

# the Freeman

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# the Freeman

A MONTHLY JOURNAL OF IDEAS ON LIBERTY

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## SOME THOUGHTS ON

# VIOLENCE

EDMUND A. OPITZ

MOST HUMAN differences are settled peacefully. Collisions of interest occur sporadically, but when intelligence and good-will combine we work out a *modus vivendi*. Conflicting opinions are resolved by an appeal to reason; patience and persuasion ease the frictions arising out of personal encounters. Thus it is in most areas; we carve out survival patterns and get along with each other. But there are periods of history more violent than others when arbitration works poorly and conflict intensifies; we are living through one such.

Warfare of unusual ferocity has plagued the West for more than half a century — despite lip service to peace in the form of nominal pacifism and humanitari-

anism. But international strife is not the only plague; domestic tensions break out of bounds with increasing frequency; riots, demonstrations, assault, kidnappings, bombings, strikes, and acts of sabotage barely make the front pages, so commonplace have they become. Out of the woodwork come spellbinders to lecture university audiences on gunbarrel politics, revolution for its own sake, and the beauties of violence. Professors of philosophy are invoked to provide a specious rationale for destructionism. A cult of violence and systematic terror comes into being. There's no longer time to take thought, we are told; men must act. Incessant and strident calls to action are directed toward the base emotions of hatred and fear, drowning out quiet appeals to the mind. The demand that we *do* something re-

The Reverend Mr. Opitz is a member of the staff of the Foundation for Economic Education. This article, slightly abridged, appeared in *The Lutheran Scholar*, October, 1970.

sults in thoughtless action, and mindless violence breeds more of the same.

### **Violence Displaces Reason**

What has brought about this state of affairs? How shall we account for the increased violence that mars our land? It is obvious that violence and the cult of violence expands as faith in reason declines — only when people are convinced that differences cannot be worked out intelligently do they resort to force. The restoration of reason to its proper role in human affairs is essential if we would live in peace, but first we must try to understand what has caused men of the modern era to distrust reason.

History is not simply what Gibbon called it, a catalogue of "the crimes, follies, and misfortunes of mankind"; but the human record is spotty and there has been violence in every era. People differ, and occasional conflict is thus a built-in feature of human action. The species could not have survived, of course, were there not a preponderance of cooperation and mutual aid in human affairs, but traces of friction remain even under the best of conditions. Abrasive contacts between men may be eased by good will plus a disposition to argue it out rather than fight it out, but when all strata-

gems fail and flight is impossible human beings *do* resort to force. Violence, in other words, is ancient in human experience — but as a last resort. It is today's *cult* of violence that needs diagnosing.

A collision of interests develops between two evenly matched men. Before any blows are struck one man says to his adversary, "Come let us reason together," or words to that effect. If this offer is accepted it is because both men hold certain assumptions in common. Each man takes it for granted that he is a finite and fallible human being; he entertains a set of convictions on grounds he deems reasonable, but he has no immediate access to Universal Reason which might assure certitude. It is assumed that men are gifted with a divine spark, reason — a valid instrument for getting at the truth when used properly, that is, with due regard for logic and in good faith. Finally, it is assumed that the universe is rationally structured, in the main, so that there is a correspondence between correct reasoning and the nature of things, enabling men who start from different places to think their way through to common ground.

The human reason, employed within these rules, may thus reduce tensions and resolve conflict. It may firm up one's own convic-

tions, enhance appreciation of the opponent's views, and persuade a man to ponder the rich diversity of mankind. Admittedly, even under the best of conditions men may not find a reasonable *modus vivendi*; words may lead to blows. But violence, if it occurs, is at any rate postponed to the last stage. It is not condoned.

Imagine another encounter. The antagonists this time do not share a common faith in the efficacy of reason. Skeptical of reason as a useful means for thrashing out differences of opinion they are prepared to accept the alternative that differences can be settled only by the forced imposition of one man's or one party's will over the other. Everything that denies or diminishes Mind, everything that downgrades reason, transforms a point of view — which is reasonable or amenable to reason — into a nonnegotiable demand for submission to superior force. Men have a condition rather than an opinion; two states of mind confront each other.

### **Slogans to Live By**

The True Believer does not entertain conclusions arrived at by marshalling the relevant evidence and drawing from it the correct inferences; to the contrary, he has been programmed with a set of armed doctrines picked up ready

to use from the nearest intellectual arsenal — newspaper, TV, liberal journal, college, or whatever. Instead of ideas which might enlighten, there are slogans, catchwords, and labels — a new set every few years — that nerve both sides for combat. When the prevailing ideology deters men from ventilating their differences reasonably they fight about their differences, hence the depressing increase of violence in our time. And the proceedings are rationalized; hence the cult of violence.

Faith in reason is at a low ebb in modern man; Mind is bogged down in the snarled ideological skein of the twentieth century. The low estate of things mental is the consequence of a trend which has brought several sets of ideas together.

- Philosophical materialism and mechanism assumes that the ultimate reality is nonmental; only bits of matter or electrical charges or whatever are, in the final analysis, real. If so, then thought is but a reflex of neural events. "Our mental conditions," wrote T. H. Huxley, "are simply the symbols in consciousness of the changes which take place automatically in the organism." Farewell to free will, if "the brain secretes thought as the liver secretes bile," as one materialist put it.

• Evolutionism, popularly understood, conveys the idea that living things began as a stirring in the primeval ooze and became what they are now by random interaction with the physicochemical environment, moved by no purpose, aiming at no goal. "Darwin banished Mind from the universe," cried Samuel Butler. Man, wrote Bertrand Russell, is "but the outcome of accidental collocations of atoms."

• From popular psychology comes the notion that reason is but rationalization, that conscious mental processes are but a gloss for primitive and irrational impulses erupting from the unconscious mind. Psychoanalysis discredits mind by subordinating intellect to the Id.

• From Marxism comes the notion that class interest dictates a man's thinking. There is one logic for the proletariat and another for the bourgeoisie, and the mode of production governs the philosophical systems men erect, and their life goals as well. The unfortunately placed middle class forever gropes in darkness, unable to share the light revealed to Marx and his votaries.

These are some of the battle lines where men must fight to vindicate themselves as reasoning beings, possessed of free will, capable of guiding their lives with

intelligence and idealism. The Mind must be restored to its rightful place in the total scheme of things, and that place is central for, if the Mind be deemed untrustworthy, who can then trust any conclusion? The centrality of Mind must be the keystone of any philosophy worth the allegiance of rational creatures, and this is the battle line behind all the others.

• Overarching all other causes for the flight from reason is the decline of theism — an interpretation of the cosmos which finds a mental or spiritual principle beyond nature. If there is no God the cosmos is only, in the final analysis, brute fact, and a man's thoughts are reduced to a bodily function. The thinking part of a man is validated ultimately by its kinship with the Divine Mind.

Theism contends, as a minimum, that a Conscious Intelligence sustains all things, working out its purposes through man, nature, and society. This is to say that the universe is rationally structured, and this is why correct reasoning pans a few precious nuggets of truth. Restoration of faith in the efficacy of reason and a revival of theism go hand in hand. But this is not all.

Acceptance of the Creator reminds men of their own finitude; no man can believe in his own om-

nipotence who has any sense of God's power. And finite men, aware of their limited vision, have a strong inducement to enrich their own outlook by cross fertilization from other points of view.

A revival of theism, in the third place, will curb utopianism. Men vainly dream that some combina-

tion of political and scientific expertise will usher in a heaven on earth, and they use this future possibility as an excuse for present tyranny. Under theism, they modestly seek to improve themselves and their grasp of truth, thus making the human situation more tolerable, confident that the final issue is in God's hands. ☉

### *Civil Disobedience*

WHILE THE IDEA of civil disobedience may evoke sympathy where the claim is made that the cause is just, once we accept such a doubtful doctrine we legitimize it for other causes which we might reject. We must be even more careful in the sympathetic case because, in effect, that sets the standard of conduct which then becomes acceptable for cases not as appealing or for groups not as responsible. Thus, we substitute pressure for persuasion and squander the carefully nurtured value of self-restraint and jeopardize the system of law. . . .

The plain fact of human nature is that the organized disobedience of masses stirs up the primitive. This has been true of a soccer crowd and a lynch mob. Psychologically and psychiatrically it is very clear that no man — no matter how well intentioned — can keep group passions in control.

MORRIS I. LEIBMAN

IDEAS ON

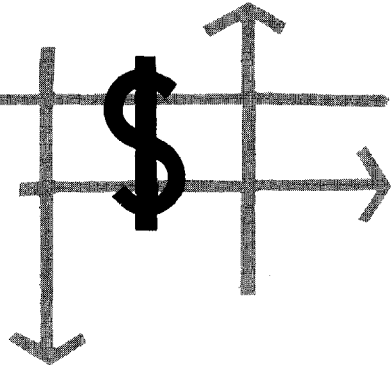


LIBERTY

UNEVEN

INFLATION

GEORGE HAGEDORN



If, as of midnight on a certain date, every dollar were to count as two dollars, and every price, wage rate, etc. were doubled, the resulting "inflation" would make absolutely no difference to anybody. The only problem might be to adjust our financial arithmetic.

In practice, inflation does not, and cannot, ever happen that way. It occurs as a process spread out over time. And it affects incomes, prices, and the value of assets unevenly over the time scale. At any given stage of the process, some people are ahead of the game and some are behind. Even when the process is all over, some will still be behind and others still ahead.

This is an elementary and per-

Mr. Hagedorn is Vice-President and Chief Economist of the National Association of Manufacturers. This column appeared in *NAM Reports*, January 11, 1971.

haps a rather pedantic line of thought. But it is often ignored in practice. Inflation is discussed as though its chief evil lay in the *general* rise in prices and incomes.

The real evil of inflation lies in the fact that it is not general enough. The uneven response of various prices and incomes introduces distortions and inequities into the economy. The position of various sectors of the economy *relative to each other* is changed. As the process proceeds the relative position of the goods sector vs. the service sector, of employers vs. employees, of organized labor vs. unorganized labor, of borrowers vs. lenders, of pensioners vs. active workers, etc., etc., keeps changing.

Naturally, as this goes on, it provokes strong feelings among those affected. The groups that



fall behind, relatively, are embittered. But those who have gained ground are not likely to feel especially favored — they are more likely to conclude simply that at last they have got their due. Thus, the balance between satisfaction and dissatisfaction with the inflationary developments is not an even one.

### **The Function of Prices**

But the effect of the inflation on intergroup equity, or subjective feelings of equity, is not the only problem involved. The relationship among various incomes and prices is the mechanism which keeps our economy going as an efficient producer of goods and services. Goods can't be produced if their costs exceed their market price. And if costs and prices are so related that a profit can be made on almost anything, no matter how inefficiently it is produced, manpower and capital are not allocated to the most useful purposes. The relationships among prices (in the broadest sense of the word) are more important in maintaining a workable economy than the absolute level of prices.

Thus, during the inflationary process, patterns of economic activity are distorted. This might not be too bad, but the temporary effect of changed price-income relationships is often interpreted as

a permanent change in demand patterns. Capital is invested to supply goods that may not be wanted later — and is not invested where it will be needed. Workers are hired and trained for jobs that may not exist beyond the inflationary period.

This is not anyone's fault in particular. The price-income signal system which we rely on to control the economic traffic is thrown out of kilter by the uneven inflationary process.

When the inflation ends — as all inflations must — the process is thrown into reverse. Not that prices and incomes generally go down, but those which have been behind tend to catch up. This process, too, is a slow and uneven one. At the end it is usually incomplete.

### **Malinvestments During Boom**

The process of "disinflation" is even more painful than the slow and uneven process of inflation. Those who may be catching up are still bitter because they were behind so long. Those who had gained ground begin to feel a vested right in their new position, and will resent losing their temporary relative advantage.

But the most unpleasant aspect of a disinflation period is that we are left with a heritage of the misdirected investment and manpower from the preceding infla-

tion. It remains to be seen just how serious a problem this will be if, and as, we liquidate the inflation of the late 1960's. In the opinion of this writer it will not be catastrophic (although it could become so if the inflation is reactivated). But it is already a painful problem and we should not deceive ourselves on that score. The nation took an inflation "trip" and we are only now learning how bad a trip it was.

In pointing out that the real problem of inflation is not the general price-income increase, but its unevenness, we hope it is clear that we are not advocating an attitude of complacency toward inflation. We are not suggesting that inflation should be tolerated, and our efforts should be merely to insure that everything responds simultaneously and proportionately to it. Our economic institutions are not geared to perform in that way and it is hard to conceive of any set of institutions that would. Universal automatic escalation, if it were possible, would destroy the meaningfulness of our most basic

institution — money. The only way to avoid the kind of distortions and inequities we have described is to avoid inflation.

### **Price Controls Assure "Worst of Both Worlds"**

Our theme does, however, have a bearing on an important national question. Those who believe that the evil of inflation lies in the general rise of prices and incomes have a simple solution. All you have to do, they say, is freeze all prices and incomes at their present levels by government decree.

The effect would be to freeze all the distortions and inequities produced by inflation permanently into the system. The temporary advantages of some groups over others would be preserved as long as the freeze endures. The process of unwinding the inflation, and restoring a more rational pattern of price and income relationships, would be stopped dead.

A price level which is kept from rising by jamming the internal mechanism of our economy is the real "worst of both worlds." 🌐

### **Stand-by Controls**

IDEAS ON



LIBERTY

TO ENACT stand-by controls would mean putting into the law of the land a permanent endorsement of a basic tenet of socialism — the principle that control of the vital mainstreams of commerce and confiscation of the rights of private property are sound and just practices.

