What's Past Is Prologue

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A COMMEMORATIVE EVENING
TO THE
FOUNDATION FOR ECONOMIC EDUCATION
on the Occasion of Leonard Read's
Seventieth Birthday

October 4, 1968
The Starlight Roof
Waldorf-Astoria Hotel

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Foreword:

WHEN Leonard Read heeded the call of conscience in 1946 and organized the Foundation for Economic Education, even his libertarian supporters and friends took a dim view of his chances of success. At that time it was plain that the tide of Statism was only beginning to rise. Pessimism was rife and many feared that freedom would be engulfed by the advance of socialism in the United States.

Plainly, the black pessimism of that era has been replaced by a more hopeful attitude. On many fronts we observe vigorous movements toward the objectives of a Free Society. Government intervention in the economic life of the nation, as well as some of the policies of the advanced Welfare State, are now under strong attack.

To many who feared the quick advance of the socialist state several decades ago, the new trend seems like a miracle. Of course, friends of the libertarian philosophy note the still dominant role of Federal controls and Big Government. But at least now there

is hope, whereas several decades ago there was practically none.

Some little credit for this turn-about must be accorded to Leonard Read and the Foundation for Economic Education. They kept a flicker of the freedom philosophy alive in what seemed to be the dark age of statist advance.

Thus, when Leonard Read approached his Seventieth Anniversary, and the Foundation had achieved a mature twenty-two years, it seemed fitting to the members of the Board of FEE and other libertarian friends that some notice should be taken of these important anniversaries. Though opposed to a personal tribute, Leonard Read finally agreed to a Commemorative Evening at which the friends of FEE could foregather for discussion of libertarian doctrine.

This booklet is a record of the proceedings of that evening—October 4, 1968—at the Starlight Roof of the Waldorf-Astoria. More than 500 guests were present that evening, coming from 35 States and 7 foreign nations. This enthusiastic audience listened with rapt attention to some truly magnificent talks by many of the leaders of the libertarian movement. Each of the speakers discussed an important aspect of the philosophy of the Free Society.

It is well to recall here a favorite statement of Leonard Read's—the Past is merely Prologue. During the past two decades the Foundation for Economic Education has been built on a solid foundation. Year after year it has made important contributions to the philoso-

phy of freedom—through the printed word, through seminars for students, businessmen, and professional people, through contacts with schools and colleges, and so forth. Thus, an organization was established and tested in time of adversity. FEE can look forward with confidence as it faces the future.

LAWRENCE FERTIG, *Vice-Chairman*
Foundation for Economic Education, Inc.

Perry Gresham:

As CHAIRMAN of the Board of the Foundation I welcome you to this notable occasion. The Foundation for Economic Education, as Athena from the forehead of Zeus, sprang full-armed from the forehead of Leonard Read. I am Perry Gresham, President of Bethany College. I know most of you from standing near Leonard Read as you came in. I think there's no one in the world who has libertarian views unknown by Leonard Read, and as Milton said of Beelzebub, "Not to know him is to prove thyself unknown." The reference is unfortunate, but the fact is obvious. We salute you, Leonard, on this seventieth natal day. Those of us on your Board are here from all over the country; and we think of you as just getting started, really. As one of my more optimistic friends said: the tender teens, the trysting twenties, the thriving thirties, the fiery forties, the forceful fifties, the silvery sixties, and the serene seventies. One of my less optimistic friends said: the timid teens, the trying twenties, the thirsty thirties, the foolish forties, the faltering fifties, the slowing sixties,

and the slipping seventies. Well, with Leonard, he's just now beginning; he will be getting good at about eighty, and we ought to do this again!

Now the Chairman of this evening is Lawrence Fertig. He's a university trustee, which is about the lowest thing around the campus. As an old academic dog, if I had to dispense with any one thing, this would be the first to go. His university is not mine, unfortunately, but NYU. He is a most cherished and honored Trustee of the Foundation for Economic Education, and he's very proud of that. He's a very talented writer, has a great book called *Prosperity Through Freedom,* and his column in dozens of papers is a great source of insight and satisfaction to many people. This bright and wise man is the Chairman of the evening, and I give him to you.

Lawrence Fertig:

FRIENDS—When we first proposed to Leonard Read that a birthday party should be planned in honor of his Seventieth Anniversary, he rejected the idea completely.

It was only after we pointed out to him that such a celebration would do more than honor Leonard Read as a person, that it would advance the interests of FEE which he founded, and which has had an important influence on opinion in this country, that he agreed to have a celebration of some kind. Very wisely he laid down one condition—that a Commemorative Evening should not be devoted to encomiums of Leonard Read, but to a discussion by each speaker of some aspect of the philosophy of freedom. And so this evening we will have the great pleasure of listening to statements by some of the most respected leaders of the libertarian cause in this country.

Our first speaker is a distinguished economist and journalist who has been in the forefront of the libertarian movement since the early days of the New Deal, and who made important contributions even prior to that time.

You are familiar, I am sure, with his brilliant and trenchant columns which exposed the steady march of the all-powerful State. They appeared for about twenty years in *Newsweek* magazine. Currently his syndicated column appears in many newspapers throughout the United States.

Henry Hazlitt is a rare combination of scholar and practical journalist. In addition to his activities as a columnist he has found time to produce many outstanding books in fields as varied as pure economics and ethics. Many in this audience, I am sure, have read that brilliant little classic, *Economics in One Lesson,*

and I hope many more will read his remarkable treatise in the field of ethics titled *The Foundations of Morality.*

Henry Hazlitt is one of the founding Trustees of FEE. He is also a founding member of the Mont Pelerin Society.

Henry Hazlitt:

WE ARE HERE tonight to pay honor to a man, to an institution, and to a set of principles. I should like to talk about them in that order.

The man is Leonard Read. When I first met Leonard, he was still general manager of the Los Angeles Chamber of Commerce, and had come to New York to discuss taking the job of executive vice-president of the National Industrial Conference Board. He was interested in that job for one main reason: he thought it would offer him a greater opportunity for national influence in promoting the philosophy and principles of the free market.

When, after taking the job, he felt frustrated in his efforts to achieve those aims, he decided to form an organization specifically dedicated to them and to them

alone. So he started the Foundation for Economic Education.

He asked seven of us to go along with him as the founders. We were Donaldson Brown, Jasper Crane, Fred Fairchild, David Goodrich, Claude Robinson, Leo Wolman, and myself. Several of us probably just went along for the ride. We did not take part in the dust and heat of the battle. We were not risking anything. We were little more than cheerleaders. But Leonard was putting everything on the line, and risking everything.

The early days were tough going, sustained only by Leonard's own faith and optimism. I remember a meeting in October, 1947, when the Treasurer's report showed the Foundation very heavily in debt, with a heavy monthly commitment for taxes and payroll, and not a penny in the bank. But Leonard's own faith and resourcefulness never flagged, and with the help of his friends he pulled us through. Eighteen months after that dismal day in 1947, the Foundation had paid off all its debts and had $54,000 in the bank. The tide had turned.

I'm tempted to say a lot about the personal qualities that have contributed to Leonard Read's success—his personal charm, his interest in people, his candor about himself, and his tactfulness with others, his sense of fun, good spirits, sense of humor, and love of life. But I'll skip all that to talk about just one quality. I never remember seeing Leonard angry. He won't even argue with you. I've never been able to get him to argue. His attitude is summed up in the titles of two of his pieces—

"Anything that's peaceful," and "I like you, too." And yet he's a very stubborn man. He never pretends to agree with you when he doesn't. Emerson says somewhere that a man should maintain his principles with "good-humored inflexibility." I don't know of any phrase that describes Leonard's attitude better.

