

*The Myth of the Rational Voter: Why Democracies Choose Bad Policies.* By Bryan Caplan. Princeton University Press, 2007.

## I. INTRODUCTION

CAPLAN (2007) IS LIKE THE little girl with the curl: when this book is good, it is very, very good; when it is bad it is horrid.<sup>1</sup> This review is organized around the following headings: in section II we deal with the good, section III is devoted to the bad, and in section IV we deal with the truly horrid. I conclude in section V.

## II. THE GOOD

Let us begin on a positive note. This publication has several things going for it, all of them very rare and important.

The thesis of this book is *correct*, and this alone is no mean feat. Why is it that democracies such as the U.S. widely support such obviously counter productive policies as minimum wage laws, rent control and tariffs? Caplan rejects as an incomplete explanation the familiar notion that minority concentrated special interest groups are able to trump the public good that would be enjoyed by the majority: the disparate electorate is too unfocussed to vote for their own interests. Instead, he offers the view that voters are *irrational*; as individuals they lose nothing from indulging in their pet erroneous theories in the ballot box; hence, since there are no negative repercussions from so

---

Walter Block is the Harold E. Wirth Eminent Scholar Endowed Chair and Professor Economics in the College of Business Administration at Loyola University New Orleans. I wish to express a debt of gratitude to Sudha Shenoy for her insights on this issue. All errors are my own, of course.

<sup>1</sup>All otherwise unidentified page references are to this one publication, Caplan, 2007.

doing, at least as *individuals*, this anti social and anti economic behavior persists.

No one who has his finger on the pulse of the electorate's behavior can doubt this. Speaking from my own experience as a college instructor of economics, the preponderance of opinion expressed by my introductory students in economics illustrates and exemplifies the four fallacies uncovered by Caplan: anti market bias, anti foreign bias, make work bias (there are only so many jobs to be done, and if someone hogs up some of them, by working harder and smarter or with better tools than others, there will be just that much less work to be done, and this is the cause of unemployment), and pessimistic bias.

Caplan brings something truly unique to the table. It would be one thing if economists had been silent on this issue of irrational, biased and ideologically intent voters. Worse, virtually all of them have been wrong with regard to it, dead wrong. Caplan (207) speaks no truer words when he says: "If I am right, then a good deal of published research (on this matter) is wrong."<sup>2</sup> Most members of the economics profession have been modeling what the average citizen does in the ballot booth along the lines of how he acts at the check out counter. But, says Caplan (206), "the analogy between voting and shopping is false. Democracy is a commons, not a market." Even had this author's insight that voters indulge their personal biases not been new it would still have been valuable. But this book constitutes a fresh look at the matter, and that makes it even the more precious.

Our author takes a thoroughly deserved pot shot at the public choice school of thought, a perspective that has been given far too much of a free ride in my opinion.<sup>3</sup> No book that accomplishes this one task, and *Myth* certainly does this, can be all bad. In the view of Caplan (209): "Once a few pioneer analogized politics to markets, however, there was an unfortunate bandwagon effect. It is time to jump off the bandwagon." Yes, indeed.

This paragraph alone on the minimum wage law is worth the full price of admission (124): "... most people reject the view that pushing up wages increases unemployment. When I teach intro econ, linking unemployment and excessive wages frequently elicits not only students' disbelief, but anger: How could I be so callous? But irrationality about labor demand is selective. What happens when my outraged students reach the 'Salary Requirements' line on

---

<sup>2</sup>Material in brackets inserted by present author.

<sup>3</sup>For more criticism of this school of thought, see DiLorenzo, 1990; Block and DiLorenzo, 2000, 2001; DiLorenzo and Block, 2001; Rothbard, 1989A, 1997.

job applications? They could as for a million dollars a year, but they don't. When their future rides on it, students honor the economic truism that labor demand slopes down." I am writing this right before the beginning of the fall semester, 2007. I am *dying* to pull this one on my next batch of students. Thanks to Caplan, I now can.

This author is a master of the *reductio ad absurdum*. He employs it to good effect with regard to (127–139): Jain nudity, Mosca and Jihad, suttee, Lysenko, betting. In this regard he asks (137): "How many refrain from buying appliances because it 'destroys jobs'?" With this single sentence, he beautifully focuses on the essence of Hazlitt (1979).

Caplan (159) offers us a critique of the self interested voter hypothesis. SIVH is the notion that people vote their pocketbooks, not their ideologies. He argues that "the elderly are not more in favor of Social Security and Medicare than the rest of the population"; that men are more pro choice than women; that males vulnerable to the draft support it at normal levels.<sup>4</sup>

Regarding Medicare and Social Security, many elders have saved up enough money to take care of themselves financially. This makes these programs less of an issue than would otherwise be the case from the perspective of self interest. Also there is continual public discussion of the burden on the young regarding especially Social Security and how future generations might not get anything in return for their present payments. Many old people have grandchildren.

They also have two financial ends they would like to achieve. One is paying for their retirement and healthcare and second is to leave something to the grandkids when they pass away. These two issues may counteract each other. Some of the elderly may not wish to burden the youth while others may want to get what they can money-wise from the government institutions, to which they have been paying taxes ostensibly for these purposes for these many years. Thus their ends may not necessarily be monetary.

Men are more pro-choice than women? This too can be adduced to self interest. How many fine young beer-guzzling dope-smoking

---

<sup>4</sup>In an earlier version of this book review (Block, 2007A), I was much more supportive of Caplan on this particular point. However, a good friend of mine who shall remain anonymous properly accused me of being "soft on Caplan" and convinced me of the error of my ways. In the material in the text on this topic I was heavily guided by his thoughts. Very surprising to me, Caplan (2007B) in his reaction to Block (2007A) interprets it as a positive review. Well, partially.

men would like to impregnate their girlfriends with all the attendant complications of unwanted children? That would be a total party bummer. It is the same with men supporting breast cancer research; it not only women who value these aspects of the female anatomy.

Now consider young males and the draft. Many think they are young and stupid with illusions of invincibility, glory, and “defending” the country. In their view, if a few testosterone smitten high time preference young men join voluntarily at a time no other country is powerful enough to attack us, there are ten times as many only willing to talk big about how they would go to war. It is once again a case of different ends. To some it seems like a dumb thing to do, but if you desire to see yourself as some sort of valiant crusader and last defender of the country if need be, then it is entirely a different story.

A case can thus be made that all these people are at least in part self-interested. They just have peculiar ends that don’t fit commonly accepted stereotypes. If we learn anything from Austrian economics it is that values are subjective.<sup>5</sup> There may well be more than one motivation underlying these values.

Further, it is difficult to see how one can so easily distinguish acting out of ideology and out of self-interest. This is because people must pick an ideology through human action. They choose these ideologies for various reasons and one of them is the removal of felt uneasiness about the world around them.

According to what we might extrapolate from Caplan’s world view, a person who goes to church every Sunday is completely irrational. This action is just a waste of time.<sup>6</sup> Thus it would be entirely an ideologically based action. But to the religious practitioner there are plenty of self-interested reasons for this practice. The person may find peace and comfort there in God. He could feel more at ease about the world not being such a bad place, be “forgiven” for sins, etc.

Take the case of voting “ideologically.” Let’s say a New York City Limousine Liberal consistently votes for leftist politicians even though he knows they will raise taxes specifically aimed at him and his ilk. According to Caplan, he is voting ideologically and not out of self-interest. But self-interest should not be defined so narrowly in

---

<sup>5</sup>States Hayek (1979, 52): “And it is probably no exaggeration to say that every important advance in economic theory during the last hundred years was a further step in the consistent application of subjectivism.” I owe this cite to Ludwig van den Hauwe and to a friend of mine whose identity shall remain anonymous.

<sup>6</sup>Stipulate in this regard, *arguendo*, that such a practice does nothing to benefit them in life directly.

terms of *homo oeconomicus*. How else can such a not totally unusual voting pattern be explained? When this rich socialist drives around town<sup>7</sup> and sees poor people, he feels uneasy.<sup>8</sup> If he supports this punishment on himself (additional taxation), he deals with the uneasiness he feels about the world and his great wealth disparity in which he see himself as on the exploitative side.

The same thing was practiced by Christians during the Black Death. Hundreds would walk from town to town whipping themselves for their sins which were supposedly causing the plague.<sup>9</sup> They persisted even after the Church told them it was useless and ordered them to cease. The whipping was “ideologically” driven and was done out of self-interest. It helps the people being whipped deal with *great* uneasiness they felt about the world around them. The uneasiness of the Black Death was so huge that this idea of removal of uneasiness went to extremes. But it is no surprise that a rich New York Liberal Capitalist victimized to a sufficient extent by anti-capitalist propaganda will “whip” himself to the extent of a small additional 1–4% taxation out of guilt also. But it is not that he just whips himself; he in fact enjoys the whipping because he has removed some felt uneasiness about the world, whether the taxation actually helps or not.

All things taken together, *The Myth of the Rational Voter* is a plus: the positives far outweigh the negatives. I am glad I read it. I learned a lot from it. I underlined, perhaps, one quarter of the sentences in it as being important. I would recommend it, highly, to any other economist. And also, certainly, to the layman.

---

<sup>7</sup>Well, is driven around by his chauffer.

<sup>8</sup>I don't say that Milton Friedman, who here reveals himself as *not* a “market fundamentalist,” is a limousine liberal. However, his views are eerily similar (1962, 191) to theirs: “It can be argued that private charity is insufficient because the benefits from it accrue to people other than those who make the gifts—again, a neighborhood effect. I am distressed by the sight of poverty; I am benefited by its alleviation; but I am benefited equally whether I or someone else pays for its alleviation; the benefits of other people's charity therefore party accrue to me. To put it differently, we might all of us be willing to contribute to the relief of poverty, *provided* everyone else did. We might not be willing to contribute the same amount without such assurance.... Suppose one accepts, as I do, this line of reasoning as justifying governmental action to alleviate poverty..”