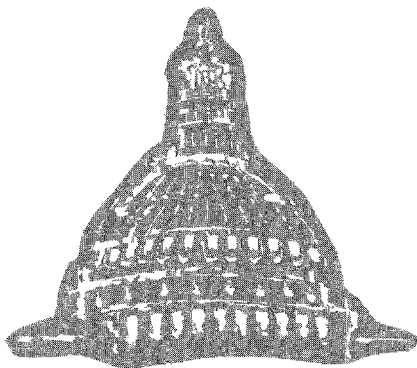
EVEN when government is limited to codifying the taboos, invoking a common justice, and keeping the peace, there is and has to be an operating staff: a bureaucracy, as we call it. Routine procedures of a bureaucracy offer a legal way to administer a police department, as distinguished from arbitrary rule.<sup>1</sup>

Worrycrats, as I call them, are a special breed of totalitarian bureaucrats who spawn rapidly as society is socialized. These people concern themselves with our health, education, welfare, auto safety, drug intake, diet, and what have you. Worrycrats today outnumber any other professionals in history, so rapidly have they proliferated.

We might say that theirs is indeed big business, except that the activities of these worrycrats in no way resemble a free market operation. Freedom in transactions has no part in this political procedure. Citizens are coerced to pay these professional worriers whether they want their services or not. A nongovernmental operation of similar nature would be called a racket.

While the worrycrat has never ranked higher in my esteem than any other practitioner of chican-

<sup>1</sup> See *Bureaucracy* by Ludwig von Mises (New Rochelle, N. Y.: Arlington House, 1969).



## THE WORRYCRATS

LEONARD E. READ

ery, it took two successive observations to "turn me on." Driving north on the Merritt Parkway, I observed a brilliantly painted roadway sign: ARE YOU DYING FOR A SMOKE? While designed to discourage smoking at the wheel, it brought to mind the recurrent messages beamed to us by worrycrats.

Perhaps I would have dismissed the thought had I not read in the next morning's paper about the World Health Organization, operating out of Geneva, announcing

its plans "to step up its campaign against cigarettes by reducing the world's production of tobacco." How? By getting farmers, the world over, to switch to other crops!<sup>2</sup>

Mine is not an argument in favor of smoking or against anyone quitting; whether you smoke or not is none of my business. Rather, I question the propriety of our being coerced to pay worrycrats to worry about us. We worry enough on our own without paying to have our worries multiplied. George Robert Sims wrote a truism:

For one that big misfortunes slay,  
Ten die of little worries.

An experience comes to mind. In 1947 I visited Houston for the first time. There were fifty VIP's at the dinner. Seated next to me was an elderly gentleman. The next noon, he remarked, "Leonard, you were nervous before you spoke and you drank far too much coffee. That's not good for you."

Admitting to both the nervousness and excessive coffee, I suggested—perhaps incorrectly—that, short of accidents, we are born, more or less, with our time tags; that my excesses might make a year or two difference, but why fret about that!

"I never thought of it that way

before," said he, "but now that you mention it, here's a piece of evidence in your support. Fifty-some years ago sixteen couples, all in our early twenties, arrived in Houston. We became close friends, and I confess we smoked, drank a lot of coffee, and even some alcohol. We worked hard but we had fun. Then, when we reached forty or thereabouts, all, except myself and one other, began worrying about when they were going to die. Having a fretful eye on reaching a ripe old age, they quit these things, watched their diet, and otherwise prepared for longevity. You know, all except that other fellow and me have gone to their reward!"

### ***The Competence of Worriers***

Observe the massive outpourings of the worrycrats—over TV, radio, and in the press—about lung cancer, heart failure, mercury, cranberries, cyclomates, seat belts, groceries, and so on. Unless one sees through all of these unsolicited oral and verbal counsels, he is going to be unnecessarily concerned. It is my contention that tens of millions have had their ordinary fears and worries substantially multiplied by reason of these professional do-gooders. Millions of people who never gave longevity more than a second thought are now worrying about it. Fear and

<sup>2</sup> See *New York Times*, January 31, 1971, First Section, p. 12.

worry are far deadlier menaces than all the things the worrycrats pretend to protect us from. But before trying to substantiate this point, let us raise a few pertinent questions.

Are these political saviors really concerned about your welfare and mine? Actually, they do not know that you or I exist. Nor will they know when we cease to exist. What, then, is their motivation? The truth is that I know as little about their motivations as they know about what is good or bad for me.

But let us suppose that they *are* worried about you and me. Who are they and what is their competence? Certainly, lovely ladies serve a purpose, but they are not experts when it comes to your welfare or mine. Nor are publicists, propagandists, the folks of Madison Avenue—all of these people who prepare the worry words we hear and read.

Or, let us further suppose that these worrycrats are the world's most advanced physicians and scientists. Would they know enough of what is injurious or helpful to you or me to justify forcing this information upon us or frightening us about it? You and I are in no way alike; each individual is unique, extraordinary, different. Were this not the case, my doctor could examine me and apply the

same findings to you and all others. Examination of one would suffice for everyone.

### No Two the Same

As a matter of fact, individuals vary widely. For instance, an associate of mine must strenuously exercise to live. The same exertion by most people would do them in. A late friend of mine passed on at 95. He had observed a rule all his life: never move except when necessary. Similar inactivity for most of us would bring about an early demise. There are drugs which can save your life but would kill me. This is why pharmaceutical houses publish long lists of contraindications for each drug they manufacture.

Dr. Roger Williams, a noted biochemist at the University of Texas, blamed a physician for the death of a patient because he treated her as an average person—when there is no average person! This led Dr. Williams into the study of human variation and resulted in three remarkable books: *Free and Unequal* (1953), *The Biochemical Basis of Individuality* (1956), and *You Are Extraordinary* (1967).<sup>3</sup> For a striking ex-

<sup>3</sup> *Free and Unequal*, Austin: University of Texas Press.

*The Biochemical Basis of Individuality*, Austin: University of Texas Press.

*You Are Extraordinary*, New York: Random House.

ample among his findings: some persons can imbibe twenty times as much alcohol as can certain others, and be no more inebriated! A later study of his revealed that even "identical twins" are far from identical.

I care not who sits behind the worrycratic desk, whether a dullard or an Aristotle. When anyone thus tries to fathom our ills, deficiencies, excesses, he is staring into absolute darkness. Prescribing for and presiding over 200 million distinctive, unique individuals is no more within man's competence than sitting atop the Cosmos and directing the Universe. Contrary to socialist doctrine, we are discrete beings — not a mass, a collective, a lump of dough to be kneaded, baked, and consumed!

### **Death Hastened by Fears of Psychosomatic Origin**

Now, what about fears, anxieties, worries? Are they killers? One scarcely needs modern science to find support for the idea that most ills are psychosomatic in origin. Go back well over two millennia and there it is: "As a man thinketh in his heart, so is he."<sup>4</sup>

Here is modern support:

For instance, a patient whose parents have both died of heart disease will be anxious about his own heart.

When then a normal diencephalic response to an emotion causes the heart to beat faster or when gastric distension pushes his heart out of its usual position, he will be inclined to interpret what he feels as the beginning of the disease which killed his parents, thinking that he has inherited a weak heart. At once all his fears cluster like a swarm of angry bees on his heart, a vicious cycle is established and thus anxious cortical supervision may eventually lead to organic lesions. He and his family will then be convinced that he did indeed inherit a weak heart, yet this is not at all true.

The above is taken from *Man's Presumptuous Brain* by A. T. W. Simeons, M.D.<sup>5</sup> This is but one of many illustrations of how death is hastened through fears, anxieties, rage, worries, a physiologic and pathologic process set in motion by a psychosomatic origin. In brief, unless one would speed the process, let him not fear death.

I repeat, the outpourings of the worrycrats tend to multiply our stresses, anxieties, worries; instead of rescuing us from our waywardness, they are literally scarring us to death.

Ideally, there is a role for gov-

<sup>5</sup> First published in 1961 by E. P. Dutton & Co., New York.

See also:


*The Stress of Life* by Hans Seyle, M.D. (New York: McGraw-Hill Co., 1956).

*The Myth of Mental Illness* by Thomas S. Szasz, M.D. (London: Martin Secker & Warburg, Ltd., 1962).

<sup>4</sup> Proverbs 23:7.

ernment with respect to health, education, welfare. That role is to inhibit misrepresentation, fraud, violence, predation, whether by doctors, educators, restaurateurs, pharmaceutical manufacturers, labor unions, or others. No false labels; no coercive impositions on anyone! This is to say that all of us should be prohibited from injuring others. Actions that harm others — not what one does to self

— define the limits of the social problem and of governmental scope.

You know yourself better than anyone else does. Better that you turn yourself toward what you think is your advantage than be turned by a worrycrat toward what he thinks is your advantage. You at least know something, whereas he knows nothing of you as an individual. 

### ***The Reform Process***

MEN LIVE their lives within a framework of customary relations and patterns for achieving their ends and solving their problems. In the absence of positive force, they have worked out and accepted these patterns voluntarily, or they submit to them willingly. Any alteration of these by government involves the use or threat of force, for that is how governments operate. The old order must be replaced by a new order for the reform to be achieved. The result of the forceful effort to do this is disorder. . . .

Men may adjust to the new *disorder*, resume the course of their lives as best they can, and submit more or less to conditions. In time, they may even forget that the system is maintained by force, or that things could be otherwise. After all, most peoples at most times have lived under varying degrees of oppression. Nonetheless, ameliorative reform introduces violence into life. The force charged with keeping the peace becomes the disturber of the peace. Traditional relationships are disrupted. Liberty is restricted and reduced.

IDEAS ON



LIBERTY

CLARENCE B. CARSON  
*The Flight from Reality*

# “Thou Shalt Not Drink”

MARY BENNETT PETERSON

FIFTY-ONE years ago the United States embarked upon a Noble Experiment: a millennium of social betterment could be brought about by Constitutional amendment and repeal of the law of supply and demand. It was the time the Eighteenth Amendment began, and Prohibition became the law of the land.

The late newspapers of January 16, 1920 — the very day Prohibition went into effect — reported that trucks loaded with contraband liquor had been seized in Peoria, Illinois, and New York City by Federal agents. Other first-day accounts told of clandestine stills being raided in Indiana and Michigan, and the issuance of warrants for arrest of violators of the liquor law throughout New York State.

The Prohibition movement began in earnest around the turn of the century. Hatchet-wielding Carry Nation, with public prayers and condemnations of Demon Rum, set out with her pre-Women's Lib disciples on a whiskey-bottle beer-keg smashing crusade through the nation's saloons. Other Drys, led by two powerful lobbies — the Anti-Saloon League and the Woman's Christian Temperance Union — steadily built up political power in Congress and state legislatures.

The movement was ready for a show of strength when President Wilson in 1919 vetoed the Volstead National Prohibition bill, originally a World War I food conservation measure. Congress promptly overrode the veto, rejecting the President's forebodings of national scandals and Federal en-

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Mrs. Peterson is a free lance author and reviewer. This article is an abstract of a chapter from her forthcoming book, *The Regulated Consumer*, Nash Publishing Company.



forcement fiascos. Later the requisite 26 states ratified the new law, which read simply enough:

"The manufacture, sale, or transportation of intoxicating liquors within, the importation thereof into, or the exportation thereof from the United States and all territory subject to the jurisdiction thereof for beverage purposes is hereby prohibited."

Prohibition was hailed by the triumphant Drys as the dawn of a new era, a time of a new moral code of decency and sobriety. "The reign of tears is over," declared the nation's No. 1 evangelist, Dr. Billy Sunday, and added: "The slums will soon be only a memory. We will turn our prisons into factories and our jails into storehouses and corncribs. Men will walk upright now, women will smile and the children will laugh. Hell will be forever for rent."

### ***The Age of the Gangster***

But somehow experience did not follow this happy prognosis nor the jubilant prediction of the Anti-Saloon League of New York that America was about to enter an age of "clear thinking and clean living." Instead it became an age of the gangster and the rum-runner, the bootlegger and the hijacker, the bathtub gin artist and the crooked judge.

Millions drank who never drank

before. Alcoholism, always a problem, became practically a national disease — and a national killer. Of 480,000 gallons of booze confiscated in New York in one "dry" year and subjected to chemical analysis, 98 per cent was found to contain poison.

A vast illicit industry on land and sea arose as supply attempted to meet demand. The Coast Guard became known as "Carry Nation's Navy" as it pursued the sleek and swift, armed and armoured craft of Rum Row inside the 12-mile limit. Corruption and scandal dogged politician and policeman alike. During the first four dry years, some 140 Prohibition agents were jailed. In April 1925, a Federal jury in Cincinnati convicted 58 agents and policemen (two Pullman cars were needed to haul the miscreants to the Atlanta Penitentiary), and in the same month the Prohibition director for Ohio was found guilty of conspiracy with the underworld.

Underworld figures became national celebrities. Just about everyone knew about Waxey Gordon, Dutch Schultz, Lucky Luciano, and Al Capone. Capone, not always enjoying his fame, complained: "I call myself a businessman. I make money by supplying a popular demand. If I break the law, my customers are as guilty as I am. When I sell liquor, it's bootlegging. When

my patrons serve it on silver trays on Lake Shore Drive, it's hospitality."


