

★★★

# FUTURE OF FREEDOM

VOLUME 26 | NUMBER 7

JULY 2015

*Life is like music; it must be composed by ear,  
feeling, and instinct, not by rule.*

— Samuel Butler

# FUTURE OF FREEDOM

★★★

The Future of Freedom Foundation is a nonprofit educational foundation whose mission is to advance liberty and the libertarian philosophy by providing an uncompromising moral, philosophical, and economic case for individual liberty, free markets, private property, and limited government.

*Future of Freedom* is FFF's monthly journal of uncompromising essays on liberty. The price is \$25 for a one-year print subscription, \$15 for the email version. Past issues of *Future of Freedom* and *Freedom Daily* can be accessed on our website: [www.fff.org](http://www.fff.org).

Our (free) FFF Daily email provides hard-hitting commentary on current events and describes the most recent additions to our website. Our op-eds are published in newspapers all over the nation as well as in Latin America. We also give speeches on liberty and libertarianism throughout the United States. The Foundation's other activities are described on our website.

The Foundation neither solicits nor accepts government grants. Our operations are funded primarily by donations from our supporters, which are invited in any amount.

© Copyright 2015. The Future of Freedom Foundation. All rights reserved.  
Please send reprint requests to The Foundation.

★★★

## The Future of Freedom Foundation

11350 Random Hills Road

Suite 800

Fairfax, VA 22030

....

*www.fff.org*

*fff@fff.org*

*Tel: 703-934-6101*

*Fax: 703-352-8678*

<i>Why We Don't Compromise, Part 3</i>	2
Jacob G. Hornberger	
<i>The Mandatory-Voting Panacea</i>	9
James Bovard	
<i>Build It and They Will Come</i>	14
Laurence M. Vance	
<i>When the Supreme Court Stopped Economic Fascism in America</i>	19
Richard M. Ebeling	
<i>The Inherent Criminality of Air Power</i>	27
Joseph R. Stromberg	
<i>The Case for Economic Freedom</i>	32
Benjamin A. Rogge	
<i>Prohibition's Killing Fields</i>	35
Matthew Harwood	

# Why We Don't Compromise, Part 3

by Jacob G. Hornberger



**S**uppose 100 percent of libertarians called for a reform, rather than a dismantling, of the welfare-warfare state way of life under which Americans today live. What would be the chances of achieving the free society — that is, one in which a welfare-warfare state apparatus is no longer grafted onto our federal governmental system?

The chances would be virtually nil. That's because no one would be spreading the idea of abolition. Everyone would be talking about reform.

Even if the idea of abolition were raised from time to time, nonlibertarians would inevitably say to themselves, "Why do we want to consider abolition when libertarians themselves don't call for abolition?" After all, if those who have studied

the market process decline to call for a free-market way of life, why would we expect others to do so?

Now, let's turn it around. Suppose 100 percent of libertarians are calling for abolition, not reform, of the welfare-warfare state apparatus. While that doesn't guarantee that people will join us to achieve the free society, it definitely increases the odds of success. That's because an increasing number of people would be hearing the case for a genuinely free society rather than the case for simply reforming the tyranny of the status quo. A certain percentage of those people who hear the abolitionist message are apt to be attracted to it, thereby increasing the ranks of libertarians.

I subscribe to what I call the critical-mass theory for achieving freedom. I believe that when the number of people favoring abolition reaches a critical mass, the country will experience a monumental shift toward freedom, much as that which brought the Berlin Wall crashing down. Moreover, I'm convinced that that critical mass can be significantly less than a majority of people in society.

In fact, we sometimes see this phenomenon in corporations in which a tiny minority of employees wish to shift the philosophy of the

firm. They start out with one or two, grow to three or four, and continue to find people within the firm who are initially receptive toward the change and then grow passionate and enthusiastic about it. Often-times they reach a critical mass that is significantly less than a majority of the work force, and suddenly the philosophy of the firm shifts.

I believe that the same principle applies to achieving freedom in society. We don't have to convince most Americans of the virtues of a free society; we just need to arrive at a critical mass of people who want a free society — a critical mass that can be much less than a majority.

If I'm right, then that necessarily means that the more libertarians there are making the pure, principled case for liberty, the greater are the odds for achieving liberty. Conversely, the larger the number of libertarians making the case for reform, rather than abolition, the more difficult it is to achieve liberty.

## **Education and vouchers**

Let's examine some well-known examples where the abolition-reform debate manifests itself, beginning with the critically important area of education.

Every libertarian agrees that the government has no legitimate role

in the area of education, any more than it has in religion. Public (i.e., government) schooling is an absolute disaster, especially considering what it does to children's minds. Through its system of regimentation, it produces a mindset of conformity and obedience to authority and destroys the love for learning that naturally exists in every child. At the core of the system is coercion — mandatory-attendance laws and school taxes. Public schooling could easily be called an army-lite education.

---

**The more libertarians there are making the pure, principled case for liberty, the greater are the odds for achieving liberty.**

---

So what's the solution to this educational morass? The solution is to separate school and state, just as our ancestors separated church and state. Repeal school compulsory-attendance laws and abolish school taxes. End all governmental involvement in education. Achieve a totally free market in education, one in which consumers are sovereign and entrepreneurs are vying for their business in a voluntary, consensual environment.

Unfortunately, however, many libertarians have instead settled for

reform. That's what school vouchers are all about. Vouchers enable people to use government-funded certificates to cover tuition expenses in private schools. Voucher proponents justify their position by saying that at least this program helps a certain number of people to escape the ravages of public schooling.

---

**If libertarians lack faith in educational freedom, why would other people have faith in a free market in education?**

---

Yet, consider the way that vouchers are funded — through the compulsory method of taxation. The state forcibly takes money from people, many of whom don't have children, and gives it to people in the form of a school voucher. How is that different from taxing everyone to pay for the schooling of those who have children?

In other words, by endorsing vouchers, libertarians necessarily abandon one of the most powerful arguments against public schooling — that it's morally wrong for the state to take money from people to whom it rightly belongs in order to give it to people to whom it does not belong.

Moreover, vouchers expand the number of people who have mind-

sets of dependency. Once a family begins receiving vouchers, it cannot imagine life without them.

Finally, notice that making the case for vouchers is quite a bit different from making the case for separating school and state. While the voucher proponent, like the freedom advocate, points to the disastrous consequences of public schools, he doesn't induce people to question the role of the state in education. He doesn't talk about the immorality and destructiveness of mandatory-attendance laws and school taxes and the virtues of a genuine free market — that is, a market that is free from government involvement or interference. Instead, his articles and speeches revolve around the merits of school vouchers, which necessarily leave the public schooling system intact while removing some students from it.

Now let's go back to a previous example. Suppose 100 percent of libertarians are calling for school vouchers. What would be the chances of achieving educational liberty? Virtually nil. After all, if libertarians lack faith in educational freedom, why would we expect other people to have faith in a free market in education?

Conversely, if 100 percent of libertarians are calling for educational

liberty, then the odds of achieving it increase. More people are likely to see that libertarians have faith in the free-market process and some of them will want to understand the reasoning for such faith.

During FFF's first year of operation, I wrote an essay for our monthly journal, which at that time was called *Freedom Daily*, entitled "Letting Go of Socialism," which pointed out that school vouchers were nothing more than a way to reform the state's socialist educational system. I said that the only solution to the education morass was a separation of school and state.

Imagine my surprise when Nobel Laureate Milton Friedman criticized my position in a speech that was later reprinted in *Liberty* magazine under the title, "Say No to Intolerance." Here is what Friedman stated in part:

In the Future of Freedom Foundation's *Freedom Daily*, for September 1990 — again, a group that is doing good work and is making an impact —

Jacob Hornberger wrote, "What is the answer to socialism in public schools? Freedom." Correct. But how do we get from here to there? Is that somebody else's problem? Is

that a purely practical problem that we can dismiss? The ultimate goal we would like to get to is a society in which people are responsible for themselves and for their children's schooling. And in which you do not have a governmental system. But am I a statist, as I have been labeled by a number of libertarians, because some thirty years ago I suggested the use of educational vouchers as a way of easing the transition? Is that, and I quote Hornberger again, "simply a futile attempt to make socialism work more efficiently"? I don't believe it. I don't believe that you can simply say what the ideal is. This is what I mean by the utopian strand in libertarianism. You cannot simply describe the utopian solution, and leave it to somebody else how we get from here to there. That's not only a practical problem. It's a problem of the responsibilities that we have.

