

The Future

We must make the building of a free society once more an intellectual adventure, a deed of courage. . . . We need intellectual leaders who are prepared to resist the blandishments of power and influence and are willing to work for an ideal, however small may be the prospects of its early realization. They must be men who are willing to stick to principles and to fight for their full realization, however remote.

—Friedrich A. Hayek

Ideas rule the world. Especially important are the philosophical ideas that determine conceptions of the human person in relation to the world in which he lives. Throughout history, the philosophy of individualism has played a critical role in man's progress. Each individual is a discrete being with a unique mind and a distinctive set of abilities, desires, and motivations. Each person is a self-responsible causal agent who has the capacity to pursue his well-being through his intellectual and physical actions. By nature, each person has the right to have the opportunity to develop his potential as a free, individual human being. People are happier when their lives are lived in freedom. When people exercise their freedom they enter the arena of morality as responsible free agents.

For centuries the philosophy of freedom and individualism has underpinned the political and economic order that characterized the American way of life. Unfortunately, beginning in the 1930s, American society has become more and more collectivized. Special interest groups have increasingly persuaded the government to grant them special privileges. People form political coalitions in order to be better at obtaining government favors. People implore the government for assistance. As government has become more dominant and has produced programs to meet our needs, it has also corrupted people's values and made them dependent on government. There has been a growing tendency for government to expand and undermine personal freedom and responsibility. The doctrine of statism has been driven into the minds of children throughout the twentieth century through public education and the media. The idea of security itself has changed over time. The classical idea of security of the person, of possession, and of exchange has been broadened to provide for people's "positive" rights to publicly provided health care, retirement funds, unemployment insurance, and other welfare programs. In addition, the regulatory arena has become a market in which politicians obtain political and financial support in exchange for regulation that benefits some of those being regulated. As a result, many citizens and firms prefer to buy favors from government officials rather than invest their time and effort in productive endeavors in the private sector.

Many Americans today do not realize they are not free and do not have a real understanding of what it means to live in a free society. They do not perceive that we have adopted various forms of the welfare state and the planned economy. They do not comprehend that these embody the rejection of the philosophy of freedom that flourished in America during the eighteenth and nineteenth centuries.

Most Americans alive today have never witnessed an unencumbered market economy. They tend to think that freedom encompasses income taxation, public schools, welfare programs, protectionism, government-provided medical care, regulatory agencies, rent controls, subsidies, business-government partnerships, minimum wage laws, etc. Yet, people are taught that they are living under "capitalism" and that capitalism is somehow compatible with an intrusive, activist state. They are even led to believe that the interventionist state is a prerequisite for supporting a market economy. The existence of this misunderstanding and ignorance is explainable once we realize that most people are products of the government's schools that teach people to embrace socialism. They teach that free enterprise exists when the government owns enterprises and redirects wealth and that when the state takes money via taxation it is permissible because it is for the general welfare.

How do we go from our current interventionist political and economic system to a society of laissez-faire

capitalism? We cannot just wait for the state to wither away. On the other hand, prospects for one monumental step to a free-market society are not realistic. Many intermediate, transitional, and incremental steps are more likely to take us to our destination. We must disseminate the principles and theories of the freedom philosophy and promote the values of the free enterprise system in understandable, nontechnical terms. We need to achieve a revolutionary shift of conventional wisdom. We need to point out the theoretical and systemic errors of statism and the growing anomalies in reality where the welfare-state model just does not work. We must explain how the state does not provide a free ride and how almost everything done by the government is done inefficiently. We must have a fierce commitment to reality and work individually and in concert with others in order to battle apathy and affection for the state, capture people's imaginations, convince and convert people to the freedom philosophy, defeat statism, and reestablish freedom as the foundation for our political and economic systems.

Where We Are

Individuals have a natural right to security according to its meaning at the time America was founded. The original idea was to have state protection against external aggression without regard to the level of wealth of respective individuals. This type of security forms the foundation of the concept of personal autonomy and includes security of possession, freedom of contract, and security of exchange. This notion of security has been expanded and transformed over time, especially during the twentieth century.

Modern expansions and redefinitions of "security" have led to the downplaying of the classical conception of negative liberty and to an upgrading of the idea of positive liberty. Security, in the minds of many, now means protection from physical privation; the assurance of a minimum level of sustenance, standard of life, and income; the right to useful and remunerative work; the right to earn enough to provide sufficient food, clothing, and housing; the right to adequate health care; the right to a good education; protection from the economic risks rising from sickness, accidents, unemployment, and old age; and so on.

The new meaning of security renounces the old one. When a nation undertakes the protection of individual citizens' minimum standard of living, then certain people receive priority, thus increasing the risks for others. Providing economic security for some special interest groups increases the overall economic insecurity for the general population. The provision of security includes both cash transfers and various types of regulation. The extent of government action increases when different types of failures are chosen for special protection.

Some call for the redistribution of wealth in the name of economic justice. Others believe that the government can and should step in to solve society's problems. The underlying premise of both is that the world is perfectible and that man has the means to perfect it through the institution of government and the reason of its leaders. Of course, we know that the world is not perfectible and that the free market has the fundamentally proper view of human nature.