<sup>9</sup>[http://historymedren.about.com/od/theblackdeath/a/greatmortalityb\\_2.htm](http://historymedren.about.com/od/theblackdeath/a/greatmortalityb_2.htm)

### III. THE BAD

With this very positive review so far, the reader may be excused for thinking that I am a big fan of this book. I am not. For, as important as are the positive characteristics of this volume, there are strong negative ones as well. I would be derelict in my duty did I not mention its flaws. These are many and serious.

This publication was written by a neoclassical economist, not an Austrian. It thus comes replete with all sorts of economic fallacies. Also, my previous experience with Caplan was that if he was not a praxeologist, at least he was a libertarian. Sadly, it is difficult to defend this point in the present case. Let us consider some specifics.

Caplan (3) thinks there are “innumerable ways that markets can fail.”<sup>10</sup> There are no such things, mainstream economists like Caplan to the contrary notwithstanding.<sup>11</sup>

---

<sup>10</sup>In the text, I am interpreting Caplan literally. To say that markets “fail” is certainly a pejorative. Such a statement per se supports the “mixed economy,” where government steps in to improve the institution of the free market, which has “failed.” At the very least, it leaves the door open for this sort of interventionism. However, I could have interpreted this author in much more generous way (I owe this point to Ed Stringham). I could have done so in view of his many other writings which can only be characterized as well within the “market fundamentalist” laissez faire capitalist philosophy he so viciously derides in this book but supports elsewhere on numerous occasions (for more on this see below). I could have said that all Caplan means by this ostensibly socialist statement about “failure” is that markets do not meet all optimums of the neoclassical efficiency standard. If Caplan limited himself to saying that, I would certainly agree with him, and not criticize him for supporting this perspective. In my view, *nothing* can attain the unrealistic optimums of neoclassical efficiency standards, since they are self contradictory.

But there are good and sufficient reasons for not interpreting Caplan in any such unwarranted positive manner. First, he is a very careful and cautious author. He takes great pains throughout this book to clarify any statement open to misinterpretation, suggests exceptions to his own theses, gives numerous examples so that he cannot possibly be misinterpreted. He could have done so at this very point, but choose not to do so. Second, such a generous interpretation might conceivably be justified in a refereed peer reviewed economics journal. But *Myth of the Rational Voter* is aimed at a mass market. It is doubtful in the extreme that much if any of his readership will interpret “market failure” in any other way than I have done in the text.

In this review I am determined to comment upon what *Caplan actually wrote in this particular book*, rather than on what I think he should have written, or might have written, or actually *did* write, but only elsewhere.

<sup>11</sup>Caplan (95) at least partially contradicts the statement in the text: “In the fifties and sixties, economists got used to calling imperfect information a

But what about externalities? Says our author (13): “In my view, democracy fails *because* it does what voters want. In economic jargon, democracy has a built-in *externality*. An irrational voter does not hurt only himself. He also hurts everyone who is, as a result of his irrationality, more likely to live under misguided policies.” This, of course, is not a *market* failure. Rather, it is one of *government*, and the *political* system. In sharp contrast, in the *private* sector, for example in stockholders’ meetings, or private clubs, those who choose irrationally most certainly do hurt themselves. Too many mistakes, and they no longer have the wherewithal with which to buy shares of stock or pay dues. But suppose the XYZ corporation or the chess club is filled with arbitrary and capricious shareholders or members. They are a majority; there is nothing a rational owner or participant can do to keep them from indulging in the folly of their ways. He then has an option entirely closed off to the member of the political electorate: he can *sell* his shares in XYZ, wish bad cess to its foolish owners, and invest in a better corporation or other type of economic instrument where the grass is greener. He can easily quit the ABC chess club, and join the DEF one. Under the private enterprise system, these so called “externalities” thus tend to become internalized.<sup>12</sup>

What about public goods? Are they not market failures? Once again, this applies, but only under statism. In the fully free economy, the voting public can “be damned.” Their deleterious opinions are powerless to violate the rights of the others. We can also apply the *reductio ad absurdum* to the entire theory: it is impossible to preclude all non payers from enjoying any good. And there are always unused resources in any real world economy; thus there is never full rivalrousness. According to this doctrine, then, the entire economy should be socialized, since public goods are everywhere.<sup>13</sup>

Then there is monopoly as a so called market failure. Caplan (34) errs here too: “Economists obviously acknowledge that monopolies exist.” Nonsense on stilts. Monopolies are but government grants of

---

‘market failure.’ On reflection, though, the best example of this so-called market failure seemed to be democratic *government*.”

<sup>12</sup>For a critique of the externalities argument as a “market failure” see Block, 1993; Cordato, 1992; Hoppe, 2003; Lewin, 1982; Rothbard, 1982A; Terrell, 1999. For a criticism of the general argument from market failure, see Cowen, 1988.

<sup>13</sup>For more on the fallacies of the public goods argument for “market failure” see Barnett and Block, 2007; Block, 1983, 2003A; Cowen, 1988; De Jasay, 1989; Hoppe, 1989; Hummel, 1990; Osterfeld, 1989; Pasour, 1981; Rothbard, 1985; Schmidtz, 1991; Sechrest, 2004.

special privilege, and cannot exist in the free market. Yes, yes, there can be industries with very few, even only one, competitor. But this is no more a monopoly than any other form of industrial organization. Rivalrous (e.g., Austrian) competition simply has nothing to do with the number of competitors. It has all to do with whether or not there are legal restrictions on entry. Even when IBM and Alcoa were the only competitors in their respective fields, they were highly competitive; they were continually struggling to offer a better product at a lower price to their customers. In sharp contrast, there are thousands of taxis in major cities, but they are not competitive in the economic sense, since they cannot lower prices, nor are outsiders legally allowed entrance to compete against them. In any case, the definition of an “industry” is always arbitrary. Tourism, pianos, sailboats, education, automobiles, etc., all compete with each other for the consumer dollar, but are never considered part of the same industry.<sup>14</sup>

What is so infuriating about this episode is that Caplan himself (175) shows strong evidence of supporting the Austrian perspective on this matter, and rejecting that offered by the neoclassicals. He asks plaintively “Am I ‘attempting to monopolize’ the market for books about economics right now?,” acknowledges that this “law verges on meaninglessness” and calls it “ambiguous”(175). It is very difficult to reconcile these keen insights with his rejection of Austrian economics (Caplan 1996), given that members of the Austrian school are the only ones to systematically reject the claim of “market failure” due to monopoly, and with it all calls for anti trust legislation.

Caplan is equally problematic on the issue of “market monopoly” (110). Let me assure him, there is and can be no such thing. A monopoly implies a restriction on entry, but this is logically incompatible with a market. To the extent that a true free market exists, there are no legal entry restrictions, and hence it is a logical impossibility for there to be a monopoly. Of course, for neo classical economists such as Caplan, entry restrictions are only a sufficient condition for monopoly, not a necessary one, as it is for Austrians. For him, if the numbers of corporations are few enough,<sup>15</sup> that alone, hard as this is to believe, constitutes a monopoly. So it is a market failure if

---

<sup>14</sup>For support of these contentions, see Anderson, et al., 2001; Armentano, 1991; Block, 1977, 1994; Block and Barnett, 2009; Boudreaux and DiLorenzo, 1992; DiLorenzo, 1997; DiLorenzo and High, 1988; High, 1984–1985; McChesney, 1991; Rothbard, 2004; Shugart, 1987.

<sup>15</sup>Please do not ask “How few?” That would be impolite.



entry is unrestricted by law, but there are fewer firms in an industry<sup>16</sup> than Caplan and his cohorts think there should be. For shame.

But acceptance of “market failure” by no means exhausts Caplan’s neoclassical and anti libertarian mistakes. Let us consider several other difficulties:

He errs by classifying opposition to tradable emissions rights (TERs) as an instance of anti market bias (33). Not so. Rather, TERs are akin to tradable rape or murder rights. Pollution is necessarily an invasion or violation of property rights. It constitutes a trespass of smoke and dust particles emanating from the aggressor to the lungs or land of another person. As such, there is not and cannot be a “right” to do so. Just because TERs “get you more pollution abatement for the same cost” (33) does not gainsay this fact. Tradable murder or rape or assault and battery “rights” would undoubtedly function in the same manner (McGee and Block, 1994), but this does not in any way render them compatible with libertarian theory.

According to Caplan (36), “Almost all economists recognize the core benefits of the market mechanism; they disagree only at the margin.” It is difficult to square this statement with the fact that more than 600 members of this profession<sup>17</sup> signed a statement to the effect

---

<sup>16</sup>“Industry” is defined so as to make this so. For example, if there are too many firms in the food industry to justify an anti trust action, its definition can be narrowed so as to include only bread and cereal. If the concentration ratio is still too low (no objective criteria are ever given to justify such a judgment) what is meant by an industry can be refined even further, say, to breakfast cereal. If this is still deemed too expansive by those on a witch hunt for “monopoly,” we can move to non sugar breakfast cereal, or, to non sugar breakfast cereal produced in Louisiana, or, to non sugar breakfast cereal produced in New Orleans. Eventually, a high enough concentration ratio will be created. Whoop di do.

