awaiting the start of the next solar cycle. If sunspot activity does not pick up soon, we could be in for some seriously cold climate. The jury is still out on sunspot numbers.

In any case, some climate scientists believe the length of past solar cycles points to a cool phase in this century. Professor Habibullo Abdussamatov, head of the Pulkovo Observatory in Russia, believes a slow decline in temperatures will begin as early as 2012–15 and will lead to a deep freeze in 2050–60 that will last about 50 years. Climatologist Tim Patterson thinks that by 2020 the sun will be starting its weakest 11-year sunspot cycle of the past two centuries,



"Mighty strange weather tonight, followed by downright weird tomorrow. . . ."

likely leading to unusually cool conditions on earth. He says, "If we're to have even a medium-sized solar minimum, we could be looking at a lot more bad effects than 'global warming' would have had."

The global warming advocates make all sorts of false claims about dire consequences of global warming. They claim it will result in the spread of malaria, food shortages, more human deaths, more violent weather, and a loss of biological diversity through the extinction of species. All untrue. The largest number of species — the greatest biological diversity — is in the tropics. As you move away from the equator, you find fewer and fewer species, until you reach the earth's poles, where there is zero diversity because nothing can live there.

Agricultural productivity is also reduced by cold climate, not a warmer one. That's why Siberia and Alaska are not noted for agricultural abundance. A warmer climate would mean longer growing seasons and would make agriculture possible in areas where it isn't today. And there are at least 300 studies showing plants and forests grow faster and more luxuriantly under conditions of increased carbon dioxide.

Our bodies require heat. We are warm-blooded and have no fur. We wear clothes, build homes, and heat them with fires, all as protection against the cold. Far more people move to Florida, California, or Arizona because of warm climate than move to Alaska, North Dakota, or Montana. Canada is the world's second largest country, but 90% of the population lives within 100 miles of its southern border. Worldwide, far more people die every year from cold than from heat. So why should global warming be bad for us?

Global warming will not result in the spread of malaria. Paul Reiter, of the Pasteur Institute in Paris, is one of the world's foremost experts on insect-borne diseases. He says, "The global warming alarm is dressed up as science, but it is not science. It is propaganda. I was horrified to read the [IPCC] 2nd and 3rd Assessment Reports because there was so much misinformation." For example, the IPCC states "mosquito species that transmit malaria do not usually survive where the mean winter temperature drops below 16–18 degrees C." This is "clearly untrue," says Reiter. "In fact, mosquitoes are extremely abundant in the Arctic. The most dev-

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*Atmospheric temperature measurements furnish direct, unequivocal evidence that whatever warming has occurred is not from the greenhouse effect.*

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astating epidemic of malaria was in the Soviet Union in the 1920s. There were something like 13 million cases a year and something like 600,000 deaths, a tremendous catastrophe that reached up to the Arctic Circle. Arkhangel [a city 300 miles further north than Helsinki, Finland] had 30,000 cases and about 10,000 deaths. So it's not a tropical disease. Yet these people in the global warming fraternity invent the idea that

malaria will move northward."

New York City and Boston had long histories of malaria. In 1933, when President Roosevelt authorized the Tennessee Valley Authority, a third of the population in the area had malaria. Malaria was not eliminated in the United States until 1951. It was done through the use of DDT — which the environmentalists prevailed upon the United States to ban, resulting in 40–50 million unnecessary deaths from malaria since 1972.

The environmentalists have also invented the idea that the polar bear is threatened by global warming. Today there are 22–25 thousand polar bears, compared to 8–10 thousand 40 years ago and only 5,000 in 1940, before the big rise in carbon dioxide. Eleven of the 13 polar bear groups in Canada

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*The argument that a warmer climate will bring more violent weather can only be made by people who have no knowledge.*

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today are stable or increasing. The two that are decreasing are in an area where the climate has gotten colder! Furthermore, the polar bears survived many periods of much warmer temperatures, some lasting thousands of years. They survived the Medieval Warm Period a thousand years ago, when the Vikings settled both Iceland and Greenland. Greenland actually was green then and could support agriculture; but when the cold returned a few centuries later, the people there all starved to death. Today Greenland is covered by a sheet of ice. Six thousand years ago the earth's climate was much warmer than now, and the polar bears survived. Ten thousand years ago the earth's climate was a whopping six degrees C (11 degrees F) warmer than now, and the bears survived. Polar bears have been a distinct species for 125,000 years (they descended from grizzly bears) and they've survived far warmer climates than anything they face today or in the foreseeable future. A Canadian polar bear expert, Mitch Taylor, says, "They are not going extinct, or even appear to be affected."

The argument that a warmer climate will bring more violent weather can only be made by people who have no knowledge of climate history or simply dismiss it because it contradicts their propaganda. And they rely on the public — and the media — being uninformed enough and gullible enough to believe them. There is abundant historical evidence that the earth had far more violent weather in times of colder climate, such as the Little Ice Age, than in warmer times. It is well known, too, that what determines violent weather is the temperature differential between the equator and the poles. All the computer models predict the greatest warming from the greenhouse effect will be at the poles, which will reduce that differential and violent weather.

There are four sources of global temperature measurements: NASA, The UK Meteorological Office's Hadley Center for Climate Studies, the University of Alabama at Huntsville,

and RSS (Remote Sensing Systems). NASA is out of step with the other three. The others show global temperatures declining since 1998 while NASA shows them increasing at a record pace. How can that be? Statistician Steve McIntyre tracks climate data closely at [www.climateaudit.org](http://www.climateaudit.org). Recently he ran an article titled "NASA is Rewriting History, Time and Time Again." It explains that NASA has "adjusted" recent temperatures upward and older temperatures downward, which creates the appearance of warming. The man behind these changes is James Hansen, the scientist who started the whole

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*NASA has "adjusted" recent temperatures upward and older temperatures downward, which creates the appearance of warming.*

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global warming hysteria by testifying before a Senate committee in June 1988 that he was "99% sure" greenhouse warming was already under way. The same media which scarcely a decade earlier were touting a coming ice age now seized upon Hansen's unsupported testimony and began touting global warming. Hansen has been trying ever since to come up with evidence to support his claims, now even tampering with the actual temperature record. Steven Goddard asks, "How could it be determined that so many thermometers were wrong by an average of 0.5 degrees in one particular year several decades ago, and an accurate retrofit be made? Why is the adjustment 0.5 degrees one year, and 0.1 degrees the next?" Statistically, the odds are 50/50 of an error being either up or down. But Hansen adds an upward correction to the average of thousands of temperature measurements annually across the globe in more than 55 years out of 70. That's like flipping a coin 70 times and having it turn up heads 55 times. The odds of that happening are about one in a million.

Nor is that the only example of manipulation of data for the good of the cause. The centerpiece of the IPCC Third Assessment Report was the "hockey stick" graph by Michael Mann, et al. It showed a thousand years of "reconstructed" global temperatures as a long horizontal trend looking like the long handle of a hockey stick — with a sharp rise since 1900 looking like the blade of the hockey stick, due to global warming. This work has now been thoroughly discredited. It was the product of multiple inaccuracies from errors, omissions, obsolete data, and manipulations in "reconstructing" data, all of which was then processed through an invalid statistical procedure. That procedure was found to produce a "hockey stick" even from random inputs, and Mann himself later admitted it would find a "hockey stick" where there wasn't one. The National Academy of Sciences found a "validation skill not significantly different from zero." The issue was presented to the National Academy of Sciences by the Wegman Panel, consisting of three independent statisticians chaired by an eminent statistics professor, Edward Wegman, who also testified about it at a congressional investigation. After explaining the incorrect mathematics in Mann's procedure,

Wegman stated: "I am baffled by the [Mann] claim that incorrect mathematics doesn't matter because the answer is correct anyway[!]" Ideology trumps mathematics! (Incidentally, this graph is still being used on TV programs on global warming. I was on one such program less than a year ago that displayed this graph four or five times in an hour and allowed Mann plenty of airtime to tout it, and the program provided no rebuttal. And I have been told by students and parents that the "hockey stick" graph is still being used in schools.)

Here's an example of the global warming alarmists completely ignoring contrary data, or even denying it exists. Some scientists assert that the current level of carbon dioxide in the atmosphere (about 380 parts per million) is the highest in 800,000 years. The media sucks this up and broadcasts it all over the airwaves and the newspapers, and the public, not knowing any better, believes it must be true. But how could such learned men be so ignorant in their own field of expertise as to not know of the abundant temperature records that give lie to their claim? How could they not know of the monumental compilation by Ernst-Georg Beck of more than 90,000 direct carbon dioxide measurements, between 1812 and 1961, from 175 published technical papers? Zbigniew Jaworowski, M.D., Ph.D., D.Sc., says these measurements were ignored for three decades "not because they were wrong. Indeed, these measurements were made by top scientists, including two Nobel Prize winners, using techniques that are standard textbook procedures. . . . The only reason for rejection was that these measurements did not fit the hypothesis of anthropogenic global warming. I regard this as perhaps the greatest scientific scandal of our time."

What about the ice core samples? Same story: omission or denial of whatever doesn't fit the global warming doctrine. The 2007 IPCC Summary report states: "The global atmospheric concentration of carbon dioxide has increased from a pre-industrial value of about 280 ppm to 379 ppm in 2005. The atmospheric concentration of carbon dioxide in 2005 exceeds by far the natural range over the last 650,000 years (180 to 300

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*What about the ice core samples? Same story: omission or denial of whatever doesn't fit the global warming doctrine.*

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ppm) as determined from ice cores." In fact, the ice cores show measurements of over 400 ppm as recently as about 1700 A.D. and 420 ppm about 200 A.D. Ice cores show similar carbon dioxide levels intermittently over the last 10,000 years. So who is wrong, the ice cores or the IPCC? Just who are the "deniers" of reality?