So much for Leonard, the man. Now about the Foundation. There's something about the Foundation, about its mere existence, that's more important than anything it specifically does. If I had to sum it up in a single word, based on my own experience with it and feeling about it, it's *home*. When I'm there, I know that I'm among spiritual friends, with ideals in common, ideas in common, attitudes and feelings in common.

There is something contagious about the spirit and ideals of FEE. Just think of how many similar organizations it has inspired in other countries. There is Antony Fisher's group, the Institute for Economic Affairs, in London; there is Alberto Benegas Lynch's group in the Argentine; Manuel Ayau's group in Guatemala; Gustavo Velasco and Agustin Navarro's group in Mexico; Nicomedes Zuloaga's group in Venezuela, and others.

But after all, Leonard Read has been so successful, and FEE has been so influential, because both have a very special kind of dedication to the ideals of liberty.

The word liberty means so many different things to so many different people that it is important to specify just what it means to Leonard Read and to most of us at the Foundation.

Its meaning is pretty specific. When Leonard Read refers to the principles of the Foundation, we find him using again and again the same phrases: he refers to the "free market, willing exchange, private property, limited government" philosophy. This may seem a little redundant to some of you. I am willing to concede myself that the phrase "willing exchange" might be dispensed with, as necessarily implied by free markets and private property, but at least all the other three elements—the free market, private property, and limited government—ought to be constantly specified by libertarians.

I am more and more impressed, in the last few years, with the need of specifically including "limited government" as indispensable in any true concept of liberty. If there is one idea that is held in common by the New Left and the Old Left, by the New Dealers, New Frontiersmen, Great Societists, socialists, communists, and collectivists of every brand, it is the idea of unlimited government. Their solution to every problem is a new law, a new handout, a new tax, a new dose of inflation —in brief, a new extension of government intervention and of government power. Every extension of government power is an increase in the scope of government coercion, which always means a corresponding reduction in the scope of the liberty left to the individual.

Too many of us make a mistake in treating "liberty" merely in the singular, or merely as an abstraction. Our liberty is made up, in action, of a thousand specific liberties. Men seldom lose their liberty all at once.

Modern Americans have been losing their liberties one by one over the last thirty-five years. Many people think they are ready to die for liberty as abstraction, but these same people seem seldom ready to put up even a respectable fight for some specific liberty—the liberty, for example, to buy, sell, or own gold, or make contracts in gold. Yet it is precisely because we have lost this specific liberty that we have allowed ourselves to be robbed every year for a generation of still more of our savings, simply through the depreciation of the over-issued irredeemable paper that we are compelled to accept as money.

It is not too much to state that the greatest political problem facing the world today is the problem of how to curb the oppressive power of government, how to keep it within reasonable bounds. This is a problem that engaged some of the greatest minds of the eighteenth and nineteenth centuries—Adam Smith, von Humboldt, de Tocqueville, John Stuart Mill, Herbert Spencer. They addressed themselves to this particular issue: What are the proper limits of government? And how can we hold government within those limits?

I am praying that our younger generation, our coming writers, philosophers, jurists, economists, political scientists, will devote a great deal of their thought and work to this problem. And I am hoping particularly that among them will be some of the younger people in this room tonight.

Fertig:

WE ARE fortunate, indeed, that our next speaker was not compelled to demand a recount in order to be counted out of the contest for Mayor of New York City several years ago. Thus, his vast energies and penetrating mind have been concentrated in the areas where he is a most effective spokesman for the Free Society—in his columns, his TV discussions, and his editorship of that stimulating publication, *National Review*.

People wonder how Bill can do all the things he does, including such side activities as skiing and manipulating his giant sailing schooner. Addressing himself to this problem, someone recently borrowed a phrase from the Credit-Card field in characterizing Bill Buckley. He aptly described him as "Mr. Everything."

So, tonight I give you Mr. Everything—the perennial burr under the seat of the Liberal Establishment.

William F. Buckley Jr.:

THANK YOU very much, ladies and gentlemen, and thank you, Mr. Fertig.

It is wiser in this company to avoid any attempt to describe too closely the theory of freedom to which Mr. Leonard Read has devoted the first part of his life. The danger lies in committing an economic or theoretical solecism; can you imagine the result? I can see the headline in tomorrow's *Daily News:*

"WORLD'S TOP ECONOMISTS GAG AT BUCKLEY GAFFE."

"Rushed by Ambulance to City Hospital, Hayek, Hazlitt, and Friedman Decline Socialized Care."

"Read, Guest of Honor, Urges No Use of Force, Emerges as World's Top Economist."

My normal impulses to caution were heightened on reading this morning an account of the recently published book on Professors Ernest Lawrence and Robert Oppenheimer, which records that on one occasion in the wartime secrecy of Los Alamos, Edward Teller was

detailing on the blackboard to his fellow students the *morphology of thermonuclear reactions* and Mr. Teller turned white with shock when Mr. Oppenheimer gently interrupted (always assuming that such interruptions can be classified as gentle) to tell him that he had forgotten the square of the velocity of light in his equations, introducing a huge error in the result.

One must mind one's exegesis in these quarters, surrounded as we are by these geiger counters of economic heresy. I remember adumbrating a plan for the salvation of Harlem back in 1965—before Mr. Lindsay disposed of the problem—which plan I was forced to disavow, after receiving from Mr. Friedman a *postcard*—imagine, a *postcard!*—illustrating the theoretical error in my proposal. No Bull of Excommunication or notice by John L. Lewis of disaffiliation was ever more direct or more efficacious; Harlem was instantly spared salvation. One must not, of course, conclude that these giants of knowledge and wisdom are themselves agreed on all matters of public policy: they are spirited in their own intramural discussions. John Kenneth Galbraith once wrote, referring to the present company and to others in their fraternity, that shortly after the end of the Second World War the world's free market economists met at a Swiss mountain peak, as he put it, in order to coordinate an effort to set the clock back; but that it is recorded that the discussion broke down over a disagreement on the question whether the British Navy should own their own ships or rent them from private entrepreneurs.

That is an amusing if Herblockian construction of the differences between us, which not only animate us but bind us together. A few months ago, the last time I saw Mr. Friedman—whom I revere as a scholar and worship as a man—he told me that he had espied yet another shortcoming in my campaign not to be elected mayor. Like Mr. Teller, I paled.

"It is this," he said, "your notion that drug addicts may be sequestered by the state on the grounds that (he was quoting me) addiction is in metaphorical fact a communicable disease. You see the trouble with that?" he said joyously as though he was about to vouchsafe to me the emancipating formula in the search of which I had devoted my entire life. "No," I said ruefully.

"Well," he replied—and he looked happier at that moment than Peter Pan—"suppose I said we should sequester conservatives on the grounds that conservatism is a communicable disease!"

This one did not have on me quite the conclusive results that the postcard had. So I asked Mr. Friedman whether he thinks that the nonmetaphorically clinical diseases of a prostitute might legitimately be the concern of public health authorities in those communities that license prostitutes? And he said, "No, after all, there is legal recourse available to the victim against the tort-feasor: the syphilitic can sue the prostitute, can't he?"

I tiptoed out of *that* discussion, that discussion with the pure of heart, which was in any case interrupted by the arrival of the television producer ordering us to

proceed with our program to communicate our joint and several diseases to the viewing public.

But I have reflected and continue to do so on the relevance of the near absolutist libertarian theory, and my conclusion is that where it is practiced by those who do not feel the necessity to descend in ugly rages against those who demur in this or that application of the theory, that it is altogether a good thing. Surely this distinguishes Leonard Read from some of his coadjutors, not to say his epigone, so truly devoted is he to his beliefs that he goes so far as genuinely to tolerate even those in his own camp who disagree with him gently. He has never corrupted political and philosophical permissiveness into the ugly projection of it on the basis of which the epistemological relativists rule that what is true is determined by how many people decide that it is true.