<sup>17</sup>Some of them, appallingly, can only be characterized as leading members of the economics profession. For example: Henry Aaron The Brookings Institution; Kenneth Arrow\*+ Stanford University; William Baumol+ Princeton University and New York University; Rebecca Blank University of Michigan; Alan Blinder Princeton University; Peter Diamond+ Massachusetts Institute of Technology; Ronald Ehrenberg, Cornell University; Clive Granger\* University of California, San Diego; Lawrence Katz Harvard University (AEA Executive Committee); Lawrence Klein\*+ University of Pennsylvania; Frank Levy Massachusetts Institute of Technology; Lawrence Mishel Economic Policy Institute; Alice Rivlin+ The Brookings Institution (former Vice Chair of the Federal Reserve and Director of the Office of Management and Budget); Robert Solow\*+ Massachusetts Institute of Technology; Joseph Stiglitz\* Columbia University (\*Nobel Laureate + Past president, American Economics Association)

that the minimum wage law would have beneficial effects on unskilled workers ([http://www.epi.org/minwage/epi\\_minimum\\_wage\\_2006.pdf](http://www.epi.org/minwage/epi_minimum_wage_2006.pdf)). Particularly egregious on Caplan's part is the mention (35) of Stiglitz and Krugman as exemplars of free enterprise, given that the former was one of the more high profile signatories of this minimum wage petition, and has pushed for socialist nostrums his entire career. As for Krugman, he is widely, appropriately and justly known as the "resident socialist of the *New York Times*" (Anderson, 2007).

Caplan also comes out in support of the North American (so called) Free Trade Agreement. But Nafta is no more than what in an earlier and simpler epoch used to be called a customs union: lowering trade barriers within the arena comprised by the union, but in some sense raising them between the parties involved in the agreement and the outside world. Does this constitute an improvement in economic welfare? Possibly, but it is exceedingly difficult to make this case. But, surely, an economist favoring the Austrian tradition, or even embodying libertarianism, would have strongly distinguished NAFTA type treaties from full free trade.<sup>18</sup> Perhaps Caplan did not want to be characterized as a "market fundamentalist" (185). More about this below.

Caplan's attack on make work bias is very welcome, but his grasp of the enormity of this very, very basic economic fallacy falls somewhat short. He approvingly cites Blinder (40) to the effect that "The socially beneficial way is to enlarge GNP, so that there will be more useful work to be done."<sup>19</sup> But this is mistaken. The ideal is to eliminate the need for work in order *not* to do "more useful work." Particularly disappointing is that Caplan gets it right, entirely so, on the very next page (41) when he quotes Bastiat: "Wealth ... increases proportionately to the increase in the *ratio of result to effort*. Absolute perfection, whose archetype is God, consists in the widest possible distance between these two terms, that is, a situation in which no effort at all yields infinite results." Was this a mere typographical error on Caplan's part? Perhaps every dog deserves one bite? No.

---

<sup>18</sup>McGee, 1994; Murphy, 2006; Rockwell, 1995A, 1996; Rothbard, 1993A, 1993B, 1993C, 1995; Tucker, 1995, 1996; Vance, 1996A.

<sup>19</sup>It is strange that Caplan should cite Blinder as an authority on pretty much anything in economics since the former (124) practically makes a litmus test of economic sophistication out of realizing that the minimum wage law leads to unemployment for the unskilled, while the latter is a signatory to a petition calling for support of just that law ([http://www.epi.org/minwage/epi\\_minimum\\_wage\\_2006.pdf](http://www.epi.org/minwage/epi_minimum_wage_2006.pdf)).

This is extremely unlikely, for Caplan, unhappily, repeats this error once again (42): He says, approvingly, “Technology often *creates* new jobs.” To be sure, this cannot be denied. But it is to be *regretted*, not exulted in. Remember, the goal is *no* jobs, *zero* jobs, *nada* jobs and *infinite* productivity (see Hazlitt, 1979).

Why is downsizing (43) “dirty” work? Yes, Caplan merely cites another writer, Blinder, who offers this opinion, he does not himself say it. But to cite it approvingly (that is, without remonstrating with that author), is in effect to accept and support it.

In the course of his analysis Caplan relies heavily on the Survey of Americans and Economists on the Economy (SAEE).<sup>20</sup> Well and good. This helps show the biases of the general public. But in the course of his commentary on this material Caplan makes several errors.

He denies that taxes are too high and maintains it is but a minor reason for the economy not being “as good as it might be” (56). This is a more than passing curious opinion for a supposed free market economist to offer. Nor, again, can it be dismissed as a mere slip of the pen, since he repeats it (57): “locating clear-cut waste ... in government functions ... is difficult.” Nonsense. Locating clear cut waste [why the scare quotes around the word “waste”?] is *easy*. For a start, get rid of entire departments of the U.S. federal government.<sup>21</sup> To say that agriculture and education could be dispensed with holus bolus is a no-brainer. As the number of farmers has decreased, the number of agricultural bureaucrats has increased. We got along with the Department of Education before 1980 (<http://www.ed.gov/about/landing.jhtml?src=gu>), and can easily get along without it now. If our troops were but confined to the U.S. and we ceased being the worlds’ policeman, the department of defense (actually, as presently constituted, the department of offense), could be cut back radically while *improving* the safety of the US citizenry. And this is just the tip of the iceberg (Rockwell, 1991). How about, also, privatizing the post office, ridding ourselves of the baleful Bureau of Land Management, army corps of engineers, FEMA, etc., etc. Locating government waste is “difficult,” indeed (see figure 3.1, p. 57). I vastly prefer the position of the great unwashed public vis-à-vis that of economists and the so called enlightened public on question 2 in the SAEE survey (figure 3.2, p. 57). Of course the federal budget

---

<sup>20</sup><http://www.kff.org/kaiserpolls/1199-econgen.cfm>

<sup>21</sup>It seems strange that a Republican candidate for president of the U.S., Ron Paul, can see all sorts of government waste (<http://www.ronpaul2008.com/>) while Caplan cannot.

deficit is too big, way too big, and this seriously keeps the economy from doing better than it is, despite Caplan's views to the contrary on this matter. For the libertarian at least, the budget deficit should be zero, and the entire government sector not much more than that, if it exists at all. How is the public debt to be repaid? Monetizing it creates inflation. Raising taxes even more will put a spoke in our economic wheel, compared to the situation where this does not obtain (Hülsmann, 2003). And renegeing, a delightful prospect to a libertarian,<sup>22</sup> will place us in the category of a banana republic.

Caplan's treatment of the supposed external benefits of education is schizophrenic. In his text, he (60) notes that most economists favor subsidies to education and their "rationale is that education has positive externalities." But in fn. 30 (219) he properly subjects this thesis to withering criticism: "... the benefits of education for worker productivity seem almost entirely internalized—you acquire more skills, you earn more money. So there is not much of an efficiency case for *any* subsidies, much less *higher* subsidies."<sup>23</sup> However, if we are to

---

<sup>22</sup>For the libertarian case in favor of repudiation of government debt, see Chodorov, 1962, 170–177; Rothbard, 1962, 881–883; 1998, 184. States "market fundamentalist" (see below on this) Rothbard, 1998, 184: "Many libertarians fall into confusion on specific relations with the State, even when they concede the general immorality or criminality of State actions or interventions. Thus, there is the question of default, or more widely, repudiation of government debt. Many libertarians assert that the government is morally bound to pay its debts, and that therefore default or repudiation must be avoided. The problem here is that these libertarians are analogizing from the perfectly proper thesis that *private* persons or institutions should keep their contracts and pay their debts. But government has no money of its own, and payment of its debt means that the taxpayers are further coerced into paying bondholders. Such coercion can never be licit from the libertarian point of view. For not only does increased taxation mean increased coercion and aggression against private property, but the seemingly innocent bondholder appears in a very different light when we consider that the purchase of a government bond is simply making an investment in the future loot from the robbery of taxation. As an eager investor in future robbery, then, the bondholder appears in a very different moral light from what is usually assumed."

<sup>23</sup>The case can be put more strongly than that. Where is it that rent control is most likely to be enacted, and the most vociferous protests against free trade are typically organized? In the People's Republics of Santa Monica, CA, Ann Arbor, MI, and Cambridge MA. And what do these places have in common? They all feature large numbers of college and university students, who are taught by their socialist professors the virtues of communism, feminism, left wing environmentalism, obscurantism, black studies and relativism. That is, if there is any case for government intervention in education, it may well be, on this account, to tax this externally deleterious activity, not subsidize it.

believe the latter, then the inclusion of fig 36 in the SAEE undermines that viewpoint, which serves as the underpinning of a large part of his entire book. That is, his insightful critique of the argument that externalities of education justify increased subsidies flies in the face of his reliance of economists' views in SAEE which he *also* supports.

Caplan's analysis of 3.13 (64), "Top executives are paid too much" is highly problematic. Here, again, in my view, the ignorant and irrational public beats out the economists and the so called "enlightened public." Caplan backs the wrong horse (65): "the salaries of the captains of industry provide incentives to cut costs, create and improve products, and accurately predict consumer demand." But our author reckons as if the entire Michael Milken episode did not occur.<sup>24</sup> I refer here to the *market's* way of ensuring that executive pay does not exceed that level needed to insure that business leaders have "incentives to cut costs," etc. But in the *absence* of the salutary effects of Milken's "hostile" takeovers, it is unclear that this function is now operating, except in a very attenuated manner. Caplan's mistake is in thinking that *present* executive remuneration is roughly equal to *market* levels. Does he think we are now operating under something very akin to full free enterprise?

Consider figure 3.16 (66), question 16, which indicates that economists do not entirely reject the abjectly nonsensical view that "companies are sending jobs overseas" as a reason "the economy is not doing better than it is." True, the public, whether enlightened or not, is far worse on this matter. But the profession as a whole seem, on the basis of its response to this question, to be weak reed indeed upon which much of importance can be hung.

Question 19 is also of interest. Caplan (68) avers: "The public thinks that taxes are too high, and infers that tax cuts are a good thing (fig. 3.19). My interpretation is that noneconomists, avid pessimists, are convinced that government squanders their money. They therefore naively hope to pay for tax cuts by cutting unpopular programs and 'waste.' Economists, contrary to their *laissez-faire* image, are skeptical. Unpopular programs are only a small fraction of the budget, and 'waste' cannot be identified in an uncontroversial way."