### **Eventual Repeal**

As lawlessness came to characterize the Roaring Twenties, the army of Wets and Prohibition's disaffected grew. Ardent Prohibitionists joined the Association Against the Prohibition Amendment and the Women's Organization for National Prohibition Reform (known among the Drys as the Bacchantian Maidens).

And, if war paved the way into Prohibition, depression paved its exit. The Wets, displaying not exactly sound economic thinking, blamed the Great Depression on the Noble Experiment, arguing, among other things, that Prohibi-

tion was foreclosing thousands of jobs and costing the taxpayer millions of dollars in fruitless enforcement and lost liquor taxes.

In 1932 both Presidential candidates Roosevelt and Hoover called for repeal. In April 1933, beer of not more than 3.2 per cent alcohol was authorized by Congress and later that year the Twenty-first Repeal Amendment became law. Prohibition was dead.

If any lessons can be drawn from Prohibition, it may be that the easy call to "pass a law" to bring about a millennium does not always work, that the supposed cure can be worse than the disease, and that the economic law of supply and demand can be a lot more pervasive than the countervailing legislated law of the land. 

### ***Dependence or Liberty***

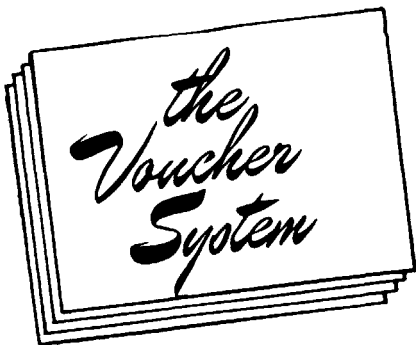
IDEAS ON



LIBERTY

THE TWO NOTIONS — one to regulate things by a committee of control, and the other to let things regulate themselves by the conflict of interests between free men — are diametrically opposed; and the former is corrupting to free institutions, because men who are taught to expect Government inspectors to come and take care of them lose all true education in liberty. If we have been all wrong for the last three hundred years in aiming at a fuller realization of individual liberty, as a condition of general and widely-diffused happiness, then we must turn back to paternalism, discipline, and authority; but to have a combination of liberty and dependence is impossible.

WILLIAM GRAHAM SUMNER,  
*What Social Classes Owe to Each Other*



## TRAP FOR THE UNWARY

ROBERT PATTON

MANY ADVOCATES of liberty have recently responded with enthusiasm to the proposal of a voucher plan for primary and secondary education. Under this proposal, parents of school-age children would be given vouchers which could be redeemed at local public schools or be used as part or full payment of tuition at a private or parochial school. When used to pay for private education, the vouchers would have a specific cash value.

Proponents of the plan argue that it would offer several advantages over the existing system of tax-supported education in the United States. Parents would be free to enroll their children in a private school without the burden of paying tuition over and above the taxes they pay to support pub-

lic education. Public schools, forced to compete for the tax dollars they now receive automatically, would be under pressure to improve their services. Furthermore, once the state educational monopoly had been broken, the "private sector," infused with the vitality of a free market, would begin to perform minor miracles in attending to the educational needs of America. So say proponents.

On the other hand, some say that, if implemented, the voucher plan would virtually eliminate public elementary and secondary education; public schools would be at a serious disadvantage if forced to compete with private institutions for tax dollars since their rigid bureaucratic structure would not permit them to respond to the demands of a free market in education. No less an advocate of public education than Albert Shanker has predicted that "the adoption

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Mr. Patton is a graduate student and part-time lecturer in physics at Hunter College in New York City.

of such a plan would lead to the end of public education."

A strong opponent of the voucher plan, Shanker bases his opposition on allegations that support for such a system comes only from parochial school interests making a grab for public funds, from those who wish to put their hands in the public till to send their children to segregated schools, from various revolutionary groups who hope to disseminate their ideas in tax-supported institutions, and from selfish taxpayers who believe that the implementation of a voucher system would result in a cutback in future allocations of Federal and state funds to education.

Those who oppose the use of the coercive power of the state for so-called social purposes are conspicuously omitted from Shanker's analysis. One cannot resist pointing out that Shanker himself is the representative of an extremely powerful special interest group that has a strong vested interest in the continuance of the present system of public education.

### ***The Promise Is Illusory***

Given the apparent advantages of the voucher proposal and the nature of the opposition, it is tempting for those who favor liberty to rush into the breach and support it with unrestrained

enthusiasm. Unfortunately, the promise that some see in the voucher system is illusory.

If such a plan were ever adopted, powerful interests would immediately begin lobbying in support of restrictive legislation that would undercut the element of free choice in the plan as it now stands. Under pressure from strong special interest groups such as Shanker's United Federation of Teachers, laws might be passed to require that teachers in private schools meet standardized licensing requirements and that the physical plant of private schools meet arbitrary standards established by the government. Laws could (and would) follow laws, self-proclaimed reformers would come to advocate the imposition, on private schools, of what they would term "academic standards"; and, just as we now have a costly system of public education that wears the label "free," we may easily end up with a system of state education that bears the appellation "private."

There is a descriptive term that applies to an economic system in which business is nominally under private ownership while the state maintains an absolute control over "private" business activities; that term is *fascist*. Is this what we want for American education?

Why, then, have many advocates of liberty supported the voucher proposal? The magic word here seems to be "choice." But if the possible consequences of the voucher system that I have outlined ever were to become a reality, the parent who wished to send his child to a school free of government control would have a smaller choice than he has at present — or no choice at all.

### ***The Unseen Coercion Behind the Good Intentions***

At this point, many readers will remain unconvinced that the voucher system is a step in the wrong direction, that is, away from liberty. They might argue that the dismal possibilities I have cited are simply potential pitfalls, not necessary consequences; if we anticipate these statist measures, they can be fought and defeated. Therefore, they might conclude, the voucher system *can* be a constructive step toward the elimination of coercive government control of our pocketbooks and of our children's minds.

To answer this argument, let us examine the nature of the "choice" that the proponents of the voucher system offer. In blunt terms the so-called element of choice amounts to offering the parents of school-age children options in how they may spend the money

of others that has been expropriated by the state.

In principle, the freedom of choice offered by the voucher system is no different from the "freedom" demanded by some welfare recipients to spend public monies on such things as liquor as well as on the necessities of life. The unfortunate fact is that when the state takes over any market function, its citizens soon come to regard this as a natural and proper state of affairs; "conservative" citizens are no more immunized against this syndrome than any others. Just as the liberal may seek an expansion of welfare services on the grounds that present programs fail to meet the full needs of the people, so many "conservatives" are falling into the trap of advocating an expansion of the state's role in education because their needs are not satisfied by the present system.

Those proponents of liberty who advocate the voucher system fail to recognize that, in so doing, they are giving an implicit endorsement to a principle that they profess to oppose. The fundamental premise of the voucher plan is identical to that underlying the present system of state education. The coercive power of the state (which in the final analysis means the threat or use of the gun) will still be used to seize the property

of private individuals in the name of an undefinable public good.

Those who support the voucher proposal are playing the game that, in freshman political science courses, is called "democratic pluralism." In plain language, this term describes a society composed of rival gangs — each fighting the others for a bigger cut of the tax collector's booty.

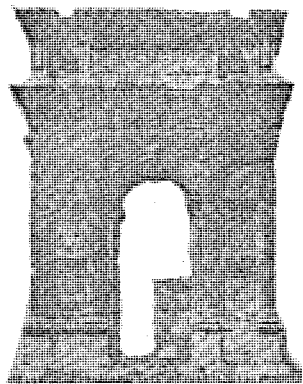
### ***Subsidies Are Not a Stepping-Stone to Editorial Freedom***

There is one more argument advanced in support of vouchers that has not yet been answered. If liberty is ever to be regained in the field of education, runs the argument, it will not come overnight. If the present coercive system of primary and secondary education were abolished on the first of next month, many think the result would be chaos. Private schools are just not capable of taking over the massive job of educating all of our children on 30-days' notice. Moreover, parents who have been complacently letting Big Brother bear the burden of seeing to the education of their children are ill-prepared to accept that responsibility themselves. What is

needed, according to such an appraisal, is some sort of transition plan whereby education can be taken out of the hands of the state and responsibility placed where it belongs — with the parents.

Many voucher advocates see the plan as playing just this sort of role; they view it as a stepping-stone to educational freedom. But here too, they have allowed themselves to be deceived. We have seen how any build-up in the private sector of education fostered by the voucher plan will almost certainly be accompanied by an equal or greater build-up of state control over nominally private educational institutions. This is hardly the type of "transition" that a libertarian would knowingly advocate. Furthermore, rather than shifting the financial burden of education to the consumers of this service, the plan will remove some of the responsibility from those who have already shouldered it. And finally, the voucher system fails utterly to challenge the premise that the ultimate responsibility for education rests with the state. If education is ever to be truly free, it is this premise that must be overturned.





## **Poor Relief in Ancient Rome**

HENRY HAZLITT

INSTANCES of government relief to the poor can be found from the earliest times. Though the records are vague in important particulars, we do know a good deal about what happened in ancient Rome. A study of that case may enable us to draw a few lessons for our own day.

Roman "social reform" appears to have begun in the period of the Republic, under the rule of the Gracchi. Tiberius Gracchus (c. 163-133 B.C.) brought forward an agrarian law providing that no person should own more than 500 jugera of land (about 300 acres), except the father of two sons, who might hold an additional 250 jugera for each. At about the same

time that this bill was passed, Attalus III of Pergamum bequeathed his kingdom and all his property to the Roman people. On the proposal of Gracchus, part of this legacy was divided among the poor, to help them buy farm implements and the like. The new agrarian law was popular, and even survived Tiberius's public assassination.

He was succeeded by his younger brother Gaius Gracchus (158-122 B.C.). In the ancient world transport difficulties were responsible for famines and for wild fluctuations in wheat prices. Among the reforms that Gaius proposed was that the government procure an adequate supply of wheat to be sold at a low and fixed price to everyone who was willing to stand in line for his allotment once a month at one of the public

Henry Hazlitt is well-known to FREEMAN readers as author, columnist, editor, lecturer, and practitioner of freedom. This article will appear as a chapter in a forthcoming book, *The Conquest of Poverty*, to be published by Arlington House.

granaries that Gaius had ordered to be built. The wheat was sold below the normal price — historians have rather generally guessed at about half-price.

The record is not clear concerning precisely who paid for this generosity, but the burden was apparently shifted as time went on. Part of the cost seems to have been borne by Rome's richer citizens, more of it seems to have been raised by taxes levied in kind on the provinces, or by forced sales to the state at the lower prices, or eventually by outright seizures.

Though Gaius Gracchus met a fate similar to his brother's — he was slain in a riot with 3,000 of his followers — "the custom of feeding the Roman mob at the cost of the provinces," as the historian Rostovtzeff sums it up, "survived not only Gracchus but the Republic itself, though," as he adds ironically, "perhaps Gracchus himself looked upon the law as a temporary weapon in the strife, which would secure him the support of the lower classes, his main source of strength."<sup>1</sup>

#### **Bread and Circuses:**

##### ***The New Deal in Old Rome***

An excellent account of the subsequent history of the grain dole can be found in H. J. Haskell's

book, *The New Deal in Old Rome*.<sup>2</sup> I summarize this history here:

There was no means test. Anyone willing to stand in the bread line could take advantage of the low prices. Perhaps 50,000 applied at first, but the number kept increasing. The senate, although it had been responsible for the death of Gaius Gracchus, did not dare abolish the sale of cheap wheat. A conservative government under Sulla did withdraw the cheap wheat, but shortly afterward, in a period of great unrest, restored it, and 200,000 persons appeared as purchasers. Then a politician named Claudius ran for tribune on a free-wheat platform, and won.

A decade later, when Julius Caesar came to power, he found 320,000 persons on grain relief. He succeeded in having the relief rolls cut to 150,000 by applying a means test. After his death the rolls climbed once again to 320,000. Augustus once more introduced a means test and reduced the number to 200,000.

Thereafter during the Imperial prosperity the numbers on relief continued at about this figure. Nearly 300 years later, under the Emperor Aurelian, the dole was extended and made hereditary. Two pounds of bread were issued daily to all registered citizens who applied. In addition, pork, olive

<sup>1</sup> *History of the Ancient World*, Vol. 2, p. 112.

<sup>2</sup> New York: Knopf, 1939.



oil, and salt were distributed free at regular intervals. When Constantinople was founded, the right to relief was attached to new houses in order to encourage building.

### *The Right to a Handout*

The political lesson was plain. Mass relief, once granted, created a political pressure group that nobody dared to oppose. The long-run tendency of relief was to grow and grow. The historian Rostovtzeff explains how the process worked:

"The administration of the city of Rome was a heavy burden on the Roman state. Besides the necessity of making Rome a beautiful city, worthy of its position as the capital of the world . . . there was the enormous expense of feeding and amusing the population of Rome. The hundreds of thousands of Roman citizens who lived in Rome cared little for political rights. They readily acquiesced in the gradual reduction of the popular assembly under Augustus to a pure formality, they offered no protest when Tiberius suppressed even this formality, but they insisted on their right, acquired during the civil war, to be fed and amused by the government.

