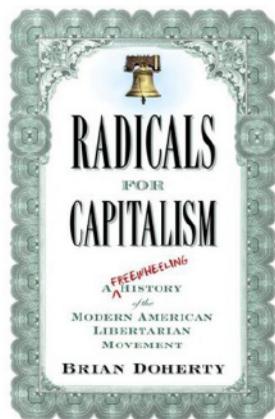


Libertarian ascendancy

Chris Berg reviews

Radicals for Capitalism: A Freewheeling History of the Modern American Libertarian Movement

by Brian Doherty
(PublicAffairs,
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If one relationship illustrates the uncomfortable and slightly paradoxical relationship between modern, big-tent conservatism and the radical libertarian movement, it is the one between Barry Goldwater and Karl Hess.

Hess was first and foremost an activist, standing in contrast to the more numerous academic types who constituted the American libertarian movement in the 1960s and 1970s. He was firmly counterculture. He sported a Castro beard, and dressed in that same South American revolutionary style. While Hess's right-of-centre credentials were firmly entrenched—as a journalist for *Newsweek* he had expressed what was seen as an unbecoming enthusiasm for McCarthy-era anti-communism, and his own writing was strongly libertarian, as well as staunchly anti-war—he conspicuously allied himself with the New Left in the latter half of the 1960s.

Barry Goldwater, whose ideological footprint was stamped with his ghost-written *Conscience of a Conservative*, was the 1964 Republican nominee for President. Goldwater's foils were the Soviets and liberals, in equal weight. And Karl Hess, the future counterculture icon, was his unlikely speechwriter.

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By the early 1970s, Hess's position as a libertarian anti-war protester had been the subject of numerous profiles in the mainstream press. His relationship with Goldwater was, however, just as strong. Hess maintained that Goldwater, despite his position as the proto-typical American conservative, was still a perfect fit for his libertarian anti-war coalition, telling the *Washington Post* that 'I don't know anybody who would make a better Weatherman'—the anti-war terror cell of the radical left. In an almost beautiful vignette of improbable friendship, Goldwater, bumping into Hess on opposite sides of a rally outside the capital in 1969, pulled him aside to asked him to 'give me a call as soon as you're free'.

Libertarianism, as Bryan Doherty's *Radicals for Capitalism: A Freewheeling History of the Modern American Libertarian Movement* reveals starkly, has always existed uncomfortably alongside its fair-weather partner, conservatism. Libertarians, as Doherty points out, often have close personal and institutional connections with the traditional right—they share the same think-tanks, libertarians are often members of the dominant right party, and the two make common cause on many issues, particularly free market economics.

But in the areas of sex, drugs, some science issues such as cloning and stem-cell

research, and (often) war, libertarians deviate sharply from the conservative movement. Ayn Rand, in her typically venomous, Randian manner, held conservatives ranging from *National Review's* William F. Buckley to Ronald Reagan in utter contempt, dismissing them as wallowing in the 'God-family-country swamp'.

And that swamp is repelled by libertarians' radical views on emotionally charged issues, some of which can border almost on satire. Libertarianism often rejoices in how off-putting its beliefs are, relishing its outsider status. Doherty quotes a founder of the New York State Libertarian Party who says that 'hard-core libertarianism has no mass constituency ... there is no mass constituency for seven-year-old heroin dealers to be able to buy tanks with their profits from prostitution'.

Doherty structures *Radicals for Capitalism* around five major figures: four economists, Ludwig von Mises, Friedrich Hayek, Murray Rothbard & Milton Friedman, and a novelist, Ayn Rand. The title of Doherty's book itself is in part a compromise for Rand, who hated the term 'libertarian' in the same manner that she hated everything else.

But around these well-knowns, Doherty brings in their intellectual ancestors and heirs, and many other peripheral figures largely ignored by modern libertarians. For instance, Doherty profiles the group Spiritual Mobilization, Christian libertarian pamphleteers who splintered out of Leonard Read's Foundation for Economic Education (FEE). (Libertarian mythology, for some reason, tends to downplay the importance of explicitly Christian free marketeers—the Spiritual Mobilization group have suffered from the same selective memory-loss that the Free Bible Movement has suffered from in the popular mythology of the free trade Anti-Corn Law movement.)