We live in a world of risk and uncertainty. People want and lobby for security. In our democratic society, the demand for security has expanded immeasurably. Many people fear freedom and the burden of responsibility. Government programs have undermined people's personal responsibility. As government has taxed people more in order to take care of them, people's ability to take care of themselves has diminished.

Scarcity always establishes constraints on what individuals can possess. It is not possible for all legitimate human desires to be satisfied. It is also not possible to eliminate all risks. There is no way to legislate risk out of existence.

In addition, there is an innate inequality of men with respect to their mental and physical abilities. People are individuals with regard to their minds and bodies. Each member of the human community possesses inborn differences. It follows that, because every person is unique, they gravitate in different directions in their pursuit of happiness. It is also obvious that individuals can only flourish and realize their individual potentialities if they are permitted to control their own lives free of outside coercion. Capitalism and

democracy have emerged as means for creating the conditions required for personal flourishing.

Unfortunately, during the twentieth century, the government has increasingly controlled people's daily lives. Individual freedom has been sacrificed for a system of rules through which politicians impose their views on what is best for us. The result has been more and more people placing less and less value on liberty and increasingly endorsing the state's regulation of their lives.

Risk-averse people are likely to prefer the assurance, certainty, and protection offered by our government-sponsored welfare programs, including publicly administered health care, retirement, and unemployment insurance arrangements. Citizens in democracies tend to be unwilling to forfeit the protections offered to them even when those protections are of low quality and produced inefficiently and at high cost.

Certainly, the preservation of security is one of the major goals of a social order. However, we need to return to the more narrow classical definition that universally respects security of person, possession, and exchange. The use of state coercion against force and fraud promotes these three securities. Conversely, when the state promotes positive freedom and positive economic rights, it fosters the type of insecurity and public force that a legitimate political and legal system forbids. Practically, everything done by our current interventionist government violates someone's natural rights.

It is a fact of reality that people want protection from nature's uncertainties. People long for security against the vicissitudes of life. The legitimate purpose of government is not to rectify all of the insecurities experienced by citizens. The only conceptually and morally justifiable security that a proper state can provide is security of the person, of possession, and of exchange. It is thus essential to strip government down to its essential functions and restore the individual liberty that has withered away in the name of democracy. The freedom that accompanies a proper government cannot guarantee anything except the right to try to achieve one's dreams. The system most conducive to the flourishing of the human person is the one that governs least.

Not only do we have to make the conceptual and moral case for the classical conception of liberty, we also need to identify the concrete types of security people crave in both the classical and modern senses and explain how most of them will be more available and better provided in a free market. We need to demonstrate how private insurance markets can do a better job at handling insurable risks than can a welfare state system. Risk-averse people need to be convinced that they will fare better in a society governed by a minimal state. People need to be persuaded that private insurance markets can supply protection that is superior to that provided by the Social Security system, government-sponsored welfare programs, and other state-run insurance arrangements. The case must be made that the private sector can do a better job in addressing uncertainty and risk. People need to be assured that the private sector has greater incentives and more flexibility than the public sector and that it should be permitted to increase its efforts to supplant the state's social welfare programs such as health care, disability benefits, old-age benefits, etc.

People ought to be free to use their own resources as they see fit for their own perceived current and future needs and desires. Ending social security would permit individuals total freedom regarding the planning and management of their own futures. Because we are all different and distinct in our situations and value determinations, it follows that no other person or group of persons can do a better job planning an individual's future than the person himself. Not only is America's traditional, government-managed Social Security system a legacy of a failed socialist ideology, it attempts to aggregate and homogenize individuals into wide composite categories of requirements and needs. Social Security and other government social insurance and welfare programs undermine the operation of voluntary market-based solutions to social problems.

Currently, the state impedes citizens' concern for others that is crucial to personal maturation and flourishing by substituting for personal charity. The state gives people an excuse to avoid charity, thus placing an obstacle to individuals' actualization with respect to their potentialities that are other directed. All of us are social in the sense that our flourishing requires a life with others.

In addition, the state assures people that they will be helped if they become needy. Presently, there is a

tendency for people not to trust private charity. As a result, in order to attain the certainty of aid, they are willing to accept the inefficiencies of the public welfare system. A convincing case needs to be made that the state is an inappropriate avenue for people's redistributive impulses and that private charity will fill the gap when private insurance arrangements do not adequately cope with life's probabilistic aberrations.

We need to paint an appealing portrait of what life would be like in a free society—one in which participation in markets and other voluntary associations are encouraged. We need to demonstrate how the moral-cultural system, buttressed by the mediating structures of family, church, private charities, schools, and other voluntary associations, provides a preferable outlet for people's desires to take part in civil society. Things can be done publicly without being done governmentally. What is required is a free market that is circumscribed by a set of ideas and values provided by institutions such as churches, schools, the family, the media, and so on. When left free, people tend to be social, helpful, and compassionate. Civil society offers much greater and better chances for meaningful self-expression and participation than does the political sphere.