Mr. Read, like some of us who have been so indebted to him for so many years, has always taken the high road. His invaluable friend and colleague, Dr. Edmund Opitz, once remarked in reviewing a volume by Frank Chodorov that there was not to be found in it an angry word. As much is true of the works of Leonard Read; and yet, as Mr. Hazlitt has suggested, that resolution has never made him bland or indecisive. He has always reserved for himself also the freedom to write as he thinks. And I understand the purpose of this evening to be to thank him precisely for that. Every one is free to think as he likes, but to *speak* what one thinks is to engage such formidable realities as, to name only one of

them, the Internal Revenue Service. Which, come to think of it, is younger by quite a few years than Mr. Read; and wouldn't it be absolutely splendid if he outlived it? The thought is so ennobling, so clearly educational, that I'm resolved to deduct it from my taxable income.

But even if we fail to bring on the society we seek to achieve, which, as Mr. Henry Hazlitt observed on his seventieth birthday, it seems increasingly unlikely that we shall be able to do, still, it is not the cause—provided enough freedoms are left to us, for instance, such as combined to bring about this single exuberant function—it is not the cause for despair. We have hold of noble human intuitions, and we are resolved to serve them as we can in our own ways. We know as clearly as we know anything at all that the presumption is against the state's taking on social responsibilities. And then, apart from all of that, there is the community of us, of which Leonard Read is a most venerable member. The community is gathered tonight to honor one of our own who has so greatly served us—genially and gravely.

There is Larry Fertig, the organizer of this affair. What is the free market value of *his* company? The sense of community means a great deal to a minority of the faithful because we exchange not only the tablets but that sense of shared idealism which keeps idealism live, which makes possible the sacrifices that are made in its behalf, which makes joyous the experience of fellowship in common purpose. Those of you who have

not laughed together with Larry Fertig cannot imagine the pleasure of the experience. His kindness and thoughtfulness made this occasion possible, and his unerring sense of taste and justice made it the occasion for all of us to honor the most honorable and inspiring and admirable Leonard Read.

Fertig:

THOSE who have the temerity to debate, even briefly, with Professor Milton Friedman of the University of Chicago, understand very well why some of the foremost so-called liberal economists—the Galbraiths and others—sidestep debating with him. His brilliance as an economist is matched by his disarmingly genial speaking style. To tangle with Milton is dangerous business for New-Day Liberals, because he is beyond question one of the most formidable advocates of the Free Society in the United States today.

As you listen to him, I am sure you will note that his brilliance as an economist is matched by his disarmingly genial speaking side. His hard, clear-cut arguments are often well received even by New-Day Liberals because Milton Friedman's ideas are presented in such genial and convincing style.

Milton's great scholarship is matched by his courage. Unlike many professors of high academic standing, he has not hesitated to enter the practical world and to become economic advisor to candidates for the highest office in the land. He has been willing to lay his reputation on the line.

I have the privilege of presenting to you Milton Friedman.

Milton Friedman:

BILL BUCKLEY's comments about Galbraith's references to the Mont Pelerin Society reminded me of my own experience when I came home from Mont Pelerin, from that wonderful gathering organized by Professor Fritz Hayek, who is here on the podium, which was the start of the Mont Pelerin Society. After I got back to Chicago, we were sitting around the table in the Quadrangle Club, the faculty club. One of the people at the table was my colleague, Hans Morgenthau, and Hans said to me, "Where have you been?" I told him I had been to Switzerland. He asked what for, and I told him.

He said, "Oh, I see. A meeting of the veterans of the wars of the nineteenth century."

It would have been inconceivable to any one of the 37 of us who met then that 20 years later, well over five-hundred people would meet to honor, to partake in an intellectual reunion, with one of the persons there present, Leonard Read. That such an event should take place is a mark, I think, of what has happened to our cause in the world. It is a reason for us to have greater confidence that we shall overcome.

My initial encounter with Leonard Read was a case of good-humored inflexibility meeting good-humored inflexibility. I had the good fortune of being co-author of publication number one of the Foundation for Economic Education. It was a little pamphlet that George Stigler and I wrote called "Roofs or Ceilings." It was an attack on rent control. George and I had quite an interchange with Leonard; and we felt he was not only inflexible but not good-humoredly inflexible.

Some years later, on the way back from a Mont Pelerin meeting, Leonard and I got stuck in Orly Airport in Paris. There are some virtues in these plane delays. That was one of those occasions of serendipity; I began to have a feeling for Leonard as a human being, and my feeling in that respect has grown ever since. It turned out that he really *wasn't* that awful, terrible, inflexible fellow I had imagined at the other end of the letters about the two paragraphs of socialism we had in our pamphlet. He was a man who, among other things, was a marvelous cook. While the dinner we've

had tonight is good, it doesn't have that personal touch that Leonard imparts to his bouillabaisse. And on a wider range of subjects, I discovered a rich, live, active human being whom you all know and whose effect on the world is testified, as both Henry Hazlitt and Bill Buckley have said, in many, many ways.

The assignment we were given by Larry Fertig was to spend exactly one minute on Leonard Read and eleven minutes on the topic of freedom. Leonard Read deserves more than one minute and I hope he will accept our apologies for sticking to the instructions.

I want to talk a bit about a subject that is very much in the forefront of our minds today and that is related to the problem of a free society. This concerns the major problem that we are facing in this country of a breakdown of law and order, of a breakdown of the cohesiveness in our population, of our failure as a community to be able to act as a community. I want to speculate briefly on the extent to which this development in our society is related to that increasing use of political rather than market mechanisms that Henry Hazlitt was deploring and that we are all devoting our energies to fighting.

Clearly, the tendency to turn to the state instead of the market is not all there is to it. There has been violence and discord since time immemorial. So far as this country is concerned, the draft riots during the Civil War were no different in magnitude than some of the riots we have had in recent years. Crime has existed at all times. Disgruntled husbands have murdered their

wives since Adam and Eve first met. Yet, I think there are a number of ways in which the substitution of political for market processes does tend to produce an atmosphere favorable to violence, favorable to a disrespect for the law, favorable to a breakdown in the sense of community.

It has often been emphasized that the growing tendency to stress social as opposed to individual responsibility clearly encourages crime and disorder. If young men are told that any difficulties they face are not their fault, are not the result of their behavior, but that society is responsible—then society had better make it right. If it be true that it is the fault of the white racists that the young Negro in the ghetto does not have property, then I don't blame the young Negro for saying, "Then I will take the property which is rightfully mine." This point clearly has a great deal of validity, yet it has so often been emphasized that I want to pass over it lightly and turn to less obvious effects.

A much less obvious effect is one which was impressed on me only recently by Professor Ed Banfield of Harvard: the extent to which our welfare policies have introduced a perverse, biological or genetic survival effect. We have all kinds in society—people with different patterns, cultural attitudes, behaviors—classes if you will. We have had lower class people—I say this only in a descriptive sense, not in an invidious sense—who are characterized by the tendency to be present-oriented, to look only at the immediate consequences of their actions. They may derive from any economic

or social class in society. What distinguishes them is that they pay attention to immediate gratification and give little thought to the future. These are the people who in the main have constituted the problem group in society since time immemorial. They are the people who tend to be the source of crime and violence. In a society where men are responsible for themselves, their kind of behavior leads to a decline in their numbers.

