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*Good actions ennoble us, and we are the sons of
our own deeds.*

— *Miguel de Cervantes*

FUTURE OF FREEDOM

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Chile's Gun-Control Lesson for Americans

by *Jacob G. Hornberger*



One of the popular arguments for gun control is that people don't need assault rifles, high-capacity magazines, and certain types of high-powered pistols to shoot deer. That argument, however, ignores the primary rationale for the Second Amendment, which was to ensure that people retained the means to resist tyranny at the hands of the federal government.

Statists give short shrift to that rationale. Tyranny is something that befalls people of other nations. In the statist mind, tyranny is a non-existent possibility here in the United States. After all, the statist reasons, America is a long-established democracy with a deep regard for free-

dom, a nation that in fact has made enormous sacrifices to oppose tyranny all over the world. It's just inconceivable, they argue, that tyranny could ever befall the United States.

Although the nation of Chile lies some 5,000 miles away from the United States, its history holds a valuable lesson for the American people in gun control. Before Americans permit their government officials to take their so-called military-style guns away from them, they would be wise to reflect on what happened in Chile more than 40 years ago.

In 1970 Chile elected Salvador Allende to the presidency. It had been an extremely tight three-man race, with Allende securing 36.63 percent of the vote against the second-place candidate, Jorge Alessandri, who garnered 35.29 percent. Since none of the candidates had received a majority, under Chile's electoral rules the Congress would decide who would be president. Under a long-established tradition of electing the person with the most votes, Congress chose Allende to be president of Chile.

Allende's election marked the culmination of a remarkable political journey. A physician, he had been involved in politics for nearly 40 years, holding the positions of senator, deputy, and cabinet minis-

ter. He had also run unsuccessfully for the presidency in the 1952, 1958, and 1964 elections.

There was increasing concern of a more widespread military coup, an act that would destroy Chile's decades-long experiment with democracy.

Most notably, Allende was a Marxist, a man who firmly believed in socialism and communism. As such, on his election in 1970 his administration began implementing or expanding socialist economic programs and policies, including a taxed-financed retirement program, government-provided health care, welfare for the poor, public housing, nationalization of businesses and industries, equalization of wealth, inflation, public schooling, minimum-wage increases, and price controls.

Three years into Allende's presidency, Chile's economy was in a deep tailspin, sending the nation into a crisis. Aggravating the situation were labor strikes, most notably a nationwide truckers' strike that paralyzed the delivery of food and other essential items across the country.

In June 1973 a small contingent of Chile's standing army attempted a coup that was quickly aborted.

Nonetheless, from that point on there was increasing concern of a more widespread military coup, an act that would destroy Chile's decades-long experiment with democracy, one of the longest in South America.

A screeching halt ... and after

I recently watched an award-winning documentary that I highly recommend: *The Battle of Chile, Part 2: The Coup d'État*, directed by Patricio Guzman. It provides a fascinating account of the democratic processes in Chile in the summer of 1973. What struck me most about the film was the vibrancy of debates, arguments, speeches, meetings, and demonstrations that were taking place.

Most of the film, naturally, focuses on the activities of Allende's supporters, i.e., Marxists, communists, liberals, and progressives. But as I was watching those people passionately deliver their arguments, make their speeches, argue their positions, and debate their proposals, all I could think about was that that is what democracy is all about — about the right of people to freely engage peacefully in political activity, even when their ideas and philosophy are disfavored by others.

As a libertarian I had no sympathy with their substantive economic views, but that's not what I focused on when watching the film. I focused on the vibrant democratic political process in which people from all walks of life, especially the poor, were promoting their ideas and their philosophies in a peaceful, eloquent, and passionate manner in the marketplace of ideas.

Given the increasing concern over the possibility of a military coup, Allende's supporters began asking for guns.

Given the increasing concern over the possibility of a military coup, Allende's supporters began asking for guns. As I watched the film, there were two things that fascinated me about that request. One, the Chilean people, like so many others around the world, were obviously prohibited from owning guns. Two, they wanted guns to protect the government, specifically the Allende administration, from the threat of a takeover by Chile's military.

No doubt owing to his deeply seated statist tendencies, however, Allende did not abandon Chile's system of gun control. The only people who would be permitted to continue

owning and possessing guns were the military and the police.

On September 11, 1973, a military junta led by Gen. Augusto Pinochet announced that the military was taking power in Chile. It demanded Allende's resignation and offered him exile from the country. Allende refused, and the junta ordered the air force to bomb the national palace, where Allende was situated. Allende's small force of armed guards was easily overwhelmed by Chile's military forces. Before he could be taken prisoner, Allende made a farewell speech to the Chilean people and committed suicide by shooting himself in the head.

The aftermath of the coup was one of the most horrific stories in history. Pinochet immediately shut down all political activity. His military and police forces swept across the land and began a massive roundup of people suspected of being communists or terrorists. There were pockets of resistance but they were quickly smashed by Pinochet's well-armed professional military forces.

There was nothing that the Chilean people, especially Allende's supporters, could do. How could they resist Chile's well-armed, professional military without weapons? In fact, in the summer before

the coup, the military clearly understood how important it was to keep the citizenry disarmed. Military units were periodically raiding private establishments to conduct warrantless searches for guns. The military clearly understood that a disarmed citizenry is an obedient, meek, and cooperative citizenry under military rule.

The military clearly understood that a disarmed citizenry is an obedient, meek, and cooperative citizenry under military rule.

And so it was in Chile. All the vibrant democratic activity that one sees in *The Battle of Chile, Part 2* came to a screeching halt. In fact, as I was watching people discussing and debating Marxism, socialism, and communism in the months preceding the coup, I couldn't help but wonder how many of them were alive five years later.

Chile's military took into custody some 40,000 people, many of whom were herded into the national stadium, where they were incarcerated indefinitely and harshly interrogated. The official reports say that approximately 3,000 people were killed or "disappeared," but unofficial estimates put the number much higher.

Most notably, the Chilean army established a system of harsh interrogation techniques, which consisted of torture, rape, and other horrific, unimaginable methods of abuse. The military's objective was to establish "order and stability" within the nation, which necessarily entailed bringing an end to the political "chaos" that democracy had brought the nation. Achieving that goal required an extermination of the Marxist communist ideology that had afflicted the nation, an ideology that had, the generals believed, plunged the nation into such a deep economic crisis that "national security" and even the survival of the nation were threatened.

People were rounded up and tortured to secure vital information from them, specifically the names and addresses of their friends and associates. As people gave up the information, security forces would go out and round up the people whose names had been disclosed, and then they would be tortured to provide the names and addresses of their friends and associates.

When a person was brought into one of the secret torture chambers located in various parts of Santiago, he was told that for all practical purposes he no longer existed, that he was now a number, not a

name, that people in the outside world would never know what became of him. He was advised that while he might be permitted to live for a time, he should give up all hope on ever becoming part of society again. The rest of his life, he was informed, would be spent being tortured. Once the torturers were convinced that people had given up all the essential information, some of them would then be executed or they “disappeared,” sometimes with a bullet and sometimes by being drugged and dropped alive from a helicopter or plane into the ocean.

People were also subjected to “the submarine,” which involved holding the person’s head under water.

Among the methods of harsh interrogation used was “the grill,” in which a victim was strapped down and given severe electric shocks to some of the more sensitive parts of his body. People were also subjected to “the submarine,” which involved holding the person’s head under water.

These harsh interrogation methods, of course, were not limited to men. They were applied to women as well, given that women too were Marxists, socialists, and commu-

nists, and had played an important role in Allende’s election. To encourage them to talk, women were kept naked and systematically raped. To ensure necessary cooperation, family members, including young children, were also threatened with rape.