Modern libertarian thought has coalesced around the United States and, as Doherty points out, rightly so. Read your



Gary Cooper in the 1949 film adaptation of Ayn Rand's *The Fountainhead*

Constitution; there has scarcely been a stronger declaration of the rights of the individual. But the history of nineteenth-century America depicts the demise of anti-statism as the dominant American ideology. *Radicals for Capitalism*—after briefly surveying proto-libertarians such as Supreme Court Justice Stephen Field, Yale political scientist William Graham Sumner and political philosopher Herbert Spencer—begins the twentieth century with what were, by then, termed the 'Old Right'—a small, disconnected cadre of anti-statist intellectuals repulsed by Franklin D. Roosevelt's fascistic New Deal.

The intellectual isolation of the Old Right in the country that should be most receptive to its ideas sets the trajectory of the Libertarian movement until at least the 1970s. Movements cannot thrive without an institutional base. Anti-staters before the Second World War were first and foremost intellectuals, and produced a large amount of material. But they failed to reassert themselves in the intellectual landscape of the time, let alone dominate it.

They were not helped by their theoretically incomplete political and economic programme—Ludwig von Mises and Friedrich Hayek were still formulating their comprehensive treatises before the war. The Old Right was an informal coalition built around a hatred of Roosevelt.

Libertarians emerged from the war even further from the intellectual zeitgeist.

No post-war libertarian set the tone and structure of the movement more than Leonard E. Read. Read was a refugee from a pro-business lobby group which was usually free-market, but had the frustrating habit of providing an outlet for 'both sides' of any given debate. The anti-market side, Read thought, already dominated public debate—why build them another platform from which to attack American capitalism?

Read left the lobby group in 1946 and founded The Foundation for Economic Education (FEE)—the prototypical free-market think-tank. Read's and the FEE's approach was, as the name suggests, a purely intellectual and educative endeavour. FEE's mission was to provide the intellectual stimulant for the remnants of American anti-state thought, and hopefully to convince others, through argument alone, of its merits.

The FEE defined the structure of Libertarianism. Until the Vietnam War era, libertarians almost uniformly focused their activities on education and intellectual outreach. 'Full-service' think-tanks, specialist schools such as the charismatic Robert LeFevre's Freedom School, and outreach organisations focused around varieties of libertarian thought such as Ayn

Rand's objectivism—the movement spent the post-war decades building up the institutional base which it had lacked for most of the country's history. Having been largely expelled from the government-supported educational establishment and its lucrative tenure tracks, libertarian intellectuals have had to be both scholars and entrepreneurs to stay afloat.

It wasn't until the late 1960s and 1970s that these efforts really started to pay off. A new generation of libertarians mixed activism over academia, aping the activities of the left. The Libertarian Party held its first convention in Denver in 1972.

Karl Hess—as far from a Read-style educator as can possibly be imagined—with other young libertarians strategically aligned himself with the New Left. It was not a particularly comfortable fit.

The movement was still dominated by intellectual types—as it is today. But as these intellectuals gained confidence, their proselytising took a more public dimension. Doherty relates a particular prank of the Circle Bastiat Boys, a group comprising Murray Rothbard, Leonard Liggio, Ralph Raico and others:

One of their favourite stunts involved filling the studio of a televised talk by the governor of New Jersey, hitting him with questions as if *their* ideological universal was the

Libertarians formed a quite sizable part of the hippy and drug movements, science fiction writers and fans, even early computer enthusiasts.

norm and *his* some sort of aberration. ‘What, governor? You are *for* public schools? Where did you get such strange ideas? Can you recommend any books on the subject?’

The libertarian movement in the 1970s was a dramatically different one from the isolated remnants faced by Leonard Read, and its expansion was in no small part his achievement. Resembling the state of the movement in 2007, libertarian ideas formed the basis of a magnificent variety of sub-culture groups. And not just famous groups such as Randian Objectivists or Young Americans for Freedom. They also formed a quite sizable part of the hippy and drug movements, science fiction writers, and fans, even early computer enthusiasts.

