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Connecticut LP Rift

SNEL Snuffed

Ridgefield, CT - A major disagreement over the future direction of the Connecticut Libertarian Party, compounded by what appears to be serious personality conflicts, has divided the Connecticut LP and left major CLP leaders with sharply divided views on the future of the party.

What Happened?

The essentials of what happened are not in dispute, although the interpretation given to events sharply differs between the parties.

On December 4, 1988 at a "routine" meeting of the Connecticut LP State Central Committee (SCC) a motion was put forth to reduce the frequency of certain CLP operations and endorse the creation of a new non-profit educational libertarian organization, the Southern New England Libertarians (SNEL), which would undertake many of the non-political operations of the Connecticut area libertarian movement.

With about 12 state party members in attendance, the SCC voted 4 to 3 in favor of three-part resolution for these changes. Voting in favor were the then state chair Wayne Bartling, treasurer Tom Ross, ballot drive activist Steve Stayton, and one other SCC member. Opposed was vice chair Jim Davies, who has also edited the *Connecticut Libertarian* newsletter for the past several years, and two other SCC members.

After the meeting, CLP chair Bartling told Davies that "I don't believe in the effectiveness of political action any more." Davies responded to the effect that, if so, why did he continue serving as state party chair? Bartling evidently got the point, and tendered his resignation on the spot. Davies then became the new acting chair.

The controversial resolution adopted at the meeting consisted of three parts: 1) that the SCC not formally meet until the next state convention, normally held in May or June; 2) that the convention be organized by SNEL, and 3) that no more than 2 CLP state newsletters be produced between the December meeting and the next convention.

SNEL, proposed by Tom Ross a former CLP state chair and 1984 Jim Lewis LP vice

presidential campaign manger, was intended to be a non-profit regional affiliate of Marshall Fritz's Advocates for Self Government educational organization, which would also overlap operations into neighboring states such as Rhode Island, which has little organized LP activity.

A SNEL mailing was proposed for early 1989 using an old CLP mailing list. But upset by the December SCC resolution, acting CLP chair Davies sent off angry letters to both Ross and Fritz denouncing the proposed use of the CLP mailing list for the promotion of SNEL, threatening legal action if this was used for this purpose.

Both sides credit Fritz with responding immediately in early January, in several telephone calls to Ross and Davies, conference call between Ross, Fritz and Davies, Fritz said under no circumstances would he allow SNEL to directly compete with the state party, and convinced Ross to put the proposed SNEL organization "on hold" until the disagreements between the parties was resolved. So no SNEL mailing was done and the organization has not yet been launched. (Fritz told *AL* that he was actively exploring the idea of chartering state or regional Advocates chapters, which would also share the tax exempt status of the parent organization. But as of January, he was still working out the details and had not yet formed any such groups.)

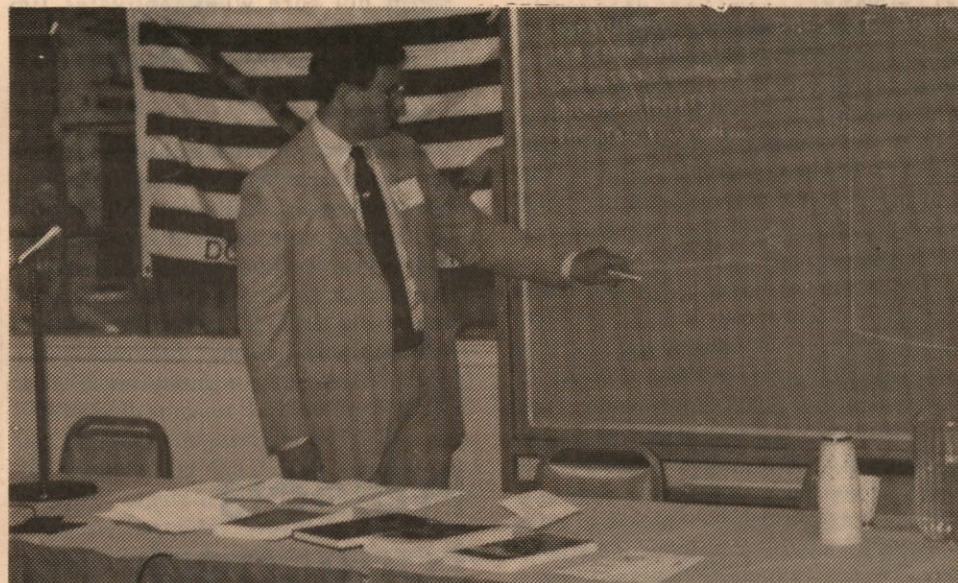
Ross, meanwhile, told Davies he would no longer file the mandatory state financial reports for the CLP and in effect, resigned as treasurer. Davies has also assumed those duties, and is currently also serving acting treasurer and state chair.

Davies View

Jim Davies, who inherited several of the positions vacated in the wake of the disagreement, views the affair as an attempted "power grab" by SNEL backers (who he dubbed the "gang of four" in the state newsletter) in their effort to transform the CLP into something other than a political party.

In an interview with *AL*, Davies said that some of the motivation for the original resolution was probably due to the heartbreaking 1988 presidential election vote in the state, which totaled about .95%. To retain ballot status, the Connecticut party needed to poll 1%; they missed by only .05% of the vote, about 800 votes.

Although the CLP is relatively healthy, boasting 120 members, 130 more contributors and about 900 active prospects on their mailing list, disappointment over the ballot situation ran high after the election, even though the LP presidential vote for Ron Paul (14,071) increased substantially over the 1980 Clark vote (8,575).



Tom Ross, shown here at an earlier state convention, is one of the two principal antagonists in the dispute between top Connecticut LP leaders.

LIBER/TV & NEFL Projects

Lake Jackson, TX / Irvine, CA - Two ambitious projects have been launched by prominent libertarians in the past two months which both share the same underlying theme: get more TV exposure for libertarian ideas. These separate and distinct projects are private ventures with different approaches, but both share one other characteristic - they require lots of cold hard cash.

NEFL

Former GOP congressman turned LP presidential candidate Ron Paul rolled out his direct mail guns in February to his extensive list of supporters in a six-page fundraising letter promoting his newly organized National Endowment for Liberty - NEFL for short.

Reportedly written by Paul fundraising consultant David James, Ron Paul makes the argument in his letter that the momentum built up by his LP presidential campaign effort should be maintained. In a nutshell, Paul argues "Through NEFL we reach out and go around the statist conglomerate media by using cable television and smaller network facilities to reach a mass audience."

The pitch continues, "NEFL is in contact with known television producers, right now, tapping their experience and talent in the area of public information programming, to design a weekly television program, magazine format, that will showcase our point of view, attract public interest and hold it for 27 minutes each week, 52 weeks a year."

Paul notes that cable channels are now gaining viewership and that airtime can be purchased on a "new 350 station cable network based in New York City" for only \$2,500 an hour. NEFL plans to develop

three pilot episodes of the proposed show, "Focus on Freedom," which are estimated to cost \$98,500, according to a detailed budget enclosed. Subsequent programs are estimated to cost about \$28,450 each. Large dollars by libertarian standards, but relatively modest for professional television.

Among the possible subjects mentioned are the recent congressional pay raise proposal, the S&L bailout, the FDIC and the "bankrupt Social Security System."

Unlike his 1988 LP running mate Andre Marrou, whose recent private venture has stirred up controversy over misleading use of the Libertarian Party label ("Project 51-'92, SleazePAC?" Feb. 89 *AL*) the new Paul project totally avoids mentioning the Libertarian Party at all, although the letter does allude to his presidential campaign. In fact the word "libertarian" doesn't appear at all in the letter, presumably to avoid scarring off of Paul's many conservative supporters.

Somewhat surprisingly, the NEFL letter also included a shot at the LP's ballot access predicament, which was headed up in 1988 (and is still headed) by longtime Paul business associate and presidential campaign manager Burt Blumert. In one paragraph the letter read, "First, as essential as it certainly is, just being on the ballot in five more or five less states in 1992 really isn't how the battle for Freedom in America is going to be won or lost. Being on the ballot in all 50 states in 1988 would have meant an additional 22,000 or 23,000 votes. That's all."

