

The Adventures Of
**JONATHAN
GULLIBLE**
A Free Market Odyssey

Story by
Ken Schoolland

Commentaries by
Ken Schoolland and Janette Eldridge

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Published by
Leap Publishing
Cape Town

Dedicated to my daughter, Kenli

Available in more than thirty languages: Albanian, Bulgarian, Chinese, Croatian, Czech, Dutch, German, Greek, Hungarian, Italian, Japanese, Kiswahili, Korean, Kyrgyz, Latvian, Lithuanian, Macedonian, Mongolian, Nigerian Pidgin, Norwegian, Palauan, Polish, Portuguese, Romanian, Romany, Russian, Serbian, Slovenian, Somali, Spanish, Urdu.

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<http://www.jonathangullible.com>
schoollak001@hawaii.rr.com

This edition published by Leap Publishing
PO Box 36021, Gloderry, 7702, Cape Town, South Africa

Cover design by Barry Kayton
barry@kayton.biz
Cover photograph by Noray Babcock
normaur@saol.com

An educational project of Small Business Hawaii, Hawaii Kai Corporate Plaza, 6600 Kalanianaʻole Hwy., Suite 212, Honolulu, Hawaii, 96825, USA, telephone: (808) 396 1724, fax: (808) 396-1726, email: sbh@lava.net, website: <http://www.smallbusinesshawaii.org>.

ISBN: 0-9584573-2-8

Printed by RSA Litho
Cape Town, South Africa

About This Book

This book is fun. It challenges readers to think about why some countries are rich, while others are poor. It explores alternative thinking about important economic, practical and philosophical matters. The variety of ideas will challenge readers to ponder, question, and engage in meaningful discussions. Underlying all this is the respect for, and tolerance of, the individual.

Since 1980, Ken has been writing economic commentaries for radio. Straight commentary from an academic economist was dry and uninteresting. He thought he would spice up these radio spots with fantasy dialogues. Friends were willing to perform with him, and so Jonathan Gullible was born.

Immediately, interest among listeners soared! The ideas were provocative and outlandish, yet they drove home hard-core free market ideas in a humorous way. Later, he enlisted a dozen friends as actors to produce the episodes as a dramatic series. Again it was a hit! Since then *The Adventures of Jonathan Gullible: A Free Market Odyssey* has been used for radio broadcasts, discussion groups, essay contests, skits and theatrical productions around the globe.

Each chapter, except the first, starts with a short “parable” about Jonathan Gullible and his encounters with the strange laws of an island and its inhabitants. The story highlights the absurdities of the laws, the controls imposed on people’s lives, and the economic drawbacks of these laws. The laws are recognisable as common to countries throughout the world.

As the story unfolds, the part we play in political decision-making and personal responsibility is introduced for discussion. There are many subtle nuances. Sometimes people miss the meaning of a story, so each “parable” is followed by commentaries and relevant background information. These commentaries are meant to provide only the gist of each issue. Books and websites are recommended for further research. They will be particularly useful for projects and debates.




Questions following each chapter are guidelines for group discussions about self-responsibility and life skills that will arouse an interest in the areas of sociology, macro-economics, philosophy, political science, and ethics.

Teachers are warned that the book contains chapters that are critical of contemporary education systems. We feel that students should not be shielded from hard questions about schooling. Rather, we should trust students to take a hard look at the circumstances that are most familiar to them. Indeed, these chapters are typically the most popular with students.

Website: <http://www.jonathangullible.com>

Awards and Reviews

Available in more than 30 languages: Albanian, Bulgarian, Chinese, Croatian, Czech, Dutch, German, Greek, Hungarian, Italian, Japanese, Kiswahili, Korean, Kyrgyz, Latvian, Lithuanian, Macedonian, Mongolian, Nigerian Pidgin, Norwegian, Palauan, Polish, Portuguese, Romanian, Romany, Russian, Serbian, Slovenian, Somali, Spanish, Urdu. A number of further translations are in the process and due for publication in 2004.

- Awarded the first annual Leonard E. Read Book Award by the Foundation for Economic Education in 2002. 
- Thomas Leavey Award for Excellence in Private Enterprise Education from the Freedoms Foundation at Valley Forge 2001. 
- Twice awarded the George Washington Honor Medals for Economics Education & Public Communication, The Freedoms Foundation at Valley Forge, Pennsylvania. 
- Freedom Book of the Month, Henry Hazlitt Foundation, Chicago, September 2001.
- Book of the Month, Instituto Liberal, RS, Porto Alegre, Brazil, November 2001.
- Students in Free Enterprise, top 15 national finalists, Free Market Economics Month Special Competition, Kansas City 2003.
- Adopted by more than a dozen economics and public policy institutes for translation and publication.

About the Author

Ken Schoolland is presently an associate professor of economics and political science at Hawaii Pacific University. Prior to this he was the Director of the Master of Science in Japanese Business Studies programme at Chaminade University of Honolulu and head of the Business and Economics Programme at Hawaii Loa College.



Following his graduate studies at Georgetown University, he served as an international economist in the U.S. International Trade Commission, the U.S. Department of Commerce and on assignment to the White House, Office of the Special Representative for Trade Negotiations.

Ken left government for the field of education, teaching business and economics at Sheldon Jackson College in Alaska. He also taught at Hakodate University in Japan and wrote *Shogun's Ghost: The Dark Side of Japanese Education*, which has been published in English and in Japanese.

Ken is a member of the Board of Directors for the International Society for Individual Liberty and is a Sam Walton Fellow for Students in Free Enterprise.

He has travelled extensively observing cultures, traditions and economies in many countries around the world. Stephen Browne, Director of the Liberty English Camp in Lithuania, once summed up Prof. Schoolland's character by saying, "As soon as Ken sits down in any given place long enough, a child is going to come up to him from somewhere and want to sit on his lap, or a teenager is going to come by and want him for a game of basketball." Such is the author of *The Adventures of Jonathan Gullible: A Free Market Odyssey*.



Ken Schoolland with his students who were the top 15 national finalists in the Free Market Economics Month Special Competition, 2003.

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When elephants fight, it is the grass that suffers.

Kikuyu proverb

The Individual is Sovereign

Each individual is the sole owner of his or her life, and of the fruits of his or her efforts.

An individual may not initiate the use of force or fraud against another, but may strongly resist the use of force.

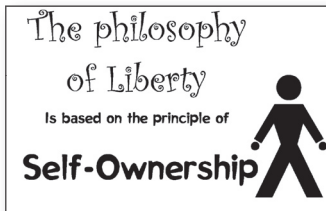
*Every man has freedom to do all that he wills,
provided he infringes not on the equal freedom of others.*
Herbert Spencer 1851

Implications

- Freedom of speech, association, contract, and movement.
- Recognition of the supreme rights of the individual.
- Respect for property rights (life/possession/space).
- Love for life, freedom, and the pursuit of happiness.
- Limits on the powers of groups, governments, and gangsters.
- Rights to resist force, theft, and enslavement of any kind.
- Individual responsibility.

The only freedom which deserves the name, is that of pursuing our own good in our own way, so long as we do not attempt to deprive others of theirs, or impede their efforts to obtain it.

John Stuart Mill, 1859



For Jonathan Gullible's philosophy in flash animation by Kerry Pearson see:
<http://www.jonathangullible.com/media.htm>
It may be downloaded and sent to those whom you feel would be interested.

Jonathan's Guiding Principles

My philosophy is based on the principle of self-ownership. You own your life. No other person, or group of persons, owns your life nor do you own the lives of others.

The harvest of your life is your property. It is the fruit of your labour, the product of your time, energy, and talents. Two people who exchange possessions voluntarily are both better off or they wouldn't do it. Only they may rightfully make that decision for themselves.

You have the right to protect your life, freedom, and justly acquired possessions. You may rightfully ask others to help protect you. You do not have a right to initiate force against the life, freedom, or possessions of others. Thus, you have no right to designate some person to initiate force against others on your behalf.

You have a right to seek leaders for yourself, but have no right to impose rulers on others. No matter how officials are selected, they have no rights or claims that are higher than those of any other person. You cannot give them any rights that you do not have yourself. Regardless of the imaginative titles, officials have no right to murder, to enslave, or to steal.

Since you own your life, you are responsible for your life. You choose your own goals based on your own values. Success and failure are both the necessary incentives to learn and to grow.

Your actions on behalf of others, or their actions on behalf of you, are only virtuous when they come from voluntary, mutual consent. For virtue can only exist when there is free choice.

This is the basis of a truly free society. It is not only the most practical and caring foundation for human action, but it is the most ethical.

Jonathan Gullible

Prologue

In accordance with Mr Gullible's wishes, I take up the task of recounting a bizarre tale that he related to me in his last years. I have made every effort to remain true to his account, despite some literary licence. This is a firsthand testimony about the people and incidents of his journey.

Chapter 1

A Great Storm

In a sunny seaside town, long before it filled up with movie stars driving convertibles, there lived a young man named Jonathan Gullible. He was unremarkable to anyone except his parents, who thought him clever, sincere, and remarkably athletic – from the top of his head to the bottom of his oversized feet. They worked hard in a small chandler’s shop on the main street of a town that was home to a busy fishing fleet. It had a fair number of hard-working folk, some good, some bad, and mostly just plain average.

When he wasn’t doing chores or errands for his family’s store, Jonathan would steer his rough sailboat out the narrow channel of a small boat harbour in search of adventure. Like many youths spending their early years in the same place, Jonathan found life a little dull and thought the people around him unimaginative. He longed to see a strange ship or sea serpent on his brief voyages beyond the channel. Maybe he would run into a pirate ship and be forced to sail the seven seas as part of the crew. Or perhaps, a whaler on the prowl for oily prey would let him on board for the hunt. Most sailing trips, however, ended when his stomach pinched with hunger or his throat parched with thirst and the thought of supper was the only thing on his mind.

On one of those fine spring days, when the air was as crisp as a sun-dried sheet, the sea looked so good that Jonathan thought nothing of packing his lunch and fishing gear into his little boat for a cruise. As he tacked beyond the rocky point of the lighthouse, he felt as free-spirited as the great condor that he watched soaring above the coastal mountains. With his back to the breeze, Jonathan didn’t notice the dark storm clouds gathering on the horizon.

Jonathan had only recently begun to sail beyond the mouth of the harbour, but he was getting more confident. When the wind began to pick up strength he didn’t worry until it was too late. Soon he was struggling frantically at the rigging as the storm broke over him with violent force. His boat tossed dizzily among the waves

like a cork in a tub. Every effort he made to control his vessel failed, useless against the tremendous winds. At last, he dropped to the bottom of the boat, clutching the sides and hoping that he would not capsize. Night and day blended together in a terrifying swirl.

When the storm finally died down, his boat was a shambles, its mast broken, sails torn and it tipped in a definite list to starboard. The sea calmed but a thick fog lingered, shrouding his craft and cutting off any view. After drifting for days his water ran out and he could only moisten his lips on the condensation that dripped off the shreds of canvas. Then the fog lifted and Jonathan spotted the faint outline of an island. As he drifted closer, he made out unfamiliar headlands jutting from sandy beaches and steep hillsides covered by lush vegetation.

The waves carried him onto a shallow reef. Abandoning his craft, Jonathan swam eagerly to shore. He quickly found and devoured the pink guavas, ripe bananas and other delicious fruit that flourished beyond the narrow sandy beach in the humid jungle climate. As soon as he regained some strength, Jonathan felt desolate but relieved to be alive. He actually grew excited at his unintended plunge into adventure. He immediately set off along the white sandy beach to discover more about this strange new land.

Background

Jonathan was first envisioned after browsing through *Gulliver's Travels* and *The Little Prince*.

Also, by coincidence, or subconsciously, “J.G.” are also the initials of John Galt, a character in Ayn Rand’s *Atlas Shrugged* – a book that is also famous for challenging many of society’s assumptions about ethics, force, economics, and the proper role of government.

The Little Prince by Antoine de St. Exupery is a mystical tale about a prince living alone on a planet, showing independence of mind, imagination and sensitivity. The film *Saint Ex* deals with Antoine de St. Exupery’s life as a rather “adventurous” pilot during World War II.

Jonathan Swift’s *Gulliver's Travels* is often thought of as stories for children. But his story, like this book, was written “to vex the world” and to show the unpleasant aspects of the politics of the day.

The condor is North America’s largest flying bird.

You own your life. To deny this is to imply that another person has a higher claim on your life than you do.

Extract from
Jonathan Gullible’s
Guiding Principles

Chapter 2

Troublemakers

Jonathan walked for several hours without a glimpse of any sign of life. Suddenly, something moved in the thicket and a small animal with a yellow-striped tail flashed down a barely visible track. “A cat,” thought Jonathan. “Maybe it will lead me to some people?” He dived through the thick foliage.

Just as he lost sight of the beach and was deep in the jungle, he heard a sharp scream. He stopped, cocked his head, and tried to locate the source of the sound. Directly ahead, he heard another shrill cry for help. Pushing up an incline and through a mass of branches and vines, he clawed his way forward and stumbled onto a wider path.

As he rounded a sharp bend in the trail, Jonathan ran full tilt into the side of a burly man. “Out of my way, chump!” bellowed the man, brushing him aside like a gnat. Dazed, Jonathan looked up and saw two men dragging a young woman, kicking and yelling, down the trail. By the time he caught his breath, the trio had disappeared. Certain that he couldn’t free the woman alone, Jonathan ran back up the trail looking for help.

A clearing opened and he saw a group of people gathered around a big tree – beating it with sticks. Jonathan ran up and grabbed the arm of a man who was obviously the supervisor. “Please sir, help!” gasped Jonathan. “Two men have captured a woman and she needs help!”

“Don’t be alarmed,” the man said gruffly. “She’s under arrest. Forget her and move along, we’ve got work to do.”

“Arrest?” said Jonathan, still huffing. “She didn’t look like, uh, like a criminal.” Jonathan wondered, if she was guilty, why did she cry so desperately for help? “Pardon me, sir, but what was her crime?”

“Huh?” snorted the man with irritation. “Well, if you must know, she threatened the jobs of everyone working here.”

“She threatened people’s jobs? How did she do that?” asked Jonathan.

Glaring down at his ignorant questioner, the supervisor motioned for Jonathan to come over to a tree where workers busily pounded away at the trunk. Proudly, he said, “We are tree workers. We knock down trees for wood by beating them with these sticks. Sometimes a hundred people, working round-the-clock, can knock down a good-sized tree in less than a month.” The man pursed his lips and carefully brushed a speck of dirt from the sleeve of his handsomely cut coat.

He continued, “That Drawbaugh woman came to work this morning with a sharp piece of metal attached to the end of her stick. She cut down a tree in less than an hour – all by herself! Think of it! Such an outrageous threat to our traditional employment had to be stopped.”

Jonathan’s eyes widened, aghast to hear that this woman was punished for her creativity. Back home, everyone used axes and saws for cutting trees. That’s how he got the wood for his own boat. “But her invention,” exclaimed Jonathan, “allows people of all sizes and strengths to cut down trees. Won’t that make it faster and cheaper to get wood and make things?”

“What do you mean?” the man said angrily. “How could anyone encourage an idea like that? This noble work can’t be done by any weakling who comes along with some new idea.”

“But sir,” said Jonathan, trying not to offend, “these good tree workers have talented hands and brains. They could use the time saved from knocking down trees to do other things. They could make tables, cabinets, boats, or even houses!”

“Listen, you,” the man said with a menacing look, “the purpose of work is to have full and secure employment – not new products.” The tone of his voice turned ugly. “You sound like some kind of troublemaker. Anyone who supports that infernal woman is trouble. Where are you from?”

Jonathan replied anxiously, “I don’t even know Miss Drawbaugh and I don’t mean any trouble, sir. I’m sure you’re right. Well, I must be going.” With that, Jonathan turned back the way he came, hurrying down the path. His first encounter with the people of the island left him feeling very nervous.

Brainstorming

- What is the purpose of work?
- Are labour-saving innovations good or bad?
- Why?
- Who is affected?
- How can such innovations be stopped?
- What are some examples of this behaviour?
- Is it bad for people to change the kind of work they do?
- What ethical issues are involved with the use of force?

Commentary

One of the myths about productivity is that labour saving machinery, computers, and robots, cause unemployment and poverty. This theory appears plausible only because the jobs that are lost are seen, but those that are created by the new inventions are not yet seen. Without the freedom to innovate and earn a profit, there would have been no progress. Imagine how we would be living without the innovation of the wheel, or, as in this chapter, the axe.

The reason for this confusion about labour-saving automation is that fewer workers are required when new machinery produces product X.

People forget that the money saved on the wages of redundant workers is used by consumers to purchase more of product X, Y, and Z at lower prices. Workers who are taught to use these new machines, and the manufacturers of the new machines, all have greater incomes to purchase more products at lower prices.

To begin with, there may be temporary unemployment in certain sectors as consumers, producers, and workers adjust to the new demand. Many more workers are eventually employed in

Among the most visible of all economic delusions is the belief that machines on net balance create unemployment.
Henry Hazlitt

How did we make the transition from using wood to using coal, from using coal to using oil, from oil to natural gas? How in God's name did we make that transition without a Federal Energy Agency?
Milton Friedman,
1978

Success and failure are both the necessary incentives to learn and to grow.
Extract from
Jonathan's Guiding Principles

a wider range of employment opportunities that use a greater diversity of talents.

Although some people will be upset by change, change is the price of progress for everyone's higher standard of living.

The only way this process can be slowed to a near standstill, for it can never be stopped, is for people to go to government and request laws to prevent the use of new innovative tools.

Background

The subject of patents is an interesting debate. Daniel Drawbaugh, the developer of many intriguing devices from a coin sorter to a clock with a magnetically controlled pendulum, claimed to be the inventor of the first telephone ten years before Alexander Graham Bell. Some say the patent fees were too expensive for his meagre income. Bell, however, patented a telephone device and was thereby able to block Drawbaugh and 600 others from using similar devices because of patent infringement lawsuits. Whether or not Bell was the sole and original inventor of the telephone, he was an authentic scientist, unlike George Selden who appears in a later chapter of this book.

References

Richard B. McKenzie, in *The American Job Machine*, says, "Creating jobs is easy – just outlaw farm machinery. If the health of an economy is measured by the number of jobs its citizens have, then China should have the strongest economy on earth."

Further articles on this, and related issues, may be found on the Cato Institute research site: <http://www.cato.org/research>.

Chapter 3

A Commons Tragedy

The trail widened a bit as it cut through the dense jungle. The midday sun burned hot overhead when Jonathan found a small lake. As he scooped up some water to refresh himself, Jonathan heard someone's voice warning, "I wouldn't drink the water if I were you."

Jonathan looked around and saw an old man kneeling at the shore, cleaning a few tiny fish on a plank. Beside him was a basket, a reel, and three poles propped up in the mud, each dangling a line in the water. "Is the fishing good?" inquired Jonathan politely.

Without bothering to look up, the man replied, somewhat crossly, "Nope. These little critters were all I got today." He proceeded to fillet the fish and to drop them into a hot skillet that was set over a smouldering fire. The fish sizzling in the pan smelled delicious. Jonathan spotted the rough yellow-striped cat that he had followed, already picking at scraps of fish. His mouth watered.

Jonathan, who considered himself an accomplished fisherman, asked, "What did you use for bait?"

The man looked up at Jonathan thoughtfully. "There's nothing wrong with my bait, sonny. I've caught the best of what's left in this lake."

Sensing a solitary mood in this fisherman, Jonathan thought he might learn more by just remaining silent awhile. Eventually, the old fisherman beckoned him to sit beside the fire to share some fish and a little bread. Jonathan devoured his meal hungrily, though he felt guilty about taking a portion of this man's meagre lunch. After they finished, Jonathan kept quiet and, sure enough, the old man began to talk.

"Years ago there were some really big fish to catch here," the man said wistfully. "But they've all been caught. Now the little ones are all that's left."

“But the little ones will grow, won’t they?” asked Jonathan. He stared at the lush grasses growing in the shallow waters along the shore where many fish might lurk.

“No. People take all the fish, even the little ones. Not only that, people dump rubbish into the far end of the lake. See that thick scum along the far side?”

Jonathan looked perplexed. “Why do others take your fish and dump rubbish in your lake?”

“Oh, no,” said the fisherman. “this isn’t my lake. It belongs to everyone – just like the forests and the streams.”

“These fish belong to everyone ...” Jonathan paused, “including me?” He began to feel a little less guilty about sharing a meal that he had no part in making.

“Not exactly,” the man replied. “What belongs to everyone really belongs to no one – that is, until a fish bites my hook. Then it’s mine.”

“I don’t get it,” said Jonathan, frowning in confusion. Half speaking to himself, he repeated, “The fish belong to everyone, which means that they really belong to no one, until one bites your hook. Then, the fish is yours? But do you do anything to take care of the fish or to help them grow?”

“Of course not!” the man said with a snort of derision. “Why should I care for the fish just so someone else can come over here at any time and catch them? If someone else gets the fish or pollutes the lake with rubbish, then there goes all my effort!”

With a mournful glance at the water, the old fisherman added sadly, “I wish I really did own the lake. Then I’d make sure that the fish were well tended. I’d care for the lake just like the cattleman who manages the ranch over in the next valley. I’d breed the strongest, fattest fish and you can bet that no fish rustlers or garbage dumpers would get past me. I’d make sure of that.”

“Who manages the lake now?” interrupted Jonathan.

The weathered face of the fisherman grew hard. “The lake is run by the Council of Lords. Every four years, the Lords are elected to the Council. Then the Council appoints a manager and pays him from my taxes. The fish manager is supposed to watch out for too

much fishing and dumping. The funny thing is, friends of the Lords get to fish and dump as they please.”

The two sat and watched the wind stir a pattern of ripples across the silver lake. Jonathan noticed the yellow cat sitting erect, sniffing and staring at a fish head on his plate. He tossed the head and the cat caught it neatly with one hooked paw. This feline looked tough, with one ear torn from some old battle.

Mulling over the old fisherman’s tale, Jonathan asked, “Is the lake well-managed?”

“See for yourself,” the old fisherman grumbled. “Look at the size of my puny catch. It seems that the fish get smaller as the manager’s salary gets bigger.”

The tragedy of the commons is like children with their straws in a communal fizzy-drink bowl – each sucking “fit to bust”!
Unknown

One had better be a poor fisherman than meddle with the art of governing men.
Danton

Brainstorming

- How do people take care of things that belong to everyone?
- Who really owns the lake and the fish?
- Would the fisherman dump rubbish in the lake if he owned it?
- How would people’s behaviour change if the fisherman owned the lake?
- Who benefits by common ownership?
- Examples?
- What ethical issues are involved?

Commentary

This chapter is in reference to the concept of the “tragedy of the commons”.

Common ownership refers to anything owned by authorities or the state for the supposed purpose of the common “benefit” for everyone.

