
BOOKS

Human Action: A 50-Year Tribute

Edited by Richard M. Ebeling

Hillsdale College Press • 2000 • 305 pages

• \$9.95 paperback

Reviewed by Bettina Bien Greaves

For years Hillsdale College has published annual anthologies in honor of Ludwig von Mises. In the beginning these were slim volumes, consisting only of addresses made at the college by visiting dignitaries. Since Richard Ebeling joined Hillsdale's economics faculty and became editor of this series, however, each volume has contained serious economic papers and been an important contribution to economic literature. The current volume, number 27 in the series, is a tribute to Mises's major economic work, *Human Action*.

The lead paper is by Ebeling himself and is in effect a small book, about a hundred pages with footnotes. It is a masterful presentation of the Misesian-Austrian theory of the business cycle, amplified by descriptions of the contributions to the theory by Knut Wicksell, Eugen Böhm-Bawerk, and F. A. Hayek. Ebeling explains the theory still further by critiquing the cyclical theories of non-Austrians, notably John Maynard Keynes. And in a later paper in this same volume, Ebeling critiques the theory of Mises's contemporary Joseph Schumpeter, who sought to explain the trade cycle as due to the innovations of entrepreneurs financed by "abnormal credit." Even those familiar with Mises's business-cycle theory will profit from Ebeling's clear explanation and his critiques of anti-Misesian doctrines.

Robert W. Poole Jr.'s "Human Action as a Guidebook to Modern Public Policy" offers hope to libertarians. Students of the free market have always found it easy to criticize government programs and to describe a *laissez-faire* society with a properly limited government. But when asked how to get from here to there, they hesitate. Poole offers a step-by-

step program. First, educate. And then use Fabian gradualist tactics in reverse. After World Wars I and II, collectivism was riding high in England; important industries were nationalized and national health care was expanded. The economy languished and living standards declined. However, Hayek's *The Road to Serfdom* (1944) and the establishment of the Institute of Economic Affairs and Adam Smith Institute began to open British eyes. Prime Minister Margaret Thatcher privatized millions of public housing units by selling them to their occupants, gave shares of stock to the workers in some state-owned industries, and sold stock in others, turning many individuals into private investors. The economy began to revive.

In this country also, free-market think tanks are beginning to have an impact. Ambulance operations, zoos, and garbage pickups have been privatized. The city of Indianapolis has privatized over 70 services, including the airport and two large, complex wastewater plants. Milwaukee, with a socialist mayor, privatized its wastewater system, and Democratic mayors in Atlanta and Birmingham, Alabama, have privatized their water systems. Thus the path from here to there proceeds step by step. However, when the supposedly "deregulated" California power industry has "price caps" on what it may charge customers and governments place obstacles in the path of California firms seeking to expand production to serve their customers, much educational work remains.

According to Leland B. Yeager, in his paper "The Moral Element in Mises' *Human Action*," Mises has drawn his share of criticism for his utilitarianism, even from some of his own disciples. However, Yeager explains that Mises's utilitarianism has nothing to do with the crass, materialistic utilitarianism that has attracted the scorn of critics. For Mises the ethical question is always: Does an action support or undercut social cooperation, which is essential for the happiness of society's members? According to Yeager, Mises "did not reject natural law in the scientific sense; and he did not reject natural law and human rights as ethical precepts. . . . What Mises rejected was the exaggerated, foundationalist,

almost mystical status that some writers have accorded to them. . . . Precisely because human rights and human dignity are important values, they deserve a more solid grounding than mere intuitions reported in noble-sounding language.” To illustrate, Yeager quotes from the writings of natural righters such as Murray N. Rothbard, Larry J. Eshelman, and Hans-Hermann Hoppe.