---

<sup>24</sup>For a defense of Michael Milken in particular, and of the practice of "hostile takeovers" in general, see Anderson and Jackson, 2005; Barry, 1998, 141–145, 2000a, 2000b; Fischel, 1995; Jensen, 1988; Lemieux, 2005; Manne, 1965; Ricketts, 1994; Rockwell, 1989, 1990; Rothbard, 1989B, 1995B, 1995C; Scott, 1999.

Again, Caplan and I are on opposite sides of this matter. To be sure, government waste<sup>25</sup> cannot be defined uncontroversially among all members of the public, but it certainly *can* be amongst libertarians. This is yet another example of this author distancing himself from the charge (185) of being a “market fundamentalist.” But are not libertarians necessarily market fundamentalists? I am an economist, and I am not at all “skeptical” about the claim that taxes are too high, that most if not all governmental expenditures are wasteful, and that this is an important explanation for the fact that the economy is not doing as well as it might otherwise be doing.

In the course of discussing gas prices and taxes Caplan (73) relieves himself of the following howler: “Suppose you want to reduce pollution and congestion. You could do it by command-and-control: emissions regulations, annual inspections, carpool lanes. But economists realize that the market mechanism is a more efficient method. A tax on gas gives people an incentive to reduce pollution and congestion without specifically dictating anyone’s behavior.” Yes, you read that correctly: for Caplan, a “tax on gas” is a “market mechanism.” This reminds me of that old joke: “Do you know the difference between a bathroom and a living room? No? Well, don’t come to my house, then.” In like manner we can ask: “Do you know the difference between a *compulsory* tax levy and a *voluntary* market transaction, Caplan? No? Well, don’t get into political economy, for this is the most basic distinction in that entire field. Evidently, however, Caplan is of the opinion that a tax does not “dictat(e) anyone’s behavior” forsooth. Perhaps this George Mason professor has never refused to pay a tax. Let me then offer him some free advice: the government *dictates* that these monies be paid; beware of not paying them.

Caplan (143) approvingly cites Krugman who states: “In the end of course, ideas must be tested against the facts.” Oh yes? Well, Caplan and Krugman, let me see you test *these* ideas against the facts:

A minimum wage will increase the unemployment of unskilled workers to a higher level than that which would otherwise have ensued.

In voluntary trade, both parties gain in the *ex ante* sense.

There is a tendency for profit rates to equalize across all industries (abstracting from risk, utility).

There is a tendency for profits to decrease to zero.

---

<sup>25</sup>Strange that he would place quotation marks around this word “waste” as in government waste. I would have thought it to be a redundancy.

In voluntary trade, each participant values what he receives more than what he gives up.

One last of the minor problems with this book: It is somewhat of a logical contradiction, ok, ok, there is a tension between, on the one hand calling upon economists to educate the great unwashed (199–204), and on the other insisting that they are irrational, and not open to economic analysis, as does Caplan all throughout his book. A further difficulty: our author is calling upon his professional colleagues to instruct the public as to the niceties of the dismal science. But, he is relying on a weak reed indeed. Many, many economists cannot be relied upon to support the free enterprise position even on basic issues such as the minimum wage law or tariffs.

#### IV. THE HORRID

The truly horrid part of this book is Caplan's totally gratuitous attack on Ludwig von Mises and Murray N. Rothbard in particular and on the Mises Institute in general, on grounds of "market fundamentalism." And of what, pray tell, does this particular sin consist? Caplan (184) offers Kuttner's (1997, 8) definition:

There is at the core of the celebration of markets a relentless tautology. If we begin, by assumption, with the premise that nearly everything can be understood as a market and that markets optimize outcomes, then everything comes back to the same conclusion—marketize! If, in the event, a particular market doesn't optimize, there is only one possible inference: it must be insufficiently marketlike.

Caplan (184–185) is at great pains to accept the validity of this concept, and to defend economists in general against so monstrous a charge. And here, I totally agree with him: most economists, unhappily, are not at all market fundamentalists. Economists, he tells us (184), have not at all had the concept of "market failure" thrust upon them, unwillingly. Rather, yes, they have taken to it like a duck to water. Second, Caplan is adamant in his defense of Milton Friedman in this regard. Again I fully concur. "Friedman ... has no quasi-religious need to defend the impeccability of the free market" (185). Caplan writes this as if it is a badge of honor. Hopefully, I may be excused for seeing this in an entirely different light.<sup>26</sup>

---

<sup>26</sup>For support of Caplan's contention that Friedman was not a consistent defender of economic liberty, see Berliner, 1995, 326; Block, 1999B; Friedman, 2000; Friedman and Block, 2006; Marcus, 2007; Rand; Rothbard, 2002; Vance, 1996B, 2005. States Milton Friedman (2000): "In the middle of a debate on the subject of distribution of income, in which you had people who you would

Who, then, if not Friedman, *does* have a “quasi-religious need<sup>27</sup> to defend the impeccability of the free market”? Caplan (185) answers as follows:

“The only plausible candidates are the followers of Ludwig von Mises and especially his student Murray Rothbard. The latter does seem to categorically reject the notion of suboptimal market performance.”

In support of this infamous and heinous indictment, Caplan quotes Rothbard (1962, 887):

Such a view completely misconceives the way in which economic science asserts that free-market action is ever optimal. It is optimal, not from the personal ethical views of an economist, but from the standpoint of the free, voluntary actions of all participants and in satisfying the freely expressed needs of the consumers. Government interference, therefore, will necessarily and always move away from such an optimum.

Let me confess at this point that I too am a “market fundamentalist” as least insofar as support for this contention of Rothbard is concerned.<sup>28</sup> What Rothbard says makes complete sense. How can

---

hardly call socialist or egalitarian—people like Lionel Robbins, like George Stigler, like Frank Knight, like myself—Mises got up and said, ‘You’re all a bunch of socialists,’ and walked right out of the room.” Rand (Berliner, 1995, 326) characterized Friedman, and Stigler, 1946 as: “‘collectivist propaganda’ and ‘the most pernicious thing ever issued by an avowedly conservative organization.’” Caplan and I thus agree to Friedman’s proper characterization as a non full supporter of economic freedom; we only disagree in assessing this fact.

<sup>27</sup>I must acknowledge I am greatly taken by this phraseology. Caplan is nothing if not a magnificent wordsmith.

<sup>28</sup>Actually, Rothbard is safe from the charge of market fundamentalism on further grounds. He stated that as a transition policy he would adopt the federal budget of George Washington. Rothbard, 1982: “Deficits, therefore, should be eliminated by drastic slashes of government spending. But where and how? The answer: anywhere and everywhere. There is no mystery about it. Just slash with a hefty meat axe. Go down, for example, the Eisenhower budget and reduce every item back to it. Or better yet, the Roosevelt budget of the 1930s. Still better, the Grover Cleveland budget. Still better yet, return to the average annual budget of the Federalist period of the 1790s: \$5.8 million dollars. If that was good enough for the statist Alexander Hamilton, it should be good enough for our ‘libertarian’ Reagan Administration. Of course, my most preferred position is that the United States budget go back, or rather go forward, to a nice round Zero. But, to demonstrate my devotion to moderation, I could live with a transitional level of \$5.8 million for a year or two.”(I owe this cite to Tom Woods.) I, too, am protected from this charge



coercion, the *sine non qua* of government, help improve economic welfare? Surely, there must be at least one person victimized by the initiation of aggression, and his welfare must necessarily decrease. The difficulty with the claim that the government necessarily reduces economic welfare is that all such interactions make at least one person *better* off: the statist. In order to reach the conclusion desired by Caplan, that that government necessarily *reduces* economic welfare, one would have to claim that the gain to the aggressor is less than the loss to the victim, and this cannot be done without resort to interpersonal comparisons of utility. Caplan, as neoclassical economist, is willing to embrace so dubious a claim; he treads where Austrians simply will not go (Rothbard, 1956).

But wait. All is not lost. Caplan (234, fn. 14) generously pulls back from his charge that Rothbard is a religious nut and fanatic: “Even at the libertarian extreme of the economic profession, however, the charge of ‘market fundamentalism’ does not exactly fit. On closer reading, Rothbard only makes the agnostic claim that the effect of government intervention on social welfare is ambiguous because every act of government hurts at least one person.” At this point Caplan cites his own Caplan (1999, 833–835).

There are more errors here on Caplan’s part than you can shake at stick at. First, But if what Caplan says here is true, why accuse Rothbard of the awful intellectual crime of being a “market fundamentalist?” Second, Rothbard’s statement is not at all “ambiguous.” Rather, he maintains, not that government necessarily *reduces* economic welfare, but instead supports the more reasonable claim that it cannot be shown that the state ever *increases* economic welfare on the ground that at least one party to every transaction of which government is a part necessarily loses. Why? Since he was compelled to undertake it. If not, there was no reason to bring the state into the commercial arrangement in the first place, as the market would have sufficed for all desired voluntary exchanges. Third, it is not Rothbard in this case who is the “market fundamentalist.” Rather it is, surprise, surprise, Caplan himself, who upbraided Rothbard for taking what he regarded as an “ambiguous” position. Caplan demanded of Rothbard the more extreme viewpoint that government necessarily *decreases* economic welfare, a perspective the more moderate

---

in that I have publicly embraced a deviation from strict anarcho-laissez faire capitalism: I urged in one of my speeches, as compulsory measures, in addition, that everyone be forced by law to read *Human Action* and *Man, Economy and State*.

Rothbard explicitly eschewed. For an incisive refutation of Caplan on this point, see Stringham, 2001.

