

A Monthly Newsletter

THE

Libertarian Forum

Joseph R. Peden, Publisher

Murray N. Rothbard, Editor

VOLUME VI, NO. 1

JANUARY, 1974

US-ISSN0047-451

ENERGY FASCISM

Two years ago, in response to the first freeze of Phase I of Nixon's new economic policy, I wrote that "on August 15, 1971, fascism came to America." Some critics felt that the label was overblown; but here we are, two years later, well into the next "phase" of the fascist logic upon which the Nixon Administration has embarked: totalitarian controls such as allocations and rationing. He who says A must say B, and the logic of price and wage controls is marching us straight into a totalitarian, collectivist state: in short, fascism.

The crucial point on the energy crisis is that the crisis is not, as the Administration and the Establishment would have us believe, a visitation from on high, the result of the actions of the Arab sheiks, or a consequence of "excessive greed" on the part of the American consumer or of the oil companies. The crisis is, pure and simple, the creature of the American government itself and its statist interventions into the economic system. And while the rest of us are placed into increasing subjection by the government, in the name of aiding or curing the energy crisis, the cause — government policy — continues on its merry way unchecked.

The major evil stems from the government's policy of price controls below the free market level. There is one and only one possible cause of the phenomenon of a shortage, and that is government price control below the market. There are myriad actions of the government which have made energy fuels artificially scarce: but a shortage can only be caused by price control.

Economists define a "shortage" as a condition where consumers are not able to find the product. Regardless of how scarce the supply of a product may be, there is never any need for a shortage, for a disappearance of the product from the shelves. For on the free market, if a product becomes more scarce, the price rises until the market is "cleared", i.e. until there is sufficient supply available for those who wish to purchase the product at the market price. And so, if the free price system is permitted to operate, increased scarcity will cause a higher price, but not an outright disappearance, or "shortage", of the product. Take Rembrandt paintings, for example. Here is a product that is mighty scarce indeed, in fact it is difficult to think of another product in shorter supply; furthermore, barring a perfect and undetectable forger, there is no prospect of the supply of Rembrandts ever increasing. And yet, there are no complaints or lamentations about a "Rembrandt shortage". The reason is because there are no price controls on Rembrandts. As a result, if you have a couple of million dollars to spend, you will be able to find a Rembrandt to buy.

Shortages are solely the product of price controls, of not permitting the free market mechanism to function. The bigger the discrepancy between the government controlled price and the free market price, the bigger the shortage. Suppose, for example, that the government in its wisdom suddenly decreed that Wheaties may not be sold for more than a nickel a box. What would happen? After a brief flurry during which every kid and mother in the land would rush to the grocer to buy their bargain

Wheaties, the Wheaties would disappear from the shelves never to return. We would be in the throes of a nationwide Wheaties "shortage". Faced with the prospect of a swift revenue of a nickel a box, the Wheaties manufacturer would shift to corn flakes or go into some other line of business. Black marketeers would be beckoning consumers to buy "hot Wheaties" at a price far above the free market level (due to the cut in production, the inability to advertise an illegal transaction, the risk of being caught and arrested, and the cost of paying off the police to look the other way.) There is no need to conjure up Arab sheiks, "greedy profiteers", or anyone else as the culprits for the shortage. We can have as much of a shortage of anything as we want; all we need is to push the control price far enough below the market price.

When the black day of August 15, 1971 arrived, we free-market economists predicted that shortages of all sorts of products would result from the price control, and that the shortages would develop increasingly after a period of time. On the day of the freeze, everything seems to be functioning smoothly, and so the general mood is one of euphoric success. What is generally overlooked is that, since prices on August 15 corresponded to free-market levels, the frozen prices the next day would naturally correspond to these levels in much the same way. Free-market prices don't change that much in one day. But it was predictable that as weeks and months wore on, and as the government continued to inflate the money supply and hence free-market price levels, the gap would grow steadily worse and eventually lead to aggravated shortages of product after product.

The rise in free-market price levels was aggravated by the accelerating expansion of the money supply by the government and by the fact that the lingering recession of 1971 was soon succeeded by a boom, thus removing any slack in the economy. When Tricky Dick imposed Phase I in August, 1971, price inflation was proceeding at something like a rate of 4% per year. Now, after 4½ "phases" of varying degrees of price dictation, and continued monetary inflation by the government, we are suffering a price inflation rate of something like 10% per year; and prices rose in December, 1973 at an annual rate of approximately 26%. The rate of inflation is accelerating, and, apart from other evil consequences of this condition, the gap between the free and controlled prices of many goods continues to widen, and the shortages to emerge and grow steadily worse. It is not only natural gas and petroleum that have suffered aggravated shortages due to price control; it is also and increasingly such crucial commodities as paper, steel, and plastics.

Since we were probably due for a "normal" recession this year anyway, the shutdowns and layoffs that may flow from a disappearance of these crucial raw materials may well plunge the American economy into a severe depression. The same may more swiftly happen in Western Europe, where inflation and price controls are in some areas more severe than they are here. As price controls cause products and raw materials to disappear, plant shutdowns and layoffs could ensue, causing widespread

(Continued On Page 2)

Energy Fascism —

(Continued From Page 1)

drops in production and employment, i.e. a depression. We have already had a taste of this when the federal government, in its wisdom drastically cut its mandatory allocations of fuel oil from factories making private airplanes; after all, the bureaucrats reasoned, private planes are a luxury, so let's slash their allocations. Since private airplane factories happen to be concentrated in Wichita, Kansas (Cessna, Lear), the nearly 30% cut decreed by the government caused immediate large-scale unemployment in that city, and only massive protest by the Wichita citizens succeeded in getting the ruling reversed. This is only a foretaste of things to come.

And so price controls, as was predicted, have led to shortages in industry after industry. If the price system is allowed to function, then the free market quickly wipes out any shortage as the price rises to "clear" supply and demand on the market. Shortages under price controls persist and get worse, there being no market mechanism to remove them. If prices are allowed to rise, then the price increase performs two important economic functions: (1) the "rationing" function, as buyers voluntarily restrict their purchases, in accordance with each individual buyer's needs and abilities; and (2) the incentive function, the higher price stimulating increased production and supply over a period of time. Price control prevents both of these crucial functions from being performed, smoothly and voluntarily; instead, shortages persist and intensify.

In such a shortage situation, there must be some way of "rationing" the short supply. With prices not allowed to perform this task, other, arbitrary methods come into play: e.g. lining up for gas for several hours, or selling to favored purchasers. The next step, which has already occurred, is for the government to step in to ration by coercion, to allocate supplies in ways that it sees fit — ways that are always uneconomic and irrational as well as coercive and despotic. We already have gasoline rationing at earlier than retail levels: pace the government's arbitrary shutting off of fuel to the private airplane industry. And even at the costlier and more complex retail level, gasoline, for example, is already being "rationed" by arbitrary restrictions, and by official rationing in several states (at this writing Hawaii, Oregon, New York, and New Jersey).