The other contributors to this volume include Gene Epstein, Gleaves Whitney, George Roche, Charles Murray, Hans F. Sennholz, Israel M. Kirzner, Roberto Salinas-León, Sanford Ikeda, and Karen Vaughn. Each of the papers helps the reader gain a better insight into some aspect of Mises’s life, work, and *Human Action*. This book is well worth reading. □

Bettina Greaves served FEE for more than four decades as a senior staff member and resident scholar. Now a resident of North Carolina, she is a member of FEE’s Board of Trustees.

Total Freedom: Toward a Dialectical Libertarianism

by Chris Matthew Sciabarra

Penn State Press • 2000 • 496 pages • \$65.00 cloth;
\$24.00 paperback

Reviewed by James Otteson

This book is the third in a trilogy from Chris Matthew Sciabarra. The other two were his *Marx*, *Hayek*, and *Utopia* (SUNY, 1995) and *Ayn Rand: The Russian Radical* (Penn State, 1995). The project of *Total Freedom* is to encourage a “dialectical approach to libertarian social theory.” About half of the book is dedicated to working out what “dialectical” means here, and what such a theory would look like; another large portion is dedicated to an investigation of Murray Rothbard’s writings; and the remainder is dedicated to showing how various “classical liberal,” “libertarian,” and “anarcho-capitalist” thinkers have contributed to the “dialectical” project Sciabarra thinks is necessary if “total freedom” is to be more than just an academic project.

Sciabarra says that he envisions his book not as providing a comprehensive dialectical libertarian social theory, but rather as articulating a “metatheoretical foundation upon which to build such a theory;” he sees the various parts of this book as successive attempts to push “the radical project out on a dialectical-libertarian limb.” What Sciabarra is working toward is the integration of disparate strands of libertarian thought into a single, coherent project, and he contends that this union will strengthen both the parts and the whole. In this way he hopes to increase the chance of creating an actual world of “total freedom,” that is, one based on voluntary exchange in all things—including “goods, services, and ideas”—and with no entities—including in particular the state—initiating force against others.

Sciabarra’s discussion of “dialectic” in Part One is meticulous. He sees “dialectic” not in the Marxian sense of a material process mechanically producing the future based on the past, but rather as a process of thought that can lead individuals to discover truth by engaging and relying on the thought of others. Sciabarra’s dialectic is an Aristotelian “orientation” in thinking that is chiefly characterized by an “emphasis on context.” It avoids static, apriori thought and is marked instead by dynamic “this-worldly analysis” applied to problems “that are real, concrete, important to our survival as *humans*, not as gods or goddesses.” Although Sciabarra’s discussion strikes me as sometimes overly reliant on jargon—as do the writings of many of the people to whom Sciabarra appeals, such as Marx, Hegel, Gadamer, and Habermas—I think the substance of Sciabarra’s idea is that the world is a single “organic whole,” and therefore investigation into it should not proceed as if it were made up of entirely separate atoms. It should proceed instead by alternately delving into various aspects of the whole, and then comparing the respective results. Sciabarra’s project is thus an attempt to lay the groundwork for a grand unification theory for a social science dedicated to human freedom.

That is an ambitious and laudable agenda in a world where the boundaries of freedom are shrinking. One might question whether all of

Sciabarra's investigation into "dialectic" is necessary, however. His lengthy discussions of key philosophers, along with an enormous number of their critics, defenders, and expositors, introduce many questions that cannot reasonably be addressed in the book and are somewhat distracting from the overall project.

Part Two is a critical intellectual biography of Murray Rothbard and his writings. Here again Sciabarra works with great care, exhibiting an impressive command not only of Rothbard's works but of commentary as well. Rothbard's works manifest just the kind of dialectical sensitivity Sciabarra seeks. Rothbard, he argues, was able to envision a libertarian utopia and to base this vision on a plausible conception of human nature; and he spent his life working out in detail the multifaceted ways they relate to one another.