Time for Change

We need to return to the political and economic foundation upon which our nation was born. We must strengthen our commitment to individual freedom, free markets, and private property rather than to statist regulatory government. We must rid society of the statist notion that politics and the political process best address people's needs and problems. We must discredit the idea that the state exists to give citizens what they want. We must refute the statist's claim that there is a right to education, health care, etc. The role of the state should be confined to protecting the freedom that allows individuals to pursue happiness or the good that each defines for himself. Step by step we must eliminate government agencies and cabinet departments except for defense, justice, state, and treasury. What would remain would be the executive, legislative, and judicial branches but with greatly reduced powers.

The egalitarian belief that people must be identical throughout society is wrong. Those life forms that are most alike are the lowest life forms. Man, the highest form of life, displays the most diversity and the widest individual differences. A legitimate political and economic system must be firmly based on human nature. A limited "night watchman" government is consistent with man's diversity, rationality, and need for personal freedom. A limited government is consistent with the nature of man and the world, recognizes the variety and diversity of man and his talents, and gives that diversity the opportunity for full expression. A society of free and responsible individuals includes a diversity of tastes, values, desires, and visions of happiness. People should have the maximum chance to select their own way of life, within the constraints of resource scarcity, according to each person's structure of desires and without value judgments regarding the decisions made by each individual, as long as a person does not encroach on the freedom of others to make their own life choices.

Today, our freedoms are invaded by external government controls. The less economic policy, the better. We must reduce as much as possible the weight of the state and increase the jurisdiction of the market. It is not regulation but individual action, private property rights, competition, and fluctuating prices that force adaptation to changing conditions and that promote efficient resource utilization.

A capitalist system is not egalitarian. You cannot achieve excellence and progress unless you have inequality and diversity. Division of labor and specialization are natural outcomes of the multiplicity of natural conditions. Economic progress requires the freedom of individuals to use the diverse talents and localized information that only they can possess. Our material abundance and opportunities for fulfilling work are largely the result of the productivity and creativity of our competitive economic system despite the existence of many bureaucratic barriers.

Progress is difference and change. If individuals were not free to try new things, then we would never have any improvements. In order to have progress, there must be freedom to attempt new advances. Progress is impossible unless people are free to be different. Regulation and controls stifle innovation and experimentation. Bureaucracy gets in the way of change. Capitalism has made advances possible, not solely

in providing life's necessities, but in science, technology, and knowledge of all types upon which human society depends. Freedom attracts innovators and explorers and gives life to their ideas. Freedom for people to act in their own self-interest is the mainspring for a diversity of ideas, innovations, and experiments that lead to the discovery of new products, services, and other means of production.

Progress requires the use of information that exists only as widely dispersed knowledge that each person has with respect to his own circumstances, conditions, and preferences. Such tacit, locationally specific knowledge is only useful if people are free to act upon it. A free market permits prices to emerge from the use of people's localized knowledge. These prices contain more and better information and result in better decisions than what can be achieved under a regime of central planners. Limited government and decentralized markets permit more freedom and foster more prosperity than do state-dominated and centralized bureaucracies.

The free market is superior to central planning regarding the uses of localized information and in combining those uses into an efficient system of production and consumption. Markets spread ideas, encourage the constant search for improvements, and evolve through trial and error, experimentation, and feedback. Markets produce a positive, emergent order.

Technological progress has reduced the ability of the state to control productive processes. Production systems are now smaller, more flexible, and more mobile than they were in the past. By accelerating change and disaggregating the distribution of knowledge, technological advances increase the preeminence of market-based economies. There is an inextricable connection between freedom and technology. Information empowers people. The information age and information technology are the enemies of centralized bureaucracies and totalitarian states. As information, technological progress, and businesses move faster, it will be increasingly more difficult for the state to keep pace. Without doubt, cyberspace and the Internet will permit a more open, participatory economy, thus furthering and enhancing the importance of the free market. Nations based on political control and a centralized economy will be undermined by the free market and the microchip. By giving people access to information, the Internet empowers people and disempowers government.

Cyberspace permits limitless opportunities and empowers the individual. The Internet is making existing forms of commerce more efficient and is fostering the emergence of self-organizing supranational communities. These new virtual communities are bound by common interests rather than by physical borders. The Internet provides immeasurable "space," allows people to choose their own communities, transcends national and cultural boundaries, enhances personal freedom by facilitating the spread of information and ideas, and provides access to a whole new world of goods and services.

The Internet is a medium that can transmit a person's ideas to the rest of the world without revealing his physical location. People are able to erect walls of cryptography in their efforts to create new social experiments. Cyberspace privacy, stemming from the science of cryptology in the private sector, will ultimately take too much effort and cost for the government to break. Widely available, low-cost encryption devices will make it difficult, if not impossible, to keep track of individual knowledge workers who offer their trades on the Internet. Networking tools, such as reforwarders will make undesired identification and location more and more difficult. People will be able to create and exchange wealth without being watched by some sovereign power. Technological progress will alter the production of wealth in fundamental ways and reduce the threat that governments pose to people's liberty and prosperity.

The products of men's minds can be communicated via the Internet, which provides the power to access and to distribute information and ideas. People will be able to take a large part of their productive work and use it to participate in unconstrained commerce within an economic system essentially immune from government surveillance. Of course, the goods most readily traded in cyberspace are an individual's skills and knowledge. Although there will always be products with physical attributes such as steel and automobiles, the majority of the new wealth in the economy will be created in the information industries. Much of the wealth produced in this parallel economy may never exist in the physical world and may not have to be exchanged for government currency in order to be useful in commercial transactions. Wealth can be transferred electronically in the substance of the products and services sold over the Internet and in the

form of newly developed monetary instruments.