There are two major problems with all these rationing schemes: (a) they are arbitrary, irrational, and totalitarian, and (b) they freeze the shortage, since they fail to allow prices to rise to induce greater supplies of the product.

Take, for example, the arbitrary shutdown of filling stations on Sundays. All that this accomplishes is to cause a rush on gasoline on Saturdays, as well as levying great hardship on drivers who have to travel somewhere, say in a sudden emergency, on a Sunday. How many potential hospital patients have already been injured or even killed by the blunderbuss orders to shut down on Sundays? The next step taken by our all-wise rulers was to impose maximum limits on each individual purchase of gasoline. The result, as could have been foreseen, was an uneconomical inducement to stop at a whole slew of filling stations until the desired amount is purchased. Since Christmas, the New Jersey Turnpike has imposed lunatic maximum limits on each car's purchase of gas: such that it is impossible to drive over more than a small fraction of the Turnpike. Each Turnpike ticket is stamped so that no more gas can be purchased. The result, of course, was that cars have been getting off and on the Turnpike repeatedly, picking up a new ticket along the way and getting the allotted amount at each turn. This absurd harassment is typical of the consequences of government intervention.

Furthermore, the gasoline scare — the fear that no filling stations may be open or available further down the road — has led everyone to keep their gas tanks as filled as possible, thus increasing the total purchase of gasoline as the average "inventory" of gas in the tank has risen. Now, the governments have reacted to this development by beginning to impose minimum limits on the amount (in gallons or dollars) of gasoline purchased, so that no one may keep his gasoline inventory high. But minimum limits, by their very existence, seem destined to lead, in their own right, to a higher consumption of gasoline. Moreover, to have both minimum and maximum limits on purchases begins to approach Alice-in-Wonderland; perhaps one day some clown in the bureaucracy will

inadvertently set the minimum limits higher than the maximum: and then all of us gas consumers will go bughouse in response to this new and devilish form of "Catch-22".

In contrast to these irrational and meat-axe measures, formal gasoline rationing would at least have the merit of allocating to each consumer his 30 or 40 gallons a month, and then allowing him to consume them in any pattern he wishes: on Sundays, on the Turnpikes, or whatever. A rationing system, however, would be highly costly, would require an army of unproductive bureaucrats to administer and enforce, and would be even more comprehensively totalitarian. It would also freeze the scarce supply and the shortage permanently.

The government is already confused about what sort of rationing system it is going to impose. There is the old and much reviled (justly so) World War II rationing system, in which no one was allowed to give away or sell his surplus ration tickets to anyone else. This prohibition made no sense at all. If the number of ration tickets matched the scarce supply (as it was supposed to), then if I (for example) sold my surplus anchovy tickets (as a non-anchovy eater) for someone else's candy tickets (the other person being a dieter), then both of us would be better off. Why shouldn't trading in ration tickets be allowed? Indeed, this was the entering wedge, in Henry Hazlitt's excellent novel *Time Will Run Back*, to move from a Communist economy of the future to a free market; the first step was: why not allow people to exchange their ration tickets?

Since Nixon's economic advisers claim that they favor the "free market", they have been reportedly toying with various "freeish market" versions of rationing. One is to allow a "white market", with people being allowed to buy and sell ration coupons; if I don't use my car much or at all, I can sell my surplus coupons to those who wish to use more than their allotted 40 gallons. OK, this plan (apparently the brainchild of Secretary Shultz), is certainly an improvement on the "traditional" World War II system. But the very improvement points up the imbecility of the whole rationing scheme. Suppose, for example, that the current controlled price of gasoline is 50¢ a gallon. No one knows what the free market price would be (indeed it is impossible to know without letting the free market rip), but estimates have ranged from 58¢ to 80¢ or \$1.00 a gallon. Suppose that the free market price is 80¢. Then the result of this curious white market will be that the demands of the over-40 gallon buyers will drive the price up to approximately the 80¢ level. In other words, we would all be paying the 80¢ a gallon, and therefore there would be no further shortage; but the hitch is that the oil industry would be getting only 50¢ a gallon, while us under-users would be reaping the remaining 30¢. The moral issue is: why should I receive 30¢ a gallon for gasoline, I a non-producer? The economic issue is that the oil companies would still have no incentive to expand production and sales to the consumer market, so that we would be paying the higher free-market price without the benefit of inducing an increased supply. The idiocy of such a "solution" to the problem would be crystal-clear.

To complete the picture of rationing schemes, the above "extremist free market" proposal is countered by another variant, a "middle of the road" scheme in between World War II and Shultz. In this scheme, no one would be allowed to buy and sell ration tickets on their own and to each other; instead, the federal government would "nationalize" the ration ticket market. Everyone would have to sell their surplus stamps to the government, which in turn would resell them. In addition to getting its own unnecessary and uneconomic "cut" for these dubious monopoly services, the government would be making the fumbling attempt to find the market clearing price. This plan has all of the defects of the Shultz scheme plus many more; the government would clearly do a terrible job at trying to find the market price, a discovery job for which only the market itself is equipped.

Let us not despair completely, however; at least a partial salvation from this iniquity is already under way. It is an open secret that the heroic Mafiosi, always zealous at supplying goods and services that the State has declared to be illicit and illegal, have already revved up to print counterfeit ration tickets on a massive scale. Presumably, the Mafia is using sources of information inside the government to find out exactly what the tickets will look like. It has been estimated that fully 15% of the gasoline sold for ration coupons in World War II was sold for black-market, counterfeit coupons. And that was in the midst of a war supported with enthusiasm by most of the populace. If counterfeiting and black markets were so extensive in the midst of that patriotic fervor, what will it be now, when there is no popular war and the government is

(Continued On Page 6)

Mises And History

By Leonard P. Liggio

The death of Ludwig von Mises has brought forth numerous essays on his contribution to economics. It is equally in order to discuss his work in the historical sciences, as he called them. Having had the honor and pleasure of attending Mises' graduate seminar during the years in which he wrote *Theory and History* and devoted his seminar to that subject, I had the rare opportunity of participating in the final formulation of his long-considered concepts of the historical sciences. But, before discussing that part of his contribution in another article, I shall indicate some of the substantive historical analyses which Mises made.