Since Caplan relies on his earlier publication (Caplan, 1999, 833–835) as a buttress for his present (2007) views, let us go off on a short tangent and inquire more closely into what he says there (Caplan, 1999, 835):

Kaldor-Hicks efficiency ... has many advantages over Rothbard's approach. In particular, it actually allows one to make efficiency judgments about the real world—to judge, for example, that Communism was inefficient or rent control is inefficient or piracy was inefficient.

It cannot be denied that Communism, rent control and piracy<sup>29</sup> benefit *some* people. We would scarcely have been plagued with these deleterious institutions were this not the case. But given beneficiaries, it is *impossible*, without resort to fallacious interpersonal comparisons of utility, to reach Caplan's more radical conclusion *qua* economist. Rothbard, well grounded in value free economics, sees this clearly, "market fundamentalist" though he may be. Caplan, unfortunately for his credentials as a technical economist, allows his to be sure praiseworthy political views to cloud his judgment as a dismal scientist.

Caplan is also erroneous in attributing to Mises the appellation of market fundamentalist. Exhibit "A" in this matter is that this leader of Austrian economics was a limited government minarchist, not a laissez faire anarcho capitalist (Hülsmann, 2007). Exhibit "B" is that Mises, as does Caplan, misunderstood the Austrian case against the supposed market failure of monopoly. Mises thought it was possible for such an institution to exist in the free marketplace (Block, 1977).

Caplan (185) continues his unwarranted attack:

Both Mises and Rothbard have passed away, but their outlook—including Ph.D.s who subscribe to it—lives on in the Ludwig von Mises Institute. But groups like these have basically given up on mainstream economics; members mostly talk to each other and publish in their own journals. The closest thing to market fundamentalists are not merely outside the mainstream of the economics profession. They are way outside.

There are grave problems here too.

Yes, Austrians have indeed "given up" on the *views* of mainstream economists. These are rejected as erroneous, when they

---

<sup>29</sup>I very much support Caplan's linkage of these three institutions. They may have been responsible for different levels of human misery, but they all share something very important: they constitute rights violations.

depart from praxeological insights. But we most certainly have not “given up” on mainstream economists themselves, Caplan specifically included, as he full well knows, as he has been embroiled in a back and forth debate for almost a decade now, where we have been trying to convince him of the error of his ways.<sup>30</sup> This entire episode speaks to the issue of “publish(ing) in their own journals.” Caplan (1999) appeared in the *Southern Economic Journal* a mainstream neo-classical publication if ever there was one. Block (1999A) and Hülsmann (1999) were originally submitted to the *SEJ*. But both were *rejected*. Whereupon they were both sent to the *Quarterly Journal of Austrian Economics* for review, were accepted for publication, and then duly appeared there. Reading Caplan (185) one would get the impression that Austrianism is some sort of cult<sup>31</sup> that disdains, or

---

<sup>30</sup>See on this Caplan debate Barnett; Block, 1999, 2003B, 2005, 2007B; Caplan, 1999, 2000, 2001, 2003; Hoppe, 2005; Hulsman, 1999.

<sup>31</sup>Caplan is in “good” company in this, in that he is not the first neoclassical to take this kind of pot shot at Austrianism. States Anderson (2000, 64) “I recall a conversation with Gary Becker in 1998 on Mises and the Austrians, and he remarked that while the profession had ‘treated Mises very badly,’ modern Austrian economics really was little more than a cult.” I owe this cite to Christopher Westley. Kling (2003) categorizes Austrians not as a cult but as a “sect,” which I take from the context as a synonym. I owe this cite to Adrian Ravier. In the view of Tullock (1999, 229): “My first encounter with Ludwig von Mises was at a time when he was practically unknown to the American economics profession. There was a small but distinguished group of economists who admired and understood Mises, but most economists had not read any of his work. Unfortunately, he attracted a number of mainly younger economists who almost formed a church in his honor. They tended to misunderstand his main message and greatly exaggerated those minor parts of his work that were wrong.” I owe this cite to Ed Stringham. Here is an excerpt from an interview with Al Harberger, posted on the companion website for the PBS series *The Commanding Heights* (I owe this cite to Lawrence H. White):

AL HARBERGER: Chicago was not an ideological place. Milton Friedman taught for many years at Chicago, but he didn’t teach *Free to Choose*; he taught *A Monetary History of the United States*. And the rest of us, in our classes, were not teaching ideology, or what I call the Austrian side of economics, economics as a religion, but rather economics as a science ...  
 INTERVIEWER: You said the Austrian School was more like a religion.  
 AL HARBERGER: Well, I’ll tell you that if a person like myself is giving a long, two-hour seminar, and there are a bunch of faithful Austrians in the audience and I happen to deviate from something that derives from these first principles, maybe just giving a side remark doesn’t matter, but they will come and pounce on me after this. They’d say, “How could you dare do such a thing? How could you support evil?” or...

eschews, dealing with non members. Nothing could be further from the truth. If anything, matters are the very opposite: it is the *neoclassicals*, not the praxeologists, if it is anyone, who refuse to interact with the other; who characterize the other as a cult; who claim there is little benefit to be gained by an interaction between the two.<sup>32</sup> And, as it happens, contrary to Caplan (2007), and despite the disdain with which the mainstream views the Austrian School of economics, there have been numerous interactions between the two, at least in the form of debates, sometimes very explicit, the overwhelming majority of which have been “won” by the latter (Block, Westley and Padilla, 2008).

These charges that Caplan (185) launches against the Austrians are very serious; very serious indeed. How is it then that they come accompanied by not a single solitary footnote, reference or citation? Caplan is a very careful researcher. His book contains only 276 pages, and no fewer than 56 of them are devoted to reference, citations and footnotes (211–266). Yet, he could not spare even one of them to buttress his wild-eyed accusations against the Austrians. Why is this? Our answer can only be speculative, but a plausible explanation is that Caplan is only venting his own quasi religious views, which are similar in character to those of which he accuses the great unwashed, the ignorant prejudiced voting public. It is difficult to reject this hypothesis. As good logical positivists, we need an empirical “test” for this contention. Here is the evidence: Caplan is himself guilty of

---

INTERVIEWER: Socialism.

AL HARBERGER: I beg your pardon?

INTERVIEWER: Socialism.

AL HARBERGER: Or socialism. (laughs) ... It’s as if there is a very pretty but highly complex picture out there, which is perfectly harmonious within itself, you see, and if there’s a speck where it isn’t supposed to be, well, that’s just awful for the Austrians. Well, us guys who live looking at the real world, which is always a mess, you see, and nothing ever fits perfectly, so for us, it’s kind of a different world.

INTERVIEWER: ... But in what way is it like a religion?

AL HARBERGER: Well, the notion in the sense that this picture is derived from the first principles of natural law, the nature of man ... and then you just follow logically, logically, logically, like Aristotle, down to this very complex vision of reality, which has its own internal architecture and beauty, you see, and it is a flaw that mars that beauty that these guys always react against.

<sup>32</sup>See on this Rosen (1997) and Laband and Tollison (2000); see rejoinders by Anderson (2000), Block (2000), Yeager (1997, 2000).

engaging in market fundamentalism himself, throughout his book.<sup>33</sup> This suggests that he is indeed guilty of harboring motivations of this sort. He is a self-hater, in other words, who benefits from condemning vices he sees in himself.

In the view of Caplan (186) “A person who said, ‘All the ills of markets can be cured by more markets’ would be lampooned as the worst sort of market fundamentalist.” I, myself, would never make such a statement. But this is because I do not see any “ills of markets” in the first place. Did I but, then I would gladly embrace this statement. But are not markets plagued by imperfect information? Not a bit of it. Rather, this is a characteristic of the human condition, not markets. But are not markets plagued by products such as pornography, prostitution, addictive drugs, and other harmful goods and services such as French fries, tobacco, race car driving, alcohol, etc? Not at all. Rather, the existence of these goods and services are eloquent testimony to the efficacy of markets. If blame there is for such items, it must be laid at the proper door: not markets, but the choices of human beings. All “markets” consist of is the concatenation of all voluntary commercial interactions. Market “fundamentalism,” then, consists of no more than an appreciation of the fact that free trade promotes economic welfare, and is the only system compatible with economic liberty. If this be “market fundamentalism,” let opponents make the most of libertarian support for this system of “capitalist acts between consenting adults” (Nozick, 1974, 163).

According to Caplan (190), “Imagine if an economist dismissed complaints about the free market by snapping: ‘The free market is the worst form of economic organization, except for all the others.’ This is a fine objection to communism, but only a market fundamentalist would buy it as an argument against moderate government intervention.” Say what? What is this? “Moderate government intervention”? One wonders how Caplan squares his advocacy of “moderate government intervention” with his well-known support for anarcho capitalism?<sup>34</sup> It is also difficult to see how he can reconcile his opposition to “market fundamentalism” with this statement of his (203): “... like all trade, international trade is mutually beneficial...” But that is all that constitutes markets: trade between people on a voluntary basis.

---

<sup>33</sup>For example, he accepts the concept of “economic truism” (124); this sounds like “market fundamentalism” to me.

<sup>34</sup>See on this Caplan, undated. This is how he describes his web page “A well-known libertarian/anarchist professor’s homepage” (<http://www.google.ca/search?hl=en&q=bryan+caplan+anarchism&btnG=Google+Search&meta=>)

A final point on this topic, and this by far the most astounding. Caplan and Stringham, 2005 won for its authors a \$25,000 Templeton Prize.<sup>35</sup> And here is the abstract of this paper: “The political economy of Ludwig von Mises and Frédéric Bastiat has been largely ignored even by their admirers. We argue that Mises’ and Bastiat’s views in this area were both original and insightful. While traditional public choice generally maintains that democracy fails because voters’ views are rational but ignored, the Mises-Bastiat view is that democracy fails because voters’ views are irrational but heeded. Mises and Bastiat anticipate many of the most effective criticisms of traditional public choice to emerge during the last decade and point to many avenues for future research.”