Jaworowski has studied climate for over 40 years, organized 11 glacier expeditions researching 17 glaciers in the Arctic, Antarctic, Alps, Norway, Himalayas, Peruvian Andes, and other mountainous regions. He has also published about 20 papers on climate issues, most of them about ice cores. He writes that the ice core information in the 2007 IPCC Summary

Report was "plagued with improper manipulation of data, an arbitrary rejection of high readings from old ice, and an arbitrary rejection of low readings from young ice, simply because they did not fit the preconceived idea of man-made global warming."

Furthermore, from over 90,000 direct measurements of carbon dioxide, Beck graphed five-year averages, which further discredit the IPCC claim. These show 440 ppm carbon dioxide for the years 1820 and 1940, and 390 ppm for 1855. Can there be any doubt that the IPCC is distorting science for political purposes?

Why is it that the global warming advocates are unfazed by any contrary evidence, no matter how strong? All their claims of disasters from global warming have been debunked. All their computer models have been shown to be false, to be based on flawed assumptions, incapable of being reconciled with the observable facts. Vaclav Klaus, President of the Czech Republic and a university professor before he became president, is the author of a book on global warming and has spoken often on the subject. He says, "What frustrates me is the feeling that everything has already been said and published, that all rational argument has been used, yet it does not help." It does not help because global warming alarmism is not based on rational argument. It is not based on science. It is not based on reality. It is based on political ideology. If rational argument doesn't fit, then phony arguments must be invented: the spread of malaria, the loss of biological diversity, polar bears disappearing, etc. If computer models can predict disaster scenarios only by programming unrealistic assumptions, then that will be done. If global warming does not fit the observable temperature measurements, then a new "reality" must be invented to fit the ideology: the actual temperature records must be altered or dismissed. The global warming advocates are not disturbed by all this because, in their view, ideology trumps reality.

Patrick Moore, a cofounder and director of Greenpeace, resigned because of its "trend toward abandoning scientific objectivity in favor of political agendas." After the failure of communism, he says, there was little public support for collectivist ideology. In his view, a "reason environmental extremism emerged was because world communism failed, the [Berlin] wall came down, and a lot of peaceniks and political activists moved into the environmental movement bring-

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*James Hansen revealed his hatred of capitalism in an impassioned email denouncing the attention paid to errors in NASA data.*

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ing their neo-Marxism with them and learned to use green language in a very clever way to cloak agendas that actually have more to do with anticapitalism and antiglobalism than they do anything with ecology or science."

"I think if we don't overthrow capitalism, we don't have a chance of saving the world ecologically," said Judi Bari, principal organizer of Earth First!

James Hansen revealed his hatred of capitalism in an impassioned email denouncing the attention paid to errors in NASA temperature data: "The deceit behind the attempts to discredit evidence of climate change reveals matters of importance. This deceit has a clear purpose: to confuse the public about the status of knowledge of global climate change, thus

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*Why is it that the global warming advocates are unfazed by any contrary evidence?*

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delaying effective action to mitigate climate change. The danger is that delay will cause tipping points to be passed, such that large climate impacts become inevitable . . . the ones who will live in infamy if we pass the tipping points, are the captains of industry, CEOs in fossil fuel companies such as EXXON/Mobil, automobile manufacturers, utilities, all of the leaders who have placed short-term profit above the fate of the planet and the well-being of our children."

Klaus states:

We succeeded in getting rid of communism, but along with many others, we erroneously assumed that attempts to suppress freedom, and to centrally organize, mastermind, and control society and the economy, were matters of the past, an almost-forgotten relic. Unfortunately, those centralizing urges are still with us. . . . Environmentalism only pretends to deal with environmental protection. Behind their people and nature friendly terminology, the adherents of environmentalism make ambitious attempts to radically reorganize and change the world, human society, our behavior and our values. . . .

The followers of the environmentalist ideology, however, keep presenting us with various catastrophic scenarios with the intention of persuading us to implement their ideas. That is not only unfair but also extremely dangerous. Even more dangerous, in my view, is the quasi-scientific guise that their oft-refuted forecasts have taken on. . . . Their recommendations would take us back to an era of statism and restricted freedom. . . . The ideology will be different. Its essence will, nevertheless, be identical — the attractive, pathetic, at first sight noble idea that transcends the individual in the name of the common good, and the enormous self-confidence on the side of the proponents about their right to sacrifice the man and his freedom in order to make this idea reality. . . . We have to restart the discussion about the very nature of government and about the relationship between the individual and society. . . . It is not about climatology. It is about freedom.

Do you ever wonder how communism could last for 70 years in Russia? Surely there was plenty of evidence, for decades, that the system was failing: food shortages, declining life expectancy, increased infant mortality, low standards of living, primitive hospitals, and sanitation facilities lagging far behind those in Western Europe and America — not to mention pollution far worse than in the West. But to diehard communists, the facts did not matter. All the observable negatives of collectivism were trumped by ideology. The same is true of the ideology behind global warming. □

A DISQUISITION ON THE METHODOLOGY OF

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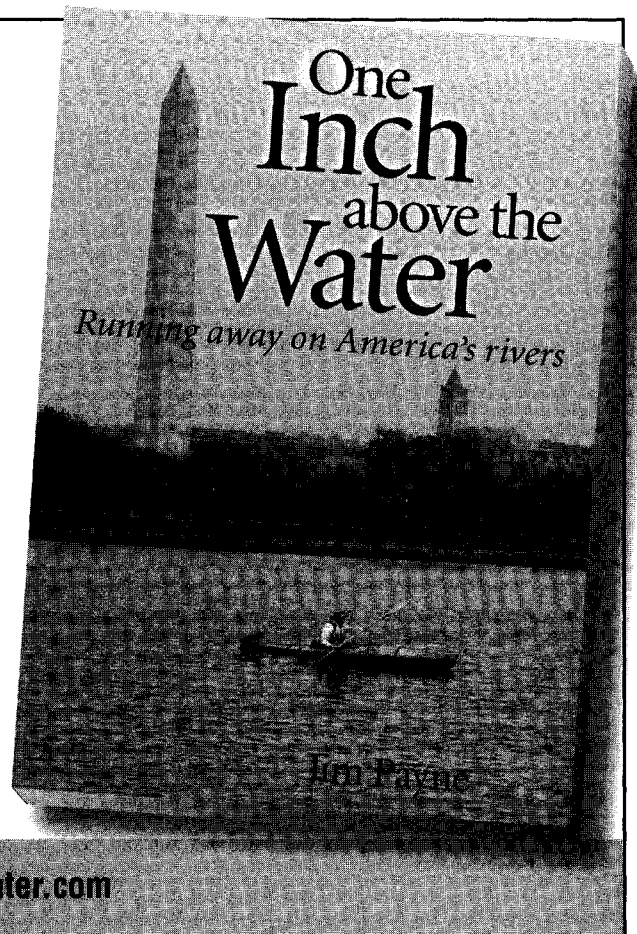
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# Who Wrote “The Fatal Conceit”?

*by Jane S. Shaw*

“The Fatal Conceit” is the last book by the great libertarian thinker F.A. Hayek — or is it? The controversy involves much more than literary history.

In March 2005, *Liberty* published “The Fatal Deceit,” in which Lanny Ebenstein gave a devastating critique of “The Fatal Conceit” (University of Chicago Press, 1988), which was to be the initial volume of F.A. Hayek’s collected works. Ebenstein contends that the book’s editor, the late W.W. Bartley, had an inordinate influence on its composition and that much of the book may be Bartley’s writing, not Hayek’s.

Ebenstein is undoubtedly right up to a point. The author of a luminous biography of Hayek, he speaks authoritatively. But — until more information emerges — I would prefer not to go overboard in condemning Bartley or assuming that the content does not encompass Hayek’s views.

Let me note up front that I love “The Fatal Conceit.” For me the major message of this short book (179 pages) is that the extended market order is a slow-to-develop but permanent change in history. This change is the culmination of thousands of years (perhaps hundreds of thousands of years) during which humans moved from primitive tribalism to a world of global cooperation, and traces of those earlier times explain much of the modern antipathy to capitalism.

One of the points of contention, however, is whether this is even the topic of the book. Ebenstein says that the “essential message” is “that people do not like capitalism because

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it relies on an unseen extended order over time to produce goods and services, and people instinctively like to see immediate, visible good.” He also sees the book as a critique of “constructive rationalism.” These are relatively familiar parts of the Hayek canon, and not controversial or surprising.

But Ebenstein also says that the genesis of the book was Hayek’s essay “The Three Sources of Human Values.” This essay (published in 1979 as an epilogue to “Law, Legislation, and Liberty”) dealt with what Ebenstein calls the “subconscious sources [of human values and institutions] that emerge through group selection.” The latter topic, which Hayek was working on late in life, seems closer to the point of the book.

Much may hinge upon whether this statement on p. 18 is Hayek’s or Bartley’s: “The topic of this book thus resembles, in a way, that of [Freud’s] ‘Civilisation and its Discontents’

(1930), except that my conclusions differ greatly from Freud's." Hayek either meant the book to be an alternative to Freud or he did not.

Certainly, the evolution of the market order was what struck me the most when I first read "The Fatal Conceit." At the time, I knew little more about Hayek than his seminal essay "The Use of Knowledge in Society" (and Thomas Sowell's wonderful riff on it, "Knowledge and Decisions").

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*Hayek's work helped me reconcile my love for religion with libertarian agnosticism.*

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"The Fatal Conceit" gave me a view of world history that I hadn't had before, extending Hayek's "spontaneous order" to historical (and prehistorical) change. Further, it helped me reconcile my love for religion with libertarian agnosticism.