Faced with the rise of classical liberalism in the 19th century and its collapse since the first world war, Mises had very special motives for examining contemporary history. Mises emphasized that ideas are the base on which all social activity takes place. It is in the realm of ideas that the battle for civilization and progress takes place. Mises emphasized the fact and the necessity that classical liberalism had to be obstinate and uncompromising. Success of liberal ideas required the enlightenment of people who studied ideas who would convince the citizenry of their correctness. Mises advocated a revolution in ideas as the necessary step to the revolution of the practice of freedom. However, the advocates of classical liberalism in the 19th century were not obstinate and uncompromising. The English utilitarians, especially Ricardo, had incomplete and compromised notions leading succeeding liberals not to correct and complete them but to turn away to more compromises as in the case of John Stuart Mill.

One of the important causes of the decline of liberalism, Mises believed, was the illusion that society would necessarily continue to accept and perfect its ideas. Mises believed that as classical liberalism came closer to realization, it was necessary for its advocates not to rest, but to increase their activity and perfect the theoretical base of classical liberalism. Instead, liberalism was swept away by the emergence of parties speaking to special interests. For Mises liberalism meant the abolition of special privileges. In discussing class conflict, Mises emphasized: "Conflicts of interests can occur only in so far as restrictions on the owners' free disposal of the means of production are imposed by the interventionist policy of the government or by interference on the part of other social forces armed with coercive power." Coercive power, government intervention are the sole causes of war between interests. For Mises, the supporters of feudalism, privilege and status were clearly defeated by classical liberalism. The rise of the new challenge to classical liberalism came from within itself, from the failures of utilitarian economists. Mises said:

But in Ricardo's system of catalactics one may find the point of departure for a new theory of the conflict of interests within the capitalist system. Ricardo believe that he could show how, in the course of progressive economic development, a shift takes place in the relations among the three forms of income in his system, viz., profit, rent, and wages. It was this that impelled a few English writers in the third and fourth decades of the nineteenth century to speak of the three classes of capitalists, landowners, and wage-laborers and to maintain that an irreconcilable antagonism exists among these groups. This line of thought was later taken up by Marx.

"In the *Communist Manifesto*, Marx still did not distinguish between caste and class. Only later, when he became acquainted in London with the writings of the forgotten pamphleteers of the twenties and thirties and, under their influence, began the study of Ricardo's system, did he realize that the problem in this case was to show that even in a society without caste distinctions and privileges irreconcilable conflicts still exist. This antagonism of interests he deduced from Ricardo's system by distinguishing among the three classes of capitalists, landowners, and workers . . . At no time, however, did Marx or any one of his many followers attempt in any way to define the concept and nature of classes. It is significant

that the chapter entitled "The Classes" in the third volume of *Capital* breaks off after a few sentences. More than a generation elapsed from the appearance of the *Communist Manifesto*, in which Marx first makes class antagonism and class war the keystone of his entire doctrine, to the time of his death. During this entire period Marx wrote volume after volume, but he never came to the point of explaining what is to be understood by a "class."

(Mises, *The Free and Prosperous Commonwealth* (trans. by Ralph Raico; ed. by Arthur Goddard), Princeton, Van Nostrand Series in the Humane Studies, 1962, pp. 163-64.)

However, the wedge of Ricardian concepts of disharmony of interests in a perfect capitalist society, and the existence of special interests' political parties in societies claiming to be capitalist, permitted the socialists to appear the champions of the abolition of privilege, of classless society resulting from the withering away of the state. Mises emphasized that in the absence of an uncompromisingly presented liberalism, socialism appeals to people who think more clearly and seek a serious solution to government by special interests. Through the dominant position socialism gained at the Universities, it was able, in Mises' view, to gain the sincere, honest, and best minds among the youth. In many ways, the success of socialism was due to its ability to appear to be what liberalism actually is. Mises described the many ways that the parties of the special interest state have prevented the presentation and success of liberal ideas and thus permitted the success of socialism. Mises insisted that liberals must emphasize the fact that since liberalism serves no special interest there is "no class that could champion liberalism for its own selfish interests." For Mises liberalism could not be the special party of capitalists. Historical reality has demonstrated that the wealthy tend to support any other party except the liberals. Indeed, for capitalists to support liberalism, it is necessary for them to rise above their self-interest to the level of general principles. Mises noted:

The "have's" do not have any more reason to support the institution of private ownership of the means of production than do the "have-not's." If their immediate special interests come into question, they are scarcely liberal. The notion that, if only capitalism is preserved, the propertied classes could remain forever in possession of their wealth stems from a misunderstanding of the nature of the capitalist economy, in which property is continually being shifted from the less efficient to the more efficient businessman. In a capitalist society one can hold on to one's fortune only if one perpetually acquires it anew by investing it wisely. The rich, who are already in possession of wealth, have no special reason to desire the preservation of a system of unhampered competition open to all. . . . They do have a special interest in interventionism, which always has a tendency to preserve the existing division of wealth among those in possession of it. But they cannot hope for any special treatment from liberalism, a system in which no heed is paid to the time-honored claims of tradition advanced by the vested interests of established wealth. (*Ibid.*, p. 186)

Mises deduced from history that all governments inherently recognize no limitations on power. Complete domination over property is the goal of all governments, and if they accept limitations it is merely tactical since the admission of any government control over property implies total control. Mises concluded:

"Thus, there has never been a political power that voluntarily desisted from impeding the free development and operation of the institution of private property of the means of production. Governments tolerate private

(Continued On Page 4)

Mises And History —

(Continued From Page 3)

property when they are compelled to do so, but they do not acknowledge it voluntarily in recognition of its necessity. Even liberal politicians, on gaining power, have usually relegated their principles more or less to the background. . . . A liberal government is a *contradictio in adjecto*. (*Ibid.*, p. 68)"

Mises insisted that the concept of self-determination was the most logical derivation from liberalism. Self-determination made sense not as a collective concept, but as an individualist concept. "If it were in any way possible to grant this right of self-determination to every individual person, it would have to be done." But, Mises considered individual self-determination to be technically impractical; however, as a matter of principle it was irrefutable that the individual must have the right to individual self-determination. In foreign policy, Mises applied this concept to self-determination consistently.

The right of individual self-determination was clearly applicable in the area of education. For Mises, compulsory education in any circumstances was a violation of this right. Compulsory education is a clearly political act. "There is, in fact, only one solution: the state, the government, the laws must not in any way concern themselves with schooling or education. Public funds must not be used for such purposes. The rearing and instruction of youth must be left entirely to parents and to private associations and institutions."