As can be seen by this admission, Caplan (2007), and the entire research program of this author on the drawbacks of democracy, owes a great self-confessed debt to that supposed “market fundamentalist,” Ludwig von Mises. How, then, does he come to bite the (intellectual) hand that feeds him? Truly, amazing. Welcome to the wonderful world of “market fundamentalism,” Caplan.

Let us conclude this section. Caplan excoriates “market fundamentalism.” But, he never so much as defines what he means by a “market,” about which one may, or may not be, a “fundamentalist.” So, let us make good this omission for him.<sup>36</sup> I hereby define a market as the concatenation of all voluntary trades in a society. Therefore, a “market fundamentalist” is clearly then one who believes that all social and economic interaction ought to take place on a voluntary basis: no coercion should be allowed. In this sense, Rothbard and I are both proud “market fundamentalists.” However, Mises clearly was not. After all, he was not an anarcho capitalist; he left room for government in his system, and, say what you will about this curious institution, it cannot be denied that it is a coercive one. Caplan himself would come down as schizophrenic on this issue. On the one hand, the present book under review, while it contains some elements of market fundamentalism, cannot overall be judged in that manner. On the other hand, many of this author’s other writing certainly falls into this category.

## V. CONCLUSION

I end not with a problem of commission, but with a, well, perhaps not so curious omission. Caplan (2007) is, if it is anything, my previous

<sup>35</sup>[http://econlib.econlib.org/archives/2007/02/ed\\_stringham\\_wo.html](http://econlib.econlib.org/archives/2007/02/ed_stringham_wo.html)

<sup>36</sup>I owe this point to Bill Barnett.

criticisms to the contrary notwithstanding, a critique of democracy written by a libertarian. As such, it is a glaring omission on Caplan's part not to even mention, even in passing, a previous book that falls squarely into this category. I refer here to Hoppe (2001).

Why would Caplan not even cite this book in his bibliography that stretches on for 30 single spaced pages (237–266)? Although this can only be speculative, one reason for this might be that Hoppe is a leading Austrian economist, and Caplan (1996) has taken on what can only be considered a personal quasi religious, cultish antipathy toward this school of thought.

Walter Block

#### REFERENCES

- Anderson, William L. 2000. "Austrian Economics and the 'Market Test': A Comment on Laband and Tollison." *Quarterly Journal of Austrian Economics* 3(3): 63–73; [http://www.mises.org/journals/qjae/pdf/qjae3\\_3\\_5.pdf](http://www.mises.org/journals/qjae/pdf/qjae3_3_5.pdf)
- . 2002. "Do Austrians Wink at Business Fraud?" December 10; <http://www.mises.org/story/1112>
- . 2007. "Roads, Bridges, and Socialist Capital" <http://www.mises.org/story/2670>
- Anderson, William, Walter Block, Thomas J. DiLorenzo, Ilana Mercer, Leon Snyman and Christopher Westley. 2001. "The Microsoft Corporation in Collision with Antitrust Law," *The Journal of Social, Political and Economic Studies*, Vol. 26, No. 1, Winter, pp. 287–302.
- Anderson, William L. and Candice E. Jackson. 2005 "It's the economy, stupid: Rudy Giuliani, the Wall Street prosecutions, and the recession of 1990–91" *Journal of Libertarian Studies*, Vol. 19, No. 4, Fall: 19–36; [http://www.mises.org/journals/jls/19\\_4/19\\_4\\_2.pdf](http://www.mises.org/journals/jls/19_4/19_4_2.pdf)
- Armentano, Dominick T. 1991. *Antitrust Policy: The Case for Repeal*, Washington, D.C.: The Cato Institute.
- Backhouse, Roger E. 2000. "Austrian Economics and the Mainstream: View from the Boundary." *Quarterly Journal of Austrian Economics* 3(2): 31–43.
- Barnett II, W. 2004. "Dimensions and Economics: Some Problems." *Quarterly Journal of Austrian Economics*. Spring. Vol. 7, No. 1, pp. 95–104 [http://www.mises.org/journals/qjae/pdf/qjae6\\_3\\_2.pdf](http://www.mises.org/journals/qjae/pdf/qjae6_3_2.pdf)
- Barnett, William and Walter Block. 2007. "Coase and Van Zandt on Lighthouses," *Public Finance Review*. Vol. 35, No. 6, November, pp 710–733; <http://pfr.sagepub.com/content/35/6/710.abstract>
- Barry, Norman. 1998. *Business Ethics*. London: Macmillan.
- . "The Logic and Morality of Takeovers." *The Freeman*, July, Vol. 50, No. 7. <http://www.libertyhaven.com/noneoftheabove/morality/logic-morality.shtml>
- . 2000b. *Respectable Trade*. London: Adam Smith Institute.
- Berliner, Michael S., ed. 1995. *Letters of Ayn Rand*. New York, N.Y.: Dutton.

- Block, Walter. 1977. "Austrian Monopoly Theory — a Critique," *The Journal of Libertarian Studies*, Vol. I, No. 4, Fall, pp. 271–279; [http://www.mises.org/journals/jls/1\\_4/1\\_4\\_1.pdf](http://www.mises.org/journals/jls/1_4/1_4_1.pdf)
- . 1983. "Public Goods and Externalities: The Case of Roads," *The Journal of Libertarian Studies* Vol. VII, No. 1, Spring, pp. 1–34; [http://www.mises.org/journals/jls/7\\_1/7\\_1\\_1.pdf](http://www.mises.org/journals/jls/7_1/7_1_1.pdf)
- . 1994. "Total Repeal of Anti-trust Legislation: A Critique of Bork, Brozen and Posner," *Review of Austrian Economics*, Vol. 8, No. 1, pp. 35–70.
- . 1999A. "Austrian Theorizing, Recalling the Foundations: Reply to Caplan," *Quarterly Journal of Austrian Economics*, Vol. 2, No. 4, winter, pp. 21–39; [http://www.mises.org/journals/qjae/pdf/qjae2\\_4\\_2.pdf](http://www.mises.org/journals/qjae/pdf/qjae2_4_2.pdf); errata: [http://www.mises.org/journals/qjae/pdf/qjae2\\_4\\_9.pdf](http://www.mises.org/journals/qjae/pdf/qjae2_4_9.pdf)
- . 1999B. "The Gold Standard: A Critique of Friedman, Mundell, Hayek, Greenspan," *Managerial Finance*, Vol. 25, No. 5, pp. 15–33; <http://giorgio.emeraldinsight.com/Insight/viewContainer.do?containerType=Issue&containerId=13529>; <http://www.mises.org/etexts/goldcritique.pdf>
- . 2000. "Austrian Journals: A Critique of Rosen, Yeager, Laband and Tollison, and Vedder and Gallaway." *Quarterly Journal of Austrian Economics* 3(2): 45–61.
- . 2003A. "National Defense and the Theory of Externalities, Public Goods and Clubs." *The Myth of National Defense: Essays on the Theory and History of Security Production*, Hoppe, Hans-Hermann, ed., Auburn: Mises Institute, pp. 301–334; <http://www.mises.org/etexts/defense-myth.pdf>
- . 2003B. "Realism: Austrian vs. Neoclassical Economics, Reply to Caplan," *Quarterly Journal of Austrian Economics*, Vol. 6, No. 3, Fall, pp. 63–76; [http://www.mises.org/journals/qjae/pdf/qjae6\\_3\\_4.pdf](http://www.mises.org/journals/qjae/pdf/qjae6_3_4.pdf)
- . 2005. "Rejoinder to Caplan on Bayesian Economics," *Journal of Libertarian Studies*. Vol. 19, No. 1, Winter, pp. 79–95; <http://blog.mises.org/blog/archives/003654.asp>
- . 2007A. "The Trouble With Democracy: Review of Brian Caplan's *The Myth of the Rational Voter*" August 25; <http://www.lewrockwell.com/block/block84.html>
- . 2007B. "Reply to Caplan on Austrian Economic Methodology" *Corporate Ownership & Control*, Vol. 4, No. 2, November, pp. 312ff.; [http://www.virtusinterpress.org/additional\\_files/journ\\_coc/issues/COCC\\_Volume\\_4\\_Issue\\_3\\_Spring\\_2007\\_Continued2\).pdf](http://www.virtusinterpress.org/additional_files/journ_coc/issues/COCC_Volume_4_Issue_3_Spring_2007_Continued2).pdf)
- Block, Walter and Tom DiLorenzo. 2000. "Is Voluntary Government Possible? A Critique of Constitutional Economics," *Journal of Institutional and Theoretical Economics*, Vol. 156, No. 4, December, pp. 567–582.
- . 2001. "The Calculus of Consent Revisited," *Public Finance and Management*, Vol. 1, No. 3; electronic journal, url: [www.spaef.com](http://www.spaef.com) <<http://www.spaef.com>>; [http://spaef.com/PFM\\_PUB/pubv1n3.html](http://spaef.com/PFM_PUB/pubv1n3.html)
- Block, Walter, Christopher Westley and Alex Padilla. 2008. "Internal vs. external explanations: a new perspective on the history of economic thought," *Procesos De Mercado: Revista Europea De Economia Politica*, issue