Is what I understood wrong? Not Hayekian? An interpolation by an editor? I'd like to offer a modestly different interpretation.

Admittedly, a few statements in Ebenstein's essay are pretty much fatal to full authorship by Hayek. Critical Review editor Jeffrey Friedman says that he had offered suggestions for improvement of an early manuscript, and he found some of his comments verbatim in the final publication.

Disturbing remarks also come from Hayek's longtime assistant, Charlotte Cubitt. Ebenstein writes that "when Hayek received a copy of the published 'The Fatal Conceit,' he told her that Bartley's changes were so significant that he hardly recognized it."

But let's look at this from the perspective of an editor, which I am. I'm glad to say that no one has ever told me that he or she "hardly recognized" a version I edited. If it had happened, I would know that I had gone too far. On the other hand, how far out of bounds would I have been? Perhaps, especially if Hayek was referring to the form rather than the content, not as far as it seems.

Ebenstein says that Bartley "rearranged, reorganized, and retitled chapters. He introduced much extraneous material, deleted paragraphs and sentences, added others, and rewrote many more. He inserted paragraphs from individuals who reviewed the manuscript and added citations (including to his own work). He changed terminology and emphasis. He apparently composed the conclusion of the work on page 140, Hayek's final word."

This may sound worse than it was. When the goal is to reach a broader public (which I believe "The Fatal Conceit" was meant to do), an editor has significant leeway. When we take into account James Buchanan's comment (quoted by Ebenstein) that he and his colleagues despaired for the future of the original version of "The Fatal Conceit," heavy editing may well have been appropriate.

Good editors sometimes rearrange, reorganize, and retitle chapters. They delete paragraphs and sentences and add others. Sometimes inserting paragraphs (but not extraneous ones) may even be all right. All of this, of course, should be subject to the author's approval.

Bartley clearly went too far, dropping in complete para-

graphs from reviewers and adding citations to his own work. (Adding citations per se is not necessarily wrong, subject to approval.) Misrepresentation, in which Bartley apparently engaged, is reprehensible.

It is evident that the author was not in sufficiently good health to accurately review and restrain his editor. But we still don't know how close the final book was to achieving the goals Hayek originally set out to achieve. Ebenstein, who appears to have seen some of the early drafts, may have a better idea. Comparison with the manuscripts, now in the Hoover Institution library, will be extremely important.

But here are a few comments from a professional editor and amateur reader.

For one, the appendices surely are original. They appear as appendices because, undoubtedly, the editor couldn't quite fit them into the narrative.

Similarly, the last chapter has the ring of authenticity. It is what the text calls Hayek's "informal remarks" about religion. Like the appendices, these didn't fit conveniently into the design of the work, but there they are. Could Bartley have written, "I long hesitated whether to insert this personal note here, but ultimately decided to do so because support by a professed agnostic may help religious people more unhesitatingly to pursue those conclusions we do share" (139-40)? Surely not.

And then there is the chapter on population. As I was preparing an article for *Liberty* about population growth, the noted economist Julian Simon referred me to the chapter on population in "The Fatal Conceit," saying that Hayek's insight here was very important.

It was. What I took from the chapter was that the buildup of population over time reflects productivity-enhancing specialization (Malthus didn't see this, he says) and there is a natural limit to population density in a market-oriented world.

"Human population grew in a sort of chain reaction in which greater density of occupation of territory tended to produce new opportunities for specialisation and thus led to an increase of individual productivity and in turn to a further increase of numbers," the text says (126). And this process will continue until "all the fertile or richly endowed parts of the earth are similarly densely occupied" (127). I interpret these comments to mean that Europe today illustrates the limits of "natural" population density. In contrast, the high population growth on the periphery of market economies is a temporary matter. Could this have been Bartley's insight? I doubt it.

And some of the book is non-controversially Hayek. The chapter "The Mysterious World of Trade and Money" explains the difficulty that many people have in accepting the value that traders, financiers, and speculators create (due to what Thomas Sowell, building on Hayek's earlier work, called the "physical fallacy"). This incorporates what Ebenstein views as Hayek's essential point.

In my view, the apparent subject of the book, the personal remarks, and the powerful insights of "The Fatal Conceit" add up to a book that is probably still mostly Hayek's. I may, of course, be wrong. Over time, scholars who study the early and intermediate versions will help inform us (perhaps they already have — I'm late in addressing this topic) how much of the text reflects the voice and thought of Hayek and how much Bartley embellished. For me, the jury is still out. □

# Defense of an Unlikely Choice

*by Lance Lamberton*

Should writing the Defense of Marriage Act, voting for the PATRIOT Act, and supporting the War on Drugs permanently enjoin Barr from being considered a true libertarian?

I've been a Libertarian Party activist for a long time. I pounded the pavement gathering ballot access signatures for Fran Youngstein and Jerome Tucille in the early '70s. Neither got much in the way of votes, but in my youthful idealism I was unconcerned; I reasoned that was to be expected for a fledgling party.

Fast forward to 1980 and I became a supporter of Ed Clark, the LP's standard bearer for president. Considering that the Republicans had a charismatic candidate who espoused ideals similar to those of the LP, I was not disappointed when Clark garnered nearly a million votes. I viewed that as a solid base upon which the party could build.

Alas! That was not to be. Little did I anticipate that would be the high water mark for the LP in national politics. Not even Ron Paul, in his 1988 campaign, was able to approach Clark's 1980 result.

Consequently, when the 2008 presidential campaign began in earnest in 2007, I was resigned to expect another confirmation that the LP is, and always will be, politically irrelevant.

Then, something funny happened on the way to the forum. Much to my astonishment, hundreds of Paul meet-up groups sprang up overnight, millions of dollars were raised, and Paul was receiving media attention which dwarfed anything obtained by any past LP candidate, including Paul's

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own 1988 candidacy. Moreover, Paul obtained vote percentages well into the double digits in a number of Republican primaries, and thousands flocked to Ron Paul rallies throughout the country.

Obviously, something significant was going on here. Ron Paul's campaign for peace, freedom, and prosperity was resonating with a segment of voters that I thought had long since become extinct. But once McCain became the presumptive nominee, I again resigned myself to another disappointing showing for the LP.

Then former Rep. Bob Barr announced, three weeks before the LP's national convention in Denver, that he would seek the LP's nomination.

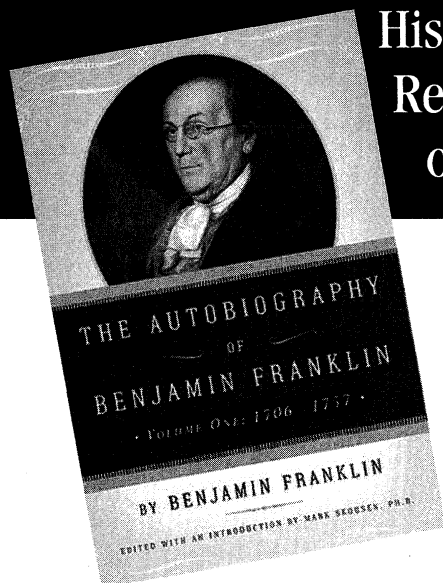
Barr's candidacy was met with a great deal of skepticism,

*continued on page 54*

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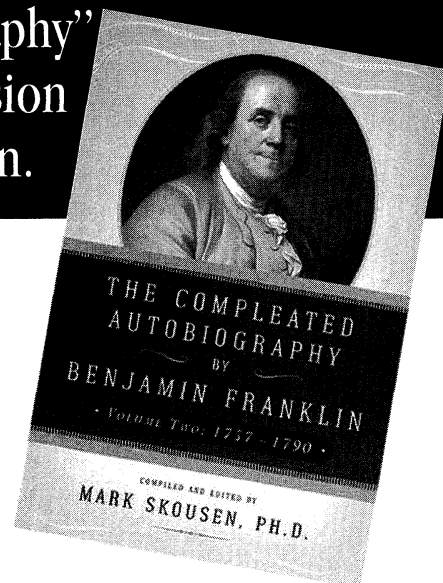
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# Reviews

*"Liberal Fascism,"* by Jonah Goldberg. Doubleday, 2008, 496 pages.

## Half True

Warren Gibson

In 1962 the novelist and philosopher Ayn Rand delivered a talk entitled "The Fascist New Frontier" (reprinted in the recent collection "The Ayn Rand Column"), an analysis of President Kennedy's New Frontier social and economic programs. When she offered a written version of the talk as part of a projected volume of essays, her publisher, Bennett Cerf, "absolutely hit the roof." As he related in his memoir, "At Random," "I called her and said we were not going to publish any book that claimed Hitler and Jack Kennedy were alike." Rand refused to back down, and soon thereafter ended her association with Random House.

Cerf's reaction has to be understood in the context of the times. Only 17 years had passed since the great crusade against fascism had ended in victory. Kennedy, who enjoyed a reputation as a war hero, was taking the war victory a step further by proclaiming that not only had a bad ideology been defeated, but that the end of all ideology was at hand. "What is at stake in our economic decisions today," he declared in a 1962 speech, "is not some grand warfare of rival ideologies, but the practical management of the modern economy." The public, perhaps as weary of ideologi-

cal conflict as it was of military conflict, warmed to Kennedy's message. It was ready for the cool technocrats with their butch cuts, white shirts, and narrow black ties to run the economy according to scientific management principles. To call Kennedy or his program "fascist" in those times was considered very bad taste, to put it mildly.