"None of the emperors, not even Caesar or Augustus, dared to encroach on this sacred right of the

Roman proletariat. They limited themselves to reducing and fixing the numbers of the participants in the distribution of corn and to organizing an efficient system of distribution. They fixed also the number of days on which the population of Rome was entitled to a good spectacle in the theaters, circuses, and amphitheaters. But they never attacked the institution itself. Not that they were afraid of the Roman rabble; they had at hand their praetorian guard to quell any rebellion that might arise. But they preferred to keep the population of Rome in good humour. By having among the Roman citizens a large group of privileged pensioners of the state numbering about 200,000 men, members of the ancient Roman tribes, the emperors secured for themselves an enthusiastic reception on the days when they appeared among the crowd celebrating a triumph, performing sacrifices, presiding over the circus races or over the gladiatorial games. From time to time, however, it was necessary to have a specially enthusiastic reception, and for this purpose they organized extraordinary shows, supplementary largesses of corn and money, banquets for hundreds of thousands, and distributions of various articles. By such devices the population was kept in good

temper and the 'public opinion' of the city of Rome was 'organized.'"<sup>3</sup>

### **The Dole, Among Other Causes of the Fall of the Empire**

The decline and fall of the Roman Empire has been attributed by historians to a bewildering variety of causes, from the rise of Christianity to luxurious living. We must avoid any temptation to attribute all of it to the dole. There were too many other factors at work — among them, most notably, the institution of slavery. The Roman armies freely made slaves of the peoples they conquered. The economy was at length based on slave labor. Estimates of the slave population in Rome itself range all the way from one in five to three to one in the period between the conquest of Greece (146 B.C.) and the reign of Alexander Severus (A.D. 222-235).

The abundance of slaves created great and continuing unemployment. It checked the demand for free labor and for labor-saving devices. Independent farmers could not compete with the big slave-operated estates. In practically all productive lines, slave competition kept wages close to the subsistence level.

Yet the dole became an integral part of the whole complex of economic causes that brought the eventual collapse of Roman civilization. It undermined the old Roman virtues of self-reliance. It schooled people to expect something for nothing. "The creation of new cities," writes Rostovtzeff, "meant the creation of new hives of drones." The necessity of feeding the soldiers and the idlers in the cities led to strangling and destructive taxation. Because of the lethargy of slaves and undernourished free workmen, industrial progress ceased.

There were periodic exactions from the rich and frequent confiscations of property. The better-off inhabitants of the towns were forced to provide food, lodging, and transport for the troops. Soldiers were allowed to loot the districts through which they passed. Production was everywhere discouraged and in some places brought to a halt.


Ruinous taxation eventually destroyed the sources of revenue. It could no longer cover the state's huge expenditures, and a raging inflation set in. There are no consumer-price indexes by which we can measure this, but we can get some rough notion from the price of wheat in Egypt. This was surprisingly steady, Rostovtzeff tells us, in the first and second cen-

<sup>3</sup> M. Rostovtzeff, *The Social and Economic History of the Roman Empire* (Oxford: Clarendon Press, second edition, 1957), pp. 81-2.

turies, especially in the second: it amounted to 7 or 8 drachmae for one *artaba* (about a bushel). In the difficult times at the end of the second century it was 17 or 18 drachmae, almost a famine price, and in the first half of the third it varied between 12 and 20 drachmae. The depreciation of money and the rise in prices continued, with the result that in the time of the Emperor Diocletian one *artaba* cost 120,000 drachmae. This means that the price was about 15,000 times as high as in the second century.

In 301 Diocletian compounded the evil by his price-fixing edict, which punished evasion with death. Out of fear, nothing was offered for sale and the scarcity grew much worse. After a dozen

years and many executions, the law was repealed.

The growing burden of the dole was obviously responsible for a great part of this chain of evils, and at least two lessons can be drawn. The first, which we meet again and again in history, is that once the dole or similar relief programs are introduced, they seem almost inevitably — unless surrounded by the most rigid restrictions — to get out of hand. The second lesson is that once this happens, the poor become more numerous and worse off than they were before, not only because they have lost self-reliance, but because the sources of wealth and production on which they depended for either doles or jobs are diminished or destroyed. 

### *Calvin Coolidge*

A REVOLUTION is taking place which will leave the people dependent upon the government and place the government where it must decide questions that are far better left to the people to decide for themselves. Finding markets will develop into fixing prices, and finding employment will develop into fixing wages. The next step will be to furnish markets and employment, or in default pay a bounty and dole. Those who look with apprehension on these tendencies do not lack humanity, but are influenced by the belief that the result of such measures will be to deprive the people of character and liberty.

Reported in *The New York Tribune*,  
June 20, 1931.

IDEAS ON



LIBERTY

# EDUCATION FOR PRIVACY

MARTEN TEN HOOR

IN VIEW of the hundreds of conferences which have been held on liberal education, it would seem to be impossible to say anything new on the subject. Since there seems to be nothing new to say, one must, in order to be original, be contrary, eccentric, or partisan. I have chosen to be partisan. The proposition to be defended is, frankly, a half-truth. If it can be established, there will be some cause for satisfaction; for the establishment of a half-truth is not a bad average in this complex and confused world. There is the justification, moreover, that the other, and possibly the better, half has in our day had practically all of the attention.

Stated concretely, the proposition is this: Never in the history

of the world have there been so many people occupied with the improvement of so few. To sharpen the point by a specific example: Never have there been so many people making a good living by showing the other fellow how to make a better one. If you are skeptical, I recommend that you try this exercise — add up, as of the current date, the social workers, planners, and reformers; the college presidents, deans, and professors; the editors of magazines, journals, and newspapers (not forgetting college newspapers); almost everybody in Washington, D. C., during recent years; and the tens of thousands of miscellaneous social-minded folks who attend conferences, workshops, and institutes organized for the improvement of the human race. Subtract that figure from the total population of this country, and compare this figure with a corre-

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Marten ten Hoor was Dean of the College of Arts and Sciences and Professor of Philosophy at the University of Alabama when this article was first published in *The American Scholar*, Winter, 1953-54.

sponding figure for, say, the year 1900. You will then see what I mean when I say that this is the era of indiscriminating allegiance to good causes. To come nearer home, compute the sum of all college and university presidents, deans, and professors who have in the last five years attended meetings devoted to the improvement of education. Compare that figure with the number of those who remained on the campus working, and you will find proof even *in academia*.

#### **What Is an Expert?**

As further evidence, and as a striking symptom, there is the recent popularity of educational surveys. Most states and many institutions have experienced several. I have lived through eleven, without noticeable improvement in myself or my neighbors. Note the procedure and the technique, for there you will find the moral. The surveyors are always from another state or another institution. This is in accordance with the well-known principle that an expert is an ordinary person who is away from home. These outsiders are brought in because of their objectivity, objectivity being the capacity for discovering faults abroad which you cannot recognize at home. To be a good educational surveyor — or any kind of

social analyst, for that matter — you must have a sharp eye for foreign motes but a dull one for domestic beams. You must be a contented extrovert, so that, after diagnosing the faults of others, you can continue to live in perfect comfort with your own.

#### **Too Few Followers**

I must confess that I view all this indiscriminate altruism with a jaundiced eye. It does seem to me that these days there are too many leaders and too few followers; too many preachers and too few sinners — self-conscious sinners, that is. If this were an illustrated article, I would insert at this point a wonderful cartoon I saw not long ago. A little boy was asking an obviously astounded and embarrassed father, "But if we're here to help others, what are the others here for?" Nobody has time these days to improve himself, so busy is he with attempts to improve his neighbor. There is something wrong with that equation. It seems to me that it is time to try to balance it. I suggest that this can be done by shifting some weight from one side to the other, by shifting the emphasis from social improvement to self-improvement. I suggest that over the door of every academic cubicle there should hang the sign which Thorau had over the door of his hut:

"My destiny mended here, not yours." In short, I propose to make a plea for *education for privacy*.

### **How to Feel Virtuous**

Before undertaking to identify some of the elements of this type of education, I should like to offer some justification of my skepticism concerning the present emphasis on social-mindedness in education. To begin with, it is so easy to assume that your neighbor is much worse off than yourself. The universality of this tendency is undoubtedly accounted for psychologically by its attractive by-products. The assumption produces a feeling of comfort. If there is some slight suspicion that all is not well within, it is compensating to concentrate on the plight of one's neighbor. Since attention to him is distracting, it keeps the individual from worrying about himself. To do something about a neighbor's ignorance also makes one feel virtuous. This absorbing concern for the improvement of one's neighbor is undoubtedly a product of civilization. It is doubtful if primitive man worried much about it. The cannibal, in fact, represents the other extreme: he uses his neighbor solely for his own improvement.

In the second place, I doubt if the reformer always has the wis-

dom necessary to direct the lives of so many people—but this is certainly assumed. How many people are there who have demonstrated the capacity to prescribe for others? If an individual makes a mistake in trying to improve himself, this is not so serious; but consider the consequences if he has induced all his neighbors to do the same thing. History is filled with examples of self-confident leaders who led their followers straight to a common catastrophe. The fact is that we still know so little about human personality in the concrete. To be sure, there are excellent textbook pictures, with revealing analytical tables and graphs. But this is personality in the abstract. Any physician will tell you that he rarely finds a textbook picture in a patient. Not only is every human being a complex with variations, but there are the environment in which that complex functions and the accidental circumstances which confuse the vision and disrupt life.

Nor has the reformer too much reason for assuming that he has discerned the good life for his neighbors. Let us take as a familiar example the characteristic projection by parents into the lives of their children. This is something we can readily understand and, because it is suffused with parental affection, forgive. But

how many parents are there who *realize that each child is to some extent a new complex of elements and who can bring themselves to substitute that confounding reality for the fond subjective creation?* Too often the recommendation of a way of life is nothing more than the advocacy of a personal preference.

From subjectivism in this sense of the term there is no complete escape. Even leadership is personalized in an individual. Hitler was an individual: he spun his fantastic and criminal notions out of his own warped private personality. It is, therefore, terribly important that everything shall be right in the reformer before he undertakes to reform others. "Nobody," says a character in Norman Douglas' *South Wind*, "has the right to call himself well disposed towards society until he has grasped the elementary fact that the only way to improve society is to improve oneself." And may I suggest in this connection that a major in the social sciences does not automatically qualify a student for social leadership?

### ***Selfish Unselfishness***

Further reason for doubt is to be found in the characteristic reactions of the hypersocial-minded. They become so indignant when people resist their ministrations.

They are so determinedly selfish in their unselfishness. Ideas, particularly ideas designed for the improvement of others, so quickly become inflated. In extreme cases they devour themselves. How antagonistic even educators become over professional differences as to how the ignorant should be rendered less so! Note the bitterness between rival reform groups. Let us not forget that human beings have killed one another in the mass even on the authority of their religions. Note how political leaders fall out, quarrel, conspire, injure one another in their unselfish efforts to save the country. In the absence of sophistication and modesty, reform notions grow into delusions; their advocates become more and more autocratic; leadership becomes pathological; the desire to help one's fellow men is transformed into fanaticism and tyranny — and societies become authoritarian.

### ***Everybody Is an Individual***

Here lies the explanation of the tendency of hypersocial-mindedness to suppress individualism and to produce too much uniformity. There are good reasons for doubting the wisdom of this lack of interest in the individual as a unique personality. There is, to begin with, the obvious and inescapable fact that everybody is an individ-

ual. The higher the scale of life, the more individuals differ and the greater their potentialities for differing. Society must make provision for individual differences.

Authoritarianisms of the type of national socialism and communism are primitivistic; for they propose to turn back the course of social change and to establish societies in which individuals shall have a status more closely resembling that of ants, bees, or even of atoms or electrons than of human personalities. They have forgotten, or propose to ignore, the incontrovertible fact that the great works of art, literature, music, philosophy, religion, and science — that is, the world's great manifestations of excellence and leadership — were the products of intensely individual persons. Indeed, some of the world's great geniuses have been self-centered, unsocial and iconoclastic, with little or no interest in the improvement of their fellow men.

But society can well afford that. A regimented society will not only suppress and possibly ultimately breed out these "exaggerated" individuals, but will generally discourage the manifestations of the adventurous and original spirit. Government and education designed to do this will bring about a tragic cultural impoverishment in human life; for individual dif-

ferences enrich life, they stimulate the intelligence and the imagination, and they invite comparison and criticism. They keep the individual alive *as an individual*, and not merely as a bearer of the racial genius or a servant of the state.

### **Some Laws Necessary**

It is true that modern life requires a certain amount of regimentation. Individuals obviously cannot be permitted to run amuck. At least the great majority of persons must adapt themselves to other persons. Mechanical contrivances, such as traffic lights, must replace individual judgment; laws are to some extent substitutes for individual choice. But let us not forget that it is not the basic purpose of these substitutes to repress individuality, but rather to make possible a more general and richer realization of individuality. It is not the purpose of social organization to reduce man to the subhuman, but to create more favorable opportunities for the realization of what is uniquely human.

The need of complex societies for a high degree of organization is one reason why so much attention is focused on the improvement of the other fellow. Especially in a democracy, where everyone is more or less free to advocate schemes for the improvement of



society, lively and self-confident **minds** are inclined to expend their intellectual and emotional potential on reform movements. The attention of the reformer is consequently drawn away from contemplation of the state of his own soul. Since he is so happily exercised in improving others, the habit of self-examination gradually atrophies. How then can he be sure that he is the right person to prescribe for his neighbors? Should he not stop now and then to take an inventory of his resources? Does he in fact have these resources? It is because I have serious doubts of this sort, and because of the increasing neglect in education of attention to the accumulation of these resources, that I feel it time to make a plea for education for privacy.