Mises made an important, if often unrecognized, analysis of imperialism, which is another aspect of the negation of the right self-determination. Mises indicated that the origins of imperialism can be found in the desire of states to create protected export "markets." A desire to avoid the effects of competition, Mises said, led states

to the adoption of the policy of using import duties to protect domestic production operating under less favorable conditions against the superior competition of foreign industry, in the hope of thereby making the emigration of workers unnecessary. Indeed, in order to expand the protected market as far as possible, efforts are made to acquire even more territories that are not regarded as suitable for European settlement. We may date the beginning of modern imperialism from the late seventies of the last century, when the industrial countries of Europe started to abandon the policy of free trade and to engage in the race for colonial "markets" in Africa and Asia . . .

"The basic idea of colonial policy was to take advantage of the military superiority of the white race over the members of other races. The Europeans set out, equipped with all the weapons and contrivances that their civilization placed at their disposal, to subjugate weaker peoples, to rob them of their property, and to enslave them. Attempts have been made to extenuate and gloss over the true motive of colonial policy with the excuse that its sole object was to make it possible for primitive peoples to share in the blessings of European civilization . . . If, as we believe, European civilization really is superior to that of the primitive tribes of Africa or to the civilizations of Asia — estimable though the later may be in their own way — it should be able to prove its superiority by inspiring these peoples to adopt it of their own accord. Could there be a more doleful proof of the sterility of European civilization than that it can be spread by no other means than fire and sword? (*Ibid.*, 123-25)."

Mises countered the argument that the liberal solution — immediate withdrawal of government (European colonial) and leaving the inhabitants alone — might lead to chaos or oppression. Since Europe exported the worst of its civilization under imperialism, it is not the fault of the natives that they may adopt all the evils taught them by the Europeans. Since imperialism is the negation of liberalism, there was no possibility for non-Europeans to come into contact with liberal concepts and practices. Imperialism itself was one of the means by which European politicians sought to escape from the logical necessity of completing the liberal revolution in Europe. Just as mercantilism was

Danish Delight

It takes a lot for the august and stately *New York Times* to lose its cool; sometimes one gets the impression that if Canada were suddenly to launch an atomic attack on the U. S. tomorrow, the *Times* would comment in low and measured tones. But the *Times* has lost its cool, and it has taken the sudden and magnificent emergence of libertarianism on the international scene to do it. And for the second coolest newspaper, the *Washington Post*, to suffer the same trauma.

The occasion was the Danish elections of December 5, when the ruling Social Democrats were decimated in the Parliament, while the old-style opposition suffered just as badly. Instead, leaping on to the scene was a brand new party, the Progress party, formed only recently, and corraling no less than 28 seats to make it the second largest party in the country.

The Progressives are led by their charismatic founder, Mogens Glistrup, a wealthy tax lawyer who has been stumping Denmark championing an all-out libertarian program. Boasting that he has managed to legally avoid payment of income tax for years, Glistrup promised a grievously tax-ridden public that he would abolish the income tax, beginning with all incomes less than \$10,000 a year. He also called for drastic cuts in the government bureaucracy and in the welfare system, and magnificently called for changing the name of Prime Minister to Minister in Charge of Abolishing Government Activities. One of the problems with previous libertarian-style parties in Europe, from the nineteenth century to the present, has been the temptation to be patriotic: to abandon libertarian principle on behalf of militarism and war. But not Glistrup; instead he and the Progressives call for abolition of the Danish military. His foreign policy? An automated tape recorder on a hot line to Russia, saying "We surrender."

The *Washington Post* so lost its vaunted "objectivity" that in its news headline it said "Clowns Win in Denmark". The *New York Times* editorial (Dec. 6), succumbed to scarcely concealed hysteria. It noted in the Danish elections (and indeed in Norway and Sweden as well) "a

(Continued On Page 5)

the overseas extension of feudalism, so imperialism was the overseas extension of neo-mercantilism.

For Mises none of the arguments in support of imperialism could have any basis in liberalism. Abolition of all forms of imperialism was alone consistent with liberalism. Mises felt that the evil consequences of imperialism would become evident only after the withdrawal of European troops and bureaucrats because only then would the full extent of the impact of European illiberalism flower. The longer the Europeans remained the more poisonous the blossoms. Thus, the immediate end of imperialism would reduce the effects, and its prolongation "in the interests of the natives" would intensify it. Mises added:

"If all that can be adduced in favor of the maintenance of European rule in the colonies is the supposed interest of the natives, then one must say that it would be better if this rule were brought to an end completely. No one has a right to thrust himself into the affairs of others in order to further their interest, and no one ought, when he has his own interests in view, to pretend that he is acting selflessly only in the interest of others. (*Ibid.*, p. 127)."

Mises total commitment to classical liberalism, pure and uncompromised, made him an heir in history to the great 19th century classical liberals who dealt with history generally, such as Acton, or with contemporary history, such as Cobden and Bright. Mises was fearless, as were Acton, Cobden and Bright, in attacking the state in all its aspects, not the least in its more recent manifestation, imperialism. The Individual and the State are irreconcilable. History confirms what reason teaches us, that the State is the negation of the individual and his extension, private property, just as where the Individual and his property rightfully exist, that the State be abolished. It was because of the failure to pursue and achieve that freedom by 19th century liberals, that the current struggle is necessary. Mises has emphasized that it is by study of that failure that the lessons will be learned to achieve liberty. Those who dare not study history will be bound to repeat it. ■

Arts And Movies

By Mr. First Nighter

The Tough Cop. The tough cop genre is definitely coming into its own. On TV, the new *Kojak* series, starring the tough and cynical Telly Savalas, has become one of the best shows on television. In the movies, it is particularly significant that two of the great Western heroes have recently shifted to the tough cop role. As urban crime has become the concern of ever greater numbers of Americans, the tough crime fighter — in this case John Wayne and Clint Eastwood — has doffed his horse and ten gallon hat for the Magnum and the police badge.

John Wayne moves into the role of tough cop hero in *McQ*, dir. by John Sturges. There is no such thing as a bad John Wayne picture, and it is good to have Big John, or Lt. McQ, on hand to carry on a one-man struggle against the rackets and against crooked colleagues. And yet, the picture is no better than workmanlike. It is surprisingly slow, for one thing, and the creaky action only highlights the age of Wayne and Eddie Albert. Also, the standard behavior of the females in falling all over the hero lacks a certain amount of credibility in the case of the aging Wayne. Al Lettieri makes a promising, shambling villain, but the female leads lend no help: Diana Muldaur seems to have only one expression: handdog, while Colleen Dewhurst — billed on all sides as one of the great actresses of our epoch — croaks her way through a terrible performance. Warning to Warner Brothers: if *McQ* is going to stick around, you'd better come up with faster action and a better director.