Internet currency or payment systems could be specifically developed to the requirements of cyberspace. After all, money is merely an agreement within a community of people to use something as a medium of exchange. In essence, a medium of exchange is an abstract concept. Traders simply agree to buy and sell in terms of an abstract value unit. When people form such an agreement, a money system is established and money is created whenever people pay for a purchase. Trade requires a standard of value relativity. Any number of different commodities could be chosen as the initial standard (i.e., the number 1). Once adopted, the unit forfeits its identity with the community with which it was originally identified and value relativity occurs automatically as commercial transactions take place. In other words, the unit is extricated from the concrete to become an abstract concept.

It is thus conceivable that a connection to external physical objects may not invariably be required to ground the value of money in cyberspace. It may be feasible to establish an independent electronic currency as the share of the world's wealth generated in the cybereconomy increases. The success of any such new monetary unit must necessarily and inherently depend on the consent of the participants in the community. One or more Internet currencies could prosper alongside traditional national currencies. In essence, nontraditional currencies exist today. For example, frequent flyer miles can be used to pay for air travel, hotels, taxis, long-distance phone calls, and so on. We can certainly imagine someone paying us for a service that we provide over the Internet, which we then, in turn, spend on another person's cyberproducts or services.

Technology is the enemy of bureaucrats and dictators. By freeing people from centralized control, technology gives them power over their own lives. Totalitarian governments cannot keep pace with the rewards of freedom in an open society. Free markets always defeat industrial policy.

We need to demonstrate to the world that a free society is good for people. To do this, we need to adopt policies for freer trade and greater international investment. We need to eliminate restrictions on trade and capital flows and to encourage the free flow of information around the world. Globalization can be a liberating process for human beings everywhere.

Of course, there is also still much to be done in the United States that is currently under the influence of an interventionist and regulatory government. The time is ripe to reestablish the philosophy of freedom as the foundation for the American economic system. People are becoming less antagonistic toward business. There is now less confidence in welfare state programs. More and more, people are talking about tax and budget cuts, privatization of some government functions, and spending reductions with respect to Social Security, Medicare, and other government programs. It is time to take steps toward the establishment of a laissez-faire society.

What Must Be Done

In the twentieth century, under the influence of interventionist ideas, American business has been increasingly controlled and regulated by government. The competitive process does not function effectively or efficiently if it is burdened with controls, regulations, and taxes. We need to get government out of the way. We need to roll back the size of government. We need to cut government spending and continue to balance the federal budget. We need to move from an encumbered market economy and intrusive government to a free-market economy and limited government. Although we would like to achieve our goal as rapidly as possible, establishing a fully capitalistic society is a tremendous challenge that will likely take generations to form.

Many practical steps must be undertaken, including, but not limited to, the following: (1) privatizing government property, programs, and functions such as education; (2) reducing and ultimately abolishing income and inheritance taxes; (3) establishing freedom of production and trade by abolishing labor, licensure, antitrust, zoning, and other laws and regulations; (4) instituting gold as money; (5) eliminating Social Security, Medicare, public welfare, and public hospitals; (6) separating government and sciences

because force and the mind are not compatible; (7) ending business subsidies; (8) allowing free trade by eliminating tariffs, quotas, and other protectionist measures; (9) ceasing to be the world's policemen while maintaining a strong defensive military; and (10) eliminating government agencies and most cabinet departments, leaving a minimal state sufficient to protect contractual and property rights and provide for America's defense.

Let's take a look at a few of the above measures, beginning with privatization, which involves the transfer, divestiture, or contracting out of assets or services from the tax-supported public sector to the competitive markets of the private sector. Methods of privatization abound. Commercialization, getting out of a type of business altogether, is one type of privatization. An example of this is cities getting out of the garbage collection business. Governments can contract out to private firms. Governments can also make an outright gift or sell physical assets to a private entity. In fact, it would be best if most government-owned land, natural resources, and tangible assets (except for military bases, courthouses, police stations, and other assets related to government's essential functions) were sold or given away. The government could sell public schools and universities, public hospitals, national parks, the post office, etc. It is interesting to note that the U.S. Post Office is presently experiencing a type of involuntary, market-driven and unintended privatization because of the growing popularity of private mail services, e-mail, and fax machines. Another approach to privatization would be the sale of stock in a newly privatized firm that was primarily state owned. Then there is the issuance of vouchers that can be redeemed in the marketplace thus giving people choices. For example, educational vouchers could be an intermediate step that moves us toward our real goal of totally free-market education.

Recommending and supporting optimal, feasible, imperfect, and partial measures for getting closer to our destination of a free market and a free society can be justified. A compromise such as funding education through vouchers may be acceptable if it facilitates rather than complicates an additional move toward free-market education. Of course, we should always support the ultimate goal of real freedom as the desired end of any such transitional process. For example, a voucher system for education could be "advocated" by free-market proponents if they voiced their support of such a measure as merely an incremental step toward the actual goal of replacing the current system of compulsory statist education with a totally market-based approach to education.