It is not surprising that there were instances of suicides, which of course cheated the military out of further interrogation and subsequent execution.

A disarmed people cowed

There was nothing the Chilean people could do to resist this. How does one resist a well-armed professional military force when one has no guns? Throw rocks?

The Battle of Chile, Part 2 shows a massive pro-Allende demonstration and parade in the middle of Santiago before the coup. My recollection is that 800,000 people participated, with banners, signs, and songs telling Allende that they were ready to defend him and his administration. But as all of them would soon learn, such promises turned out to be hollow, for the military and police had a legal monopoly over the ownership and possession of guns.

I don’t know what the size of Chile’s military was at that time. To-

day, it's about 40,000 troops. Could 800,000 well-armed citizens take on 40,000 professional troops? I say yes. But at the very least, they would have an alternative to obediently and submissively being taken to torture, rape, and extermination centers or meekly watching as their wives and daughters were being taken away.

Sometimes a person would simply be walking down the street when a car of armed gendarmes would pull up alongside, kidnap him, and cart him away, and he would never be seen or heard from again. Even though there would be people nearby, everyone would simply act as though nothing was happening, keep his head bowed, and keep on walking. Others would not dare to come to the defense of the kidnap victim, since the same fate would obviously befall them. Imagine how different things might have been if the citizenry had been armed. A car full of armed military or intelligence gendarmes might have a much more difficult time facing dozens of armed citizens determined to prevent a kidnapping.

It's not easy to define what exactly a tyrannical regime is. But by all measures, the Pinochet regime certainly has to fall within the definition. It was a brutal military regime that ousted a democratically

elected president and that made democratic activity illegal. The head of this military regime, Pinochet, refused to stand for election. In fact, he remained in power for 17 years. During that entire time his military dictatorship smashed out of existence Chile's long democratic tradition.

Pinochet refused to stand for election.

Worst of all, people were subjected to some of the worst horrors that could ever be imagined, owing to nothing more than their ideological beliefs. There were no judicial trials to ascertain whether they had committed criminal offenses. In fact, the courts rolled over and went along with the military takeover and with what the military was doing to the citizenry. The military regime wielded and exercised the omnipotent power to rid the nation of communism and terrorism, which necessarily entailed ridding the nation of communists and terrorists. People were incarcerated, tortured, raped, executed, and "disappeared" for what they believed in — Marxism, communism, and socialism — and for having promoted their beliefs in the political process.

If that's not tyranny, what is?

In the Declaration of Independence, Jefferson points out that whenever any government becomes destructive of the fundamental, God-given rights of the people, it is the right of the people to abolish it and to “institute new Government.”

Nice words, but as the Chilean people learned the hard way, they mean nothing in the absence of the ability of people to use force against the government officials who are imposing tyranny on them. Given that the Chilean people lacked the guns that could have been used to defend themselves (and the Allende administration) from the Chilean military, they were left with nothing but silence, fear, obedience, deference, and submissiveness to their military rulers.

Would the U.S. military and CIA ever do to Americans what the Chilean military dictatorship did to people in Chile? The answer turns on the nature of the particular “crisis” and whether “national security” requires it, for there is nothing more important to national-security state officials than the protection of “national security.”

After all, let's not forget that the CIA helped extinguish Chile's long

democratic tradition by helping to foment the Pinochet coup and then by supporting, defending, and working closely with the Pinochet's brutal military dictatorship. Their justification? “National security,” the same justification, in fact, that has been used to install, partner with, or support other dictatorships around the world, including Iran, Guatemala, El Salvador, Argentina, Egypt, Pakistan, Iraq, Saudi Arabia, and others.

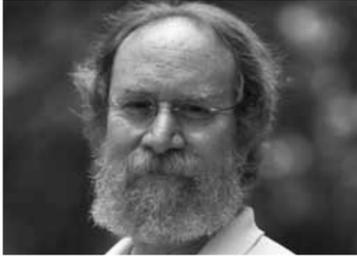
But if such a horror were ever to befall the United States, the American people, owing to their long heritage of gun ownership, would have an option that the Chilean people didn't have — the option to resist tyranny with force, an option which, as the Chilean people will attest, would disappear if Americans were ever denied the right to keep and bear arms.

Jacob Hornberger is founder and president of The Future of Freedom Foundation.

NEXT MONTH:
“National Defense, Foreign Policy, and Gun Control”
by Jacob G. Hornberger

James Buchanan's Subjectivist Economics

by Sheldon Richman



James Buchanan, the Nobel laureate who died at 93 in January, was well known for his pioneering work in Public Choice (the application of economic principles to politics), constitutional economics (as a device for limiting government power), and many other key subjects in political economy. His voluminous work has long been of interest to libertarians and classical liberals for what it tells us about political behavior.

Less well known — but just as important to libertarians — is his thinking on the nature of economics itself. Considering his deep subjectivism and methodological individualism, Buchanan may be seen at least as a fellow traveler of the

Austrian school of economics, and I commend his writings in this area to anyone interested in the tradition of Mises, Hayek, Rothbard, and Kirzner. Fortunately, Buchanan's writings on the nature and scope of economics were collected in a volume published by Liberty Fund some years ago, *What Should Economists Do?* (available at Amazon.com). I'll draw on those papers here.

Before turning to them, I should mention that Buchanan made an important contribution to our thinking about markets in a letter to the editor some years ago. In response to an essay about spontaneous order in *Literature of Liberty*, he took issue with the claim that an omniscient being could in principle predict the outcome of the market process. He thought that claim indicated an incomplete understanding of the nature of spontaneous processes and therefore made a regrettable concession to the market's opponents. For him, the market doesn't aim at some external objective (that in theory would be knowable to an omniscient being standing outside the market). Rather, Buchanan wrote, "the 'order' of the market emerges only from the process of voluntary exchange among the participating individuals. The 'order' is, itself, *de-*

*fin*ed as the outcome of the process that generates it. The 'it,' the allocation-distribution result, does not, and cannot, exist independently of the trading process. Absent this process, there is and can be no 'order.'" (Emphasis added.)

Thus, he continued, "if viewed in this perspective, there is no means by which even the most idealized omniscient designer could duplicate the results of voluntary interchange. The potential participants *do not know until they enter the process* what their own choices will be. From this it follows that it is logically impossible for an omniscient designer to know, unless, of course, we are to preclude individual freedom of will." (Emphasis added.)

Unimagined ends

This is a killer argument against those who think the arrangement of resources that comes about through market processes could be achieved by nonmarket methods. That assumption is based on a misunderstanding of human action. When people act in the market, they are not merely trying to maximize utility, that is, optimally allocate their known resources to a predefined set of ends. Rather, they are *entrepreneurs*. I have written elsewhere that, as we know from

everyday experience, when we make decisions about an uncertain future, we are speculative, risk-taking entrepreneurs who face the prospect, not only of spontaneously discovering means, but also of spontaneously discovering *ends we never imagined were there*. Serendipity happens! This possibility of dispelling what Israel Kirzner calls "utter ignorance" is not captured in the utility-maximizing model.

"There is no means by which even the most idealized omniscient designer could duplicate the results of voluntary interchange."

This insight on spontaneous order informs Buchanan's other writings on the nature of economics. The "economic problem" that has been so much the focus of modern economics refers to the allocation of scarce resources among given ends. Economics is thus reduced to a mathematical problem, joining utility functions to resource constraints in order to find the optimal allocation.

"I want economists to quit concerning themselves with allocation problems *per se*, with *the problem*, as it has been traditionally defined," Buchanan wrote in his essay "What Should Economists Do?" "I want

them to concentrate on *exchange* rather than *choice*.”