Notice something important here: Friedman is saying that, yes, educational liberty — i.e., no more state involvement in education — is the goal. He suggests, though, that

vouchers are the way to achieve that goal.

But are they? That raises a question that has long been a subject of controversy and debate within the libertarian movement — the legitimacy of “gradualist” methods for achieving the free society.

## Gradualism

In the 1990s, I served three terms on the platform committee of the national Libertarian Party. One of the contentious issues was whether the LP platform should endorse “gradualism.” I was opposed to the proposition. For one thing, as I pointed out in part one of this essay, gradualism necessarily entails a period of time in which wrongdoing is being countenanced. It was incumbent on the libertarian, I argued, to stand for an immediate termination of wrongdoing, even if it was politically unlikely that that would suddenly happen.

But what I didn’t question was the practical argument for gradualism — the one that Friedman was making with respect to vouchers. That is, I didn’t question that gradualist proposals would gradually lead us to freedom. I simply questioned the morality of endorsing wrongdoing during the period of the gradualism.

After 25 years of reflection on the matter, I now realize how wrong I was. The fact is that gradualism is not gradualism. The fact is that vouchers and many other so-called gradualist methods for achieving freedom are nothing more than statist reform proposals, albeit ones endorsed by libertarians and “free-market conservatives.” Even worse, by entrenching the state more deeply into areas it should not be involved in, “gradualist” methods don’t gradually lead to freedom; they instead obstruct and impede it.

---

**Gradualism necessarily  
entails a period of time in  
which wrongdoing is being  
countenanced.**

---

Schools vouchers provide a perfect example. Let’s assume that the state decides to adopt a voucher program entailing \$10 million in vouchers. It taxes the citizenry that amount and distributes the vouchers to select families. The families take the vouchers to, say, three private schools in town. Suddenly, those three schools are faced with a shortage of classrooms, teachers, and books. No problem. Each of them now has \$3.3 million, compliments of the state’s vouchers. They use that money to construct new

school buildings, hire new teachers, and purchase additional textbooks. The next year and every year after that, the schools continue to receive the vouchers and plan for the continued receipt of them.

At the end of five years, let's say that libertarian voucher proponents say, "Okay, everyone, time's up! Our voucher program was intended to gradually bring about the end of all state involvement in education. Five years is a sufficiently long time for such gradualism. Time to terminate the voucher program and to separate school and state."

What are the chances that those three schools are going to enthusiastically join such libertarians? The chances are virtually nonexistent. That's because they, like the families who receive the vouchers, have grown as dependent on the voucher dole as the public-schooling establishment has become on school taxes. They are not about to call for the end of their dole.

In fact, voucher recipients are likely to lash out at the libertarian proponents of vouchers for failing to disclose to people that their ultimate aim with vouchers was to end government involvement in education. You see, voucher proponents learned a long time ago that they could not, as a practical matter,

publicly state what Friedman stated in his speech — that school vouchers are a gradualist means of bringing about an end to government involvement in education. They found that if they disclosed that, it was more difficult to induce people to accept their voucher proposals.

---

**Many voucher proponents use as one of their main arguments that the program will improve the public-schooling system.**

---

Thus, voucher proponents decided to remain silent about their ultimate goal. In fact, many of them got so embroiled trying to get vouchers accepted that they themselves lost sight of what their ultimate goal was. Over time, their arguments for vouchers became couched simply in terms of helping children get into private schools, not as a way to get the public-school system dismantled. In fact, in one of the real perversities that arise from the compromise of principle, today many voucher proponents use as one of their main arguments that the program will improve the public-schooling system through "competition." Every time I see that argument for vouchers, I can't help but wonder whether Milton Friedman is turning over in his grave.

Twenty-four years ago, the city of Milwaukee adopted a school voucher program. Despite the passage of almost a quarter-century, it is clear that the city's school voucher program has not gradually led to the separation of school and state. After all, even the most ardent proponent of gradualism would have to concede that 24 years is more than enough time to constitute "gradual."

Yet, certainly none of the Milwaukee schools that have been receiving the vouchers is calling for the end of vouchers and the end of governmental involvement in education.

Moreover, I don't know of any libertarian voucher proponents who are now telling the people of Milwaukee that the time for vouchers to bring about the end of all government involvement in education has arrived. Instead, libertarian voucher proponents are trying their best to expand vouchers to other parts of the country, thereby making the state even more entrenched

into education. That's not advancing freedom. That's expanding statism.

As I stated in my 1990 essay "Letting Go of Socialism," vouchers are nothing more than a statist reform plan, one that happens to be endorsed by reform libertarians and by "free-market conservatives" under the rubric of "choice" or "privatization." The fact is that school vouchers are no different in principle from libertarian and conservative reform plans for Social Security, Medicare, the Pentagon, the CIA, the NSA, and other aspects of the welfare-warfare state, as we shall see in part 4 of this essay.

---

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

---

**NEXT MONTH:**  
"Why We Don't  
Compromise, Part 4"  
*by Jacob G. Hornberger*

# The Mandatory-Voting Panacea

by James Bovard



**B**arack Obama suggested on March 18, 2015, that mandatory voting could cure some of the ills of American democracy. He said that compelling everyone to vote would “encourage more participation” — perhaps the same way that the specter of prison sentences encourages more people to pay taxes. While there are many good reasons to oppose mandatory voting, compulsory balloting could help Americans recognize what their political system has become.

Obama declared that “the people who tend not to vote” are “skewed more heavily towards immigrant groups and minority groups ... and there’s a reason why some folks try to keep them away from the polls.” Minorities’ voter-turnout supposedly justifies destroying everyone’s free-

dom in the name of equality. The fact that blacks had a higher turnout rate than whites in the 2012 presidential election is not permitted to interrupt the progressive victimization narrative.

Obama declared, “It would be transformative if everybody voted” and “would counteract [campaign] money more than anything.” He also said that politicians’ raising heaps of money “just degrades our democracy generally.” For Obama, political fundraising is degrading — but mass coercion is not.

Obama stressed, “We have to think about what are other creative ways to reduce the influence of money” in politics. But he is referring only to private campaign contributions. He has never shown any itch to curtail politicians’ ability to use tax dollars to buy votes. Instead, his programs and policies have vastly increased dependency on the federal government — creating a “gift that will keep on giving” to the Democratic Party for years to come. Mandatory voting would entitle politicians to punish citizens who refuse to vote for politicians. Essentially, anyone who did not formally consent to submit to the approved candidates would be considered to be committing a crime against his fellow citizens. Many citizens boy-

cott polling booths because they consider politicians the nation's preeminent pathological liars. But mandatory-voting laws would prohibit any "conscientious objection" to forced endorsement of one of the rascals who got his name on the ballot.

---

## Mandatory voting would entitle politicians to punish citizens who refuse to vote for politicians.

---

Most surveys show that nonvoters are less well-informed than voters. Politicians have long been accustomed to prey on ignorant voters, and it would require only a minor rhetorical tweak to appeal to complete know-nothings. As long as the final count is tens of millions of votes higher, politicians and their media lackeys will proclaim victory for a new, more-inclusive democracy.

### Consent of the governed

Obama's trial balloon excited some of his core supporters. A commentator at the left-wing Dailykos.com declared, "A national mandatory voting law would certainly be obstructed by Republicans, but it could be useful to have them all on record objecting to all citizens' exercising their voting rights." But what sort of "right" gets

people in jail for failing to perform on command for their rulers? If there was a federal law requiring everyone attending a sports event to sing "The Star-Spangled Banner" at full volume, that would make a louder chorus — but it would do nothing to redeem either the anthem or the nation. An article on left-leaning Vox.com noted that mandatory voting "would, by definition, mean that more Americans' views are represented in government." But is there any reason to expect politicians to pay more attention after more people are dragooned to polling places? The civil rights movement of the 1950s-1960s ensured that far more black citizens could vote — but that did not deter Congress from enacting mandatory-minimum drug laws that consigned far more nonviolent blacks to long prison terms.

Obama declared in a June 4, 2014, speech in Warsaw, Poland, that "a leader's legitimacy can only come from the consent of the people." Making voting mandatory would obliterate any illusion of "consent," but few people would notice the change. Only 19 percent of Americans said the federal government has "the consent of the governed," according to a 2014 Rasmussen Reports poll.