In Darwinian terms, people who behave like this are not likely to survive very effectively. But we have now adopted social policies that make such attitudes and such forms of behavior far less adverse to survival. After all, people who are present-oriented in this sense are today protected; they have available sources of relief and welfare, free medical care, assistance for producing larger numbers of progeny. The effect inevitably must be to cause this class in our society to grow relative to the community as a whole. The effect in the individual case is admirable; but the overall biological effect tends to promote a social structure unfavorable to the preservation of a sense of community or a sense of law and order. This is a rather indirect, long-run effect, though I think an important one.

There are other effects which in some ways are more direct. The use of political mechanisms increases the amount of discontent. When people buy automobiles in the market, each can buy the kind he wants. When the U.S. goes to war, we all go to war. It is not possible for some of us to go, to be involved, and others not. Now, in the case of war, there is no alternative; if the nation

is to go to war, it isn't possible for each of us to have his own individual war. But there are many areas today in which we try to decide things by political mechanisms, areas where otherwise each person could do what he wanted. It would be perfectly possible for me to provide for my old age in whatever way I wanted. There is no technical reason why I have to do it through a government social security program—it's possible for each man to use his own mechanism. If the government undertook to provide automobiles, then 51 per cent of the people would vote for what kind of automobile, and 49 per cent of the people would have to conform. And the people who are in the minority are discontented and dissatisfied.

So every time you use the political mechanism, as opposed to the market mechanism, to decide an issue, you are increasing the amount of discontent because you are making people dissatisfied who might perfectly well have been able to satisfy themselves through the market. And we have done this to an increasing extent. We have taken area after area out of the free market and turned it over to the government for a decision by a 51 to 49 per cent vote. I think that's a very important factor in increasing discontent. If we look at areas where discontent is large, the interesting thing is that those areas are areas where the government exercises a large role.

Where is discontent high? In schooling. Why? Because schooling is provided in the main through governmental channels. Why is there high discontent with

housing in the urban areas? Because we have had large-scale urban renewal, public housing projects, and other projects designed to take housing out of the free market. Why are there discontent and great problems with employment in the ghettos? Largely because Washington has decided that it shall be public policy that employers discriminate against the unskilled. This is the effect of minimum wage laws, the promotion of labor unions, and so on.

Another way in which the use of political mechanisms has increased the problem of violence and disorder is that it tends to divert discontent to identifiable persons. If you are a Robinson Crusoe on a desert island and you can't scratch out enough to keep yourself alive, you have no other individual person to blame. You're to blame—or maybe you can rail against God for providing you with such a poor island. So long as the attitude in society is that people are responsible for themselves, but that nature inevitably will limit what we can have, there is a chance that the discontent people feel will be directed at nature. But when we take the attitude that government is all-powerful, that it's only because somebody didn't pass the right law that we're in a bad way, then discontent will be directed at people. Those who do not get what they want—and that includes 100 per cent of the population—those who do not get what they want have a devil to blame. It's the evil people who refuse to pass the laws that would have provided redress for their particular difficulty. So, the use of political mechanisms causes people to rail against

other people rather than against the fact of life that resources are limited.

Finally, the use of political mechanisms tends to concentrate power in the hands of identifiable people, of people you know about, and whom you can name, and against whom you can direct your immediate discontent. As some of you may know, I have succeeded to one-third of Henry Hazlitt in *Newsweek*—they had to have three people to replace him—and in one of my *Newsweek* columns I used, in discussing this general problem, the Kennedy family as a harrowing example. Joseph Kennedy, the father, accumulated a great deal of economic power. Yet, that economic power was never so great, never so visible, as to produce personal objections to him or to lead to any threat to his life. It is a tragedy of our nation that two Kennedy boys have been assassinated. Why? Because they became figures of political power; and political power is so much larger, so much more concentrated, so much more visible that it provides a target for people to attack, produces an incitement to violence.

After all, you can take a dozen millionaires and the group of them together will not have the power to affect men's lives in the way in which a President of the United States has. The great advantage of the market—as we have all known and often testified—the great virtue of the market is that it disperses power, it spreads it, it keeps any individual from being personally identifiable as having such a concentration of power that you ought to go out and assassinate him. Whether polit-

ical mechanisms are used little or much, the political leader is still identifiable. Lincoln was assassinated before we had a concentration of political power comparable to the present; and so was McKinley. Again, I don't want to say that this is all there is to it. But, as the power which is placed in the hands of the political leaders is increased, they become more visible, more identifiable. The tone of public discourse tends to change from "How can we squeeze more out of the niggardly resources offered us by nature?" to "How can we get back at that bad man who is doing us in?"

I don't want to overstate the case. I don't say these are the major or the only sources of discontent. Yet, I think they are very important sources of discontent. One very immediate and real illustration of the point I'm trying to make is connected with war, which we all recognize cannot be decided on by market means. I have in mind our use of a political mechanism to staff the army, our use of conscription, of a draft, as a means of forcing people to fight. I think that there is no single factor in this country that has been so potent in stirring up disunity and the feeling of not belonging as the widespread use of the draft to man the armies for an unpopular war. And here again, even in this case, contemplate how much better the atmosphere would have been if we had continued to rely, as we always have during other than major wars, on private market mechanisms to staff even that political activity which unfortunately we see no way of disposing of at the moment.

As I say, there are many sources of violence and disorder, but this at least is one that we could do something about. And the number of people in this room—what has happened to beliefs in our values and our principles throughout the world—I think can give us all reason to hope that maybe we can do something about it. Maybe we are seeing the climactic state of the trend we oppose, the moment before we start to reduce the role of politics in men's lives and to increase the extent to which they are free to guide their own lives.

Fertig:

YOU WILL AGREE, I am sure, that the first few courses of this intellectual feast have been most satisfying. But there is more to come,—and judging by the eminence of those who will present the offerings, I am certain they will be of a high order.

I deeply regret to inform this audience that a slight illness prevents the presence on this occasion of one of the most eminent economists in the world today—a veritable Colossus among those who have fought and are fighting for a Free Society.

Everyone in this audience, I am sure, knows Dr. Ludwig von Mises, because his contributions to economics and the philosophy of the Free Society have been of such a remarkable nature.

Just this week Dr. Mises arrived at his Eighty-seventh Anniversary, and it is notable that during the past fifteen years there has been no diminution whatever in his great zeal, in his intellectual sparkle, or even in his well-known polemical spirit. *Mirabile dictu,* age has had no effect on this unique man.

Mises not only is a link with the towering figures of economics in the past under whom he studied and who were his friends—Carl Menger, Böhm-Bawerk, and others—he is a strong link with the future. Through his teaching and his seminars he has influenced many of the great minds of this century, including Friedrich Hayek, who was his student, the great Wilhelm Roepke, Ludwig Erhard, and many, many others.

I know that I reflect the sentiment of this audience when I send Dr. Mises our very deep regrets that he cannot be here tonight; our profound admiration for him and for the magnificent accomplishments of his lifetime; and our good wishes for his recovery from his illness and his continued good health.

Perhaps many in this audience do not realize the extent to which the influence of Leonard Read and the Foundation for Economic Education has reached far beyond these shores. I was impressed by this fact at the September meeting of the Mont Pelerin Society in Aviemore, Scotland. Between working sessions at that

meeting, I had the privilege of talking with Leonard and Enoch Powell of Britain. As you know, Powell is one of the great leaders of the British Conservative Party, and his name is dominant in the British press these days. Some refer to him as "the young Churchill."

Powell turned to Leonard and said, "I want you to know that I have cribbed from you often. I have adopted many of your ideas in effective political fashion."

Similar tributes have been paid to Leonard Read and to FEE by prominent people in other countries around the world. We are favored tonight by the presence here of many of these important visitors from foreign lands. These distinguished gentlemen will be introduced to you by a famous libertarian who hails from Oslo, Norway, and who is known to intellectuals throughout Europe.