Exchange of course requires at least two people. For Buchanan, economics doesn't begin with Robinson Crusoe *until* the arrival of Friday. In fact, Buchanan doesn't like the word *economics* for reasons similar to those Hayek gives. (The Greek word derives from the word for household, conceived as having a single set of ends and resource constraints, hence “home economics.”) Buchanan preferred a term that Hayek and Mises used, *catalactics*. He also like *symbiotics*: “the connotation of the term is that the association is mutually beneficial to all parties. This conveys, more or less precisely, the idea that should be central to our definition. It draws attention to a unique sort of relationship, that which involves the cooperative association of individuals, one with another, even when individual interests are different.”

Putting social cooperation at the center of the discipline — whatever it's called — is highly significant. If the economic problem to be solved is seen as one of allocating resources among competing uses, attention may easily move to central decision-making, with bureaucracies filled with economists and computers. The social calculus of

utilitarianism becomes prominent. But if the spotlight is on *cooperation* among individual persons, one's orientation is different. Central decision-making is quickly seen as *interference* with cooperation among free individuals.

“The mutuality of advantage that may be secured by different organisms as a result of cooperative arrangements, be these simple or complex, is the one important truth of our discipline,” Buchanan wrote. “There is no comparable principle, and the important place that has been traditionally assigned to the maximization norm that is called the ‘economic principle’ reflects misguided emphasis.”

Central decision-making is quickly seen as *interference* with cooperation among free individuals.

Buchanan went to great lengths to debunk misconceptions about the most fundamental matters of economics, even among economists favorable to free markets. “The market or market organization is not a *means* toward the accomplishment of anything. It is, instead, the institutional embodiment of the voluntary exchange processes that are entered into by individuals in

their several capacities,” he wrote. “The network of relationships that emerges or evolves out of this trading process, the institutional framework, is called ‘the market.’ It is a setting, an arena, in which we, as economists, as theorists (as on-lookers), observe men attempting to accomplish their own purposes, whatever those may be. And it is about these attempts that our basic theory is exclusively concerned if we would only recognize it as such.”

Pictures of the future

Note that Buchanan is saying that “the market” does not aim at anything, such as an optimal allocation of resources or the maximization of utility. People aim at things through exchange and cooperation, and the institutional outcome is what we call the market. (Similarly, I have insisted that “the market” does not ration resources, which is something even free-market economists regularly claim.) Properly conceived, economics cannot be about social welfare, since utility is not something that can be aggregated. Rather, it is individual and subjective, which means that costs (utility forgone) are also subjective. (Buchanan wrote about this earlier in *Cost and Choice*.)

“In this conception,” he continued, “there is no explicit meaning of the term *efficiency* as applied to aggregative or composite results. It is contradictory to talk of the market as achieving ‘national goals,’ efficiently or inefficiently.” Here, again, Buchanan corrects a misconception held by most free-market economists, who constantly tell us that markets are efficient.

People aim at things through exchange and cooperation, and the institutional outcome is what we call the market.

Buchanan extended this thinking in at least two more essays, “General Implications of Subjectivism in Economics” and “Natural and Artifactual Man.”

In the second of the papers, he described the “central difference” of the human being as having a sense of “becoming.” “We, as human beings, ... know that we can, within limits, shape the form of being that we shall be between now and the time of death,” he wrote. Reminding ourselves of this fact is important because “modern economic theory forces upon us patterns of thought that make elementary recognition of the whole ‘becoming’ part of our behavior very difficult

to analyze and easy to neglect.” That is another way of saying that human beings are inherently entrepreneurial; they are not simply acting to maximize utility within known constraints. They project pictures of the future they wish to realize as they encounter alternatives that may have never been foreseen.

As noted, Buchanan rejected talk of “national goals” and other collectivist notions, but he went beyond others who do the same:

Traditionally, many of us who have been critical of such talk remark that “only individuals can have goals.” But I am here advancing the more radical notion that not even individuals have well-defined and well-articulated objectives that exist independently of choices themselves.

Out of all this there emerges a strong defense of individual liberty that cannot readily be advanced by the modern economist, influenced as he is by his utilitarian heritage.

Man wants liberty to become the man he wants to become. He does so precisely because he does not know what man he will want to be-

come in time. Let us remove once and for all the instrumental defense of liberty, the only one that can possibly be derived directly from orthodox economic analysis. Man does not want liberty in order to maximize his utility, or that of society of which he is a part. *He wants liberty to become the man he wants to become.*

Buchanan’s body of work is not entirely immune from libertarian criticism. But at its core is something invaluable for the case for freedom. He was always someone from whom one could learn.

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NEXT MONTH:
“Venturing into Mali”
by Sheldon Richman

Obama and His “Most Evident” Right: Equality

by James Bovard



In his second inaugural address, Barack Obama quoted the Declaration of Independence and hailed “the most evident of truths — that all of us are created equal.” Obama never explained why “created equal” was more evident than the right to liberty. He understands that he can capture far more power by invoking equality than he could by promising to respect Americans’ liberty.

For thousands of years demagogues have sown and exploited confusion between equal rights and a right to equality. Equal legal rights are the foundation of a free society. Equal rights mean that government must treat all people equally — it must not discriminate on the basis

of status, income, class, or race. Equal rights are the antithesis of politicians’ right to forcibly equalize different citizens or groups.

Equal rights ensure that each person is entitled to the fruits of his labor; a right to equality demands that each receive the same portion, regardless of the amount or value of his labor. Equal rights allow each sovereignty over his own action; the right to equality requires that government continually intervene and direct individual action to ensure equal results. Equal rights allow each to be his own master, for good or ill; a right to equality requires that the community control all its members to ensure and preserve their equality. Equal rights allow each to prosper as chance and skill decide; a right to equality demands “affirmative action,” “reverse discrimination,” and continual expropriation to benefit the least successful. Equal rights mean that each can succeed or fail under a set of general rules; a right to equality means that no rule can be tolerated that fails to provide equal results.

In the modern world, no one did more to make equality the supreme political value than French philosopher Jean Jacques Rousseau. He recognized two types of inequality:

One, which I call natural or physical, because it is established by nature, and consists in a difference of age, health, bodily strength, and the qualities of the mind or the soul; and another, which may be called moral or political inequality, because it depends on a kind of convention, and is established, or at least authorized, by the consent of men. This latter consists of the different privileges which some men enjoy to the prejudice of others, such as that of being more rich, more honored, more powerful, or even in a position to exact obedience.

Rousseau conceded that men were not equal, but insisted that “society” treated them more unequally than they actually were. He sought not perfect equality, but inequalities acceptable to his moral sentiments. Lenin said, “Freedom is a precious commodity, so precious that it needs to be rationed”; and most egalitarians feel the same way about equality. It is not equality, but government certified and regulated inequalities that egalitarians seek. The inequalities will sometimes be more and sometimes less than what now exist, but the important thing

is that benevolent administrators will control all inequalities to ensure their fairness.

In every equalization attempt, there is a perpetual, increasing need for government coercion.

Marx’s supposed utopia was based on the “withering away of the state” — the assumption that once reform was completed, the new social system would perpetuate itself without the need for continual supervision and coercion. But in every equalization attempt, there is a perpetual, increasing need for government coercion. As long as the state continues to aggress, there can be no equality between private citizens and government czars. But when the state reduces its oppression, the natural inequalities of talent and ambition quickly reappear and wreak havoc on intellectuals’ social blueprints.