Some LP ballot access partisans were upset at this comment, in view of the difficult effort made to place Paul on the ballot in

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SNEL Snuffed

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But as Davies saw it, the three-part resolution was "an attempt to put the LPC out of business for six months, and make it subservient to a new, not-yet-formed group (SNEL)."

"I respect Wayne Bartling's view about the usefulness of political action, even though I disagree," Davies said, "but I think if you oppose political action you should not be the state party chair." Davies also objected to limiting the newsletter and SCC meeting frequency, and resents the move to have an outside group run the 1989 CLP convention. "But Marshall Fritz acted very responsibly when I objected to the unauthorized use of our mailing list," Davies added.

Davies has also called for a public apology by Ross and other SNEL backers for their actions involving the SCC and the mailing list, which so far has not been forthcoming. Davies says reaction to his actions by CLP members has been "mixed," but notes that he has conducted several "informal" SCC meetings with interested party members to discuss future strategy for the LPC.

The main thrust of Davies's proposed new strategy is to concentrate state LP resources on the objective "of electing the first state LP representative in the lower '48 states in Connecticut by 1990, and hopefully elect more in 1992," Davies said. "Instead of spending \$14,000 on the presidential ballot drive, as we did in 1988, if we spent the money for a state house seat we could really achieve a tangible political objective," Davies argues, admitting this would leave the LP presidential nominee to fend for himself for ballot status in that state.

"It would only require 300 signatures to get an LP state house candidate on the ballot, and a win at this level would be a real morale booster and generate considerable press coverage and additional support."

Davies hopes to get the plan endorsed at the next state convention, which has been scheduled for April 30 at Wesleyan University in Middletown.

Ross View

Tom Ross, the other major player in the dispute, views the recent events somewhat differently.

"I got interested in exploring SNEL not to replace the LPC, but to serve as an adjunct for education purposes," Ross told *AL*. "As a non-profit group, we could obtain more financial support as well as corporate contributions. Also, the onerous political finance reporting requirements in this state force us to submit detailed reports every three months for contributors of \$30 or more. This discourages donors and is a major invasion of their privacy."

"The SNEL idea had the support of 9 people at the SCC meeting, who all offered to pledge money, which contrasts with the one monthly pledge that the LPC has," Ross noted. But he said that Davies was "hostile" to the idea from the outset and "demanded that Bartling resign" after the meeting, although the December SCC meeting itself was harmonious.

Ross contends that Davies threatened both Marshall Fritz and himself with dire legal consequences, and was particularly incensed over the SCC vote to reduce the newsletter frequency. "Several party members were upset at the downbeat tone of the newsletter," Ross said, "which was excessively critical of the 1988 election results and didn't contribute much to party-building. Frankly, we didn't want to spend all of our funds on this. Also, we only voted to eliminate one SCC meeting until the convention, mainly because in the post-election period we all needed a rest."

Ross maintains that LPC by-laws allow use of the mailing list by groups like SNEL and this has been lent frequently in the past. Ross suggested that Davies could call a SCC meeting anytime he wanted, but that Davies had "created havoc" over the SCC actions taken in December. "Many long time LP members are unhappy," Ross maintains, "and we may have a change of leadership voted in at the next state convention." Ross notes that he, Bartling and Stayton are still on the SCC and remain LP members.

"SNEL has been put on the shelf for a while," Ross observed, "and we had to postpone a planned May 13 SNEL convention because Marshall wanted to avoid any conflicts. But we are holding a supper club instead and have invited 'hard money' writer Howard Katz to appear."

"I'm not sure what motivates Jim Davies," Ross concluded, suggesting that the dispute had become excessively personal rather than political.

Resolution

The schism remains, although the upcoming state convention may resolve the leadership issues. While major differences about strategy are involved - educational emphasis vs. election of an LP state representative - it also appears that in the aftermath of the 1988 election results, pent up frustration and personal differences have also played a role. In the meantime, SNEL is in limbo and the CLP remains divided. ■

Projects Launched

From page 1

1988. However, most chalked it up to an excess of competitive zeal, since the ballot access fundraising button has been hit pretty hard in several recent libertarian fundraising mailings (including one signed on behalf of the LP's own Ballot Access Committee by Ron Paul himself).

NEFL is a tax exempt organization and the letter notes that it is also able to accept corporate donations. Even so, observers believe the fundraising objectives for NEFL's immediate plans will be difficult to meet. Ironically, the single biggest criticism of Ron Paul's 1988 LP presidential campaign was failure to produce and air high quality TV commercials over network TV. But whatever the past, the NEFL project indicates that Paul is a convert to television now.

LIBER/TV

A TV related project far grander in ultimate scope, but perhaps just that much harder to achieve in practice, is LIBER/TV, a project announced by David Nolan at the California LP state convention in February. Nolan, best known as the principal founder of the Libertarian Party, presented the California convention keynote speech which ended up on a rhetorical note which sounded a lot like a commercial for his latest project.

The outline of the venture was presented in a two page letter which was distributed at the convention and presumably elsewhere as well. Nolan, a former advertising executive, begins by noting "Television is the most powerful force in America today, in terms of shaping the social and political agenda. The average American watches nearly five hours of TV every day, and gets most of his or her information about the world through this medium."

The letter goes on to argue that libertarian ideas must be "presented credibly and effectively on TV" and proposes two actions: "First, and easiest, is to produce and run a series of high quality 30 second spots which address key issues from a Libertarian per-

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A plan to bring the vision of Liberty to the American people.

spective." He notes that "they can't be the same old shoestring-budget 'talking head' spots that Libertarians have producing and running for years," an apparent reference to recent LP campaign commercials.

"Second, we need to start accumulating funds for the purpose of buying control of a TV network! This will take hundreds of millions of dollars, but it's not impossible," the letter continues, arguing that the impact of cable competition and "the art of leveraged buyout" makes this prospect attainable in five to ten years.

The LIBER/TV budget discussed to "get the ball rolling" is to raise \$100,000 in 1989, \$500,000 in 1990, \$2 million in 1991 and \$10 million in 1992. Nolan notes that the project will simply accumulate funds in 1989 with minimal overhead, and Phase One (the TV spots) will begin production in 1990. The network buyout will be explored in 1991 and later, after the initial TV spots are being aired.

Nolan also promises a regular six month progress report to donors of \$50 or more, and will terminate the project within a year (and pro-rate refunds of contributions received of \$50 or more) if sufficient interest is not shown by that time. Larger donors will be "consulted on an on-going basis." Like Paul's NEFL, the Nolan project does not mention the Libertarian Party, and no mention is made of any tax exempt or non-profit status.

Nolan has been increasingly critical of future of the Libertarian Party he founded, going so far as to suggest its total dismantling. This project is apparently the outgrowth of his previously expressed sentiment.

But questions remain about LIBER/TV's viability, particularly considering that his modest "startoff" budget of \$100,000 in 1989 is fully one-third of the national LP budget for 1989 and about half of the non-profit Advocate's for Self Government organization revenue for 1988. By libertarian standards, anyway, Nolan's modest beginnings appear fairly expensive, particularly in light of the increased competition for funds in the libertarian movement.

And despite his optimism over purchasing a network, the last take-over of a major network (by General Electric) cost \$6.3 billion, not hundreds of millions, far beyond the scope of any ideological group or movement. Of course, they told David Nolan starting a new political party would never work either...

Addresses

Regardless of the prospects, both the Paul and Nolan projects demonstrate that television is very much on the minds of many libertarians, perhaps in belated recognition of the fact that while most libertarians are avid readers, most of their fellow citizens are instead semi-addicted TV watchers.

For more information about these projects, contact: NEFL, 1120 Nasa Blvd, Suite 104, Houston, TX 77058 (713) 333-1988, and LIBER/TV, Suite 101-358, 4330 Barranca Parkway, Irvine, CA 92714. ■

Mackinac Center Newest Lib Think Tank

by Greg Kaza

Greg Kaza is a reporter for The Oakland Press.

The Mackinac Center of Midland, MI, is the newest non-profit, free market think tank to emerge in the United States during the last decade, following in the footsteps of organizations such as the Cato Institute and the Reason Foundation.

The center's emphasis on state issues sets it apart from other free market think tanks across the country. "We're trying to play a role in the public policy debate in the State of Michigan," said Mackinac Center President Lawrence Reed.