Most citizens do not believe that the government has “the consent of the governed” because the rulers brazenly disdain the values and preferences of the citizenry. Polls show that not since 1964 have a majority of Americans favored increasing the size and power of the federal government. But politicians have perennially scorned voters’ preference and continually enlarged the arsenal of penalties and prohibitions bureaucrats deploy against private citizens. Presidents and congressmen prattle that their actions embody the “will of the people” — even though no citizen asked to be fettered with an \$18 trillion national debt.

---

## **While the president has lost his reputation for candor, Congress is held in even greater contempt.**

---

Earlier this year, Obama scorned the majority of citizens who did not bother voting in last November’s midterm election. He declared, “Staying home is not an option. And being cynical is not an option. And just waiting for somebody else — whether it’s the president, or Congress, or somebody — to get it done, that’s not enough.” But Obama does not have clean hands: his actions — such as his lies

regarding National Security Agency spying, his drone killings, or his torture cover-up — have fed the cynicism which he bewails. While the president has lost his reputation for candor, Congress is held in even greater contempt: Congress’s approval rating is consistently among the lowest of all professions — even worse than journalists.

According to former Secretary of State Hillary Clinton, “Voting is the most precious right of every citizen.” But voting is a hollow rite when election winners scorn their oath of office to uphold the Constitution. Obama has made it clear that high-ranking government officials will not be prosecuted when they are caught in brazen crimes; so why should citizens continue playing their role to maintain the façade that we have a republic? Voting levers cannot legitimize violations of rights.

## **Broken leashes**

Politicians could not even suggest making voting mandatory unless vast numbers of Americans had become politically illiterate. Ever since Woodrow Wilson, presidents have conflated voting and freedom — as if they were two sides of the same coin. Sen. Dianne Feinstein (D-Calif.), in a speech on Obama’s first inauguration day, proclaimed,

“The freedom of a people to choose its leaders is the root of liberty.” Since this freedom is so important, the best way to safeguard it is to make it mandatory. And as long as the government obliges people to register a preference for the commander in chief, then people are supposedly free — no matter how much power the president subsequently seizes.

---

**Early American voters expected congressmen to protect them from the ravages of the executive branch.**

---

Popular perceptions of the purpose of elections have profoundly changed over the past 200 years. Law professor John Phillip Reid, author of *The Concept of Representation in the Age of the American Revolution*, observed, “At the time of the American Revolution, elections were seen as a means for people to protect themselves against rulers — kings, ministers, or any other official wrongdoer.” The Founding Fathers viewed elections as one of the most important leashes that citizens could attach to politicians. Reid noted, “Eighteenth-century representation was primarily an institution of restraint on governmental power.” Early American voters expected

congressmen to protect them from the ravages of the executive branch. But any such hope of constraining government by using ballots seems like a relic of the horse-and-buggy era. Instead, voting is becoming more like a medieval act of fealty — with citizens obliged to promise unlimited obedience to whoever is proclaimed the winner.

Since the government now claims a right to punish citizens for almost everything, perhaps it is only appropriate to add nonvoting to the roster of official crimes. Making voting compulsory could codify the true relation between politicians and citizens.

If citizens are dragooned into the polling booths, the system could be redeemed by requiring every voter to sign a statement swearing that he voted voluntarily. Prosecutors often require similar far-fetched statements from people they browbeat into signing plea bargains. Almost all judges accept the fiction that such pleas are voluntary, and there is no reason why similar oaths by voters would not eventually pass muster. Alternatively, after casting a ballot, each voter could be required to kneel before giant photos of the candidates and proclaim, “Thank you for my freedom, Masters!”

Any new voting process should be designed to be both transparent and uplifting. Instead of simply sending violators a ticket a few weeks after an election, political candidates could walk the streets on the day after an election and use Tasers on anyone who could not prove he had voted. As long as the punishments are labeled “freedom shocks,” no decent citizen would have a right to object. But it would be important to set the voltage level low enough to avoid fatalities that could be exploited by cynics and civil-liberties extremists.

The real “voting rights” problem is that it is infinitely easier for politicians to bind citizens than for citizens to bind politicians. How can there be free elections in an increasingly unfree society?

Nowadays, we have elections in lieu of freedom. For a long time, national elections have offered little more than two political parties who take turns trampling rights and plundering the Treasury. No law should be passed to compel voting

until after we discover a method to compel politicians to be honest. And that will happen about the same time that the devil gets his own ice hockey team.

America is far closer today to what the Founding Fathers dreaded — “slavery by constitutional forms.” Most of what the government does has little or nothing to do with “the will of the people.” If we want a new birth of freedom, we must cease glorifying oppressive political machinery.

---

*James Bovard serves as policy advisor to The Future of Freedom Foundation and is the author of a new ebook memoir, Public Policy Hooligan, as well as Attention Deficit Democracy and eight other books.*

---

**NEXT MONTH:**  
“Obama’s ‘Cynicism’  
Racketeering”  
*by James Bovard*

# Build It and They Will Come

by Laurence M. Vance



The city of Los Angeles is the country's second-largest media market. Yet, the city has not had an NFL football team to call its own since the 1994 season, when the Rams and the Raiders each played their last games there. After beginning in Cleveland, the Rams called Los Angeles home from 1946 to 1994 before moving to St. Louis in 1995. The Raiders played in Oakland from the team's beginning in 1960 until 1981, relocated to Los Angeles from 1982 to 1994, and moved back to Oakland in 1995.

But the lack of a Los Angeles NFL franchise did not deter the City Council of Inglewood, California, a suburb of Los Angeles, from approving plans earlier this year to build the most expensive stadium

in U.S. sports history near Los Angeles International Airport, the nation's fourth-busiest airport.

In January 2014, St. Louis Rams owner, real-estate titan, and sports mogul Stan Kroenke purchased, through a holding company, a 60-acre parcel of land in Inglewood just north of the old Hollywood Park Racetrack for about \$100 million. After a year of speculation on what Kroenke's design for the site was (his wife is the daughter of Wal-Mart co-founder Bud Walton and he has developed plazas near Wal-Mart stores), a massive mixed-use development project was announced, including an 80,000-seat stadium, retail and office space, residential housing, a hotel, parks, playgrounds, and open space — all at a cost of \$1.86 billion.

After receiving more than 20,000 signatures on a petition, the Inglewood City Council approved a re-zoning initiative by unanimous vote, thus clearing the way for developers to break ground later this year. "We need to do the will of the people and we need to do it tonight," said Inglewood's mayor, James Butts, before the vote.

The city of Inglewood is trying to lure the Rams back from St. Louis by approving the construction of a stadium with no guarantee from

the Rams that the team will come back. And aside from that, NFL teams that want to move to a different city must have the permission of 24 of the league's 32 owners.

Build it and they will come.

### Stadium economics

What is unusual about the new stadium is that it will be built entirely with private funds, except that the city will reimburse the developers for building streets and sidewalks if tax revenue from the project exceeds \$25 million. That is not the case in Missouri, where politicians from the governor on down are desperately trying to keep the Rams in St. Louis.

---

**"Over the past 20 years, 101 new sports facilities have opened and almost all of them have received direct public funding."**

---

According to the Federal Reserve Bank of St. Louis, "Between 1987 and 1999, 55 stadiums and arenas were refurbished or built in the United States at a cost of more than \$8.7 billion." About 57 percent of this "was financed with taxpayer money." *Pacific Standard* magazine reported in 2013 that "over the past 20 years, 101 new sports facilities have opened in the United States —

a 90-percent replacement rate — and almost all of them have received direct public funding."

That is what happened when the Rams moved from Los Angeles in 1995 after the city of St. Louis, St. Louis County, and the state of Missouri spent \$280 million on what is now called the Edward Jones Dome to attract the team. Bonds for construction of the stadium and convention center are scheduled to be paid by all three entities through 2021. After a dispute between the Rams and the St. Louis Convention and Visitor Center over renovations to the stadium, arbitrators in February 2013 ruled in favor of the Rams' \$700 million proposal to upgrade the stadium to the top tier of NFL stadiums, as required by the terms of the Rams' 30-year lease. Not doing so means that the Rams could either lease the stadium on a year-to-year basis beginning in 2015 or break the lease and move. The state of Missouri is now proposing to finance a \$900 million new stadium for the Rams, \$460 million to \$535 million of which would be publicly financed.

The city of Inglewood wants the Rams because it projects that a football stadium would generate more than \$800 million dollars a year in economic activity. St. Louis

wants to keep the Rams for the same reason, and because of the hundreds of millions of dollars that it has already invested in the team.