Obama declared in his inaugural address that “our journey is not complete until our wives, our mothers, and daughters can earn a living equal to their efforts.” And who is to determine their deserts? The Equal Employment Opportunity Commission has been legendary for using an iron fist to pick winners and losers. The EEOC has epitomized the

arbitrary approach that is consistent only in giving itself maximum pretexts to dictate to businesses, universities, and anyone else who falls under its sway. The EEOC has also epitomized the deceit at the core of equalization, since the agency has perpetually denied that it is mandating quotas at the same time that it threatens to destroy companies with the wrong percentage of minorities or women in each job category.

The equalized and the equalizers

In recent decades many liberals have become far more attached to equality than to democracy. Ronald Dworkin, one of the most respected legal philosophers of the past half century, declared, “A more equal society is a better society even if the citizens prefer more inequality.” Cornell University political scientist Andrew Hacker concurred: “Citizens should be given the blessings of equality whether they want them or not.”

This has been especially evident in education policy, where activists and professors have found one pretext after another to seize control over schooling in the name of equality. Forced busing was one of the clearest examples of this mania, and its nature was especially stark in the cradle of contempo-

rary liberalism. In 1974 Boston residents voted 15 to 1 against busing schoolchildren to achieve racial integration. A month later, federal judge Arthur Garrity ignored the popular vote and made himself czar of Boston schools. He effectively decreed that, because the schools were supposedly unconstitutionally segregated, neither parents nor students nor anyone else had any rights. Garrity ordered the speedy imposition of a “Master Plan” that he later admitted he had not bothered to read.

In recent decades many liberals have become far more attached to equality than to democracy.

Forced busing was the equivalent of throwing a bomb into a classroom. Under Garrity’s decree schools in Roxbury, a low-income black area, and South Boston, a poor white Irish area, were merged. The National Guard was called out to restore order after violent public protests and racial clashes near the schools; even the 82nd Airborne Division was put on alert for Boston duty. Garrity responded by banning all public meetings in South Boston.

Forced busing exemplified the local dictatorship of the Best and the Brightest. There was far more enthu-

siasm among Boston elites for iron-fisted equalizing than for democracy. Harvard's Center for Law and Education was co-counsel for the case that spurred Garry's power grab. The vast majority of college presidents in the Boston area embraced his takeover of the schools. Professors rushed to enlist in the Brain Trust to centrally micro-manage every classroom. Social scientists moved children around a chess board with the same alacrity that generals choose regiments for suicide charges. At the same time, most of the equalizers made sure their own kids were not pulled into the vortex.

Differences among people's
circumstances do not entitle
politicians to take over
their lives.

In the coming years Boston's forced busing would be a prototype for more government interventions across the land. There is little recognition among much of the political elite of the havoc that has been inflicted in the name of equality in many areas of modern life. Obama's inaugural theme, for instance, spurred jubilation among liberals. The *Washington Post* headlined its report on Obama's speech, "Obama Calls for Greater Equality for All."

Unlike Obama, the Founding Fathers would never have placed equality at the pinnacle of rights — especially since they recognized how its pursuit could unleash rulers. This was a common saying in 18th-century America: "The restraint of government is the true liberty and freedom of the people." But in Obama's vision, freedom arises after government extends its domain deeper into people's lives. He declared, "We do not believe that in this country, freedom is reserved for the lucky, or happiness for the few.... The commitments we make to each other — through Medicare, and Medicaid, and Social Security — these things do not sap our initiative; they strengthen us." Obama's rhetoric rings hollow to anyone who has ever filled out federal income-tax forms or been forced to pay a 15 percent "self-employment tax" for Social Security. Social Security and Medicare have vastly increased citizens' dependency on their rulers and on arbitrary decrees by Congress and federal administrators.

Social Security was supposedly launched to ensure that old folks had a basic minimum. As time went on, politicians and bureaucrats found one pretext after another to extend their control to more of peo-

ple’s lives. But paternalism is the antithesis of equality, as it assumes that some are so capable and others are so incompetent that the former must commandeer the latter.

Obama believes that equality provides him the ultimate political trump card. But differences among people’s circumstances do not entitle politicians to take over their lives. Coercing people to make them unequal would be as much a violation of their liberty as coercing them to make them equal. If people are to be free, they must be free to be unequal. To insist that all use their freedom in an equal manner inevitably destroys that freedom.

Equality is the great red herring of our time. Few people actually desire equality, yet it is the standard for measuring almost every moral,

political, and economic proposal. In almost all cases, the goal is not equality, but a different arrangement of inequalities. As long as society is divided into the equalizers and the equalized, there will be no equality.

James Bovard serves as policy adviser to The Future of Freedom Foundation and is the author of a new ebook memoir, Public Policy Hooligan, and nine other books.

NEXT MONTH:
**“How Drug-Courier Profiles
Begot Terrorist Watch Lists”**
by James Bovard

I apprehend no danger to our country from a foreign foe. Our destruction, should it come at all, will be from another quarter. From the inattention of the people to the concerns of their government, from their carelessness and negligence, I must confess that I do apprehend some danger. I fear that they may place too implicit a confidence in their public servants, and fail properly to scrutinize their conduct; that in this way they may be made the dupes of designing men, and become the instruments of their own undoing. Make them intelligent, and they will be vigilant; give them the means of detecting the wrong, and they will apply the remedy.

— Daniel Webster

Why James Buchanan Matters for Those Who Love Freedom

by *Steven Horwitz*



On January 9 the world of political economy and the community of libertarian academics lost one of the 20th century's most important thinkers with the death of James Buchanan at age 93. Although he was not as well known as Mises and Hayek, or even Milton Friedman or perhaps Robert Nozick, his work belongs with theirs in any discussion of the central contributions to libertarian thought in the last 100 years. Buchanan's work, much of which was published with a variety of co-authors in the Public Choice school of economics, is somewhat less accessible to the average reader than the others named above, which may explain why he is not the household

name among libertarians that the others are. However, in terms of the importance and impact of his work, his contributions are essential.

In much of the coverage of his death, his work was summarized in two ways: politicians are self-interested, and constitutions are necessary to constrain governments. Put that simply, both seem rather obvious, leaving some to wonder why he was so important and why he deserved the Nobel Prize in economics (which he won in 1986).

Underneath those two aphorisms was a much more complex set of arguments that need to be understood in the context of how economists thought about the economic role of government in the first half of the 20th century. Buchanan's work was responsible for dismantling a form of argument that took the imperfections of the market as an *ipso facto* case for government intervention. He did so by showing that government intervention was susceptible to imperfections just as the market was, imperfections that were arguably greater. Once the imperfections of intervention were clear, the case for it became much weaker. From there, Buchanan and his colleagues could argue the case for constitutional restraints on government. To see how their argument works,

we need to explore the historical context into which Buchanan stepped.

“Market failures”

By the middle of the 20th century, mainstream economics had adopted the so-called perfect competition model as its preferred description of how an ideal free market would operate. Given its highly restrictive assumptions of perfect knowledge and a large number of small competitors all selling identical products at the same market price they cannot influence, the model showed that such markets would produce the “perfectly efficient” result. It is no surprise that real-world markets almost always failed to live up to that ideal. Their imperfections were termed “market failures,” and the remedy was to bring the state in to adjust costs and benefits in such ways as to remove or reduce the imperfections.

The term “market failure” is problematic, as Austrian economists pointed out at the time and have ever since.

The term “market failure” is problematic, as Austrian economists pointed out at the time and have ever since. Features of real-world markets, such as differentiated prod-

ucts or a small number of large firms, could be understood only as “failures” or “imperfections” in comparison to the unachievable ideal of perfect competition. As Hayek argued in the 1970s, the correct comparison is between real-world markets and what we could achieve if markets were absent.