For over a quarter of a century Trygve Hoff has been editor and publisher of *Farmand,* a remarkable journal of opinion whose circulation as a percentage of Norway's population would correspond to something like three million in the United States. Such a circulation for a journal of opinion is unheard of in this country, and I should imagine that the mention of it would make Bill Buckley quite envious.

Trygve Hoff's voice is a powerful one in Europe in behalf of the libertarian cause. You will now hear from Mr. Hoff, and he will introduce our foreign guests.

Trygve J. B. Hoff:

SOME YEARS AGO, the President of the Royal Geographic Society of London was invited to the Geographical Society in Budapest. His opposite number gave a dinner in his honor and made a speech, in English, of course; and when he had finished, the Royal group's President said that he had understood most of the words and even some of the sentences. He expressed his great pleasure that there was so much similarity between Hungarian and English. May you feel the same about my Norwegian accent as I now present some of our distinguished guests from other lands:

DR. HOWARD T. OLIVER of Montreal, a devoted student of liberty as are so many from your friendly neighbor to the north.

PAULO AYRES of Sao Paulo, Brazil, to be remembered as the chief organizer of the bloodless revolution that overthrew the communist regime in his country in 1964 and who claims his ideas came from FEE.

MANUEL AYAU of Guatemala City, who more than anyone else is responsible for Centro de Estudios Economico-Sociales—the FEE of Guatemala. Member, Mont Pelerin Society.

ANTONY FISHER, distinguished British business leader, libertarian scholar and, more than anyone else, responsible for England's influential Institute for Economic Affairs. Member, Mont Pelerin Society.

JOAQUIN REIG of Madrid who, after success in industry, returned to the University of Madrid for his doctoral. And what was his doctoral thesis: His thesis was Mises! Member, Mont Pelerin Society.

NICOMEDES ZULOAGA of Caracas, Venezuela. He is president of the Instituto Venezolano de Analisis Economico y Social A.C. Member, Mont Pelerin Society.

I have no authority to speak on behalf of the foreign guests here tonight, but I know I reflect their sentiment that all of us are very grateful to Leonard that we have a friend here, a fighting fearless friend.

Fertig:

FRIEDRICH HAYEK is known to the general public as the author of that famous volume, *The Road to Serfdom*, which so effectively punctured the pretensions of the socialist planners. In the academic fraternity Dr. Hayek is respected as one of the most able economists in the Western World today.

In recent years Dr. Hayek has turned his questing mind toward the field of philosophy rather than pure economics. I recommend to you his monumental volume, *The Constitution of Liberty*. No finer book has been written to explain the philosophy and analyze the right policies for the Free Society.

Dr. Hayek served as Professor of Social and Moral Science at the University of Chicago, and for the past five years has been Professor and Rector at the University of Freiburg in Germany. Currently, he is Visiting Professor at the University of California in Los Angeles.

It is rare indeed, even among great scholars, to find a mind that has made contributions of a seminal nature. Dr. Hayek is one of those rare people, and it is with great pleasure that I introduce him to you—Dr. Hayek.

Friedrich von Hayek:

THE INSTITUTION Leonard Read has built up, and through which he has wielded such great influence, bears the modest and prosaic name of a Foundation for Economic Education. I am sure that with his unfailing flair in such things he has chosen the name under which it was most likely to succeed. Yet, I want to suggest that this name describes the aim of this institution—and of Leonard Read's work—much too narrowly; that he has really set his goal much higher. It seems to me that on an occasion like this we ought to try to spell out more fully what it really is that he and, I think, all of you who are here tonight, are chiefly concerned about. I cannot do so adequately in a few words, but I will try to put it in less than the time allocated to me. Indeed, I believe I can put the central idea into eight words. I will first give you the formula and then briefly comment on the various parts of it. I believe that what the Foundation for Economic Education, with Leonard Read at its head, and all his co-fighters and friends are committed to is nothing more nor less than The DEFENSE OF OUR CIVILIZATION AGAINST INTELLECTUAL ERROR.

Ladies and Gentlemen, I do not mean this as the kind of high-flown phrase that one is apt to coin for an occasion like this. I mean it literally, as the best definition of our common task. I have chosen every one of these eight words advisedly and will now try to explain what I mean by them.

In the first instance I wanted to emphasize that what is threatened by our present political trends is not just economic prosperity, not just our comfort, or the rate of economic growth. It is very much more. It is what I meant to be understood by the phrase "our civilization." Modern man prides himself that he has built that civilization as if in doing so he had carried out a plan which he had before formed in his mind. The fact is, of course, that if at any point of the past man had mapped out his future on the basis of the then-existing knowledge and then followed this plan, we would not be where we are. We would not only be much poorer, we would not only be less wise, but we would also be less gentle, less moral; in fact we would still have brutally to fight each other for our very lives. We owe the fact that not only our knowledge has grown, but also our morals have improved—and I think they *have* improved, and especially that the concern for our neighbor has increased—not to anybody planning for such a development, but to the fact that in an essentially free society certain trends have prevailed because they made for a peaceful, orderly, and progressive society.

This process of growth to which we owe the emergence of what we now most value, including the growth

of the very values we now hold, is today often presented as if it were something not worthy of a reasonable being, because it was not guided by a clear design of what men were aiming at. But our civilization is indeed largely an unforeseen and unintended outcome of our submitting to moral and legal rules which were never "invented" with such a result in mind, but which grew because those societies which developed them piecemeal prevailed at every step over other groups which followed different rules, less conducive to the growth of civilization. It is against this fact to which we owe most of our achievements that the rationalist constructivism so characteristic of our times revolts. Since the so-called Age of Reason it seemed to an ever-increasing number of people not worthy of a rational being that he should be guided in his actions by moral and legal rules which he did not fully understand; and it was demanded that we should not regard any rules obligatory on us except such as clearly and recognizably served the achievement of particular, foreseeable aims.

It is, of course, true that we only slowly and gradually begin to understand the manner in which the rules which we traditionally obey constitute the condition for the social order in which civilization has arisen. But in the meantime, uncomprehending criticism of what seemed not "rational" has done so much harm that it sometimes seems to me as if what I am tempted to call THE DESTRUCTION OF VALUES BY SCIENTIFIC ERROR were the great tragedy of our time. They are

errors which are almost inevitable if one starts out from the conception that man either has, or at least ought to have, deliberately made his civilization. But they are nevertheless intellectual errors which bid fair to deprive us of values which, though we have not yet learned to comprehend their role, are nevertheless indispensable foundations of our civilization.

This has already brought me to the second part of my definition of our task. When I stressed that it is genuine intellectual error that we have to fight, what I meant to bring out is that we ought to remain aware that our opponents are often high-minded idealists whose harmful teachings are inspired by very noble ideals. It seems to me that the worst mistake a fighter for our ideals can make is to ascribe to our opponents dishonest or immoral aims. I know it is sometimes difficult not to be irritated into a feeling that most of them are a bunch of irresponsible demagogues who ought to know better. But though many of the followers of what we regard as the wrong prophets are either just plain silly, or merely mischievous trouble-makers, we ought to realize that their conceptions derive from serious thinkers whose ultimate ideals are not so very different from our own and with whom we differ not so much on ultimate values, but on the effective means of achieving them. I am indeed profoundly convinced that there is much less difference between us and our opponents on the ultimate values to be achieved than is commonly believed, and that the differences between us are chiefly intellectual differences. We at least believe that we have

attained an understanding of the forces which have shaped civilization which our opponents lack. Yet if we have not yet convinced them, the reason must be that our arguments are not yet quite good enough, that we have not yet made explicit some of the foundations on which our conclusions rest. Our chief task therefore must still be to improve the argument on which our case for a free society rests.