The tough cop picture has done far better by Clint Eastwood. His first effort, in *Dirty Harry*, was one of the great films of the last several years. The leftist intellectuals virtually sputtered with fury over *Dirty Harry*, for here was Eastwood as Inspector Harry Callahan of San Francisco stalking a mad dog killer while being subverted and hobbled at every hand by liberals, politicians, and bleeding hearts. *Dirty Harry*, apart from being fast and exciting, was an explicitly right-wing, anti-criminal-coddling, movie, and thus drove the liberal critics to inchoate rage. But it was not only the movie and its theme that aggravated them; it was also Eastwood himself. For of all the heroes in movies, Eastwood is the most ruthless, the most implacable, in his battle for the right and against criminal aggression. The critics who scorn Eastwood for his "lack of acting ability" don't understand the character that he is creating. For Eastwood's implacable calm is the result of his decisiveness, his ability to make instant — and correct — decisions in the midst of drama and danger, to make what he knows are the right decisions without moping or agonizing. Hence, Clint Eastwood is the polar opposite of the whining modern anti-hero beloved by the *avant-garde*. In a sense, the left, intelligentsia were quite right in identifying Eastwood — or rather the Eastwood figure — as their deadly enemy. Hence their vituperation.

Now dirty Harry is back, in *Magnum Force*, dir. by Ted Post. Like its predecessor, it is fast, tough, and exciting, beginning with a dramatic shot of Harry Callahan's Magnum revolver, and continuing to the final reel. If it is a bit less rightwing or less exciting than its predecessor, it remains one of the best movies of recent months.

The plot is particularly interesting in the light of the previous picture. At the end of *Dirty Harry*, Harry had tossed his badge into the river, the symbol of his disgust with the liberal, criminal-coddling System. At the beginning of *Magnum Force*, Harry is inexplicably back in the police force; early into the picture, he finds that the killers he seeks are a group of young police rookies organized into a paramilitary squad to wreak vengeance upon criminals whom the courts let loose. Harry rejects what seem to be youthful disciples of his own creed, and defends law and order against them. Why does he do so? Unfortunately, Harry doesn't seem to be able to articulate his own position, confining himself to: "You guys misunderstood me", and "I hate the System too, but you've got to stay within it until a better one comes along." Has Harry gone liberal? I think we can reassure Harry fans that it ain't so. If Harry could spell out his own position, perhaps he would say that he exacted vengeance on his own against a mad-dog monster, and not against mere racketeers; also his was an individual response, and not an organized gang — a gang, by the way, that committed unforgivable) excesses, including the murder of fellow policemen. No, Harry has not gone liberal; his is the optimum degree of "dirt", neither bleeding-heart nor fascist. Long may he prosper.

The Sting, dir. by George Roy Hill, with Paul Newman and Robert Redford. *The Sting* is a truly superior picture, a charming blend of 1930's nostalgia, raffish con-men (a la *Paper Moon*), the caper picture, and the excellent acting of Newman and Redford, building on their success as a team in *Butch Cassidy and the Sundance Kid*. Hill has directed the film with a deft, light, but exciting touch, as humor is neatly blended with a series of twists and surprises in the plot. Cons and super-cons are piled on each other in marvellous abandon, and the movie is filled with a richness of texture that marks the truly first-rate film. Certainly one of the best pictures of the year.

Sleeper, dir. and with Woody Allen.

Woody Allen is surely the outstanding comic in the films today, and *Sleeper* is one of his best efforts. Put simply, *Sleeper* is hilarious. One interesting facet of the movie is that it represents a partial shift from Allen's previous emphasis on witty dialogue and on his *persona* as a New York shnook, that is not simply a loser, but a loser "in" psycholanalysis.

(Continued On Page 6)

Danish Delight —

(Continued From Page 4)

disturbing tendency by voters to endorse the quack doctrines once hawked in France by Pierre Poujade." (The editorial was entitled "Poujadism in Denmark"). It then weeped about "fragmentation" in Parliament, which "will make effective government exceedingly difficult" (Tsk! Tsk!). The Times went on:

"As the Norwegians and Swedes had done in September elections, the Danes rebelled in great numbers against the high taxes required by one of the most pervasive social security and welfare systems in the world. They rebelled so mindlessly as to elect 28 candidates of the Progress party, led by the cynical Copenhagen lawyer, Mogens Glistrup, a millionaire who boasts that he pays no income tax and advocates its abolition."

The Times added that the word Progressives is "a misnomer if ever there was one", and that the new party has "enormous scope for mischief and obstruction".

So? Clowns; cynics; quacks; mindless; mischief and obstruction. Things look good when the noble Times so rants. Clearly what is happening is that the Third Way, the welfare state-quasi socialist Scandinavian experiment so beloved by our left-liberals, is falling apart, smashing on the rock of crippling taxation and topheavy bureaucracy. The fact that libertarianism is now politically strongest in one of the most socialistic countries in the West gives us hope, and supports our analysis of the case for optimism: that as statism continues to accelerate, it can no longer live off the fat of previous capitalism, and that therefore statist measures will increasingly create problems that will destroy it. The fact that the cutting edge of the revolt against statism is now in Scandinavia shows that even generations of statist culture and society cannot destroy the human love of freedom. Liberty lives!

Who was this Poujade that the New York Times enigmatically equates with the face of evil? Two decades ago, Poujade and his organized movement and party arose and achieved a great deal of support in France, particularly among peasants and small shopkeepers. Its aim: to slash and dismantle the taxing system that was crippling the French economy and society. Poujadism bid fair to achieve power, when it ran aground on the very issue mentioned above, the issue that has split so many classical liberal movements: militarism and foreign policy. Poujade himself was a hawk on the Algerian question, and it soon became clear that Poujadists who wished to exert maximum force against the Algerians could scarcely call for slashing taxes at home. And so Poujadism, sundered and deprived of its great purpose, dissolved and disappeared. A particularly cheering point about Glistrup and the Progressives is their irreverent and libertarian attitude toward the Danish military and their determinedly peaceful foreign policy.

All this bodes beautifully for the Progress party's future. When will we form the first Libertarian International? □

Energy Fascism —

(Continued From Page 2)

looked upon with healthy suspicion and hostility by the bulk of the American citizenry?

At first, of course, the Nixon Administration tried its best to rekindle the old wartime fervor. Establishment intellectuals, ever ready to call for sacrifice and scourging (of other people) wrote solemn if idiotic thinkpieces hailing the energy crisis as really, down-deep, a good thing. Why? Because we, the American public, have gotten too soft, too affluent, too personal in our concerns. But now, whoopee!, the energy crisis will rekindle that good old wartime (!) spirit of self-sacrifice, of hardship, of rallying behind our beloved President to fight another "war", this time against the energy shortage. For a brief while, this hogwash seemed to work, as people always respond initially to calls for belt-tightening, self-sacrifice, national unity, etc. But, praise the Lord, it didn't take very long for the good old spirit of American individualism and "selfishness" to surface once again. The lack of "credibility" of our government surely helped speed this process of public awakening. For when the shortage actually began to bite, when gasoline lines developed and filling stations closed, reason and individualism came bounding back. The public has been getting good and mad, and fist fights have been dotting the gasoline queues. The striking truckers, as wrong-headed as they were, were at least lashing out in an attitude of rebellion and pugnacity at the government-imposed system.