Reed, an Austrian economist at Midland's Northwood Institute, is well-known to many libertarians, although he stood for Congress in Michigan in 1982 as a Republican and remains a GOP member. Earlier this decade, Reed organized the annual freedom seminars at Northwood, which featured such free market advocates as 1988 Libertarian Party presidential candidate Ron Paul, then a Republican congressman from Texas. Last year, Reed interviewed Ron Paul for *The Optimist*, a magazine oftentimes described as the *Australian Reason*. Reed's interview of Paul was entitled, "The Candidate Who Should Be President."

But it is the Mackinac Center that is occupying most of Reed's time these days.

An October 1988 Mackinac report, "Detroit Metropolitan Airport: A Case For Privatization," argues that Michigan's largest airport should be privatized. Under privatization, airlines, passengers and taxpayers would benefit, concludes John Kost, the report's author. "Selling Detroit Metro to the private sector through the sale of stock would generate income for the country, end taxpayer subsidies, encourage a more consumer-oriented operation, cut operating costs and airline charges, open the door to needed expansion and create new jobs as well," Kost said. The report cites the privatization of seven public airports in Great Britain in 1986 as proof the concept is a practical public policy alternative.

This spring, Mackinac is releasing a report on Downriver Detroit, one of the nation's most heavily-industrialized blue collar areas. Author Gary Wolfram proposes privatizing various local government services such as garbage collection and police and fire protection. Wolfram also proposes construction of a private east-west highway traversing Downriver as an option to using federal and state taxpayer dollars to pay for the project, which is on the drawing board.

Copies of all Mackinac Center reports are available for \$10 from Mackinac Center, 119 Ashman, P.O. Box 568, Midland, MI. 48640. ■

California LP Begins Voter Registration Drive

San Jose, CA - Concerned about the nation's largest state Libertarian Party's ability to remain on the ballot, California LP activists Randall Grindle, Neal Donner and Taylor Rhodes formed the Libertarian Voter Registration Project (LVRP) to maintain the party's ballot status in the Golden State.

The CLP share of registered voters has dropped steadily since 1980 to about .5%, or 49,075 as of the end of 1988. According to ballot law expert Richard Winger, the party will need at least one percent of the total number of votes cast in the gubernatorial election in 1990 to be registered LP members by February 1991, which he estimates will be about 85,000, to qualify on the ballot for president and other federal and state candidates in the 1992 election. The CLP has been able to maintain its ballot status since its original massive registration effort in the late 1970's because of a greater than 5% vote received by at least one statewide candidate in subsequent elections. This situation is not certain to continue, particularly since the two major parties have conveniently failed to run candidates in all the applicable statewide races in the past, leaving one major party candidate running along with several minor party ones. But this happy arrangement could end in 1990 many LP activists fear. Short of a massive petitioning effort, which would have to be done for each LP candidate separately, meeting the voter registration threshold is the only safe way to ensure continued ballot presence.

Newly elected California LP state chair John Vernon told *AL* that "enthusiasm is running very high for the registration project; it's really revitalized the party. Everyone is pretty upbeat as a result of the growth and interest we received in 1988, and I think we have a good plan for the effort. We're going to make the registration program an on-going regular activity, part of our permanent mission. We need to be constantly registering voters, just like the Republicans and Democrats, especially since there is always attrition due to deaths, moves and the like."

Vernon noted that the other two "third parties" in California currently on the ballot face different circumstances. "The Peace & Freedom party has about self-destructed, and they'll face continuing problems with competing leftist groups trying to take it over. The American Independent Party (AIP) has a special advantage. A lot of people apparently register AIP thinking that they're registering as 'independents' because the word is in the party name."

The essence of the Libertarian Voter Registration Project is a mixture of both paid and volunteer efforts. Each region of the state LP has been given the goal of tripling registration within the next two years. Using tables at supermarkets, college campuses and other public places, LP volunteers or paid workers (receiving \$3 per new registrant) will work several hours per month at the effort. The plan envisions about 2,500 LP members or paid workers participating.

According to the March LVRP newsletter, this drive kicks off on Tax Protest Day (April 17) at California post offices; a brochure and response card for those interested in more information about the LP have also been prepared and distributed statewide. The LVRP drive will be costly, but over \$6,000 was raised at the recent CLP convention to kick off the project. A number of large signs have also been produced for the registration tables. Additionally, professional petition

drive organizer Rick Arnold of San Diego has produced a set of legal guidelines on how and where to gather new registrants.

Although many states do not allow voter registration by party, or do not use registered voters to determine LP ballot status like California does, the idea of boosting registered Libertarian Party members has often been advocated as a good means of identifying new members and potential supporters. However, relatively few state LP groups have mounted serious registration drives; none have yet done so on the scale contemplated by the California LP.

More information about LVRP is available from: **Libertarian Party of California, 2156 The Alameda, Suite B, San Jose, CA 95126 (800) 637-1776.** ■

Paris Libertarian Conference Update

Paris, France — The Paris based Mouvement Libertainien is sponsoring the 4th Libertarian International European Convention, "Do Humans Have Rights?", scheduled for July 10-13, and has recently released additional information about the convention schedule and travel arrangements available from the U.S.

The French libertarian group, affiliated with the Richmond, VA based Libertarian International organization, is a non-partisan association "of individuals and organizations dedicated to building a free and a peaceful world, respect for individual rights and liberties, and an open and competitive economic system based on voluntary exchange and free trade", according to their brochure.

The four day event will be held at the Centre International Maurice Ravel and consists of two parts: two days of public sessions (with simultaneous translation into English) and two following days of workshops. Four lunches will also be included in the conference price, which is 1,200 francs or \$200. Lodging at the Centre International Maurice Ravel for five nights, including breakfasts, is a bargain at 700 francs (\$120). Organizers urge those wanting to arrive early or stay later to act promptly to secure additional accommodations.

The convention immediately follows the July 5 Bastille Day holidays in France and there will be a number of public events and celebrations commemorating the bicentennial of the French revolution during the convention period. Crowds in Paris during this time are anticipated to be large.

The first session of the convention, around the question "What is it to be a libertarian?" features two topics: "The Foundation of Individual Natural Rights" and "The State Against Rights: A Revised View of History."

The second public session, centered on the question "To Be A Libertarian: For What?", deals with the topics "The Politics of Human Rights" and "Protection of the Individual: Who Should Defend Us?"

Announced speakers at the conference include Frank van Dun (Belgium), Douglas Rasmussen (USA), Alain Laurent (France), Leonard Liggio (USA), Florin Aftalion (France), Philippe Nataf (France), Roger Pilon (USA), Bertrand Lemennicier (France), Ted Carpenter (USA), and Boudewijn Bouckaert (Belgium).

Workshops will take place the following two days. Organizers expect about 200 attendees, primarily from Europe, although a number of U.S. libertarians are also expected to attend.

Libertarian International (LI) has made special arrangements with travel agent Richard Foss of El Segundo, CA to provide



discounted air transportation as well as auxiliary travel packages for those wanting to extend their visits. LI highly recommends that those planning to attend secure their reservations and deposits as soon as possible due to the expected heavy travel season to France during their bicentennial summer.

Information and arrangements about the convention, along with registration, is as follows:

— Convention registration (\$200) and lodging requests for the International Centre (\$120) or separate hotel accommodations (on request), contact: **Mouvement Libertainien, 42 rue des Jeuneurs, 75002 Paris, France.** (Visa, MC, Amex accepted, pls. include authorization signature, a/c # and expiration date).

— Discount U.S. travel arrangements, contact: **Richard Ross, Ladera Travel, 2041 Rosecrans Ave., No. 103, El Segundo, CA 90245, (800) 624-6679 or (213) 640-6679.**

— For additional information about the conference or Libertarian International, contact: **Libertarian International, 9038 Farmington Drive, Richmond, VA 23229, (804) 740-6932.** ■

Murray Featured at Philly LP Convention

Philadelphia, PA - Nationally famous social scientist Charles Murray will be one of the major speakers addressing the 1989 Libertarian Party national convention at the Wyndham Franklin Plaza Hotel, as part of a special "outreach day" planned by convention organizers.

Murray is perhaps most famous for his revisionist view of the federal welfare state in his book *Losing Ground*. His most recent book *In Pursuit of Happiness and Good Government* received widespread acclaim as a fresh look at the proper role of the State in society. Murray will address the convention on Saturday morning, and a special effort will be made to attract students, academics and news media to his presentation. Murray is associated with the libertarian oriented Manhattan Institute in New York City.