In fact the article shows us Rand at her nonfiction best. True to form, she defines her terms explicitly: fascism is "a governmental system with strong centralized power, permitting no opposition or criticism, controlling all affairs of the nation, emphasizing an aggressive nationalism"; and she emphasizes that under fascism, in contrast to socialism, "men retain the semblance or pretense of private property, but the government holds total power over its use and disposal." She presents several Kennedy sayings along with similar sayings by fascist leaders. For example, she pairs Kennedy's famous "ask not what your country will do for you — ask what you can do for your country" with this from Hitler: "If we then understand national solidarity aright, we cannot but see that it is based on the idea of sacrifice. In other words, if somebody objects that the continual giving involves too heavy a burden, then we must reply that . . . true national solidarity cannot find its

sense in mere taking."

She concludes with this call to action: "If you wish to oppose [statism], you must challenge its basic premises. You must begin by realizing that there is no such thing as 'the public interest' except as the sum of the interests of rational men. And the basic, common interest of all men — all rational men — is freedom."

Rand's talk drew little notice, but Kennedy's New Frontier began to disintegrate even before his death. Then Lyndon Johnson's Vietnam war tore the country apart. His "war on poverty" left poverty unscathed while taxpayers bled. The 1970s brought simultaneous inflation and recession, which was impossible according to the Keynesian theory that Kennedy had taken as gospel. As a result of these and other events, a "grand warfare of rival ideologies" broke out after all, and in full force; it continues to this day. Classical liberal ideas, which could only simmer underground during Kennedy's time, burst onto the public stage under the directorship of Friedrich Hayek and Milton Friedman; Ronald Reagan and Maggie Thatcher carried the battle to the political arena.

By 1980, inflation was raging and Harry Browne was writing bestsellers about hoarding gold and stocking a

hideout in the country. Rand's thesis might have gotten a more respectful hearing, had it appeared then. In fact, 1980 was the publication date of "The Ominous Parallels: the End of Freedom in America," by Rand's disciple Leonard Peikoff. The book had taken Peikoff 14 years to write, much of that time spent "reeling from the onslaught of [Rand's] literary criticisms and insistence on re-writes," according to Rand's biographer, Barbara Branden. We will probably never know how much of this book is due to Peikoff, and how much to Rand. In any event, it shows the persistence of the radical critique of American politics undertaken by libertarians and other followers of Rand.

The first half of "Ominous Parallels" attempts to trace the intellectual roots of the Nazi horror to the philosophy of Kant, Hegel, and their successors. For Kant, according to Peikoff, objective reality exists but is unknowable to man. Morality consists in absolute obedience to categorical imperatives, regardless of, or preferably in opposition to, one's personal desires. Hegel carried on where Kant left off, explicitly rejecting Aristotelian logic and proclaiming the State as the "Divine Idea as it exists on earth." The second half of Peikoff's book, "Practice," recounts the rise of the Nazis and how they strove to destroy not just the bodies but the souls of the concentration camp inmates. Finally, it identifies trends in American culture that parallel the early years of Nazi Germany.

The book was lucidly written, though flawed by shoddy scholarship. Like Rand, Peikoff is sometimes quick to dismiss some idea as "altruism" or "mysticism," and to blame it for distant political events, without showing that he knows what he is talking about. Two examples that I feel qualified to comment on are his dismissals of quantum uncertainty and Gödel's Incompleteness Theorem. He appears oblivious to the thorough experimental verification of quantum phenomena and to the rigorous logic by which Gödel proved his theorem. Peikoff gave no credit to any thinkers except Rand and Aristotle, so it is not surprising that his book got no attention outside of the tiny circle of her intellectual followers.

The scene shifts to January 2008, when Doubleday published Jonah

Goldberg's "Liberal Fascism," subtitled "The Secret History of the American Left from Mussolini to the Politics of Meaning." Goldberg is a writer for the Los Angeles Times, National Review, and other publications. The book spent seven weeks atop The New York Times Bestseller list, gaining him the audience that eluded Peikoff's book and Rand's essay.

The introduction, "Everything You Know about Fascism is Wrong," is a disappointment. (Is anyone else getting tired of being told that everything we know about this or that subject is wrong?) Goldberg had to force himself to offer a definition, and not a good one at that: "Finally, since we must have a working definition of fascism, here is mine: Fascism is a religion of the state. It assumes the organic unity of the body

politic and longs for a national leader attuned to the will of the people. It is totalitarian in that it views everything as political and holds that any action by the state is justified to achieve the common good. It takes responsibility for all aspects of life, including our health and wellbeing, and seeks to impose uniformity of thought and action, whether by force or through regulation and social pressure. Everything, including the economy and religion, must be aligned with its objectives. Any rival identity is part of the 'problem' and is therefore defined as the enemy."

While these may be accurate descriptive phrases, applicable to many phenomena of modern liberalism and socialism, from political correctness to state healthcare schemes to idolatry of a dynamic government, they miss the

## Notes on Contributors

Baloo is a *nom de plume* of Rex F. May.

David Beito is an associate professor of history at the University of Alabama, and author of *Taxpayers in Revolt* and *From Mutual Aid to the Welfare State*.

Jayant Bhandari is a Vancouver (Canada) based writer.

Doug Casey is a contributing editor of *Liberty*.

Edmund Contoski is a columnist for *FORCES International Liberty News Network*, a blogger, and author of three books. He is a retired environmental consultant.

Stephen Cox is a professor at UC San Diego. His most recent book is *The New Testament and Literature*.

Jacques Delacroix is a former professor of management and a sociologist by training. He lives in one of the Bellies of the Collectivist Beast, Santa Cruz, with his wife, the artist Krishna Delacroix.

Warren Gibson teaches economics at San Jose State University and mechanical engineering at Santa Clara University.

Jon Harrison lives and writes in Vermont.

Gary Jason is an adjunct professor of philosophy and the author of *Critical Thinking: Developing an Effective World View* and *Introduction to Logic*.

Lance Lamberton is a Georgia based PR professional who once worked in the Reagan White House.

Ross Levatter is a physician living in Phoenix.

Roy Miller is a management consultant, a retired Air Force Reservist, and lifelong defender of liberty.

Randal O'Toole is a contributing editor of *Liberty* and an adjunct scholar at the Cato Institute.

Patrick Quealy may be found in his natural habitat, a Seattle coffee shop.

Bruce Ramsey is a journalist in Seattle.

Jeff Riggenbach is a contributing editor of *Liberty*.

Jane S. Shaw is executive vice president of the John William Pope Center for Higher Education Policy.

Aeon Skoble is chair of the philosophy department at Bridgewater State College in Massachusetts and author of *Deleting the State: An Argument About Government*.

Jo Ann Skousen is entertainment editor of *Liberty*. She lives in New York.

Todd Skousen is a graduate of Rollins College with a degree in Economics. He works as a screenwriter.

Tim Slagle is a standup comedian living in Chicago. His website is [timslagle.com](http://timslagle.com).

Matt Varvaro is a student in Port Washington, New York.

Andy von Sonn, proprietor of Mayflower Unlimited publishing, is an attorney in Hawaii.

Jim Walsh is an assistant editor of *Liberty*.

Leland Yeager is Ludwig von Mises Distinguished Professor Emeritus of Economics at Auburn University.

specific, and crucial, similarities and differences among socialism, fascism, and modern liberalism. And it's mostly uphill from there.

Chapter 3 recounts the fascist aspects of the Woodrow Wilson administration. This is the chapter that prompted The New York Times to title its dismissive review "Heil, Woodrow!" The progressives of Wilson's time, admitted by all to be forerunners of today's liberals, "were convinced that the state could, through planning and pressure, create a pure race, a society of new men . . . Fascists and progressives shared the same intellectual heroes and quoted the same philosophers." Well, not entirely the same. But Wilson, like many other progressives, did worship power: "I cannot imagine power as a thing negative and not positive," he once wrote. Taking dead aim at the Declaration of Independence, he said, "[A] lot of nonsense has been talked about the inalienable rights of the individual, and a great deal that was mere vague sentiment and pleasing speculation has been put forward as fundamental principle."

Wilsonian "fascism" had many faces. His Sedition Act banned "uttering, printing, writing, or publishing any disloyal, profane, scurrilous, or abusive language about the United States government or the military." The Postmaster General was given the teeth to enforce this act and proceeded to ban at least 75 publications outright. Criticizing Samuel Gompers, suggesting that the war be paid for by taxes rather than loans, or reprinting Thomas Jefferson's view that Ireland should be a republic — all these were trespasses that triggered censorship. Needless to say, the effects of censorship spread far beyond the overt shutdowns of small publications, as "the threat of being put out of business focused the minds of other editors." Criticism of "Mr. Wilson's War" could get you fired if you were a professor at Columbia. On the cultural front, German authors were purged from libraries, sauerkraut became liberty cabbage, and performances of Beethoven disappeared from customary venues.

Goldberg ably summarizes the parallels between progressivism, the ideology of Wilson's time, and fascism: "Progressivism was largely a middle-class movement equally opposed to

runaway capitalism above and Marxist radicalism below . . . [The Progressives'] chief desire was to impose a unifying, totalitarian moral order that regulated the individual inside his home and out. The Progressives also shared with the Nazis a burning desire to transcend class differences within the national community and create a new order."

Readers who were unaware of the fascistic nature of Franklin Roosevelt's New Deal will be shocked by some incidents from that era recounted by Goldberg, particularly those involving Hugh Johnson, an outspoken admirer of Italian Fascism and czar of Roosevelt's "National Recovery Administration," known by its "Blue Eagle" emblem. The NRA was designed to organize all businesses into cartels and set wages, prices, and business practices for the entire country. At its peak, it managed to enlist businesses employing 85% of American workers (according to Johnson), before being declared unconstitutional by the Supreme Court. On Sept. 13, 1933, businesses in New York were ordered closed at noon for a Blue Eagle parade of a quarter million marchers, with military planes flying overhead. A British visitor was "horrified by such pageantry, saying it made him feel like he was in Nazi Germany." In another incident, a tailor served three months in jail for charging 35 cents to press a suit when the approved price was 40 cents.