The first part of the tragedy is that everyone is supposed to benefit from, and feel responsible for, this common ownership. Frequently, however, no one benefits because each person has the desire to grab as much as he or she can before others do. This means that resources are taken before they have matured. The second part of the tragedy is that no one feels responsible for the consequences.

Governments the world over have contributed to environmental damage by owning and controlling vast stretches of land, immense bodies of water, and extensive coastal areas. State ownership really means ownership by no one, so no one has the personal motivation to protect the resources.

Instead, those with special interests who gain the favour of politicians, exploit the supposedly common resources for personal gain.

What is common to many is taken least care of, for all men have greater regard for what is their own than for what they possess in common with others.
Aristotle

Problems that arise from the initiation of force by government have a solution. The solution is for people of the world to stop asking officials to initiate force on their behalf.
Extract from
Jonathan's Guiding Principles

Land: The tragedy of the commons is the reason why people are more inclined to dump rubbish on public grounds rather than on their own lawns. It explains why fruit in public areas is picked before it ripens. When travelling by plane, one can observe the contrast of high productivity on privately owned lands with the overgrazing and waste of “commonly owned” lands.

Flora and Fauna: The tragedy of the commons illustrates why the existence of privately owned cows and garden plants remain safeguarded from extinction. Yet publicly “owned” buffaloes and indigenous plant species are in danger of extinction.

Environment and Pollution: Horrible examples of pollution and destruction of the environment have been allowed to happen by governments on government-owned property, including the air and waters. It is revealing that pollution is usually greatest near areas that are inhabited by people with low income and the least political power. Courts and regulatory agencies frequently rationalize and justify this behaviour.

Background

Countries under communist rule, where governments controlled everything, had the worst pollution in the world with almost complete disregard for their citizens' health. Even in “democratic” countries government pollution control is a failure. In America there is far more water pollution from sewage plants owned by local government authorities than from water pollution from industry.

Making pollution and environmental protection a matter of state regulation has meant imposing huge unnecessary costs on the taxpayer. This could be avoided through greater respect for private ownership and personal

*No man ever ruled
other men for their
own good.*
George D. Herron

☺ *What do you do
when you see an
endangered animal
eating an endangered
plant?*

responsibility. Some avenues to this end could be achieved by:

- recognising genuine indigenous peoples' rights to property and the homesteading or privatisation of other government properties;
- holding people personally accountable for injuring the lives and property of others through all forms of trespass, including pollution;
- removing subsidies and governmental privileges to favoured companies or groups; allowing people to negotiate mutually agreed upon compensation for potential injury.

References

In the “Destroying the Environment” chapter of her book, *Healing Our World*, Mary Ruwart shows how, in practical terms, we are more likely to protect the environment when we own a piece of it or profit by nurturing it. You may browse this entire book online at: <http://www.ruwart.com/Pages/Healing>.

Alan Burrell in *A Liberty Primer* is another good source.

The Market for Liberty by Linda and Morris Tannehill is a source in very practical alternative thinking.

The Cato Institute has more on environmental regulation: <http://www.cato.org/research>.

A good website that shows how the free market and property rights are harmonious with the environment can be found at <http://www.newenvironmentalism.org>. This is run by the Reason Foundation. An intriguing book on the overall state of the world environment is *The Sceptical Environmentalist* by Bjørn Lomborg.

Chapter 4

The Food Police

Paths converged with the dirt trail as it broadened into a gravel country road. Instead of jungle, Jonathan passed rolling pastures and fields of ripening crops and rich orchards. The sight of all that food growing reminded Jonathan of how little he had eaten for lunch. He detoured toward a neat white farmhouse, hoping to find his bearings and maybe another meal.

On the front porch, he found a young woman and a small boy huddled together crying.

“Excuse me,” said Jonathan awkwardly. “Is there any trouble?”

The woman looked up, eyes wet with tears. “It’s my husband. Oh, my husband!” she wailed. “I knew one day it would come to this. He’s been arrested,” she sobbed, “by the Food Police!”

“I’m very sorry to hear about that, ma’am. Did you say ‘Food Police’?” asked Jonathan. He patted the dark head of the boy sympathetically. “Why did they arrest him?”

The woman gritted her teeth, fighting to hold back tears. Scornfully, she said, “His crime was that of growing too much food!”

Jonathan was shocked. This island was truly a strange place! “It’s a crime to grow too much food?”

The woman continued, “Last year the Food Police issued orders telling him how much food he could produce and sell to the country folk. They told us that too much food would lower prices and so hurt the other farmers.” She bit her lip slightly then blurted out, “My husband was a better farmer than all the rest of them put together!”

Instantly Jonathan heard a sharp roar of laughter behind him. A heavyset man strutted up the path from the road to the farmhouse. “Ha!” he sneered, “I say that the best farmer is the one who gets the farm. Right?” With a grand sweep of his hand, the man glared at the woman and her son and commanded, “Now get your things

packed and out of here! The Council of Lords has awarded this land to me.”

The man grabbed up a toy dog that was lying on the steps and thrust it into Jonathan’s hands. “I’m sure she can use the help, boy. Get moving, this is my place now.”

The woman stood up, her eyes glaring in anger, “My husband was a better farmer than you’ll ever be.”

“That’s a matter of debate,” the man chuckled rudely. “Oh sure, he had green fingers. And he was a genius at figuring what to plant and how to please his customers. Quite a man! But he forgot one thing – the Council of Lords sets the prices and crops. And the Food Police enforce the Council rules.”

“You parasite!” yelled the woman. “Your farming methods are incompetent! You waste good manure and seed on everything you plant, and no one wants to buy what you grow. You plant in a flood plain or on parched clay, and it never matters if you lose everything. You just get the Council of Lords to pay for the rot. They’ve even paid you to destroy entire crops.”

Jonathan frowned, “There’s no advantage in being a good farmer?”

“Being a good farmer is a handicap,” answered the woman as her face reddened. “My husband, unlike this toad, refused to flatter the Lords and tried to produce honest crops and real sales.”

Shoving the woman and her boy off the porch, the man growled, “Enough! He refused to follow the annual quotas. No one bucks the Food Police and gets away with it. Now get off *my* land!”

Jonathan helped the woman carry her belongings. The woman and her son walked slowly away from their former home. At a bend in the road, all turned to take one last look at the neat house and barn. “What will happen to you now?” asked Jonathan.

The woman sighed, “I can’t afford to pay the high food prices. Luckily, we’ve got relatives and friends to rely on for help. Otherwise, I could beg the Council of Lords to take care of Davy and me. They’d like that,” she muttered bitterly. She took the young boy’s hand and picked up a large bundle saying, “Come along, Davy.”

Jonathan gripped his stomach – now feeling a little more sick than hungry.

Products and production belong to the producers. What is unjust is to enslave producers by robbing them of what they produce with their labour (work).

Alan Burris, *A Liberty Primer*

... And to lose the product of your life and freedom is to lose the portion of your past that produced it.

Extract from
Jonathan's Guiding Principles

Brainstorming

- Why are some farmers paid not to grow crops?
- What would that do to the price and availability of food for consumers?
- How does that affect poor people?
- What kinds of dependency arise?
- How does the government benefit?
- Are there real examples of this behaviour?
- Why do we have import duties on food?
- What ethical issues are involved in the use of force?

Commentary

In many countries efficient farmers who grow an abundance of food, or sell food at too low a price, can be fined and imprisoned. This government meddling in the economy is a violation of individual rights and, as a practical and humane matter, is detrimental to consumers.

The reason people are poor is not because some farmers produce too much. High production lowers prices and benefits everyone including the poor. Instead, people are made poorer because efficient farmers are prevented from producing. Such intervention is accomplished by government control boards, tariffs and subsidies. Even efficient farmers lose the incentive to produce. Once subsidies are introduced, they tend to remain in place forever. It would take unusual courage on the part of a politician to remove them.

If there is no government interference, *consumer demand* will control what and how much is produced by the prices they are willing to pay.

In 1982 the American taxpayers spent \$2.3 billion (\$2,300,000,000) to buy up almost all of the powdered milk, all of the cheese, and all of the butter produced by American dairymen.
Johanna Neuman
1983

☺ “What do you think is the trouble with farming?”

“Well, in my day,” said the farmer, “when we talked about what we could raise on 60 acres, we meant crops – not government loans.”

Background

The Economist magazine once reported that farmers in the U.S. were paid to take as much as a third of the arable land out of production. This was about 65 million acres, about the size of Great Britain.

Currently US farmers are still being paid to destroy crops such as sugar beets, prunes, and cranberries. Oddly enough, this information is not hidden. Newspapers will print front-page headlines about hurricane or hail damage, but they report on their back sections about the far larger destruction of crops by government officials. Most people accept this, as they *assume* their government must be acting with good intentions for the citizens’ benefit. Japan and Europe have worse policies, ensuring that their own farm products won’t be undersold by cheap foreign imports. All this to the detriment of the consumers.

References

The Machinery of Freedom – David (“Davy”) Friedman, *Economics in One Lesson* – Henry Hazlitt, and *Liberty Primer* – Alan Burris, are all useful references.

There are several books and articles that tell of awful agricultural policies; notable is James Bovard’s *The Farm Fiasco*, a devastating analysis of the waste, fraud, and corruption in agricultural policy.

In *Healing Our World*, the chapter “Destroying the Environment,” Mary Ruwart deals with the effect of subsidies on wildlife, water, and farming habits.

Chapter 5

Candles and Coats

Jonathan accompanied the despairing woman and her boy a couple of miles down the road to the home of her relatives. They thanked him warmly and invited him to stay. One look told him that the house could barely contain the whole family, so he excused himself and continued on his way.

The road took him to a river where he found a bridge to a walled town on the other side. The narrow bridge held an imposing divider. On one side of the bridge, a sign pointed to the town reading, “ENTER STULTA CITY, ISLE OF CORRUMPO.” On the other side of the divider, another sign simply read, “EXIT ONLY, DO NOT ENTER.”

That was not the oddest feature of the bridge. To cross into town, one had to climb over jagged obstacles. Piles of sharp rocks and massive boulders blocked the entire entry side of the bridge. Several travellers had dropped their parcels by the way or into the river rather than haul them over the craggy barrier. Others, especially the elderly, simply turned back. Behind one feeble traveller, Jonathan spied the familiar yellow-striped cat with a ragged right ear, sniffing and pawing at a bundle that had been discarded. As he watched, the cat extracted a piece of dried meat from the torn bundle.

In contrast, the exit side of the bridge was smooth and clear. Merchants carrying goods out of town departed with ease. Jonathan wondered, “Why do they make it so tough to get into this place while it is so easy to get out?”

Jonathan clambered over the entrance side of the bridge, slipping on the uneven footing and hauling himself up on the boulders. He finally arrived at a pair of thick wooden gates that were thrown wide open to allow him to pass through the great town wall. People riding horses, people carrying boxes and bundles and people driving all manner of wagons and carts traversed the roads inside. Jonathan straightened his shoulders, dusted off his tattered shirt and pants and marched through the gateway. The cat slipped in behind him.

Just inside, a woman, holding a rolled parchment, sat behind a table that was covered with bright little medallions.

“Please,” asked the woman, giving a wide smile and reaching out to pin one of the medallions onto Jonathan’s shirt pocket, “won’t you sign my petition?”

“Well, I don’t know,” stammered Jonathan. “But I wonder if you could direct me toward the centre of town?”

The woman eyed him suspiciously. “You don’t know the town?”

Jonathan hesitated, noting the chilly tone that had crept into her voice. Quickly, he said, “And where do I sign your petition?”

The woman smiled again. “Sign just below the last name, right here. You’re helping so many people with this.”

Jonathan shrugged his shoulders and took up her pen. He felt sorry for her, sitting all bundled in heavy clothing, sweating profusely on such a pleasant, sunny day. “What’s this petition for?” asked Jonathan.

She clasped her hands in front of her as if preparing to sing a solo. “This is a petition to protect jobs and industry. You are in favour of jobs and industry, are you not?” she pleaded.

“Of course I am,” said Jonathan, remembering the enterprising young woman who was arrested for threatening the jobs of tree workers. The last thing he wanted was to sound uninterested in people’s work.

“How will this help?” asked Jonathan as he scribbled his name badly enough so that no one could possibly read it.

“The Council of Lords protects our local industries from products that come from outside of town. As you can see, we’ve made progress with our bridge, but there’s so much more to be done. If enough people sign my petition, the Lords have promised to ban foreign items that hurt my industry.”

“What is your industry?” asked Jonathan.

The woman declared proudly, “I represent the makers of candles and coats. This petition calls for a ban on the sun.”

“The sun?” gasped Jonathan. “How, ..uh,.. why ban the sun?”

She eyed Jonathan defensively. “I know it sounds a bit drastic, but don’t you see – the sun hurts candle makers and coat makers. People don’t buy candles and coats when they’re warm and have light. Surely you realise that the sun is a very cheap source of foreign light and heat. Well, this just cannot be tolerated!”

“But light and heat from the sun are free,” protested Jonathan.

The woman looked hurt and whined, “That’s the problem, don’t you see?” Taking out a little pad and pencil, she tried to draw a few notations for him. “According to my calculations, the low-cost availability of these foreign elements reduces potential employment and wages by at least fifty percent – that is, in the industries which I represent. A heavy tax on windows, or maybe an outright ban, should improve this situation nicely.”

Jonathan put down her petition. “But if people pay for light and heat, then they will have less money to spend on other things – things like meat, or drink, or bread.”

“I don’t represent the butchers, or the brewers, or the bakers.” the woman said brusquely. Sensing a change in Jonathan’s attitude she snatched away the petition. “Obviously you are more interested in some selfish consumer whim than in protecting the security of jobs and sound business investment. Good day to you,” she said, ending the conversation abruptly.

Jonathan backed away from the table. “Ban the sun?” he thought. “What crazy ideas! First axes and food, then the sun. What will they think of next?”

*When goods don't
cross borders,
soldiers will.*

Frederic Bastiat, 1850

*Sanctions prevent
the peasants from
creating wealth.*

Anonymous

*Whatever cause
you champion, the
cure does not lie in
protesting against
globalization
itself. I believe the
poor are poor not
because of too much
globalization but
because of too little.*

Kofi Annan,
Secretary General of
the United Nations

Brainstorming

- Is it good for people to get free light and heat from the sun?
- Who objects?
- Are the objections to imports similar?
- What groups object to people buying cheap products from other countries?
- Why?
- Do consumers suffer when imports are banned?
- How do groups stop imports of low-cost goods?
- Examples?
- What ethical issues are there?

Commentary

The title of this chapter is in reference to one of Frederic Bastiat's famous essays on candle makers. The candle makers wanted to ban the light and heat from the sun, and so create an *artificial* need in order to “protect” their country's industry.

Imports: Governments' import restrictions are not aimed at foreigners. These restrictions penalise consumers by forcing them to buy higher-priced or lower-quality products than they would prefer. By raising prices, trade barriers also deprive us of the savings that we could use to buy other products that would be generated by employment in new industries.

Thus, if one has five coins and can pay one coin for the imported product, then one has four coins to buy other things. But if the import is not allowed, then one may have to pay five coins for the domestic product and there will be nothing left to buy other goods.

The excuse offered for import restrictions is that governments are “patriotically” protecting domestic jobs and companies. However, as

*When our economies
are entwined we will
not fight.*
Unknown

*Two people who
exchange property
voluntarily are both
better off or they
wouldn't do it.*
Extract from
Jonathan's Guiding
Principles

long as these jobs are protected, they will never outgrow their need for protection. What makes companies competitive is competition. If they can't compete, it would be better if they shifted capital and labour into product lines where they have an advantage over other markets.

Trade barriers in retaliation against another country only injure the innocent. The home country gains nothing by inflicting "reciprocal" injury on their own citizens.

Exports: Why are a nation's exports uncompetitive? This is frequently because of high taxes and burdensome regulations in the exporting country, not because of strong competition from abroad.

Protecting local industry slows competitive innovations. It also leads to dependency on politicians who hand out the protection.

Protecting "job and industry" by banning "unfair competition" is very similar to the argument that the tree-workers made against "unfair competition" from labour-saving inventions. When laws are passed to protect the candle makers, coat makers, and tree workers from competition, then consumers have to pay more than what they otherwise would.

This hurts even those who gain from the protection. In the long-run we all have more to gain from free trade than from a policy of protectionism.

Background

There was a time, in the history of Europe, when there was a tax on windows. To avoid this tax people boarded up their windows or walled them up completely.

Quote from Bastiat's famous Candle Makers' Petition: "We candle makers are suffering from the unfair competition of a low-priced foreign rival. Our Customers desert us and related industries are also injured.

What generates war is the economic philosophy of nationalism; embargos, trade and foreign exchange controls, monetary devaluation, etc. The philosophy of protectionism is a philosophy of war.
Ludwig von Mises

“This rival is the sun! Please pass a law requiring the covering of all windows, skylights, holes and cracks. Domestic manufacturers will be stimulated. Agriculture will thrive on the need for tallow. Whale oil demand will improve shipping and thus defence. Jobs will be created and everyone will benefit. We have always served our country well and gratitude demands that we be protected.” Frederic Bastiat, 1846.

In *Sophisms*, Chapter 10, Bastiat writes: “Once upon a time there were, no matter where, two cities, Stulta and Puera.” See: <http://www.econlib.org>.

He goes on to tell the tale of the two cities building a highway between them, at great expense. Then employing salaried “Obstructors”, at great expense, whose function was to set up obstacles, at great expense, to “prevent the flooding” of trade.

References

In July 2001 The International Society for Individual Liberty – <http://www.isil.com> – celebrated the centenary of the birth of Frederic Bastiat – the French economist, statesman, and author. Notable is his little (75 pages) thought-provoking book *The Law*.

The Incredible Bread Machine by R.W. Grant discusses the history and power of politics. *The Fair Trade*, by James Bovard.

To see a 12-year old girl’s opinions on imports/export see: <http://www.JonathanGullible.com/FreeMarketSuger>.

Chapter 6

The Tall Tax

As Jonathan strode through the town he immediately noticed a dignified well-dressed man kneeling in the street, trying painfully to walk. Yet, the man didn't appear to be crippled – just short. Jonathan offered a helping hand, but the man brushed him aside.

“No, thank you!” said the man, wincing in pain. “I can walk okay. Using knees takes some getting used to.”

“You're okay? But why don't you get off your knees and walk on your feet?”

“Ooooh!” moaned the man, squirming in discomfort. “It's a minor adjustment to the tax code.”

“The tax code?” repeated Jonathan. “What's the tax code have to do with walking?”

“Everything! Ow!” By now the man settled back on his heels, resting from his torturous ordeal. He pulled a handkerchief from his shirt pocket and mopped his brow. He shifted his balance to massage one knee, then the other. Many layers of worn-out patches had been sewn on at the knees. “The tax code,” he said, “has recently been amended to level the field for people of different heights.”

“Level the field?” asked Jonathan.

“Please stoop over so I don't have to shout,” pleaded the man. “That's better. The Council of Lords decided that tall people have too many advantages.”

“Advantages of tallness?”

“Oh, yes! Tall people are always favoured in hiring, promotion, sports, entertainment, politics, and even marriage! Ooooh!” He wrapped the handkerchief around the newest of many rips in his grey pants. “So the Lords decided to level us with a stiff tallness tax.”

“Tall people get taxed?” Jonathan glanced sideways and felt his posture begin to droop.

“We’re taxed in direct proportion to our height.”

“Did anyone object?” asked Jonathan.

“Only those who refused to get on their knees,” the man said.

“Of course, we’ve allowed an exemption for politicians. We usually vote tall! We like to look up to our leaders.”

Jonathan was dumbfounded. By now, he found himself slouching, self-consciously trying to shrink. With both hands pointing down at the man’s knees he questioned incredulously, “You’ll walk on your knees just for a tax break?”

“Sure!” replied the man in a pained voice. “Our whole lives are shaped to fit the tax code. There are some who have even started to crawl.”

“Wow! That must hurt!” Jonathan exclaimed.

“Yeah, but it hurts more not to. Ow! Only fools stand erect and pay the higher taxes. So, if you want to act smart, get on your knees. It’ll cost you plenty to stand tall.”

Jonathan looked around to see a handful of people walking on their knees. One woman across the street was slowly crawling. Many people scurried about half-crouching, their shoulders hunched over. Only a few walked proudly erect, ignoring the sanctions completely. Then Jonathan caught sight of three gentlemen across the street sitting on a park bench. “Those three men,” indicated Jonathan. “Why are they covering their eyes, ears, and mouths?”

“Oh, them? They’re practising,” replied the man as he leaned forward on his knees to shuffle along. “Getting ready for a new series of tax proposals.”

Brainstorming

- Is it proper to use taxes to manipulate behaviour?
- Do people shape their lives to reduce taxes?
- Are officials more wise and moral than their subjects?
- Is it unfair for people to be tall?
- Examples?
- What ethical issues are there in this story?

Commentary

*We, and all others
who believe in
freedom as deeply as
we do, would rather
die on our feet than
live on our knees.
And those who defy
the government's
manipulations stand
proud.*

Quote by Franklin Roosevelt (though he probably *didn't* want people to reject some of his government actions!)

Through taxes governments have the means to manipulate the behaviour of citizens. This is in violation of individual rights. When taxes become severely burdensome, people alter their lives to guard against the costs, inconvenience, and indignity of those taxes.

When governments want less of undesirable behaviour, they tax it. By promoting some taxes as “sin taxes” the state is saying “these are sins – things you should not be doing, so we are going to tax them”. The state tries to discourage smoking and drinking in this manner. Ironically, taxes have the same effect on other kinds of behaviour such as working and saving. Thus working, saving, and becoming self-sufficient, are also treated as sinful behaviour.

The more people work – “sin” – the more they will be taxed. In this way the government also treats business success as a sin. This happens even though profitable firms provide goods and services, jobs and incomes – all of which provide for more tax revenues.

In other words, the state is discouraging work and self-responsibility – behaviour that is surely not sinful and that most people would like to encourage. Governments tend to tax efficiency and subsidise inefficiency.

“Silent” or hidden taxes heavily penalise low-income people who have less influence over government officials. These types of taxes, in *many* disguises, affect our lives as politicians’ wishes seldom coincide with our own.

Control of people through taxes, licences, and regulations upsets the economy, increases costs and reduces the demand for labour. This often leads to hostility and violence between groups that are on different sides of government favour.

Background

This chapter is about the idea that equality of everything should be forced upon people. In this chapter, politicians try to force everyone to be the same equal height.

As we saw in the previous chapter, people in Europe were prepared to alter their lives by shutting out the sunshine in order to save on taxes. It is no different today. Governments try to control our behaviour with taxes. It is amazing how many people’s lives and conversations are shaped by the tax code.

☺ *A fine is a tax for doing wrong.
A tax is a fine for doing well.*

References

A very comprehensive book that deals with this issue is *A Liberty Primer* by Alan Burris.

In *Welcome to the Monkey House* by Kurt Vonnegut, strong people are made to carry weights to bring them down to the level of the rest.