There are other hopeful signs. The Chamber of Commerce of the United States, the National Association of Manufacturers, and the AFL-CIO, each of whom hailed Nixon's Phase I with joyous hosannahs, are now each and all committed to an all-out fight against price-wage controls. Unfortunately, they do not have the guts and/or the insight to oppose the rationing and other despotic energy edicts, but at least they now oppose the control system which leads to the rationing schemes. It is particularly refreshing to see the NAM return home to an anti-control stand. The NAM was born, at the turn of this century, as a free-market, small business-oriented, opponent of the emerging corporate state system, for which they were lambasted by the corporate liberal National Civic Federation as "anarchists." During the 1930's and 40's, the NAM played a vigorous free-market role. Then, during the 1960's, the NAM changed its structure from rotating annual presidents to a full-time permanent president, W. P. Gullander, hailing from a corporation which would scarcely last a week without government contracts and subventions — General Dynamics. Under Gullander's aegis, the NAM enthusiastically embraced the idea of "partnership between government and industry", taking its place happily in the Welfare-Warfare Corporate State. But last year a revolution occurred within NAM, Gullander was sent packing, and the rotating presidency restored. Since then, the NAM has returned to a vigorous free-market position.

Other important anti-control sentiment has arisen. C. Jackson Grayson, head of the Cost of Living Council and boss of Phase II, and now back in private life, has recently delivered a blistering speech denouncing all price and wage controls. Perhaps in response to all this growing opposition, the Nixon Administration has announced the end of controls by April 30, thereby inaugurating Phase V. But there are several important clinkers in the scheme. One is that energy controls will be tighter than ever; another is that direct controls will be replaced by long-term "voluntary" agreements by industry not to raise prices and wages beyond a certain amount, these pledges to be monitored by the government on threat of reimposing direct enforcement. And so direct controls will continue past May, but in another and phonier guise.

Meanwhile, on the energy front, the threat of government dictation looms ever larger. Economic insanity is running rampant in the Congress, with plans emerging to: impose a federal tax on gasoline, and/or a "rollback" of prices, and/or an excess profit tax on the oil industry, and/or anti-trust prosecution, and/or a new federal oil corporation to produce and sell oil, and/or outright nationalization of some or all of the oil corporations.

A federal excise tax on gasoline to raise prices to market-clearing levels, would have effects similar to the "white market" scheme (provided that the government in its wisdom can find the market-clearing price!) Except instead of myself and other "under-users" reaping the hypothetical 30¢ a gallon, the government would get it, increasing its tax revenues. Not only would there still be no incentive to increase oil production, but the government would increase its already crippling

siphoning of resources from private to its own hands, aggravating the growing burden of parasitic statism on the private sector and on private production.

A "rollback" of prices — something never achieved even during World War II — would disastrously increase the gasoline and oil shortage. Anti-trust prosecution would help to destroy a vitally essential industry, and would intensify the shortage instead of alleviating it. Nationalization or a federal corporation means a massive leap toward socialism, with all the inefficiencies, shortages, parasitism, and totalitarianism that such a leap entails.

An excess profits tax is a particularly bizarre form of government intervention. A shattering event occurs — the event may be a war, or an energy shortage. Imposing an excess profits tax necessarily requires defining what "excess" means, and invariably "excess" is defined as any profits greater than the base year before the event occurred. But since profits are earned in proportion to the speed and efficiency by which the business firms adapts to the new event, this means that corporations are penalized precisely in proportion to their success in adapting to the new conditions. A firm that meets the new conditions successfully earns profits and would be penalized by a severe tax; while the firm that sluggishly fails to adapt or to produce the newly-demanded product, suffers no penalizing tax at all. If the new event is an energy shortage, this means that firms successfully producing energy are penalized, while firms that inefficiently produce energy or don't shift to the energy field are not penalized at all. No better way can be found to cripple the efficiency and flexibility of the free enterprise system than an excess profits tax.

Profits on the market are a measure of the efficiency and rapidity by which business firms meet the changing needs of the consumers. To denounce an oil company for making "windfall" profits from an energy shortage makes as much moral and economic sense as denouncing physicians for making extra incomes during an epidemic. We should all rejoice when a corporation or other business firm makes high profits, for that is an indicator of great usefulness to the consumers; we should reserve our scorn for the firms that make losses and thereby display their inept management and lack of entrepreneurial ability.

Even apart from the great social merit of high profits, the hysteria about high oil profits is a piece of statistical charlatantry. The United States suffered a recession in 1969-71, and so corporate profits in those years were abnormally low; price controls based on profit margins in these recession years imposed further burdens on corporations, even past late 1971. In the oil industry, for example, left liberals point the finger of hysterical alarm at "swollen" oil profits in 1973, and point to the huge percentage increase of those profits over 1972. But any increase of profits over an abnormally low base will yield a high and seemingly "excessive" percentage increase. Thus, if Oil Company A had a net profit of \$1000 in 1972, and \$1,000,000 in 1973, leftist critics can screech about a huge 1000% increase in profits; still better, if the company made zero profits in 1972, they could bleat about an infinite increase in profits. The point here is that the years 1969-72 were years of abnormally low profits for much of the oil industry, and that the higher profits in 1973 were bounce back to pre-1969 levels. Change the base year and you can make any set of figures seem excessive and unwarranted.

Thus, *Business Week* (Feb. 2) prints the profit statistics for the past decade of the 10 leading oil companies in the country. For four of these companies, the estimated 1973 profits are not yet available, but we have these estimated figures for the other six, which includes the top three (Exxon, Mobil, Texaco), and the fifth through the seventh ranking firms (Standard Oil of California, Standard Oil (Indiana), and Shell). Taking

(Continued On Page 7)

Arts And Movies —

(Continued From Page 5)

The persona and the dialogue are still there, but in *Sleeper* they share the spotlight with a cinematic comic timing and action that harken back to the great days of the silent film comedians of the 1920's: especially Harold Lloyd and Buster Keaton. It is a pleasure to see that great and now dead tradition of visual and cinematic humor recreated, although it is still heresy to mention Woody Allen in the same bracket with the incomparable Keaton. But at least the attempt is there, even if at times the New York snook and the Keatonesque figure don't quite mesh. The point is that the ever-inventive Allen is moving in the right direction. □

Energy Fascism —

(Continued From Page 6)

these figures, we have made the following calculations: the average rate of profit on invested capital of these six leading oil companies, for the average of the five pre-recession years, 1964-68, was 11.1%. Profits then dipped from 1969-72, and rose again in 1973. The average rate of profit for these firms in 1973 was 11.2%. In short, profit rates are now what they were in the pre-recession years. And so even ignoring the beneficial nature of profits and considering the issue solely on left-liberal terms, we find that the bleating about swollen and excessive oil profits is totally unwarranted, a piece of statistical legerdemain moulded to suit the ideological purposes of the critics. In the words of the old adage: "There's three kinds of liars: liars, damned liars, and statistics."