While the Austrians argued that the language of market failure was mistaken, the contribution of Buchanan and his colleagues was to go after the idea that the state could remedy such failures that exist. Economists who argued for state solutions came up with clever and sophisticated models for how political actors could adopt corrective policies. For example, pollution was seen as a “market failure” caused by polluters imposing costs on third parties, rather than bearing them directly, which implied that they produced more pollution than was optimal. To correct that, governments would tax the offenders an amount that matched the social cost of the pollution, thereby discouraging their behavior and providing the revenue needed to compensate those harmed. On the blackboard, that solution would bring about the efficient result the market could not achieve.

On the macroeconomic side, economists made a similar argument about recessions and budget deficits. Recessions were seen as a kind of systemwide market failure, or “unemployment equilibrium,” as Keynesians termed it. The solution was for governments to engage in deficit spending to make up the supposed lack of private-sector aggregate demand. If governments could borrow and deficit-spend in bad times, and run offsetting surpluses in good times, the budget would remain balanced over the business cycle and the economy would run smoothly.

Buchanan made two claims about the nature of political activity that suggested governments would be unable to improve on the market. The problem with the scenarios above is that they entail what Buchanan called “behavioral asymmetry.” In the perfect-competition model, people were assumed to be motivated by self-interest. By contrast, people in the political world did not think about self-interest but simply acted in the “public interest” the way the blackboard models said they would. No one ever asked whether doing so was in the interest of political actors. To be precise, Buchanan’s contribution was not to say that “politicians are self-interested,” but to simply demand that we treat

economic and political actors symmetrically. That is, doing political economy responsibly means making the same assumptions about the motivations of people in both the political and economic realms. That is what Buchanan meant when he called for a “politics without romance.”

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The extension of that observation is the realization that politics, like the market, could be analyzed as a forum for exchange among broadly self-interested actors trying to improve their well-being. For Buchanan, markets and politics were alternative processes by which individual persons could make themselves better off. The difference between the two was whether the unintended consequences of that exchange behavior made society better off or not. Market exchange was mutually beneficial and socially beneficial; political exchange often had socially destructive consequences. Buchanan and his colleagues modeled elected politicians as vote-seekers, the public as seekers of net benefits from government,

and bureaucrats as seekers of power and money to spend. In the middle of everything were the various private actors seeking government benefits, that is, engaging in what came to be called “rent-seeking.”

Government failures

By viewing politics as exchange, Buchanan was able to explain why the government solutions to market imperfections so consistently failed to work the way they do on the blackboard. Take the running of deficits during recessions and surpluses during good times. If politics is about exchange, then politicians who spend more and refuse to raise taxes would get more votes, while those who raised taxes and cut spending, as required during good times, would lose votes and not get reelected. With institutional incentives always favoring deficits over surpluses, no matter how good budget-balancing over the business cycle looked on the blackboard, we would almost always have deficits. The history of the last 75 years confirms that argument.

If people were to be regarded the same in both the economic and political realm, it followed that those affected by new taxes or transfers might lobby legislators, promising them votes in exchange for favorable

policies that deviated from the blackboard ideal. For example, if a pollution tax were proposed, firms subject to the tax would be willing to spend a great deal of money to prevent its passage. People in the private sector might also ask the government for special treatment even in the absence of any “market failure.” Once we understand politics as exchange among broadly self-interested actors, we see that government policies will never align with the blackboard models.

Buchanan referred to this systematic inability of the political process to produce the ideal generated by economic models as “government failure.”

Buchanan referred to the systematic inability of the political process to produce the ideal generated by economic models as “government failure,” in parallel with the “market failure” discussed earlier. No longer could economists do what they had been doing for decades: assume that imperfections of markets were a sufficient cause for government intervention. Once Public Choice theory introduced the possibility that institutional incentives would generate perverse political outcomes, the question of state intervention be-

came comparative. Both market exchange and political exchange were incapable of perfect efficiency, so which one was better?

Buchanan and his co-authors generally argued for the superiority of market exchange, and their arguments can be found in a variety of his writings. With a few exceptions, such as his brilliant short letter to the editor “Order Defined in the Process of its Emergence,” most of Buchanan’s work on why markets are good was pretty conventional, and the exceptions were often very much influenced by the Austrian school.

The rules of the game

With government failure a serious possibility and the imperfections of the political process most likely to be much greater than those of the market, the next question was how to limit the state’s ability to make mischief. Buchanan’s answer was to focus on “the rules of the game.” Like Hayek, he viewed the market process as a kind of game structured by rules. The rules, in the form of institutions such as property rights and contract law, create incentives that make it more likely that people will behave in some ways rather than others. Strong protections for property rights, for example, will make people more likely to invest, trade,

and think about the long-run implications of their choices.

The same is true of politics. The institutions of the political process create incentives for certain types of behavior. If we wish to discourage continual deficits, we need to change the rules of the game that encourage deficit spending. If we wish to reduce rent-seeking by private interests, we need to understand what rules encourage it and how they might be changed.

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His emphasis on rules led Buchanan to his work in constitutional political economy. What a good constitution could do is create rules that prevented the self-interest of politicians from generating undesirable unintended consequences. Like Ulysses lashing himself to the mast, binding ourselves to constitutional constraints is a way to avoid the Sirens’ song of political self-interest and the destruction it can cause. Constitutionally requiring a balanced budget changes the rules and takes the ability to act on self-interest away from political actors. Other constitutional rules, such as requir-

ing a super-majority for tax increases, can similarly prevent self-interest from being the cause of government failure. As James Madison, Buchanan's favorite of the Founders, put it, "If men were angels, no government would be necessary." For Buchanan, constitutional rules recognize that we are risen apes, not fallen angels.

One of the fascinating questions that Buchanan's work raises is whether constitutional rules (in the sense of basic rules of the game, including the economic game) must, as he believed, be imposed from outside. Buchanan did not believe that market processes could generate all their own rules. Rules that prevented destructive self-interest or channeled it into productive uses had to be the product of political deliberation. A younger generation of scholars is challenging that view. Although they accept all of Buchanan's analysis of the problems of politics, they are exploring whether markets and other nonpolitical processes can endogenously generate rules and norms that lead to effective self-governance in the absence of the state.

In this work, the word "constitutional" refers not to a literal constitution, but to the ability to generate self-enforcing norms of that sort. Buchanan himself was skeptical of the possibility of a stateless society, but his work, like Hayek's, might point in a more radical direction.

Buchanan's work fundamentally challenged long-standing presumptions of economists about the benefits of government intervention and provided a way to think about the need for constitutional constraints on government. His work guides much libertarian political economy and has opened new avenues of research that point in directions more radical than Buchanan's own ideas. He was one of the 20th century's champions of liberty.

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Ten Reasons the U.S. Is No Longer the Land of the Free

by Jonathan Turley



While each new national-security power Washington has embraced was controversial when enacted, they are often discussed in isolation. But they don't operate in isolation. They form a mosaic of powers under which our country could be considered, at least in part, authoritarian. Americans often proclaim our nation as a symbol of freedom to the world while dismissing nations such as Cuba and China as categorically unfree. Yet objectively, we may be only half right. Those countries do lack basic individual rights such as due process, placing them outside any reasonable definition of "free," but the United States now has much more in common

with such regimes than anyone may like to admit.

These countries also have constitutions that purport to guarantee freedoms and rights. But their governments have broad discretion in denying those rights and few real avenues for challenges by citizens — precisely the problem with the new laws in this country.

The list of powers acquired by the U.S. government since 9/11 puts us in rather troubling company.

Assassination of U.S. citizens

President Obama has claimed, as President George W. Bush did before him, the right to order the killing of any citizen considered a terrorist or an abettor of terrorism. Last year, he approved the killing of U.S. citizen Anwar al-Awlaqi and another citizen under this claimed inherent authority. Last month, administration officials affirmed that power, stating that the president can order the assassination of any citizen whom he considers allied with terrorists. (Nations such as Nigeria, Iran, and Syria have been routinely criticized for extrajudicial killings of enemies of the state.)