There is just one problem with this: the negligible and sometimes negative economic impact of sports stadiums. Economists may disagree about a lot of things, but the economic impact of sports stadiums isn't one of them. *Bloomberg Business* reported in 2012 that "over the life of the \$17 billion of exempt debt issued to build stadiums since 1986, the last of which matures in 2047, taxpayer subsidies to bondholders will total \$4 billion." The Federal Reserve Bank of St. Louis concluded that "almost all economists and development specialists (at least those who work independently and not for a chamber of commerce or similar organization) conclude that the rate of return a city or metropolitan area receives for its investment is generally below that of alternative projects."

Michael Leeds, a sports economist at Temple University, says that sports stadiums have "no impact." He concluded after studying Chicago — a city with five major sports teams — that "if every sports team in Chicago were to suddenly disappear, the impact on the Chicago economy would be a fraction of

1 percent." Another sports economist, Victor Matheson, at the College of the Holy Cross, is dubious about the projected economic impact of sports stadiums: "A good rule of thumb that economists use is to take what stadium boosters are telling you and move that one decimal place to the left, and that's usually a good estimate of what you're going to get." University of Chicago economist Allen Sanderson even suggests that "it would be far preferable for the mayor of St. Louis to write a check to the Rams' owner for, say, \$100 million and let it go at that, essentially a bribe to stay put and shut up."

---

**"If every sports team in Chicago were to suddenly disappear, the impact on the Chicago economy would be a fraction of 1 percent."**

---

In a paper for the National Association of Sports Economists, Dennis Coates and Brad Humphreys concluded that "sports subsidies cannot be justified on the grounds of local economic development, income growth, or job creation, those arguments most frequently used by subsidy advocates." The consensus of economists is that there is "no substantial evidence of increased jobs, income, or tax reve-

nues for a community” associated with stadiums, arenas, or sports franchises. Economists universally mention several things that cause stadiums to be poor public investments. Sporting events can create such significant crowds and congestion that they can cause people to stop going to other area events. Sports fans do not spend additional money on entertainment after a stadium is built; they merely redirect the money they would have spent on movies, dining, or other entertainment options. Most of the jobs created by stadium-building projects are temporary jobs that are often low-paying or out-of-state contracting jobs that don’t greatly contribute to the local economy.

Sound economic policy is not a hallmark of state and local governments any more than it is of the federal government. So why do states, counties, and cities continue to seek major league sports franchises at public expense? It could be for any number of reasons — prestige, tradition, bragging rights, civic pride, political self-interest — but sound economics has nothing to do with it.

## Libertarian arguments

When writing about the economics of sports stadiums, economists discuss concepts such as mar-

ket failure, marginal social benefits and costs, positive and negative externalities, opportunity cost, public goods, intangible economic benefits, allocation of resources, returns on investment, alternative use of resources, monopoly power, market distortion, regressive taxation, Pareto improvements, and Pareto-relevant externalities.

---

**The libertarian arguments against governments’ subsidizing sports stadiums have to do with fundamental issues.**

---

But one does not have to be an economist to understand why subsidizing sports stadiums is such a bad idea; one just has to be a libertarian. In fact, most economists who write about the economic impact of sports stadiums miss the real point entirely. The libertarian arguments against governments’ subsidizing sports stadiums have to do with fundamental issues such as individual liberty, private property, the free market, limited government, and the free society. It doesn’t matter if a municipality’s spending millions, tens of millions, or hundreds of millions of dollars building a stadium to keep or attract a major league sports team is a good investment, has a high rate of return, cre-

ates or retains jobs, has positive externalities, or has a positive economic impact.

Government entities' building or subsidizing the building of sports stadiums is an immoral act and illegitimate function of government. It fleeces taxpayers. It benefits the few (sports fans) at the expense of the many (the taxpayers). Communities don't benefit by taxing working people so millionaires can pay ball teams for the privilege of sitting in luxury boxes watching other millionaires play ball games. Owners of sports franchises are some of the richest people in America — why should tax money be used to finance their business endeavors?

And that is what is usually lost in the debate about taxpayer-funded sports stadiums: sports teams are businesses. Sports teams are in the entertainment business. Sporting events are entertainment. People attend football, baseball, basketball, and hockey games to be entertained — just as they attend

concerts, movies, amusement parks, and museums to be entertained. An entertainment business, like any other business, should not be promoted, subsidized, supported, protected, or financed by government any more than any other type of business; that is, it shouldn't be promoted, subsidized, supported, protected, or financed by government at all. Any government at any level.

Sports teams — like department stores, restaurants, and amusement parks — should buy land, build facilities, advertise what they have to offer, and hope that people will come. But they shouldn't expect any help from taxpayers.

---

*Laurence M. Vance is policy advisor for The Future of Freedom Foundation and the author of The War on Drugs Is a War on Freedom. Visit his website: [www.vancepublications.com](http://www.vancepublications.com). Send him email: [lmvance@juno.com](mailto:lmvance@juno.com).*

---

# When the Supreme Court Stopped Economic Fascism in America

by Richard Ebeling



There was a time when the Supreme Court of the United States defended and upheld the constitutional protections for economic liberty in America. This year marks the 80th anniversary of one of the Supreme Court's finest hours, when it overturned Franklin Roosevelt's agenda for economic fascism in the United States.

The trend towards bigger and ever-more-intrusive government, unfortunately, was not stopped, but the case nonetheless was a significant event that at that time prevented the institutionalizing of a Mussolini-type fascist economic system in America.

On May 27, 1935, in a unanimous decision the nine members of the Supreme Court said there were constitutional limits beyond which the federal government could not go in claiming the right to regulate the economic affairs of the citizenry. It was a glorious day in American judicial history and is worth remembering.

## Roosevelt's broken promises for smaller government

When Franklin Roosevelt ran for president in the autumn of 1932 he did so on a Democratic Party platform that many a classical liberal, free-market advocate might have happily supported and even voted for.

The platform said that the federal government was far too big, taxed and spent far too much, and intruded into the affairs of the states to too great an extent. It said government spending had to be cut, taxes needed to be reduced, and the federal budget had to be brought back into balance by ending deficit spending. It also called for free trade and a sound gold-backed currency.

But as soon as Roosevelt took office in March 1933 he instituted a series of programs and policies that turned all those promises upside

down. In the first four years of Roosevelt's New Deal, taxes were increased, government spending reached heights never seen before in U.S. history, and the federal budget bled red with deficits.

The bureaucracy ballooned; public-works projects increasingly dotted the land; and the heavy hand of government was all over industry and agriculture. The United States was taken off the gold standard, with the American people compelled to turn in their gold coins and bullion to the government for paper money under the threat of confiscation and imprisonment.

### Roosevelt takes executive control.

In his inaugural address in March 1933, Roosevelt said that he considered his election as a mandate from the American people for "direct, vigorous action. They have asked for discipline and direction under leadership. They have made me their present instrument of their wishes. In the spirit of the gift I take it."

Roosevelt asked the Congress for broad executive authority to fight the economic crisis of the Great Depression. But if Congress refused to give him this free hand to arbitrarily do what he wanted, he warned darkly that he would just take it through independent execu-

tive action: "I will not evade the clear course of duty that will then confront me."

---

**Roosevelt's New Deal government spending reached heights never seen before in U.S. history.**

---

In a series of speeches Roosevelt insisted that private industry had to give up some of its freedom; agriculture had to be supervised and assisted by the government; public expenditures were needed to increase and reflect modern responsibilities of enlightened political authority, including social security, unemployment insurance, and workers' compensation; competition, speculation, and banking required increased government regulation; the hours, wages, and conditions of work had to come under greater government control; income and spending power among groups in American society needed to be redistributed; massive public works projects had to be undertaken for the national betterment.

### A "New Deal" of government control

Taken all together, Roosevelt said that the "spirit of my program" represented a "New Deal" for America, involving "a changed concept of the duty and responsibility

of government toward economic life." He said that as part of this, "business must think less of its own profit and more of the national function it performs." And the suppression of private interests to a common interest would "make possible the approach to a national economic policy which will have as its central feature the fitting of production programs to the actual probabilities of consumption" as considered appropriate by the new government planners.

## Government spending and programs run wild.

During the next four years, Franklin Roosevelt's New Deal implemented all of those proposals. Between 1933 and 1936, federal government increased by 83 percent. To cover this massive increase in government spending, Roosevelt's administration ran huge budget deficits.