Thus Rothbard "dialectically" investigated both the whole and the parts, and attempted to integrate them in just the way Sciabarra is calling on contemporary libertarian scholars to do today. Indeed, Rothbard is perhaps for Sciabarra the Platonic Form of libertarian scholar: he synthesized the work of those before him, as well as those in his own time; he worked by turns on narrow, specialized topics and on holistic, comprehensive projects; and viewed as a whole his scholarly corpus presents a virtually completed social science of human freedom showing that the "total freedom" Sciabarra advocates is both possible and practicable.

The final part of the book is in some ways the most interesting. Sciabarra discusses a number of contemporary libertarian scholars working from very different background assumptions—including George Reisman, Tibor Machan, Peter Boettke, Don Lavoie, and Stephan Kinsella—and shows how they, whether knowingly or not, can be seen as participating in the dialectical project he has been advocating. He weaves their individual projects together in an ingenious way.

Sciabarra's book succeeds in taking a large step indeed toward fulfilling his goal of enabling a "full-fledged, integrated, dialectical case for individual liberty." □

James Otteson is a professor of philosophy at the University of Alabama.

What Government Can Do—Dealing With Poverty and Inequality

by Benjamin I. Page and James R. Simmons

University of Chicago Press • 2000 • 309 pages • \$29.00

Reviewed by Martin Morse Wooster

One of the major triumphs of liberty in the 1990s was in welfare reform. In the 1980s, scholars—notably Charles Murray—who contended that welfare demeaned those who accepted it and ensured lifetimes of dependence on the dole were condemned as mean-spirited extremists. But that view is now the consensus.

Although socialists are in retreat, they have not been totally routed, as political scientists Benjamin I. Page and James R. Simmons show in *What Government Can Do*. Page, who teaches at Northwestern, and Simmons of the University of Wisconsin (Oshkosh) have prepared a treatise that provides comfort to the statist and a bitter pill for lovers of freedom.

"We find," they write, "that government can act effectively and that it can do so in ways that can serve economic efficiency, contribute to economic growth, and preserve individual liberty, while at the same time reducing poverty and enhancing equality."

Page and Simmons support all of the programs created during the New Deal and the Great Society. They argue that the problems of the welfare state can be solved by raising taxes on the wealthy and then channeling the additional taxes into expanded welfare state programs. Except for farm subsidies to large corporations, they would maintain or expand all welfare programs.

In the authors' view, the solution to every social problem is to give the government more money. Social Security and Medicare's impending bankruptcy? To them, that's an accounting fiction that can be fixed by raising Social Security taxes on the well-to-do. Collapsing schools? Teachers aren't paid enough. People on the dole for decades? Raise the amount they are given.

Moreover, Page and Simmons want to expand the welfare state in two areas. They consider, and reject, the notion of a guaranteed national income, but support a national “right” to housing, health care, and food. They call for Washington to establish a “food card” so that everyone from Bill Gates to a homeless drunk will be entitled to a food ration. They also want the government to establish a network of medical clinics for the poor, as a prelude to nationalized health care. It’s unabashed old-style socialism.

The authors also want the state to reduce income inequality through punitive taxation on the rich. “Everyone should be helped to have the *same expected future income at every point in life*,” they write.

But the evidence Page and Simmons use to advance their case is the research of other political and social scientists. This leads to a book so dull that the authors frequently tell their readers to skip over large sections.

Their citations are, of course, selective. They claim that Head Start is a resounding success, using as evidence two small decades-old studies that have never been replicated. They claim that teachers would be eager to work in inner-city schools if they were paid more, but they ignore the mountain of evidence (collected in such books as Susan Moore Johnson’s *Teachers at Work*) that most teachers quit not because of pay, but because of mind-numbing bureaucracy.

Page and Simmons contend that the poor primarily suffer from a lack of income. But if the problems of poverty were only about money, we would have conquered poverty decades ago. As the old joke goes, we fought a War on Poverty in the 1960s—and poverty won. That’s because the problems of the poor are primarily moral and spiritual, not economic. A government check cannot teach a poor person to dress for a job interview, or how to show up for work every day, or how to refrain from insulting the boss on the job.