Also slated for "outreach day" presentations at the "Proclaim Liberty" themed LP convention will be two presentations by Advocates for Self Government president Marshall Fritz on "Introduction to Libertarianism" and "The Answers to Tough Questions."

Other presentations planned for the convention are panels on "Looking Ahead to the '90s", "The Election of 1988 in Retrospect", "Our Allies in the Movement" and "The Bush Administration — What's

Ahead?"

The major items of business of the convention, which runs from Thursday August 31 through Sunday September 3, will be By-Laws changes, Platform modifications, discussion of the Party Program and election of LP national officers and members of the Libertarian National Committee.

Other special meal events and speakers are also slated, although details for most of these events have not yet been announced.

Registration is \$99 for the basic package and \$239.95 for the complete package, with extra tours and events available on a per item basis as well. Rates for the hotel are \$75/night single, \$85/night double (plus tax) with hotel information to be released in the future.

Registrations can be sent to: "Proclaim Liberty Convention", P.O. Box 338, Warminster, PA 18974. ■

"Libertarian View" Op-Eds Debut

Houston, TX - An ad-hoc group of libertarian activists has begun distributing op-ed pieces by libertarian writers, which promote the Libertarian Party as a solution to various public policy problems. Calling itself *Libertarian View*, the group aims to mail op-ed articles on a bi-weekly schedule to more than 100 daily newspapers.

An op-ed titled "The Major Parties Deserve Duke and LaRouche" distributed in late March, written by LP Ballot Access Committee Field Coordinator Paul Jacob. Jim Lewis, the 1984 LP Vice Presidential candidate, is working on an op-ed about the income tax. Other libertarians who have agreed to write for *Libertarian View LP News* editor Karl Hess and Libertarian International's Vince Miller.

Libertarian View's organizer, Alan Lindsay of Houston, says op-eds are an effective and inexpensive way to publish the Party's views. According to Lindsay, the cost of printing and mailing these op-eds is so low that, objectn if only one is printed every month, we get a big bang for the buck."

Several LP activists have talked about using op-eds in the past, but the LP has never organized any serious op-ed program. Lindsay says he was convinced of the value of an op-ed program by the success of op-eds distributed by the Volunteer Day Project earlier this year, which he also directed. "The Karl Hess op-ed was not only published, it was placed at the top of the op-ed page with a full page width headline. I'm not talking about the Podunk Weekly Whimper either. The op-ed was published in the Cleveland

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Libertarian Outlook

The Death of Socialism

Truly remarkable things have been happening during the first few months of 1989, most of them grounds of optimism for lovers of liberty and free markets.

While the new American presidential administration is lurching backwards towards retrograde "business-government partnership" and re-regulation, there is a surprising burst of realism blossoming forth from many of the world's totalitarian and communist regimes. Who would have predicted just three years ago that the USSR would seriously be pursuing the early stages of re-privatization of their sclerotic economy, with measures such as long term leasing of agricultural land and legalization of private cooperatives and small businesses? And countries such as Poland and Hungary are abandoning the trappings of socialism as quickly as the political winds dare allow, in hopes of reviving their faltering economies.

Communist China, long a leader in recognizing the unworkability of socialism, has been cautiously moving towards extensive restructuring of their economy. Even modest introduction of private capital markets (with sale of stock shares and bonds!) has been tolerated, along with official and unofficial tolerance of a number of forms of private entrepreneurial activity. Nearly every instance of providing market incentives, no matter how puny, has yielded immediate and positive results. The major debate in many of these nations, which are still under the formal sway of the official Marxist-Leninist state religion, is how rapidly should the de-socialization occur.

In fact, there are now serious debates in many of these countries about the relative merits of gradualism vs. abolitionism in privatizing their economies. Shades of the great libertarian debate! Of course, the correct path is to privatize as rapidly as politically possible. Gradualism merely prolongs the agony.

This triumph of capitalism over socialism (as libertarian economists since Mises have been long predicting) is not without its risks. For one thing, few communist regimes (or comparable State fascist "right-wing" regimes) want to accept the necessary linkage between economic freedom and political freedom. Political bosses of whatever stripe are loathe to give up power, preferring to try to construct market economies while maintaining their monopolies on political power. This unhappy hybrid is inherently unstable, fortunately, and with economic freedom so will inevitably come public demands for political liberalization.

Yet many conservative forces oppose the end of socialism, no matter how cleverly reformers cloak it in Marxist or nationalist rhetoric. Libertarians must anticipate and expect periodic reactionary relapses back into statism during these experimental periods of capitalism. We should encourage the positive trends while opposing the negative. This also includes a firm, even militant advocacy of removing the tentacles of government from the economy in our own relatively free societies. The real strength of capitalism has been in its concrete example of success to others.

Even the smug social democracies of Europe have embraced the rising tide of free markets and economic liberalism. Third World nations have been following the "capitalist road" for some time, hindered only by the ignorance and greed of their nationalistic and usually undemocratic ruling

elites.

Libertarians are often (rightly) very sensitive to the loss of individual freedom, sometimes to the point of ignoring the subtle but positive developments around us. This current death rattle of socialism should be music to our ears. In our continuing fight for liberty, libertarians should not overlook one of the most significant developments of our epoch: the death of socialism.

Chinese Catch On Quickly

As Americans wrestle with the nightmarish web of IRS 1040 forms and related insanity, an inspiring story has just emerged from — of all places — Communist China.

According to the March 8 issue of Beijing's *People's Daily*, angry Chinese masses are reacting to the introduction of income taxation (the downside of their recent move towards economic reform) by attacking tax collectors. The paper reports 13 tax collectors have been killed and more than 6,800 injured since 1985.

"The masses are attacking, surrounding, beating officials from the State Administration of Taxation who are trying to collect taxes," the *People's Daily* reports. "This type of violent behavior has rudely trampled on the social order. In every corner of China, there's tax evasion. Businessmen lie when they fill in forms, famous artists 'donate' their paintings for a hefty sum, actors don't use their real names and ask for payment in cash." State run companies and collectives are also cheating, according to the report.

The Chinese masses have caught on quickly. But we fear the government will soon retaliate. We suspect the Marxists will soon deploy the one form of government torture they've thus found unnecessary: the income tax audit. Two steps forward, one step backward, as Mao would say. ■

Feedback



Letters Policy

Letters are accepted provided they carry the author's name and address. A phone number should be included for verification purposes only. Letters should be kept short and are subject to editing. Letters submitted to other publications will not be considered. Send to: Feedback, American Libertarian, 21715 Park Brook Drive, Katy, TX 77450.

"Masochism Was Rampant"

The California LP convention over the Presidents' Birthday weekend was marked by even more sleaze, disorganization, and masochism than usual. Cullene Lang, the entrepreneur of the convention, booked the convention into the only hotel in Las Vegas without a casino, and with crummy facilities for speakers. Having underbooked hotel rooms, she then called many of the attendees and tried to get them to put up her speakers as roommates — for free. The best LP speaker in many years, Gene Burns, was flown from Boston, not listed in the program, and was forced to speak in a telephone booth-sized



room reachable only from the outside — a sign of a sleazy hotel — and surrounded by wafer-thin walls and speakers blaring through the walls. To top it off, Lang marched into the Burns question-period and hustled everyone into an "important" session next door on proportional representation.

The usual masochism was rampant. Key-note speaker, David Nolan, beloved Founder of the party, spent his time spreading gloom and doom and urging the party to liquidate [presumably in favor of some crackpot PAC of his own.] John Hospers, first presidential candidate of the Party, spent his luncheon talk explaining why it was impossible to apply libertarian principles to politics, and the self-proclaimed Party of Principle responded with a standing ovation. And while Cullene Lang pled poverty in cadging roommates for her speakers, and in her refusing to pay even expenses to some of the speakers, she had the gall to plunk down the astonishing sum of \$3000 for a lackluster speech by Harry Browne, singing his usual song that no one can say anything about whether we will have inflation or deflation. Browne, too, is a notorious opponent of the LP or of any libertarian political action.

I was also told that the convention organizers, pleading poverty, reneged on their promise to pay Ron Paul's airfare to speak at the convention after he had already bought his own ticket and had given his presentation.