In 1933, deficit financing covered 56.6 percent of government expenditures. For 1934, 1935, and 1936, the figures for deficit financing were, respectively, 54.6 percent, 43 percent, and 52.3 percent of government expenditures. In four years, the federal government's debt went from \$19.5 billion in 1932 (\$270 billion in 2015 dollars) to \$33.8 billion in 1936

(\$608.4 billion in 2015 dollars), representing a 73.3% increase.



## An alphabet of government planning programs

On May 12, 1933, the Congress passed the Agricultural Adjustment Act (AAA), giving the government wide powers to fix the prices of farm products, purchase agricultural surpluses over an increasing number of crops, and pay farmers to reduce acreage in various lines of production.

Farmers were given subsidies and government-guaranteed price supports, with Washington determining what crops could be grown and what livestock could be raised. Government ordered some crops to be plowed under and some livestock slaughtered, all in the name of centrally planned farm production and pricing.

On May 18, 1933, the Congress passed the Tennessee Valley Act, giving the federal government authorization for the undertaking of a massive public-works project for the construction of dams and electrification in the Southern states. It was nothing less than socialist planning for land use, conservation, and supplying of energy for a vast subsection of the country.

---

**Congress passed a resolution voiding the gold clause in all government and private contractual obligations.**

---

The AAA also gave the Roosevelt administration the authority to reduce the gold content and value of the dollar by an amount up to 50 percent. Then, in contradiction to the promise that “a sound currency [would be] preserved at all hazards,” on June 5, 1933, Congress passed a resolution voiding the gold clause in all government and private contractual obligations, as well as requiring all Americans to turn in their privately held gold for Federal Reserve Notes, under penalty of confiscation and imprisonment.

On March 29, 1933, the Civilian Conservation Corps was established, putting government in the business of creating work for Amer-

ica’s youth in the national forests with mock military-style drilling.

The Works Progress Administration (WPA) was passed on May 12, 1933, designed to create make-work projects for thousands of able-bodied men, all at taxpayers’ expense.

Since unemployed artists were “workers” too, they were set to work in government buildings across the land. Even today, in some of the post offices dating from the 1930s, one can see murals depicting happy factory workers and farm hands in a style similar to the political “art” produced in Stalin’s Russia and Hitler’s Germany.



Graphic of NRA Blue Eagle, ca. 1933

## **Industrial fascism comes to America.**

On June 16, 1933, the Congress passed the National Industrial Recovery Act (NRA) providing for total federal government control of

the industrial sectors of the U.S. economy. Mandatory “codes of fair competition” were established for each sector of the economy, establishing pricing and production regulations for almost every manufactured good in the country.

Modeled on Mussolini’s fascist economic system, it forced virtually all American industry, manufacturing, and retail business into cartels possessing the power to set prices and wages, and to dictate the levels of production. Within a few months more than 200 separate pricing and production codes were imposed on the various branches of American business.

---

**Citizen committees were formed to spy on local merchants and report if they dared to sell at prices lower than those mandated.**

---

Every retail store in America was encouraged to display the NRA “Blue Eagle” emblem (with lightning bolts in one claw and an industrial gear in the other) in its store windows to assure people that the store was “Doing Their Part,” meaning it followed the pricing and production codes. Citizen committees were formed to spy on local merchants and report if they dared to sell at

prices lower than those mandated under NRA central planning.

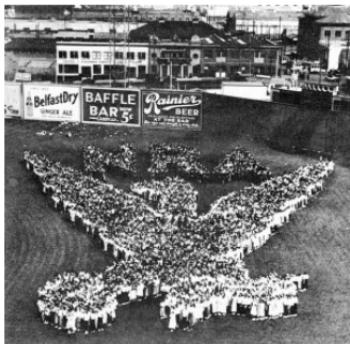


## Propaganda campaigns for government planning

Propaganda rallies in support of the NRA were held across the country. During halftime at football games cheerleaders and children would form the shape of the Blue Eagle. There were government-sponsored parades throughout America that featured Hollywood stars supporting the NRA.

At one of these parades the famous singer Al Jolson was filmed being asked what he thought of the NRA; he replied, “NRA? NRA? Why it's better than my wedding night!” Film shorts produced by Hollywood in support of the NRA were shown in theaters around the country; in one of them child movie star Shirley Temple danced and sang the praises of big-government regulation of the American economy.

And Ginger Rogers sang “We’re in the Money” in the movie *Gold Diggers of 1933*, praising (prematurely) the end of the Depression.



## Ending the march into economic fascism

The Supreme Court brought this headlong march into economic fascism to a halt in 1935. The catalyst was a legal case known as *Schechter Poultry Corp. v. United States*. Schechter, a slaughterhouse that sold chickens to kosher markets in New York City, was accused of violating the “fair competition” codes under the NRA. The case made its way up to the Supreme Court, with the nine justices laying down their unanimous decision on May 27, 1935.

Three hundred people packed the Court that day to hear the decision, with prominent members of Congress and the executive branch

in the audience. The justices declared that the federal government had exceeded its authority under the Interstate Commerce Clause of the Constitution, since the defendant purchased and sold all the chickens it marketed within the boundaries of the state of New York.

Therefore, the federal government lacked the power to regulate the company’s production and prices. Moreover, the justices stated that the NRA’s power to impose codes constituted arbitrary and discretionary control was inconsistent with the limited and enumerated powers delegated by the Constitution.

That was soon followed by the Supreme Court’s rejection of the AAA in January 1936, when the justices insisted that the federal government lacked the authority to tax food processors to pay for the farmers’ subsidies and price supports. Furthermore, since farming was generally a local and state activity, the federal government did not have the power to regulate it under the Interstate Commerce Clause of the Constitution.

## “Nine Old Men” or “Nine Wise Men”?

Franklin Roosevelt was furious that what he called those “nine old men” should attempt to keep America in the “horse and buggy era”

when this great nation needed a more powerful central government to manage economic affairs in the “modern age.” His response was his famous “court packing” scheme, in which he asked Congress to give him the power to add more justices to the Supreme Court in order to tilt the balance in favor of the “enlightened” and “progressive” policies of the New Deal.

But this blatant power grab by the executive branch ended up being too much even for many of the Democrats in Congress, and Roosevelt failed in his attempt to assert naked presidential authority over another branch of the federal government.

Shortly after the Supreme Court declared both the NRA and AAA unconstitutional, David Lawrence, founder and long-time editor of *U.S. News and World Report*, published a book titled *Nine Honest Men* (1936). He praised the justices for their devotion to the bedrock principles of the Constitution, and their defense of the traditional American ideals of individual liberty, private property, and the rule of law — even in the face of the emotional appeal to government to “do something” during an economic crisis.

Roosevelt soon, however, had his way with the Supreme Court, as sitting members retired, and he could replace them with other justices more responsive in their decisions to the new “progressive” rationale for more paternalistic government over the lives of the citizenry.

As a result, in spite of that landmark decision 80 years ago against the imposition of economic fascism in America, the U.S. government has continued to grow in power over the American people. But it should be remembered that men of courage, integrity, and principle can stand up to Big Brother and resist the headlong march into economic tyranny.

That unanimous Supreme Court decision in 1935 was one bright example of it.

---

*Richard M. Ebeling is a BB&T Distinguished Professor at The Citadel. He was formerly a professor at Northwood University and Hillsdale College. He has served as president of The Foundation for Economic Education and as vice president for The Future of Freedom Foundation.*

---

*The line between investigating and persecuting is a very fine one, and the junior senator from Wisconsin has stepped over it repeatedly.... We must not confuse dissent with disloyalty. We must remember always that accusation is not proof and that conviction depends upon evidence and due process of law. We will not walk in fear, one of another.... We are not descended from fearful men — not from men who feared to write, to speak, to associate, and to defend causes that were, for the moment, unpopular.... We cannot defend freedom abroad by deserting it at home.*

— Edward R. Murrow

# The Inherent Criminality of Air Power

by Joseph R. Stromberg



Constant American bombing of much of the world ought to raise questions about the morality (if any) of air power, even if few Americans bother to confront them. (Indeed, many moral theorists would rather apply their theorizing and “intuitions” to runaway trolley cars than to the real-world problem posed here.)

Air power first showed its long-imagined potential in World War One with Zeppelin raids, reconnaissance flights, and small-scale attempts at aerial bombing. Knightly airborne duels between flying aces helped distract attention from the horrific realities of the Western front and from the institutional stupidity of officers and political leaders everywhere.