But did the American brand of fascism include an essential characteristic of European fascism, namely racism?

Not overtly, but in effect, yes. By granting special privileges to unions that were often "viscerally racist," FDR gave them the power to lock blacks out of the labor force. In the countryside, white farmers were paid to slaughter pigs and plow crops under, thus raising prices, which meant that black farm workers went hungry. Little wonder that some black newspapers spelled out NRA as "Negro Run Around" or "Negroes Robbed Again."

A chapter entitled "Fascism Takes to the Streets" moves forward to the 1960s, tagging the New Left, Herbert Marcuse, Abbie Hoffman, et. al., with the fascist label; the next chapter indicts Johnson's Great Society. Easy targets, all. Oddly, though, Goldberg skips over the Nixon era, seemingly a rich source of fascist analogies. Why? Goldberg asks himself that question and gives this unsatisfying answer: "I told the story I thought needed to be told." For Goldberg, Nixon was at worst a "caretaker of the welfare state." It's pretty clear that he goes easy on Nixon because he wasn't a Democrat, and Goldberg has a distinct dislike for Democrats.

More impressive is Goldberg's discussion of current "diversity" and sexual harassment training, as parts of modern fascist indoctrination. Readers who work for big companies or government agencies probably know all about such things. I didn't, but found out fast during the writing of this review. As a lecturer at Santa Clara University, I was required to endure



"You don't need any more handouts — the Democrats are back in control of Congress!"

an online training course regarding harassment and discrimination on the job. It was a hair-raising demonstration of modern liberal fascism in action. Politicians and bureaucrats at the federal level have inserted themselves into the workplace in a big way, dictating

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*The public was ready for the technocrats to run the economy according to scientific management principles.*

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what may or may not be said and done about many things. Private institutions such as Santa Clara have fallen in line just as neatly as the universities and corporations fell in line with the Nazis in Germany or the Fascists in Italy. Of course, most of the proscribed behavior mentioned by my training course was the sort of thing that no sensible person would engage in. But it is very easy to see the next steps: suppression of dissent, glorification of the state, and ultimately totalitarianism.

Goldberg correctly identifies the fascism of contemporary ethnic and gender distinctions: "When you hear a campus radical denounce 'white logic' or 'male logic,' she is standing on the shoulders of a Nazi who denounced 'Jewish logic' . . . The white male is the Jew of liberal fascism." He reports that "white studies" departments have sprung up in at least 30 colleges. These are not departments devoted to glorifying whiteness. "The key to solving the social problems of our age is to abolish the white race," writes one "scholar" in the "field." Hip-hop culture has incorporated a shocking number of fascist themes: the glorification of violence, the romance of the street, racial solidarity, and misogyny. And we are all too familiar with the physical intimidation of dissident speakers that is allowed on many college campuses (but not at Santa Clara, I hasten to add).

Hillary Clinton gets a whole chapter as "the First Lady of Liberal Fascism." Goldberg recounts her political upbringing at the knee of Saul Alinsky, a radical organizer whose disciples also trained

Barack Obama. Of Alinsky, Goldberg says, "His descriptions of the United States could have come from any street corner Brownshirt denouncing the corruption of the Weimar regime. His worldview is distinctly fascist. Life is defined by war, contest of power, and the imposition of will." Donald Jones, Hillary's former youth minister, says of her, "You have to use power. And there is nothing wrong with wielding power in the pursuit of policies that will add to the human good . . . She is very much the sort of Christian who understands that the use of power to achieve social good is legitimate." Another mentor was Rabbi Michael Lerner, a colleague of the communist theorist Herbert Marcuse and an LSD fan. This man of the cloth "couldn't resist interrupting his sister's wedding with an impromptu speech denouncing the guests as 'murderers' with 'blood on your hands' for not doing more to stop the war in Vietnam."

But Hillary's specialty is children. She wants control of them in the early years so as to mold them into obedient little citizens of her new order. To this end, she needs to separate them from their mothers by means of a proliferation of programs: Head Start, day care, prenatal care, maternal care, child-development programs. "Multiple attachment to others will become the ideal . . . New treatments will be developed for children with exclusive maternal attachments," says Sandra Scarr, a Clinton ally. In like manner, says Goldberg, the Nazis "brilliantly replaced traditional stories and fairy tales with yarns of Aryan bravery and the divinity of Hitler . . . Loyalty to Hitler was drilled into children, while loyalty to one's own parents [was] discouraged in myriad ways."

Ratting on one's parents has been a staple of totalitarian states of all stripes, and one can see it coming in Hillary's Brave New World. On this front, resistance to Hillary is futile, or nearly so, according to Goldberg. It's not just that everybody experiences a good feeling about a smiling lady who projects concern for children's welfare. The real problem, he says, is that conservatives concede (and libertarians should concede) a role for the state in protecting children who, after all, are incapable of functioning as autonomous agents. This

makes it difficult to draw the line where state involvement must cease.

Al Gore gets a good scolding under the heading "Green Fascism." Goldberg quotes a typically unctuous Gore-ism: "the froth and frenzy of industrial civilization mask our deep loneliness for that communion with the world that can lift our spirits and fill our senses with the richness and immediacy of life itself." This is pure 19th-century Romanticist pap, the stuff that led to Hitler's worship of "nature" and "vitality," both surrogates for the quest for total dominance of a total world. Gore has struck a gold mine with his global warming crusade because it means (quoting Goldberg) that "we must surrender to the global nanny state and create the sort of 'economic dictatorship' that progressives yearn for. The beauty of global warming is that it touches everything we do — what we eat, what we wear, where we go. Our 'carbon footprint' is the measure of man. . . . Gore alternately blames Plato, Descartes, and Francis Bacon as the white male serpents who tempted mankind to take the wrong turn out of an Edenic past." Peikoff and Rand located the demons of the past in the "mystical" philosophies of Hegel, Kant, and, yes, Plato too. Gore apparently locates them in the great analytic and scientific philosophers. Plato can obviously be construed in either way.

"Liberal Fascism" is an engrossing read and a rich source of comparisons between modern American political and social trends and those of other times and places. But these vir-

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*Is anyone else getting tired of being told that everything we know about this or that subject is wrong?*

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tues make the flaws of the book more maddening. Time and again, having shown the fascist nature of some idea or policy, Goldberg pulls the rug out from under himself with an apology or backslide. "Now, when I say that the politics of meaning, and Hillary Clinton's ideas in general, are fascist, I must again be

clear that they are not evil." Dammit, if Hillary's ideas are fascist, and they are threats to liberty, prosperity, and just about everything else we hold dear, then they're evil. I'd like to know what else they could be.

Unlike Rand's and Peikoff's efforts, "Liberal Fascism" lacks philosophical foundations, leaving Goldberg without a consistent set of concepts and principles that could have unified his arguments. Lacking Rand's understanding of the evil that is altruism, for example, Goldberg quotes someone who makes the virtually incredible statement, "Service is the rent we pay to be living. It is the very purpose of life and not something you do in your spare time" — and lets it pass without comment, as if he knew it was wrong but couldn't quite figure out why.

Goldberg describes himself as a conservative, but adds this interesting aside: "If libertarianism could account for children and foreign policy, it would be the ideal political philosophy." That libertarians haven't paid enough attention to the status of children is a fair criticism. That they have failed to sign

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*Hillary wants control of children in their early years so as to mold them into obedient little citizens.*

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on to the disastrous Bush mission to spread democracy around the world, which Goldberg explicitly supports, is no failure at all.

And a key question remains: was it a good idea to tag modern liberalism with the f-word: fascism? Goldberg surely knew that critics would give him hell for doing so, which may explain the numerous apologies and backtracks that so frustrated me. Given that nearly all meaning has been drained from the word in popular usage, leaving only a smear term, was it worth it? Should it have been "liberal totalitarianism" or "liberal statism" instead? This is a tactical question, not easily answered, but I think "fascism" is the right term, after

all. I give Goldberg considerable credit for using it and using it courageously. I also credit him for using the term "classical liberal" many times. This is a phrase we libertarians should use more frequently to emphasize the perversion that is modern "liberalism."

All the protagonists in contemporary political battles line up on one side or the other of a great divide. Proponents of individual liberty, dignity, responsibility, peace, and prosperity face off

against the forces of submission, helplessness, hatred, war, and destruction. The figures Goldberg criticizes all occupy various plots on the wrong side, and they all aid and abet one another, knowingly or not. This story cannot be told insistently enough. So — one and a half cheers for Jonah Goldberg, who has bravely tried to tell it and has gotten a hearing. No, make that two cheers. But let us hope that writers closer to Rand's caliber step forward to retell it. □

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**"The Mongol," directed by Sergei Bodrov. Andreevsky Flag Film Company, 2008, 126 minutes.**

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# Warlord Revisited

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Jo Ann Skousen

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Whether a man is remembered as a traitor or as a hero is often determined not so much by his character as by the point of view of the historians who record his deeds. For centuries, the history of Mongolia has been written by its invaders and by those whom it invaded: the Chinese, the Russians, the Arabs, the Europeans. Keep this in mind as you watch "The Mongol," a splendid film about the early years of Genghis Khan.

Like "The Motorcycle Diaries" (2004), which chronicles one formative summer in the life of Ernesto Guevara de la Serna, (before he became known as Che), "The Mongol" tells the pre-Khan story of Temudjin, the son of a minor chieftain who spent many years as a slave before amassing an army and uniting the Mongol tribes into one powerful nation of Mongolia.

The film, written and directed by Russian film veterans Sergei Bodrov

and Arif Aliyev, is based on documents written in Mongolian by sympathetic historians of the 13th century. It glorifies Genghis Khan as a hero in the classic sense, protected and guided by Tengri, God of the Blue Sky, to fulfill his destiny as the uniter and lawgiver of the Mongols. All the supernatural legends surrounding his early exploits and miraculous escapes are brought to the screen against the magnificent backdrop of Mongolian vistas. It's a fascinating study in historical revisionism, and a cinematic beauty as well.

