

## From the President

by Richard M. Ebeling

IDEAS  
ON LIBERTY  
SEPTEMBER 2003



# The Importance of FEE, Then and Now

**W**hen Leonard Read established the Foundation for Economic Education in 1946, the United States had just passed through 12 years of Franklin Roosevelt's New Deal interventionist policies, including four years of wartime controls. Read was deeply concerned that the American people were losing their understanding of and appreciation for individual liberty, free markets, the rule of law, and constitutionally limited government. The institutions of the American Republic were under severe attack.

In the Foundation's prospectus, Leonard Read wrote: "Coercion is being rapidly substituted for voluntary enterprise. Collectivism is displacing individualism." He warned of the lack of intellectual honesty of too many in public life and in the business world. They too often went along with "what they suppose to be popular rather than what their personal, best judgment dictates. This self-betrayal results in little wisdom being applied to public affairs."

In addition, there was a serious "lack of understanding of individualism, the voluntary economy and economic liberty." There were far too few who were able to argue logically and persuasively against the vast array of government regulatory, redistributive, and protectionist policies.

A grave concern, Read stated, was that "A new generation, one that has never expe-


*Richard Ebeling (rebeling@fee.org) is the president of FEE. His latest book is Austrian Economics and the Political Economy of Freedom (Elgar).*

rienced economic liberty, is taking over. Young men who have become accustomed to being regimented and restricted are coming into positions of responsibility in business. The job of economic education must be undertaken now while those who appreciate the value of liberty are still in a position to support it."

Today, almost 60 years later and more than a decade after the end of the Soviet Union and the Cold War, far too many of our fellow Americans still lack that understanding and appreciation of the principles of the free society. Men in public office who know better still lack the courage to say and defend what they know to be true and right. Economic ignorance still dominates discussions surrounding the role and policies of government in society.

But worst of all, Americans have gotten used to a life of regimentation and restriction, to the point that they do not even clearly understand just how far the United States has moved away from its heritage of freedom. Look around you, at the clothes you are wearing, the furniture in the room in which you are sitting, at the appliances and fixtures in your home, at your forms of transportation, and all the objects in your place of work. Not one of these things has been produced, manufactured, marketed, and sold without dozens if not hundreds of regulations, restrictions, and requirements imposed and enforced by the government.

Reflect a moment about your health care, your retirement options, or your children's



education. They are all dictated, controlled, and monitored by the government. Under the bogeyman of “national security” each of us, with every passing year, has a smaller and smaller corner of personal privacy on his property as the government bestows on itself greater and greater powers to surveil, invade, and intrude into our homes and workplaces.

To pay for all these “benefits” that government so generously provides we are taxed in various direct and indirect ways that approach 50 percent of total income.

### Now More than Ever

*Never was the task for which FEE was founded more needed than today.* Never were so many of our fellow citizens lacking in economic understanding. And rarely has there been so much confusion about the real alternatives to the present social and political problems and dilemmas of our society.

Leonard Read always emphasized that as important as it is to point out carefully and thoroughly the dangers and negative consequences of interventionist and welfare statist policies, it is far more important to explain how freedom would work, if only it were given a chance. The crucial task is never to forget to “accentuate the positive.”

For example, in all the critical evaluations that have been made of the Supreme Court’s affirmative action decision last June, hardly anyone has suggested that the best solution would be to get government out of the education business completely. All state and most private colleges and universities are funded by various levels of government, either directly or through subsidized or guaranteed loans, grants, and scholarships. Since “he who pays the piper calls the tune,” those with the ideological and political power to influence government policy can impose a wide variety of “politically correct” fads and fashions. They can more or less dictate admission procedures, curriculum content, and faculty hiring

standards throughout the system of higher learning in the United States.

As a result, the battle comes down to either “us” or “them” in controlling what goes on at colleges and universities around the country through either legislation and spending or judicial decision-making.

If colleges and universities were cut loose from government cash and controls, politics would be taken out of the entire controversy over affirmative action. Institutions of higher education would become private institutions of learning. And as such, each could decide the bases on which they designed their admissions standards. Some might have race components, while others might have blind scholastic-merit standards for choosing freshmen.

Each of us as private citizens could make our own choices, through voluntary contributions and endowment funding, about which schools with what policies we considered more deserving of our financial support. Rather than one or two branches of government imposing a single standard of “fairness,” “justice,” or “merit” on all of us through legislative, judicial, and spending actions, each individual could decide these sometimes difficult issues for himself.

Competing for private dollars, these colleges and universities would have to persuade people of the rationales for, as well as demonstrate the benefits of, one set of admissions rules and guidelines versus some other. The social process of freely interacting individuals would determine the standards, rather than the political process of power, pull, and influence through which some impose their vision of the good on all.

The answer is really very simple. It’s what Leonard Read summed up in the title of one of his books: *Anything That’s Peaceful*. The only ones who won’t find it that simple are those who desire to coerce others for their own ends. Our task, together, is to convince our fellow men that freedom is always better than force. □