An active and successful international institute for promoting free trade, free markets, and personal responsibility is the Atlas Foundation, <http://www.atlasusa.org>.

Chapter 7

Best Laid Plans

Dull two- and three-storey wooden row houses lined the streets of the town. Then Jonathan noticed one grand, elegant home, standing apart from everything, isolated on an expansive green lawn. It looked solidly built, adorned with attractive latticework and freshly painted white walls.

Curious, Jonathan approached the house and found a crew wielding heavy sticks, attacking the back of the home and trying to tear it down. They weren't very enthusiastic and moved very slowly at the job. Nearby, a dignified, grey-haired woman stood with her hands clenched, visibly unhappy at the proceedings. She groaned audibly when a piece of the wall came down.

Jonathan walked over to her and asked "That house looks well built. Who's the owner?"

"That's a good question!" the woman shot back vehemently. "I thought *I* owned this house."

"You *thought* you owned it? Surely you know if you own a house," said Jonathan.

The ground shook as the entire back wall collapsed inside. The woman stared miserably at the cloud of dust billowing up from the rubble. "It's not that simple," yelled the woman over the noise. "Ownership is control, right? But who controls this house? The Lords control everything – so they're the real owners of this house, even though I built it and paid for every board and nail."

Growing more agitated, she walked over and ripped a paper off a single post left where a whole wall had stood moments before. "See this notice?" She crumpled it, threw it down and stamped on it. "The officials tell me what I may build, how I may build, when I may build, and what I can use it for. Now they tell me they're tearing it down. Does that sound like I own the property?"

"Well," ventured Jonathan sheepishly, "didn't you live in it?"

“Only so long as I could keep paying the property taxes. If I didn’t pay, the officials would have booted me out faster than you can say ‘next case’!” The woman grew red with fury and continued breathlessly, “No one really owns anything. We merely rent from the Council so long as we pay their taxes.”

“You didn’t pay the tax?” asked Jonathan.

“Of course I paid the cursed tax!” the woman practically shouted. “But that wasn’t enough for them. This time, the Lords said that my plan for the house didn’t fit their plan – the master plan of ‘superior owners,’ they told me. They condemned my house – gave me some money for what they said it was worth. And now they’re going to clear it away to make a park. The park will have a nice big monument in the centre – a monument to one of their own.”

“Well, at least they paid you for the house,” said Jonathan. He thought a moment and asked, “Weren’t you satisfied?”

She gave him a sideways look. “If I was satisfied, they wouldn’t have needed a policeman to push the deal, now would they? And the money they paid me? That was taken from my neighbours. Who’ll compensate them? The Lords won’t pay them!”

Jonathan shook his head in bewilderment. “You said that it was all part of a master plan?”

“Ha! A master plan!” the woman said sarcastically. “That’s a plan that belongs to whoever has political power. If I spent my life in politics, then I’d be able to impose my plans on everyone else. Then I could steal houses instead of building them. It’s so much easier!”

“But surely you need a plan in order to have a wisely built town?” said Jonathan hopefully. He tried to find a logical explanation for her plight. “Shouldn’t you trust the Council to come up with such a plan?”

She waved her hand at the row houses. “Go see for yourself. The worst plans are the few that they actually complete – shoddy, costly, and ugly.”

Turning to face Jonathan, she looked him straight in the eye. “Think of this. They built a sports stadium where nine of every ten spectators can’t see the field of play. Because of their shoddy work, it cost twice as much to repair as it cost to build in the first place!

And their great meeting hall is only available to visitors, not for the taxpayers who paid for it. Who did the planning? The Lords. They get their names emblazoned in stone and their friends get fat contracts.”

Jabbing a finger into Jonathan’s chest, she declared, “Only foolish plans have to be forced on people. Force never earned my trust!” Fuming, she glared back at her house. “They haven’t heard the last from me!”

The harvest of your life is your property. It is the fruit of your labour, the product of your time, energy, and talents.
Jonathan's Guiding Principles

Under the pretence of organization, regulation, protection, or encouragement, the law takes property from one person and gives it to another; the law takes the wealth of all and gives it to a few.
Frederic Bastiat 1849

Brainstorming

- When is it OK for the government to take a house away from someone?
- What is the problem with superior ownership, or *eminent domain*?
- If an official can use, control, take, or destroy a house that another person builds, then who really owns the house?
- Can private initiative provide better and cheaper buildings?
- Is a property tax like rent?
- Examples?
- Ethical issues?

Commentary

Vast stretches of land in all countries are owned by the state. Yet, the state has the power to take anyone's property if it is claimed to be "for the common good". State officials set the price unilaterally. If you resist, the state has the power to forcefully remove you. So, who really owns the land?

In theory, your property is any possession owned by you. This can be your house, your farm, your toy, your book, or your car. To own something is to have control over what you do with it. In fact, you may do what you like with it as long as you do not harm others. You may use your property any way you wish. This *includes* your right to decide not to sell or to sell voluntarily at a profit.

If you do not have control over your property, then it cannot really be yours even though you built it or paid for it. You are but a "renter" or a "borrower" from the real master – the higher authority.

Many visitors wonder why Geneva, one of the world's richest cities, headquarters of a host of banks and international organisations, has no great architecture in which to take pride. But when one needs to get authorisation from pen-pushers and approval by a referendum of philistines to build on one's own land with one's own hands, the result is architecture to please philistine pen-pushers.
Christian Michael

☺ *In some cities they tear down buildings to save taxes. They might try tearing down some taxes to save buildings.*

A look at the queues at your local licensing office will tell you how much your community is being controlled and forced to conform to regulations.

A further disadvantage of licenses is that they are left to the whim of officials. If an official feels so inclined, he or she has the power to delay an application until a more “convenient” time. This power puts him in a good position to consider a bribe. In Costa Rica there is a saying, which translates as “where there is a license there is a sausage (a bribe).” Licences and regulations stifle progress. It is no accident that countries with the most restrictions experience the least economic growth.

The situation is different if a group of people voluntarily reaches an agreement to mutually coordinate their property or housing plans. The difference is that it is voluntary – unlike government plans where one group imposes its will upon all others.

Background

Eminent domain, Latin for “superior owner”, the authority of the state to take private property for public use.

The 5th Amendment of the US Constitution requires that just compensation be given, but is it? How can it be just if it can only be accomplished by force?

References

Bastiat's *The Law* is the best reference on authorised plunder.

For a New Liberty by Murray Rothbard gives some great alternatives in tough areas.

Eminent domain is an act of aggression. An illustration of how this power is abused can be found at the website, Institute for Justice: <http://www.ij.org>.

Chapter 8

Two Zoos

Continuing on his way, Jonathan puzzled over the rules of this troubled island. Surely the people wouldn't live with laws that made them so unhappy? There must be a good reason. The land looked so green and the air was so soft and warm – this should be paradise. Jonathan relaxed his stride as he passed through the town.

He reached a stretch of road with formidable iron fences lining both sides. Behind the fence on his right stood strange animals of many sizes and shapes – tigers, zebras, monkeys – too many to count. Behind the other fence on the left paced dozens of men and women, all wearing black-and-white-striped shirts and pants. The two groups facing each other across the road looked bizarre. Spotting a man wearing a black uniform and twirling a truncheon, Jonathan approached the guard as he marched between the locked gates.

Jonathan asked politely, “What are these fences for?”

Keeping a steady rhythm with his feet and club, the guard proudly replied, “One encloses our animal zoo.”

“Oh,” said Jonathan, staring at a group of furry animals with prehensile tails leaping from the walls of their cage.

The guard, accustomed to giving tours to the local children, continued to lecture. “See the excellent variety of animals over there?”

He gestured toward the right side of the road. “They're brought to us from all over the world. The fence keeps the animals safely in a place where people can study them. Can't have strange animals wandering around and harming society, you know.”

“Wow!” exclaimed Jonathan. “It must have cost you a fortune to bring animals from all over the world and to provide for them here.”

The guard smiled at Jonathan, and shook his head slightly. “Oh, I don’t pay for the zoo myself. Everyone on Corrumpto pays a zoo tax.”

“Everyone?” asked Jonathan, self-consciously feeling the bottom of his empty pockets.

“Well, some folks try to avoid their responsibilities. These reluctant citizens say they have no interest in a zoo. Others refuse because they believe animals should be studied in their natural habitat.”

The guard turned to face the fence on the left of the road, rapping the heavy iron gate with his club. “When citizens refuse to pay the zoo tax, property tax, tall tax, or window tax, we place them here, safely behind these bars. Such strange people can then be studied. They, too, are prevented from wandering around and harming society.”

Jonathan’s head began to spin from disbelief. Comparing the two groups behind the fences, he wondered if he would pay for the maintenance of this guard and two zoos. He gripped the iron bars and scrutinized the proud faces of the inmates in striped clothing. Then he studied the haughty expression on the face of the guard who continued to pace back and forth, twirling his club.

That same old yellow cat was weaving in and out of the bars of the zoo, always on the prowl for a meal. The guard pounded a bar loudly with his stick and the cat scampered behind Jonathan’s legs. He then sat down to lick his forepaw and to scratch the fleas behind his torn ear.

“I’ll bet you love mice, don’t you, cat? Lots of mice,” said Jonathan. Patting him on the head, Jonathan named his new companion saying, “How about ‘Mices’? Well, Mices, you’ve been on both sides of the fence. On which side of the bars are those of greater harm?”

Brainstorming

- Should people be forced to pay for a zoo?
- What reasons could there be for not paying?
- What happens to people who would refuse to pay such a tax?
- On which side of the fence are the people who are harming others?
- Examples?
- Ethical issues?

Commentary

Bureaucrats administer laws made by politicians. In this position they are able to influence politicians into the making of laws. They are unelected and unaccountable to the public, yet they are able to control almost every detail of public life, often having their own agendas and their own scores to settle.

All bureaucrats are civil servants but lower civil servants may not be as involved with the administration of laws. Civil servants (i.e. non-military) are un-elected and employed as *servants* to the civilian population (that's you and me!). They include clerks issuing licences, traffic officers, municipal employees, public zoo officials, and prison administrators.

Are you happy that your money is used for things you do not use? Is it right that we are fined, penalised, or even put in jail for not paying for services that are only of pleasure to someone else?

If one considers the public services provided by the state or by the municipalities, and one then considers how many of these are used by only a small portion of the population, one can see that private enterprise is a fairer system. Private enterprise is more motivated to efficiently serve the people who are willing to pay for the services. Only those people using the service would pay. Competition for customers

When law and morality contradict each other, the citizen has the cruel alternative of either losing his moral sense or losing his respect for the law.

Frederick Bastiat

The State represents violence in a concentrated and organised form.
Gandhi

Thus, you have no right to designate some person to initiate force against others on your behalf.
Extract from Jonathan's Guiding Principles

would provide incentives to give competitive service, prices and customer care. Those who are not interested in the service would not be made poorer by having to pay for services they do not require. These people would keep their money for services they consider beneficial to themselves.

Background

This chapter was mostly inspired by local Hawaii news items and arguments over paying for the zoo. At issue is how the market might provide.

The cat was included to add a little personality to whom Jonathan might make occasional comments. The name was actually closest to that of free-market economist Ludwig von Mises, but without any deeper meaning intended, just a “fellow traveller.”

The Ludwig von Mises Institute, founded in 1982, is a unique educational organisation dedicated to the work of Ludwig von Mises and the advancement of Austrian economics. Ludwig's wife, the beautiful Margit Serency, served as chairman of the Mises Institute. On proposing to her, Mises warned her that while he would write much about money, he would never have much of it!

References

Good references on private and public enterprises are Alan Burris *A Liberty Primer*, Taney's book *A Market for Liberty* and David Friedman's *The Machinery of Freedom*.

The essential theories of von Mises may be downloaded: <http://www.libertarianpress.com/evm.htm>.

For privatisation see: Reason Public Policy Institute: <http://www.privatization.org>.

Chapter 9

Making Money

In the company of Mices, Jonathan pressed on. The buildings grew larger and more people filled the street. Pavements made walking easier, even for the ones on their knees. As he passed a large brick building, he heard the roar of machinery coming from above. The rapid clickety-clack sounded like a printing press. “Maybe it’s the town newspaper,” said Jonathan aloud, as if expecting a reply from the cat. “Good! Then I can read all about this island.”

Hastily he rounded the corner looking for an entrance and nearly bumped into a smartly-dressed couple walking arm-in-arm along the cobblestone street. “Excuse me,” apologized Jonathan, “is this where they print the town newspaper?”

The lady smiled and the gentleman corrected Jonathan. “I’m afraid you’re mistaken, young man. This is the Official Bureau of Money Creation, not the newspaper.”

“Oh,” said Jonathan in disappointment. “I was hoping to find a printer of some importance.”

“Cheer up,” said the man. “There is no printer of greater importance than this bureau. Isn’t that right dear?” The man patted the woman’s gloved hand.

“Yes, that’s true,” said the woman with a giggle. “The Bureau brings lots of happiness with the money it prints.”

“That sounds wonderful!” said Jonathan excitedly. “Money would certainly make me happy right now. If I could print some money then...”

“Oh, no !” said the man in disapproval. He shook a finger in Jonathan’s face. “That’s out of the question.”

“Of course,” said the woman in agreement. “Money printers who are not appointed by the Council of Lords are branded ‘counterfeiters’ and thrown behind bars. We don’t tolerate scoundrels.”

The man nodded vigorously. “When counterfeiters print their fake money and spend it, too much money circulates. Prices

soar; wages, savings, and pensions become worthless. It's pure thievery!"

Jonathan frowned. What had he missed? "I thought you said that printing lots of money makes people happy."

"Oh, yes, that's true," replied the woman. "Provided..."

"...that it's official money printing," the man interjected before she could finish. The couple knew each other so well that they finished each other's sentences. The man pulled a large leather wallet from his coat pocket and took out a piece of paper to show Jonathan. Pointing to an official seal of the Council of Lords, he noted, "See here. This says 'legal tender,' and that makes it official money."

"The printing of official money is called 'monetary policy'." she proceeded, as though reciting from a memorized school text. "Monetary policy is all part of a master plan."

Putting his wallet away, the man added, "If it's official, then those who issue this 'legal tender' are not thieves."

"Certainly not!" said she. "The Council of Lords spends this legal tender on our behalf."

"Yes, and they are very generous," he said with a wink. "They spend that official money on projects for their loyal subjects especially those who help them get elected."

"One more question, if you don't mind," continued Jonathan. "You said that when counterfeit money is everywhere, prices soar and wages, savings, and pensions become worthless. Doesn't this also happen with that legal tender stuff?"

The couple looked at each other gleefully. The gentlemen said, "Well, prices do rise, but we're always happy when the Lords have more money to spend on us. There are so many needs of the employed, the unemployed, the exceptional, the unexceptional, the young, the un-young, the poor, and the un-poor."

The woman added, "The Lords research the roots of our pricing problems scrupulously. They've identified bad luck and poor weather as the chief causes. The whims of nature cause rising prices and a declining standard of living – especially in our woodlands and farmlands."

“Indeed!” exclaimed her escort. “Our island is besieged by catastrophes that ruin our economy with high prices. Surely the high prices of timber and food will mean our downfall one day.”

“And low prices,” she cried. “Outsiders, with their dog-eat-dog competition, are always trying to sell us candles and coats at ruinously low prices. Our wise Council of Lords deals severely with those monsters as well.” Turning to her companion, she tugged impatiently at his sleeve.

“Quite right,” he told her. “I hope you will excuse us, young man. We have an engagement with our investment banker. Must catch the boom in land and precious metals. Come on, dear.” The gentleman tipped his hat, the lady bowed politely, and both wished Jonathan a cheerful farewell.

Brainstorming

- Is it good or bad to print lots of money?
- Who decides?
- How are people affected differently?
- Is there a difference between counterfeiters and official money printers?
- Would prices that stay roughly the same down the generations help people to understand value and to plan their lives?
- Who is blamed for rising prices?
- Examples?
- What are the ethical issues?

Commentary

A potato is valued by the number of potatoes there are for sale.

Let us say you are a potato farmer and your neighbour is an apple farmer. You agree to give him 10 potatoes for 10 of his apples. Then suddenly a lot of potatoes become available. Now your potato is not as valuable as a trading item. Your neighbour may now want 20 of your potatoes for just 10 of his apples.

And so it is with money. If there is a shortage of notes, money will be more valuable. You will be able to buy lots of goods with your 10 notes. On the other hand, if the market is suddenly flooded with notes there will be more notes and therefore each note will be less valuable. As a consumer, you will have to spend more notes to get the same number of goods as you did before. Each note is now worth less than it was.

Does it matter when governments print more and more money? Yes, it does. Not only because it devalues the country's money, but also because those who are issued with the newly printed money can buy *before* prices rise. For awhile people will say things are getting better because there is more money around. However, by the

Why is bread less expensive than diamonds? Because diamonds are less available than bread.
Murray Rothbard

Banks full of newly printed money are eager to lend it out.
 Alan Burris in *A Liberty Primer*

Virtue can only exist when there is free choice. This is the basis of a truly free society.
 Extract from Jonathan's Guiding Principles

time this money has been traded many times it arrives in the hands of people with fixed incomes and savings who earn the same but need more notes for their goods.

This is called inflation. This role of governments is often ignored while shopkeepers and farmers are incorrectly blamed for the higher prices.

The control of money is one of the main ways the state can ensure several things; the growth of the number of government departments; rewards to favoured groups and companies; and payoffs to tinker with elections.

Governments, unlike private businesses, do not obtain the money as voluntary payment for services. Governments need to find ways of forcing people to give up their money. This is taxation. But taxation is unpopular. So an alternative answer to the state's problem is to print more money. With more money circulating the economy *appears* to be doing better – for a while. That is until inflation catches up and all goods become more expensive. Printing money just before an election is a clever way to make people think the ruling party is doing well. Only after the elections will the effects of inflation be felt. Then it is too late for the electorate to react.

The effect of counterfeiting money is like stealing from the wages, savings, and pensions of others. Governments don't like this competition from independent money printers, so they make it illegal for others to print money. If people had a choice, they would not use money that was losing value and would choose more stable money. But governments don't like *that* competition either. That's why they make their money mandatory to use, i.e., legal tender.

The only way to get money out of politics is to get politics out of money-making.
Richard M. Salsman

☺ *Conferences on inflation are customarily attended by the politicians who cause it and the economists who showed them how.*
Richard Needham,
1977

Background

Traders need some object which is widely accepted, durable, and convenient for measuring comparability of value between products. Precious metals, such as gold and silver, have proved superior in serving this purpose. Goldsmiths and bankers then used paper receipts for gold and silver in order to enhance the security and convenience of exchange. Competition between banks and currencies, along with strict personal accountability, kept currencies stable because people would have refused to use currencies that were losing value (inflated).

In 1844, Sir Robert Peel arranged the Peel Act, giving the government's Bank of England a monopoly in the issuance of bank notes.

References

Murray Rothbard's enlightening book *What has the government done to our money?* is an enjoyable read and gives the history of money and banking.

Friedrich Hayek's *Denationalisation of Money* explores the idea of ending legal tender laws and allowing competition in currencies. A fun read about counterfeiting is Walter Block's *Defending the Undefendable*.

The Von Mises Institute has called for the return to a gold standard, while others have called simply for choice in currency and ending legal tender laws: <http://www.mises.org>.

Sheffield University provides a website for research into free banking: <http://www.shef.ac.uk/~var/free-banking/index.html>.

For monetary and banking policies see: <http://www.cato.org/research/mon-st.html>.

The balance sheets or statements of liabilities of various countries make interesting reading. These may be found by searching for the name of your country's reserve bank.

Chapter 10

The Dream Machine

How would Jonathan ever get home? He was a hearty, honest lad, willing to do any kind of work. Perhaps he might find a job with a ship's crew. Surely an island had to have a harbour and ships. As he pondered the problem, a thin man struggled to load a bulky machine onto a big, horse-drawn wagon. He wore an eye-catching red suit and a stylish hat with a large feather stuck in the band. Catching sight of Jonathan, the man yelled, "Hey, kid, I'll pay you five kayns to help me load."

"Kayns?" repeated Jonathan curiously.

"Money, paper payola. You want it or not?"

"Sure," said Jonathan, having no better idea of what to do. It wasn't work on a ship, but he needed to earn his keep. Besides, the man looked shrewd and could offer some advice. After much pushing and shoving they managed to heave the unwieldy machine on board. Wiping his brow, Jonathan stood back panting and looked at the object of his labour. The machine was large with beautiful designs painted all over it. On the top was a large horn, such as the one Jonathan had once seen on a hand-cranked phonograph back home.

"Such beautiful colours," said Jonathan, feeling dizzy while staring at the intricate, pulsating patterns. "And what's that big horn on top?"

"Come around to the front and see for yourself." So Jonathan climbed up onto the wagon and read the sign painted with elegant gold letters: "GOLLY GOMPER'S DREAM MACHINE !"

"A dream machine?" repeated Jonathan. "You mean it makes dreams come true?"

"It sure does," said the sharp-faced man. He twisted out the last screw and removed a panel in the back of the machine. Inside were the works of a simple phonograph. Instead of a hand crank, it had a spring with a wind-up key. A switch turned on the turntable.

“There’s nothing but an old music box in there!” declared Jonathan.

“What do you expect,” said the man, “a fairy godmother?”

“I don’t know. I thought it would be a little, ..uh, mysterious. After all it takes something special to make people’s dreams come true.”

A sly grin spread across the man’s thin face and he gave Jonathan a long, hard look. “Words, my curious friend. It just takes words to make some dreams come true. The problem is you never know just who will get the dream when you wish for something.”

Seeing Jonathan’s puzzled expression, the man reached into his pocket and produced a tiny crisp white business card. He introduced himself in his staccato nasal twang, “Tanstaaf’s the name. P.T. Tanstaaf.” Just then he noticed that he had given Jonathan the wrong card, one that read “G. Gomper” instead. He snatched it back. “Excuse me, son, that’s yesterday’s card.”

Shuffling through his wallet he found another card of a slightly different size and colour presenting today’s name. He then pulled out a poster with elegant gold lettering that he pasted over the original name on his sign. It now read, “DR. TANSTAAFL’S DREAM MACHINE.”

The man explained smoothly, “People have their dreams, right? It’s just that they don’t know how to make dreams come true, right?”

Dr. Tanstaaf nodded his head every time he said “Right?”. Jonathan began nodding dumbly in unison.

“So you pay money, turn the key, and this old box plays a certain subtle instruction over and over again, right?” Tanstaaf nodded again, Jonathan followed with a bob. “It’s always the same message and there are always plenty of dreamers who love to hear it, right?”

“What’s the message, Mr. Tanstaaf?” asked Jonathan, suddenly conscious of his head bobbing up and down.

The man corrected Jonathan, “Please! *Doctor* Tanstaaf. As I was saying, the Dream Machine tells people to think of whatever they would like to have, and...”, the man glanced around to see if anyone else was listening, “...then it explains to the dreamers what to do – in a very persuasive manner, right?”

