



11350 Random Hills Road, Suite 800, Fairfax, Virginia 22030 Phone (703) 934-6101 Fax (703) 352-3678

fff@fff.org www.fff.org

Why Markets Are Dreaded

by Tibor R. Machan

In one of those vapid, in-house disputes often published in *The New York Review of Books*'s letters-to-the-editor sections, we can read about a disagreement among educational experts under the heading "Scandals in Higher Education: An Exchange" (4/26/07). Well, not much of a disagreement because none of the participants gives a quarter to basic challenges to how colleges and universities are funded. They all accept, without question, that it is the business of governments to run most of the country's colleges and universities, so the disagreement is on mere details.

Indeed, in the exchange it is clear that no one likes markets in higher education. Henry Wasser, who is a former academic dean and vice president at the City University of New York, complains that a previous piece in the magazine "ignores the growing and transforming inequalities" that supposedly afflict American higher education. Among these are, of course, "the dominant commercialization of universities in function and psychology," and "the pervasiveness of the 'market' model," whatever that is supposed to mean in a profession that is dominated by government administration and funding. In response to this the original author of "Scandals," Andrew Delbanco, replies that he has elsewhere "discussed most of the themes [Wasser] mentions," among them commercialization and "the rise of 'market' values."

So clearly there is no disagreement about basics — governments ought to run and to fund colleges and universities (by extorting money from citizens through taxes). And markets are a bad thing, however they might make their appearance in higher education.

What is meant by "markets" and why the scare quotes around the term?

Markets are arenas wherein people exchange goods and services with one another, once they have freely reached agreement on terms. The market is, in other words, a place of voluntary commercial and professional interaction. It is not a place regimented by criminals or by governments. The latter at most stand by to help adjudicate certain disputes, although even there arbitration agencies can often be hired to work out terms of resolution.

Markets are free forums of trade and those in markets are free agents dealing on terms they can agree to.

So what's so terrible about this? Why would Drs. Wasser and Delbanco both be so ready to bad-mouth markets, and make it so clear to readers they are against them by way of placing scare quotes around the term? What is wrong with free exchanges in higher education? Why, in other words, are market values — which are reached by means of free exchanges — besmirched?

I am not privy to these academicians' inner thoughts, motives, or feelings but I have spent more than 40 years teaching in higher education and, before that, studying there, and I can say without any hesitation that the bulk of those working in the groves love to rook the taxpayer for their pay.

They do not want to enter the market place where their income would have to be obtained solely from willing customers. That kind of dealing — such commercialization — offends them, makes them think they are no better sorts than, say, people who sell shoes, cars, life insurance, mutual funds, or kitchen utensils.

No. Let these other blokes cope with the burden of having to convince customers of the value of what they have to offer them. Higher education merchants and professionals must be protected from such burdens. They must have their income expropriated from many unwilling taxpayers; their scholarship and research, unlike that of many in the private sector, must be funded with the loot the government gets to extort from us with complete impunity. They need not sweat the possibility of their customers' choosing to go elsewhere for their higher educational services.

Oh, yes, and when someone dares to mention just how vicious their approach is, how it resembles the methods of organized crime in dealing with “customers,” one will very soon hear about how leaving things to the market place will engender the dreaded horrors of “growing and transforming inequalities.” Never mind that inequalities are part of all, including human life, and that the only way they are to be banished is if our basic rights — those listed by the American Founders — are not equally protected by the professionals in government.

If the discussion gets this far with one of these righteous defenders of their — unequal! — professional privilege, one soon hears about everyone's equal positive rights to whatever is of benefit to them in life. This is one widely hailed doctrine that's deployed when the enslavement of us all is advocated to justify keeping these erudite folks on the dole!

Let's entrust higher education to markets rather than to this scam.

*Tibor Machan holds the R.C. Hoiles Chair in Business Ethics and Free Enterprise at Chapman University's Argyros School of B and E and is a research fellow at the Pacific Research Institute and Hoover Institution (Stanford). He is an advisor to Freedom Communications. His most recent book is **Libertarianism Defended**, (Ashgate, 2006).*

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