Indefinite detention

Under the law signed last month, terrorism suspects are to be held by

the military; the president also has the authority to indefinitely detain citizens accused of terrorism. While the administration claims that this provision only codified existing law, experts widely contest this view, and the administration has opposed efforts to challenge such authority in federal courts. The government continues to claim the right to strip citizens of legal protections based on its sole discretion. (China recently codified a more limited detention law for its citizens, while countries such as Cambodia have been singled out by the United States for “prolonged detention.”)

Arbitrary justice

The president now decides whether a person will receive a trial in the federal courts or in a military tribunal, a system that has been ridiculed around the world for lacking basic due-process protections. Bush claimed this authority in 2001, and Obama has continued the practice. (Egypt and China have been denounced for maintaining separate military justice systems for selected defendants, including civilians.)

Warrantless searches

The president may now order warrantless surveillance, including a new capability to force companies

and organizations to turn over information on citizens’ finances, communications, and associations. Bush acquired this sweeping power under the USA PATRIOT Act in 2001, and in 2011, Obama extended the power, including searches of everything from business documents to library records. The government can use “national security letters” to demand, without probable cause, that organizations turn over information on citizens — and order them not to reveal the disclosure to the affected party. (Saudi Arabia and Pakistan operate under laws that allow the government to engage in widespread discretionary surveillance.)

Secret evidence

The government now routinely uses secret evidence to detain individuals and employs secret evidence in federal and military courts. It also forces the dismissal of cases against the United States by simply filing declarations that the cases would make the government reveal classified information that would harm national security — a claim made in a variety of privacy lawsuits and largely accepted by federal judges without question. Even legal opinions, cited as the basis for the government’s actions under the

Bush and Obama administrations, have been classified. This allows the government to claim secret legal arguments to support secret proceedings using secret evidence. In addition, some cases never make it to court at all. The federal courts routinely deny constitutional challenges to policies and programs under a narrow definition of standing to bring a case.

War crimes

The world clamored for prosecutions of those responsible for waterboarding terrorism suspects during the Bush administration, but the Obama administration said in 2009 that it would not allow CIA employees to be investigated or prosecuted for such actions. This gutted not just treaty obligations but the Nuremberg principles of international law. When courts in countries such as Spain moved to investigate Bush officials for war crimes, the Obama administration reportedly urged foreign officials not to allow such cases to proceed, despite the fact that the United States has long claimed the same authority with regard to alleged war criminals in other countries. (Various nations have resisted investigations of officials accused of war crimes and torture. Some, such as

Serbia and Chile, eventually relented to comply with international law; countries that have denied independent investigations include Iran, Syria, and China.)

Secret court

The government has increased its use of the secret Foreign Intelligence Surveillance Court, which has expanded its secret warrants to include individuals deemed to be aiding or abetting hostile foreign governments or organizations. In 2011, Obama renewed these powers, including allowing secret searches of individuals who are not part of an identifiable terrorist group. The administration has asserted the right to ignore congressional limits on such surveillance. (Pakistan places national-security surveillance under the unchecked powers of the military or intelligence services.)

Immunity from judicial review

Like the Bush administration, the Obama administration has successfully pushed for immunity for companies that assist in warrantless surveillance of citizens, blocking the ability of citizens to challenge the violation of privacy. (Similarly, China has maintained sweeping immunity claims both inside and out-

side the country and routinely blocks lawsuits against private companies.)

Continual monitoring of citizens

The Obama administration has successfully defended its claim that it can use GPS devices to monitor every move of targeted citizens without securing any court order or review. (Saudi Arabia has installed massive public-surveillance systems, while Cuba is notorious for active monitoring of selected citizens.)

Extraordinary renditions

The government now has the ability to transfer both citizens and noncitizens to another country under a system known as extraordinary rendition, which has been denounced as using other countries, such as Syria, Saudi Arabia, Egypt, and Pakistan, to torture suspects. The Obama administration says it is not continuing the abuses of this practice under Bush, but it insists on the unfettered right to order such transfers — including the possible transfer of U.S. citizens.

These new laws have come with an infusion of money into an expanded security system on the state and federal levels, including more public-surveillance cameras, tens of

thousands of security personnel, and a massive expansion of a terrorist-chasing bureaucracy.

Some politicians shrug and say these increased powers are merely a response to the times we live in. Thus, Sen. Lindsey Graham (R-S.C.) could declare in an interview last spring without objection that “free speech is a great idea, but we’re in a war.” Of course, terrorism will never “surrender” and end this particular “war.”

An authoritarian nation is defined not just by the use of authoritarian powers, but by the ability to use them.

Other politicians rationalize that, while such powers may exist, it really comes down to how they are used. This is a common response by liberals who cannot bring themselves to denounce Obama as they did Bush. Sen. Carl Levin (D-Mich.), for instance, has insisted that Congress is not making any decision on indefinite detention: “That is a decision which we leave where it belongs — in the executive branch.”

And in a signing statement with the defense authorization bill, Obama said he does not intend to use the latest power to indefinitely

imprison citizens. Yet he still accepted the power like a sort of regretful autocrat.

An authoritarian nation is defined not just by the use of authoritarian powers, but by the ability to use them. If a president can take away your freedom or your life on his own authority, all rights become little more than a discretionary grant subject to executive will.

The Framers lived under autocratic rule and understood this danger better than we do. James Madison famously warned that we needed a system that did not depend on the good intentions or motivations of our rulers: “If men were angels, no government would be necessary.”

Benjamin Franklin was more direct. In 1787, a Mrs. Powel confronted Franklin after the signing of the Constitution and asked, “Well, Doctor, what have we got — a republic or a monarchy?” His response was a bit chilling: “A republic, madam, if you can keep it.”

Since 9/11, we have created the very government the Framers

feared: a government with sweeping and largely unchecked powers resting on the hope that they will be used wisely.

The indefinite-detention provision in the defense authorization bill seemed to many civil libertarians like a betrayal by Obama. While the president had promised to veto the law over that provision, Levin, a sponsor of the bill, disclosed on the Senate floor that it was in fact the White House that approved the removal of any exception for citizens from indefinite detention.

Dishonesty from politicians is nothing new for Americans. The real question is whether we are lying to ourselves when we call this country the land of the free.

Jonathan Turley is the Shapiro professor of public-interest law at George Washington University. He blogs at www.jonathanturley.org. This article originally appeared in the Washington Post on January 13, 2012. Reprinted by permission.

Macroeconomics as Coordination

by Alexander William Salter



If your main source of economic information is a newspaper, television news station, or government statistical bureau, you would probably say that macroeconomics is the discipline that studies a handful of aggregate data series, such as consumption, investment, government spending, and total income, for the purpose of understanding the causal relationships among them. The reason people pay attention to those data is that they supposedly hold the key for understanding both business cycles — the periodic episodes of boom and bust that recur in advanced industrial economies — and, with any luck, the way to smooth those cycles. Unfortunately, far too much has been made of that way of un-

derstanding the “economy as a whole,” even by (especially by?) those identified as economists.

The science of economics (note: no modifier!) draws our attention to two key aspects of human behavior. The first, which is personal, is the tendency of human beings to economize, that is, to pursue their unsatisfied wants in an efficient manner, which means acquiring what they desire while minimizing what they must give up to acquire it. That is undoubtedly an important aspect of human behavior. But those who discuss the relationships prevailing in the “economy as a whole,” especially when they treat statistical aggregates as choice variables by a hypothetical “representative agent,” focus on the economizing aspect of human behavior at the expense of the other aspect of human behavior to which economics calls our attention. That second aspect, which is interpersonal, is coordination.