All this points up a continuing problem for the LP: in both state and national conventions, the party, by turning over the program to irresponsible private entrepreneurs, loses controls of the convention and its program. The point of the Libertarian Party is **not** to make money; it is to spread the ideas of liberty. If the point is to make money, we may as well turn the whole thing over to Donald Trump, who really knows how to do it, and not to the likes of Cullene Lang, or Ruth Bennett (Seattle '87), or Dave Walter (Philadelphia '89). We need conventions that are responsible and accountable for the content and quality of their program, and not just be playgrounds for failed quick-buck artists.

Clarabelle Ward
Scottsdale, AZ

Fear of LP Youth Invasion

Dr. Matthew Monroe's campaign for Libertarian Party chair, which your publication endorsed, if successful, could be the very thing to lift the LP out of the doldrums it currently wallows in. Two of his three "central goals," "Managing for Growth" and "the Permanent Campaign," are both very good. The third "central goal," however,

dubbed the "LP 2000 Program," while generally an excellent idea, has one important and potentially dangerous flaw. I am referring to his plan to create "an active student organization."

I believe that today's youth, such as myself, will be the most receptive to libertarian ideals yet. And while many of these young people may only vote for and, at most, contribute to the LP, the number who join the LP will probably outnumber older members by far. A student organization will only draw attention to this fact. This situation, though not itself a negative one, could lead to the discrediting of the LP by the media by dubbing it as a passing phenomenon, with young supporters who will even-

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In Review



by Mike Holmes

Mike Holmes is editor of the *American Libertarian*.

The Free Market Reader, Essays in the Economics of Liberty, Edited by Llewellyn H. Rockwell, Jr., Ludwig von Mises Institute, 400 pages, \$11.95

Man, Economy, and Liberty: Essays in Honor of Murray N. Rothbard, Edited by Walter Block and Llewellyn H. Rockwell, Jr., Ludwig von Mises Institute, 423 pages, \$20.00

Ever since its formation in the early 1980s, the Ludwig von Mises Institute has been doing yeoman service in the cause of promoting free market economics (with great emphasis on the Austrian school, championed by the Institute's namesake) and the related cause of individual liberty, which of course is intimately intertwined with economics freedom. The Mises Institute is one of a growing number of intellectual research organizations which have revived notion of political economy (originally the term for the discipline of economics, along with the study of related political conditions) which correctly unites these two subjects. These were artificially split into two academic realms by a misguided effort in the early 20th century to treat the subjects as "social sciences," totally divorced from the rich matrix of human choices and values which underlie both political and economic action.

As part of this important work, the Mises Institute has released two valuable books earlier this year which will prove of great value to libertarians with an interest in economic issues, and the accompanying political battleground of man vs. the State.

Both works are similar in style, consisting of short, readable essays linked by common themes, bound in a high quality paperback format, set in readable type and well indexed.

The Free Market Reader

The Free Market Reader is perhaps the broadest in scope of the two books, consisting of 77 essays reprinted from the Mises Institute's bi-monthly *Free Market* newsletter covering a wide range of topics. These essays are divided into 8 sections: Fundamentals (of economics), Fiat Money and the Gold Standard, Free Trade and Protectionism, Great Economists, Socialism, Privatization Vs. Government Ownership, Budgets, Taxes, Bureaucracy and Interventionism, and Reaganomics. Murray Rothbard and Institute president Lew Rockwell Jr. authored the lion's share of these essays, most of which run two or three pages (in generous sized type). This makes them ideal length for quick dipping to bone up on topics of interest before debates, speeches or just periodic libertarian intellectual tune-ups.

Other authors include Ron Paul, Walter Block, Sheldon Richman, Jeffrey Tucker,

Robert Higgs, Charlotte Twight, Bradley Miller, Margit von Mises, Mark Huges, Sam Wells, Richard Ebeling, Hans-Hermann Hoppe, Tom Bethel, Lawrence Reed and several others. There is hardly a contemporary political issue or economic discussion which isn't addressed in one of these essays, including "Love in the Bureaucracy," "The Conservative Sanctification of Big Government," "The Case for A Free Market in Body Parts," "Ten Great Economic Myths" and "The Sad Legacy of Ronald Reagan," just to name but a few.

This is a collection every American should have, and one which serves as an invaluable reference for libertarians who need an easy-to-use, readable addition to their "intellectual ammunition" supply.

Man, Economy and Liberty: Essays in Honor of Murray N. Rothbard

This collection of essays is described by the German word *festschrift*, which is loosely translated as "a festival collection in honor of a famous scholar." And quite a fes-

Thermonuclear Correspondence Department



(Wherein Dr. Rothbard once again demonstrates his inimitable ability to get his point across, in this instance, to the current Libertarian Party chair.)
March 12, 1989

Mr. David Walter
894 Pine Road
Warminster, PA 18974

Dear Dave:

I note, in your memo of Feb. 25, a generous bestowal of thanks to those who aided your efforts, including Dale Hemming and Dave Bergland "who loaned money for the Rothbard Mailing." Great. However, there seems to be a significant omission: how come you didn't thank me for signing my name to that same mailing? Not only do you fail to do that, you have the unmitigated gall to attack me for ruining the letter in "an article appearing about the same time" by attacking party leadership! (Where did that article appear, by the way, Dave? In a publication that you dare not speak its name?) What the hell is this? If I agree to sign my name to a fundraising letter for the Party, does that mean that in addition to not getting paid for this service, I also entail the obligation of a vow of eternal silence about the shenanigans that are going on among the Party leadership? Is that your position?

I note, too, that despite your griping, the letter netted you about \$4,000. Does that mean that I agreed to sign a letter that netted you people \$4,000, the only result of which is that I get attacked for this? (I would also note that if you were not so stupid as to send the mailing out first class, you would have netted another \$1,000.)

If you want to apportion blame for the letter not being more successful, you might also consider the possible ineptitude of whoever wrote the letter — whoever that might have been. I don't know who it was, since I don't see you thanking them either.

For whatever it's worth, Dave, and maybe it's at least worth \$4,000, it will be a cold day in hell before I sign any more fundraising letters for the Party, so long as you have anything to do with its leadership.

Sincerely,
Murray

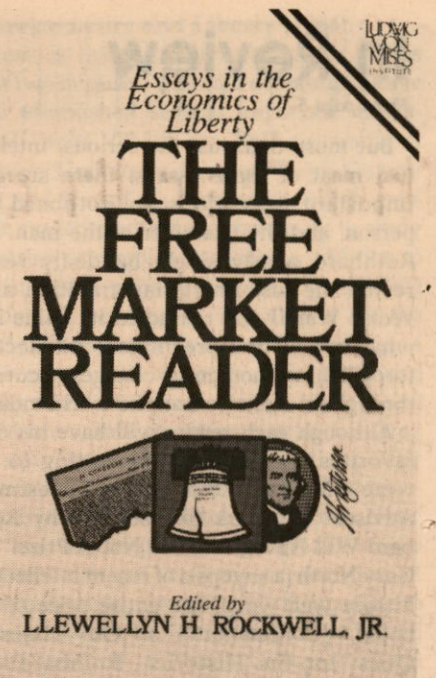
tival it is. But it could hardly be otherwise, dealing as it does with America's most prominent advocate of hard core, uncompromising libertarianism in economics, politics, history, culture and assorted other minor disciplines.

Similar in format to the **Free Market Reader** (with slightly smaller type, longer essays, two indices — by author and topic, as well as a selected bibliography of Rothbard's more scholarly writings), this book encompasses 30 essays covering Economics, Philosophy, Political Science, History, and Personal aspects of Murray Rothbard's own work or aspects of his worldview. And added bonus is a six page collection of photos of Murray through the years.

Each of these essays is authored by a prominent scholar, writer or keen observer of Rothbardianism. The topics range from the fairly academic ("Rothbardian Monopoly Theory and Antitrust Policy," "Professor Rothbard and the Theory of Interest," "In Defense of Rights," "John Prince Smith and the German Free Trade Movement") to the more personal ("Three National Treasures: Hazlitt, Hutt and Rothbard," "The Political Importance of Murray N. Rothbard," "Rothbard as Cultural Conservative").