“You mean it hypnotizes them?” asked Jonathan, his eyes widening.

“Oh no, no, no, no, no!” objected the man. “It tells them that they are good people and that what they wish for is a good thing, right? It’s so good that they should demand it, right!”

“Is that all?” Jonathan said in awe.

“That’s all.”

After a moment’s hesitation, Jonathan asked, “So what do these dreamers demand?”

The man pulled out an oil can and proceeded to oil the gears inside. “Well, it depends a lot on where I put this machine. I frequently put it in front of a factory like this one – Bastiat Builders.” He jerked a thumb in the direction of a squat two-story building across the street. “And sometimes I set it by the Palace of Lords. Around here, people always want more money. More money is a good thing, you know, because prices are always going up and people always need more, right?”

“So I’ve heard,” said Jonathan, rolling his eyes in sympathy. “Do they get it?”

The man pulled back and wiped his hands on a rag. “Some do – just like that!” he said with a snap of his fingers. “Those dreamers stormed down to the Palace and demanded laws that would force the factory to give them a three-fold increase in pay and benefits.”

“What benefits?” said Jonathan.

“Like security. More security’s a good thing, right? So the dreamers demanded laws that would force factories to buy insurance for them; insurance for sickness; insurance for unemployment; insurance for death, right?”

“That sounds great!” exclaimed Jonathan. “Those dreamers must have been very happy.” He turned to look back at the factory and noticed that there didn’t seem to be much going on. Faded paint made the buildings look tired and no lights shined from the dirty, broken windows. Pieces of shattered glass lay scattered over the pavement.

The man finished his oiling, replaced the panel and tightened the screws back into place. With a final wipe of his rag over the polished surface of the box, he bounced out of the cart and went to

check the harness. Jonathan jumped down and turned to the man repeating, “I said they must have been very happy – I mean to get all that money and security. And grateful, too. Did they give you a medal or a banquet to celebrate?”

“Nothing of the sort” said Dr. TanstaafI curtly. “I nearly got tarred and feathered. They almost destroyed my delicate Dream Machine last night with rocks, bricks, and just about anything else they could throw. You see, their factory closed yesterday and the workers blamed me.”

“Why did the factory close?”

“It seems the factory couldn’t earn enough to pay the workers’ raises and benefits. Now they’ve got to retool and try making something else.”

“But, then,” said Jonathan, “that means the dreams didn’t come true after all. If the factory closed, then nobody gets paid. And nobody gets security, either. Nobody gets anything! Why, you’re just a swindler. You said that the Dream Machine...”

“Hold on there, chap! The dreams came true. What I said was,” stressed the man slowly, “that you never know just who will get the dream when you wish for something. It so happens that every time an old factory closes here on the isle of Corrumpto, that very dream comes true across the waters on the Isle of Nie. A new factory recently opened there, just a week’s sail from here. Plenty of new jobs and security over there. As for me, well, I collect my money from the machine no matter what happens.”

Jonathan thought hard about the news of Nie, realizing that there was another island, one more prosperous than this one. “Where’s this Isle of Nie?” he asked.

“Far east over the horizon. The people of Nie have a factory just like this. When factory costs rose here, the factories over there got a lot more orders. They understand that having more customers is the best way of getting more of everything – pay and security. The workers on Corrumpto can’t just demand more from the customers. There ain’t no such thing as a free lunch, ya know. Everything has a cost.”

Dr. TanstaafI chuckled as he tied the machine down with straps. He paid Jonathan for his help then climbed onto the driver’s seat and shook out the reins. Jonathan looked at the money he had been

given and suddenly worried that it was soon going to be worthless. It was the same legal tender the couple had shown him in front of the Official Bureau of Money Creation. “Hey, Dr. Tanstaaf, wait!”

“Yeah?”

“Could you pay me with some other kind of money? I mean, something that’s not going to lose value?”

“It’s legal tender, pal. You’ve got to take it. Do you think I’d use this stuff if I had a choice? Just spend it quickly!”

The man yelled at his horse and he was off.

Usually, the higher the unemployment, the greater the demand for more of the same government interference in the economy, which caused the unemployment in the first place.

Alan Burris in *A Liberty Primer*.

A truly free society is not only the most practical and humanitarian foundation for human action; it is also the most ethical.

Extract from Jonathan's Guiding Principals

Brainstorming

- Whose dream really came true? • Why?
- What is the source of pay and security?
- How was that destroyed?
- Have Newly Industrialised Economies (NIE) benefited by high wage demands in other places?
- What is an alternative to legal tender?
- What is meant by “There ain’t no such thing as a free lunch”?

Commentary

As voters have dreams of becoming wealthier and more secure, it is natural for them to try to find the easiest way to achieve their dreams. Working requires time and effort, so voters often look for easier ways to get wealth and security. The legal alternative to hard work is politics.

Politicians are eager to please these voters because by doing so, politicians maintain and increase their own wealth, security, and power. So politicians collaborate with voters to pass laws forcing employers to pay the costs of higher wages and more benefits: i.e. medical insurance, funeral expenses, education fees, vacation, etc.

These costs add to the prices that consumers must pay to local employers. So consumers start shopping around for lower prices and consequently buy cheaper products from employers in other countries. Thus, the attempt to force higher costs on local employers has the unintended effect of driving them out of business or out of the country.

These laws violate the individual’s right to earn a living by making their own free choices. And such laws have the overall effect of harming or ruining a nation’s economic life.

Background

Laws heaped on production in the West during the late 20th century resulted in producers moving to the Isles of NIE – Newly Industrialised Economies – such as Singapore, Hong Kong, Taiwan, and South Korea.

When a company whose headquarters is in one country, builds a factory in another country, that company is said to be making a foreign investment. This process is sometimes called globalisation. Many people who protest against globalisation say that it unfairly exploits the NIEs by paying lower wages than their country does. However, the residents of the NIEs do not see themselves as exploited. For them it means a great opportunity for them to become wealthier.

“Kayns” is a veiled reference to the British economist John Maynard Keynes. It is the printing of money that makes possible his “spend more, tax less defi cit” fi nancing. Samuel Gompers was the founder of the Congress of Industrial Organizations labour unions in the U.S.

References

Tanstaaf! – There Ain’t No Such Thing As A Free Lunch. The novel *The Moon is a Harsh Mistress* by Robert Heinlein, is a science fiction story about a libertarian colony on the moon. Two of the characters go into a bar where they see a sign “Free Drinks”. One says to the other, “If the drinks weren’t free, the food would be half price! TANSTAAF!”

I, Pencil: My Family Tree as told to Leonard E. Read shows the fascinating example of how voluntary exchange enables millions of people to co-operate with one another just to make a pencil.

In Rigoberto Stewart’s *Limón Real* one can read how economical dreams are possible.

Most poverty in the world today is caused by government laws, not ignorance.

Mary Ruwart in
Healing Our World

☺ *There is nothing new in recession. Thousands of years ago Noah managed to float a limited company when the rest of the world was going into liquidation.*

Ken Schoolland's article on labour law and regulations may be seen at: <http://www.JonathanGullible.com/DreamMachine>.

Chapter 11

Power Sale

A husky, jolly woman bore down on Jonathan as he stood wondering where to go next. Without hesitation, she grabbed his right hand and began to pump it vigorously. “How do you do? Isn’t it a fine day?” she said at rapid-fire speed, still working his hand with her meaty arm. “I’m Lady Bess Tweed, your friendly neighbourhood representative on the Council of Lords, and I would be most grateful to have your contribution and your vote for my re-election to office and there you have it; that is the pressing situation for our fine community.”

“Really?” said Jonathan. The speed and force of her speech knocked Jonathan back a step. He had never met a person who could say so many words in one breath.

“Oh yes,” continued Lady Tweed, barely listening to his reply, “and I am willing to pay you well, oh yes, I am willing to pay you, you can’t ask for a better deal, and how about that?”

“Pay me for a contribution and a vote?” asked Jonathan with a puzzled look.

“Of course, I can’t give you cash – that would be illegal, a bribe – say no more, say no more!” said Lady Tweed, winking slyly at him and poking him in the ribs with her elbow. She continued, “But I can give you something just as good as cash and worth many times the amount of your contribution to me. It’s as easy as priming a pump. A few bills in my palm right now and you can expect a gusher of goodies later. That’s what I’ll do and how about that?”

“That would be nice,” replied Jonathan, who could see she wasn’t listening to him anyway.

“What’s your occupation? I can arrange assistance – loans or licenses or subsidies or tax breaks. I can ruin your competitors with rules and regulations and inspections and fees. So you can see, there is no better investment in the world than a well-placed politician.

Perhaps you'd like a new road or a park built in your neighbourhood or maybe a large building or..."

"Wait!" shouted Jonathan, trying to stop the torrent of words. "How can you give me more than I give you? Are you so very rich and generous?"

"Me rich? Saints and bullfrogs no!" retorted Lady Tweed. "I'm not rich. Well, not that I will admit. Generous? You could say so, but I don't plan to pay with my own money. Of course, you see, I'm in charge of the official treasury. And, to be sure, I can be very generous with those funds, to the right people..." She grinned, winked twice and nudged him again in the ribs. "Say no more, say no more!"

Jonathan still did not understand what she meant. "But, if you buy my contribution and my vote, isn't that sort of like, well, the same as bribery?"

Lady Tweed gave him a shrewd look. "I'll be blunt with you, my dear friend." She draped one arm over his shoulder and pulled him uncomfortably tight against her side. "It is bribery. But it's legal when a politician uses money from other people rather than from his or her own pocket. Likewise, it is illegal for you to give me cash for specific favours, unless you call it a 'campaign contribution.' Then everything is okay. You can buy a hundred copies of my memoirs and not read a single one. Feel uncomfortable giving cash to me directly? Just ask a friend or a relative or an associate to offer permanent loans, stock options, or benefits to me or my kin – now or later." She paused expectantly. "Now, do you understand?"

Jonathan shook his head, "I still don't see the difference, I mean, bribing people for votes and favours is still bribery no matter who they are or whose money it is. The label makes no difference if the deed is the same."

Lady Tweed smiled indulgently, "My dear, dear friend, you've got to be more flexible. The label is everything." With her free hand, she gently grasped his chin and turned Jonathan's head sideways. "What's your name? Did you know you've got a nice profile? You could go a long way if you ran for public office. If you're flexible, I'm sure that I could find you a nice post in my bureau after re-election. Or is there something else you want?"

Jonathan shook his head free and managed to wriggle out from under her arm. “What do you get by giving away taxpayers’ money? Can you keep the money that’s given to you as contributions?”

“Oh, some of it is useful for my expenses and I have a fortune promised to me should I ever retire, but mostly it buys me recognition or credibility or popularity or love or admiration or a place in history. All this and more for me and my progeny!” Lady Tweed chuckled softly. “Votes are power and there is nothing I enjoy more than having influence over the life, liberty, and property of every person on this island. Can you imagine how many people come to me – *me* – for big and little favours? Every tax and regulation presents an opportunity for me to grant a special exception. Every problem, big or little, gives me more influence. I award free lunches and free rides to whomever I choose. Why, I have the farmers, the coat makers, the treeworkers, and all of their hired lobbyists eating out of the palm of my hand! Ever since I was a child I *dreamed* of such importance. You, too, can share the glory!”

Jonathan tried to free his hand. But Lady Tweed kept him firmly in her eel-like grip. “Sure,” said Jonathan, “you and your friends have a great deal, but don’t other people get upset when you use their money to buy votes, favours, and power?”

“Certainly,” she said, lifting up her plump, double-chinned jaw proudly. “And I hear their concerns. So I’ve become the champion of reform.” Finally releasing Jonathan’s hand, Lady Tweed thrust her large, bejewelled fist into the air. “For years I’ve drafted new rules to take the money out of politics. I always say that campaign money causes a crisis of major proportions. And I have won a fair share of votes with promises for reform.” She paused to smirk and continued, “Fortunately for me, I always know a way around my rules so long as there are valuable favours to sell.” She winked and nudged again, “Know what I mean, know what I mean?”

Lady Tweed eyed Jonathan critically, taking in his tattered appearance. “No one pays you a penny for favours because you, as yet, have no favours to sell. Don’t you see? But, with your innocent looks – and the right backing from me, you could go far. Hmm...a new set of clothes, elevated shoes, a stylish haircut, and the proper fiancée. Yes, I could definitely triple the beginner’s vote tally for you. Then, after ten or twenty years of careful guidance – well, there’s no limit to the possibilities! Look me up at the Palace of

Lords and I'll see what I can do." Lady Tweed spotted a group of workers that had gathered across the street, looking forlornly at the shuttered factory. She abruptly lost interest in Jonathan and marched swiftly away, searching for fresh prey.

"Spending other people's money sounds like trouble," mumbled Jonathan.

With ears keenly tuned to any sound of disagreement, Lady Tweed stopped and turned quickly, "Did you say 'trouble'. Ha! It really is like taking candy from a baby. What the people don't give to me out of duty, I borrow from them. You see, I'll be long gone and fondly remembered when their yet-unborn-babies get the bill. What's your name boy?"

"Uh, Jonathan Gullible, ma'am."

Lady Tweed's face turned hard and cold. "I'll remember you, Jonathan Gullible. If you're not with me, you're against me. I reward friends and punish enemies. You can't stand in the middle, understand me? There you have it, that is the pressing situation for our fine community. Say no more!" In a blink, her face snapped back into a broad, beaming smile. Then she vanished down the street.

Brainstorming

- What is the difference between legal and illegal forms of bribery?
- Can politicians legally bribe voters and vice versa?
- What are problems associated with bribery?
- How can Council debt be likened to “taking candy from a baby”?
- Examples?
- Ethical issues?

Commentary

When a politician asks you to vote for him, he is asking you to employ him for the next four to five years. Once you have employed him – voted him in – you will pay towards his salary and expenses. This will come from the various taxes you pay. It will come from your income tax, from the GST/VAT you pay on everything you buy from a cola to a car. It will come from licences, stamp duties, and other hidden taxes.

In addition to paying towards his salary you will also pay for his privileges and benefits, such as his medical expenses, insurance, accommodations, bodyguards, phone bills, cars, and travel expenses. At no time during his period of employment will you be able to get rid of him, no matter how badly he performs in his duties, or ignores his promises to you.

When he is no longer employed as a government official, you will still be paying to keep him in the comfort to which he has become accustomed. You will be paying his large pension, his staff, his special privileges, his travel expenses and many other things that you might not even be able to afford for yourself.

From all of this it would appear that by voting for him you are hiring him to carry out a job. He

*Eternal vigilance is
the price of liberty.*

Etched over the portal
to the National
Archives in the
Washington D.C.

No matter how officials are selected, they are only human beings and they have no rights or claims that are higher than those of any other human beings.

Extract from
Jonathan's Guiding
Principles

The polls are places where you stand in line for a chance to decide who will spend your money.

Anonymous

is the employee and you are the employer. The ironic thing is that once you have hired him, he is considered superior to you. This higher status will be enforced in subtle ways: *you* are obliged to pull over in order to allow his motor cavalcade to pass; you will be required to address him as Sir / Mr Minister / Mr Secretary. After the election, will he remember anything about you?

Once established in his position he will have the power to increase his own salary and privileges without your permission, and you will be expected to pay. Without your permission or approval he will be able to hire more staff whose salaries you will be forced to pay. So governments grow and grow, their expenses grow and grow, and your taxes grow and grow to pay for it all.

Knowing that your taxes go towards all of this, you might wonder if you would be better off by keeping your money rather than paying for such a large government. What if government was cut back? Would industry really collapse without the “guidance” of a Minister of Sport, another Minister for Art and Culture, still others for Science and Technology, Agriculture, Forestry, Minerals, and so on?

It would be useless to ask the politician if he is necessary to the life of society. He is sure to answer in a way that will preserve his lucrative position of privilege. For the one thing that is constant in politics is this: mainstream politicians always offer solutions that increase, rather than diminish, their own power.

Background

Boss Tweed was the kingpin in the Tammany Hall organization of New York City during its most corrupt period in the 19th century.

Logrolling (the trading of votes and favours to get a law passed) and pork barrel spending

(getting one's snout in the public trough) are a sordid part of legislation. "Pork barrel" originates from the term "bringing home the bacon"—bacon being the government money spent on close allies in the home district. Thus, Parliament is the pork barrel from which this bacon comes. It means "favours for pals" and contracts for relatives. Small costs are taken from a large group of individuals and the benefits are concentrated on the members of a small group.

Many people have proposed changing the system of campaign finance to curb the bribery. However, politicians are usually clever enough to work their way around such reforms because it is these very politicians who craft the laws.

People work hard to gain freedom from oppression, but it takes a great vigilance to prevent a nation from slipping back into oppression. Within a short period people might ask "What, then, was the point of all the years of struggle?"

☺ *A candidate came home to give his wife the glorious news: "Darling, I have been elected." She was delighted. "Honestly?" she said. He laughed in an embarrassed way. "Oh, why bring that up?"*

References

The Incredible Bread Machine by R.W. Grant, discusses the history and power of politics.

The Government Racket 2000, by Martin Gross.

Why Government Doesn't Work, by Harry Browne.

Some good links about campaign finance reform are "Get Politics Out of Money!" by Robert W. Tracinski at: <http://www.aynrand.org/medialink/finance.shtml>.

The comparative size of governments around the world may be viewed at:

<http://www.freetheworld.com/release.html>



THE FREE MARKET FOUNDATION
of Southern Africa

progress through freedom

Chapter 12

Opportunity Lost

“She is the most effective rabble rouser ever elected.”

Jonathan spun around to see a middle-aged man sprawled over a doorstep, braced on one elbow. His short-brimmed hat was tipped back and his dark three-piece suit looked filthy and smelled worse. Patches on the knees of his pants were starting to fray. A salty grey stubble grew on his face, indicating that he hadn't shaved in a couple of days. One hand still clung to a bottle that was dry as a bone and now served mostly to keep him propped against the wall.

“Tweed's the best I've ever seen,” he continued drowsily, “She can really stir up a crowd.”

Jonathan moved closer to listen, but wasn't sure he wanted to encourage this hobo. True enough, this gentleman hobo didn't need encouragement to repeat a story he had probably told a dozen times to himself. “After her rip-roaring speech, the crowd was mighty angry.” He said, shaking his head. “Then a kid, little Ricco, hurled a stone at a window over there. When the glass shattered, the mob dropped silent. Yes, not a peep at first. They knew it was wrong to destroy things, but they were excited.”

The hobo sensed that this young man was actually listening. He hiccuped and continued. “Then Tweed, she was right in the middle of them, said that Ricco had done the community a great service. Said they all owed the boy a debt of gratitude. She said it was alright, because anyone who owned so many windows was selfish anyway. Then she added that the factory owner would now have to buy new windows from the glass maker. Everyone in the crowd was really attentive – just itching for an excuse to throw more stones. Tweed told them ‘Sure, go ahead! With each ... (hic) ... stone and broken glass, the glass maker will have a new order for a window, a new job for a worker, and a new demand for tools. Then each worker will have more kayns to spend on shoes for his children. So more jobs for shoemakers and the shoemakers will have more to spend on leather and stitching’ and so on and on.”

The man doubled over and wheezed at length like a sickly beast. Regaining his composure, he took a deep breath and shifted his weight. Then Mices appeared and rubbed up against his arm, teasing the man to pet him.

The hobo laughed to himself, stroking the cat. “They raised Ricco high on their shoulders. They cheered the proud boy and followed his example by throwing more stones. By morning there wasn’t a whole window left on the block. They would’ve gone on to the rest of the town except they wanted to save their strength for the next rampage.” The man breathed hard, trying to catch his breath.

As the man spoke, he was winding down, barely finishing a sentence before passing out. With every few words his weary head would fall back and then bob forward again. He pried his eyes open with one more ounce of strength, slowly uttering. “They see the spending, but miss the unseen. What else could have been done . . . (hic) . . . to create new things . . . instead of replacing all those broken windows of what used to be my factory?”

Brainstorming

- Who really benefited by Ricco’s action?
- Will the community as a whole benefit from Ricco’s action?
- Do people do things in crowds that they would not normally do?
- Would a person in authority be able to authorise atrocities he or she would not be willing to commit?
- If a crowd initiates forceful aggression, is each member of that crowd guilty?
- Are wars beneficial to an economy?

When you make a choice, your opportunity cost is the next best thing you give up. In this case, the destruction forces people to sacrifice their first choice for other alternatives.

Ken Schoolland’s explanation of the economic term: “Opportunity Costs”.

Commentary

In his St. Crispian day speech, Shakespeare’s Henry V incited his men to commit murder with promises of impending heroism. The same technique is still used today to provoke an otherwise orderly crowd into destructive action for “heroism.”

But the initiation of destruction and murder do not give us freedom. Freedom is gained by personal responsibility, respect for others, and the courage to speak out for these.

This is true on both a large and small scale. To break a window intentionally is a form of theft, whether it is done by one person or by many. The broken window could well create more business for the glassmaker and there could be a knock-on effect from the profit he makes.

Those who see this are correct. But there are the more observant people who can see the opportunity lost – the more positive result of *not* breaking the window. They can see that the owner of the broken window is out of pocket. What he has to spend on paying for a new window, he could have spent on a different

The initiation of force to take life is murder, to take liberty is slavery, and to take property is theft. It is the same whether these actions are done by one person acting alone, by many acting against a few, or even by officials with fine hats and titles.

Extract from
Jonathan's Guiding
Principles

item that would have created a more positive knock-on effect. It is more positive because the window owner not only has his original window, he would have another new item as well. And all the people along the line of production of this new item would be better off. In this positive way the community has lost nothing and all are better off.

As an example of opportunity *cost* (an economic term), many people think that war is good for the economy. This is said without thinking of what people could have produced with their time, energy, and talents without the destruction of war.

Background

This chapter is intended as a parody of “The Broken Glass” tales of Frederic Bastiat and Henry Hazlitt. In this story a boy breaks a window. He is then praised for creating jobs by generating demand for the replacement of windows. But no-one thinks of the jobs lost that could have been created doing other things instead of replacing windows.

This is an answer to the erroneous statement that war “creates” jobs. It seems especially relevant today, as there are still people who say that war is healthy for the economy.

References

Henry Hazlitt expounds further on these points in his very readable book *Economics in One Lesson*.

For reference see the Future of Freedom Foundation at: <http://www.fff.org>.

Frederic Bastiat's “What Is Seen and What Is Not Seen,” can be viewed online at:

<http://bastiat.org/en/twisatwins.html>

Chapter 13

Helter Shelter

The streets grew quieter as Jonathan trudged down yet another row of drab houses. He noticed a group of poorly dressed people gathered in front of three tall buildings labelled BLOCK A, BLOCK B and BLOCK C. BLOCK A was vacant and in appalling condition – the brickwork crumbling, the windows broken, and any remaining panes filthy with grime. Next door at BLOCK B people huddled on the front steps. Jonathan heard loud voices coming from inside and the sounds of lively activity from all three floors. Laundry hung untidily from sticks that protruded from every available window and balcony. It burst at the seams with tenants.