- 2, pp. 35–132; [http://dialnet.unirioja.es/servelet/listaarticulos?tipo\\_busqueda=EJEMPLAR&revista\\_busqueda=6790&clave\\_busqueda=217457](http://dialnet.unirioja.es/servelet/listaarticulos?tipo_busqueda=EJEMPLAR&revista_busqueda=6790&clave_busqueda=217457)
- Block, Walter and William Barnett. 2009. "Monopsony Theory." *American Review of Political Economy* June/December, Vol. 7(1/2), pp. 67–109; <http://arpejournal.com/ARPEvolume7number1-2/Block-Barnett.pdf>; <http://www.arpejournal.com>
- Boudreaux, Donald J., and DiLorenzo, Thomas J. 1992. "The Protectionist Roots of Antitrust," *Review of Austrian Economics*, Vol. 6, No. 2, pp. 81–96
- Caplan, Bryan. Undated, version 5.2 "Anarchist Theory FAQ"; <http://www.gmu.edu/departments/economics/bcaplan/anarfaq.htm>
- . 1996. "Why I Am Not An Austrian Economist" <http://www.gmu.edu/departments/economics/bcaplan/whyaust.htm>
- . 1999. "The Austrian Search for Realistic Foundations," *Southern Economic Journal*, April, Vol. 65, No. 4, pp. 823–838.
- . 2000. "Probability, Common Sense, and Realism: A Reply to Hülsmann and Block," *Quarterly Journal of Austrian Economics*, Vol. 4, No. 2, Summer, pp. 69–86; [http://www.mises.org/journals/qjae/pdf/qjae4\\_2\\_6.pdf](http://www.mises.org/journals/qjae/pdf/qjae4_2_6.pdf)
- . 2001. "Probability, Common Sense, and Realism: A Reply to Hülsmann and Block," *Quarterly Journal of Austrian Economics*; Vol. 2, No. 4, summer, pp. 69–86; [http://www.mises.org/journals/qjae/pdf/qjae4\\_2\\_6.pdf](http://www.mises.org/journals/qjae/pdf/qjae4_2_6.pdf)
- . 2003. "Probability and the Synthetic A Priori: A Reply to Block." *Quarterly Journal of Austrian Economics*; Vol. 6, No. 3, Fall, pp. 77–83; [http://www.mises.org/journals/qjae/pdf/qjae6\\_3\\_5.pdf](http://www.mises.org/journals/qjae/pdf/qjae6_3_5.pdf)
- . 2007. *The Myth of the Rational Voter: Why Democracies Choose Bad Policies*. Princeton, N.J.: Princeton University Press.
- . 2007B. "Walter Block Reviews *The Myth of the Rational Voter*" August 28; [http://econlog.econlib.org/archives/2007/08/walter\\_block\\_re.html](http://econlog.econlib.org/archives/2007/08/walter_block_re.html)
- Caplan, Bryan and Edward Stringham. 2005. "Mises, Bastiat, Public Opinion and Public Choice." *Review of Political Economy*; Vol. 17, No. 1, 79–105; <http://www.gmu.edu/departments/economics/bcaplan/misbas.doc>
- Chodorov, Frank. 1962. "Don't Buy Government Bonds," in *Out of Step* (New York: Devin-Adair, pp. 170–77.
- Cordato, Roy E. 1992. *Welfare Economics and Externalities in an Open-Ended Universe: A Modern Austrian Perspective*, Boston: Kluwer.
- Cowen, Tyler, ed. 1988. *The Theory of Market Failure: A Critical Examination*, Fairfax, VA: George Mason University Press.
- De Jasay, Anthony. 1989. *Social Contract, Free Ride: A Study of the Public Goods Problem*. Oxford University Press.
- DiLorenzo, Thomas J. 1990. "The Subjectivist Roots of James Buchanan's Economics," *The Review of Austrian Economics*, Vol. 4, pp. 180–195.
- . 1996. "The Myth of Natural Monopoly," *Review of Austrian Economics*, Vol. 9, No. 2, pp. 43–58; [http://www.mises.org/journals/rae/pdf/rae9\\_2\\_3.pdf](http://www.mises.org/journals/rae/pdf/rae9_2_3.pdf)
- DiLorenzo, Tom and Jack High. 1988. "Antitrust and Competition, Historically Considered," *Economic Inquiry*, July.

- DiLorenzo, Tom and Walter Block. 2001. "Constitutional Economics and the Calculus of Consent," *The Journal of Libertarian Studies*, Vol. 15, No. 3, Summer, pp. 37–56; [http://www.mises.org/journals/jls/15\\_3/15\\_3\\_2.pdf](http://www.mises.org/journals/jls/15_3/15_3_2.pdf)
- Fischel, Daniel. 1995. *Pay-back*. New York: Harper Business.
- Friedman, Milton and George Stigler. 1946. "Roofs or Ceilings?," September, Irvington-on-Hudson: Foundation for Economic Education, [http://www.fee.org/library/books/Roofs\\_or\\_Ceilings.asp](http://www.fee.org/library/books/Roofs_or_Ceilings.asp); reprinted as Friedman, Milton, and George Stigler. 1981. "Roofs or Ceilings?" in *Rent Control: Myths and Realities*, Walter Block and Edgar Olsen, eds., Vancouver: The Fraser Institute.
- Friedman, Milton and Walter Block. 2006. "Fanatical, Not Reasonable: A Short Correspondence Between Walter Block and Milton Friedman." *Journal of Libertarian Studies*, Vol. 20, No. 3, Summer, pp. 61–80.
- Friedman, Milton, Interview. 2000. Commanding Heights. October 1; [http://www.pbs.org/wgbh/commandingheights/shared/mini-textlo/int\\_miltonfriedman.html](http://www.pbs.org/wgbh/commandingheights/shared/mini-textlo/int_miltonfriedman.html)
- . 1962. *Capitalism and Freedom*, Chicago: University of Chicago Press.
- Harberger, Al. 2000. "Interview with Commanding Heights." October 3. [http://www.pbs.org/wgbh/commandingheights/shared/mini-textlo/int\\_alharberger.html](http://www.pbs.org/wgbh/commandingheights/shared/mini-textlo/int_alharberger.html)
- Hayek, Friedrich A. 1979. *The Counter-Revolution of Science*, 2nd ed. Indianapolis, IN: LibertyPress.
- Hazlitt, Henry. 1979. *Economics in One Lesson*, New York: Arlington House.
- High, Jack. 1984–1985. "Bork's Paradox: Static vs Dynamic Efficiency in Antitrust Analysis," *Contemporary Policy Issues*, Vol. 3, pp. 21–34.
- Hoppe, Hans-Hermann. 1989. "Fallacies of the Public Goods Theory and the Production of Security," *The Journal of Libertarian Studies*, Vol. IX, No. 1, Winter, pp. 27–46; [http://www.mises.org/journals/jls/9\\_1/9\\_1\\_2.pdf](http://www.mises.org/journals/jls/9_1/9_1_2.pdf)
- . 2001. *Democracy—The God That Failed: The Economics and Politics of Monarchy, Democracy, and Natural Order*, Rutgers University, N.J.: Transaction Publishers.
- , ed. 2003. "National Defense and the Theory of Externalities, Public Goods and Clubs." *The Myth of National Defense: Essays on the Theory and History of Security Production*, Auburn: Mises Institute.
- . 2005. "Must Austrians Embrace Indifference?," *Quarterly Journal of Austrian Economics*, Vol. 8, No. 4, Winter, pp. 87–91; [http://www.mises.org/journals/qjae/pdf/qjae8\\_4\\_6.pdf](http://www.mises.org/journals/qjae/pdf/qjae8_4_6.pdf)
- Hülsmann, Jörg Guido. 1999. "Economic Science and Neoclassicism." *Quarterly Journal of Austrian Economics*, Vol. 2 Num. 4, pp. 1–20; [http://www.mises.org/journals/qjae/pdf/qjae2\\_4\\_1.pdf](http://www.mises.org/journals/qjae/pdf/qjae2_4_1.pdf)
- . 2003. "Facts and Counterfactuals in Economic Law." *The Journal of Libertarian Studies*. Vol. 17, Num. 1, pp. 57–102; [http://www.mises.org/journals/jls/17\\_1/17\\_1\\_3.pdf](http://www.mises.org/journals/jls/17_1/17_1_3.pdf)
- . 2007. *The Last Knight of Liberalism*. Auburn, AL: The Mises Institute.
- Hummel, Jeffrey. 1990. "National Goods vs. Public Goods: Defense, Disarmament and Free Riders," *The Review of Austrian Economics*, Vol.