Although Rothbard's passionate, no-holds-barred style of polemics has polarized some in the libertarian movement, particularly those on the wrong side of his razor sharp wit and often displayed moral outrage ("monstrous," "evil," "outrageous"), he is always entertaining, never wish-washy and rarely all that far off the mark, when you look at his long track record. Nearly everyone active in the political or intellectual freedom movement has come under his scrutiny at one time or another. And aside from the abnormally thin-skinned (a surprisingly large portion of the supposedly ideologically tough libertarian movement), even his intellectual opponents give him credit for a battle well joined.

But the breadth of Rothbard's intellectual



scope is well represented in this collection, as well as the fact that he is among the most prolific of contemporary libertarian scholars and authors. His contributions span over four decades of consistent opposition to statism and related forms of political and economic oppression. While his political and intellectual contributions are only lately being recognized, one gets the clear sense throughout these essays that this belated recognition is in large measure due to the fact that Rothbard has been regarded as a "class traitor" by the professional academic mandarin community. Iconoclasts are rarely heralded by those whose fortunes are tied to large government institutions, government grants and benefits bestowed on those *intelligencia* whose views support the prevailing sentiment of the politically powerful ruling class interests of the moment.

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Feedback

From page 4

tually outgrow their beliefs, as they pointed out with the New Left in the late 60s. Still others, grossly misinformed, might claim the LP to be a political cult. I suggest that Dr. Monroe reexamine this point in an otherwise flawless platform.

John LaBeaume
University City, MO

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In Review

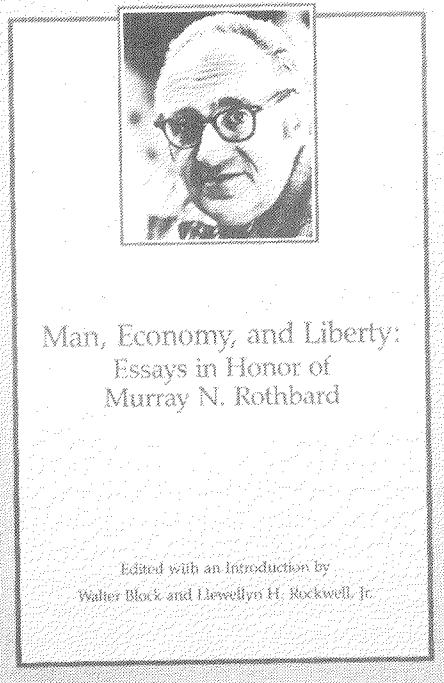
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But more than just the serious, intellectual meat of these essays, there are also important reflections on Rothbard the person, and the character of the man. Dr. Rothbard nearly single handedly resurrected the lost libertarian tradition after World War II and rekindled its flame into what is now the preeminent intellectual force behind momentous changes occurring throughout America and the world today.

Although each reader will have his own favorites, particularly interesting to me were "Murray Rothbard as Investment Advisor" by Mark Skousen, "Why Rothbard Will Never Win the Nobel Prize!" by Gary North (a synopsis of recent intellectual history well worth the entire price of the book), "Commentator on Our Times: A Quest for the Historical Rothbard" by Sheldon Richman, which offers a fascinating look at early Rothbard book reviews of the 1950s, and "A Funny Thing Happened on the Way to the Forum or the Reviews of 'Mr. First Nighter'," Dustus Doenecke's recounting of Murray's much missed movie reviews which appeared in the now defunct Rothbard newsletter, *Libertarian Forum*, in the late 60s and early 70s.

This essay collection ends on two brief warm notes with contributions by JoAnn Rothbard, Murray's indispensable other half, and Margit von Mises, widow of Rothbard's mentor Ludwig von Mises, without whom Rothbard's great contributions to our intellectual advance would not have been possible.

These two books are available from libertarian bookservices (Laissez Faire Books, Free Forum Books) or direct from the Ludwig von Mises Institute, 851 Burlingame Rd., Burlingame, CA 94010, (add \$2.75 postage and handling for either of the books, or both). ■



Debut

From page 3

Plain Dealer with a circulation of 454,000."

Last January, local Volunteer Day coordinators distributed an op-ed by Paul Jacob to college and high school newspapers. "We have talked for years about college outreach. This is one of the least expensive college outreach programs around. Paul's op-ed was published in several college newspapers," Lindsay continued. "The University of Arkansas *Forum* op-ed has created an ongoing debate about the draft and there has been at least one letter to the editor about the draft every week since our op-ed ran."

Unlike libertarian think tank op-eds, *Libertarian View* will point the Libertarian Party as a solution to the public policy issues it

writes about. "It's fine for Cato, Reason and the Manhattan Institute to tell people we need much lower taxes, less government regulation and more personal freedom. But Libertarian View wants to also tell people that the Libertarian Party is a way to implement those ideas," Lindsay said.

Libertarian View accepts unsolicited manuscripts. (If you want your manuscript returned, include a SASE.) A small honoraria is available on request. All manuscripts accepted by *Libertarian View* become the property of *Libertarian View*. For more information write: **Libertarian View, c/o Alan Lindsay, 2300 Lazy Hollow, #330-D, Houston, TX 77063.** ■

Rothbard and Austrian Economics:

A Response

by Peter J. Boettke

In the February and March issues, economist Murray Rothbard presented his analysis of Austrian economics in a two-part series "Austrian Economics: Boom, Sell-Out and Revival".

In the following article, Peter Boettke, Assistant Professor of Economics at Oakland University in Rochester, Michigan, responds with an alternative view.

Murray Rothbard has done it again. In the past few years Rothbard has picked up his pen and intellectually assaulted other Austrian economists. As one of the great defenders of freedom in this century, Henry Hazlitt, always warned, half-truths sell better than the truth.

What has been the most active period of scholarship in Austrian economics since its heyday in the beginning of this century (up to the 1930s) has become to Rothbard a bust. But is this the case? Is it really true that everyone has become a statist sellout? Are Murray and his merry band of followers the only ones left seeking truth rather than prestige and power? No, on all accounts!

In between the awarding of the Nobel Prize to F.A. Hayek in 1974 and James M. Buchanan in 1986 (Buchanan shares a general sympathy with the Austrian approach to economic analysis, see his book **Cost and Choice** (1969), there has been a whole new generation of economists working within the Austrian tradition who have produced significant scholarly and policy-oriented work that is of utmost importance to libertarians and to the general public.

Lawrence H. White of the University of Georgia, for example, following Hayek's theoretical suggestion about competitive note issue, provided an empirical and theoretical case for free-banking in **Free Banking in Britain** (1984). Following up on White's work, George Selgin of the University of Hong Kong has produced the most detailed study to date of the theoretical workings of a competitive banking system in **The Theory of Free Banking** (1988). Others working in the field of money include: Roger Garrison of Auburn University, who has produced several scholarly articles on monetary theory; Gerald O'Driscoll of the Dallas Federal Reserve Bank, who has studied the effects of banking de-regulation; and Steven Horwitz of George Mason University, who has discussed in several policy papers the importance of branch banking and is in the process of producing a lengthy scholarly study on the private basis of monetary order.

In addition to money and banking, the younger generation of Austrian scholars has also produced significant work in the area of industrial organization and public policy.

Dominick Armentano of Hartford University in his books, **Antitrust and Monopoly: Anatomy of a Policy Failure** (1982) and **Antitrust Policy: The Case for Repeal** (1986), has provided detailed historical and theoretical analysis of the problems of antitrust policy in the United States. Thomas DiLorenzo of the University of Tennessee, Thomas Hazlett of University of California, Davis and Jack High of George Mason University, have also produced several studies on the origin and operation of antitrust law in America. All criticizing and calling for the abolition of antitrust laws and the FTC.

In addition, Mario Rizzo of New York University has produced several scholarly contributions to the economic analysis of law, defending, along with the great legal mind in America today, Richard Epstein, individual rights and strict liability. Other notable contributions within legal theory have been made by Randy Barnett of Kent College of Law, who has produced several interesting studies on contract law and the nature of law in a free society, and Roy Cordato of the Institute for Research on the Economics of Taxation, who has studied the treatment of externalities, e.g., pollution, within standard law and economics compared to Austrian analysis.