Across the street stood BLOCK C, immaculately maintained and, like BLOCK A, empty of people. Its scrubbed windows sparkled in the sunlight, plastered walls were smooth and clean.

As he gazed at the three buildings, Jonathan felt a light tap on his shoulder. Turning, he faced a young girl with long brown hair. Her light grey clothes fitted her poorly and she wasn't especially pretty at first sight, but Jonathan thought she looked alert and kind.

"Do you know of any apartments for rent?" she asked in a soft, pleasant voice.

"I'm sorry," said Jonathan. "I'm not from around here. But why don't you check those two vacant buildings.

"It's no use," she responded softly.

"But," said Jonathan, "they look empty to me."

"They are. My family used to live over there in BLOCK A before rent control."

"What's rent control?" asked Jonathan.

"It's a law to stop landlords from raising rents."

"Why?" probed Jonathan.

"Oh, it's a silly story," she said. "Back when the Dream Machine came through our neighbourhood, my dad and other tenants

complained about landlords raising rents. Sure, costs were up and more people were renting, but my dad said that was no reason for us to pay more. So the tenants or – former tenants, I should say – demanded that the Council of Lords prohibit the raising of rents. The Council did just that and hired a pack of snooping administrators, inspectors, judges, and guards to enforce the new rules.”

“Were the tenants pleased?”

“At first, sure. My dad felt secure about the cost of a roof over our heads. But then the landlords stopped building new apartments and stopped fixing the old ones.”

“What happened?”

“Costs kept going up – repairmen, security guards, managers, utilities, taxes, and the like – but the landlords couldn’t raise the rents to pay for it all. So they figured ‘Why build and fix just to lose money?’”

“Taxes went up, too?” asked Jonathan.

“Sure, to pay for enforcing rent control. Budgets and staff had to grow,” said the girl. “The Council passed rent control but never tax control. Well, when repairs and upkeep stopped, everyone started to hate the landlords.”

“They weren’t always hated?”

“No, before rent control, we had lots of apartments to choose from. Landlords had to be nice to get us to move in and stay. Most landlords acted friendly and made things attractive. If there were any nasty landlords, word got around fast and people avoided them like the rats they were. Nice landlords attracted steady tenants while nasty ones suffered a plague of vacancies.”

“What changed?”

“After rent control everyone got nasty,” she said with a look of despair. “The worst prospered the most.” She sat down on the curb to scratch Mices behind the ears. Mices rolled over and began to purr.

Aware of Jonathan staring at her, she continued confidently, “Costs went up, but not the rents. Even the nicest landlords had to cut back on repairs. When buildings became uncomfortable or dangerous, tenants got mad and complained to the inspectors. The inspectors slapped fines on the landlords. Of course, some

landlords bribed inspectors to look the other way. Finally, the owner of BLOCK A, a decent man, couldn't afford the losses or bribes anymore so he just up and left."

"Abandoned his own building?" spluttered Jonathan.

"Yes. It happens a lot," she sighed. "Imagine walking away from something that took a lifetime to build? Well, fewer and fewer apartments were available but the number of tenants kept growing. People had to squeeze into whatever was left. Even mean landlords, like the one who holds BLOCK B, never had a vacancy again. Rumour has it that he takes payoffs under the table just to move applicants higher up the waiting list. Those with enough cash get by okay. That nasty owner makes out like a bandit."

"What about BLOCK B?" said Jonathan, wanting to be helpful. "Can you get in?"

"The waiting line is awful. When Dame Whitmore passed away you should have seen the brawl in front of the building – everyone scratching and yelling at each other for position in line. Lady Tweed's son finally got that apartment – even though nobody remembers seeing him in line that day. My family once tried to share an apartment in BLOCK B, but the building code prohibits sharing."

"What's a building code?" asked Jonathan.

The girl frowned. "It started as a set of rules for safety. But the Lords now use it to determine our lifestyle. You know, things like the right number of sinks, stoves, and toilets, the right number and kind of people; the right amount of space." With a tinge of sarcasm she added, "So we ended up in the street where nothing meets the code – no sinks, stoves, or toilets, no privacy, and far too much space."

Jonathan grew depressed thinking about her plight. Then he remembered the third building – brand new and vacant. It was the obvious solution to her problems. "Why don't you move into BLOCK C, right there across the street."

She laughed bitterly. "That would be a violation of the zoning rules."

"Zoning rules?" he repeated. Sitting on the pavement Jonathan shook his head, incredulous.

“Those are rules about location. Zoning works like this.” she said picking up a stick to sketch a little map in the dirt. “The Council draws lines on a map of the town. People are allowed to sleep on one side of the line at nights, but they must work on the other side during the day. BLOCK B is on the sleep side of the line and BLOCK C is on the work side. Usually work buildings are located across the town from the sleep buildings so that everyone needs to travel a lot every morning and evening. They say the long distances are good for exercise and carriage sales.”

Jonathan stared in bewilderment. A packed apartment building standing between two empty buildings and a street full of homeless people. Sympathetically he asked. “What are you going to do?”

“We take one day at a time. My dad wants me to go with him to the gala ‘Thumbs-up Party’ that Lady Tweed is putting on for the homeless tomorrow. She promises to lift our spirits with games and a free lunch.”

“How generous,” remarked Jonathan drily, recalling his conversation with Lady Tweed. “Maybe she’d let you live in her house until you find something of your own.”

“Dad actually had the nerve to ask her that once, especially since Tweed led the Council in putting through rent controls. Lady Tweed declared, ‘But that would be charity! Charity is demeaning!’ She explained to him that it is far more respectable to require taxpayers to give us housing. She told him to be patient and that she’d make arrangements with the Council.”

The young woman smiled at Jonathan and asked, “By the way, they call me Alisa. Do you want to join us at Tweed’s free lunch tomorrow afternoon?”

Jonathan blushed. Maybe he could learn to enjoy this island. “Sure, I’d love to come along. By the way, I’m Jonathan.”

Alisa jumped up, smiling. “Then Jonathan, we meet here tomorrow – same time. Bring your cat.”

Brainstorming

- How are different groups of people affected by rent controls, building codes, and zoning?
- How does market activity punish, or reward, business practices that are good or bad?
- How are these reversed by rent controls?
- Examples?
- Ethical issues?

Commentary

Even in a “free” society it is illegal to build your own home, with your own hands and on your own land, without first getting permission from the authorities. Ignore these regulations and you will be fined and your home could be destroyed. Conforming to every detail of the prescribed regulations adds to the cost of building. Building codes prevent innovations. This throttles the choice of alternatives that can lead to new building-related industries and employment opportunities. When officials set these minimum standards they are often reflecting their own up-market style. Low income groups often do not require, and cannot afford, these higher standards. They are therefore prevented from enjoying the pride of building and owning their own homes. At times, outdated ideas are locked into laws and valuable new ideas are thwarted.

If governments really want their citizens to have the availability of inexpensive housing, they would do away with the many factors that directly contribute to housing shortages. Among these factors are rent control, codes and regulations, transfer duties, taxes on building and building repair, and the high cost of uncompetitive public municipal services.

Officials often think that rules, logical or not, are more important than personal achievement and initiative. Enforcing the rules maintains the

Local governments raise the prices of housing by a multitude of zoning laws, building codes, and regulations that primarily serve to eliminate the availability of housing.

Ken Schoolland

Cities with rent controls had, on average, two and a half times as many homeless people as cities without them.
 Jens Aage Bjoerkeoe, Danish social worker, taken from *Healing Our World* by Mary Ruwart

official civil servant's power and position over individual civilians.

Proper concerns over safety can more appropriately be addressed by strict measures of personal accountability and liability.

Background

Ken: The reference to Dame Whitmore is of no significance to anyone but me. She was a revered elderly teacher at the first college at which I taught. When she passed away, there was some tussle by the other teachers on who would get her housing. It was a small school in Alaska.

Alisa Rosenbaum was the original name of the Russian-born, American philosopher who would later changed her name to Ayn Rand and wrote the novel *Atlas Shrugged*.

References

An excellent reference book on rent controls is *Excluded Americans: Homelessness and Housing Policies*, by William Tucker.

Rent control, zoning restrictions, and building codes are dealt with in Mary Ruwart's *Healing Our World*, and Alan Burris' *Liberty Primer*.

In *Economics in One Lesson* Henry Hazlitt deals with the false impression given by government housing.

Articles on rent controls may be seen at: <http://www.jonathangullible.com/RentControl>.

Chapter 14

Escalating Crimes

Happy to find a new friend, Jonathan wandered off in a daze. Then, with a start, he realized that he had better pay closer attention to his surroundings or he would not find his way back the next day.

He happened to come across a policeman not much older than himself, who was sitting on a bench reading a newspaper. Jonathan tensed at the sight of the crisp black uniform and shiny gun. But the youthful, open expression on the policeman's face made Jonathan relax. The policeman was totally engrossed in a newspaper and Jonathan glanced over at the headlines: "LORDS APPROVE DEATH PENALTY FOR OUTLAW BARBERS!"

"The death penalty for barbers?" exclaimed Jonathan in surprise.

The policeman glanced up at Jonathan.

"Excuse me," said Jonathan. "I didn't mean to bother you, but I couldn't help seeing the headline. Is that a misprint about the punishment?"

"Well, let's see." The officer read aloud, "The Council of Lords has just authorized the death penalty for anyone found to be cutting hair without a licence.' Hmm, no misprint. What's so unusual about that?"

"Isn't that quite severe for such a minor offence?" asked Jonathan cautiously.

"Hardly," replied the policeman. "The death penalty is the ultimate threat behind all laws – no matter how minor the offence."

Jonathan's eyes widened. "Surely you wouldn't put someone to death for cutting hair without a licence?"

"Of course we would," said the policeman, patting his gun for emphasis. "Though it seldom comes to that."

"Why?"

"Well, every crime escalates in severity. That means the penalties increase the more one resists. For example, if someone wishes to cut

hair without a licence, then a fine will be levied. If he or she refuses to pay the fine or continues to cut hair, then the outlaw barber will be arrested and put behind bars. And,” said the man in a sober tone, “resisting arrest subjects a criminal to severe penalties.” His face darkened with a frown. “The outlaw may even be shot. The greater the resistance, the greater the force used against him.”

Such a grim discussion depressed Jonathan. “So the ultimate threat behind every law really is death. Surely the authorities would reserve the death penalty for only the most brutal, criminal acts – violent acts like murder and rape?”

“No,” said the police officer. “The law regulates the whole range of personal and commercial life. Hundreds of occupational guilds protect their members with licences like these. Tree workers, carpenters, doctors, plumbers, accountants, bricklayers, and lawyers – you name it, they all hate interlopers.”

“How do licences protect them?” asked Jonathan.

“The number of licences is restricted to the few who pass the rituals of guild membership. This eliminates the unfair competition of intruders with peculiar new ideas, overzealous enthusiasm, backbreaking efficiency, or cutthroat prices. Such unscrupulous anti-competitive competition threatens the traditions of our most esteemed professions.”

Jonathan still didn’t understand. “Does licensing protect customers?”

“Oh, yes. It says so right here.” The policeman turned back to the newspaper reading, “Licences give monopolies to guilds so that they can protect customers from unwise decisions and too many choices.” Tapping his chest proudly, the policeman added, “And I enforce the monopolies.”

“Monopolies are good?” probed Jonathan.

The policeman frowned, lowering his newspaper. “I don’t know, really. I just follow orders. Sometimes I enforce monopolies and sometimes I’m told to break monopolies.”

“So which is right?”

The policeman shrugged. “That’s not for me to figure out. The Council of Lords decides and tells me where to point my gun.”

Seeing Jonathan's look of alarm, the policeman tried to reassure him. "Don't worry. We seldom carry out the death penalty itself. Few dare to resist since we are diligent at teaching obedience to the Council. It's so rarely mentioned that my chief, Officer Stuart, calls it 'The Invisible Gun'."

"Have you ever used yours?" said Jonathan, eyeing the pistol nervously.

"Against an outlaw?" asked the policeman. With a practised motion, he pulled the revolver smoothly from its leather holster and stroked the cold-steel muzzle. "Only once." He opened the chamber, looked down the barrel, snapped it shut, and admired the gun. "This is some of the very best technology on the island here. The Council spares no effort to give us the finest tools for our noble mission. Yes, this gun and I are sworn to protect the life, liberty, and property of everyone on the island."

"When did you use it?" asked Jonathan.

"Strange you should ask," he said, suddenly downcast. "A whole year on duty and I never had to use it until just this morning. Some old woman went crazy and started threatening a demolition crew with a stick. Said something about taking back her 'own' house. Ha! What a selfish notion."

Jonathan's heart skipped a beat. He remembered the elegant white house and the dignified woman who claimed ownership. The policeman continued, "I tried to persuade her to give up. The paperwork was all in order – the house had been condemned to make way for the Lady Tweed People's Park."

Jonathan could barely speak. "What happened?"

"I tried to reason with her. Told her she could probably get off with a light sentence if she came along with me peacefully. But then she threatened me, told me to get off her property! Well, it was a clear case of resisting arrest. Imagine the nerve of that woman!"

"Yes," sighed Jonathan. "What nerve."

The conversation died. The policeman read quietly while Jonathan stood silent, nudging a stone with his foot. Summoning his nerve, Jonathan asked, "Can anyone buy a gun like yours?"

Turning a page of the newspaper, the policeman replied, "Not on your life. Someone might get hurt."

The most foolish mistake we could possibly make would be to allow the subject races to possess arms. History shows that all conquerors who have allowed their subject races to carry arms have prepared their own downfall by doing so.
Adolf Hitler

They have gun control in Cuba. They have universal health care in Cuba. So why do Cubans want to come here?
Paul Harvey,
syndicated radio commentator, USA

Brainstorming

- What is meant by an “escalating crime”?
- What can happen to someone who resists arrest?
- Which is more important to the policeman, government property or private property?
- Should individuals be required to have a licence to make a living?
- How are groups of people affected differently by occupational licensing laws?
- Does enforced licensing lead to corruption?
- Does the law make or break monopolies?
- Why?
- Examples?
- Who should decide whether you own a gun?
- Ethical issues?

Commentary

Companies that succeed are sometimes referred to as “monopolies” when they gain a very large share of the market. If they achieve this market share by voluntary action, then they have earned it by serving customers with better innovation, better prices, and better service than their competitors. Despite their dominance of a market, they will always feel the pressure to perform well or else they will lose customers to rival companies. Unfortunately, many companies, professionals, and union organisations do not rely on voluntary action. Instead they rely on the force of government to give them favours and to eliminate the free choice of others in the market.

The way in which our choices are limited is by government regulations and licences. Licences keep out competition by creating closed membership guilds, professional societies, and labour unions that hate competition. They protect their members, and restrict the activity

You have the right to protect your own life, freedom, and justly acquired property from the forceful aggression of others
From Jonathan's Principles

☺ [L]et me suggest an experiment. ... [In one year] don't buy or use any of Microsoft's products. At the same time, send the government no money. That is, don't pay your taxes. Then wait. Watch who comes after you for your money and how and with what weapons.

Richard M. Salsman

to a few. Licences given to monopolies or guilds prevent competition. This immediately raises the prices they may charge, enforces conformity and prevents service providers from adapting to changing circumstances. In this way, governments deny consumers the opportunity and responsibility to try new, ancient, or foreign ideas. It prevents trades and professions from offering consumers a choice in services, and through competition, cheaper and more innovative offers.

When consumers cannot afford the high prices, they often must go without any service at all and so lose out completely.

The existence of licensing on taxis protects the *established* taxi companies and bars new companies from entering the market. One cannot start a new taxi business – even if you have only one taxi – unless one can purchase a taxi license. This becomes so enormously expensive that it shuts out small entrepreneurs, and opens itself to corruption.

Members of a profession who do not conform are denied membership. In this manner, the non-conformists are deprived of the right to make a living in the manner of their choice, even though people may desire their services. Some say that this protects consumers. However, by taking away consumer choice, it shows a lack of confidence in the consumers' ability to assess the benefits in open competition.

There is no guarantee that the decision makers would be wiser than we are. Do we need the state to remove choices from our lives?

Background

Ken: “Officer” Stuart K. Hayashi, one of my former students and a very good friend, gave meticulous editorial assistance and many comments on the 3rd edition and on this Commentary Edition. Though he does not plan

☺ *The original point and click interface was a Smith & Wesson.*
Anonymous

on patenting it, Stuart coined the term “Invisible Gun”. This refers to the threat of physical force, to be used against those who refuse to comply with every law that the government enforces. Since people seldom resist the law to the very end, very few individuals realise that the final punishment for every enforced law is imprisonment or death. That is why the “gun” behind the law is “invisible”.

References

In *Healing Our World*, Mary Ruwart:

- deals with the effect of licensing laws on the marketplace ecosystem;
- and under the section “Leaving the Poor Defenceless” (Chapter 16, Policing Aggression) she has insightful details on gun laws.

Alan Burris’ book *A Liberty Primer* also has good references.

Henry David Thoreau’s *On the Duty of Civil Disobedience* is philosophical about the tyranny of power, taxes, and war.

Stuart K. Hayashi’s “Invisible Gun” essay may be seen at:

http://webpages.charter.net/mad_prophet/articles/other/invgun.html

Chapter 15

Book Battles

Activity on the streets increased as Jonathan continued toward the centre of town. Mices followed him at a distance. Here was a cat with a purpose – to catch every rat or uncover any food possible. He covered three times the distance that Jonathan did, exploring back alleys, garbage cans, and crawl spaces. The cat’s yellow hair grew dusty and shabby, despite his constant grooming.

Well-dressed individuals with preoccupied expressions marched or knee-shuffled briskly along the pavements. Crossing a large open square, Jonathan encountered an elderly man and a young woman having a vicious shouting match. They cursed and shouted, waving their arms violently in the air. Jonathan joined a small gathering of bystanders to see what the fight was all about.

Just as the police arrived to pull them apart, Jonathan tapped the shoulder of a frail old woman leaning on a cane and inquired, “Why are they so angry with each other?”

The woman had deep wrinkles and creases across her face and hands. She regarded young Jonathan carefully before replying in a thin quavering voice. “These two rowdies have been screaming at each other for years about the books in the Council library. The man always complains that many of the books are full of trashy sex and immorality. He wants those books taken out and burned, while she reacts by calling him a ‘pompous puritan’”

“She wants to read those books?” asked Jonathan.

“Well, not exactly,” snickered a tall man, kneeling nearby. A little girl stood at his side. “She complains about different books. She claims that many of the books in the library have a sexist and racist bias.”

“Daddy, Daddy, what is ‘bias’?” pleaded the little girl while tugging at his shoulder.

“Later, dear. As I was saying,” continued the man, “the woman demands that those sexist and racist books be thrown out and that the library purchase her list of books instead.”

By now the police had handcuffed both of the fighters and were dragging them down the street. Jonathan shook his head and sighed. “I suppose the police arrested them for this brawl?”

“Not at all,” laughed the old woman. “The police arrested both of them for refusing to pay the library tax. According to the law, everyone must pay for all the books whether they like them or not.”

“Really?” said Jonathan. “Why don’t the police just let the people keep their money and let them pay for what they like?”

“But then my daughter couldn’t afford to go to a library,” said the kneeling man. He peeled the wrapping from a big red-and-white spiral candy sweet and handed it to his daughter.

“Hold on, mister,” said the old woman as she shot a look of disapproval at the candy. “Isn’t food for your daughter’s mind just as important as food for her stomach?”

“What are you getting at?” responded the man defensively. His daughter had already managed to smear the candy across her dress.

The woman replied firmly, “Long ago we had a great variety of subscription libraries – known then as ‘scriptlibs’. It cost a small membership fee every year and no one complained because they only paid for the scriptlibs that they liked. Scriptlibs even competed for members, trying to have the best books and staff, the most convenient hours and locations. Some even went door-to-door to pick up and deliver books. People paid for their choices because library membership was important to them.” She added, “A higher priority than candy!”

Turning directly to Jonathan, she explained, “Then the Council of Lords decided that a library was too important to be left to the individual’s liking. At taxpayer expense, the Council created the GLIB, a large government library. The GLIB became popular because it was free – people never had to pay to use the books. To do the work of each scriptlib librarian, the Counsel hired three GLIB librarians at top salaries. Shortly after that, the scriptlibs closed.”

“The Lords provided a library for free?” repeated Jonathan. “But I thought you said that everyone had to pay a library tax?”

“That’s true. But it’s customary to call Council facilities ‘free’ even though people are forced to pay. It’s much more civilized,” she said in a voice heavy with irony.

The tall man objected strenuously, “Subscription libraries? I never heard of such a thing!”

“Of course not,” retorted the old woman. “The GLIB has been around so long that you can’t imagine anything else.”

“Now, hold on there!” cried the man, hobbling forward on his knees. “Are you criticizing the library tax? If the Lords provide a valued service, then people must pay.”

“How valued is it if they have to use force?” said the old woman. She stood glaring eye-to-eye at the tall man on his knees.

“Not everyone knows what’s good for them! And some can’t afford it,” declared the man. “Intelligent people know that free books build a free society. And taxes spread the burden so that everyone has to pay their fair share. Otherwise freeloaders might ride on the backs of others!”

“There are more freeloaders now than ever,” replied the old woman. “Frequent users and those with tax exemptions ride on the backs of everyone else. How fair is that? Who do you think has more influence with the Council of Lords? A well-connected supporter or some poor guy who gets off work after GLIB closing hours?”

Pushing his little girl behind him and edging forward, the man retorted hotly. “Just what kind of a library choice do you want? Do you want to choose a subscription library that may be biased against some group in society?”

“You can’t avoid bias!” the woman screamed, leaning close to his face. “Do you want buffoons in the Council to choose your bias for you?”

“Who’s the buffoon?” countered the man, shoving the old woman slightly off balance. “If you don’t like it, then why don’t you just leave Corrupto!”

“You insolent rascal!” replied the woman, popping him on the head with her cane. “I’ve been paying for your GLIB since before you were born!”

By now the two were yelling at each other, the little girl was crying, and someone shuffled off to summon the police – again. Jonathan edged past them and fled the square for the peace and quiet of the nearby GLIB.

Brainstorming

- How can the selection of books be an act of propaganda or censorship?
- Should people be forced to pay for library books they don't like?
- Can libraries exist without tax funding?
- How are incentives different for government and private libraries?

Commentary

As soon as a government declares that a service is “free” we know the true meaning is this: We are all going to be forced to pay for this service and the government will get the glory for being benevolent. These services are used by some people, but are paid for by all.

We also know that because it is “free” and under government control, there will be far less competition in this service. Eliminating competition in this manner leads to higher prices and a lower standard of service. As a whole, the economy is one notch lower and everyone is the poorer.