A proliferation of small independent zines were produced across the country, amongst them *Efficacy*, *Rights by Right*, *Bull\$heet*, *Living Free* and *Invitu\$*. The now-widely circulated *Reason Magazine*, of which Doherty is a senior editor, was founded in 1968 as a movement zine, dedicated to libertarian gossip and libel.

Libertarianism is a large enough movement to spread out well across the academic/activist divide. However, by the 1990s, it is possible to speak of ‘establishment libertarianism’. Libertarian arguments are, certainly, a constituent part of liberal economic theory. How much the ‘radicals’ of Doherty’s book propelled the general policy drift towards free markets around the end of the century is an open question. We know that Milton Friedman and Friedrich Hayek had a significant impact by the concrete policies and politicians directly inspired by the two academics. But individualists such as Andrew Joseph Galambos, who argued that his ideas were so firmly his private property that you had no right even to describe them to others, perhaps not so much.

The Adam Smith Tie establishment—a network of libertarian-leaning academics and policy-wonks centred

around free-market focused think-tanks such as the Cato Institute—has arguably been the movement’s greatest political asset. The employment stability, institutional base and open forum that think-tanks have given to free market writers, thinkers and activists contrasts with the unfortunate isolation faced by Mises, Hayek, and even Rothbard (although, one suspects, Rothbard’s instability was partly of his own making).

These institutions have also provided public credibility for libertarian ideas, even if they by necessity have had to couch their message in practical, rather than moral terms. One political philosopher, writing for Cato recently, titled his essay on broadcasting the libertarian message ‘I’m not a utilitarian, but I play one on TV’. The individuals who work at think-tanks typically have a wide span of philosophical views, but the messages they broadcast are more Friedmanite practicality than Randian moral elitism.

Although Doherty’s book is not an intellectual history, he handles the intellectual issues clearly and honestly. His discussion of Albert Jay Nock’s *Our Enemy the State*, a foundation text of the Old Right, reveals its uncomfortable ideological fit—its place amongst college-age libertarians is earned almost entirely by the quality of its title.

For an Australian reader, *Radicals for Capitalism* suffers a little from its scope. Little sense—at least once the Austrians Hayek and Mises move to America—is given of the international environment of the American libertarians. Doherty notes the role of Antony Fisher, a founder of the UK’s Institute of Economic Affairs, at franchising his think-tank model across the United States, but, with those few exceptions, American libertarianism is a closed shop. This is perhaps an unfair criticism—Doherty’s book is unambiguously a history of the modern American libertarian movement—so a synthesis of world-wide radical pro-capitalists remains

to be written.

Despite its dramatic gains over the past 50 years, libertarianism still remains as marginalia in American politics. *The New York Times*’ review of *Radicals for Capitalism* demonstrates this neatly. The reviewer, an economics writer named David Leonhardt, after quickly dismissing libertarian ideas as a rhetorical aberration, dug through Doherty’s book to cherry-pick as many bad things as they could find—Milton Friedman in Pinochet’s Chile, Rothbard’s youthful flirtation with the segregationist Presidential candidate Sturm Thormond, and the anti-Semitic Merwin Hart (whose name is mentioned exactly once, and in an obviously negative context). Leonhardt complains that ‘the book fails to ask why people who claim to love freedom have so often had a soft spot for those who would deny it to others’. It would be hard to make the case that Doherty’s book describes a libertarian movement that didn’t care about human, political and economic rights, but in the hands of the establishment left, that is its inevitable conclusion.

He ends his review, appropriately, with a discussion of global warming—whatever you think about the left, they sure are focused.

Leonhardt’s ignorance of libertarian beliefs and principles is, to be charitable, a reflection of the publishing and writing industry’s reluctance to produce books about the ideological foundations of the free market or the conservative sides of politics. Sprawling and comprehensive, *Radicals for Capitalism* replaces Jerome Tuccille’s now 30-years-old *It Usually Begins with Ayn Rand* as the ‘official’ movement history. Doherty contextualises libertarian figures like Friedman and Rand amongst their peers in the wider movement and produces, as a result, a broad picture of an ideology in its ascendancy.

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