Western Europe, as everyone knows, is in the throes of an energy shortage even more severe than ours. The reason, however, is not as well known: because the inflation and price controls are even more severe there than here. There is one exception to the European energy shortage, however: West Germany. How come, since an economy as industrialized as West Germany is highly dependent on oil? How come there have been no electric blackouts and no rationing there? A New York Times article provides the clear-cut answer: no price controls on petroleum products. (Craig R. Whitney, "West Germans, At a Price, Avoid Oil Crisis," New York Times, Jan. 24). The article points out that West Germany has no price controls on gasoline, heating oil or other oil products — in contrast to Britain, Italy, Sweden, and the Netherlands, which are suffering from an oil shortage. The article quotes oil company officials as stating that, as a result, "it was always in their interest to keep supplying West Germany while it was sometimes not in their interest to keep supplying the other markets." And West Germany has been far more dependent on Arab oil imports than the U. S.; yet the free market allowed a plentiful supply of oil to be imported and sold. The cost to the German car owner of keeping an ample supply of gasoline was a mere 10% increase in price.

Gerhard Hess, trade director of the German firm, Geisenberg Oil, noted that in contrast to West Germany, "in Italy there was a price limit of \$30 a ton for heavy industrial oil. But now, Libyan crude oil costs \$76 a ton at the port in Libya. For the companies, it just doesn't make sense at those prices to deliver to Italy." Hess trenchantly summed up the West German experience this winter: "The free-price system has proved itself so well, that only an idiot would say we should impose another system. Because we were not cut off from the free market, we got through this crisis."

There is another great advantage to be reaped from allowing the free market to set the prices of oil. We hear a great deal about alternative potential sources of energy, from shale oil to solar energy to tropical oceans; whatever their technological status, they have not been tapped till now because they have been uneconomic — too expensive in relation to the more orthodox sources of energy. A rise in the price of oil on the market will induce greater production and technological innovation into alternative energy sources, which will become increasingly competitive with existing fuel. And even within existing energy sources, a rise in the price of oil will, say, stimulate increased production of coal, of which there is enough under ground in America to provide all of our heating requirements for many generations to come.

There are, in addition to the controls-created shortage, numerous ways in which the U. S. government has artificially restricted the supply of energy, thus making energy more scarce and artificially raising the free-market price. Indeed, it almost seems as if every step of the way in the energy industries, government has been there to restrict supply and hence to raise price. The abolition of these myriad interventions would allow a greatly increased production and supply of energy to the American consumer, at a lower market price. Some of these restrictions have been partially or wholly relaxed in recent months, but this easing has scarcely been enough as yet to overcome years, and sometimes decades of crippling restrictions on energy production. Here we can do little more than list some of the most glaring and important of these restrictions.

1) Most notorious have been the severe maximum price controls on natural gas, which have been imposed by the Federal Power Commission for two decades. As time went on, the gap between the low controlled price and the rising free market price became greater and greater, drying up the search for natural gas reserves, and leading to the current crippling shortage. Whatever natural gas remains is either sold

intrastate, where the dead hand of the FPC cannot make itself felt, or else exported abroad. The latter is scarcely surprising, if we consider that the regulated price is approximately 25¢/1000 cu. ft., while natural gas can be sold for \$1.00/1000 cu. ft. abroad.

Furthermore, when natural gas was made artificially cheap, it helped to put much of the coal industry out of business. In recent years, the shortage of natural gas has led to artificially increased demand for fuel oil, thus raising its market price.

Another consideration is that natural gas and crude oil are often found together. When the artificially low price of natural gas dried up exploration for new reserves, it also cut the supply of newly found reserves of crude oil, thereby lowering supply from what it would have been and raising the price.

Who was responsible for the economic insanity of the coerced low price for natural gas? As in so many other areas of government intervention, what we had was an Unholy Alliance of political pressure groups: left-liberal ideologues who generally favor government control and artificial rollbacks; along with public utility companies who wished to feast for a number of years on artificially cheap fuel. It is the all-too-common alliance of statist ideology and vested privilege.

2) The federal government is itself sitting on vast and virtually unused crude oil reserves of trillions of barrels, enough to last for many generations to come. It has been doing this sitting — and withholding of oil from the market, for many decades, thereby restricting oil supply and raising the price. These reserves are in the control of the U. S. Navy, and include the Elk Hills reserve in California, Teapot Dome in Wyoming, the North Slope in Alaska, and others. What is the Navy waiting for? Must we keep trillions of barrels unused, wasted forever, while the Navy waits until some battleship needs the oil in some unknown war of the future?

3) Similarly, the federal government, which owns outright the vast majority of all land in the Western states, owns almost all of the land in the Mountain States where enough shale oil exists to meet oil needs for the indefinite future. And yet the government has been holding this shale off the market, refusing to lease its land for purposes of developing the shale oil resource and producing the oil for the market.

4) For over forty years, the state governments, led by the Texas Railroad Commission, and with the blessing and coordination of the federal government, have levied maximum quotas on the drilling of crude oil. In this "prorating" system, each state is assigned a maximum production of crude for the following month, and then each oil well receives its fractional quota of that maximum. The result has been to restrict production and raise price of crude and of all petroleum products.

5) As a corollary to the domestic cartelization of the above point, the federal government has levied, for two decades, oil import quotas, placing maximum limits, and quotas for each firm as a fraction of such limits, on the importation of foreign crude. The resulting price increases have ratified and made possible the price rises due to prorating.

6) There have been a great many complaints about the "failure" of the oil companies to produce new refineries in recent years, especially on the Eastern seaboard. But since, on the market, need and demand will create profitable opportunities for investment, further inquiry should have been: why have such refineries been unprofitable? The recession and low profits from 1969 helped; but another factor was the oil import quotas, which restricted and made uncertain a steady supply of crude oil, especially on the East Coast. Another recent problem, for refineries and for many other areas of energy, has been the harassment and restrictions on building any new plants imposed by the government under pressure from the environmentalists. The environmentalists have two major gripes: air pollution, which may or may not be valid in particular cases, and "defacing the environment", which imposes the environmentalists' own particular and peculiar aesthetic values by force on the rest of the public. If the environmentalists feel that a new factory or refinery "defaces" the landscape, then let them buy the landscape and keep it undefiled, or forever hold their peace. Certainly it is unconscionable for them to force the rest of us to adhere to their esthetics, and to coercively prevent property owners from using their own property as they see fit.