- IV, pp. 88–122; [http://www.mises.org/journals/rae/pdf/rae4\\_1\\_4.pdf](http://www.mises.org/journals/rae/pdf/rae4_1_4.pdf)
- Jensen, Michael. 1988. "Takeovers: Their Causes and Consequences," *Journal of Economic Perspectives*, (2), pp. 21–48.
- Kling, Arnold. 2003. "The Sect of Austrian Economics." November 11; <http://www.techcentralstation.com/111103C.html>
- Kuttner, Robert. 1997. *Everything for Sale: The Virtues and Limits of Markets*. New York: Knopf.
- Laband, David N. and Robert D. Tollison. 2000. "On Secondhandism and Scientific Appraisal." *Quarterly Journal of Austrian Economics* 3(1): 43–48.
- Lemieux, Pierre. 2005. "The Anti-Capitalistic Inquisition "August 15; <http://www.mises.org/story/1885>
- Lewin, Peter. 1982. "Pollution Externalities: Social Cost and Strict Liability." *Cato Journal*, vol. 2, no. 1, Spring, pp. 205–229.
- Manne, Henry. 1965. "Mergers and the Market for Corporate Control," *Journal of Political Economy*, (75), pp. 110–18.
- Marcus, B.K. 2007. "The Tepid Movement Before Mises" April 12; <http://www.mises.org/story/2530>
- McChesney, Fred. 1991. "Antitrust and Regulation: Chicago's Contradictory Views," *Cato Journal*, Vol. 10.
- McGee, Robert W. and Walter Block. 1994. "Pollution Trading Permits as a Form of Market Socialism and the Search for a Real Market Solution to Environmental Pollution," *Fordham University Law and Environmental Journal*, Vol. VI, No. 1, Fall, pp. 51–77.
- . 1994. "The Fatal Flaw in NAFTA, GATT and All Other Trade Agreements," *Northwestern Journal of International Law & Business*, Vol. 14, No. 3, 549–565.
- Murphy, Robert P. 2006. "Can Trade Ever Harm a Country?" January 5; <http://www.mises.org/story/2001>
- Nozick, Robert. 1974. *Anarchy, State and Utopia*, New York: Basic Books
- Osterfeld, David. 1989. "Anarchism and the Public Goods Issue: Law, Courts and the Police," *The Journal of Libertarian Studies*, Vol. 9, No. 1, Winter, pp. 47–68; [http://www.mises.org/journals/jls/9\\_1/9\\_1\\_3.pdf](http://www.mises.org/journals/jls/9_1/9_1_3.pdf)
- Pasour, Jr., E.C., 1981, "The Free Rider as a Basis for Government Intervention," *The Journal of Libertarian Studies*, Vol. V, No. 4, Fall, pp. 453–464; [http://www.mises.org/journals/jls/5\\_4/5\\_4\\_6.pdf](http://www.mises.org/journals/jls/5_4/5_4_6.pdf)
- Ricketts, Martin. 1994. *The Economics of Business Enterprise*. London: Harvester Wheatsheaf
- Rockwell, Llewellyn. 1989. "The Free Market vs. the Managerial Elite" *The Free Market*. Vol. VII, No. 6, June; [http://www.mises.org/freemarket\\_detail.asp?control=580&sortorder=articledate](http://www.mises.org/freemarket_detail.asp?control=580&sortorder=articledate)
- . 1990. "Michael R. Milken: Political Prisoner?" *The Economics of Liberty*. Auburn: Mises Institute, pp. 70–72; <http://www.mises.org/resources/2948>
- . 1991. "Rockwell's Thirty-Day Plan" *The Free Market*. March; <http://www.lewrockwell.com/archives/fm/03-91.html>

- . 1995. "Foreign Trade Follies" *The Free Market*. Vol. 13, No. 4, April; [http://www.mises.org/freemarket\\_detail.asp?control=249&sortorder=articledate](http://www.mises.org/freemarket_detail.asp?control=249&sortorder=articledate)
- . 1996. "Who Killed Free Trade?" *The Free Market*. Vol. 14, No. 4, April; [http://www.mises.org/freemarket\\_detail.asp?control=189&sortorder=articledate](http://www.mises.org/freemarket_detail.asp?control=189&sortorder=articledate)
- Rosen, Sherwin. 1997. "Austrian and Neoclassical Economics: Any Gains from Trade?" *The Journal of Economic Perspectives*. 11(4): 139–152.
- Rothbard, Murray N. 1997 [1956]. "Toward a Reconstruction of Utility and Welfare Economics." reprinted in *The Logic of Action*. Vol. I. Lyme, NH: Edward Elgar. pp. 211–254; <http://www.mises.org/rothbard/toward.pdf>
- . 1962. *Man, Economy, and State*. Princeton, N.J.: D. Van Nostrand.
- . 1982A. "Law, Property Rights, and Air Pollution," *Cato Journal*, Vol. 2, No. 1, Spring; reprinted in *Economics and the Environment: A Reconciliation*, Walter Block, ed., Vancouver: The Fraser Institute, 1990; <http://www.mises.org/rothbard/lawproperty.pdf>
- . 1982B. "Are We Being Beastly to the Gipper?" *Libertarian Forum*, Vol. XVI, No. 2, March 1982, and No. 3, March 1982; <http://www.lewrockwell.com/rothbard/rothbard55.html>
- . "Airport Congestion: A Case of Market Failure?" *The Free Market*. Auburn, AL: The Ludwig von Mises Institute, January, pp. 5–4.
- . 1989A. "Public Choice: A Misshapen Tool." *Liberty*, May, pp. 20–21.
- . 1989B. "Michael R. Milken vs. the Power Elite." *The Free Market*. Auburn, AL: The Ludwig von Mises Institute, June, pp. 1, 7–8.
- . 1993A. "Stop Nafta," *Rothbard-Rockwell Report*. Burlingame, CA: Center for Libertarian Studies, Vol. 4, No. 10 (October).
- . 1993B. "The Nafta Myth." *The Free Market*. Auburn, AL: The Ludwig von Mises Institute, October, pp. 1, 7–8.
- . 1993C. "Why the Pro-Nafta Hysteria?" *Rothbard-Rockwell Report*. Burlingame, CA: Center for Libertarian Studies, Vol. 4, No. 11 (November).
- . 1995A. "Is There Life After Nafta?" *Making Economic Sense*. Auburn, AL: Mises Institute, Chapter 88; <http://www.mises.org/resources/6fdd5bd4-0a1b-4c03-95ff-efc97988f173>
- . 1995B. "Rethinking The '80s" *Making Economic Sense*. Auburn, AL: The Ludwig von Mises, chapter 28; <http://www.mises.org/econsense/ch28.asp>; <http://www.mises.org/resources/3e3566d9-6933-4fce-bdd6-5b4edb98bb60>
- . 1995C. "Michael R. Milken vs. The Power Elite" *Making Economic Sense*. Auburn, AL: The Ludwig von Mises, chapter 49; Institute; <http://www.mises.org/econsense/ch49.asp>
- . 1997. "Buchanan and Tullock's The Calculus of Consent." *The Logic of Action Two: Applications and Criticism from the Austrian School*. Glos, UK: Edward Elgar Publishing Ltd., pp. 269–274.
- . 1998 [1982] *The Ethics of Liberty*, New York: New York University Press. <http://www.mises.org/rothbard/ethics/ethics.asp>

- . 2002. "Milton Friedman Unraveled." *Journal of Libertarian Studies*, Vol. 16, No. 4, Fall, pp. 37–54; [http://www.mises.org/journals/jls/16\\_4/16\\_4\\_3.pdf](http://www.mises.org/journals/jls/16_4/16_4_3.pdf)
- . (2004 [1962]). *Man, Economy and State*, Auburn AL: Ludwig von Mises Institute, Scholar's Edition; <http://www.mises.org/rothbard/mes.asp>
- Schmidtz, David. 1991. *The Limits of Government: An Essay on the Public Goods Argument*, Boulder, Co: West view Press.
- Scott, Jeff. 1999. "Book review of *The commanding heights: the battle between government and the marketplace that is remaking the modern world.* by Daniel Yergin and Joseph Stanislaw. New York: Simon and Schuster, 1998" *The Quarterly Journal of Austrian Economic*. Vol. 2, No.1, Winter: 79–83; [http://www.mises.org/journals/qjae/pdf/qjae2\\_1\\_5.pdf](http://www.mises.org/journals/qjae/pdf/qjae2_1_5.pdf)
- Shugart II, William F. 1987. "Don't Revise the Clayton Act, Scrap It!," *Cato Journal*, 925.
- Sechrest, Larry. 2004. "Public Goods and Private Solutions in Maritime History." *The Quarterly Journal of Austrian Economics*. Vol. 7, No. 2. Summer, 3–27; [http://www.mises.org/journals/qjae/pdf/qjae7\\_2\\_1.pdf](http://www.mises.org/journals/qjae/pdf/qjae7_2_1.pdf)
- Stringham, Edward. 2001. "Kaldor-Hicks Efficiency and the Problem of Central Planning." *Quarterly Journal of Austrian Economics*. Summer. Vol. 4, No. 2, pp. 41–50; [http://www.mises.org/journals/qjae/pdf/qjae4\\_2\\_3.pdf](http://www.mises.org/journals/qjae/pdf/qjae4_2_3.pdf)
- Terrell, Timothy D. 1999. "Property Rights and Externality: The Ethics of the Austrian School." *Journal of Markets and Morality*. Vol. 2, No. 2, Fall; [http://www.acton.org/publicat/m\\_and\\_m/1999\\_fall/terrell.html](http://www.acton.org/publicat/m_and_m/1999_fall/terrell.html)
- Tucker, Jeffrey. 1995. "Nafta's Amen Corner: An Update" *The Free Market*. Vol. 13, No. 6, June; [http://www.mises.org/freemarket\\_detail.asp?control=241&sortorder=articledate](http://www.mises.org/freemarket_detail.asp?control=241&sortorder=articledate)
- . 1996. "From Nafta to 'Superstate'" *The Free Market*. Vol. 14, No. 10, October; [http://www.mises.org/freemarket\\_detail.asp?control=163&sortorder=articledate](http://www.mises.org/freemarket_detail.asp?control=163&sortorder=articledate)
- Tullock, Gordon. 1999. "Mises and the dialog of science." *Cato Journal*. Vol. 19, No. 2: 229–232; <http://www.cato.org/pubs/journal/cj19n2/cj19n2-2.pdf>
- Vance, Lawrence. 1996A. "Company Man" *The Free Market*. Vol. 14, No. 4, April; [http://www.mises.org/freemarket\\_detail.asp?control=191&sortorder=articledate](http://www.mises.org/freemarket_detail.asp?control=191&sortorder=articledate)
- . 1996B. "Friedman's Mistake" *The Free Market*. Vol. 14, No. 11, November; [http://www.mises.org/freemarket\\_detail.asp?control=158&sortorder=articledate](http://www.mises.org/freemarket_detail.asp?control=158&sortorder=articledate)
- . 2005. "The Curse of the Withholding Tax" April 21; <http://www.mises.org/story/1797>
- Vedder, R. and L. Gallaway. 2000. "The Austrian Market Share in the Marketplace for Ideas, 1871–2025." *Quarterly Journal of Austrian Economics* 3(1): 33–42.
- Yeager, Leland B. 1997. "Austrian Economics, Neoclassicism, and the Market Test." *The Journal of Economic Perspectives* 11(4): 153–165.

———. “The Tactics of Secondhandism.” *Quarterly Journal of Austrian Economics* 3(3): 51–61.