

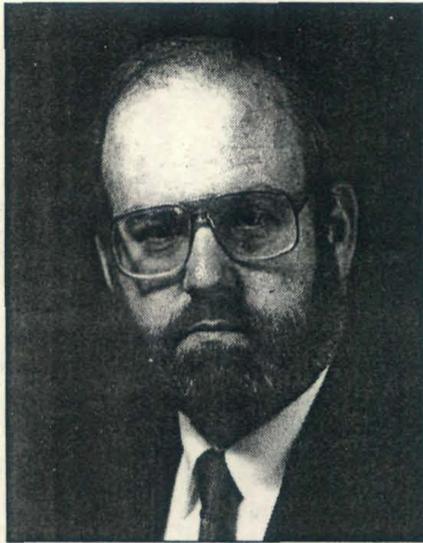
Conservative Spotlight

Ludwig von Mises Institute

While the conservative world mourns the recent passing of libertarian economist Murray Rothbard (see page 22), his maverick academic and political agenda continues to be carried forth by the **Ludwig von Mises Institute (LvMI)**, a scholarly think-tank based in Auburn, Ala.

Rothbard, who published 25 books and upwards of 10,000 articles over his career, did some of his most influential work at the LvMI. Along with a cadre of other scholars at the institute, he helped articulate and publicize the economic philosophy known as the "Austrian" school.

In an interview with **HUMAN EVENTS** last week, LvMI Founder and President **Llewellyn Rockwell** commented, "He [Rothbard] was a true intellectual prizefighter. He was a genius, he led a fearless assault on the welfare-warfare state and I think the influence of his and our work is going to continue to grow."



LvMI President Llewellyn Rockwell

Rothbard was one of the many students of the Austrian school—headed by economists Ludwig von Mises (1881-1973), Carl Menger and F.A. Hayek—which grounded economics on tangible human action. Dogged by Nazi persecution, Von Mises immigrated to the United States in 1940. Although the eminent economist continued to write books and teach in the academy, his ideas were marginalized by the American economics establishment offended by his assaults on the teachings of their idol, liberal John Maynard Keynes.

In 1982, Rockwell—then an aide to Republican representative and eventual Libertarian Party presidential candidate Ron Paul—founded the LvMI to revive and foster the school. After establishing an official relationship with Auburn University, the institute began featuring appearances by scores of the world's leading free-market economists and started publishing the well-respected *Review of Austrian Economics*, the only scholarly journal devoted to the Austrian school.

The LvMI has become one of the foremost scholarly opponents of today's centrally controlled, "pump-priming," redistributionist fiscal and economic policies. In addition to attacking current policies of high taxes, government spending and overbearing regulation, the institute has made persuasive assaults against the federal government's scared cows, arguing for the abolition of the Federal Reserve and a return to the gold standard.

And the institute has been increasingly influential in getting its ideas into academia. The LvMI sends Austrian economics materials to thousands of students, sponsors free-market symposia all around the country and offers scholarships to graduate students who are committed to exploring and articulating the libertarian philosophy.

"We concentrate on those students and teachers who are able to fight the economics establishment. Twenty years ago you could count the number of Austrians on a couple of

hands and today there are hundreds of professors teaching it and thousands of students who adhere to it," commented Rockwell.

In addition to its work in academia, the institute is in the forefront of a unique and increasingly potent political movement—what Rockwell calls "traditionalist libertarianism." The agenda, articulated through its monthly *Free Market* journal, poses tough challenges not just to New Deal liberalism but also what it calls the Big Government "empowerment" conservatives and even establishment libertarians.

The institute, for instance, has broken with most other conservatives on the hot-button issue of providing government vouchers to enable students to attend the public, private or parochial school of their choice. Decrying the measure as expensive, dangerous to the integrity of private schools and socially disruptive—charges many conservatives

thought unfair—Rockwell launched a campaign against the 1993 California school-vouchers initiative, Proposition 174. Conservative columnist William Rusher credited Rockwell and the institute with a leading role in its eventual defeat.

"It was an absolutely dreadful idea—it's a giant welfare program," argued Rockwell. "With this plan, you're talking about abolishing school district lines and massive busing and it's a kick in the face to people who work hard to get a decent job, to put their kid in a decent school and then see others just given government money to do it. It turns the social hierarchy on its head and social hierarchy is a good thing."

The institute also sharply differs with the radically "progressive" stance most libertarian groups take on social issues. While a number of organizations and individuals such as Massachusetts Gov. William Weld (R.) have made "gay rights" a foremost libertarian issue, the institute has staunchly opposed the idea as yet more government interference on behalf of another "protected class" of citizens.

Fearing a continued lack of resolve to resist a growing tyranny by the federal government, the institute is always looking at bold ideas. This spring, the LvMI—already one of the intellectual leaders of the growing states' rights movement, the resurgence of state militias and the move toward new political parties—will be holding a landmark conference on the radical idea of secession this summer in Charleston, S.C., the site, of course, of Fort Sumter, where the first battle of the Civil War was fought.

"If we continue to have this Leviathan state in Washington managing our lives, redistributing our money, destroying our families, businesses and communities, then the American people are going to have to look for more radical solutions. I hope it doesn't have to be another revolution," said Rockwell.

For more information on the LvMI, contact: The Ludwig von Mises Institute, Auburn, Ala. 36849, (205-844-2500).

Prime Target: Consumer Pro We Can Pri Brother Do

BY PHAEDON SINIS

A few weeks ago the new Republican congressional leaders sent a letter to President Clinton requesting a 100-day moratorium on all new regulations. If their letter is a reliable indicator of future legislative activity, supporters of economic freedom should take heart. If the Republicans are sincere about fundamentally altering the role of the federal government, they should do far more by making a commitment to privatize the regulatory agencies.

The Consumer Product Safety Commission is a prime candidate. The CPSC was created in 1973 to minimize health hazards caused by products such as electrical appliances. Operating on a budget of \$40 million, it mostly reacts to complaints about products and often writes regulations in the name of protecting consumers.

Recent CPSC Actions Not Cost-Effective

The CPSC's 1992 annual report lists various actions that the commission has taken, including establishing an "emergency labeling standard" for plastic, five-gallon buckets. The reason? About 50 unattended children

'According to a study by Thomas Hopkins of the Rochester Institute of Technology, federal regulations will cost our economy over \$600 billion next year. If regulation were ended, all of that money would be unleashed in the private sector; some of it would still be spent on safety, but it would be spent more efficiently to meet real market demand for health and safety.'

drown every year in water in those buckets, a tragedy impossible for the manufacturers to prevent. Even sillier perhaps is the research performed on microwave ovens, which apparently caused 11 deaths last year because careless owners took them apart to try to fix them. The CPSC has good intentions in trying to combat such rare lapses of common sense, but a government agency has no access to market incentives and will never be able to determine the appropriate balance between safety and cost.

In its annual report, the CPSC asserts that in the 10 years ending in 1986 deaths caused by product-related accidents decreased by 23%. It is rather presumptuous of the CPSC to take credit for that improvement in safety, especially when the annual report also lists 30 private agencies with which the CPSC

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