As for inequality, as Michael Novak argues, it’s better to make the poor richer than the rich poorer. One way to do this is to remove regulatory barriers that prevent the poor from starting their own enterprises and keep them from obtaining employment. Alas, it never

occurs to the authors that less government might enable the poor to succeed without state coercion. And they never trouble themselves to discuss nongovernmental alternatives or the terrible disincentive problems of the welfare state.

What Government Can Do is a weak and unpersuasive book that inadvertently shows that less government, not more, is the best way to help the poor become responsible, productive, and prosperous. □

Martin Wooster is an associate editor of The American Enterprise and the author of Return to Charity: Philanthropy and the Welfare State.

Reckless Legislation: How Lawmakers Ignore the Constitution

by Michael A. Bamberger

Rutgers University Press • 2000 • 224 pages
• \$32.00

Reviewed by George C. Leef

Legislators have been enacting laws that trample on constitutional rights for a long time. The United States had barely entered the nineteenth century when Congress gave us the Alien and Sedition Acts, for example, a blatant attack on the right of free speech. And they have been at it ever since. Rare indeed is the elected official who will vote against proposed legislation thought to have widespread appeal among voters just because he knows that it’s unconstitutional.

In *Reckless Legislation*, attorney Michael Bamberger has written a useful book on the phenomenon of unconstitutional lawmaking. He regards it a “dereliction of duty” for legislators to pass politically popular bills with little or no regard to their probable constitutional defects, and rejects the common excuse that it is the job of the courts to decide whether legislation is unconstitutional. Punting constitutional questions has, Bamberger argues, politicized the courts “by transferring many of the most contentious political and social issues of our times to the courts for resolution.” If the law is struck down, its champions then complain about “judicial activism.”

Judicial activism is nothing to complain about as long as the judges have their principles right, but often they don't. Even when the case has a good outcome, however (that is, the attack on people's rights is declared null and void), there is the problem of the cost of fighting to uphold those rights. Bamberger correctly observes that once the government has enacted the unconstitutional legislation, the cost of battling to have it overturned usually falls on private parties, who must confront the bottomless pit of government legal resources. The cavalier "we'll just let the courts decide" attitude is one that imposes significant burdens on the affected people.

A good example Bamberger gives is the war over anti-obscenity laws that has raged in several cities, including Indianapolis and Minneapolis. Local governments, following the arguments of militant feminist law professor Catharine MacKinnon, enacted prohibitions on the sale of anything "pornographic," on the grounds that somehow inanimate objects can "discriminate against women." When the obvious question of constitutionality was raised, who was invited as the legal expert on the matter? Naturally, MacKinnon herself. The ordinances were swiftly struck down in the courts. City council members got to feel good and probably enjoy some political benefits for having tried to "clean up the city," while the costs were borne by others.

The book disappoints, however, in that it doesn't hit at the major-league assaults on our constitutional rights, such as the Frankensteinian Americans With Disabilities Act; rather, Bamberger strains to fill the book up with insignificant little gremlins. For example, he devotes part of a chapter to a Missouri abortion defunding case.

The Missouri legislature, in a fight between pro-life and pro-choice factions, voted to keep state funds from going to Planned Parenthood. Bamberger looks at the case as an unconstitutional instance of "punishing" an organization for its views. But government funding is not a right, and a decision not to continue to provide it is not "punishment." Our jurisprudence is in a sad state when legislatures can't vote to stop squandering the taxpayers' money.

Bamberger suggests several remedies—advisory opinions from the courts, expedited review, suits for declaratory judgment, and bringing test cases—and finds that none is more than a slight palliative. The only real solution, he maintains, would be for legislators to take their oaths of office seriously and stop enacting laws with obvious constitutional defects. I couldn't agree more, but as Milton Friedman once said in another context, "That's like asking for water that runs uphill." □

George Leef is book review editor of Ideas on Liberty.