### **A Plea for Privacy**

What now are the essential elements of this education for privacy? In speaking of elements it is, of course, implied that the ideal construct of these elements constitutes an organized whole, a personality. It is this ideal at which we aim, though we know full well that in any concrete individual, no matter how well educated after the formula which we shall propose, one or the other desirable characteristic is certain to be under- or over-emphasized.

The first requirement, clearly, is to learn how to think — not out loud or in print, but privately. The thinker himself, not his neighbor, is to be the beneficiary. To think does not mean to spend hours in idle daydreaming or in vagrant imaginings, or to make occasional impulsive sallies at ideas which happen to appear before the attention. The reference is certainly not to the semi-somnolent and comfortable ruminations which go on in the wandering mind of an inattentive student in the classroom. What is meant is systematic reflection, the constant purpose of which is to bring order out of the multiplicity and variety of things in which the human being is immersed.

### **Experience Without Understanding**

To be sure, many people go through life with their senses alert, observing and savoring in generous measure the richness of the world about them. But what they experience they retain only in the form of materials for recollection. The mind gradually accumulates a rich inventory of goods, which can be brought out on display when there is social opportunity for it. But the relationship of these resources in the mind is one of mere contiguity, like that of goods in a department store. Experience has not resulted in an

over-all understanding because it has not been systematically thought about. Such individuals

... see all sights from pole to pole,  
 And glance, and nod, and bustle by,  
 And never once possess (their) soul  
 Before (they) die.

To possess one's soul in an intellectual sense means to have found some answer, or partial answer, to the questions: What is the nature of this world in which I find myself, what is my place in it, and what must be my attitude toward it? The problem is one of intellectual and spiritual orientation.

#### ***A Disorganized Mind***

The benefits of such intellectual and spiritual adaption have been extolled by the wise men of all ages and all countries. A "view of life" prepares us for what life brings us, for what happens to us in our physical environment, and most important of all, for what people turn out to be and for what they do. To be spiritually and intellectually lost in the world, on the contrary, is to be unarmed and helpless.

A disorganized mind is unprepared for reality and easily frustrated. The fate that awaits the individual so afflicted is to be always a stranger and a wanderer in the world. The "lost soul" of

literature, the ultimate in tragic creation, suffers from this great spiritual illness.

It may be unfortunate, but it is a fact that the sharper and livelier the intelligence and the more sensitive the spirit, the more serious the danger of disorientation. The simple-minded find life simple. Plants find themselves easy to live with, no doubt; for it cannot be difficult to vegetate successfully. It is not likely that the cow's ruminations are philosophical.

Man, for better or worse, is a rational animal. The more he thinks, the greater the need of organization among his ideas. The more subjects a student studies in college, the more extensive the potential disorder of his mind. It is not surprising that the scholarly mind, lost in a Babel of learning, seeks escape into a clearly defined specialty, and the practical mind, as soon as its owner has permission, into the comforts of a business, a profession, or domesticity. To be sure, we must integrate the curriculum. But what good is this if the professor's mind remains perched on its gaunt pinnacle or secluded in the laboratory?

The systematic way to the attainment of the organization of ideas is through philosophy and religion. It is true that the great intellectual constructions of the metaphysicians are not available

to all men, and that even to the *initiated they sometimes offer but poor comfort*. Moreover, all of us have known individuals of great simplicity and humbleness of mind, quite untutored in dialectic, who somehow and in the simplest terms have securely located themselves in the cosmos.

Especially in the realm of religious experience do we find examples of this. The spirit seems to have found peace in terms of some all-embracing conviction or great renunciation. But this is not often possible for the inquisitive and analytical mind.

#### **Need for Philosophy**

To cast all burdens upon the Lord in one grand resolve sometimes implies ignorance of the nature of those burdens. There is only consciousness of their oppressive weight, but no understanding of their nature or causes. To be sure, the critical intelligence may also come ultimately to make this renunciation; but it will not feel justified in doing so until it has reflected upon causes and relationships and seen the problem of human trouble and sorrow *whole*. The solution must be a conquest, not an escape.

For this, the mind certainly needs philosophy, sacred or secular. No learned profession, however, can offer the inquiring mind

an official formula which every man need only apply in order to be permanently on understanding terms with the world. To be sure, there are systems of metaphysics, sacred and secular, from which the troubled spirit can choose a ready-made synthesis. But this does not make the chosen system of ideas an integral part of the inner personality. Intellectual orientation to the world must be something more than an acquisition; it must be an organic growth. The student should by all means seek out the great religious and philosophical thinkers, study their systems, and add their insights to his own. But in the last analysis he must work out his own solution, for such a solution must be the end product of his *own* reflection in the context of his *own* experience. Only through the alchemy of private reflection do philosophical ideas become private resources. Only then will they be available in time of crisis. When the normal course of existence is interrupted by conflict and frustration, it is a bit late to begin developing fundamental guiding ideas; that is the time to apply them.

#### **Admiral Byrd Alone**

A dramatic example of the saving grace of such resources is related by Admiral Byrd in his book on his expedition to the South

Pole, entitled *Alone*. He had been left behind by the expedition in a dugout located several feet below the surface of the icecap. From this he periodically emerged through a vertical tunnel to make scientific observations. It happened that the heater in his subterranean shelter developed a leak of which he was not aware. Before he realized it, he had been dangerously poisoned, and he became seriously ill.

During his convalescence he found himself struggling to overcome not only the physical damage done to his body, but also a deep spiritual depression, an obstinate conviction of the meaninglessness of life, which threatened to overwhelm him. There was no physician or psychoanalyst or cleric available. His fellow-explorers would not return for months. He was absolutely *alone*. He had to guide himself out of this slough of despair. This he did, after many agonizing days, by steady thinking, by "digging down into" his intellectual resources. And it was then, to use his own homely but vivid phrase, that he "uncovered the pay-dirt of philosophy." He did not then collect the materials of his readjustment; he used them to recover his sanity. In this crisis, what would he have done without these resources?

But periods of crisis are not the

only time when man needs an orderly mind. If a ship is to hold its course, it needs a steady helm in good weather as well as in bad. I hasten to remark that this figure of speech has serious limitations, for a navigator has his chart prepared when he begins his voyage. Man, on the contrary, is faced with the problem of making a chart as he goes along. As a matter of fact, the plan of life is, for every man to some extent, an unconscious precipitate of his experience. We are not completely free agents; compulsion and fate, in the form of the physical world, our fellow men and social institutions, push the individual this way and that. What happens to him and what he becomes are clearly the result of a complex of inner and outer compulsions, over many of which he has no control.

### **The Greek Chorus**

We are not here primarily concerned with action, however, but with interpretation. In philosophical reflection, the individual to some extent plays the part of the Greek chorus. He observes himself as actor in a cosmic setting. If he does so systematically, he will gradually discern not only his own role, but the direction of the whole drama. Only when he understands the meaning of the play can he orient himself in it. Such

an understanding, vague and incomplete though it may be, will enable him to achieve his own view of life. If he is so fortunate as to see (what seems to him) the truth and to see it whole, he will thenceforth have a vision of the future as well as an understanding of the present and the past. If a rational man does not do that, why should he consider himself the crown of creation? If he does accomplish this, he can exult with the poet Dyer:

My mind to me a kingdom is;  
Such present joys therein I find  
As far exceeds all earthly bliss

\* \* \*

Look, what I lack my mind supplies.  
Lo, thus I triumph like a king,  
Content with that my mind  
doth bring.

### **The Uneasy Conscience**

In education for privacy, however, more is involved than philosophical orientation to the cosmos. There is equally urgent need for education in the establishment and maintenance of moral harmony. From the days of primitive religion, through Greek tragedy, the Christian epic of sin and salvation, and modern psychology, Freudian and non-Freudian, to contemporary existentialism, there runs the theme of the uneasy conscience. The dramatic specter of moral guilt is the principal character in

many of the greatest creations of literary genius.

No matter what the learned explanation, the psychological state is one of inner moral disharmony. Though it may have outer causes, it is a private affliction and must be cured privately. In moments of despair or periods of cynicism we may doubt the existence or discernibility of moral meaning in the universe; but such a conclusion does not relieve the individual of the necessity for solving his personal moral problem. Even complete moral negativism, if not itself a moral philosophy, leaves the individual no recourse but to establish a private moral order in his life of action and reflection.

### **Moral Resources**

Here again, the more sensitive the individual, the greater the potentiality for disorganization. It is the sensitive who are the most deeply wounded by moral indifference, disorder, and brutality. The predisposing causes of moral disorganization may be in the people and the things we love, in the institutions which demand that we conform to their customs and taboos, in the great world which so often mocks our need for moral significance and order. But a vision of the good life, the spirit must have; for devoid of it, the imagination is without moral per-

spective, conduct without guiding principles, and action without trustworthy habits.

For an individual so unprepared for life, confusion will efface meaning and create frustration, with the onset in the case of the unusually sensitive spirit of pathological disturbances which may for a period or for a lifetime destroy happiness. Education for privacy must therefore include the education of the moral personality, the gradual acquisition by the self of moral resources. Here, too, there are available to the student in generous measure the works of the great philosophical and religious thinkers; for probably no one of the persistent problems of life has had more of their systematic and concentrated attention. It is relevant here to note that the previously discussed philosophical orientation to the world is sometimes the foundation for moral orientation.

### **Emotional Stability**

A third requirement in the education of the personality is the development of emotional stability. Of all the immediate causes of unhappiness, emotional disorder is unquestionably the most serious and the most common. Currently there is a feeling that under the pressures of modern life its incidence is steadily increas-

ing. Unfortunately, emotions are the component of the personality about which we know the least, as modern science has come to realize. Our ignorance is largely a consequence of the fact that traditionally the emotions have been considered to be effects rather than causes.

Preoccupation with the flattering conviction that man is a rational animal has been attended with the assumption that therefore our emotions are under the domination of the reason. This assumption has been one of the basic tenets of formal education, though puzzled parents and self-conscious adults no doubt have all along had their suspicions. In our day, educators are being enlightened by psychology and the medical sciences on the subject of the devastating power of the emotions. Moreover, the modern conception of the integrated personality has redirected our approach to this subject, so that now we hypothesize and investigate in terms of interrelations and interactions. The simple classical vision of the reason enthroned in the psyche, making judgments, issuing commands, and directing the conscious life of the individual, is difficult to maintain in the face of the past record and the current spectacle of human behavior.

Let us grant that the contem-

porary individual lives in an age *in which, as Goethe put it, "humanity twists and turns like a person on a sickbed trying to find a comfortable position."* To offset this, however, he has the advantage of a better understanding of the compulsive and disruptive power of the emotions. He is aware of their insidious tendency to direct his thinking and affect his judgment. He knows that they feed on themselves and that, if they are of the destructive kind, they can bring him to the verge of despair. He knows that they can completely disorient him, isolating him from the friendship and sympathy of his fellow men, and estranging him from the beauty and utility of the world. He must learn that there is little he can do to remove the external causes, the irritants in his social and physical environment. In order to maintain or restore emotional stability *within* himself, he must learn to control the effects of these irritants *on* himself. Education of the emotions is education in self-control, in equanimity and serenity.

### **Live with Yourself**

To these three objectives of education for privacy—the attainment of a philosophical point of view, a steady vision of the good life, and serenity of spirit—I should like to add one more: the

individual should be able to live *entertainingly with himself*. He should accumulate resources on which he can draw when he is at leisure. The universal symptom of the absence of such resources is the homely but hapless state of boredom. It is an anomalous condition of the spirit, a state of indifference lying between pain and pleasure. Neither the mind nor the hands can find anything interesting to do. In contrast with the other troubles of the spirit which have been mentioned, there is little excuse for this great emptiness. For there is a marvelous cure for boredom, universally available, readily tapped, and virtually inexhaustible: the fine arts.

This claim hardly needs defense. Nor is it necessary to enumerate the arts and to identify their respective potentialities for beguiling the mind and the heart. For illustrative purposes, however, let us consider one form of art enjoyment which is available to virtually every normal human being, young or old, learned or simple, saint or sinner—reading. Its great virtue for education for privacy is that it is a strictly private experience. No other human being is necessary to the reader at the moment of reading. He can take his book with him to the jungle or the desert, on the ocean, or the mountaintop. He can select his

company at will, and rid himself of it by a turn of the hand. It is potentially an inexhaustible resource: all ages of history; all countries; all varieties of human beings, and even of animals and plants and physical things; the entire range of human thoughts and feelings, hopes and fears, conquests and failures, victories and defeats; the real and the ideal — all are available at the turn of a page for the reader's contemplation and understanding.

### **The Arts**

When we measure the impoverishment of him to whom this world is literally and figuratively a closed book, whose ear is deaf to music and whose eye blind to the glories of painting and sculpture, we come to realize the responsibility of liberal education for instruction in the arts. I say instruction purposely, because I believe that the presentation of opportunities for enjoyment and training in appreciation are not enough: there should also be instruction and encouragement in the production of art. As even the bungling amateur knows, there is no greater source of pleasure than creative activity.

The training of the most modest talent is an enrichment of a personality and develops another private resource for leisure hours.

Even the unsuccessful attempt to create art, moreover, clarifies the understanding of art. To be sure, just as it is not necessary to trouble our friends with our thoughts, so it is not necessary to bore our friends with our productions. It is, after all, not the improvement of the neighbor but the improvement of oneself that is the immediate object of education for privacy.

An understanding of the world, a vision of the good life, serenity of spirit, appreciation and practice of the fine arts — these, then, are the elements of the integrated personality, the development of which is the immediate object of liberal education. These are the resources which are accumulated in the course of education for privacy. Why, now, is it so important for every individual to possess these resources? In the first place, simply because he is going to need them. We never know when we are going to lose our external resources, our public possessions.