7) The development of nuclear energy for peaceful uses has been held up for many years by the environmentalists.

8) The environmentalists have managed to delay the construction of the Alaskan pipeline for five years, including the importing from the north of Alaska of several million barrels of oil per day. The environmentalists were worried about two problems: (a) defacing the tundra (to these

(Continued On Page 8)

Energy Fascism —

(Continued From Page 7)

people, any man-made change in the environment, any alteration from pristine nature, is ipso facto "defacement.") It is instructive to note that the Alaskans themselves, up there close to the tundra, have no wish whatever to preserve it forever undefiled. Their fondest wish is to reshape the tundra and achieve some jobs, income, and economic development. It is affluent, comfortable New York intellectuals, for example, who are busiest at trying to preserve someone else's tundra. And (b) they worried about the migratory patterns of the caribou, who would not be able to walk across the pipeline. Even when the pipeline company, at considerable expense, agreed to build bridges over the pipeline so that the caribou could walk over them, the environmentalists continued to gripe about the fact that the caribou might still be reluctant to walk over a surface to which they were not accustomed. All right, it is about time that we take our choice Americans: who should win out, humans or the caribou? Whereas the noisy minority of environmentalists will choose the caribou (or any other species, for that matter) over man, we trust that enough sanity still prevails among the bulk of the population so that a resounding choice will be made for the human species. And if this be "human-chauvinism", so be it!

9) There is lots of crude oil off our coasts. But off-shore drilling has been restricted and crippled by the self-same busybody environmentalists working as usual through government. Yes, you guessed it, the oil once in a while spills into the ocean, thus injuring the fish and other sea life. Choose America: humans or plankton!

10) The U. S. has an abundant supply of coal, as we have noted. But coal has suffered most from the dictates of government-environmentalism. Coal heating causes air pollution; but one might think that after centuries of such pollution we could struggle along for a few years more until anti-pollution devices were invented and installed on the chimneys. Instead, the meat-axe approach has bankrupted a lot of coal mines, disemployed many coal miners, and restricted our supply of heating fuel. Furthermore, the relatively new technology of strip mining is less polluting, less expensive, and avoids such classic problems of old-fashioned pit mining as black lung and mine caviens. There is lots of strip coal available in the Mountain States that remains untapped. But, once again, the environmentalists have come down especially hard on strip mining. Why? You guessed it: "defacing the environment." If the incubus of the environmentalists is removed, and if the federal government unloads its strip coal resources into private hands, we could produce a great deal of fuel. Another boon is that the United Mine Workers, which have crippled the coal industry through pushing up wage rates, is weak in the Mountain States and could not succeed in blighting the coal industry there.

Thus, the federal government, and it alone, has created the energy mess in two sets of ways: (1) by a series of restrictions on production it has created artificial scarcities and thereby raised the free market price

of energy sources; and (2) it has then greatly compounded the mess by imposing price controls below the free market price and creating the current shortages. The immediate cure for the shortage is simple: to abolish the price controls. The longer-range solution for the scarcities is to abolish all of its varied restrictions.

It is incumbent upon libertarians to take the lead in combatting the energy fascism being fastened upon this country. We must call for resistance to the totalitarian edicts telling us how much, what, and when we can use or purchase energy. We predicted the consequences of price controls: that controls would lead to shortages and then in turn to rationing and other acts of despotism. We must point out that government is not the cure for the energy shortage but the cause of the disease; and the disease can only be abolished by getting government completely out of the energy field, and especially out of price-wage controls. One disturbing point is that, even among conservatives and libertarians who have written and spoken soundly and correctly on the energy crisis, there has been a certain torpor, a certain measured sobriety of tone, that ill befits our proper reaction to the latest acceleration of tyranny. As citizens, even more as people with a passion for liberty and justice, we must respond with passion to the new crisis. So far no conservative or libertarian has matched the fiery and passionate instincts of left-liberal New York Post columnist Pete Hamill in his gut reaction to energy fascism. Totally lacking any understanding of the market economy and hence of the true causes of the current crisis, Hamill yet saw unerringly the evil of government dictation that lay at the heart of the issue. In his Post column of Nov. 12 ("The Phony Crisis"), Hamill searingly wrote:

"Now they've even taken away our skyline. It had been ours since that day in 1945 when we all raced to the rooftops of Brooklyn to see those million lights blink on again, dazzling, joyous, triumphant and unbelievably beautiful, signalling to us that the war was over. I remember a woman crying on the rooftop that time, knowing that the long night of the Second World War was finished, that New York was blazing again with its electric beauty, that blackouts and dimouts were behind us, that the troopships would soon be home. The New York skyline: ours forever.

"And now it's gone again. Moving along the city's highways, there is a joyless sense of defeat and loss in the town. It's as if the malignant hand of Richard Nixon had reached out from the bunker in Camp David and pulled the lightswitch on all of us, spreading his personal darkness. The Empire State Building is a blinking red light in the dark. The great pile of downtown buildings, Turman Capote's 'diamond iceberg', is a hole in the night sky

"It's time to call their bluff. They might be able to fool a lot of farmers, but they shouldn't get away with this hokey fraud in Our Town. We are overdue for a rebellion against the corrupt, criminal government in Washington, and now we have one opportunity to make that rebellion overt. Turn on all your lights. Drive 65 miles an hour (will Rockefeller order air strikes on the Thruway to stop us?) Refuse to turn down thermostats. Let Washington know we've made them again for liars. And lets get back our skyline."

SUBSCRIBE NOW

Please enter a subscription for:

Name _____

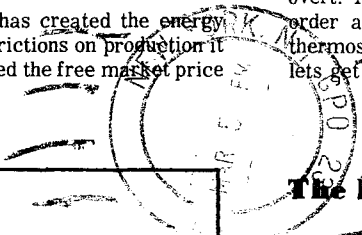
Street _____

City _____ State _____ Zip _____

Subscription is \$8.00 per year.

Libertarian Forum Associate subscription \$15.00 or more.

THE LIBERTARIAN FORUM
 Box 341 Madison Square Station
 New York, New York 10010



The Libertarian Forum
 BOX 341
 MADISON SQUARE STATION
 NEW YORK, NEW YORK 10010



Walter Block 175
 505 West 122nd St
 New York, New York 10027

First Class