The Ten Things You Can't Say in America

by Larry Elder

St. Martin's Press • 2000 • 367 pages
• \$23.95 cloth; \$14.95 paperback

Reviewed by William H. Peterson

There is hope yet for America. Larry Elder is a host of a successful talk show on KABC Radio in Los Angeles and a nationally syndicated columnist who wins the imprimatur of a major book publisher to carry a big message. As a black libertarian, he is also a breath of fresh air in his courage and plain speaking.

Elder is even something of a firebrand. Here he daringly takes on the Fortress America of Political Correctness on and off the campus, in and out of the mainline media, from and to the church pulpit. And so he assails ten supposedly unassailable yet monumentally politically correct paradigms. Here are his topics: 1. Blacks Are More Racist than Whites; 2. White Condescension Is as Bad as Black Racism; 3. The Media Bias: It's Real, It's Widespread, It's Destructive; 4. The Glass Ceiling—Full of Holes; 5. America's Greatest Problem: Not Crime, Racism, or Bad Schools—It's Illegitimacy; 6. There Is No Health-Care "Crisis"; 7. America's Welfare State: The Tyranny of the Statist Quo; 8. Republicans Versus Democrats: Maybe a Dime's Worth of Difference; 9. The War

Against Drugs Is Vietnam II: We're Losing This One, Too; 10. Gun Control Advocates: Good Guys with Blood on Their Hands.

Those are indeed things that can't be said in most circles, but Elder argues his points with great assurance. He says out loud what Americans only whisper at the kitchen table, on the shop floor, or at the water cooler. Something has gone wrong.

We have become, he maintains, a nation of whimpering people who won't take responsibility for our own actions, but furiously rage that the problem is always someone or something else.

Here's a choice cut of Elder's rhetoric: "We've become a nation of 'victicrats'. . . . The glass ceiling? Nonsense. Hate crimes? All crimes are hateful. O.J. Simpson? He did it, and his defense team shamelessly used the black victicrat mentality to escape conviction."

Let's focus on just two of his "ten things." First, take his argument that the War On Drugs amounts to Vietnam II—that we're mired in a bloody and foolish conflict that can't be won.

Why, he asks, is it all right for his next-door neighbor to come home and have a martini—but a serious criminal offense to come home and smoke a joint?

Drugs, he admits, can kill, but so can alcohol. And so does tobacco, in far larger numbers. Ditto for overeating. The moral question is who is accountable to whom? Who should take responsibility—the individual or the Nanny State? Elder, of course, can't abide the latter.

Second, what about those "holier than thou" gun controllers? For all their talk about child safety locks and "sensible" gun registration and licensing requirements, Elder asks if their ultimate aim isn't the confiscation of privately owned weapons. Bare fists or mace won't do when an attacker has a gun. Elder believes you have the right to decide what sort of personal defense to own and use while the controllers think they are entitled to make that choice for you. He notes that New York has issued concealed weapons permits to Donald Trump, Laurence Rockefeller, and Howard Stern. Well, what about the baker in Queens?

Or for that matter, women anywhere who are worried about violence?

Books by talk-show hosts tend to be unscholarly, but not this one. Elder has done his homework. *Ten Things You Can't Say in America* is heavily documented, with many graphs and tables.

Larry Elder's book is a triumph of common sense, with enough nerve to shake up the dreary statist quo. It is a passionate plea for limited government and personal responsibility. Let us hope to hear more from him. □

Contributing editor William Peterson is an adjunct scholar at the Heritage Foundation.

The Satanic Gases: Clearing the Air about Global Warming

by Patrick J. Michaels and Robert C. Balling

Cato Institute • 2000 • 224 pages
• \$10.95 paperback

Reviewed by Bonner Cohen

"There's no question that global warming is a real phenomenon, that it is occurring," EPA administrator Christie Todd Whitman told the press in February. "And while scientists can't predict where the droughts will occur, where the flooding will occur precisely or when, we know these things will occur; the science is strong there." Whitman is certainly right in saying we're in store for more droughts and floods. They have always been with us, and they always will be. But whether they have the remotest connection to global warming is quite another matter.