Without private resources the individual has nothing to turn to when disappointment, frustration, or misfortune become his lot. In the great depression which is still vivid in our memories, there were many individuals who possessed only external resources. When they lost these, life was over for them. They could not go on living



with themselves because of their intellectual, moral, emotional, and artistic poverty. He who possessed these resources, however, could exclaim with Thoreau: "Oh, how I laugh when I think of my vague, indefinite riches! No run on the bank can drain it, for my wealth is not possession but enjoyment."

Resources of the spirit are like savings: they must be accumulated before they are needed. When they are needed, there is no substitute for them. Sooner or later, the individual faces the world alone, and that moment may overwhelm him if he has no resources within himself.

Distraction helps but little and betrays us when we least expect it. We can escape our physical environment and our neighbors, but we cannot escape ourselves. Everyone with any maturity of experience and self-knowledge knows that the loneliest moments are sometimes experienced in the midst of the greatest crowds and the most elaborate entertainments. "The man at war with himself is at war, though he sits in a garden surrounded by flowers and singing birds," says the novelist Cloete in *Congo Song*.

### **The Psychopathic Leader**

And now, in conclusion, I wish again to pay my respects to the other half-truth, the improve-

ment of others, which was so cavalierly dismissed in the beginning of this essay. That objective, together with the other objective, self-improvement, compose the whole truth, which is the grand objective of liberal education. Education for privacy and education for public service constitute education of the whole personality. He who is not educated for privacy is hardly fit to educate others. The blind cannot lead the blind. The man who is not at peace with himself cannot be trusted to lead his fellow men in the ways of peace.

The unbalanced leader is certain to unbalance the society in which he functions. Even the leader who is intent on the side of the good but who is a fanatic will stimulate fanaticism in his followers, arouse dogmatism and bigotry, and induce oppression and cruelty. When he is on the side of evil, he will lead his followers into such excesses and wickedness as will shame all humanity, and which even the innocent will wish to forget as soon as possible. Social pathology must in the last analysis be focused on the sickness of the individuals who compose the society. It is pure imagination, if not nonsense, to ascribe the ignorance, unbalance, and wickedness of a collection of human beings to a mysterious social entity such as the group mind or the social or-

ganism. We might as well divorce the concept of an epidemic from the notion of the individuals who are ill, or ascribe hunger to a societal stomach. People mislead one another exactly as they infect one another. The psychopathic leader is potentially as dangerous as the carrier of an infectious disease.

### **The Safe Leader**

The safe leader, in terms of the elements of education for privacy, is one who understands his place in the world and can thus envisage the place of his fellow men; who can morally respect himself and can thus be respected by others; who has learned to control his emotions and can thus be trusted to exert control over others; who has learned to live in peace and contentment with himself and can thus with propriety urge others to do likewise.

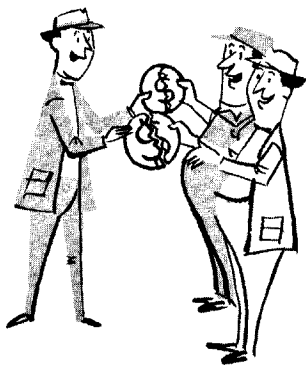
We are living in a world and in a time when powerful leaders with millions of fanatical followers are committed to the forcible regimentation of their fellow men, according to formulas which have no initial authority but that of their own private dogmatism. They not only refuse to recognize the right of private thought and personal conscience to be considered in the management of public affairs,

but they have abolished the concept of the individual as a private personality and have reduced him to the level of the bee in the hive. To restore the individual to his former dignity as a human being is the urgent need of the day. This, in my opinion, should be the special objective of contemporary education.

But liberal education must so educate the individual that he is manifestly worthy of having his dignity recognized. If he wishes to lead his fellows, he must first learn to lead himself. Without education for privacy he will neither merit leadership nor learn to recognize it in others. He will strive in vain for happiness and success in private or public life until he has achieved understanding, goodness, serenity, and contentment within himself. That, according to my exegesis, is in this connection the meaning of the Biblical text: "For what is a man profited, if he shall gain the whole world, and lose his own soul?" It is surely what Thomas Hardy meant when he wrote:

He who is with himself dissatisfied,  
 Though all the world find  
     satisfaction in him,  
 Is like a rainbow-coloured bird  
     gone blind,  
 That gives delight it shares not.





## Revenue Sharing

PAUL L. POIROT

THE STORY is told of an American newsman discussing matters with his counterpart from Moscow. "As I understand it," said the American, "the basic idea of communism is to divide everything with your neighbor."

"Not quite," came the rejoinder. "The basic idea is to make your neighbor divide everything with you."

"Revenue sharing" is something like that—meaning different things to different people. In proposing to Congress early in 1971 a \$5 billion program of General Revenue Sharing, President Nixon described it as a measure to "restore the confidence of the people in the capacities of their government. I believe the way to begin this work is by taking bold meas-

ures to strengthen state and local governments—by providing them with new sources of revenue and a new sense of responsibility."

The program presumably should correct a "fiscal mismatch": Federal tax receipts, based largely on the income tax, allegedly grow faster than the economy; at the local level the reverse is said to be true; state and local revenues, based largely on sales and property taxes, do not keep pace with economic growth, while expenditure requirements for education, health, welfare, and other local services tend to exceed such growth.

Rudyard Kipling described the political process of "revenue sharing" somewhat more poetically and profoundly:

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*In the Carboniferous Epoch we were promised abundance for all,  
By robbing selected Peter to pay for collective Paul;  
But, though we had plenty of money, there was nothing our money could buy,  
And the Gods of the Copybook Headings said, "If you don't work you die."*

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In those lines, Kipling very nearly said it all. Our Federal government can and does indeed create money at a pace that exceeds the capacity of individuals to supply goods and services in the market place. State and local governments resemble individuals in the sense that they are unable to create new money at will; but they resemble the Federal government in promising "abundance for all." Hence, the inordinate growth of the "public sector," which rather consistently between the Civil War and World War I took about 9 cents from each dollar of the people's earnings and today takes 43 cents of each dollar earned. In other words, government at all levels in the United States is now drawing out of the market place 43 per cent of available goods and services, leaving plenty of money in the "private sector" but relatively less to buy.

### **An Empty Federal Treasury**

A sober look at the record reveals the sorry condition of the Federal Treasury. Instead of an alleged overflow of tax receipts to

be shared, the Federal debt has shown an increase in every one of the past twenty years, \$114 billion greater in 1970 than in 1950. So where is the Federal tax revenue that presumably is to be shared with debt-ridden state and local governments?

Incidentally, the total indebtedness of all state and local governments in the United States also has risen by some \$114 billion over the past twenty years — but not because they have been getting relatively smaller shares of total tax receipts. On the contrary, state and local tax receipts have been increasing more rapidly than have Federal tax receipts since 1950. And taxes at all levels have been biting ever more deeply into the taxpayer's total earnings.

In light of these sorry facts, it should be clear that the proposal for Federal revenue sharing is simply a prediction of further inflation. The Federal government will monetize its deficit, through the centralized, fractional-reserve banking system, and give some of the newly printed money to state and local governments.

Unfortunately, the printing of additional quantities of money does not increase the supplies of goods and services that consumers want. It simply enables the Federal government and its revenue-sharing counterparts down the line to draw an increasing proportion of goods and services out of the market place, for distribution and use according to bureaucratic decision rather than individual choice.

It may be argued, of course, that it should be no great concern of the individual whether he buys groceries with food stamps or with his own earnings so long as he eats; whether his rent is paid by other taxpayers or by himself so long as he is housed; whether his medical care comes socialized or private so long as he gets the care; and so on and on. And that would be a powerful argument, if resources were inexhaustably abundant and sharing the wealth were the only problem.

#### **The Scarcity of Resources Relative to Human Wants**

That is not the only problem, however. It isn't even close to the real problem. Kipling came closer: "*If you don't work you die.*" The perennial problem — past, present, and future — is the scarcity of resources relative to human wants. And the solution is through effi-

cient production and use of goods and services.

Whether it is called revenue sharing or inflation or communism or public-sector spending or whatever — governmental withdrawal of goods and services from the market tends to be wasteful of scarce resources. It is strictly a consuming process, whether it be a war against communism in foreign lands or a domestic war against crime, smut, poverty, disease, pollution, slum conditions, or other "social" problems. Warlike or coercive force tends to be wasteful in any event, and especially when the coercion is used to do what otherwise would have been done voluntarily.

Besides the consumption and waste of resources characteristic of government spending, this draining of resources from the private sector of the market leaves ever less available for saving and investment in the tools of capitalistic enterprise. And this loss of the tools and even the incentive to produce is what brings a tax-burdened people to the fate Kipling foresaw: "*If you don't work you die.*"

#### **The Decline of Morality**

Meanwhile, the steady attrition of resources and incentives wears away the morality of individuals and destroys their sense of self-

responsibility. This breakdown tends to spread throughout the society. The private counterpart of governmental revenue sharing was described by staff reporter Richard Martin in *The Wall Street Journal* of February 9, 1971:

"Nobody can be sure how much money employee thefts are costing companies annually, but in-

surance men and security specialists say the best guesses range upwards from \$400 million a year."

The basic idea of revenue sharing is to make your neighbor divide everything with you. But this "dirty neighbor" game always ends the same: "*If you don't work you die.*"

### Self-Help

IT MAY BE of comparatively little consequence how a man is governed from without, whilst every thing depends upon how he governs himself from within. The greatest slave is not he who is ruled by a despot, great though that evil be, but he who is the thrall of his own moral ignorance, selfishness, and vice. Nations who are thus enslaved at heart can not be freed by any mere changes of masters or of institutions; and so long as the fatal delusion prevails, that liberty solely depends upon and consists in government, so long will such changes, no matter at what cost they may be effected, have as little practical and lasting result as the shifting of the figures in a phantasmagoria. The solid foundations of liberty must rest upon individual character; which is also the only sure guaranty for social security and national progress. John Stuart Mill truly observes that "even despotism does not produce its worst effects so long as individuality exists under it; and whatever crushes individuality *is* despotism, by whatever name it is called."

SAMUEL SMILES,  
From the book, *Self-Help*,  
published in 1859.

IDEAS ON



LIBERTY

# The Biology of Behavior

ROGER J. WILLIAMS

THE PREVALENCE of student rebellions throughout the world makes one wonder just how effectively modern education relates to real human problems. To approach the problems of generic man from a biological standpoint may be far too superficial in this scientific age with its tremendous advances in technology; yet, could not the general weakness of human science be the basis for the comment by Robert Frost: "Poets like Shakespeare knew more about psychiatry than any \$25-an-hour man"?

Biologically, each member of the human family possesses inborn differences based on his brain

structure and on his vast mosaic of endocrine glands—in fact, on every aspect of his physical being. Each of us has a distinctive set of drives—for physical activity, for food, for sexual expression, for power. Each one has his own mind qualities: abilities, ways of thinking, and patterns of mental conditions. Each one has his own emotional setup and his leanings toward music and art in its various forms, including literature. All these leanings are subject to change and development, but there is certainly no mass movement toward uniformity. No one ever "recovers" from the fact that he was born an individual.

When a husband and wife disagree on the temperature of the soup or on the amount of bed coverings, or if their sleep patterns do not jibe, this is evidence of inborn differences in physiology. If

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one child loves to read or is interested in science and another has strong likings for sports or for art, this is probably due to inborn differences in makeup. If two people disagree about food or drink, they should not disregard the fact that taste and smell reactions often widely differ and are inherited. If we see a person wearing loud clothing without apparent taste, we need to remember, in line with the investigations of Pickford in England, that each individual has a color vision all his own; some may deviate markedly from the pack.

The inborn leanings of Mozart were evident by age three, and he began composing when he was four. Capablanca was already a good chess player — good enough to beat his father — when at age five he played his first game. For many centuries, Indian philosophers have recognized innate individuality, which they explain on the basis of experience in previous incarnations.

### ***Inborn Individuality***

Biology has always recognized inborn individuality. If this inborn distinctiveness had not always been the rule in biology, evolution could never have happened. It is a commonplace fact in biology that every living organism needs a heredity and a suitable

environment. Unfortunately, in the minds of most intellectuals biological considerations have been pushed aside.

Professor Jerry Hirsch, a psychologist at the University of Illinois, has protested in *Science* that “the opinion makers of two generations have literally excommunicated heredity from the behavioral sciences.” This neglect of the study of heredity has effectively produced a wide gap between biology and psychology. Biology deals with living things, and psychology is logically an important phase of biology.

Bernard Rimland, director of the Institute for Child Behavior Research in San Diego, in reviewing my book, *You Are Extraordinary* in *American Psychologist*, wrote: “Since between-group differences are commonly a small fraction of the enormous, important, and very interesting within-group (individual) difference, psychology’s focus on average values for heterogenous groups represents, as Williams indicates, a chronic case of throwing out the babies with the bath water. ‘Throwing out the babies’ is bad enough, but we psychologists have the dubious distinction of making this error not only repeatedly but *on purpose*.”

Social solidarity exists and social problems are pressing, but we



cannot hope to deal with these successfully by considering only generic man, that is, average values for heterogenous groups. We need a better understanding of *men*.