The nuts and bolts of coordination

The economy comprises millions of persons, each of them pursuing his own interests as efficiently as he knows how. In other words, each is an economizer. Each has plans for how to achieve his interests, very likely concerning the use

of a portion of the economy's scarce resources. However, it is inevitable that, in the absence of some coordinating device, some agents' plans will be incompatible with others'. For example, I want to bake an apple pie, so I need to get my hands on some apples. But I am not the only one who has a use for apples. Many others want to make apple pies, too. Others want to turn the apples into cider. Still others aren't interested in transforming the apples into a different consumption good but want to eat them plain. Given that there are not enough apples to satisfy everyone's demand, it seems as if there is a conflict between the many other potential apple consumers and me. Every apple I use for my purposes is one they cannot use for theirs, and vice versa.

But there is a system that reconciles the conflicting desires to use apples: the price system (to the extent it is unhampered by government). The price of apples, governed by the supply and demand for apples, reconciles the disparate interests of potential apple consumers by attaching to apples a measure of the resources that must be forgone to acquire those apples. The price system, guided by the familiar forces of supply and demand, sets in motion a process

tending toward a state of affairs where the number of apples offered by sellers and the number of apples desired by buyers are equal to each other at some price. Notice there is far more going on here than the usual story concerning gains from trade. A functioning market for apples reconciles the interests of apple suppliers and apple demanders, and *also reconciles the interests among apple demanders*. Those demanders who are willing to give up the resources mandated by the market price acquire the apples; those who are not, look to satisfy their wants in lower-cost ways. What before looked like a conflict situation has resulted in a state of affairs of de facto mutual agreement.

There is a system that reconciles the conflicting desires to use apples: the price system.

What is true of apples is true of the many, many other goods and services offered in modern economies. The interests of a multitude of economizing persons, each striving to satisfy his own self-interest, are reconciled by the price system. In other words, the price system *coordinates their plans* in such a way that the vast numbers of plans are consistent with one

another. The result is an overarching system of social coordination. The macroeconomy — the “economy as a whole” — is operating to satisfy the wants of the disparate persons who act within it, given the constraints of scarcity and plan reconciliation.

Coordination and business cycles

Macroeconomics, then, is ultimately about coordination. When people’s plans are well coordinated, the result is largely satisfaction and harmony. When their plans are not well coordinated, however, the result is largely discontent and conflict. A conception of macroeconomics that focuses on the economizing aspect to the exclusion of the coordination aspect will, by the nature of the methodological window through which it views the world, misdiagnose the situation. Falling business activity and the accompanying unemployment of both labor and capital get blamed on a lack of “aggregate demand,” meaning a lack of private plus government spending. In that view, the solution is to find some way to stimulate the demand such that the desired level of total income, and accompanying levels of employment, once again prevail.

The above stylized business-cycle theory is closest to the Keynesian approach, but it has an element in common with all explanations of business cycles. Specifically, every explanation somehow involves a shortfall of aggregate demand. The crucial aspect is this: Theories that focus on the relationship between aggregates as choice variables tend to point to falling aggregate demand as the cause of recessions. Theories that recognize the importance of social coordination treat falling aggregate demand as a *consequence* of a more fundamental problem — a systemwide coordination failure.

Almost all coordination-oriented economists are suspicious of the claim that business cycles are naturally occurring phenomena in market economies.

But what is the cause of the coordination failure? That is a topic hotly debated among economists who work within the coordination paradigm. However, almost all coordination-oriented economists are suspicious of the claim that business cycles are naturally occurring phenomena in market economies. To believe that claim is to believe that somehow enough people

had ignored or misinterpreted price signals for so long and to such a degree that a recessionary period of recalculation and reorientation of productive resources is the inevitable result. Is it possible that the plans of entrepreneurs and consumers could become so misaligned, given how well the price system normally coordinates economic activity? Certainly. But is it *probable*? Hardly.

Whatever the fundamental explanation of business cycles — and

there may be more than one cause — it will be overlooked unless both aspects of economic science, economization and coordination, are taken into account. Trying to explain recessions without reference to coordination is like trying to explain gravity without reference to mass.

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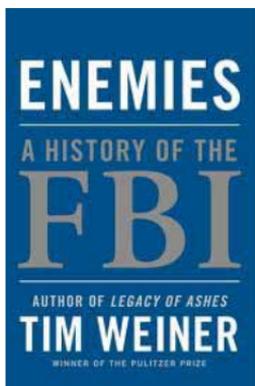
The more a person dislikes the strange and thinks his own ways superior, the more he regards it as his mission to civilize others.

— *Friedrich A. Hayek*

All in the Family: America's Big Brother

by Matthew Harwood

Enemies: A History of the FBI by Tim Weiner (New York: Random House, 2012), 560 pages.



Since its humble beginnings in 1908 with a pint-sized force of 34 special agents, the Federal Bureau of Investigation has always been the pillow over the face of the First Amendment. From its inception, the FBI was first and foremost an intelligence agency interested in what people said and believed and whom they associated with, not whether they actually violated the law. Law enforcement — the click of handcuffs and the clang of prison

doors sliding shut after the burdens of due process were satisfied — always came second, when it came at all, writes Pulitzer Prize-winning author and former *New York Times* reporter Tim Weiner in his magisterial *Enemies*. “Over the decades, the Bureau has best served the cause of national security by bending and breaking the law. A secret police is anathema in a democracy,” he notes at the outset of his book. “But the FBI’s powers make it America’s closest counterpart.”

The Bureau, aptly enough, was the handy work of President Theodore Roosevelt, who directed his attorney general, Charles J. Bonaparte, who was the grandnephew of the despot Emperor Napoleon I of France, to create an investigative agency within the Department of Justice in 1908. The House of Representatives denied the request. Opponent Rep. George E. Waldo of New York saw the danger the Bureau presented, saying it would be “a great blow to freedom and to free institutions if there should arise in this country any such great central secret-service Bureau as there is in Russia.” Bonaparte ignored Congress and administratively created the agency during the legislative body’s summer recess. As Mark Twain observed, Theodore Rex was

always “ready to kick the Constitution into the back yard whenever it gets in the way.” Born outside the law, the Bureau would live outside of it as well, especially after an ambitious young man made it his own.

The Hoover Index

J. Edgar Hoover began his FBI career at the age of 22, spying on anarchists, anti-war activists, socialists, and communists, whom he saw as immigrant troublemakers subverting his American dream. Rising quickly, he led the Justice Department's Radical Division. He used the Espionage Act of 1917 to round up radicals, wiretap conversations, and open mail. A central ideal of the American democratic project was, and is, that within the territorial boundaries of this nation, no one would come under the watchful eye of a secret policeman. Trading in innuendo, lies, and stolen information to discredit the free exchange of ideas, Hoover punctured that idealistic bubble.

One of Hoover's police-state innovations was his enemies list, later known as the Security Index. A person's name could be added to the list if he simply attended a radical political rally or subscribed to a radical publication.

Weiner describes the importance of Hoover's index: his cache of secrets formed the foundation of a primitive system of central intelligence. Within three months after taking office, he controlled files on more than 60,000 people; the Bureau compiled at least as many dossiers on the places where they gathered, the publications they read, and the political groups they joined. Every one of them had to be weighed as a potential threat to national security. Each might have a role in a secret underground, each might be a camouflaged soldier in what Hoover came to call “the mad march of Red fascism,” dedicated to creating a Soviet America.