Don Lavoie of George Mason University in his **National Economic Planning: What is Left?** (1985) provides a critique of national industrial planning that is without equal in terms of its scholarship and comprehensiveness of the critique. Lavoie lays bare the claims of left, right and center for government planning of U.S. economic development (or competitiveness, to use the current fashion). And in **Rivalry and Central Planning** (1985), Lavoie defends the Misesian position on the impossibility of socialist economic calculation and demonstrates the truth of Mises' claim against all the counter-arguments. One of his students, David Prychitko of SUNY, Oswego, who is spending this year as a Fulbright Fellow in Yugoslavia, has produced several relevant studies in comparative economic systems ranging from the current reform movement in China to the Yugoslavian economy to the crisis state of Marxism at the end of the twentieth century.

In addition to these applied studies of public policy, several individuals have devoted themselves to improving the theoretical underpinnings of economics within the Austrian tradition. Most notable of these contributions by the younger generation was the release of Mario Rizzo and Gerald O'Driscoll's, **The Economics of Time and Ignorance** (1985). This book is a major restatement of Austrian economics, relating it to modern developments within the economics profession.

Rothbard also knows full well that Henri Bergson is not someone new to Austrian economics. Alfred Schutz, perhaps Mises' most distinguished student of the philosophy of the social sciences, in his book, **Phenomenology of the Social World** (1932) combines Husserl's transcendental logic, Bergson's theory of time-consciousness and Weber's interpretive sociology to address concerns of theory construction in the social sciences (specifically defending Misesian *apriorism* against all detractors). And Mises in **Human Action** makes reference to Bergson in his discussion of the time element in economic activity. Moreover, Rothbard in his **Individualism and the Philosophy of the Social Sciences** (1979) talks about the importance of Schutz for praxeology. All the younger generation has done is follow up on Rothbard's own footnotes. Clearly Rothbard knows better. It is he, not the younger Austrians, who has forsaken his Misesian roots in continental

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Response

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philosophy.

As for the place of hermeneutics within Austrian economics, the debate has been so confused because of Rothbard's half-truths that it is hard to know where to begin. Clearly Mises saw in hermeneutics the **proper method** for historical studies — there can be no doubt about that after one reads either **Epistemological Problems of Economics or Theory and History**. The question Lavoie has raised in his work has been whether further develop in that philosophical tradition have renewed applications within modern Austrian economics. Mises' philosophical roots for theory construction are clearly phenomenological; as is demonstrated in the first 100 pages of his great masterpiece, **Human Action**, and in the work of his student Alfred Schutz. The question now before us is whether

Gadamer's project of phenomenological hermeneutics has any relevance to the further development of praxeology or not. Lavoie may be wrong or right, but debate should be on the merits of the argument.

The growing respect of Austrian economics is due precisely to the maturation of the argument over the past two decades, not to political expedience. And the individual most responsible for the development of the Austrian tradition is **without doubt** Israel M. Kirzner of New York University and not Murray Rothbard, though it is evident that the young Rothbard (pre 1970) was a very important and vocal part of the Austrian tradition and made major contributions with **Man, Economy and State, Power and Market**, and **America's Great Depression**.

Kirzner's pathbreaking studies on the nature of the market process, **Competition and Entrepreneurship** (1973), **Perception, Opportunity and Profit** (1979) and **Discovery and the Capitalist Process**

(1985), have brought renewed appreciation to this once neglected school of thought. In addition to his own scholarly contributions, Kirzner has also been a tireless organizer and promoter of Austrian scholarship within the economics profession by running conferences and editing collections; see Kirzner, ed., **Method, Process and Austrian Economics** (1982) and **Subjectivism, Intelligibility and Economic Understanding** (1986).

As a sign of their growing influence, these ideas have filtered down into several principles level textbooks during the past few years, most notably, Paul Heyne, **The Economic Way of Thinking** (1987), but also evident in Ed Dolan and David Lindsey, **Economics** (1988), James Gwartney and Richard Stroup, **Economics** (1987), and Roger Arnold **Economics** (1989). In addition, at least two introductory studies of the Austrian school have been published; Alexander Shand, **The Capitalist Alternative** (1984) and W. Duncan Reekie, **Markets,**

Entrepreneurs and Liberty (1984).

Besides these scholarly activities in the past two decades, Austrian economists have also established several important educational posts. There are PhD programs at Auburn University, George Mason University and New York University which provide students with the opportunity to study Austrian economics in-depth, in addition to the standard training received by any PhD student of economics. The Center for the Study of Market Processes at George Mason University, for example, has produced within the last 5 years around 10 PhD and 20 Masters students who are either teaching in universities or doing public policy research from an Austrian school perspective. In addition to graduate programs, there are also undergraduate programs where students can get a rigorous education in standard economics along with exposure to the Austrian school at: Grove City College (Hans Sennholz); Hillsdale College (Richard Ebeling); University of Dallas (Samuel Bostaph); Loyola University (Deborah Walker); California State University, Hayward (Charles Baird); to name just a few.

The Austrian school is growing in influence throughout the country. This year there will be an international conference at Duke University assessing the economics of Carl Menger, the founder of the Austrian school, and next year a conference is planned at Hillsdale College to examine the resurgence in Austrian economic thought since Hayek's Nobel Prize.

It is simply not true that all this recognition was gained at the expense of dropping the great master, Ludwig von Mises. It is precisely people attempting to refine and extend Mises' ideas that has led to the advancement of our thought. Every article I write, for example, is an attempt to refine and extend Mises' ideas about the nature of economic science and the free market or the free society, in general, or bring Mises' ideas to a new audience.

It is time to call a spade a spade. Murray Rothbard provides entertaining stories of conspiracy and sell-out, but it is simply not true within the academic community of Austrians. ■

DR. MATTHEW MONROE Libertarian Party Chair

Past: Born in Warsaw, Poland, 1941, left in 1967 when his original scientific research was suppressed for political reasons (later published in the *Journal of Biological Chemistry*). M.D., School of Medicine, Wroclaw. PhD., U.C., San Francisco & Berkeley. Attended Columbia University Libertarian Conference, 1971. Joined the Libertarian Party, 1975. Texas LP Finance Chair, 1980-1982. Elected to Libertarian National Committee, 1981. National LP Finance Chair, 1982-85. Developed and successfully implemented national LP telephone fundraising, the monthly Liberty Pledge program, and the Torch Club program. Finance Chair, Ron Paul Libertarian for President, 1988.

Present: Married with two children. Practicing cardiologist. Member, Denton Cooley Cardiology Society. Membership Chair of national LP, 1987-present. Developed "Instant Membership" program, which has brought in over 2,000 new members. Publisher, *American Libertarian* newspaper.

Future: "To carry out its mission, the Libertarian Party needs competent, professional management, entrepreneurial leadership, and more financial resources to fund important projects."

"The Libertarian National Committee is just too big to manage effectively. We don't need a mini-legislature. We need a capable board of directors with business and management experience to prepare the LP for the 1990's and beyond."

"The national LP should perform as a service organization. It should provide professional ballot access and political development services to state and local parties. Cut the overhead and provide more benefits to members, like a monthly party newspaper."

"The three central goals if I am elected as national LP chair are 1) **Managing for Growth** - finding, hiring and motivating the best people we can find to end stagnation, provide our organization with new prospects and members, and raise the necessary money to pay for new programs; 2) the **Permanent Campaign** - where full-time ballot access and political development professionals carry forward the work usually done only during major election years. This also means professional advertising (print, TV and radio), lobbying, public speaking engagements by LP representatives, and active public relations efforts; and 3) the **LP 2000 Program** - the LP in the year 2000 will be led and run by those we recruit and train in the next few years. This means starting an active student organization program, funding workshops and student conferences, and producing new literature and recruiting campaigns to find new members and develop future leadership in every state party."

"The Libertarian Party already has wonderfully generous and hardworking supporters, the best ideas in politics, and an American public increasingly fed up with the two-party choices. All we need now is solid, capable leadership for our party. I am assembling a team which will provide that leadership, and I sincerely hope you will join me in this very important work." - Matt Monroe



LP Raises Fraction of Major Party Funds

Washington, DC - In a recently released Federal Election Commission (FEC) report, information about money raised by the two major parties indicates that the Libertarian Party was outspent by more than 200-to-1 by the Republicans and 100-to-1 by the Democrats during the 1987 - 88 election season.

As shown on the accompanying chart, Republicans raised more than \$360 million during the two year period while Democratic spending topped \$125 million. By contrast, the LP managed to raised about \$1.3 million, over half of that by the Party's Ballot Access Committee solely for the purpose of putting LP candidates on the ballot.