The interwar years (1919–1939) saw the rapid growth of aerial fanaticism and planning. Many assumed “the bomber will always get through” (attributed to Stanley Baldwin). According to Italian Gen. Giulio Douhet, that was for the best, since bombing would shorten future wars when brutally battered civilians forced their governments to sue for peace. Professional military men wished to avoid another static Western Front and hoped air power could restore decisive combat. In America a noisy air-power lobby arose, symbolized by Capt. Billy Mitchell, supposedly martyred by backward Army brass.

In 1925, Capt. Eldridge Colby, U.S. Army, wrote that a “belligerent will not wish to risk his planes and pilots, expend his gasoline, or waste his munitions, on any objectives except those of military importance.” He conceded the gross inaccuracy of bombing: *“Innocent people are bound to be struck,”* whatever the bombers’ intentions (see “Aerial Law and War Targets,” *American Journal of International Law*, October 1925, p. 710). (My italics.) Having surveyed the existing laws of war, he unsurprisingly concluded that since following the apparent rules might outlaw most bombing, the rules should yield. British

bombing of Afghanistan (!) in May 1919, he thought, gave convincing precedent.

I will add here that the traditional laws of war were entirely too permissive: consider 545 days of shelling at Charleston and General Sherman's shelling of much of Atlanta before his men "accidently" burned it down. Even so, the laws (or rules) were better than nothing. The notion of "noncombatant immunity" at least distinguished soldiers from civilians, even if war-makers continually sacrificed the principle to supposed "military necessity." Colby proved prophetic, and confused and unclear rules gave ground while the category of acceptable *target* expanded, especially in pragmatic American hands. Oddly, in 1932 Britain, reserving its right to bomb its colonies (to collect taxes in Iraq and keep order on the Northwestern Frontier), blocked a proposal at the World Disarmament Conference in Geneva, supported by Italy, Germany, Russia, and the United States, to ban aerial bombing.

### Air power applied

In World War Two air power soared to new moral depths, assisted by officially entrenched American moral obtuseness. British and

American strategists tailored their air forces to "area" or saturation bombing, and Lord Trenchard, "father" of the Royal Air Force, told the Lords that the Royal Air Force was "an offensive and not a defensive weapon." The Germans and Soviets, on the other hand, designed their air forces to give tactical support to armies (H.W. Koch, "The Strategic Air Offensive against Germany," *Historical Journal*, 1991). Civilian deaths reflect the fact: 600,000 Germans and 58,000 French ("allies") killed by Anglo-American bombs; 70,000 English killed by German bombs. In such terms, the atomic bombing of Hiroshima and Nagasaki "hardly represented a moral novelty," as historian David M. Kennedy states ("Victory at Sea," *Atlantic Monthly*, March 1999).

---

**British and American strategists  
tailored their air forces to "area"  
or saturation bombing.**

---

Postwar euphoria helped speed along the independence of the Air Forces from the Army in 1947 (forcing the Navy, briefly, to make moral arguments at the margin). War liberals became Cold War liberals and imperial planning thrived. Atomic bombs (A, and later, H) were central to their plans, making "nuclear

deterrence ... the sword arm ... of Cold War liberalism,” in historian Philip Green’s words (“Cold War Liberalism,” *Reviews in American History*, December 1979). Air power also appealed to remnants of the Old Right because of its seemingly “economical” character. As of 1945, advanced aero-maniacal planners anticipated most U.S. weapons systems now in operation (see Report of Scientific Advisory Group, August 22, 1945, in Michael H. Gorn, *Harnessing the Genie* [USAF, 1988], pp. 27–28). All the planners needed was a budgetary, legal, philosophical, and scientific revolution — the last amounting to a state-led paradigm shift across natural sciences, technology, and social sciences. Those things they achieved.

---

**It is simply a long-standing American fantasy that the Korean War was “limited” in any meaningful way.**

---

They also leveled Korea. Gen. Curtis Lemay bragged, “We burned down just about every city in North and South Korea both.... [We] killed off over a million civilian Koreans and drove several million more from their homes” (quoted in Calum A. MacDonald, *Korea: The War before Vietnam*, 1986, p. 235). It is

simply a long-standing American fantasy that the Korean War was “limited” in any meaningful way. (Compare Helen Mears, “A Note on Atrocities,” *Dissent*, Winter 1954.) It was a preview of war in Indo-China.

The post-Cold War world has seemed so target-rich to official U.S. eyes — Panama, Iraq, Serbia, Afghanistan, Yemen, et cetera — that today’s Mark Twain would write “The United States of Bomberdom.”

### **The moral status of air power**

Amidst the general happiness attendant on air power, only a handful of dissenters on the Left and Right, e.g., Dwight Macdonald, Vera Brittain, George Hartmann, and Felix Morley, took issue with it.

In “The Morality of Obliteration Bombing” (*Theological Studies*, 5, 1944) American Jesuit John C. Ford addressed the central questions while bombs still fell. The scale and inaccuracy of strategic bombing meant, he wrote, that the *collateral* and *incidental* damage in those raids was done to the military targets. The massive damage came to whole cities or sections of cities. British and American spokesmen repeatedly cited German popular morale as a primary target and could hardly claim not to *intend* the civilian deaths achieved. As for air

power's saving lives by ending wars sooner, Ford saw only "a problematical, speculative, future good." He added, "If one intends the end, terror, one cannot escape intending the principal means of obtaining that end, namely, the injury and death of civilians."

Such criticisms had no effect. American "defense" soon acquired unmanned air power: an array of missiles of increasingly greater range to carry nuclear "weapons" on their premeditated errands. With the laws of physics smiling benignly down, dubious theory ran riot.

### Aerial vandalism

Followed to its logical conclusions (American planners seldom stop short), air-power ideology implies erasure of all distinctions between civilian and combatant, home and abroad, et cetera. This erasure necessarily infects the moribund "laws" of war, allowing a unitary U.S. politician to discipline the world with his now-famous "drones" — more controllable (and lethal) versions of Germany's V-1 buzz bombs.

Snug in silos, nukes abide, while conventional bombs have grown very "smart." Ideological rubbish about "precision" reassures the nervous, since "collateral damage"

(very popular since the Gulf War) is alleged to have dropped below sight. The moral rehabilitation of air power looms.

---

**Historian Robert A. Higgs has rightly contrasted military precision and moral precision.**

---

Here we have the postmodern logic of "small massacres" — not demonstrably moral but easy to overlook because they are not Dresden, Tokyo, or Hiroshima — e.g., the "dynamic entry" of U.S. armed forces into Panama City in December 1989, which killed 300–3,000 Panamanian civilians caught in the path of U.S. righteousness. For the late Howard Zinn, radical historian and veteran of the U.S. Army Air Forces in World War Two, air power is a tale of "endless atrocities, all calmly explained by deceptive and deadly language like 'accident,' 'military target,' and 'collateral damage.'" ("A Just Cause, Not a Just War," *The Progressive*, December 2001). Historian Robert A. Higgs has rightly contrasted military precision and moral precision (see "Military Precision versus Moral Precision," Independent Institute, March 23, 2003, at <http://www.independent.org/newsroom/article.asp?id=1154>).

Of course when I refer to the inherent criminality of air power, I mean air power as usually employed. That raises a question: could some uses of air power be moral in a war of pure defense? Could we morally use a fleet of fighter aircraft alongside anti-aircraft weapons to repel invading planes (or missiles, if feasible)? Perhaps we could, if there existed also a clear commitment to pure defense: to resisting and repelling while never invading the enemy's home ground. (Admittedly, such a plan would find few adherents, but the savings, moral and monetary, might be enormous.)

Much has been claimed for air power, but as Bob Dylan says somewhere, "nothing was delivered." Whether total "knowledge" in "real time" (bastard concept) together with artificial "intelligence" and ro-

botics can change this outcome or not, one thing seems certain: we shall live to see wave upon wave of aerial vandalism and murder-by-GPS. The world's Great Uncle will deliver his thanatograms at will until the whole world opposes him or he runs out of money and materiel. (He will never run out of devices and desires.)

And yet, the great promise of air power has not been realized, unless mere wanton destruction suffices. Air power's persistent failure to deliver utopian victories never brings discouragement. The aero-maniacs' motto surely is "Don't think twice; it's all right."