The more “free” services there are, the lower the eventual economic level of that country. Consider this example. What if the state undertook to make something free that we now generally accept as open to individual choice – let us say film going. Would we continue to be allowed *our* own choices, or would the choices be restricted to the preferences of the majority or of a ruling party? Would the film industry have the incentive to please the diverse consumers or the decision-making officials? What motive would there be for improvement? Would this be a free society?

Libraries are a subtle form of thought control – controlled by the bias of the governing party. When there is a change in government the new selection of books will be the ones preferred by

Any alleged “right” of one man which necessitates the violation of the right of another, is not, and cannot be a right.
Ayn Rand, 1964

the new people in power – what they consider “good” for the citizens. The longer a party is in power, the longer it will take to receive the requested books that are disfavoured. Censorship of information is censorship of choice. The taxpayer has no choice but to pay for this censorship.

Background

Ken: A girlfriend of mine at the time I wrote the original story was a librarian at a private, college library. She observed that there were always three times as many librarians at government libraries with much less work to do, and much more pay. Yet she couldn’t envision how society would function without government libraries. My research revealed that there were many private libraries and book services before the government became involved in the early 1800s and drove most of the private services out of existence with their “free service”.

Libraries in Hawaii typically close at five p.m. and close on weekends and holidays. Not much use to readers. Recently one public library was built in a new neighbourhood, but was not funded to buy books or to hire staff. Citizens offered to contribute books and to volunteer their time so that it could be used, but the library officials refused to open the facility because this was “unprofessional.” What they really feared was the notion that their expensive, tax-funded services weren’t necessary.

Interestingly, one of the prominent figures pushing for government to take over libraries in the 1800s was multimillionaire businessman Andrew Carnegie. He donated the construction fees for government libraries across the country, but expected taxpayers to foot the bill for their upkeep.

Your action on behalf of others, or their action on behalf of you, is only virtuous when it is derived from voluntary, mutual consent.

Extract from
Jonathan’s Guiding
Principles

References

David Friedman's book *The Machinery of Freedom* is excellent on the private provision of public services.

Also Bob Poole's *Cutting Back on City Hall* shows how local government services can be privatised. James Bovard's books *Lost Rights* and the shorter *Shakedown: How the Government Screws You from A to Z* tell of amazing and horrifying tales of government run-amok. "If it wasn't so scary you'd laugh."

For library privatisation see Reason Public Policy Institute at: <http://www.privatization.org>.

☺ *Someone has tabulated that we have put 35 million laws on the books to enforce the Ten Commandments.*
Anonymous



Free-market.net Freedom Network
<http://www.free-market.net>

Chapter 16

Nothing to It

The GLIB structure stood two storeys high with an impressive stone façade. A well-dressed crowd clustered at the entrance, waiting to enter. They pretended not to notice the mounting quarrel that flared behind them in the square. As Jonathan joined the group, he read with interest the heavy bronze letters above the doorway, “LADY BESS TWEED PEOPLE’S LIBRARY.”

Visitors at the back of the crowd craned to look over those standing in front. They exclaimed aloud at what they saw. “Marvellous,” whispered some. “Stunning,” said others. Try as he might, Jonathan couldn’t see what caught their attention.

Deft and slim, Jonathan squeezed around the crowd and approached a librarian’s desk inside the entrance. “What does this group find so marvellous and stunning?” he asked of the man sitting behind the desk.

“Shhhh!” reprimanded the librarian sternly. “Please lower your voice.” The man tapped the corners of a pile of note cards and laid them down neatly in front of him. He bent forward and looked at Jonathan over his half-framed glasses. “These are members of the Council’s Commission on the Arts. They have just opened an exhibit of the latest acquisition for our collection of fine art.”

“How nice,” whispered Jonathan. Stretching his neck to catch a glimpse, he said, “I love good art, but where is it? It must be very small.”

“That depends,” sniffed the librarian. “Some would say it is very expansive. That’s the beauty of this piece. It’s titled ‘Void in Flight’.”

“But I don’t see anything,” said Jonathan, frowning as he scanned the great white space in the passage that was visible just outside the entrance.

“That’s the point. Impressive, isn’t it?” The librarian stared at the vacant space with a dreamy expression. “Nothing captures

the full essence of the spirit of human struggle for that exalted sense of awareness that one only feels when contrasting the fuller warmth of the finer hues with the tactile awareness of our inner nature. Nothing allows everyone to fully experience the best of the collective imagination.”

Befuddled, Jonathan shook his head and asked in puzzlement, “So it’s really nothing? How can *nothing* be art?”

“That’s precisely what makes it the most egalitarian expression of art. The Council’s Commission on the Arts holds a tastefully executed lottery to make the selection,” said the librarian.

“A lottery to select art?” asked Jonathan in astonishment. “Why a lottery?”

“In more backward days an appointed Board of Fine Art made the selections,” replied the man. “At first, critics accused the Board of favouring their own tastes. They censored art that they disliked. Since the ordinary citizen paid for the preferences of the Board through taxes, people objected to the elitism.”

“What about trying a different Board?” suggested Jonathan.

“Oh, yes we tried that many times. But people sitting on the Board could never agree with those who were not on the Board. So they finally scrapped the whole Board idea – replacing it with our new Commission and lottery. Everyone agreed that a lottery was the only objectively subjective method. Anyone could enter the competition and nearly everyone did! The Council of Lords made the prize as generous as possible and any piece qualified. ‘Void in Flight’ won the drawing just this morning.”

Jonathan interjected, “But why not let everyone buy their own art instead of taxing them to buy a lottery selection? Then everyone could pick what they like.”

“What!” the librarian exclaimed. “Some selfish individuals might not buy anything and others might have bad taste. No, indeed, the Lords must show their support for the arts!” Concentrating on “Void in Flight”, the librarian crossed his arms, and a vague expression covered his face. “Nice selection, don’t you agree? Emptiness has the advantage of keeping the library entrance uncluttered while simultaneously preserving the environment. Moreover,” he continued happily, “no one can object to the artistic quality or to the aesthetic style of this masterpiece. Who could possibly be offended?”

Brainstorming

- What problems arise when art is financed by taxes?
- Is the selection of art elitist?
- Can officials be objective in funding art?
- Can art exist without tax funding?
- How does the type of funding affect behaviour?
- Examples?
- What ethical issues are involved?

Commentary

Elitism is the paternalist belief that only those people “at the top” have the knowledge to make decisions.

The authorities say that government funding of art is good for the education and culture of a nation. These officials presume that people won't support art voluntarily. Yes, art is good for a nation, but freedom is even more important. From freedom will come the kind of art, education, and culture that people truly value. Every individual has his or her own taste, depending on individual priorities and values in life. It is immoral for officials to use the force of government to substitute their elitist values for the values and choices of free people. Art, music, cultural events, dance, exhibitions, and sporting events can all be successfully provided privately and voluntarily.

The State Theatre in Pretoria provides an excellent example. The theatre was closed when it was deemed too elitist and expensive to run. The building stood empty until a group of ballet dancers met and decided to take an adventure into the world of entrepreneurial economics. They opened the building and turned it into a viable

Having confidence in a free society is to focus on the process of discovery in the marketplace of values rather than to focus on some imposed vision or goal.

Extract from
Jonathan's Guiding
Principles

*There is absolutely
no ground for saying
that the market
economy fosters
either material or
immaterial goods;
it simply leaves every
man free to choose
his own pattern of
spending.*

Murray Rothbard

ballet school and theatre. It is now a successful enterprise run without any taxpayer subsidies.

Background

Ken: During a radio debate I once had with the head of the state art academy, he confessed that the vast bulk of the state owned art was buried away in warehouses and no one was allowed to see it. Nevertheless, favoured artists made quite a living from the sales to the state.

This chapter was derived from the debates over public funding of art, specifically the “Piss Christ” art that was a crucifix in a flask of the artist’s urine. This artist, Andres Serrano, caused an uproar from taxpayers who were forced to fund his exhibit.

References

Irving Wallace, in his delightful *The Square Pegs*, writes of a book called *Nothing*, written in the 17th century by a Frenchman called Mathel. The book comprised 200 blank pages.

A more informative book is *The Incredible Bread Machine* by R.W. Grant.

For more information on the ballet company see: <http://www.saballettheatre.co.za>.

Chapter 17

The Special Interest Carnival

The sun was setting as Jonathan returned to the steps of the library. To his delight, the town came to life after dark; people began milling about in the square. More and more people streamed toward a magnificent carnival tent standing near the GLIB.

Gawking at the lights, sights, and sounds, Jonathan wandered over to the spectacular tent. A colourful sign overhead read: “CARNIVAL OF SPECIAL INTERESTS.”

A striking woman wearing a tight, garishly-coloured costume sprang out of the crowd and shouted to all: “Hear ye, hear ye! For the thrill of a lifetime, step right up to the Carnival of Special Interests.” She spotted Jonathan, whose eyes opened wide with surprise, and grabbed his arm. “Everyone is a winner, young man.”

“What’s it cost?” asked Jonathan.

“Bring in ten kayns and walk out with a fabulous prize!” she replied. The woman gestured widely to the crowd, “Hear ye, hear ye! The Carnival of Special Interests will make you rich!”

Not having enough money, Jonathan waited until the woman was busy with others and then crept around to the back of the tent. He lifted the edge of the canvas to peer inside. People sat on stands along the sides of the tent. In the middle, ushers in uniform directed participants to chairs arranged in a large circle. Ten participants stood or kneeled behind their chairs expectantly. Then, half the candles were snuffed, a drum rolled, and hidden trumpets blared a fanfare. A brilliant lamp flashed on a handsome man wearing a shiny black suit and silk top hat. He bowed low to the circle of ten.

“Good evening,” said the man, flashing a gleaming white-toothed smile. “I am the Circle Master! Tonight, you fortunate ten will be the lucky winners in our remarkable game. All of you will win. All of you will leave happier than when you entered. Please be seated.” With that and a swift flourish of his white-gloved hand, the Circle Master collected one kayn from each participant. No one hesitated.

Then the Circle Master smiled again and announced, “Now you will see how you are rewarded.” And he suddenly dropped five kayns into the lap of one participant. The lucky recipient screamed with glee.

“You won’t be the only winner,” declared the Circle Master. And so it was. Ten times he went around the group, collecting one kayn from each person. After each round, he dropped five kayns into the lap of one of the participants, and each time the recipient jumped for joy.

When the shouting stopped and the participants began to file out, Jonathan ran around to the front of the tent to see if everyone was really satisfied. The woman at the entrance held the tent flap open. She stopped one of the participants as he shuffled out on his knees and asked: “Did you have fun?”

“Oh sure!” the man said, grinning happily. “It was terrific!”

“I can’t wait to tell my friends,” said another. “I may come back again later.”

Then another excited participant added, “Yes, oh yes. Everyone won a prize of five kayns!”

Jonathan thoughtfully watched the group as they dispersed. The woman turned to the Circle Master, who waved his good-bye to the crowd, and commented quietly, “Yes, we’re especially happy. We won fifty kayns and these suckers all feel happy about it! I think that next year we ought to ask the Council of Lords to pass a law that will require everyone to play!”

Just then an usher sneaked behind Jonathan and grabbed him by the collar. “Hold on there, you scamp. I saw you peeking in the back. You thought you could get a free show, did you?”

“I’m sorry,” said Jonathan, struggling to get out of the usher’s grasp. “I didn’t realize you had to pay just to watch. That pretty lady made it sound so interesting – and I didn’t have enough money, please...”

The Circle Master scowled at Jonathan and the usher, “No money?”

But the woman smiled at Jonathan’s compliment. “Wait, turn him loose,” she smoothly said to the usher. “He’s just a kid. So you liked the show, did you?”

“Oh yes, ma’am!” said Jonathan, nodding hard.

“Well, how would you like to earn some easy money? It’s either that or?” her voice turned threatening, “I’ll turn you in to the carnival guard.”

“Oh, great,” said Jonathan, uncertainly. “What do you want me to do?”

“It’s simple,” she smiled, all sweetness again. “Just walk around the town this evening, hand out these flyers, and tell everyone how much fun they’ll have in our Carnival. Here’s a kayn now and you’ll earn another with each participant that comes in the door carrying one of these flyers. Now go to it and don’t disappoint me.”

As Jonathan slung the bag of flyers over his shoulder, she cautioned, “One more thing. At the end of the show tonight, I’ll turn in a report of your earnings. First thing in the morning, you must turn over half of your pay at the town hall for your tax.”

“Tax?” repeated Jonathan. “Why?”

“The Lords require a share of your wages.”

Jonathan didn’t like the idea. He added hopefully, “If you don’t report my earnings, I might work harder. Maybe twice as hard.”

“The Lords are wise to that, kid. They have spies everywhere, watching us closely. If they see us hide your earnings, it could mean big trouble – might even shut us down,” said the woman. “So don’t complain. We must all pay for our sins.”

“Sins?” repeated Jonathan.

“Oh, yes. Taxes punish the sinful. The tobacco tax punishes smoking, the alcohol tax punishes drinking, the interest tax punishes saving, and the income tax punishes working. The ideal of the Council,” chuckled the woman as she winked at the Circle Master standing at her side, “is to be healthy, sober, dependent, and idle. Now get a move on, kid!”

*The exercise of
choice over life
and liberty is your
prosperity.*

Extract from
Jonathan's Guiding
Principles

*Only when
Congressmen have no
special favours to sell
will lobbyists stop
trying to buy their
votes – and
their souls.*

Edwin A. Locke,
University of
Maryland

Brainstorming

- Are the game participants winners?
- Why are the pavilion operators happy?
- Should people be required to participate in carnivals like this?
- How can political “logrolling” be compared to this game?
- Examples?
- Ethical issues?

Commentary

When politicians seek election, they need money to promote themselves. They raise this money by promising to help groups in return for contributions. The politician and the contributors trade favours. The politician will receive funds and in return might promote laws which will help the contributors' special interests. These contributors may even be groups or companies outside the country. This would give them control of particular policies and laws in the politician's country. Many of the contributions to politicians can be interpreted as bribes and are, therefore, often veiled as gifts, interest free loans, or foreign policy deals. If they are bribes, the most common reasons that businesses, unions, or even individuals have for making contributions is either: (1) to gain a special unfair advantage over their competition; or (2) to defend themselves from further government encroachment. From this one can see that the enormous power of politicians is very rarely for 'the good of the people'.

The cost to individual citizens of each government favour appears too small to warrant an effort to oppose it. Upon closer examination, the sums of money collected from each taxpayer and consumer adds up to a great amount and provides great wealth for the politically-favoured few.

The free market promotes harmony and cooperation to increase the standard of living. On the other hand, if government controls the economy, there will always be “special interest” groups competing to plunder others and avoid being plundered.
Alan Burris.

☺ *Limophilia: the burning desire of politicians to ride in limousines.*
Blase Harris

One can now appreciate that many businessmen oppose a market free from government intervention! They are often advocates of government helping them by preventing competition or by providing low interest loans, sales assistance, and even diplomatic or military intervention to protect their investments or to secure favourable terms in foreign countries.

The bigger the government, the bigger the favours they are able to bestow. The horrible effects on people of Nazism, Communism, Apartheid, and the dreadful effects on the environment, would never take place if individuals were free to make their own choices in a free-market system.

Background

Logrolling is an American term for the practice of politicians trading votes to support each other’s special interest laws. Thus, the farm subsidy law usually combines many crop subsidies together, guaranteeing the support of many politicians. The cost to taxpayers and consumers is spread among millions of people, while the benefits are concentrated only amongst the farmers.

References

The original idea for this chapter is derived from David Friedman’s book *The Machinery of Freedom*.

For a New Liberty by Murray Rothbard, gives some great alternatives in tough and philosophical areas.

Chapter 18

Uncle Samta

By the time Jonathan returned to the carnival tent, he had earned more than fifty kayns. The woman was so pleased to find someone who took work seriously that she asked him to come back the next night. Jonathan agreed to return if he could, then he left the carnival to look for a bed for the night. He had no idea what to do, so he just wandered aimlessly through the town. As he paused in the dim glow of a street lamp, a short, elderly man in a nightshirt stepped out onto the front porch of a nearby house. He squinted and peered over the rooftops of the row of houses bordering the street.

Curious, Jonathan asked, “What are you looking at?”

“The roof of that house,” whispered the man, pointing into the dark. “See that fat guy dressed in red, white, and blue? His bag of loot gets bigger with every house he visits.”

Jonathan looked in the direction the man pointed. A vague shadowy shape scrambled over the roof of one of the houses. “Why, yes, I see him! Why don’t you sound the alarm and warn the people living there?”

“Oh, I’d never do that,” shuddered the man. “Uncle Samta has a vicious temper and deals harshly with anyone who gets in his way.”

“You know him?” protested Jonathan. “But...”

“Shhhh! Not so loud,” said the old man, holding a finger to his lips. “Uncle Samta makes extra visits to those who make too much noise. Most people pretend to sleep through this awful night – though it’s impossible to ignore such an invasion of privacy.”

Trying to speak softly, Jonathan leaned close to the man’s ear. “I don’t get it. Why does everyone close their eyes when they’re being robbed?”

“People keep silent on this particular night in April,” the old man explained. “Otherwise it might spoil the thrill they get on Xmas

Eve when Uncle Samta returns to sprinkle some toys and trinkets in every house.”

“Oh,” said Jonathan, with a look of relief. “So Uncle Samta gives everything back again?”

“Hardly! But people like to imagine that he does. I try to stay awake in order to keep track of what he takes and what he returns. It’s a kind of a hobby of mine, you might say. By my calculation, Uncle Samta keeps most for himself and a few favoured households around town. But,” said the old man, pounding his palm against a railing in frustration, “Uncle Samta is careful to give everyone a little bit to keep them happy. That makes everyone stay asleep the following April when he comes back again to take what he wants.”

“I don’t understand,” said Jonathan “Why don’t people stay awake, report the thief, and keep their own belongings? Then they could buy whatever trinkets they want and give them to whomever they please.”

The old man chuckled and shook his head at Jonathan’s naiveté. “Uncle Samta is really everyone’s childhood fantasy. Parents have always taught their children that Uncle Samta’s toys and trinkets, like the Dream Machine’s free lunches, come magically out of the sky and at no cost to anyone.”

Seeing Jonathan’s haggard appearance the old man said, “Looks like you’ve had a rough day, young fella.”

“I was looking for a place to spend the night,” Jonathan said, shyly.

“Well, you look like a nice lad,” said the man, “Why don’t you stay with us. Rose and I enjoy company.”

Jonathan welcomed the old man’s offer. Inside Jonathan met Rose, the old man’s plump wife; she cheerily brought him a cup of hot chocolate and a plate of freshly baked cookies. After the last crumb disappeared, Jonathan stretched out on a divan that the couple had made up with some blankets and a pillow. The old man lit a long pipe and leaned back into the cushions of his rocking chair.

Their home was not large, not richly furnished, and definitely not new. But, to the tired young stranger, it was the perfect refuge. A small fire in the fireplace warmed and lit the wood-panelled room.

Over the mantle hung two frames, one holding a family portrait and another displaying a family tree. On the simple plank floor was a well-worn, oval rug. Settling in, Jonathan asked, “How did this April tradition start?”

“We used to have a holiday called ‘Christmas,’ a wonderful time of year. It was a religious holiday marked by gift-giving and merriment. Everyone enjoyed it so much that the Council of Lords decided that it was too important to be left to unbridled spontaneity and chaotic celebration. They took it over so that it could be run ‘correctly.’” His sarcastic tone revealed disapproval. “First, inappropriate religious symbolism had to go. The Lords officially changed the name of the holiday to ‘Xmas’. And the popular mythical gift-giver was renamed ‘Uncle Samta,’ with the tax collector dressed up in the costume.”

The old man paused to take a couple of deep puffs and to tamp down the tobacco. He continued, “Xmas tax forms must now be submitted in triplicate to the Bureau of Good Will. The Bureau of Good Will determines the generosity required of every taxpayer based on a formula set by the Lords. You’ve just witnessed the annual collection.”

“Next comes the Bureau of Naughty and Nice. With the assistance of an official Accountant for Morals, everyone files a form explaining in detail good and bad behaviour throughout the year. The Bureau of Naughty and Nice employs an army of clerks and investigators to examine the worthiness of those who petition to receive gifts in December”.

“Finally, the Commission on Correct Taste standardizes the sizes, colours, and styles of permissible gift selections, issuing non-bid contracts to pre-selected manufacturers with the proper political affiliation. Everyone, without discrimination, receives exactly the same government-issued holiday ornaments for use in decorating their homes. On Xmas eve, the militia is called out to sing the appropriate festive songs.”

By now, the weary young adventurer had fallen fast asleep. As the old man pulled up the blanket over Jonathan’s shoulders, a cat’s meow could be heard outside the window. Rose whispered, “Merry Xmas!”

*The product of your
life and freedom
is your property.
Property is the fruit
of your labour, the
product of your time,
energy, and talents.*

Extract from
Jonathan's Guiding
Principles

☺ *We've got what
it takes to take what
you've got.*

Internal Revenue
Services

Brainstorming

- Does Uncle Samta give back as much as he takes?
- Why don't people complain when he takes things from their homes?
- Why did officials take over Christmas rituals?
- How would Christmas behaviour be affected?
- Examples?
- Ethical issues?

Commentary

When you fill out your tax form, you are filling out the pay slip for your contribution to the politicians' salaries and all government expenses.

Although you are made to feel that there is a moral obligation to do so, there is only a legal obligation. Why not a moral obligation? Because you do not have a moral obligation to people who threaten to initiate force against you. Why a legal obligation? If you do not fill out your tax form, the full wrath of government will rain down upon you. At the very least, you can be sure of many unfriendly visits.

As with everyone else, you send off your carefully accumulated money to an unknown person in a government department. Some of this money is taken for the expense of taking your money in the first place. The rest will be added to all the money collected from others. This tax is not just from your income, but also from the sales taxes on everything you buy. Money is nibbled from your savings by a whole range of "invisible" taxes that raise the price of everything you buy: taxes on insurance, pensions, travel, inheritance, property transfers,

When taxes are too high, people go hungry.
Lao-tsu, *Tao Te Ching*

It is the highest impertinence and presumption in kings and ministers, to pretend to watch over the economy of private people ... They are themselves, always and without any exception, the greatest spendthrifts in society ... If their own extravagance does not ruin the state, that of their subjects never will.
Adam Smith, *Wealth of Nations*

stamps, registrations, sports affiliation, licenses, etc, etc, etc.

A further portion of your money is used for the expenses of people who try to work out how to equalise everyone's income and wealth. The many departments of governments, each taking a bit, will only be able to return a much smaller portion to the citizens than they take. The portion "returned" will be in the form of inefficient public services implemented by unwieldy government departments.

Sometimes a huge slice of this tax money is spent on showcase projects (i.e. bridges, dams, or recreational facilities) for the people in one area at the expense of those in another area. While the government proudly shows pictures of happy recipients on TV and in newspapers, the officials fail to mention the harm done to people in other areas. These people are now poorer as they have been forced to "donate" the money they would have spent on stoves, shoes, and stews. To them, the result is falling sales and lost jobs.