Privatization can be undertaken at all levels of the government. Social Security, the U.S. Post Office, the air traffic control system, Amtrak, electric utilities, electromagnetic frequencies, surplus military bases, and commodity lands are obvious candidates at the national level. At the state level, utilities and prison management are good examples. In addition, there are numerous candidates at the local level, including fire and police protection, waste treatment, parking structures, jails, snow removal, etc. No matter what level, it holds true that the private sector introduces competition, motivation, and accountability and imposes a penalty for poor performance. A state-run enterprise that is assured of its existence regardless of its results leads to mediocre performance at best.

High taxes on income, savings, and investments have hampered business activities and productivity. People and firms should keep more of what they earn. Intermediate steps toward the eradication of income and inheritance taxes could include: (1) the reduction of marginal tax rates and capital gains tax rates; (2) the elimination of double taxation; (3) the expansion of tax credits for research and development spending; and (4) perhaps the replacement of progressive income and inheritance taxes with a flat tax or a consumption tax provided that the amounts raised would be substantially lower than what is currently collected. The tax structure could also be revised to encourage, rather than penalize, capital accumulation. Current laws encourage consumption instead of savings and investment. Capital accumulation is needed to build new facilities, expand and upgrade existing ones, and take on new research and development activity.

We should certainly push for the repeal or reduction of the income tax. We should call for immediate abolition even though the result may be gradual elimination in the end. Some free-market proponents maintain that we should never call for the abrogation or lessening of the income tax while at the same time supporting its replacement with a sales tax or other form of tax, because a sales tax, like any other tax, involves the initiation of force against persons. They believe that it is immoral to support any form of taxation because, by doing so, a person is acting as if the replacement tax is a moral tax. Unfortunately,

income taxation currently exists and we must begin with that fact of reality in our efforts to correct this situation. If the coercive state gives us a choice of ending income taxation if we replace it with a sales or other tax that will extract less money from its citizens, then it should not be regarded as immoral to make use of our restricted choice to cut back taxes and reduce state power.

Not only does regulation drain capital and discourage innovation, it is morally wrong and ought to be abolished. We must accelerate the trend toward deregulation. Innovation and change depend on freedom. Often, requests for state-mandated licensing requirements, tariffs, quotas, and other regulations come from business leaders. What they are looking for is not freedom but security for their own interests. The freedom they seek is freedom from the uncertainty of competition while saying that it is competition that they want to protect. Many interventions are government responses to disguised pleas that result in the forced transfer of wealth to those lobbying for the regulation. Competition does not have to be protected or created. It is built-in to the nature of man. Antitrust laws attack the activities by which the businessman attains his profit, market share, and other goals. To secure profits, businesses typically innovate in ways that temporarily lead to monopoly power. In a proper and moral free-market system, business must be permitted to enjoy their profits as long as they did not result through the use of force or fraud. We must keep government from stepping in at the first indication of monopoly power.

Our country must have real money, a sound currency. If we are to have freedom, we must abolish inflation. When additional money is pumped into the economy, inflation results, malinvestments distort the economy, and the value of money is gradually eroded. We must end the deceptive inflation that has destroyed economic stability. A 100 percent gold reserve standard will end inflation by taking the power to inflate away from the government and the banking system.

One of our greatest threats is government control over money. The legal authority to print unlimited amounts of money provides government with the power to confiscate wealth through the hidden tax of inflation. Through the central banking mechanism, the government achieves monopoly control and management of the supply of money. A central bank and central monetary planning are currently widely accepted as indispensable monetary institutions to attain economic stability. When government controls the money supply, it has the capability to create inflation, redistribute wealth, produce misallocations of capital and labor, distort the structure of relative prices, and so on.

The government controls the banking system through its power to determine the amount of loanable funds to which financial institutions have access. There is no feasible way that the Board of Governors of the Federal Reserve System know what the value of money ought to be, what the effect of money supply changes will be on market interest rates, or what impacts their actions will have the savings and investment decisions in the economy.

It is no wonder that many free-market supporters are calling for an end to the government's monopoly control over money. This could be accomplished through the repeal of legal tender laws and the Federal Reserve Act and by abolishing the Federal Reserve System. As a result, monetary and banking institutions in the United States would be totally privatized and liberated from government regulation and control. The denationalization of money would depoliticize the process of money creation and eradicate the state's manipulation of interest rates and savings and investment decisions in the private sector. In essence, private individuals would establish the commodities to be used as money and the type of financial institutions utilized in the savings and investment process.

The private sector must be permitted to expand its efforts to replace the government's social welfare programs. It cannot be disputed that the private sector has stronger incentives and more flexibility than the public sector with respect to the provision of arrangements for people to achieve personal security. Such programs would not only exist, but would flourish, in private markets.

Science delineates the conditions under which men must act and explains the effects of man's courses of action. Science is the process of reason, the opposite and enemy of force. Force is the province of government. Opponents of freedom argue that if scientific research is to be done, it must be done by the state because the vast resources and capital required could best be obtained by the government. However,

all aspects of man's existence should be subject to the study and judgment of the intellect, man's distinctive attributes that can only operate apart from the coercion of others. By nature it is morally wrong for the scientist to surrender his mind to the wielders of coercion. In addition, the private sector is capable of funding and conducting scientific research. The private sector has been responsible for many of men's most important scientific advances such as smallpox vaccination, polio vaccine, the discovery of the structure of DNA, the discovery of penicillin, and so on. The cost of science may be high, but so are the rewards.