### **A Firm Foundation**

The basic problem of generic man is how to achieve "life, liberty, and the pursuit of happiness." The writers of our Declaration of Independence were on solid ground, biologically speaking, when they took the position that each human being has inalienable rights and that no one has, by virtue of his imagined "royal blood," the right to rule over another. In their emphasis on mankind as individuals, Jefferson and his co-authors were closer to biological reality than are those of our time who divorce psychology from biology and center their attention on that statistical artifact, the average man.

Because each of us is distinctive, we lean in different directions in achieving life, liberty, and the pursuit of happiness. Happiness may come to individual people in vastly different ways, and so the human problem of achieving life and the pursuit of happiness resolves itself, more than it is comfortable to admit, into a series of highly individual human problems. We need to take this con-

sideration into account in attempting to build an advanced society.

In understanding the scope of human desires, it is worthwhile to consider briefly the problems that real — as opposed to theoretical — people face. These may be grouped under four headings: 1) making a livelihood; 2) maintaining health; 3) getting along with others; and 4) getting along with one's self. These four categories, singly or in combination, cover most of the familiar human problems — marriage and divorce, crime, disease, war, housing, air and water pollution, urban congestion, race relations, poverty, the population explosion, the all-pervading problem of education, and the building of an abundant life.

### **Making a Livelihood**

The importance of approaching the problem of making a livelihood from the individual's standpoint lies in the fact that in our complex society a multitude of ways exist — an estimated 23,000 — in which people can make a living. People are not by any means interchangeable parts in society. While some might function well in any one of a large number of capacities, many others might be highly restricted in their capabilities and yet be extremely valuable members of society. The idea that it is all a matter of education and

training cannot possibly be squared with the hard biological facts of inborn individuality. This perversion of education perpetuates the banishment of heredity — an ever present biological fact — from our thinking. Fitting together people and jobs is just as real and compelling as fitting shoes to people. People sometimes suffer from ill-fitting shoes; they suffer more often from ill-fitting jobs.

The maintenance of health — both physical and mental — involves individual problems to such a degree that it is difficult to exaggerate their role. Ever since the days of Hippocrates it has been known in a vague way that “different sorts of people have different maladies,” but we are only beginning to learn how to sort people on the basis of their inborn individual characteristics. When we have become expert in this area, vast progress will result, particularly in the prevention of metabolic and psychosomatic diseases, i.e., those not resulting from infection. As long as we dodge the biological fact of inborn individuality, we remain relatively impotent in the handling of diseases that arise from within individual constitutions.

The problem of getting along with others is a very broad one, in which individual problems are

basic. If husbands and wives and members of the same family always get along well together, we would have some reason to be surprised when squabbles break out within business, religious, or political groups. If all these kinds of squabbles were nonexistent, we would have a basis for being surprised at the phenomenon of war.

### *Distinctive Qualities*

While self-interest and differences in training are vital factors in these common conflicts, another factor should not be overlooked: the inborn individuality of the participants. There is a mass of evidence to support the thesis that every individual, by virtue of his or her unique brain structure and peripheral nervous system, is psychologically conditionable in a distinctive manner. Thus, a person's unique nervous system picks up distinctive sets of impulses, and because his interpretive apparatus is also unique he learns different things and interprets the world in a distinctive manner. Even if two individuals were to have exactly the same learning opportunities, each would think differently and not quite like anyone else. This is the basis for the observation by Santayana: “Friendship is almost always the union of a part of one mind with another; people are friends in spots.”

In spite of our attempts to do so, individual minds cannot be compared on a quantitative basis. The minds of Shakespeare and Einstein cannot be weighed one against the other; there were many facets to the minds of each. At birth the two minds were equally blank, but as they matured, each saw, perceived, and paid attention to different aspects of the world around it. Each was conditionable in a unique way.

### ***Each Mind Unique***

The recognition of the uniqueness of human minds is essential to human understanding. By developing expertness in this area, psychology will eventually become far more valuable. In an advanced society with a growing population and closer associations, it is obviously essential that we learn better how to get along with each other. When we are unaware of the innate differences that reside within each of us, it becomes very easy to think of one who disagrees with us as a "nitwit" or a "jerk," or perhaps as belonging to the "lunatic fringe." When we appreciate the existence of innate differences, we are far more likely to be understanding and charitable. Strife will not be automatically eliminated, but tensions can be decreased immeasurably.

Individual problems are at the

root of the problem of crime. Many years ago, James Devon placed his finger on the crucial point. "There is only one principle in penology that is worth any consideration: It is to find out why a man does wrong and make it not worth his while." The question, "Why does a particular man commit crime?" is a cogent one; the question, "Why does man turn to crime?" is relatively nonsensical.

Since all human beings are individual by nature, they do not tick in a uniform way nor for the same reasons. Broadly speaking, however, many doubtless turn to crime because society has not provided other outlets for their energies. If we could find a suitable job for every individual, the problem of crime would largely vanish. The problem of crime is thoroughly permeated with individual problems; it cannot be blamed solely on social conditions, because as the studies of Sheldon and Eleanor Glueck have shown, highly respected citizens may come from areas where these conditions are the worst.

### ***A Race of Individuals***

Racial relations would ease tremendously if we faced squarely the biological facts of individuality. If we were all educated to *know* that all whites are not the same, that all Negroes do not fit

in the same pattern, that all Latins are not identical, that all American Indians are individuals, and that all Jews do not fit a stereotype, it would help us to treat every member of the human race as an individual.

It is no denial of the existence of racial problems to assert that individual problems need to be stressed more than they are. For individual Negroes and individual whites, the pursuit of happiness is by no means a uniform pursuit. Doubtless, although there are whites and Negroes who would think they had reached utopia if they had a decent shelter and were assured three meals a day, this would not satisfy millions of others for whom striving and a sense of accomplishment are paramount. "The Negro problem" or "the white problem" — depending on one's point of view — is shot through with a host of individual problems.

Learning to live with one's self is certainly an individual problem, and will be greatly eased by recognition of inborn individuality. Much unhappiness and many suicides can be traced to misguided desire to be something other than one's self. Each of us as an individual has the problem of finding his way through life as best he can. Knowing one's self as a distinctive individual should be an

important goal of education; it will help pave the road each of us travels in his pursuit of happiness.

### ***Dangers of Oversimplification***

Why have these facts of individuality not been generally accepted as a backdrop in every consideration of human problems? For one thing, many people, including scholars, like being grandiose and self-inflationary. To make sweeping pronouncements about "man" sounds more impressive than to express more limited concerns. Simplicity, too, has an attractiveness; if life could be made to fit a simple formula, this might be regarded as a happy outcome.

One excuse for excommunicating inheritance from the behavioral sciences for two generations has been the fact that inheritance in mammals is recognized by careful students as being exceedingly complex and difficult to interpret. It is true that some few characteristics may be inherited through the operation of single genes or a few recognizable ones. But other characteristics — those that differ in quantity — are considered to be inherited in obscure and indefinable ways commonly ascribed to multiple genes of indefinite number and character. These multiple-gene characteristics include, to quote the geneticists Snyder and David,

"the more deep-seated characters of a race, such as form, yield, intelligence, speed, fertility, strength, development of parts, and so on." To say that a particular characteristic is inherited through the mediation of multiple genes is to admit that we are largely ignorant of how this inheritance comes about.

### **Identical Twins?**

Recently, some light has been thrown on this problem by experiments carried out in our laboratories. These experiments involved armadillos, which are unusual mammals in that they commonly produce litters of four monozygous ("identical") quadruplets that are necessarily all males or all females.

By making measurements and studying sixteen sets of these animals at birth, it became evident that although they develop from identical genes, they are not identical at all. Organ weights may differ by as much as twofold, the free amino acids in the brain may vary fivefold, and certain hormone levels may vary as much as seven-, sixteen-, or even thirty-twofold. These findings clearly suggest that inheritance comes not by genes alone but by cytoplasmic factors that help govern the size of organs (including endocrine glands) and the cellular makeup

of the central nervous system. "Identical" twins are not identical except with respect to the genes in the nucleus of the egg cell from which they developed.

One of the most interesting suggestions arising out of this study is the probability that individual brain structures, which have been known to have "enormous" differences since the investigations of Lashley more than twenty years ago, are made distinctive by the same mechanisms that make for differences in organ weights. The size, number, and distributions of neurons in normal brains vary greatly; this is biologically in line with the uniqueness of human minds. The further elucidation of this type of inheritance should help to focus more attention on heredity.

If this line of thought is valid it makes even more ridiculous the invitation issued by the Ford Foundation to the biological sciences to stay out of the precinct of human behavior. The expression "behavioral science" came into being many years ago as a result of the formulation of the Ford Foundation-supported programs. Biochemistry and genetics, for example, were kept apart from the "scientific activities designed to increase knowledge of factors which influence or determine human conduct."

What can be done to bridge the gap between psychology and biology? More importantly, how can we develop expertise in dealing with the human problems that plague us but at present go unsolved?

### ***Differential Psychology***

A broad, long-range, and practical strategy for learning how to deal more effectively with human problems is to explore, problem by problem, the inborn human characteristics that are pertinent to each one. Differential psychology, for example, needs to be intensified and greatly expanded; this can probably be done most effectively in connection with a series of problem-centered explorations.

Some of the specific problem-areas that require study from the standpoint of how inborn characteristics come into play are: delinquency and crime, alcoholism, drug addiction, unemployability, accident proneness, cancer, heart disease, arthritic disease, mental disease, and broadest of all, education. Each of these problems could be vastly better understood as the result of interdisciplinary study of the influences of inborn characteristics. Such study would include differential psychology when applicable, combined with extensive and intensive biochemical and physiological examinations, for ex-

ample, of blood, saliva, urine, and biopsy materials. To expedite these investigations, automated equipment and computer techniques would be used extensively to help interpret the complex data.

It is not likely that these explorations will find that some individuals are born criminals, others alcoholics, etc. Once we recognize the unique leanings that are a part of each of us, we will see how, by adjusting the environment, these leanings can be turned toward ends that are socially constructive. Every inherited factor can be influenced by an appropriate adjustment of the environment. All this should not be made to sound too easy; it may be more difficult than going to the moon, but it will be far more worthwhile.

One of these specific problems — alcoholism — has been of special interest to me. After about twenty-five years of study, I am convinced that inborn biochemical characteristics are basic to this disease, but that expert application of knowledge about cellular nutrition (which is not far off) will make it scientifically possible to prevent the disease completely and to correct the condition if the application of corrective measures is not too long delayed.

Inborn inherited characteristics have a direct bearing on the cur-

rent revolt against the Establishment. If biology had not been banished from behavioral science, and if students and other intellectuals were well aware of the biological roots of their existence, it would be taken for granted that conformity is not a rule of life.

### ***Recognizing Our Differences Can Lead to Harmony***

If all that we human beings inherit is our humanity, then we all should be reaching for the same uniform goal: becoming a thoroughly representative and respectable specimen of *Homo sapiens*. There is rebellion against this idea. Revolters want to do "their thing." The revolt takes on many forms because many unique individuals are involved.

If nonconformity had a better status in the eyes of the Establishment (and it would have if our thinking were more biologically oriented), exhibitionism would be diminished and the desire of each individual to live his own life could be fostered in a natural way.

Human beings are not carbon copies of one another. Students and others who are in revolt have found this out. Perhaps without fully recognizing it, they are pleading for a recognition of in-born individuality. This is essentially a legitimate plea, but it can take the form of disastrous anarchy. A peaceful means of helping resolve the ideological mess we are in is to recognize heredity by having a happy marriage of biology and behavioral science. 🌐

### ***Agreement to Disagree***

A "UNITED STATES" was only possible if men could agree to disagree about a great many things.

What was expedient for them is, however, an essential of liberty. Theoretically, it might be desirable for all men to agree on everything, though I doubt it. Practically, such agreement would only be possible if all individual wills were crushed and subjected to a single will. The effort to do this is always in the direction of the well traveled road to despotism. The alternatives are agreement to disagree or despotism.

IDEAS ON



LIBERTY

# PROPERTY

JAMES MADISON

THIS TERM, in its particular application, means "that dominion which one man claims and exercises over the external things of the world, in exclusion of every other individual."

In its larger and juster meaning, it embraces everything to which a man may attach a value and have a right, and *which leaves to every one else the like advantage.*

In the former sense, a man's land, or merchandise, or money, is called his property.

In the latter sense, a man has a property in his opinions and the free communication of them.

He has a property of peculiar value in his religious opinions, and in the profession and practice dictated by them.

He has a property very dear to him in the safety and liberty of his person.

He has an equal property in the

free use of his faculties, and free choice of the objects on which to employ them.

In a word, as a man is said to have a right to his property, he may be equally said to have a property in his rights.

Where an excess of power prevails, property of no sort is duly respected. No man is safe in his opinions, his person, his faculties, or his possessions.

Where there is an excess of liberty, the effect is the same, though from an opposite cause.

Government is instituted to protect property of every sort; as well that which lies in the various rights of individuals, as that which the term particularly expresses. This being the end of government, that alone is a *just government* which *impartially* secures to every man whatever is his *own*.



According to this standard of merit, the praise of affording a just security to property should be sparingly bestowed on a government which, however scrupulously guarding the possessions of individuals, does not protect them in the enjoyment and communication of their opinions, in which they have an equal, and, in the estimation of some, a more valuable property.

More sparingly should this praise be allowed to a government where a man's religious rights are violated by penalties, or fettered by tests, or taxed by a hierarchy.