Before every election, political parties will promise *not* to increase taxes, but no matter which party is elected, they make more laws and raise taxes to implement them. Even when they say they are cutting taxes, they are only reducing the rate of increase. The more they increase taxes the more they undermine the economy. When taxes increase, unemployment increases.

Simple taxes, such as the flat tax, are less complicated, and discourage bureaucrats from manipulation and corruption. The best tax for the reduction of bureaucratic controls is no tax. Voluntary alternatives can be sought to achieve this, e.g., cutting expenses, open competition, privatisation, user fees, lotteries, voluntary contributions, etc.

If the government spent less, we would all pay less in taxes. A government consisting of a minimum number of departments would cost each citizen so little that citizens would likely

*Every tax is a dagger
in our hearts.*

Andrei Illarionov, top
economic advisor to
Russian president
Vladimir Putin

☺ *A new word:
Intaxication – The
euphoria of getting
a tax refund, which
lasts until you realise
it was your money to
start with.*

be willing to pay without coercion. The result would be citizens who were more honest and healthy, more wealthy and happy.

Background

Americans refer to their government as “Uncle Sam” because the nickname shares the same initials as the country – US. This is why Uncle Samta is dressed in red, white, and blue.

Americans pay their income tax in April, hence the reference to April in the story.

Quoting from Dr Madsen Pirie, President of the Adam Smith Institute:

“Each year the Adam Smith Institute calculates and publishes Tax Freedom Day. If you have to work from January 1st to pay off your taxes, then Tax Freedom Day comes when you have done so, and can start working for yourself. If government takes 40% on average, Tax Freedom Day will come 40% of the way into the year. It is well into June before we have any freedom to allocate our earnings to our own resources. Until then it is the government which decides how to spend our money.” See: <http://www.bastiat.net/en/Bastiat2001>

A 1992 Dutch survey of self-rated happiness by country correlates well with the Fraser Institute’s economic-freedom/growth/prosperity survey.

References

Recommended books: Alan Burris’ *A Liberty Primer*, Mary Ruwart’s *Healing Our World*, and Milton and Rose Friedman’s *Free to Choose*.

In Chapter 1 of *Economics in One Lesson*, Henry Hazlitt points out how policies can benefit one group at the expense of all other groups.

Chapter 19

The Tortoise and the Hare Revisited

Jonathan dreamt of the woman from the Carnival of Special Interests. She kept handing him money and then grabbing it away again. Again and again, she paid him and then proceeded to snatch it back. Suddenly Jonathan woke with a jolt, remembering that he had to report his earnings to the tax officials, lest he become an occupant of the people zoo himself.

The delicious smell of freshly toasted bread filled his nose. The old man stood at the table, dishing out thick slices of toast and jam for breakfast. Jonathan noticed a sad-faced little boy sitting at the table. The old man introduced the boy as their grandson, Davy, who would be staying with them for a while.

“I remember you,” chirped Davy. “Grandpa, he helped me and mama when we had to leave the farm.” This news made Jonathan all the more welcome. As Jonathan bit into a thickly buttered slice of toast, the little boy fidgeted restlessly, trying to pull up his mismatched socks. “Grandma, please read me the story again,” he begged.

“Which one, sweetie?” She heaped hot scrambled eggs on Jonathan’s plate.

“My favourite, the one about the tortoise and the hare. The pictures are so funny,” beamed Davy.

“Well, all right,” said Rose, taking a book from the kitchen cabinet. She sat down next to tiny Davy and began. ‘Once upon a time...’”

“No, no, Grandma, ‘a long time ago’...” interrupted the boy.

Rose laughed. “As I was saying... a long time ago there lived a tortoise named Frank and a hare named Lysander. Both of the animals worked delivering letters to all who lived in their small village. One day Frank, whose sharp ears were far more efficient

than his short legs, overheard a few of the animals praise Lysander for being so quick at his deliveries. The fleet-footed hare could deliver in a few hours what others required days to do. Annoyed, Frank crawled over and butted into the conversation.

“‘Hare,’ said Frank almost as slowly as he walked, ‘in one week, I’ll bet I can get more customers than you can. I’ll stake my reputation on it.’

“The challenge startled Lysander. ‘Your reputation? Ha! What everyone thinks of you isn’t yours to bet,’ exclaimed the rambunctious hare. ‘No matter, I’ll take you on anyway!’ The neighbours scoffed, saying the sluggish tortoise didn’t stand a chance. To prove it, they all agreed to judge the winner at this very spot in one week’s time. As Lysander dashed off to make his preparations, Frank just sat still for a long time. Finally he ambled away.

“Lysander posted notices all over the countryside that he was cutting prices to less than half the price that Frank charged. Deliveries would be twice a day from now on, even on weekends and holidays. The hare passed through each neighbourhood ringing a bell, handing out letters, selling stamps and supplies, and even weighing and wrapping parcels on the spot. For a small extra fee, he promised to deliver anytime, day or night. And he always gave a sincere, friendly smile at no extra charge. Being efficient, creative, and pleasant, the hare saw his customer list grow rapidly.”

Davy was glued to the pictures and helped Grandma turn the pages as she continued reading aloud. “No one had seen any sign of the tortoise. By the end of the week, certain of victory, Lysander scurried up to meet the neighbourhood judges. To his surprise he found the tortoise already there waiting for him. ‘So sorry, Lysander,’ said the tortoise in his surly drawl. ‘While you’ve been racing from house to house, I only have this one letter to deliver.’ Frank handed Lysander a document and a pen adding, ‘Please sign here on the dotted line.’

“‘What’s this?’ asked Lysander.

“‘Our king has appointed me, tortoise, Postmaster General and has authorized me to deliver all letters in the land. Sorry, hare, but you must discontinue your deliveries.’

“‘But that’s not possible!’ said Lysander, drumming his feet in a rage. ‘It’s not fair!’

“‘That’s what the king said, too,’ answered the tortoise. ‘It’s not fair that some of his subjects should have better mail service than others. So he gave me an exclusive monopoly to insure the same quality of service for all.’

“Angrily, Lysander scolded the tortoise saying, ‘How did you get him to do this? What did you offer him?’

“A tortoise cannot smile easily, but he managed to curl up a scale at the side of his mouth. ‘I have assured the king that he will be able to send all of his messages for free. And, of course, I reminded him that having all correspondence of the realm in loyal hands would make it easier for him to oversee the behaviour of rebellious subjects. If I should lose a letter here or there, well, who’s to complain?’

“‘But you always lost money delivering the mail!’ declared the hare irritably. ‘Who’ll pay for that?’

“‘The king will set a price assuring my profits. If people stop mailing letters, taxes will cover my losses. After awhile no one will remember that I ever had a rival.’” Grandma looked up adding, “THE END.”

“The moral of this story,” read Rose, “is that you can always turn to authority when you have special problems.”

Little Davy repeated, “You can always turn to authority when you have special problems. I’ll remember to do that, Grandma.”

“No, dear, that’s only what it says in the book. It may be better for you to find your own moral.”

“Grandma?”

“Yes, dear?”

“Can animals talk?”

“Only birds talk, child. This is just a fairy tale, not the Great Bard.”

“Tell me about the Great Bard, Grandma.”

She chuckled. “How many times have you heard it already? Bard is the wise condor who roams the seven seas, from the icy peaks of

High Yek to the steamy shores of Roth. No, no, you won't trick me into another story. We'll save that for tomorrow."

Jonathan finished his meal and thanked the old couple for their gracious hospitality. As they all stepped out on the front porch to say farewell, the old man told him, "Just think of us as your own grandpa and grandma if you ever need anything."

Brainstorming

- What are the differences between government and private mail delivery?
- Who receives benefits from the granting of monopoly privileges?
- Can control over mail delivery allow for control over citizens?
- Ethical issues?

Commentary

A successful enterprise is achieved with innovation, good products and services, and competitive prices. This results in repeat business and referrals by happy customers. It enables the enterprise to advertise more and cut prices further, which in turn brings in more happy customers. So the momentum of success continues.

All of it is hard work. None of it is undertaken without competition.

For those firms that cannot compete, they often spend time badgering the government to control the “unfair” situation or “standardise services for all”. With government intervention, monopolies are created for inefficient companies. When these monopolies close down the competition, services and prices suffer. Take a look at state monopolies and note the decrease in the number of hours and days of service, the decrease in customer care, the decrease in general efficiency, and the increase in “patriotic” advertising. Even with the lack of competition, state monopolies frequently lose interest in profits because they know their losses will be paid for with taxes that others are compelled to pay.

One of the reasons the state creates monopolies is to satisfy favoured interest groups. By controlling monopolies, government officials also control the citizenry. With the control of

Wealth is comprised of choices. When government takes away choices, it takes away wealth, even from the poor.
Rockne Johnson

postal services, TV, radio, telephones, and the methods of Internet connection, it is very easy to direct the minds of voters. With control over travel, the state also controls the movement of citizens. Voters pay for this suffocating control. Eventually most people become so used to these monopolies that they forget to ask if their lives would improve without them.

Background

High Yek – Friedrich Hayek – just having fun. Friedrich Hayek, economist, social philosopher, Nobel prize laureate in economics, and author of *The Road to Serfdom*, started the Mont Pèlerin Society in 1947. The 39 founding members included Milton Friedman, Karl Popper, Michael Poyany and Ludwig von Mises. See: <http://www.monpelerin.org>.

Great Bard, the shores of Roth – The late Murray Rothbard was a famous free-market economist, and a member of a group known as the Cercle Frederic Bastiat.

Lysander Spooner was a 19th century philosopher. In 1840, the U.S. Post Office was secure from competition. It was illegal for individuals to deliver letters or packages. After a judge ruled that the law had not forbidden passengers from carrying mail, companies responded to this entrepreneurial opportunity. Among these was Lysander Spooner's "American Letter Mail Company". He went about his business more openly than others, arguing that people had "a natural right" to work. The government's attack on Spooner was vigorous. They made little effort to answer Spooner's legal arguments and, hoping to drive Spooner out of business, the Postmaster General resorted to some additional legal measures. Transport companies were told they would lose their government contracts unless they stopped carrying mail of Spooner's American Letter Mail

Two people who exchange property voluntarily are both better off or they wouldn't do it. Only they may rightfully make that decision for themselves.

Extract from
Jonathan's Guiding
Principles.

The state shall make no laws curtailing the freedom of sellers of goods or labour to price their products or services.

Proposed by Rose and Milton Friedman

☺ *The ghastly thing about postal strikes is that after they are over, the service returns to normal.*
Richard Needham

Company. Under this barrage of harassing legal actions, Spooner's company could not survive.

During the 18th century the term "frank" was used for the signature of a person who was given permission to send free post. In exchange for passing the federal express statutes guaranteeing a postal monopoly to the government, all congressmen received, and still receive, franking privileges allowing them to send letters to their constituents for free. Quite a payoff!

The condor is a type of vulture with a huge wingspan measuring up to 91/2 feet (2.9 m), and can weigh up to 23 pounds (10.4 kgs). They have tremendous flying ability, gliding and riding for miles on the air thermals without moving their wings.

References

In *Free to Choose* Milton and Rose Friedman give the example of Pat Brennan who, in 1978, also went into competition with the U.S. Post Office.

The Machinery of Freedom by David Friedman.

For a New Liberty by Murray Rothbard.

For further information: CATO *Privatizing the Post Office* or: http://www.cato.org/pubs/policy_report/xviiiin3-3.html.

The Foundation for Economic Education *Time for the Mail Monopoly to Go*, February 2002: <http://www.fee.org/vnews.php?nid=5002>.

Chapter 20

Bored of Digestion

Before he walked away, Jonathan asked for directions to the town hall. Rose looked worried and placed a hand on his arm, “Please, Jonathan, don’t tell anyone about the meals that we served you. We don’t have a permit.”

“What?” said Jonathan. “You need a permit to serve meals?”

“In town, yes,” she replied. “And it can be quite a problem for us if the authorities get word of our serving meals without a permit.”

“What’s the permit for?”

“It’s to guarantee a certain standard of food for all. Years ago, townfolk used to buy their food from street vendors, corner cafes, fancy restaurants, or they would get food at stores and cook in their own homes. Then the Council of Lords argued that it was unfair that some people should eat better than others and that people had to be protected from their own poor judgement. So they created political cafeterias where everyone in town could eat standard food for free.”

“Not exactly free, of course,” said Grandpa, pulling out his wallet and waving it slowly in front of Jonathan’s nose. “The cost of each meal is much more than ever before, but nobody pays at the door. Uncle Samta paid with our taxes. Since meals at the political cafeterias, or ‘politicalcafes,’ were already paid for, a lot of people stopped going to private providers where they had to pay extra. With fewer customers, the private restaurants raised prices to cover expenses. Some survived with a handful of wealthy clients or with people on special religious diets, but most went out of business.”

“Why would anyone pay for meals if they could go to politicalcafes for free?” wondered Jonathan aloud.

Rose laughed. “Because the politicalcafes became awful – the cooks, the food, the atmosphere – you name it! Bad cooks never get fired from politicalcafes. Their guild is too strong. And really good cooks are seldom rewarded because the bad cooks get jealous.

The buildings are falling apart – filth and graffiti are everywhere. Morale is low, the food is bland, and the Board of Digestion decides the menu.”

“That’s the worst part,” exclaimed Grandpa. “They try to please their friends and nobody’s ever satisfied. You should have seen the fight over noodles and rice. Noodles and rice, day in and day out for decades. Then the spud lobby organized their campaign for bread and potatoes. Remember that?” he said, nodding to his wife. “When potato lovers finally got their people on the Board that was the last we ever heard of noodles and rice.”

Davy made a choking sound. Peeking out from behind his grandmother’s skirt, Davy’s nose crinkled in disgust. “I hate potatoes, Grandma.”

“Better eat them, dear, or the Nutrient Officers will get you.”

“Nutrient Officers?” asked Jonathan.

“Shhh!” said Grandpa placing a finger to his lips. He looked over his shoulder and then down the street to see if anyone was watching. “Those who avoid politically approved foods usually fall into the hands of the Nutrient Officers. Kids call them ‘nutes’ for short. Nutes closely monitor attendance at meals and they hunt for anyone who fails to show up. Nutrient delinquents are taken to special detention cafeterias for forced feeding.”

Davy shuddered, “But couldn’t we just eat at home? Grandma’s cooking is the best!”

“It’s not allowed, dear,” said Rose patting Davy on the head. “A few people have special permits, but Grandpa Milton and I don’t have the specified training. And we can’t afford the elaborate kitchen facilities that would meet their requirements. You see, Davy, the Lords believe that they care more for your needs than Grandpa and I do.”

“Besides,” added Grandpa, “We both have to work in order to pay the taxes for all of this.” Grandpa Milton paced around the porch, half talking to himself and grumbling. “They tell us that we now have a lower digester-to-cook ratio than at any time in history, though half of the population is functionally malnourished. The original plan to give better nutrition to the poor has ended with poor nutrition for all. Some misfits have refused to eat and seem on the verge of starvation, even though their food is free. Worse yet,

vandals and gangsters roam the political cafeterias and no one feels safe there anymore.”

“Please stop!” said Rose to her husband, seeing the shocked look on Jonathan’s face. “He’ll be scared to death when he goes to a politicafe.” Turning to Jonathan she warned, “Just have your identity card ready when you show up at the door. You’ll be all right.”

“Thank you for your concern, Grandma Rose,” said Jonathan, wondering what an identity card looked like and how he’d ever get food without one. “Would you mind if I pocketed a couple of extra slices of bread before leaving?”

“Why sure, dear. Have as many as you like.” She went back into the kitchen and returned with several slices neatly wrapped in a napkin. She looked stealthily in both directions to see if any of her neighbours were watching, then proudly handed them to Jonathan saying, “Take good care of these. My son-in-law used to grow extra wheat for our flour, but the Food Police just...”

“I know,” said Jonathan. “I’ll be careful not to show this bread to anyone. Thank you for everything.” With a good-bye wave, Jonathan stepped out on the street feeling warmed by the thought that, if necessary, he had a home in this forbidding island.

*Make me the master
of education, and
I will undertake to
change the world.*
Baron Gottfried vol
Leibnitz 1646 – 1716

*Let our pupil be
taught that he does
not belong to himself,
but that he is public
property.*
Benjamin Rush

Brainstorming

- Are customers satisfied with the politicafes?
- How is the menu decided?
- Are truants and cooks treated properly?
- What would happen if food for the mind were treated as this island treats food for the stomach?
- Examples?
- Ethical issues?

Commentary

This chapter refers to government interference in education systems. What if we treated food for the stomach in the same way we are currently treating food for the mind?

Children are treated as a standardised whole instead of as personalities with individual minds. Standardised compulsory schooling stunts those children, who would blossom in an entrepreneurial environment. As they lose interest in school, the most adventurous youths may disrupt the classroom. Many children are confined to drab subjects with very limited opportunity for expression.

We are told that compulsory schooling is necessary as children have to be protected from the poor judgement of their parents. This promotes the idea that people cannot look after themselves, that they must be dependent on the state, and that they should fear personal responsibility.

So what we have is a huge government department trying to find one method to fit everyone; a large number of thwarted teachers; and a mass of stifled children. This whole unhappy situation is funded by unhappy taxpayers who are falsely told that education is “free”! For those people who pay for private schooling, taxes for education are a double payment, and for those with no children, an unnecessary expense. They are told that they must still pay for the education

... public schooling
often ends up to be
little more than
majoritarian
domination of
minority viewpoints
Robert B. Everhart,
Professor of
Education, University
of California, Santa
Barbara

*The law pretends
that education can
only occur in an
approved classroom,
completely ignoring
the kind of incentives
that are expected to
motivate adults.*

From Ken
Schoolland's *The
State, Obedience
Training, and Young
Rebels: In Defence of
Youth Rights.*

of others because an educated society benefits all – even when government schools fail to educate students.

The government could use taxes to pay for private school tuition, but doesn't. Why? Could it be that the primary reason for government intrusion is not to educate, but rather to control the minds of its citizens?

Is this why they teach admiration for rulers such as Napoleon – omitting that he sacrificed the lives of hundreds of thousands to meet his own ambitions? Is this why they do not teach children about rational thinkers such as Frederic Bastiat, the Frenchman who championed freedom?

Background

Ken taught at Hakodate University in Japan where he wrote *Shogun's Ghost: The Dark Side of Japanese Education*. His article *Should We Shogunize the Schools?* May be viewed at <http://www.jonathangullible.com/Shogunize>.

Another astonishing article of Ken's derived from a longer and annotated article that is now available on-line at <http://www.jonathan.gullible.com/REBELS>.

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Rose and Milton Friedman's *Free to Choose*.
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Education in a Free Society by Benjamin A Rogge and Pierre F. Goodrich.

What the perfect world could look like:
<http://www.theadvocates.org/gentlehand.html>.

The Alliance for the Separation of School and State movement organised by Marshall Fritz: <http://www.sepschool.org>.

Education and child policies may be viewed at:
<http://www.cato.org/research/#domestic-issues>.

Chapter 21

“Give Me Your Past or Your Future!”

The town hall lay in the general direction of the square. Jonathan thought he could take a shortcut down an alley that was piled high with boxes and littered with trash. He hurried down the shaded alley, trying to ignore his feelings of unease after leaving the bright and busy street.

Suddenly Jonathan felt an arm at his throat and the cold metal of a pistol stuck between his ribs. “Give me your past or your future!” snarled the robber fiercely.

“What?” said Jonathan, shaking all over. “What do you mean?”

“You heard me – your money or your life,” repeated the thief, shoving the pistol deeper into his side. Jonathan needed no further encouragement. He reached into his pocket for his hard-earned money.

“This is all I have and I need half of the money to pay the tax collector,” pleaded Jonathan, carefully hiding the slices of bread that Grandma Rose had given him. “Please leave me half.”

The thief relaxed her grip on Jonathan. He could barely make out her face behind the scarf. In a low, harsh voice she laughed and said: “If you must part with your money, you’re better off giving it all to me and none to the tax collector.”

“Why?” he asked, placing the money in her dexterous, efficient hands.

“If you give the money to me,” said the thief, stuffing the paper kayns into a leather pouch tied at her waist, “then at least I’ll go away and leave you alone. But, until the day you die, the tax collector will take your money, the product of your past, and he’ll use it to control everything about your future as well. Ha! He’ll throw away more of your earnings in a year than all of us freelance robbers will take from you in a lifetime!”

Jonathan looked bewildered. “But doesn’t the Council of Lords do good things for people with the tax money?”

“Oh, sure,” she said dryly. “Some people become rich. But if paying taxes is so good, then why doesn’t the tax collector just persuade you of the benefits and let you contribute voluntarily?”

Jonathan pondered this idea. “Maybe persuasion would take a great deal of time and effort?”

“That’s right,” said the thief. “That is my problem, too. We both conserve time and effort with a gun!” She spun Jonathan around with one hand and tied his wrists together with a thin cord, then pushed him to the ground and gagged him with his own handkerchief. “There. I’m afraid the tax collector will have to wait.”

She sat down next to Jonathan, who wriggled but was unable to move. “You know what?” said the thief as she counted the money. “Politics is a kind of purification ritual. Most folks think it’s wrong to envy, to lie, to steal, or to kill. It’s just not neighbourly – unless they can get a politician to do the dirty work for them. Yeah, politics allows everyone, even the best among us, to envy, to lie, to steal, and even to kill occasionally. And we can all still feel good about it.”

Jonathan twisted his face and made some noises. The thief laughed, “So you’d like to yell, huh?”

Jonathan shook his head vigorously and, to her amusement, he looked up with mournful eyes. “Okay,” she said, “Let’s hear you whimper. But don’t get too loud,” she warned tapping the end of her pistol firmly against his nose. “I can make you very uncomfortable.” She crouched at his side and jerked the handkerchief below his chin.

Stretching his jaw painfully Jonathan challenged her, “But it’s wrong to steal!”

“Maybe. The important thing is to do it in a really big way so that no one will notice that it’s wrong.”

“Steal a lot and no one will notice that it’s wrong?”

“Sure. Little lies are bad. Children are taught not to be little liars. But really big liars can get streets named after them. If you steal a little bit you might go to the people zoo. But if you steal a whole lot,

I mean the whole countryside, then you get your name engraved on buildings. Same with killing.”

“Killing, too?” recoiled Jonathan.

“Where have you been?” snapped the thief. “Killing one or two people gets you time in the zoo or even executed. But killing a few thousand makes you a heroic conqueror worthy of songs, statues, and celebrations. Children are taught to admire and imitate big killers. Act small and you’ll be scorned or forgotten. Act big and you’ll be a legend in school books.”

“The oldest story of robbery that I can remember,” said Jonathan, “was of Robin Hood. He was a hero because he robbed from the rich and gave to the poor.”