By now the reader has probably observed that the above discussion is concerned with the procedural or practical steps that need to be taken in order to move toward a society of laissez-faire capitalism. However, we must realize that the institutions of any society stem from the ideas of the majority of the influential people in that society. If we are to attain our goal of a capitalistic society, we must get influential people to change their ideas. These ideas will then filter throughout society. By reaching people interested in ideas we can help spread the philosophy of freedom. Ideas are the forces that shape our lives and the world we live in.

Education, Persuasion, and Conversion

Ideas are the most powerful forces in the world and the motive power of human progress. There already exists a body of well-articulated, theoretically consistent, systematic, and intellectually sound defenses of capitalism which expound the principles of traditional liberalism, voluntary cooperation, and individual freedom and which expose the errors of collectivism and coercionism. As moral warriors for capitalism, it is our aim to disseminate the conceptual and moral foundations of a free society. To do this we must express the ideas underlying the free market and limited government in the clear, cogent, and non-technical language of the layman. We must introduce people to the idea of the free market as a moral institution and not solely as a means for efficient production. Effective freedom education not only imparts knowledge of economic principles, but also seeks to develop a sense of rightness, self-reliance, and responsibility.

We need to market our ideas. To do this, we need accessible, interesting, and exciting works presenting the case for freedom and against collectivism. Our goals are to strengthen and hearten those who already accept the freedom philosophy, to convert collectivists and advocates of interventionism (who apparently hold mixed premises) to the principles of individual freedom, and to teach the intellectual and moral principles underlying a free society to those in upcoming generations who will become our future intellectual leaders and masses.

As change agents, we must convert people's political and economic philosophies to the philosophy of freedom. Movement toward a free society must be preceded by an educational campaign. To recruit others to the philosophy of freedom, we must educate, persuade, and convert. We need to convince a sufficient number of people of the rightness of our ideas. When we are communicating our ideas to others, we must be able to apply abstract principles to concrete situations, to recognize principles in particular cases, and to apply and support consistent courses of actions across various issues.

Building a free society is an intellectual adventure requiring a great deal of courage. We must be dedicated to preserving and strengthening the ideological and moral foundations of a free society. We must engage a large number of people who understand that free enterprise must be defended on moral and conceptual grounds and who are dedicated to doing so. We need to be willing to work for an ideal, adhere to the principles of a free society, and fight for their full realization. Capitalism needs its teachers, defenders, champions, and exemplars.

What can we do to move toward our destination? First of all, each of us has to order and integrate his own thoughts and make certain that they are consistent to the best of our ability and intelligence. We must be able to explain what capitalism is and the reasons why any rational person should respect it and support it. We must fight apathy and affection for the state. In addition, we must be able to recognize and refute collectivist errors so thoroughly that even collectivists themselves are able to recognize and acknowledge them, and perhaps even abandon their beliefs. We must also be able to assault intellectual obstacles to a free society such as public education, antitrust laws, regulations, social security, the welfare state,

communitarianism, cultural relativism, environmentalism, and so on. And certainly, we must not take actions to seek out government protection and subsidies for our own businesses and industries nor spend time and effort in order to obtain personal favors from the government.

The effective marketing of the freedom philosophy involves the positive case for choice and individual responsibility. It requires the power of attraction and cannot depend on coercion. While making a lucid and compelling case for liberty, one must maintain a respectful tolerance for the contrary beliefs and opinions of others. In a free society, the only appropriate means of attempting to change other people's minds and actions are reason, persuasion, and example. One cannot force his subjective value structure upon a resistant recipient without taking away that person's freedom of choice and action.

Each of us needs to be an unceasing student who never stops learning about the philosophy and practice of freedom. This will enable us to improve our abilities to communicate ideas and to persuade others. Because a free society will not exist unless a sufficient number of people believe in a free society, we must learn both theory and facts and attempt to convince others of the correctness of the freedom philosophy. We need to make libertarianism relevant to people in the real world. We must be able to convincingly make the case for liberty and motivate people to embrace it. The first priority of each friend of freedom is thus to educate himself.

To foster freedom, each of us must read and study in order to be prepared when we find the occasion to defend liberty verbally or in writing. By refining our ideas and arguments, we will be able to argue honestly and convincingly for a system that both works and that is appropriate for human beings. It is personally rewarding to improve one's understanding of free enterprise and his ability to explain its principles to others. Seriously advancing the cause of liberty can be a great source of joy and self-fulfillment.

We have numerous interactions with individuals during our everyday lives. It is especially through these interactions that we can transmit the freedom philosophy to the general public. In this way, we can make progress toward changing the fundamental beliefs that are held by members of our society. Foundational ideas usually change slowly, but the fact remains that they can and do change. Our goal is to bring about an evolution (or preferably a revolution) in the way people view the proper role of government.