Before Genghis, the Mongols consisted of independent tribes with a shaky detente based on a loosely observed moral code: you may steal horses but not wives, kill adults but not children, attack an enemy on the move but not at an oasis. You must never offend the khan of another clan by exhibiting mistrust, and you must never go to war over a woman. (If your wife is kidnapped, just get another one.) These rules made it possible for Mongol

warriors to sleep at night, albeit with their hands wrapped around the hilts of their swords rather than slung over the shoulders of their wives.

As the film opens, 9-year-old Temudjin is being taken by his father to choose a wife from among the Mekrits, an enemy tribe whose anger will be appeased, and an alliance forged by the marriage. But Temudjin stubbornly chooses a girl he has met along the trail — and this, as he tells us in voice over, will change his life forever. Offended by the snub, the Mekrits vow revenge, and young Temudjin spends the rest of his early years being captured and recaptured by the Mekrits or rescuing and re-rescuing his wife — the rule against going to war over a woman be damned.

Temudjin woos soldiers into his army by giving them 90% of the spoils of war, and justifies taking soldiers from the khan of an allied tribe by reminding him, "Mongols change their masters when they want to. Mongols have the right to choose." Sounds pretty libertarian, right? Motivate workers with profits, and give them the right to choose. Everyone wins. But later Temudjin adds, "Mongols need laws. I will teach them to obey, even if I have to kill them." This is more like the Khan I thought I knew.

Along the way, the heroic Temudjin creates a moral code of his own. "Finding a good woman is the hardest thing," he has learned from his father (and will teach his son). Protecting that woman is therefore the most important goal. Although standard Mongolian warfare calls for leaving families behind to distract the enemy and then coming back to rescue them later, Temudjin refuses to abandon the families of his tribe and provides for their safety first. He uses strategy instead of brute force to prevail against armies ten times the size of his. And he seems to have God on his side.

Genghis Khan is known as the lawgiver as well as the uniter of Mongolia. Like Moses, who came down from Mt. Sinai with the Ten Commandments, Khan discovers his "four simple laws" while communing with the God of the Sky at Blue Mountain:

Never kill women or children.  
Pay your debts.  
Fight to the end.  
Never betray your khan.

Bodrov and Aliyev wisely end their film where most historians would begin it: as Temudjin becomes Khan, heading off to unite the Mongols. Yes, there will be battles to come with the Chinese and the Russians, bloody battles that will have an impact for centuries. Like Alexander before him, Khan

will lead his armies across continents, slashing and burning and plundering along the way. But this film focuses on the boy who discovered that "finding a good woman is the hardest thing," and protecting her is the noblest.

"Genghis Khan, the Love Story." That's a film I never thought I'd see. □

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**"The Kite Runner,"** directed by Marc Forster. Dreamworks SKG, 2007, 128 minutes.

**"Lars and the Real Girl,"** directed by Craig Gillespie. Sidney Kimmel Entertainment, 2007, 106 minutes.

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# Guys and Dolls

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Gary Jason

Two limited-distribution (read: art house) flicks that were released last year are now available for rent or purchase. Both are excellent movies. Although they are quite dissimilar — one a dark drama, the other a light romantic comedy — they have similar themes.

"The Kite Runner" is based on Khaled Hosseini's bestselling novel of the same name. The story is built around two protagonists, Amir and Hassan, boyhood friends in Kabul, Afghanistan. Amir and Hassan are, indeed, best friends; Hassan is the kite runner referenced in the title, the kid who chases after the kites that Amir is able to cut loose by adroit maneuvering of his own kite in a traditional Afghan celebration of spring.

Amir is the son of Baba, a wealthy and courageous man of the upper class, while Hassan is the son of Baba's servant, and a member of the Hazara tribe, apparently considered inferior by some other Afghans. As the story opens in

Kabul before the Soviet invasion, we see that there is tension in the family. Amir is a budding writer, creating stories that his father doesn't seem to appreciate, though the father's trusted friend Rahim Khan does appreciate them. Amir's father favors Hassan, clearly the braver and tougher of the two boys.

The crucial moment in the drama occurs when a group of young thugs, led by Assef, a sadist with Nazi sympathies, corners Hassan and demands that he give them the kite he has run down. Amir observes as Hassan bravely refuses to surrender the kite, but he hides during the brutal confrontation instead of helping his friend. At this moment we see Amir's central flaw: cowardice.

His act of cowardice leads to profound feelings of shame in Amir, despite Hassan's continued friendship and devotion. How Amir deals with this shame leads to a fascinating character study, as he is forced to grapple with his cowardice, to fulfill his obligations to old friends and new family.

The acting in the movie is generally very good, with particularly fine performances by the boys who play Amir and Hassan when young (Zekeria Ebrahimi and Ahmad Mahmoodzada), as well as by Homayoun Ershadi, who plays a clearly brave and wise, but also clearly judgmental, Baba. "The Kite Runner" is intensely moving and thought-provoking. It explores what can drive a person to confront and overcome his fears; it shows the importance of consanguinity and friendship. We also see a vivid vision of just how evil the Taliban were, as a crucial part of the story takes place during their regime.

"Lars and the Real Girl" is certainly less intense; indeed, it is a comedic gem. But it is just as thought-provoking. Here again, the protagonist must struggle to overcome his fears.

The action takes place in a small town somewhere in the northern Midwest. The lead character is Lars Lindstrom, an extremely introverted office worker living in the garage of his parents' house. His brother and sister-in-law live in the main house, inherited from the parents. Lars is prodded by his sister-in-law and friends to become more socially involved. After hearing a coworker talk about how one can order life-size, "anatomically correct" sex dolls on line, Lars decides to order one — the lovely if inanimate Bianca.

Lars introduces Bianca to his brother and sister-in-law as his Brazilian girlfriend, who is unfortunately "confined to a wheelchair." He begins introducing her (it?) to his friends as well. In one scene, he takes her to an office party, causing a good deal of confusion.

His brother, dismayed at Lars' delusional behavior, takes him to the family doctor, who patiently treats Bianca as if she were a real person suffering from some unknown ailment (observing that her blood pressure is "very low"). The townspeople are at first mocking, but then begin to play along with Lars's delusion. The situation gets resolved with the help of the townspeople and the doctor, all obviously sympathetic to and supportive of a troubled young man. The movie handles the transition from the comic to the dramatic very deftly, and the result is charming.

The acting is always superb. Ryan Gosling (Lars) gives an exceptionally fine performance, for which he picked

up a Golden Globe award. Kelli Garner is also good as the sweet and slightly ditzzy Margo, a co-worker attracted to Lars. But I found especially effective Patricia Clarkson's portrayal of Dagmar, the understanding and quiet doctor.

The two movies noticed here explore the same moral failing, fear — fear of

physical combat in "The Kite Runner," fear of social interaction in "Lars and the Real Girl." And they suggest that part of what helps a person overcome that failing, thus achieving a measure of courage, is one's family and circle of friends. This idea — that friendship has an important effect on character — is as sound as it is antique. □

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**"WALL-E," directed by Andrew Stanton. Pixar, 2008, 103 minutes.**

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# Love Among the Robots

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Todd Skousen

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Pixar is one of the most successful film studios today, releasing a computer-generated film every June that immediately breaks records. One of the reasons for Pixar's continued success is that its people do not limit themselves to the children's market. Like the original Disney animated films, Pixar has created an art form that tells a great story. Yes, it appeals to children, but it never plays down to their level. In fact, the real story is often too advanced for children.

Director Andrew Stanton has said in interviews that "WALL-E," the latest film from Pixar Studios, is simply a tale of love between two remarkably charismatic robots. This is substantially true: the bond formed between "the little trash compactor that could," WALL-E, and the sleek and sexy EVE is both touching and quite convincing. Imagine R2-D2 having a crush on a female robot, and you get a sense of the sentimentality. Of course the audience is going to root for the cute little guy.

More striking, however, is the

environment in which this film is set. Stanton, who also wrote and directed "Finding Nemo," creates a bleak outlook for humanity. Garbage towers mingle with skyscrapers. No living creatures are seen, except, of course, cockroaches. Stanton, as much as he shies away from the "message movie" label, has created a broad indictment of mass consumerism, multimedia over-indulgence, and most importantly, the general malaise of human beings in the face of it all. This is not your typical kids' cartoon.

As the film begins, we see the earth from outer space. Brown continents are visible through the haze of satellites and other orbiting refuse. A closer look reveals cities filled to capacity with garbage reminiscent of "Idiocracy," Mike Judge's futuristic dystopia. WALL-E, the only robot left on earth, constantly gathers up small amounts of scrap, compacts them, and stacks them neatly into his next trash tower. It's a lonely existence, not unlike that of Will Smith's character in "I Am Legend."

While WALL-E motors about, an old holographic screen reveals that

the humans have packed up and gone away for an extended vacation on a massive spaceship until one of their Extraterrestrial Vegetation Evaluators (or EVEs) finds evidence of a rebirth of life on earth so they can return. The humans don't feel like fixing the problem, but would rather walk away and hope that over time, everything will somehow turn out all right. Now if that doesn't sound like a message movie, I don't know what does.

Criticism of humanity becomes even more apparent when WALL-E meets EVE, falls in love, and follows her to the Axiom, a sort of Noah's Ark for the remaining humans. Inside the Axiom, grotesquely obese people float about on hovering entertainment centers, oblivious to the world around them, drinking foods in shake form — they can't even exert enough effort to chew. The first two humans we encounter talk to each other on the phone while sitting right next to each other. Another human falls from his chair and lies wallowing on the floor, unable to stand under his girth until WALL-E helps him back up. Humans in this world are incapable of living without machines.