---

*Joseph Stromberg is a historian and free-lance writer.*

---

*Children should be led into the right paths, not by severity, but by persuasion.*

— Menander

# The Case for Economic Freedom

by Benjamin A. Rogge



I shall identify my brand of economics as that of economic freedom, and I shall define economic freedom as that set of economic arrangements that would exist in a society in which the government's only function would be to prevent one man from using force or fraud against another — including within this, of course, the task of national defense. So that there can be no misunderstanding here, let me say that this is pure, uncompromising *laissez-faire* economics. It is not the mixed economy; it is the unmixed economy....

You will note as I develop my case that I attach relatively little importance to the demonstrated efficiency of the free-market system in promoting economic growth, in raising levels of living. In fact, my

central thesis is that *the most important part of the case for economic freedom is not its vaunted efficiency as a system for organizing resources, not its dramatic success in promoting economic growth, but rather its consistency with certain fundamental moral principles of life itself.*

I say, "the most important part of the case" for two reasons. First, the significance I attach to those moral principles would lead me to prefer the free-enterprise system even if it were demonstrably less efficient than alternative systems, even if it were to produce a *slower* rate of economic growth than systems of central direction and control. Second, the great mass of the people of any country is never really going to understand the purely economic workings of any economic system, be it free enterprise or socialism. Hence, most people are going to judge an economic system by its consistency with their moral principles rather than by its purely scientific operating characteristics. If economic freedom survives in the years ahead, it will be only because a majority of the people accept its basic morality. The success of the system in bringing ever higher levels of living will be no more persuasive in the future than it has been in the past....

To begin with, the central value in my choice system is individual freedom. By freedom I mean exactly and only freedom from coercion by others. I do not mean the four freedoms of President Roosevelt, which are not freedoms at all, but only rhetorical devices to persuade people to give up some of their true freedom. In the Rogge system, each man must be free to do what is his duty as he defines it, so long as he does not use force against another....

---

## Economic freedom is a part of total freedom.

---

*Major premise:* Each man should be free to take whatever action he wishes, so long as he does not use force or fraud against another;

*Minor premise:* All economic behavior is “action” as identified above;

Conclusion: Each man should be free to take whatever action he wishes in his economic behavior, so long as he does not use force or fraud against another.

In other words, economic freedom is a part of total freedom; *if freedom is an end in itself, as our society has traditionally asserted it to be, then economic freedom is an end in itself, to be valued for itself alone and not just for its instrumental value in serving other goals.*

If this thesis be accepted, then there must always exist a tremendous presumption against each and every proposal for governmental limitation of economic freedom. What is wrong with a state system of compulsory social security? It denies to the individual his freedom, his right to choose what he will do with his own money resources. What is wrong with a governmentally enforced minimum wage? It denies to the employer and the employee their individual freedom, their individual rights to enter into any voluntary relationship not involving force or fraud. What is wrong with government-to-government foreign economic aid? It denies to the individual freedom to choose, as his conscience dictates, whether to send aid or not. What is wrong with a tariff or an import quota? It denies to the individual consumer his right to buy what he wishes, wherever he wishes.

It is breathtaking to think what this simple approach would do to the apparatus of state control at all levels of government. Strike from the books all legislation that denies economic freedom to any individual and three-fourths of all the activi-

ties now undertaken by government would be eliminated....

Every act of intervention in the economic life of its citizens gives to a government additional power to shape and control the attitudes, the writings, the behavior of those citizens. Every such act is another break in the dike protecting the integrity of the individual as a free man or woman.

The free market protects the integrity of the individual by providing him with a host of decentralized alternatives rather than with one centralized opportunity. Even the known communist can readily find employment in capitalist America. The free market is politics-blind, religion-blind, and, yes, race-blind. Do you ask about the politics or the religion of the farmer who grew the potatoes you buy at the store? Do you ask about the color of the hands that helped produce the steel you use in your office building?...

To look at this another way: The free market is often said to be impersonal, and indeed it is. Rather than a vice, this is one of its great virtues. Because the relationships are substantially impersonal, they are not usually marked by bitter personal conflict....

I rest my case rather on the consistency of the free market with man's essential nature, on the basic morality of its system of rewards and punishments, on the protection it gives to the integrity of the individual.

The free market cannot produce the perfect world, but it can create an environment in which each imperfect man may conduct his life-long search for purpose in his own way, in which each day he may order his life according to his own imperfect vision of his destiny, suffering both the agonies of his errors and the sweet pleasure of his successes. This freedom is what it means to be a man; this is the God-head, if you wish.

I give you, then, the free market, the economic expression of man's freedom itself and the guarantor of all his other freedoms.

---

*Benjamin Rogge (1920–1980) was a professor of economics at Wabash College. This is an excerpt of an article that appeared in the September 1963 issue of The Freeman, published by The Foundation for Economic Education. Reprinted by permission.*

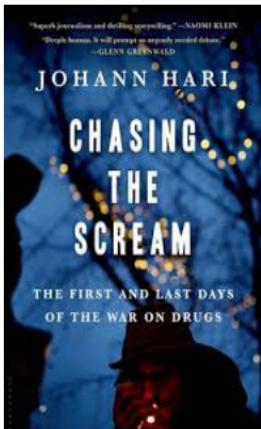
---



# Prohibition's Killing Fields

by Matthew Harwood

*Chasing the Scream: The First and Last Days of the War on Drugs* by Johann Hari (New York: Bloomsbury, 2015), 400 pages.



When American bombs began to rain down on Vietnam, the country's water buffalo reacted queerly. The fields full of opium had always been there, but once the U.S. munitions fell around them, the water buffalo left their pastures and began chewing up the opium fields. The stress and trauma were too much for the creatures, and they wanted to get high and go somewhere else, if only in their minds. That may sound

strange, but as American psychopharmacologist Ronald K. Siegel has discovered, the pursuit of mind-altering substances is a well-documented behavior throughout the animal kingdom. He has documented how bees, birds, elephants, mongooses, and monkeys all use intoxicants, sometimes for pleasure and other times to dull the pain.

Human drug use therefore isn't exceptional. It's a natural drive that is often satisfied without any long-term adverse effect on the individual or society. Statistics back this up. According to the United Nations Office on Drug Control, only 10 percent of drug users develop a problem with their substance of choice. That may sound crazy to a society that has been fighting the war on drugs for nearly 100 years, but as lefty journalist Johann Hari argues in *Chasing the Scream: The First and Last Days of the War on Drugs*, that's because we see only "the casualties" of drug use gone wrong.

"The unharmed 90 percent use in private, and we rarely hear about it or see it," Hari writes. "The damaged 10 percent, by contrast, are the only people we ever see using drugs out on the streets. The result is that the harmed 10 percent make up 100 percent of the official picture."

Blending historical scholarship with globe-trotting reportage and vignettes of the Drug War's casualties, proponents, and detractors, Hari weaves a convincing, and at times personal, narrative about the rise of the Drug War in the United States, its global expansion, and, one hopes, its inevitable demise as more and more countries realize its cost in lives, liberties, and legal tender.

It won't surprise libertarians to discover that the Drug War arose out of a federal bureaucracy trying to justify its existence. When Harry Anslinger, head of the Federal Bureau of Narcotics, the successor agency to the Department of Prohibition, began his three-decade-long reign, he knew there weren't enough Americans snorting cocaine or shooting up heroin to keep him and his agents in business. The answer was to turn marijuana, which he believed black Americans and Mexican immigrants were using at much higher rates than white Americans, into a threat to (white) civilization itself.

At a House Committee on Appropriations hearing, Anslinger told of "colored students at the University of Minn[esota] partying with female students (white) and getting their sympathy with stories of racial persecution. Result: pregnancy." These fears of racial mixing

combined with ludicrous stories of how marijuana "turns man into a wild beast," as Anslinger put it, got him exactly what he wanted. Popular fear translated into bigger budgets for his Bureau of Narcotics, a personal fiefdom he controlled much like his contemporary J. Edgar Hoover at the FBI.

---

**The Drug War arose out of a federal bureaucracy trying to justify its existence.**

---

The war Anslinger started has been waged now for nearly a century with catastrophic results. In the United States, the conflict has been waged largely in poor communities of color. Hari draws attention to a disturbing comparison that should be highlighted regularly when discussing the response to drug use. "In 1993, in the death throes of apartheid, South Africa imprisoned 853 black men per hundred thousand in the population," he writes. "The United States imprisons 4,919 black men per hundred thousand (versus only 943 white men). So because of the drug war and the way it is enforced, a black man was far more likely to be jailed in the Land of the Free than in the most notorious white supremacist society in the world."