When we engage in discussions regarding the ideas of liberty with friends, colleagues, and acquaintances, we must use precise language and communicate our ideas persuasively and effectively. We must be able to predict the objections and reactions of others and must not attribute sinister motives to those who disagree with us. Most are reasonable and civil people who are simply mistaken in their beliefs. Consequently, we should approach them with a good will, explain our ideas calmly and without exaggeration, avoid the use of offensive or forceful exposition, refrain from the use of personal attacks, and never be antagonistic.

Those of us who are educators can teach libertarianism implicitly by communicating and defending the preeminence of reason and the fundamentality of natural law with our students. We can teach them that if the foundation is not solid, then neither will anything else be. We can emphasize the essential role of abstract principles and systematic theory. If we can get students to apply their reason to the real world, then they will have the ability to perceive the moral bankruptcy of collectivism and to discover and espouse the intellectual and moral foundations of freedom.

It is of no use fighting other libertarians when trying to spread the philosophy of freedom. Theoretical attacks and nit-picking should be avoided in our efforts to popularize libertarianism. Although genuine theoretical differences may exist between various brands of Austrians, classical liberals, Objectivists, anarchists, and so on, these disputes are certainly of little or no relevance to potential converts and newcomers to libertarianism. We need to be knowledgeable, dedicated, and nonparochial in our efforts to spread our message.

We must call people's attention to the conceptual and moral principles of a free society and convince individuals to support these principles. We can talk to our friends and associates, write articles and books, take part in conferences and seminars, give lectures, organize campus youth, donate free-market books to public and college libraries, arrange nonviolent demonstrations against governmental injustices, write book

reviews, write letters to the editor, and take part in other peaceful activities that have a libertarian society as their ultimate goal.

We can teach through our actions when we consistently practice the principles we advocate and defend. It takes moral courage to apply principles consistently. Because discernment is necessary for a moral life, each of us needs to use our rationality to distinguish between measures we should take and those we should not take and government products that are appropriate for us to use and those that are not proper for us to use. To do this, we must apply general principles to highly diverse, concrete contexts. We must do our best to adhere to consistent tenets of liberty. We must attempt to live our lives consistently with the principles and beliefs we profess. By doing so, we can positively attract people interested in our actions and in the rationale underlying our actions. Through our conduct and our ability to explain our conduct and how it is based on the philosophy of freedom, we can become persuasive for freedom both in word and in deed. We can thereby encourage others to “do freedom.”

The particular actions chosen by any one of us to advance the idea of freedom depends upon each individual’s circumstances, value structure, perception of reality, and rationality. Most of us will certainly choose to drive on state-funded roads. Of course, we are free to concurrently offer our preference and perspective on the desirability and practicality of the adoption of a system of private roads in the future. We can certainly articulate our preferences regarding prevailing norms. What about the state’s postal services? Perhaps we should use E-mail, fax machines, and private mail services, whenever practicable, instead of submitting to the governmental system. Should we vacation at a national park, go to a concert or sporting event at a tax-subsidized auditorium or arena, or attend (or teach at) a state university? With respect to positive actions we might decide to home school, buy over the Internet or at garage sales, thus avoiding sales taxes, and so on. Whatever our specific choices, we need to commit to doing specific things. When we practice the freedom philosophy, we will help to spread the concept to liberty to others.

As long as there are people interested in truth, we will be able to make a difference. There is great reward in seeking and expressing truth and principle. Our goal of a durable free society is realistic and could be achieved if enough people supported the freedom philosophy. Every believer and practitioner of this life-promoting theory is a marketer for that system of beliefs. We must work in and through other people in order to get them excited about and dedicated to furthering the prospects of a free society. We have tremendous opportunities because each of us simultaneously participates in numerous associations with others. We can master and clearly present abstract systematic free-market theory in a readily accessible manner, advocate specific measures moving America in the right direction, discern ways in our daily lives in which we can practice the freedom philosophy, and create attention-creating devices such as slogans through which we can attract potential new believers. We must each use our rationality to select the actions that will consistently and constantly bring us toward the future free society in which we would want to live. In a sense, if we fight for that future, we live in that future.

The dissemination of knowledge to a wide audience is essential for the success of the free-market movement. Today, there are numerous high-quality free-market-oriented organizations and think tanks that encourage people to embrace the ideas of liberty and that deserve our support. Included in this group are the Acton Institute, Advocates for Self-Government, American Enterprise Institute, Ayn Rand Institute, CATO Institute, Center for Libertarian Studies, Center for Market Processes, Competitive Enterprise Institute, Foundation for Economic Education, Future of Freedom Foundation, Henry Hazlitt Foundation, Independent Institute, Institute for Humane Studies, Libertarian Alliance, Liberty Fund, Ludwig von Mises Institute, Objectivist Center, Reason Foundation, Smith Center for Private Enterprise Studies, and Students in Free Enterprise. Many more comparable organizations appear in the appendix to this book.