This dark depiction of the future of humankind culminates with one of the funniest parodies I've ever seen. As the Captain of the Axiom, played hilariously by Jeff Garlin, awakes from his virtual coma of a life, he must first stand on his own two feet (literally) before he can manually return the Axiom to Earth. With Strauss' "Thus Spake Zarathustra," famous for its use in "2001: A Space Odyssey," blaring thunderously, the Captain struggles mightily and eventually stands up. The message seems to be that in nearly 30 years of filmmaking, the outlook for humanity has devolved from the Starchild to, well, at least humans can still stand upright.

Is Pixar right in its assessment of the path humans are taking? Some indications point to that fact. Americans are overweight. Many of us talk on the phone, surf the internet, and watch television all at once. We waste too much. In fact, Pixar will be filling shelves with WALL-E toys that will someday end up in our growing landfills.

But Pixar itself is evidence to the contrary. Its films have been some of the most successful and widely praised

movies of the past 15 years. Yes, they are populated by computer-generated characters and voiced by unembodied actors, seeming to foreshadow the coming of "WALL-E World." But behind this mechanical world are brilliant humans who continually find original and engaging ways of telling stories. Even within the story of "WALL-E," you have to wonder at some point, "Who designed these incredible robots, if all the humans are complete

morons?" Unlike HAL, who takes over the ship in "2001: A Space Odyssey," the humans are very much in control of the machines at Pixar, and they are producing magnificent works.

In the end, despite Andrew Stanton's best efforts to make it so, "WALL-E" is not just a simple love story. Many young moviegoers will see it and love it, but WALL-E's cuteness will not overshadow the austere outlook of the film for adult audiences. □

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**"The Visitor,"** directed by Thomas McCarthy. Overture Films, 2008, 108 minutes.

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# Squatters or Seers?

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Jo Ann Skousen

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"The Visitor" is one of those quiet little films that worms its way into your center and stays there, returning to memory long after the credits have rolled. The film, about an immigrant couple in New York and the lonely man who befriends them, is funny and sad, wonderful and devastating. In a summer filled with superheroes and franchise blockbusters, it is the first one about which I have said, "This is the best film I've seen this year."

Walter Vale (Richard Jenkins) is a burned out economics professor who seems more interested in working on his next book than teaching his next class. The film opens in Walter's stately Connecticut home, during a painfully basic piano lesson with an equally burned out teacher (Marian Seldes) — his fourth piano teacher, as it turns out, and he's obviously still a beginner. We don't know why he's taking lessons, or why it is so painful for him, until much later in the film.

But isn't that the way it is with

most of the people we meet? We say hello, we make assumptions, and we judge them on the basis of where they live, how they speak, what they wear, and what they do for a living. When their actions don't fit our expectations we may feel off balance, we may even laugh uncomfortably; but as we learn their background, their actions begin to make sense and we begin to empathize — perhaps even to like them, even to think of them as family.

This is what happens to Walter when he meets Tarek and Zainab (Haaz Sleiman and Danai Jekesai Gurira), illegal immigrants, whom he encounters under unusual circumstances. Without his knowing it, they have been living in his Manhattan condo while he has been living in his Connecticut house. Technically, these immigrants are not squatters, because they have paid rent; they just paid it to someone other than the owner. Evidently it is not uncommon for underground "real estate agents" to "sublet" apartments they know are empty most of the time.

Lonely, depressed, and perhaps

even ashamed of the fact that he has more homes than he can fill, Walter invites the couple to stay. A friendship develops between the two men. Zainab and Tarek may be the immigrants, but it is apparent that Walter is the "visitor" as he slips through the looking glass into their world and begins to see what he thought was his own world through their eyes.

Richard Jenkins is one of those fine character actors who seem to have just walked in off the street, yet he has appeared in over 100 films and television shows, most recently as the dead father in "Six Feet Under." He doesn't waste words, but every movement and expression communicates what his character is thinking and feeling. Director Thomas McCarthy's ear for natural dialogue contributes to this sense of realism. Haaz Sleiman and Danai Jekesai Gurira also exhibit such natural skill

that you almost feel as though you were sitting on a park bench, overhearing a conversation.

Without documentation, the immigrant couple must find jobs that pay cash (Tarek is an ethnic drummer; Zainab makes jewelry), find housing that doesn't require references, and above all, stay out of trouble. Even a minor infraction could lead to deportation. This point of the film may seem too politically motivated for some and downright untrue for those who believe in locking down the borders and throwing away the key. (One reviewer wrote of this film, "I almost wanted to regurgitate that shawarma I once ate.")

However, those who are willing to enter a parallel universe with open eyes and open mind may find themselves swayed by this charming film. You don't have to be foreign-born to be a visitor. □

## Booknotes

**Pleasures bizarre** — People often ask me, when they see me reading a book on political philosophy, "What about reading for pleasure?" The implicit premise, that I don't find philosophy pleasurable, is not just false, but bizarre, given what I do for a living, which is to teach philosophy. But I understand the general intent behind the question, so I usually say that besides philosophy, I also enjoy history, biography, and various sorts of fiction. As it happens, I have some of each of these to recommend to readers of *Liberty*.

First, philosophy: James Otteson's "Actual Ethics" (Cambridge University Press, 2006, 368 pages) is a terrific book about morals and living. As the title suggests, Otteson connects ethical theory to ethical practice. This produces a defense of classical liberal, limited government politics. It also allows Otteson to address hot-button issues such as animal rights, public schooling, political correctness, and poverty programs. Another virtue of the book is that while

it ties the practical to the theoretical, at no stage does it rely on jargon or obscurity, or lapse into wonkery. It's a book about ethics that can be read and valued by anyone.

Not that there's anything wrong with wonkery. Depending on what one is trying to accomplish, sometimes there's no substitute for doing the hard work that comes with roll-up-the-sleeves, put-on-the-eyeshade analysis. Daniel Shapiro's new book "Is the Welfare State Justified?" (Cambridge University Press, 2007, 344 pages) is a book in this vein, and it is a first-rate example of how to use this approach. Shapiro examines various systems (and proposed reforms) of Social Security and other welfare-state concepts. What he discovers is that even if one begins from the moral presuppositions of welfare statism, the institutions of the welfare state do not work. He shows why one would do better to embrace more libertarian alternatives. This approach has the advantage of not depending on getting people to renounce their moral intuitions about, say, egalitarianism

or communitarianism, in order to convince them to embrace market-driven reforms.

But I hear you screaming that it's summer, and you want a few weeks off from politics and philosophy. So are you a music lover? Over the winter I made time to read the recent autobiography of Eric Clapton — called, not surprisingly, "Clapton: The Autobiography" (Broadway, 2007, 352 pages). If you have any interest at all in popular music or its history, you ought to read this too. Clapton has been a central and highly influential figure in rock and blues since the mid-1960s, so his firsthand recounting of his journey is fascinating. (Actually, if I have to explain to you who Clapton is, then you definitely need to read this book.) And it really is a firsthand account: Clapton decided to forego the usual ghostwriter dodge, and literally wrote this himself. He turns out to be remarkably knowledgeable about film and literature as well as music, and the book is extremely well-written. It's also sad in many ways, especially in its honest recounting of his self-destructive addictions (in a twist on the usual narrative, he kicks his heroin addiction and *then* becomes an alcoholic); but it's also, in the end, triumphant and life-affirming, as he eventually conquers the addictions and lives happily ever after.

As to fiction: I am finally almost caught up with the works of Neal Stephenson. It took a while, but I have read and thoroughly enjoyed "Snow Crash," "Cryptonomicon," and the three-volume "Baroque Cycle." The next Stephenson novel that I plan to tackle is "The Diamond Age" (Bantam, 1995, 512 pages). I can't actually recommend something I haven't yet read, but all the other Stephenson novels I've read are entertaining and worthwhile, so his credit is pretty good. Stephenson is interesting in that even when he writes historical fiction, it's still science fiction in the true sense: a reflection on the impact of technology on the human condition. Most of his works have vaguely libertarianish themes, which is a nice bonus. So, I feel confident recommending "The Diamond Age" or any Stephenson for those of you interested in fiction. I'll be spending the rest of the summer with Hayek, Aristotle, and Stephenson.

— Aeon J. Skoble

## Defense of an Unlikely Choice, *from page 43*

and some outright antagonism from the so-called purists in the party. In response to the skeptics, I argued that those who knew Barr best were the ones most likely to support him — enthusiastically. How else to explain the near unanimous support for Barr from his home state of Georgia, whose delegates unwaveringly supported him, through six ballots, by a margin of 33 to 2?

Barr earned this overwhelming support by demonstrating over the past four years that his commitment to libertarian principles is genuine. For the past several years the former supporter of the War on Drugs has been a passionate advocate of medical marijuana. He has used his clout, contacts, and influence to further that cause on Capitol Hill. This has not gone unnoticed by the Marijuana Policy Project, whose president, Rob Kampia, provided Barr with one of the seconding speeches when his name was put into nomination.

Barr has also provided much needed financial support for the Georgia LP. At the party's 2007 state convention, its executive director was fretting over how the party was going to cover the costs of the event. He need not have worried; Barr presented him with a \$1,000 donation at the convention's closing banquet to help defray the costs. Following the banquet, members were invited to shoot the breeze with Barr at a local pub, where Barr picked up the tab for single-malt scotches

and the finest cigars this side of Havana.

Barr's involvement is not confined to major events like the aforementioned state convention. He frequently makes unannounced appearances at more mundane gatherings such as monthly county affiliate meetings and breakfasts. He is consistently accessible, despite the fact that his support for local and state party organizations has no doubt caused him to receive considerable flak from his Republican former colleagues.