But I must not allow this to degenerate into a lecture. I referred to these purely intellectual problems in order to say that while there are quite a number of us who devote ourselves exclusively to these intellectual problems—and often express our results in a manner that is intelligible only to our fellow-specialists—and quite a number of practical men who clearly and rightly see that there is something wrong in the now dominant beliefs, there is hardly anyone who at the same time sees the great issues of our time as intellectual problems and also is so familiar with the thinking of the practical man that he can put the crucial arguments in a language which is meaningful to the man of the world.

If Leonard Read's position is probably unique today, it is precisely because he possesses both capacities. I will frankly admit that I have only slowly and gradually discovered this. When twenty-one years ago some friends helped me to organize that meeting on Mont Pelerin in Switzerland, some of them told me that there was in the United States a man extremely good in interpreting libertarian ideas to the public. And as it had from the beginning been the aim of that group not to

confine itself to theoreticians, but to include persons who would interpret its conclusions to the general public, Leonard Read seemed to be an ideal person to invite. He certainly has fulfilled this expectation, but having considered him from the beginning chiefly from that angle, I continued for a while to regard him as an interpreter rather than as an original thinker—after all, somebody who can put ideas in simple words often is. I want to use this occasion, however, publicly to admit that in that view of Leonard Read I was mistaken and that in the course of these 21 years my estimate of him progressively changed. I found not only that he knew much more than most of the rest of us about the opinions governing current policies, and was therefore much more effective in meeting the errors in them: that I had rather hoped, though I did not know how well it could be done. But I found also that he was a profound and original thinker who disguised the profundity of his conclusions by putting them into homely everyday language, and that those of us who for a time, and perhaps somewhat condescendingly, had seen in him mainly a popularizer, found that they had a great deal to learn from him.

Leonard Read has indeed become in our circle, in which the nonacademics are still a small minority, not only one of the best liked but one of the most respected members, one on whom they rely not only to spread the gospel, but as much to contribute to the development of ideas. Nothing, therefore, gives me greater pleasure than to be able to join in this celebration of

his achievement. And, if one who is his junior only by a few months may conclude on a personal note, the greatest pleasure in this is that on this occasion one may still expect even more from him in the future than he has already done in the past.

Fertig:

I WONDER if you agree with me that there is some special inspiration this evening which makes these speakers —who are usually so articulate and so forceful—even more eloquent than ever.

Now I wish to introduce a very eloquent man, indeed —a close colleague of Leonard Read in the work of the Foundation. Dr. Ben Rogge, who was for a time Dean at Wabash College, is now Professor of Political Economy at that institution. Many in this audience remember John Van Sickle, a member of the Mont Pelerin Society, who formerly was head of the Economics Department at Wabash College. John Van Sickle is a very astute, scholarly man, quite chary in his praise of anyone. But he once said that the best teacher he knew in his lifetime is Ben Rogge—high praise, indeed!

No question about it, Ben Rogge is unsurpassed as an expositor of the principles of what Leonard Read calls the Freedom Philosophy. His writings and his talks are spiced with a wit which I am sure will flavor his statement this evening. Ben has been working on a volume soon to be released, titled *The Welfare State Against the Negro*—a provocative title indeed. In this book he develops the theme that it is government intervention and the Welfare State which are greatly responsible for keeping the Negro submerged.

You will be interested, I am sure, in the ideas which this scholarly teacher will present on this occasion. Dr. Rogge.

Benjamin A. Rogge:

LET ME BEGIN by dispelling a myth that has been generally accepted here tonight. This is the myth that Leonard Read is seventy years old. How can any man pretend to be 70 whose mother-in-law is not only still alive, but whose self-same mother-in-law has (within recent weeks) issued a personal challenge to fisticuffs

(in the manner of Bill Buckley) to an official in a New York Giants football game? Anyone who has examined his current schedule of activities for a typical week or who is familiar with the tremendous output of his pen in just this last year or who has watched him curl at the St. Andrews rink or who has played golf against him within the last year (as I have) and lost money in the process (as I have), knows that far from being 70, he must be somewhere in his mid-forties.

If he wants to attract attention to himself by pretending to be 70, all right. But by this little deception he's not going to persuade *me* to give him strokes when next we're out on the golf course. As a matter of fact, this guy Read is the kind of man who doesn't have to ask for strokes in any of the significant activities of his life, including and especially, libertarianship.

I dislike manufactured words as a rule, but I rather like the manufactured word libertarianship, because it expresses what seems to me to be the area of Leonard Read's greatest contribution to the cause he has served throughout his life. The word being of my own creation, I can give it the interpretation I wish. And my wish, in using the word libertarianship, is to convey a sense of stance, of posture, of a method of standing witness to the truth of the libertarian philosophy—and it is precisely here that many of us record our largest single personal debts to the man we honor tonight.

He asked repeatedly that this evening not be devoted to a series of personal eulogies. Why? Because he is immune to the pleasures of formal flattery? Not at all. As

a matter of fact, I have known him, after sinking a long putt, to expect even the caddies to join in the applause. Rather, it is because of his libertarianship. His view of man and life warns him that he must be most on his guard *against himself* precisely when he has apparently been most successful, precisely when he is being most highly praised.

I want to return to that in a moment, but first let me attempt to put before you what I construe to be Leonard Read's fundamental proposition in libertarianship. It is that, having once chosen a philosophy or a set of ends, we are not then free to choose whatever means we wish to use in serving those ends. Rather, *the choice of means is always implicit in the philosophy itself.*

Let me illustrate. At the end of one of the FEE weekend seminars, one of the participants in my discussion group stood up and said in absolute seriousness, "What we ought to have in every school and college in this country is a compulsory course in freedom."

Let us not laugh too long at this well-meaning man until we have searched our own records to see how many times and in how many ways we have denied our own understanding of the philosophy of freedom by the means we have used to serve its cause.

I see in Leonard Read a man who is attempting to reflect in everything that he does his own particular philosophy of life—and herein lies his greatness. It is neither insulting nor trivial to add that, from time to time, he obviously must fail in the attempt. These words

were not insulting, because they were spoken in love, nor were they trivial, because a central assumption in Leonard Read's philosophy is that every man, Leonard Read included, is now and forever imperfect.

It is for this reason that he warns us to beware of listening to those who praise us. We may come eventually to believe what they are saying, to come to believe that we are perhaps an exception to the rule that all men are imperfect, or at least to believe that our own imperfections are so much less serious than those of others that we really differ from them in kind and not just in degree.

Most of us and particularly those of us who have wives and teenage children around the house, are not likely to be permitted to forget that we are imperfect. Read is at the dangerous stage when his children are grown and out of the house and the wonderful Aggie, forgetting what a fool he must have been from time to time over the years, fills his days with obvious adoration.

But I have confidence that nothing seriously corrupting is going to happen to the man who wrote these words:

> Any overassessment of self, for whatever reason, is corrupting and, thus, dangerous—at least to self, if not to others. The axiom, "power corrupts," doubtless can be explained by that overvaluation of self which the possession of power induces. Even that power to influence others which derives from a relative excellence—with its attendant adulation, flattery, applause—makes difficult a balanced judgment of self: the overesteem, unless consciously downgraded, is irresistible; it is so easily believable!

This is the kind of thing Leonard Read is always saying and I'm always listening to and trying to apply to the concrete situations in which I find myself.

Here's another Read statement and the one that suggests the problem of method I want to struggle with in my few minutes here in the Waldorf-Astoria sun.