In addition to the availability of a great number of libertarian books, there is also a large selection of outstanding free-market journals and magazines such as *The Cato Journal*, *Critical Review*, *The Free Market*, *The Free Radical*, *Ideas on Liberty*, (formerly *The Freeman*), *The Independent Review*, *Journal of Libertarian Studies*, *Journal of Markets and Morality*, *Liberty*, *The Mises Review*, *National Review*, and *Reason*. Again, please see the end of this work for a more complete list. On top of these, we have several world-class libertarian newspaper columnists such as Walter Williams and Thomas Sowell. On television, however, we currently have only one reporter who objectively, consistently, and convincingly defends

capitalism—ABC’s John Stossel. There is a clear need for a new generation of television reporters who champion free enterprise or who, at least, are not prejudiced toward business.

Perhaps the real future of libertarianism is in cyberspace. Web publications suit the freedom philosophy. When a person publishes on the Internet anyone in the world can read his ideas. Not only is it easy to link from one Web page to another, each of us can communicate directly with our targeted audience through email, chat rooms, and so on. The unregulated Internet permits a diversity of views and cannot be easily controlled by politicians and governments. The electronic environment does not lend itself to the purposes and methods of the state. Web sites are accessible to the general public and can be used by dedicated and knowledgeable libertarians to spread their message. The Internet can be an excellent tool to diffuse libertarian ideas throughout society, both among opinion leaders and average citizens alike. Many freedom-oriented organizations and individuals have their own Web sites. Some publications appear both in tangible and Internet versions. Other journals and magazines exist solely in the electronic frontier. In addition, large numbers of new libertarian communities and nations are being developed in cyberspace.

We must work to create a culture of liberty that would serve as the foundation for a free society. Attitudinal and behavioral changes are a function of culture. Because the required cultural changes cannot be legislated, we need to study the cultural and nonrational factors that affect people’s attitudes toward political, economic, and moral-cultural freedom. It is essential for us to be culturally aware, acknowledge the importance of culture, and appreciate insights from a diversity of disciplines.

There is a crucial need for cultural intellectuals who can help spread the philosophy of freedom to the general public. There are currently very few libertarians in the media and academia who we can depend upon to advocate a free society. We must work to lessen the prevalent bias against capitalism in newspapers, magazines, novels, plays, television programs, philosophy and history books, and so on. For years, the media have consistently and persistently attacked capitalism, commerce, and the premises of classical liberalism. We must cultivate a new generation of artists and reporters who will help to disseminate the ideas of liberty. Currently ABC reporter, John Stossel, stands above all others as an objective and staunch defender of the free market and critic of the failings of government. His specials, *Greed* and *John Stossel Goes to Washington*, are excellent vehicles for evangelizing people to believe in freedom. His works present the essential case for political and economic liberty in an interesting and highly accessible form.

In *Total Freedom*, Chris Matthew Sciabarra cautions us not to reduce the study and defense of freedom to economics or politics with an inadequate understanding of the interconnections between the philosophical, the historical, the personal, and so forth. Sciabarra’s message is that libertarians need an effective strategy that recognizes the dynamic relationships between the personal, political, historical, psychological, ethical, cultural, economic, and so on, if they are to be successful in their quest for a free society. He explains that attempts to define and defend a nonaggression axiom in the absence of a broader philosophical and cultural context are doomed to fail. Typical libertarian opposition to state intervention is not enough. Libertarians must pay greater attention to the broader context within which their goals and values can be realized. The battle against statism is simultaneously structural (political and economic), cultural (with implications for education, race, sex, language, and art) and personal (with connections to individuals’ tacit moral beliefs, and to their psychoepistemological processes). The crusade for freedom is multidimensional and takes place on a variety of levels with each level influencing and having reciprocal effects on the other levels.

It is possible to analyze society from different vantage points and on different levels of generality in order to develop an enriched picture of the many relationships between the various areas involved. Change must occur on many different levels and in many different areas. It cannot just be dictated from the political realm, but must filter through all of the various levels and areas. Any attempt to understand or change society must entail an analysis of its interrelations from the perspective of any single aspect.

People need to understand both the necessity for objective conceptual foundations and the need for cultural prerequisites in the fight for the free society because some cultures promote, and others undermine, freedom. Freedom cannot be defended successfully when severed from its broader requisite conditions. We must attempt to grasp and address all of freedom’s prerequisites and implications.

Although we need to always keep our ultimate goal in mind, realism is required. Even though we should urge the immediate eradication of most government activities, their gradual elimination is more likely. Short-run or intermediate goals (e.g., tax cuts or tax reforms such as a flat or sales tax that reduces tax revenue) that have a good chance of near-term adoption are acceptable as long as we realize that they are only transitional steps toward our final goal. A compromise such as funding schooling through vouchers or tax credits would at least be an incremental step away from totally publicly run schools. Likewise, we should welcome the piecemeal privatization of any of the government's operating activities except, of course, for defense against both external and internal aggression.

The gradual breakdown and crises of the reigning welfare-state paradigm enhance our future prospects for a free society. Only a free society is compatible with the true nature of man and the world. Capitalism works because it is in accordance with reality. Capitalism is the only moral social system because it protects a man's mind, his primary means of survival and flourishing. Truth and morality are on our side. Our battle is intellectual, moral, and cultural. Our message should appeal to all individuals and groups across the public spectrum. Let us hasten the demise of statism and the establishment of a free society by working individually and in concert with others to educate, persuade, and convert people to a just and proper political and economic order that is a true reflection of the nature of man and the world properly understood.

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