Whitman is not alone in believing that the world faces an endless chain of climatological calamities—not just more droughts and floods, but more hurricanes and tornados, not to mention melting icecaps and the spread of tropical diseases. Proponents of the theory of global warming have succeeded so well in spreading their message of impending doom that it has become standard fare in the mainstream media and—unfortunately—in the halls of government.

This is why *The Satanic Gases* is so timely. The book examines the science behind the theory and compares the predictions of changes in the earth's climate with actual observations. Performing this task are two of the nation's premier experts on climate. Patrick Michaels is professor of environmental sciences at the University of Virginia and past president of the American Association of State Climatologists. Robert Balling is the director of the Laboratory of Climatology at Arizona State University.

Human influences on the climate are anything but new. Ever since agriculture began to spread thousands of years ago, humans have been mucking around with the earth and its climate. The perennial long-grass prairie of east central North America, for example, was replaced with annual plantings of corn and soybeans. "Whereas the prairie was a continuous vegetative cover," the authors note, "the replacement crops are seasonal, with bare ground exposed to the sun for half the year, resulting in dramatically different absorption of and heating by the sun's radiant energy." Given how widespread agriculture is, it is revealing that land-use changes are scarcely considered by the computer models that serve as the basis for the policies to address global warming. And it is those models, known as General Circulation Models (GCMs), which have predicted that increased emissions of manmade carbon dioxide, mostly through the burning of fossil fuels, will lead to a potentially dangerous warming of the planet.

The problem is, the authors point out, the models have consistently overstated what scant warming has taken place over the past two decades, if indeed any has taken place. Throughout the debate over global warming, no authority has been cited more often in the media as providing "more proof" of human-induced climate change than the United Nations' Intergovernmental Panel on Climate Change (IPCC). Yet as Richard Lindzen, professor of meteorology at MIT, recently pointed out at a Capitol Hill briefing, the IPCC was created to assist negotiators in the process of furthering the Kyoto Protocol—not to find out the truth about climate change.

Its vested interest in promoting the goals of the Kyoto Protocol has led the IPCC to become more of a cheerleader for curtailing the use of fossil fuels than a source of scientific objectivity. In addition to publishing scary, nonpeer-reviewed "summaries" of the state of climate change, which often bear little resemblance to the findings of its scientists, the IPCC has not leveled with the public on the limitations of its models. As the authors point out, no GCM has ever succeeded in creating a troposphere (the bottom 40,000 feet of the atmosphere) that behaves at all like the observed data of the last quarter of the twentieth century. "In other words," they write, "while the United Nations was promoting the paradigm that the models were 'generally realistic' and using them as the basis for sweeping policy recommendations that could greatly harm United States prosperity, the models were in fact making massive errors that the IPCC was loath to note."

The inaccuracy of the predictions by GCMs is significant for what it tells us about how much we should rely on such models in the future. Michaels and Balling pointedly ask: "[I]f a GCM calculates that the earth currently is several degrees warmer than it actually is, what logical device allows it to make a forecast of future warming?" Those forecasts can spark fears that result in disastrous policies. "More people die from weather-related causes in the winter than in the summer," they note. "And per capita summer mortality is going down, thanks largely to air conditioning; from this perspective, proposals to fight global warming in ways that make electricity more expensive appear inefficient, to say the least."

Any rush to judgment is fraught with danger, particularly one based on dubious science and shameless fear-mongering. President Bush's recent decision not to regulate emissions of carbon dioxide and his rejection of the Kyoto Protocol were welcome steps back from the folly into which the global-warming debate threatened to take us. But the fight is far from over. Those wishing to be armed for that fight should read *The Satanic Gases*. □

Bonner Cohen is a senior fellow at the Lexington Institute in Arlington, Virginia.