The figures cited exclude funds raised by candidates, which for the Democrats and Republicans totaled over \$100 million each, close to half of that from federal matching funds. The LP presidential ticket raised about \$2.5 million.

Both major parties raised about \$6 million more than they spent, while the LP managed to raise only a few thousand dollars more than it spent during the two year period.

These figures come as no surprise, since

Continued page 8

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8th Circuit Rejects MO Ballot Appeal

Kansas City, MO - The 8th Circuit U.S. Court of Appeals voted not to rehear *Manifold v. Blunt* on March 13, the federal court decision which upheld the constitutionality of the Missouri ballot law which requires new political parties to submit names of electors two months earlier than so-called established parties. The court tied 5-5 on the vote to hear the case (five out of six GOP appointed judges voted against the LP), which had the effect of upholding the original decision.

The LP presidential ticket of Ron Paul and Andre Marrou did not appear on the Missouri state ballot because the state LP neglected to furnish the list of presidential electors by August 1, even though that state's difficult petition signature requirement had been met. This sloppy paperwork cost the LP ticket their ballot

placement, although other Missouri LP candidates were not affected. This was a particularly heartbreaking situation since the LP Ballot Access Committee spent considerable funds and mobilized dozens of petitioners in a dramatic last minute push to qualify the party in late July 1988. A previous court ruling prior to the election upheld the Missouri law, despite the fact that it is a blatantly unfair, discriminatory and serves no real purpose.

Ironically, both major parties missed the Indiana elector deadline in 1988 (due to unannounced last minute changes in that state's law) but of course, neither Bush nor Dukakis were denied ballot places in that situation.

The Missouri LP, which brought the case, is raising funds to appeal the Circuit Court decision to the U.S. Supreme Court, if \$1,000 to print the brief can be raised. Contributions for this purpose can be sent to: **Missouri Libertarian Party, c/o Mike D'Hooe, 11738 Parish Dr., Bridgeton, MO 63044.**



"GREAT - GET GOVERNMENT OFF OUR BACKS... AND INTO OUR KIDNEYS!"

The Seventh Annual Cato Monetary Conference held in Washington DC in March received a nice write-up in the April 3 issue of *Forbes*. Noting that Cato officials "have worked hard to establish their credibility on the Washington policy circuit" *Forbes* writer Peter Brimelow went on to say that Cato officials "are currently sulking at *Forbes* because a recent article (Mar. 6) mentioned their early links - and subsequent emphatic break - with combative anarchist Professor Murray Rothbard." Poor Ed Crane. Seems the Bush administration has made everybody cranky these days ...

We said last year that you would be hearing more about the idea of privatizing money. Well—now you are.

An end to monetary instability?

By Peter Brimelow

IT'S A FAMA SYSTEM! "No, it's a Fisher Compensated Dollar system!" Debate is getting heated at the Cato Institute's Seventh Annual Monetary Conference, in Washington, D.C. The panelists, including Richard N. Cooper of Harvard and Allan H. Meltzer of Carnegie-Mellon, are arguing about a monetary reform of exquisite subtlety proposed by two other professors of economics, Robert L. Greenfield of Fairleigh Dickinson and Leland B. Yeager of Auburn.

But the details of this particular

proposal matter less than the general conference theme: that there is an alternative to government-created (and, it follows, government-manipulated) money. It supports something *Forbes* said (May 30, 1988). "Privatized money, alias 'competing currencies' or 'free banking,' is an idea that you will be hearing much more about in the years ahead."

Most people assume that a central bank and extensive financial regulation are intrinsic to the economy. But in fact the Federal Reserve celebrated its 75th birthday only last December. Papers presented to the Cato conference argued that inflation and eco-

nomics instability have actually been worse since its inception. And (speakers asked) what kind of advertisement for government supervision is the impending bailout of the thrifts—an industry started and systematically sustained by regulation?

"There exists no monetary constitution, as such, in the United States in 1989," Nobel laureate James M. Buchanan of George Mason University told the conference. "What does exist is an institutionally established authority charged with an ill-defined responsibility to 'do good,' as determined by its own evaluation. We would have no difficulty in classifying an analogously directed military junta in a Latin American setting as nonconstitutional, by which we would mean, quite properly, that it operates in accordance with no predictable rules of behavior." (Buchanan got his Nobel Prize for economics, not literature.)

The supply of money could be privatized in many different ways. Banks could simply be freed from reserve requirements and other regulations, allowing them to make loans—in effect, create money—according to their own judgment of risk. Or, in perhaps the most radical version, advanced by another Nobel economics laureate, Friedrich von Hayek, multiple differently denominated private currencies could be allowed to circulate simultaneously, rather than the var-

Party Funds

From page 7

the major parties have always outspent third parties and independents by a wide margin. And LP presidential and ballot access spending in 1988 reached its highest totals since 1980, when the wealthy Wichita, Kansas based Koch family bolstered LP fortunes, largely because David Koch was on the ticket as LP vice presidential candidate. Additionally, both major parties received several million dollars in federal funds to help underwrite their national nominating conventions, which are included in the cited totals. ■

Funds Raised by Political Parties 1987-1988

(in millions \$)

	1987-88	% of Total
LP (Nat'l Office)	\$.648	
LP (BAC)	.663	
Total Lib. Party	1.299	.26
Total Rep. Party	263.3	73.77
Total Dem. Party	127.9	25.97
Total All Parties	\$ 492.499	100.00%

Source: FEC reports, LP financial statements.

Notable Quotes



Kempwatch: After Promotion His Mind is Open... and Empty

"Jack Kemp, nominated as Secretary of Housing and Urban Development, pledged to 'throw out ideology' and be an advocate for helping ease poverty, homelessness and other urban problems.

Kemp said, 'I want to be considered a big-L liberal' on race and poverty issues. 'I am going to be an activist. I'm going to be an advocate. The door is open. My mind is open.'"

Associated Press, January 18, 1989

Reagan Legacy: More Government

"And the Ronald Reagan who's riding off into the sunset leaves behind all the Cabinet departments he inherited, and a new one - the Department of Veterans Affairs. The civilian federal work force is at an all-time high.

According to the Congressional Budget Office, George Bush will command a civilian work force of some 3,113,300 employees, a 7% increase over 1981. Actually, the real

number is even higher. The CBO doesn't count workers at the Central Intelligence Agency and other intelligence agencies, whose employment statistics are kept secret; it's known that those agencies have enjoyed significant staff increases in the Reagan years.

By the end of the Reagan years, though, what agency was the *bete noire* of the education establishment and the NEA? The Education Department of course ...

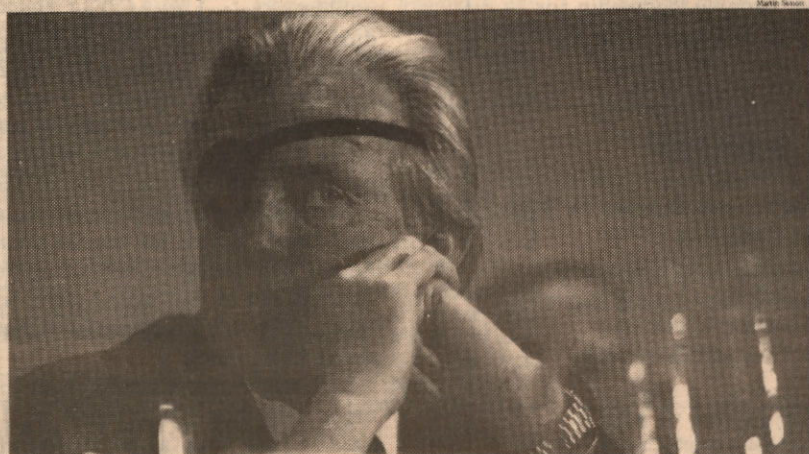
The agency actually grew by 57% in the Reagan years."

"Hide and Seek", Hilary Stout, *The Wall St. Journal*, Jan. 20, 1989

COMING ATTRACTIONS

Kansas LP Airs Radio Show
DC NatCom Report
Mark Skousen Interview
LP Election Victories

Cal Libs Score 3 Successes
Plus cartoons, political notes,
media watch and more...



U.S. Chamber of Commerce's Richard Rahn
Modern developments make private money practicable.