In one particular vignette, Hari tells the story of a drug warrior turned heretic that provides flesh and blood to the Drug War's racist and counterproductive prosecution. Leigh Madux became a cop to honor a friend who had been raped and murdered by a drug gang. Originally gung-ho, Leigh started to have second thoughts about the Drug War. She was disproportionately arresting and sending to prison people of color, even though white people use and sell drugs too. Once convicted, these people's lives were ruined, rendering them virtually unemployable and barring them from receiving student loans or living in public housing. She also realized the law-enforcement incentives for the Drug War: A good portion of her department's budget came from money and property confiscated from drug suspects.

The clincher, however, was that no matter how many people she arrested, the violence never dissipated. Actually it grew. "So what happens is we take out the guy at the top," she tells Hari; "now, nobody's in charge, and [so the gangs] battle it out to see who's going to be in charge." Communities are plunged into violence, with innumerable innocent casualties, including kids who grow up in war zones. "The

kids see it," she says. "All the kids know this."

The reason for this isn't all that difficult to grasp. There's a market — a human craving, usually harmless, sometimes self-destructive — for drugs that cannot be suppressed. By outlawing these desirable products, governments are handing the market to people who will risk arrest, incarceration, even death for a taste of the great wealth and power prohibition produces by constraining supply. In a cutthroat market, when businesses and entrepreneurs don't have a legal way to arbitrate disputes, the law of the jungle replaces the rule of law.

---

**A good portion of Leigh's department's budget came from money and property confiscated from drug suspects.**

---

There have been two times in U.S. history when the homicide rate spiked; both were during intense periods of prohibition, according to Harvard professor Jeffrey Miron. The first was when alcohol was outlawed between 1920 and 1933; the second was between 1970 and 1990, when the Drug War was stepped up. When the Twenty-First Amendment was passed at the end of 1933, the violence associated with the al-

cohol trade subsided as the market dictated human behavior rather than immoral and unnecessary government intervention. “That’s why today, it is impossible to imagine gun-toting kids selling Heineken shooting kids on the next block for selling Corona Extra,” observes Hari. “The head of Budweiser does not send hit men to kill the head of Coors.”

Hari notes that in the mid 1980s, the right-libertarian economist Milton Friedman calculated that drug prohibition led to more than 10,000 murders a year — or more than three 9/11s a year. Miron concludes that the murder rate in America is 25 to 75 percent higher than it would be if the War on Drugs didn’t exist. And yet the modern-day insanity of the Drug War grinds on, producing prohibition’s killing fields in communities across the world.

### Humane alternatives

Beyond the unnecessary bloodletting, Hari humanely and effectively shows that criminalizing drug use is an abject failure that leads to state cruelty and violence of the most monstrous kind. During a visit to Sheriff Joe Arpaio’s Tents Jail in Arizona, he witnesses how the county humiliates and dehumanizes

its wards by making them wear T-shirts that say, “I AM BREAKING THE NEED FOR WEED,” “CLEAN(ING) AND SOBER,” or simply, “METH USER” while they pick up trash along the highway — a surefire path toward rehabilitation.

---

Miron concludes that the murder rate in America is 25 to 75 percent higher than it would be if the War on Drugs didn’t exist.

---

Hari also learns of Marcia Powell, imprisoned in the Perryville State Prison Complex for her addictions. One day the guards put her in an outdoor cage under the scorching Arizona sun because she said she felt suicidal, which the prison doctor interpreted as a manipulative ploy to get moved into a better cell. The guards left her in the cage for too long, ignoring her screams. Sometime after she collapsed, the guards called an ambulance. The paramedics took her temperature, but “[their] thermometers only go to 108 degrees: she was that hot, or hotter still,” writes Hari. “Her internal organs had cooked, as if in an oven.” Marcia Powell died that night. Three guards were fired. Not one was charged with a crime.

Even without horrific examples like that, it’s important to remem-

ber that governments across the United States and the world put nonviolent people into cages for long stretches of time because they made the personal decision to swallow, snort, smoke, or shoot-up substances that certain portions of the population find harmful, immoral, or both. Not content with trying to get people to change their ways through a mixture of shame and love, we as a society not only punish addicts, we destroy their lives. With nothing much going for them, relapse is almost inevitable.

"If I had to design a system that was intended to keep people addicted, I'd design exactly the system that we have right now," Canadian physician Gabor Maté tells Hari. "I'd attack people, and ostracize them."

---

### Drug abuse and addiction, should be dealt with by doctors, not police.

---

Drug abuse and addiction, Hari convincingly documents, should be dealt with by doctors, not police, prosecutors, and prison officials. By highlighting examples from Canada, Portugal, Switzerland, and England, Hari documents how everyone benefits when drugs are decriminalized and hardcore addicts receive treatment rather than punishment.

When Portugal decriminalized all drugs in 2001, the country's top drug cop, João Figueira, predicted disaster, an explosion in drug use, more addiction, more crime. "The things we were afraid of," he tells Hari, "didn't happen." Now, in Portugal, 90 percent of the money that finances drug policy goes to treatment and prevention, while only 10 percent goes to policing and punishment, notes Hari. In the United States, those percentages are flipped, as the War on Drugs continues to fuel the militarization of police inside the United States as well as the other nightmares Hari expertly documents.

Another persuasive tale Hari tells is from North England during the Thatcher years, where a psychiatrist named John Marks expanded a legal drug-prescription program, which prescribed medically pure heroin and crack cocaine to addicts to keep them away from the dealers of black-market narcotics. On the street, drugs are normally cut with harmful substances to spread the product, and addicts engage in high-risk activities, such as using dirty needles. Both increase the chances of death, whether by overdose or disease. In Liverpool, addicts, many of whom led productive lives, were able to use their drugs safely.

Between 1982 and 1995, not one of Dr. Marks's patients died. After his unorthodox program started receiving attention, which in turn garnered the American government's ire, the Conservative government merged Marks's clinic with a health trust run by evangelical Christians who opposed the program. The program ended and so did many of the patients' lives.

"Of the 450 patients Marks prescribed to, 20 were dead within six months, and 41 were dead within two years," writes Hari. "More lost limbs and caught potentially lethal diseases. They returned to the death rate for addicts under prohibition: 10 to 20 percent, similar to smallpox."

Morally speaking, there's little doubt that many people believed prohibition was the right thing to do to stop people from killing themselves. But evidence is evidence. And if addicts deserve compassion and empathy, as they most certainly do, then prohibition is counterproductive and unethical, as John Marks's clinic experiment showed.

One solution to drug abuse and addiction is the creation of a decent society where people no longer want to escape reality — whether

because of personal traumas or a lack of meaning. And the other, by no means mutually exclusive, is for people to mind their own business. What people do in the privacy of their own homes should be no concern to their neighbors when done responsibly.

Even Anslinger came to some sort of realization of this latter point, even if it was because it affected him personally. Later in life, the great drug warrior developed angina and took daily doses of morphine for the pain. "Anslinger," writes Hari, "died with his veins laced with the chemicals he had fought to deny the world." And yet the Drug War rages on, as the prohibitionists continue to deny people the chemicals they crave, sometimes need, no matter how many corpses their policies produce. Hari, however, sees hope that reason and compassion will win out over fear and meanness, no small feat in America today.

---

*Matthew Harwood is a writer living in New Jersey. He is senior writer/editor of the American Civil Liberties Union.*

---

# SUPPORTING THE FUTURE OF FREEDOM FOUNDATION

★★★

Our work advancing freedom depends on the financial support we receive from people who share our commitment to the moral, philosophical, and economic principles of a free society. Since The Future of Freedom Foundation is a 501(c)(3) educational foundation, donations are tax-deductible.

.....

**Donations can be made on our website  
— [www.fff.org/support](http://www.fff.org/support) —  
or by calling us at 703-934-6101.**

.....

*Here are ways that you can support our work:*

1. A donation, with check or credit card.
  2. A donation in any amount you choose by means of a recurring monthly charge to your credit card.
  3. A donation of stock, the full market value of the stock being tax-deductible.
  4. Naming The Future of Freedom Foundation as a beneficiary in your will or living trust, charitable gift annuity or trust, or life-insurance policy.
- .....

Over the years, planned giving has played an important role in sustaining our operations.

*Thank you for your support of our work  
and your commitment to a free society!*



THE FUTURE  
—of—  
FREEDOM FOUNDATION

11350 Random Hills Road  
Suite 800  
Fairfax VA 22030

★★★

*www.fff.org*

*fff@fff.org*

*Tel: 703-934-6101*

*Fax: 703-352-8678*