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Yet while Hoover hyped the Red menace to empower himself and the Bureau, Weiner notes that he admitted in his memoir that the Communist Party had no chance of overthrowing the U.S. government in the early 1920s. He called its influence “virtually nonexistent.” It was a straw-man argument Hoover used to ensure his career and extract rents from the Ameri-

can public, or as Weiner describes it, “the freely spent tax dollars that financed Hoover’s four-star style.”

In 1950 Congress passed and Truman signed the Internal Security Act, the Cold War ancestor of the USA PATRIOT Act.

Throughout *Enemies*, high-level bureaucrats and presidents recoil at Hoover and his phalanx of G-men’s lawless intrusions into the lives of those he deemed subversive or troublesome. But the allure of secret intelligence and the power and the leverage it gave those officials made them addicts. They couldn’t help themselves when Hoover came pushing and peddling his goods: the secrets and immoral information that made important men feel powerful and allowed them to stay in power by trading insider information or blackmailing opponents.

Harry Truman is an instructive case in point. Even though he was “very strongly anti-FBI,” believed Hoover led “a sort of dictatorial operation,” and had created “a Frankenstein in the FBI,” eventually the 33rd president decided to dance with the devil. At the advent of the Cold War, Truman signed the National Security Act, giving the FBI

extraordinary powers. Hoover immediately wielded his mandate by spying on the CIA, which he saw as a competitor and a barrier to the FBI’s taking over worldwide intelligence operations. Then in 1950 Congress passed and Truman signed the Internal Security Act, the Cold War ancestor of the USA PATRIOT Act.

It contained provisions Hoover had been demanding for a decade. The laws defining espionage and sabotage were expanded and strengthened. Subversive citizens now were subject to political imprisonment. Communist and communist-front organizations were required to register with a new Subversive Activities Control Board. The new attorney general, J. Howard McGrath, decided that the Internal Security Act gave legal sanction to Hoover’s Security Index, with its provisions for preventive detention, its proposals for the suspension of constitutional protections, and its ever-growing roster of more than 20,000 Americans whom Hoover could order detained if habeas corpus were suspended. Hoover’s index was now legal — an accepted part of the American national-security establishment. It remained in effect for the next 21 years.

Hoover and minorities

Hoover loathed homosexuals, leading a witch-hunt against them in the government and public educational institutions under the Sex Deviates Program. He believed their sexual orientation made them “uniquely susceptible to sexual entrapment and blackmail by foreign intelligence services.” He also launched the Responsibilities Program to identify other leftists in public positions across the country. “Together, the Responsibilities and Sex Deviates programs resulted in the dismissals of uncounted teachers across the country,” Weiner writes. In other words, Hoover’s FBI destroyed the lives of those who either were attracted to the wrong sex or engaged in thought crimes.

Hoover’s FBI was also an implacable foe of the Civil Rights Movement.

Hoover’s FBI was also an implacable foe of the Civil Rights Movement, something he believed was communist-inspired. Even the Freedom Riders were actively subverted by the FBI. “The Bureau tipped off state and local law enforcement officers in Alabama,” Weiner writes. “The police and the Ku Klux Klan, working in concert,

planned to waylay the demonstrators and beat them half to death. The FBI knew that too.” As Martin Luther King Jr. rose to prominence, Hoover put him under intense surveillance, even as the Ku Klux Klan, whose members often included law enforcement, initiated a reign of terror across the deep South in opposition to African American demands for the same rights whites enjoyed. The unlimited electronic surveillance, part of the infamous counterintelligence program, or COINTELPRO for short, led to the wiretapping of King’s communications and the bugging of his hotel rooms. The point of the surveillance wasn’t to uncover crime but a target’s improprieties, such as King’s sexual habits, and then blackmail him. In the case of King, Bill Sullivan, the FBI’s intelligence chief, sent a package of tape recordings of the Civil Rights leader’s sexual congresses to his home with a poison-pen letter. King’s wife opened the package and the letter. It read, “King, look into your heart...” The American people soon would “know you for what you are — an evil, abnormal beast.... There is only one way out for you. You better take it before your filthy, abnormal fraudulent self is bared to the nation.”

While the Bureau would eventually go after and break the KKK — the country’s quintessential domestic terrorist organization — using the techniques pioneered by Hoover and used against the Left, it wasn’t because of the FBI director. Lyndon Johnson ordered him to do it. According to Burke Marshall, chief of the Civil Rights Division at Justice, Hoover would have looked the other way as the Klan lit up the Southern nights if it weren’t for Johnson. “Mr. Hoover never would have changed by himself,” Weiner quotes Marshall as saying. “The FBI was grudging about doing anything’ against the Klan. Mr. Hoover viewed the Civil-Rights activists as lawbreakers.” Sullivan put it more bluntly: “He hated liberalism, he hated blacks, he hated Jews.” Communism scared him, not fascism. Civil Rights threatened America, not bloody state-sanctioned southern white supremacy.

The ghost

Hoover’s reign at the Bureau would end with him dead in his bed in May 1972 — just before the Watergate scandal broke. The Watergate “plumbers,” led by former FBI agent G. Gordon Liddy, modeled their unit on COINTELPRO. The Watergate scandal, ironically

exposed by leaks to reporters from within the FBI, undermined the American public’s already-tenuous trust in government and would eventually lead to investigations that would expose the FBI’s long history of criminality after COINTELPRO files were leaked. The Church Committee, which Weiner curiously never identifies by name, blamed the Bureau’s authoritarian activities on “the long line of Attorneys General, Presidents, and Congresses who have given power and responsibility to the FBI, but have failed to give it adequate guidance, direction, and control.” The FBI was effectively neutered — for a time. Two and a half decades later, al-Qaeda struck and Hoover’s FBI was resurrected.

The Watergate “plumbers,” led by former FBI agent G. Gordon Liddy, modeled their unit on COINTELPRO.

The weakest portion of *Enemies* is its closing chapters, where Weiner recounts the FBI’s post-9/11 return to the intelligence game under the direction of Robert Mueller. While Weiner does document post-9/11 abuses, he paints Mueller as a heroic figure who defied the warrantless wiretapping and torture initiated by the Bush

administration. Certainly Mueller deserves recognition for protesting the worst of the Bush administration's authoritarian transgressions, such as shutting down the National Security Agency's Stellar Wind program before the *New York Times* exposed it. Nevertheless, that was also a Bureau wielding powerful and unaccountable powers, such as national-security letters armed with gag orders, exigent letters, and sting operations abetted by agents provocateurs in pursuit of making terrorism cases. As the Bureau and the Department of Justice well know, once someone is accused of terrorism in post-9/11 America, his fate is essentially sealed. As Weiner puts it, "No jury in Los Angeles, Chicago, or Tuscaloosa would accept an argument of entrapment by an accused terrorist handcuffed and shackled by the FBI." Yet Weiner seems cautiously optimistic that the Bureau can balance liberty and security a decade after 9/11, even though his preceding 447 pages should have convinced him otherwise.

The Gestapo. The Stasi. The FBI. Mentioning the Bureau in the

same breath as those authoritarian, murderous police forces seems like hyperbole. Unfortunately, as Weiner forensically documents and many officials saw, the equivalence is apt. Whether ostensibly democratic or sliding toward authoritarianism, all police forces, we fear, can learn a lesson from the FBI: Murder and assassination are unnecessary; blackmail, lies, and innuendos can eliminate problems more easily, and without raising questions when an opponent or dissident goes missing. If that doesn't work, a well-placed agent provocateur can always convince gullible and stupid people to step over the line from thought to action, something they never would have done without a push, and discredit a movement, no matter how legitimate its grievances are.

Make no doubt about it: The paunchy ghost of J. Edgar Hoover still haunts the Bureau's hallways.

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