> It is a simple, obvious, self-evident fact that ideas, understanding, wisdom cannot be coercively injected into the consciousness of another. Yet, such is the presumption of persons who employ the coercive techniques.

That's the statement; here's the question: Does the public demonstration fall under the heading of forbidden techniques? Or are there circumstances under which it would be perfectly consistent for a libertarian to attempt to advance his cause by joining in a public demonstration?

This is not just an academic question; men and women calling themselves conservatives or libertarians have participated in picketing activities and public demonstrations of one kind or another. The man who curses the bearded flower children outside the Conrad Hilton Hotel may applaud the young men who are picketing the offices of business firms doing business with communist countries. And how many of us are angry with the students in Eastern Europe and now in Cuba and in Russia itself who have demonstrated against the Russian actions in Czechoslovakia? Is demonstrating fine and dandy if done by people on our side but an obvious breach of law and order if done by people who aren't

on our side? This is what I'm struggling with, and this is the way the struggle goes.

First, is a public demonstration by its very nature a coercive technique? Certainly the leaders of most demonstrations in this country claim that they are following the way of nonviolence and many a demonstration does take place with no unpeaceful acts having been committed. At the same time, the decline in the public interest in televised boxing and wrestling may come from the fact that now the citizen can always go down to watch a peaceful demonstration somewhere and see real, live slugging bouts whose outcomes aren't determined in advance.

What is a public demonstration? It is a group of people collected in a given area to signify their united support of or opposition to something or somebody. Ostensibly, the idea is to communicate to somebody or other the nature of their position on the issues at stake.

Why do they not simply content themselves with signing a petition, then? The answer might be given that this is a less dramatic (and hence less efficient) way of making certain that the message gets communicated.

It might also be argued that in a democracy, a demonstration is a kind of quickie Gallup Poll to show the makers of policy what will happen at the real polls if the demands of the demonstrators are not met.

Whatever the argument, (and this is at the heart of the thesis I am presenting here) I am persuaded that *a group demonstration, by its very nature, partakes of*

the nature of assault. Even if not a blow is struck or a single piece of property is damaged, the emotional impact on those against whom it is organized is precisely that produced by a threat of assault in individual cases.

While in India during World War II, I saw at first-hand a so-called nonviolent march through a city by the nonviolent followers of that man of nonviolence, Mahatma Gandhi—and it was one of the most frightening experiences of my life. The flow of that stream of nonviolent individual particles was itself a warning and a symbol of violence unlike anything I had ever seen. From that night on, I have refused to accept as a disciple of nonviolence anyone who is prepared to use the instrument of massive public demonstration in support of his cause.

Moreover, I would guess that most of those who organize and most of those who participate in massive public demonstrations know the truth of precisely what I have said. In fact, it is just this aspect of demonstrating that explains its appeal to the young of both the left and the right.

Young people are essentially potential energy, largely undirected and undisciplined. They delight in all kinds of excuses for that energy to be turned loose, from the pep rallies and half-time fights and campus hazing of the old college to the student sit-ins in the President's office of the new college.

This is the kind of energy that can be used to destroy existing structures; it is not the kind of energy that can be used to bring about improved structures.

I repeat what I have said before in other settings: Those on our side who are looking to the young to lead this nation back to freedom will look in vain. For most of us, it is only with age, if ever, that we acquire the wisdom to be content to live under always imperfect rules that still permit us imperfect men to make our own imperfect decisions, with consequences for each man and for all men that no one can fully predict and that will always be something less than the New Jerusalem.

It is the vision of a New Jerusalem, even if not clearly defined, or the vision of its opposite, of an existing total wickedness that must be destroyed, that brings people out into the streets.

To my mind, the bringing of people out into the streets is not a part of the persuasive process. On the contrary, it marks the end of the persuasive process and the beginning of coercive action.

Of course, even if this be correct, it does not automatically solve the *legal* problems involved—i.e., the questions relating to whether and in what form and under what circumstances public demonstrations should be permitted at law. Certainly, if they were to be viewed as I view them, as partaking by nature of the characteristics of assault, they would come under more vigorous control by law than is true at the present.

But whether legal or not, public demonstrations fall *outside* the border of acceptable techniques for Ben Rogge to use in serving the libertarian cause. Can you conceive of Leonard Read, joined perhaps by Professor

Mises and the Reverend Ed Opitz (professors and ministers are big in the demonstration business these days; often they lead the charge, robes flying, to bring about the end of civilized society) attempting to make a point by picketing the home of (say) John Kenneth Galbraith? Or a Milton Friedman picketing the offices of the Board of Governors of the Federal Reserve System—perhaps carrying a banner on which he had painted in psychedelic colors some of his more telling regression equations?

If the libertarian goal can be defined as the victory of persuasion over force in human relationships, it can hardly be served by techniques that are coercive in nature, including public demonstrations.

I will not march outside the offices of IBM or Firestone; I will not counterdemonstrate against the Mark Rudds and his faculty supporters; I will not join the demonstration outside the Soviet embassy. For so long as the channels for persuasion are not totally blocked, (to borrow again from Leonard Read) I am committed by my philosophy to using persuasion alone in standing witness to my beliefs.

When we turn to Leonard Read for guidance on how best to stand witness, his answer is always the answer of Linus (the philosopher with a security blanket). Charlie Brown says to Linus, "Linus, suppose that nobody liked you or listened to what you were saying. What would you do? What would your answer be?" To this Linus replies, "I would examine myself very carefully to discover where my weaknesses lie and then I

would attempt to correct them. That is my answer, Charlie Brown." To this Charlie Brown says, "I hate that answer."

And well he may and well may we be irritated when Leonard Read tells us again and again and still again that we must always look to ourselves, to self-improvement, not to reforming others, if we wish to serve the cause of freedom. That he just may be right is testified to by our presence here tonight and by the fact that not an hour goes by but that somewhere in this world somebody is thinking or speaking or writing a word or taking an action under the direct or indirect influence of the life and the teachings of Leonard Read. May the rest of us be one part as effective and the world will again turn its face to freedom.

Fertig:

WE'VE HAD most of our intellectual feast, and I think you will agree that it has been quite a repast. We still have to hear, of course, from the guest of honor, Leonard Read.

Before doing so, I think we ought to take some note of someone who has had a tremendous influence in the life of Leonard Read, who has sustained him and given him comfort and inspiration. And that's his wife, Aggie. So I present to Aggie Read on behalf of all those present a bouquet of roses, as a token of our gratitude to her for all she has done for Leonard and the Foundation.

Now, before hearing from Leonard, I'd like to present to him a gift from the members of the Board and all his other friends. It is a gift of a silver bowl from Tiffany's on which is inscribed the names of each of the members of the Board, all his friends on this dais, and many of those in this audience. The inscription on this handsome bowl reads as follows:

> To Leonard E. Read
> Philosopher and Leader of the Free Society
> With gratitude and affection.

And now I present the guest of honor of the evening—Leonard Read.

Leonard E. Read:

I WISH one of you had my place!

There is only one way I have of expressing gratitude for an evening such as this: my work tomorrow, not my words tonight.

Last evening my daughter-in-law, Martha, was looking over the list of you who are here tonight. She said to me, "Isn't it wonderful that you have so many friends?" Indeed, it is, and I thank you!

As you know, this is supposed to be an idea evening. Certainly there have been many wonderful ideas which all of us appreciate. And I had something to throw into the hopper myself—a speech for tonight. It is entitled "The Will to Prevail." But I'm not going to use it. It is in a pretty pamphlet, available at the door as you leave.

What I'd like to do, instead, is to tell two brief stories for the purpose of setting the record straight. There have been some encomiums flying around this evening and they've been just a bit too glowing. Glowing encomiums, ladies and gentlemen, are dangerous. If you believe them about me, I will never again be able to

live up to your expectations. And if I believe them, my ego will unbalance me. So, if you'll forget them, I'll do the same.