As I pointed out in a letter I distributed to delegates at the national convention, "we all had to come to libertarianism from somewhere" and the fact that Barr once held positions antagonistic to libertarianism does not, and should not, disqualify him for the nomination.

Barr has attributes that no other LP candidate has ever provided in significant measure: credibility, experience, and that certain intangible quality which I would describe as being "presidential." He has the potential to capture the Ron Paul voters.

Millions of Americans are disenchanted with politics as usual, and with both major parties' shallow calls for change without substance. Barr represents a breath of fresh air which can attract untold numbers to the libertarian fold. A new chapter in American politics may be about to unfold, with the LP, and liberty itself, finally having a place at the table. □

## Reflections, *from page 24*

(I sometimes thought the store's third manager was the gigantic .44 Magnum that Vince kept under the front desk.)

There were actually two libertarian bookstores in San Francisco in the 1990s: the ISIL bookstore on Market, and Laissez Faire Books on Howard in the South of Market District. Laissez Faire Books held a frequent schedule of author appearances and book signings (always with copious wine and cheese), and sometimes played host to other sorts of libertarian events. Whatever it was, if it had anything to do with the libertarian movement, Vince and Jim were always there. They were always there, too, volunteering themselves and their pickup truck whenever a local libertarian moved. Characteristically, Vince kept on providing this service long after his by now perpetually aching back started telling him

to retire from that line of work.

I was on hand for about 15 of Vince's nearly 20 years in the Bay Area. He attended my 50th birthday party in 1997. Suzanne and I attended his 60th nearly two years later. We were there to witness the closing of the Market Street bookstore and the departure of ISIL and its stash of books and trusty printing press to nearby Benicia — hotter and more remote but much cheaper than increasingly pricey San Francisco. Over the years, Vince's back got progressively worse, and he got progressively more deaf. But his good cheer, his willingness to lend a helping hand, and his love for his Sunday morning visits to the firing range ("going to church," he called it) never flagged. Neither did his commitment to liberty. He will be missed.

— Jeff Rigenbach

## Letters, *from page 6*

empiricist to understand the attraction of discussing the consequences of impossible situations.

C.D. Tavares  
Morristown, Ariz.

### God Is in the Details

One of the least meaningful questions on any survey ("The Liberty Poll," June) is "Do you believe in God?" One respondent believes in a personal God who guides his life and offers eternal salvation. Another believes God created the universe, then turned its operation over to the laws of nature. Still another

believes the laws of nature themselves are the supreme force in the universe and we have given this force the name "God." All answer "Yes" and we learn nothing about their fundamental beliefs.

Let's tighten this up the next time around.

C. Hugh Campbell, Jr.  
Hartsville, S.C.

### Crocked

I loved your mag for years until Bill Bradford died. Then you went more and more conservative Republican until I couldn't stand it. Conservative opinion comes nickel a crockful, so I didn't feel

much like paying full price for it.

If you ever drop the Rush Limbaugh crap, let me know — I'll resubscribe.

Richard Vajs  
Franklin, W.Va.

### Letters to the editor

Liberty invites readers to comment on articles that have appeared in our pages. 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.

Email to: [letters@libertyunbound.com](mailto:letters@libertyunbound.com)  
Or mail to: Liberty Letters, P.O. Box 1181,  
Port Townsend, WA 98368.

## Switzerland

The Reich makes a comeback, from the *Guardian* (U.K.):

TV chiefs have apologized after broadcasting the Nazi lyrics to the German national anthem during a European Championship football match. Stunned viewers were asked to sing along to the wartime “Deutschland Über Alles” song which has been banned for 63 years. Bosses at Swiss station SF2 blame the outrage on a junior researcher. Executive Gion Linder said: “This was a profound mistake.”

## Raleigh, N.C.

Snags in modernization at the DMV, as reported in the *Winston-Salem Journal*:

North Carolina drivers whose license plates have the potentially offensive “WTF” letter combination can replace the tags for free.

Officials learned last year the common acronym stands for a vulgar phrase in email and cell phone text messages. The DMV recently realized the same letters appeared on the sample license plate on its own Web site. Officials are trying to remove the plate from the site.

## Portland, Ore.

Heartfelt mea culpa, recorded in *The Oregonian*:

In the first public meeting on the project in almost three months, Multnomah County officials admitted publicly that planning errors linked to the budget-busting Justice Center help explain why the building’s size could be slashed nearly in half even while total projected costs could likely double.

Most glaringly, the original building concept called for a building with 70,000 square feet of usable space — requiring an even larger facility for such basics as walls and hallways. That wasn’t reflected in the plan.

“That’s a basic part of the project,” Chairman Ted Wheeler said. “We left out a basic part of the project in our original estimates?”

There was a long pause from John Lindenthal, manager for the county’s capital improvement program.

“Yes,” he responded.

## Düsseldorf, Germany

Innovation in mass transit, from *Der Spiegel*:

The Benrath Senior Center has come up with a novel idea to stop Alzheimer’s patients from wandering off: a phantom bus stop. It is an exact replica of a standard stop, with one small difference: buses never stop there.

“It sounds funny,” said Franz-Josef Goebel, chairman of senior care group Old Lions, “but it helps. Our members are 84 years-old on average. Their short-term memory hardly works at all, but the long-term memory is still active. They know the green and yellow bus sign and remember that waiting there means they will go home.” Errant patients now wait for their trip home at the bus stop, before quickly forgetting why they were there in the first place.

“We will approach them and say that the bus is coming later today and invite them in to the home for a coffee,” said home director Mr. Neureither. “Five minutes later they have completely forgotten they wanted to leave.”

## Cannes, France

A politician held to a higher standard, chronicled in *Le Figaro*:

The Cannes Film Festival got off to a lively start with Sean Penn, president of this year’s jury, sounding off about U.S. presidential hopeful Barack Obama.

“I hope that he will understand, if he is the nominee, the degree of disillusionment that will happen if he doesn’t become a greater man than he will ever be,” Penn said.

## Switzerland

Long overdue consideration for the other kingdom, in *Nature*:

The Swiss federal government’s ethics committee has mapped out guidelines to help granting agencies decide which research applications deeply offend the dignity of plants — and hence become unfundable.

Although most people might be bewildered that a discussion on how to define “plant dignity” should be taking place at all, the stakes for Swiss plant scientists are high. The Gene Technology Law, which came into effect in 2004, stipulates that “the dignity of creatures” should be considered in any research. The phrase has been widely criticized for its general woolliness, but it indisputably includes plants.

## San Francisco

Encomium to America’s greatest statesman, found in the *San Francisco Chronicle*:

Barack Obama isn’t really one of us. Not in the normal way, anyway.

It’s not merely his youthful vigor, or handsomeness, or even inspiring rhetoric. It is not fresh ideas, or cool charisma, or the fact that a black president will be historic and revolutionary in about a thousand ways. It is something more. Even Bill Clinton, with all his effortless, winking charm, didn’t have what Obama has, which is a sort of powerful luminosity, a unique high-vibration integrity.

Many spiritually advanced people I know identify Obama as a Lightworker, that rare kind of attuned being who has the ability to lead us not merely to new foreign policies or health care plans or whatnot, but who can actually help usher in a new way of being on the planet, of relating and connecting and engaging with this bizarre earthly experiment. These kinds of people actually help us evolve. They are philosophers and peacemakers of a very high order, and they speak not just to reason or emotion, but to the soul.

## Narita, Japan

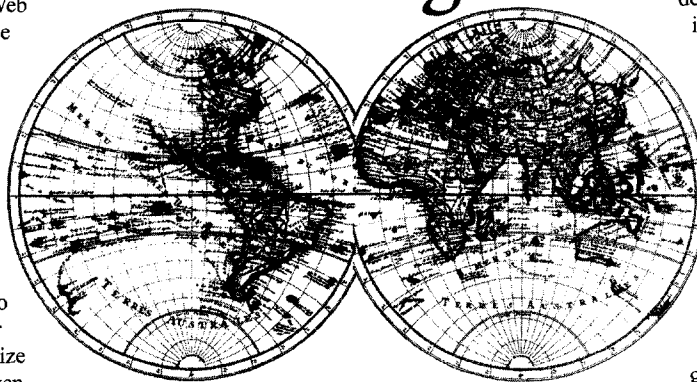
Making security worth the wait, in the *Japan Times*:

An unwitting passenger arriving at Japan’s Narita airport received five ounces of cannabis after a customs test went awry, officials say.

A customs officer hid a package of the banned substance in a side pocket of a randomly chosen suitcase in order to test airport security. Sniffer dogs failed to detect the cannabis and the officer could not remember which bag he had put it in.

Anyone finding the package has been asked to contact customs officials.

# Terra Incognita



Special thanks to Marilyn Burge, Russell Garrard, and Tom Isenberg for contributions to Terra Incognita.

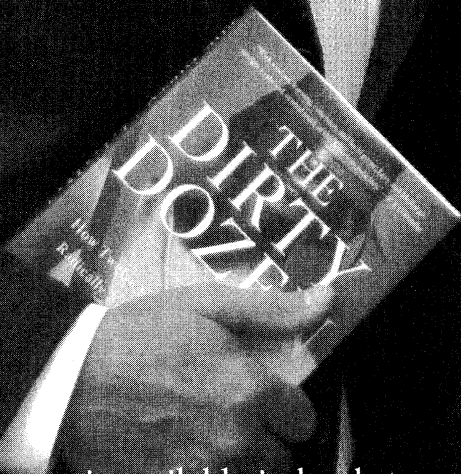
(Readers are invited to forward news clippings or other items for publication in Terra Incognita, or email to [terraincognita@libertyunbound.com](mailto:terraincognita@libertyunbound.com).)

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