Conscience is the most sacred of all property; other property depending in part on positive law, the exercise of that being a natural and unalienable right. To guard a man's house as his castle, to pay public and enforce private debts with the most exact faith, can give no title to invade a man's conscience, which is more sacred than his castle, or to withhold from it that debt of protection for which the public faith is pledged by the very nature and original conditions of the social pact.

That is not a just government, nor is property secure under it, where the property which a man has in his personal safety and personal liberty is violated by arbitrary seizures of one class of citizens for the service of the rest. A

magistrate issuing his warrants to a press-gang would be in his proper functions in Turkey or Indostan, under appellations proverbial of the most complete despotism.

That is not a just government, nor is property secure under it, where arbitrary restrictions, exemptions, and monopolies deny to part of its citizens that free use of their faculties and free choice of their occupations which not only constitute their property in the general sense of the word, but are the means of acquiring property strictly so called.

What must be the spirit of legislation where a manufacturer of linen cloth is forbidden to bury his own child in a linen shroud, in order to favour his neighbour who manufactures woolen cloth; where the manufacturer and weaver of woolen cloth are again forbidden the economical use of buttons of that material, in favor of the manufacturer of buttons of other materials!

A just security to property is not afforded by that government, under which unequal taxes oppress one species of property and reward another species; where arbitrary taxes invade the domestic sanctuaries of the rich, and excessive taxes grind the faces of the poor; where the keenness and competitions of want are deemed

an insufficient spur to labor, and taxes are again applied by an unfeeling policy, as another spur, in violation of that sacred property which Heaven, in decreeing man to earn his bread by the sweat of his brow, kindly reserved to him in the small repose that could be spared from the supply of his necessities.

If there be a government, then, which prides itself in maintaining the inviolability of property; which provides that none shall be taken *directly*, even for public use, without indemnification to the owner, and yet *directly* violates the property which individuals have in their opinions, their religion, their passions, and their faculties — nay, more, which *indirectly* violates their property in

their actual possessions, in the labor that acquires their daily subsistence, and in the hallowed remnant of time which ought to relieve their fatigues and soothe their cares — the inference will have been anticipated that such a government is not a pattern for the United States.

If the United States mean to obtain or deserve the full praise due to wise and just governments, they will equally respect the rights of property and the property in rights; they will rival the government that most sacredly guards the former, and by repelling its example in violating the latter, will make themselves a pattern to that and all other governments. ☉

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March 27th, 1792. From the *Works of Madison*, Vol. IV, pp. 478-80.

### ***Abraham Lincoln, on Property***

PROPERTY is the fruit of labor. Property is desirable, is a positive good in the world. That some should be rich shows that others may become rich and hence is just encouragement to industry and enterprise. Let not him who is houseless pull down the house of another, but let him work diligently to build one for himself, thus by example assuring that his own shall be safe from violence. . . . I take it that it is best for all to leave each man free to acquire property as fast as he can. Some will get wealthy. I don't believe in a law to prevent a man from getting rich; it would do more harm than good.

IDEAS ON



LIBERTY

## Christianity and the Class Struggle

In *Christianity and the Class Struggle* (Arlington House, \$7.00), the Reverend Harold O. J. Brown has addressed himself to that ever-growing band of masochists, nominally Christian, who think that guilt can be "collective." The heresy to which Dr. Brown takes exception comes in many guises. The "capitalists" are to blame for oppressing the "masses." The "Germans" were collectively guilty of murdering the Jews. The modern "white" population of America must pay reparations for what their forebears did to the blacks in enslaving them. The "over thirties" have wronged the "under twenties" by bringing them into a defective world of war and pollution. Everything gets reduced to a terrible and absolutely unreal simplicity.

To the true Christian the theory that a collectivity can be guilty denies the proposition that all men are human, each with his share of

original sin, and each with his varying propensity to redeem himself. Only individuals may be held responsible. The "class war" solves nothing in Christian, or human, terms for the simple reason that it seeks an external change that has no relation to the individual. When the "up" class is abolished, the "down" class becomes, in Djilas's phrase, the "new class." It not only perpetuates all the old wrongs, but it actually intensifies them. As Max Nomad once said, "the Kaiser and Czar were liberals" in comparison to the national socialistic and proletarian tyrants that came after them.

Dr. Brown accurately notes that the theory of the class struggle has ceased to serve the Marxists in most of the "developed" nations. The "capitalists" were never the vicious oppressors that Marx and Engels originally thought them to be, but even granting for

the sake of argument they had been, the supposed "exploitation" of nineteenth century days is now very far behind us. The "masses" in the Western nations now partake of a general well-being that can't be matched in "Marxist" societies. It is hard to nurse a grudge against the man with a Cadillac if you yourself are driving a Chevy or a Plymouth to your own pleasures. So the "class struggle" no longer serves as a useful revolutionary prod in the Western democracies. Marxism is now a cure in search of a problem.

Nevertheless, the professional dividers among us, including many Christians who should know better, have found convenient substitutes for the concept of class war. There is now the "race war." Or, if not that, there is the generational war. These are the "New Left" substitutes for the older, and now ineffective, propaganda of the "class struggle."

### ***Race War Is Suicide***

Since racial differences are in-eradicable unless we assume a few generations of world-wide inter-marriages, it is, in Dr. Brown's opinion, a "heinous crime" to promote any theory of race war. Racial differences must be accepted or they will end in death and destruction to the weaker side. The Christian, according to Dr. Brown,

must accept man as man, trying to ameliorate problems on individual terms. Dr. Brown is extremely critical of his co-religionists who, acting on the theory that all Christians were guilty for what happened before the Civil War, accepted James Forman's demand for money reparations to be paid by the churches to the National Black Economic Development Council. The idea of "reparations" is, to Dr. Brown, sheer extortion. The money, if paid over, wouldn't go to the original victims who had suffered the ignominy and cruelty of being enslaved. Nor would the truly guilty parties, the slave raiders (both black and white) who tore men away from their ancestral homes in Africa, be paying the reparations. Church members whose grandfathers and grandmothers weren't even living in America in the early nineteenth century would be the victims of the extortion plot. And there would be no guarantee that the money would be used in a way to benefit the black community.

The practicing Christian, says Dr. Brown, who feels he must do something about the blacks, or the central cities, or whatever, would do better to invest in businesses that are "color blind" in their hiring policies. Or, if he is so minded as a charitable individual, he could give his own money to a Negro

college, or to the National Association for the Advancement of Colored People. The point is that the individual must feel for the individual if the ideals of Christ are to be upheld.

### **Parents and Children**

The "generation war" makes even less sense to Dr. Brown than the race war. There can be no permanent lines of battle in a generational war, for today's "youth" are in all too short a time tomorrow's "middle-aged." If the members of a single generation could bluff their fathers into giving them power, would they, in turn, be likely to relinquish that power at age thirty to the next wave of on-coming youth? It is hardly likely.

The class struggle and the various substitutes for it are, in Dr. Brown's description, "the devil's program." They set men against each other not in fruitful competition but in the delusion that evil can be destroyed by destroying human beings. You think you are doing something for "humanity" and you end by killing three million kulaks whose knowledge might have saved other millions from periodic famine. If you follow Jerry Rubin's advice to kill your parents, you can have no logical objection if your children, in turn, decide to murder you. And

if you preach Black Power in the race war sense, you risk a revival of the Ku Klux Klan mentality in a numerically superior portion of the population. This, of course, is a sure recipe for suicide.

Dr. Brown's book comes with an introductory note by Billy Graham. Its evangelical imagery may put off some readers in our secular civilization, but its substance is eternally true. The problem facing the world is not one that can be solved by "revolution," for in revolution the ugly means take over and become the permanently evil ends. What we need is reformation, which begins with the individual. This is not only true for orthodox Christians, it is also true for all believers in the traditions of the West.

▶ **THE THEORY OF MONEY AND CREDIT** by Ludwig von Mises (Irvington-on-Hudson, N. Y.: The Foundation for Economic Education, new printing, 1971), 493 pp. \$4.00

*Reviewed by Hans F. Sennholz*

FEW BOOKS have contributed more to the advancement of monetary theory than Mises' *Theory of Money and Credit*. And yet, few serious books have had such little impact on contemporary thought and policy as this treatise. The world continues to ignore or reject it while it is clinging to antiquated

notions and practices. Of course, it is more pleasing and popular for governments to follow the advice of statisticians and inflationists than to heed the warnings of economists like Professor Ludwig von Mises.

Nearly all contemporary economists adhere to holistic theories that are utterly futile and sterile for an understanding of monetary phenomena. There is the popular "income-expenditure analysis" which swayed economic thought during the 1930's with the publication of the *General Theory of Employment, Interest and Money* by John Maynard Keynes.

According to Keynesian analysis, there is an ideal level of monetary expenditure at which the national economy achieves full employment under stable price conditions. In its search for this ideal level the income-expenditure analysis endeavors to trace the flow of money payments through the economy. As income is quantitatively the largest source of funds spent, an analysis of its determination and disposition is basic to the approach. In addition, funds for spending may be derived from existing reserves of currency and demand deposits, time deposits, and other liquid assets that are easily converted to cash. And finally, when the ideal level of total spending has not yet been reached, newly created money, preferably

demand deposits created through bank credit expansion, may be used to achieve the desired total. In short, it is the principal role of monetary authorities to ensure growth in the monetary reserve base sufficient to facilitate credit expansion for full employment.

As a holistic theory (from the standpoint of the whole rather than the parts) it does not profess to be concerned with individual economic actions, merely with policy guidelines for governments seeking economic growth and full employment. But even in this limited objective it has failed conspicuously wherever it was tried. For massive unemployment continues to be with us after more than thirty years of Keynesian policies.

And finally, there are the "monetarists" of the Chicago School whose holistic theories resemble the Keynesian doctrines. The famous "equation of exchange," as developed by Professors Fisher, Marshall, and Pigou, provides their starting point ( $PT = MV$ , or  $P = MV/T$ ). As the price level cannot be expected to remain stable for various reasons, which renders the market system rather unstable, they call on government to take measures to stabilize the level and thus cure the business cycle.

It is true, the economists of the Chicago School reject the compen-

satory fiscal policies prescribed by the Keynesians because they realize the futility of continuous fine-tuning. But they recommend long-term stabilization through a steady 3 to 4 per cent expansion of the money supply. They have no special trade cycle theory, merely the prescription for government to "hold it steady." "If there is a recession issue more money, and if there is inflation take some out!"

Both schools of thought, the income-expenditure analysts as well as the monetarists, are unalterably opposed to the gold standard. Its discipline is rejected in favor of governmental power over money.

Von Mises' subjective theory makes individual choice and action the center of his investigation. On the cornerstone laid by Carl Menger's theory of the nature and origin of money Professor Mises, in his *Theory of Money and Credit*, built a comprehensive fully integrated structure. With the help of his notable regression theory he completed the subjective theory of money, which had frustrated other economists before him.

Professor Mises demonstrated that the individual demand for money springs from the fact that it is the most marketable good a person can acquire. It is true, money is not suitable to satisfy

directly anyone's needs. But its possession permits him to acquire consumers' or producers' goods in the near or more distant future. People want to keep a store of money to provide exchange power for an uncertain future. Some are satisfied with relatively small holdings, others prefer to hoard larger supplies. And we all change frequently our holdings in accordance with our changing appraisals of future conditions. Money is never "idle," nor is it just "in circulation"; it is always in the possession or under the control of someone.

The demand for money is subject to the same consideration as that for all other goods and services. People expend labor or forego the enjoyment of goods and services in order to acquire money. This is why individual demand and supply ultimately determine the purchasing power of money in the same way as they determine the mutual exchange ratios of all other goods. The quantity theory of money as understood by Professor Mises is merely another case of the general theory of demand and supply. However, he rejects the quantity theory as commonly presented by the "monetarists" and other contemporary economists as a sterile aberration that proceeds holistically and arrives at empty equations and models.

Professor Mises' trade cycle theory integrated the sphere of money and that of real goods. If the monetary authorities expand credit and thereby lower the interest in the loan market below the natural rate of interest, economic production is distorted. At first, it generates overinvestment in capital goods and causes their prices to rise while production of consumers' goods is necessarily neglected. But because of lack of real capital the investment boom is bound to run aground. The boom causes factor prices to rise, which are business costs. When profit margins finally falter, a recession develops in the capital goods industry. During the recession a new readjustment takes place: the mal-investments are abandoned or corrected, and the long neglected consumers' goods industries attract more resources in accordance with the true state of public saving and spending.

This Mises theory has explained numerous economic booms and busts ever since 1912 when the first edition of *The Theory of Money and Credit* appeared in print. And it continues to provide the only explanation of the rapid succession of booms and recessions that continue to plague our system.

The subjective theory of Professor Mises also points up the desirability of money that is not managed by government. The orthodox gold standard or gold-coin standard is such money, the value of which is independent of government. It is true, it cannot achieve the unattainable ideal of an absolutely stable currency. There is no such thing as stability and unchangeability of purchasing power. But the gold standard protects the monetary system from the influence of governments as the quantity of gold in existence is utterly independent of the wishes and manipulations of government officials and politicians, parties and pressure groups. There are no "rules of the game," no arbitrary rules which people must learn to observe. It is a social institution that is controlled by inexorable economic law.

For nearly 60 years of worldwide inflation and credit expansion, depreciations and devaluations, feverish booms and violent busts, Ludwig von Mises' *Theory of Money and Credit* has given light in the growing darkness of monetary thought and policy. The world should be grateful that the light is maintained through a new printing of this remarkable analysis. 