I want to show you what really has happened. Let me go back nearly forty years when I was made the Assistant Manager of the Western Division of the National Chamber. So far as our freedom philosophy is concerned, I knew next to nothing. I felt that anything that issued as policy from the National Chamber was straight from the horse's mouth; and all I had to do to be a good citizen was ably to parrot that policy. I must have done a fair job, for in 1932 they made me Manager of the Western Division and moved me from Seattle to San Francisco.

At about that time there was an important utility executive from Boston, whom I would describe today as a Republican New Dealer. He was the one who invented the nefarious National Industrial Recovery Act, a system of wage, price, production, and exchange controls, and the one who sold it to FDR. This may or may not have been the reason why he was made President of the Chamber of Commerce of the United States. At any rate, this man and the Chamber, including your friend Read, were out peddling the Blue Eagle, as it was called.

I hadn't been on my new job very long when I had word that an important businessman in Los Angeles was making disparaging references about National Chamber policy. So, I thought it incumbent on me to straighten out this poor benighted soul. I took a train

to Los Angeles and called on one W. C. Mullendore—he sits right there—who was head of the Southern California Edison Company. I didn't know at the time that this fellow was one of the most profound men in political economy that I would ever encounter. He received me courteously and let me talk, which I did for half an hour—dwelling on the virtues of National Chamber policy. When I ran out of breath, Mr. Mullendore took over.

He talked to me for one hour. He was kindly. Literally, I would give $1,000 for a recording of what he said. But he didn't know his talk was going to be so good; nor did I; so we had no recorder. Anyway—to show you who set whom straight—when it was over, I said, "Mr. Mullendore, I have never thought of these ideas this way before. But I think you are right." And that was the moment of my liberation; that talk of his back in 1933 turned me on!

I will not bore you with events of the next twenty-three years. But they led eventually to The Foundation for Economic Education, Inc. A great number of my friends said this was a crazy idea. Mullendore said, "Len, you won't go to the racetrack and bet $150 with me on a horse, but you risk your life in this venture which has to fail." Henry Hazlitt has told you how near right he was. Then, things began to turn right side up. And I began receiving encomiums—like this evening—even from Mullendore. Do you know what I did? I acknowledged the kudos, took the curtain calls, in effect, "What a great boy am I!" Then, all of a sudden, the

light dawned: "Read, this isn't what's really happening." What then? All we are doing at FEE is trying to find some right principles and—when we believe we have found some—boldly and proudly to proclaim them.

Along with this discovery came the faith that if one does what's right, these things will be added unto you. In other words, a measure of success will attend one's efforts.

To keep the record straight, I did not invent these right principles. My associates and I merely rediscovered some good principles that many people had forgotten. Nor did I invent integrity, that is, the accurate reflection in word and deed of that which one believes is right. Nor did I invent faith in the promise that "these things will be added unto you." That's older than I am.

Now, by another true story, let me demonstrate how these ideas work in day-to-day practice. This experience had its beginning about eight years ago. I had written an article showing that there isn't any moral right to strike.[1] Later, I received a letter on the stationary of the Sailors Union of the Pacific, Portland, Oregon. The writer was identified on the letterhead as William Benz, Organizer. His message was three pages of pure vitriol. "You dirty so-and-so," except he couldn't spell so-and-so. There's an "a" in it! But I'll say one thing about that letter: it had a lot of spirit.

Instead of throwing the letter in the wastebasket, I

[1] Copy on request.

invited my associate, the Reverend Edmund Opitz, to read it and added, "Ed, I shall be away for three days. If you don't mind, please write this character a response for my signature, and give him our treatment."

Let me reveal what our treatment is. It's that of turning the other cheek; it is to take no cognizance whatsoever of the man's meanness, his vitriol. It is, rather, to write him as high-grade a letter as you would write the Lord. Reverend Opitz is pretty good at that! On returning, I signed Ed's masterpiece and sent it on. Shortly thereafter, I received a reply from Mr. Benz, the most abject apology I have ever read. This man was crushed to think that he had written his kind of a letter to the kind of a person Opitz had made me out to be.

I wrote a thank-you note and added: "I'm sending you a couple of books under separate cover." One was my little book of Argentine lectures, *Why Not Try Freedom?* The other was Doc Harper's perfectly remarkable book, *Why Wages Rise,* which was relevant to the man's original yap. When he had read these, he wrote, "Mr. Read, this is the finest stuff I have ever read in my life; please send me more." This was getting to be fun, so I sent him five more volumes. One of my associates said that if you want to get some free books write Read a nasty letter. After reading these five volumes, my new friend wrote, "Mr. Read, I hereby appoint you my director of reading. You are authorized to purchase any book that in your judgment will help me in my thinking and send me the bill." Why, even you folks won't do that! This man turned his education

over to me. Incidentally, by this time, he had quit the labor union.

As this kind of correspondence continued, a remarkable friendship developed.

Many months later, when I had occasion to visit Portland, I suggested to Mr. Benz that I would like to meet him personally and that he should breakfast with me Monday morning. He was at the appointed place bright and early, a fellow about 47 years of age, a man of enormous energy, obviously.

At breakfast he confessed to me that all of his life had been lived in hate and also that he hadn't quite finished the second grade. This man was so fascinating to me that I stayed at the breakfast table with him until noon. I had a luncheon speech to make; he went along bringing another labor official. When it was over, he asked, "Mr. Read, may I drive you to the airport?" Never having destroyed a generous impulse, my answer was affirmative.

On the way to the airport I thought I would have some fun. "Whitey, [his nickname] do you remember that first letter you wrote me?" I'll bet that was the first time in his life he ever blushed.

He replied, "Yes, I remember."

"Whitey, suppose I had replied in kind? Would you and I be riding together now?"

With that his old anger returned: "I'll say we wouldn't."

So I said, "Whitey, I'm going to tell you what I did to you that you may do the same to others." With that,

I held my plane ticket against the windshield and asked, "What holds it there, Whitey?"

And he said, "It's the tension of your finger."

"You're right! In science that's called the law of polarity, or the tension of the opposites. Whitey, I want you to observe what happens when I remove the tension." Of course, the ticket fell to the floor. I then said, "All I did in your case was to remove the tension. I left you nothing whatsoever to scratch against." And I cited the old Arab proverb, "He who strikes the second blow starts the fight." I pointed out that he had struck the first blow, that I had not struck the second, that we were friends. Whitey got the message.

This friendship went on for quite some time. Then, suddenly, no more letters from Whitey. I thought he had defected. Finally, a letter which said, "I never thought it would happen to me, Leonard. I bought a new car and, on the highway, had a head-on. I've been in this hospital for three months; the doctors are trying to splice me together again. But, Leonard, you should see what I've been doing to these doctors on behalf of our philosophy."

Please recall that the point of this story is turning the other cheek. Again, to set the record straight, I did not invent that idea any more than I invented right principles or integrity or the efficacy of faith.

So, let us take the glowing encomiums more good naturedly than seriously. My associates and I can take credit only for serving as an agency to boldly and proudly proclaim some wonderful ideas, far from orig-

inal with us—ideas that have been too long neglected.

Remember this evening, not as a personal tribute to me but, by your presence, as an indication of a growing interest in ideas and ideals that many of us are coming to understand and are learning to explain. This growth lends credence to the fact that past is prologue, that the eternal search for truth will continue even though any one of us may not.

I am profoundly grateful for my countless opportunities and for this remarkable demonstration of friendship not only to me but to the ideals we share in common. Blessings on you as we carry on.