“Whom did he rob – in particular?” she asked.

“The Sheriff of Nottingham and his friends,” recounted Jonathan. “You see the Sheriff and Prince John taxed everyone into poverty. The authorities took from both the rich and the poor. So Robin tried to return the plunder to the victims.”

The thief laughed, “Then Robin wasn’t a robber. How can you rob a thief?” She frowned and concentrated a moment. “That gives me an idea,” she said. “I think I’ll pay a visit to Tweed.”

She abruptly replaced Jonathan’s gag, adjusting it to be especially tight, and disappeared down the alley.

Jonathan lay helpless in the alley. He thought about the young policeman that he had met the day before. Where was that guy when he really needed him? How did the robber get a gun?

The thought of going back to the carnival in order to earn the money all over again angered Jonathan. He kicked his heels helplessly at the thought. One of the cords cut into the skin on his wrist and Jonathan relaxed a moment to contemplate his predicament. He thought, “I never knew how good it felt to have my hands free – until now.”

You exist in time; future, present, and past. To lose your life is to lose your future. To lose your freedom is to lose your present. And to lose the harvest of your life is to lose the portion of your past that produced it.

Extract from
Jonathan’s Guiding
Principles.

The present-day delusion is an attempt to enrich everyone at the expense of everyone else; to make plunder universal under the pretence of organizing it.
Frederic Bastiat,
1850

Brainstorming

- Does your life, liberty, and property, correspond to your future, present, and past?
- In what way is a thief the same or different from a tax collector?
- Why?
- How will the government use the product of your labour, and your past labour to control your future?
- Are small scale and large scale immorality treated differently?
- Examples?
- Ethical issues?

Commentary

Your past is a part of the product of your time, energy, and talent. Your present is your current freedom of choice. Your future is your life to come.

What does a thief steal from you? If you labour in exchange for money, that money belongs to you, and someone who initiates force to take it from you is a thief. This is true whether it is one thief acting alone or a large gang of elected thieves acting together. Gangs may implement laws to take from you, but this does not make it morally right.

Do people in distress need our forced help? You and I are able to decide for ourselves whom we should help. Likewise, we should allow our fellow citizens to make the same decision. So who is promoting this offensive idea that we are too unfeeling to help our neighbours when they are in distress? These are the same officials who are bound to special interest groups.

If money is not forcefully collected from everyone, how are people in distress to be helped? Our chosen religious organisations or charities are particularly capable of distributing

*One murder makes
a villain; millions a
hero.*

Bp. Porteus

☺ *In some ways, I
think that a criminal
is far more moral
than Congress. That
is, a thief will take
your money and
then be on his way.
Congress will take
your money and then
bore you with reasons
about why you should
be happy about it.*

Walter E. Williams,
George Mason
University

our voluntary contributions. Having our money taken by governments to help others is inefficient and ineffective. Out of every 100 kayns we are forced to give, and after deducting expenses for collection, committees, negotiations, and distribution, only about 20 kayns will reach the needy. Perhaps some of this will even go to people who are not genuinely in need, but who depend indefinitely on a guaranteed source of welfare. Would you prefer to send 100 kayns to a government agency to disperse for you or would you prefer to give it directly to the people you wish to help?

Background

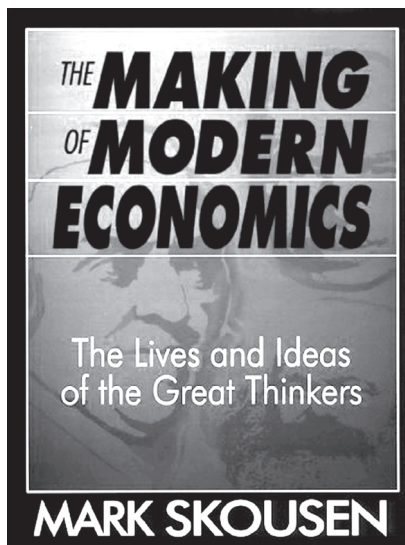
Ken: We have a Kamehameha Day in Hawaii celebrating the first king who killed thousands to “unite” all eight Hawaiian islands under his control. By that same token William the Conqueror, and Genghis Khan are considered exciting historical figures, despite their main “accomplishments” – as mass murderers and dictators.

References

Lugwig von Mises’s *Human Action* has reference to crimes on a grand scale getting praised.

Milton and Rose Friedman *Free to Choose*.

Mary Ruwart’s *Healing Our World* shows how the poor could be made wealthier.



“The most fascinating, entertaining and readable history I have ever seen.”

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“Both fascinating and infuriating ... engaging, readable, colorful.” – *Foreign Affairs*

<http://www.mskousen.com>

Chapter 22

The Bazaar of Governments

Jonathan lay still in frustration. Mices reappeared, exploring garbage cans in the alley. He sniffed at the bread in Jonathan's pockets. But a noise at the end of the alley drove him back into hiding among the piles of junk.

A large brown cow wandered toward Jonathan. "Moo-o-o," lowed the cow. The bell on her neck clanged slowly as she moved. Suddenly another cow appeared at the end of the alley, followed by a rugged old man with a stick. "Get back here, you silly beast," grumbled the herdsman.

Jonathan wriggled and used his shoulder to nudge over a box next to him.

The old man peered into the gloom. "Who's there?" Seeing Jonathan tied and bound, he rushed over to pull off the gag.

Jonathan breathed relief. "I've been robbed. Untie me!" The old man reached into his pocket for a knife and cut the cords. "Thank you," said Jonathan, rubbing his sore wrists. He eagerly told the man what had happened.

"Yeah," said the rugged farmer, shaking his head. "You have to watch everyone these days. I would never have come to town except that I was told I could get help from the government."

"Do you think the government will help recover my money?" asked Jonathan.

"Not likely, but maybe you'll have better luck at the Bazaar of Governments than I did," replied the old herder. His face had more wrinkles than a prune and he wore rough clothes and goatskin sandals. Jonathan felt reassured by his calm manner and direct speech.

"What's the Bazaar of Governments? Is it a place to sell cattle?" asked Jonathan.

The old man frowned and contemplated his two placid beasts. "That's what I came to find out," said the herdsman. "Actually, it's a

kind of variety show. The building is fancier than a bank and bigger than anything I've ever seen. Inside are men pushing all sorts of governments to handle a citizen's affairs."

"Oh?" said Jonathan. "What kind of governments are they trying to sell?"

The herdsman scratched his sunburned neck and said, "There was this one feller calling himself a 'socialist'. He told me that his form of government would take one of my cows and give it to my neighbour. I didn't care much for him. I don't need any help giving my cow away to a neighbour – when it's necessary."

"Then there was this 'communist' in a bright red shirt. He had a booth next to the first peddler. He wore a big smile and kept shaking my hand, really friendly like, saying how much he liked me and cared for me. He seemed all right until he said that his government would take both of my cows. It'd be okay, he claimed, because everyone would own all the cows equally and I'd get some milk if he thought I needed it. And then he insisted that I sing his party song."

"Must be some song!" exclaimed Jonathan.

"Didn't have much use for him after that. I reckon he was going to skim most of the cream for himself. Then I wandered across the big hall and met a 'fascist' all dressed in black. Looked like he was on his way to a funeral." The old man paused long enough to shoo one of his cows away from a rancid mound of rubbish.

"That fascist also had a load of sweet talk up front and a lot of brazen ideas just like the other guys. Said he'd take both of my cows and sell me part of the milk. I said, 'What? Pay you for my own cow's milk?!' Then he threatened to shoot me if I didn't salute his flag right then and there."

"Wow!" said Jonathan. "I bet you got out of that place in a hurry."

"Before I could shake a leg, there's this 'progressive' feller sidling up to me and offering a new deal. He told me that his government wanted to pay me to shoot one of my cows to reduce the supply. He'd milk the other, then pour some of the milk down the drain. Said he'd help me buy what was left at a nice high price. Now what crazy fool would go and do a thing like that?"

“Sure seems strange,” said Jonathan, shaking his head. “Did you choose one of those governments?”

“Not on your life, sonny,” declared the herdsman. “Who needs them? Instead of having them manage my affairs I’ve decided to take my cows to the country market. I’ll trade one of them for a bull.”

Brainstorming

- Why does the herdsman trade one of his cows to buy a bull?
- What are the similarities in the governments that are offered?
- Are there examples of this behaviour in the world?
- What ethical issues are involved in the use of force?

Commentary

Government officials would like you to believe they are able to manage your affairs better than you can. One of the ways they subtly put this across is with tall imposing buildings, statues, and posters of politicians, thus suggesting that the “little man-in-the-street” is inferior and his problems are small by comparison.

Globally, governments are the largest receivers and spenders of people’s money. Ostensibly this is done for the “common good” of the people, but one wonders if people wouldn’t be better off if they spent this money themselves.

Socialism promises to look after you from the cradle to the grave. That sounds good – no more worries! However, this “nanny” never lets you grow up and makes all decisions for you. These states control when and how you work, then they take a large amount of your earnings to look after you. You don’t even have to worry about charity, as government forces you to pay for charities of their choice. The government would kind-heartedly use your earnings to make sure that even the laziest citizen has exactly the same food, clothing, books, and toys as you have. This nanny considers any criticism unpatriotic and ungrateful.

Apartheid was a variation of socialism – national socialism, to be precise. The Apartheid state was an orgy of social engineering. It

So long as we admit that the property of individuals lies at the mercy of the largest number of votes, we are intellectually and morally committed to state socialism.

Auberon Herbert,
1897

The theory of Communism may be summed up in one sentence: Abolish all private property.
Karl Marx and Friedrich Engels

It was only one life. What is one life in the affairs of a state?
Fascist Dictator Benito Mussolini

The history of the great events of this world is scarcely more than the history of crimes.
Voltaire

What is the best government? – That which teaches us to govern ourselves.
Goethe

exercised massive state intervention in the personal and economic lives of millions. It declared war on free markets by dictating prices and wages.

The **communist** doctrine teaches that everything must be communal. “Share, share, and share alike!” sounds good. You are encouraged to work hard because whatever you produce belongs to your neighbour and everyone else. Except that in reality it doesn’t belong to you or anyone in particular. It belongs to the state and to state officials who have the power to decide how much to keep for themselves, and how much you and your work-shy neighbours “need”. Need, in this case, means having just enough to be sure everyone shares the same low basic standard of living – except for state officials who will assert that their “needs” are higher than everyone else’s. Of course, you will be dealt with brutally if you are unpatriotic enough to criticize the system and do not sing the praises of the state.

The **fascist** government does not pretend to be working for the good of the individual citizen. It forces each citizen to work patriotically for those in power. Thus, it collectively treats individuals as a mass and controls the whole.

Interventionist governments imagine the individual is incapable of working out his own future and production. These governments intervene in the economy by working in conjunction with their favoured business “partners” to control supply and demand in the economy. As with the ‘New Deal’ it keeps prices high – even if this means they have to destroy animals or crops.

Self responsibility. Thankfully, there is a growing realisation that people prosper best when they are left to take responsibility for their own outcome without state and foreign intervention. Not only will they prosper, but there will be greater satisfaction, happiness and international peace.

Background

This chapter originated from an anonymous office memo: Farmer sells one cow to buy a bull to produce more cows.

The idea of buying farm products to keep them off the market and so raise prices, originated with President Hoover's Farm Stabilisation Act. This was expanded to most major crops under the "progressive" New Deal program of President F. Roosevelt. While millions of consumers went hungry during the Great Depression, the Agricultural Adjustment Act began a programme to pay farmers to destroy millions of acres of food crops and cotton, and to destroy millions of pigs and cattle. Officials eventually paid farmers not to produce food, which had the same effect as destroying it, but the effect was less visible. Skilful use of the media portrayed President F. Roosevelt as a man who cared about the poor and downtrodden, despite making their condition much worse with higher prices and less food and cotton. In the 1950s, thousands of farmers were fined for the "crime" of growing too much food. These programmes have expanded in various forms up to the present under both major political parties.

References

Murray Rothbard's *For a New Liberty* gives some great alternatives and philosophy.

The Making of Modern Economics: The Lives and Ideas of the Great Thinkers, by Mark Skousen, is a provocative and humorous analysis of the many schools of economic thought. He reveals many surprising things about these not-so-dismal characters, who shaped economic policy over the past two and a half centuries.

To find out where you stand in your political opinion, download "The World's Smallest Political Quiz": <http://www.self-gov.org/wspq.html>.

If government consistently chose policies that supported entrepreneurial effort and greater consumer choice, they would make their countries inconceivably rich.

Jim Harris

☺ *In the ideal socialist state, power will not attract power freaks. People who make decisions will show not the slightest bias towards their own interests. There will be no way for a clever man to bend the institutions to serve his own ends. And the rivers will run uphill.*

David Friedman 1973

Chapter 23

The World's Oldest Profession

The old herdsman's tale left Jonathan more perplexed than ever. The Bazaar of Governments sounded intriguing, so he decided to go and see if anyone could help him get his money back.

"You can't miss it," said the old herdsman, preparing to lead his cows away. "It's in the Palace, the biggest thing on the square. You take the main portal – that's for you – flanked by two enormous windows. The window on the right is where people line up to pay their tax money in. The window on the left is where people line up to take tax money out."

"I can guess which line is more popular," joked Jonathan.

"That's for sure. Every month, one line gets a bit shorter and the other gets a bit longer." The old man tightened the hitches and gave a tug on the lead. "Eventually, when one line disappears, the other will too."

Sure enough, all streets led to the Town Square. On the square stood a magnificent palace. Words carved in stone over the huge entrance read: "PALACE OF LORDS." Mices, his tail standing straight up, had followed close to Jonathan's heels until he started up the broad steps leading into the building. The cat's back arched slightly and his hair bristled. This was as far as he would go.

Jonathan trotted up the steps until he stood before the grand entrance. Spread out before him was a gloomy hall with ceilings so high that the lamps could not light the interior completely. Just as the old herdsman described it, several booths lined the hall, displaying different banners and flags. People paced before the booths calling to every passerby and pressing pamphlets on them.

On the far side of the hall stood a great bronze door, flanked by large marble statues and fluted columns. Jonathan started to walk through the hall, hoping to avoid the sellers of governments. He had not moved two steps before a mature woman with gold bangles on her wrists and large earrings accosted him.

“Would you like to know your future, young sir?” she asked, approaching him.

Jonathan looked suspiciously at this voluptuous woman wearing vividly coloured scarves and heavy jewellery. He quickly checked his pockets, though he had nothing more to lose.

She continued aggressively, “I have the gift of foresight. Perhaps you’d like a glimpse of tomorrow to calm your fears of the future?”

“Can you really see into the future?” asked Jonathan backing off as far as he could without offending her. He regarded this brazen woman with deep suspicion.

“Well,” she replied, her eyes flashed with confidence, “I study the signs and then I declare, affirm, and profess whatever I see to be true. Oh yes, mine is surely the world’s oldest profession.”

“Fortune-teller?” remarked Jonathan, surprised at the claim. “Do you use a crystal ball or tea leaves or

“Beelzebub, no!” snorted the woman with disgust. “I’ve become much more sophisticated. Nowadays I use charts and calculations.” With a deep bow she added, “Economist at your service.”

“How impressive. E-con-o-mist,” he repeated slowly, rolling the long word over his tongue. “I’m sorry, I’ve just been robbed and I don’t have any money to pay you.”

She looked annoyed and turned away to look for other prospective clients.

“Please ma’am, could you tell me one thing,” pleaded Jonathan, “even though I don’t have anything to pay you?”

“Well?” said the woman, irritably.

“When do people usually come to you for advice?”

She looked around to see if anyone might overhear them. Then she whispered, “Because you have no money to pay me, I can let you in on a little secret. Clients come whenever they need to feel secure about the future. Whether the forecast is bright or gloomy – especially when it’s gloomy – it makes people feel better when they can cling to someone else’s prediction.”

“And who pays for your predictions?” asked Jonathan.

“The Council of Lords is my best customer,” she replied proudly. “The Lords pay me well – with other people’s money, of course. Then they use my predictions in their speeches to justify the taking of more money to prepare for the murky future. It really works out well for both of us.”

“That must be quite a responsibility,” said Jonathan. “How accurate have your predictions been?”

“You’d be surprised at how few people ask me that,” chuckled the economist. She hesitated and looked him carefully in the eye. “To be perfectly truthful, you might get a better prediction with the flip of a coin. The flip of a coin is something that anyone can do with ease, but it never does anyone any good. It will never make fearful people happy, it will never make me rich, nor will it ever make the Lords powerful. So you can see, it’s important that I conjure impressive and complicated forecasts to suit them or they find someone else who will.”

“Hmm,” thought Jonathan. “It *is* the world’s oldest profession!”

*Profits,
not prophets, foretell
the future.*
Anonymous

Brainstorming

- Are there similarities between some fortune-tellers and some economists?
- What percentage of these can accurately predict the future?
- How can you tell?
- How could presumed knowledge about the future make people rich or powerful?
- Do professionals ever put their talents to unworthy use?

Commentary

Each of us is our own economist. We can't ever be perfectly "well-informed" about our economic life. We might take guidance as we choose, no matter how "silly" it may seem to others. We can do this because we take responsibility for our own judgement with our own money.

Likewise, when a private company commits itself to a forecast, it is punished or rewarded by the market. However, government forecasts are imposed on all of us, using our money. Official forecasters are rarely punished for poor judgement, but taxpayers are always punished.

It is misleading to suggest that officials have the ability to correctly forecast the government's financial situation. They study "the signs" and devise convoluted calculations together with sophisticated rules of prediction and mystifying charts. They then use all of this to befuddle most of the public and justify what the government wishes. However, it is impossible to forecast a country's financial future when politicians control the treasury and the government bank manipulates the money supply and inflation.

It is usually in times of uncertainty that we mistakenly turn to government forecasters for comfort. Yet these officials are the very people who seduce us into a false sense of security. They are not paid to reveal the behind-the-scenes

Using governmental force to impose a vision on others is intellectual sloth and typically results in unintended, perverse consequences.

Extract from
Jonathan's Guiding
Principles

☺ *Economist: a person who can tell you what is going to happen next month and explain later why it didn't.*

“little secrets” – those secrets which could ruin a lifetime of savings and leave us destitute. In the marketplace you can sue people for fraud, but not in politics. Politicians seem to be rewarded for fraudulent behaviour.

An economy free of political interventions would be less vulnerable to fluctuation and, perhaps, easier to predict. Thus, we could make timely adjustments.

Background

Ken: My original thought was that economists (e-con-o-mist, frauds and obfuscation) sell their virtue, “prostitute themselves”, to those in government to get a paycheck and prestige. Also, Austrian economists often scorn predictions as fortune-telling.

Beelzebub – heathen oracle – Bible (Kings); also used in John Milton's *Paradise Lost*.

References

Two books by Mark Skousen, *The Making of Modern Economics: The Lives and Ideas of the Great Thinkers*, and *Economics on Trial: Lies, Myths, and Realities*. In the latter book, Skousen takes the ten top selling economics textbooks in America and reveals their flaws. He argues that almost all of the economics taught in American universities carries a strong bias in favour of government interventionism. Debunking this notion is his particular talent.

Parliament of Whores: A Lone Humorist Attempts to Explain the Entire U.S. Government by P. J. O' Rourke.

It's Getting Better All The Time – 100 Greatest Trends of the Last 100 Years by Julian Simon.

Chapter 24

Booting Production

“This must be the seat of power,” said Jonathan to himself, staring in awe at the splendid marble statues and columns. “Why, they must have spent a fortune building this place!”

One great bronze door stood wide open and Jonathan could see a cavernous auditorium filled with people. Slipping in unobtrusively and standing at the back, Jonathan could see a platform in the centre. A group of dishevelled and noisy men and women surrounded the platform waving their hands. In front of them stood a distinguished looking man who wore an expensive suit and drew occasional puffs on a fat cigar. He gestured with his cigar at one of the people in the crowd milling before him.

Jonathan crept closer to hear. One man, waving a pen in one hand and a pad of paper in the other, shouted over the others, “Your Honour, sir! Most esteemed High Lord Ponzi, sir! Is it true that you have just signed legislation to pay shoemakers not to produce shoes?”

“Ah-h-h, yes, it most certainly is true,” answered Lord Ponzi, with a superior nod. He spoke so slowly that he appeared to be waking from a deep sleep.

“Isn’t this something of a path breaker, a precedent?” asked the man, scribbling furiously on his pad.

The High Lord solemnly nodded again in slow motion. “Uh, yes, this is a path break...”

A woman standing to the right of the first questioner interrupted before he could finish, “Is this the first time in the history of Corrupmo that shoemakers have been paid not to produce?”

“Yes,” said Ponzi, “I do believe that is correct.”

From the back, someone shouted, “Would you say that this programme will help raise the prices of all kinds of footwear – shoes, boots, sandals, and so on?”

“Uh, yes, well – would you repeat your question?”

Another voice called out, “Will it raise shoe prices?”

“It will raise the income of shoemakers,” replied the Lord, who nodded ponderously. “We certainly hope to do all we can to help the shoemakers in pursuit of a reasonable standard of living.”

Jonathan thought of Davy and his mom. “How much harder it’ll be to buy shoes from now on!”

Then a reporter, kneeling and mostly hidden by the throng, shouted from the very front of the platform, “Can you say what your programme will be next year?”

Ponzi mumbled, “Uh, hmm, what did you say?”

“Your programme. What’s your plan for next year?” asked the reporter impatiently.

“Of course,” said the High Lord, pausing to draw deeply from his cigar. “Uh huh. Ahem. Well, I believe that it is appropriate for me – to take the opportunity of this special press conference – to announce that next year we plan to pay everyone on the great island of Corrumpto not to produce anything.”

There was a collective gasp from the audience. “Everyone?” “No kidding?” “Wow! That’ll cost a fortune!” “But will it work?”

“Work?” said Lord Ponzi, shaking himself out of his stupor.

“Will it stop people from producing?”

“Oh sure,” he barely concealing a yawn. “We’ve had a pilot project in our front agency for years, and,” said the Lord, a note of sleepy pride crept into his voice, “We’ve never produced anything.”

At that moment, someone came up beside High Lord Ponzi and announced the end of the conference. The group of reporters surrounding the platform dissolved, abandoning the crowd seated in the auditorium. Jonathan blinked hard twice when he noted an almost imperceptible, sudden droop in Ponzi’s posture – as if someone had snipped a string overhead that was holding him erect. The house lights dimmed as Ponzi was led off stage to a smoke-filled, back room.

We have a system that increasingly taxes work and subsidizes non-work.

Milton Friedman,
1977

... In Poland permission from the Labour Ministry is needed to be employed.

Polish government spokesman, Jerzy Urban, 1983

Brainstorming

- Why are people paid not to produce?
- Would you take a job that paid you to do nothing?
- Would you pay others to do nothing?
- Would you take welfare that paid you to do nothing?
- Are there examples in the world?
- Ethical issues?

Commentary

By convincing people they have a right to get “something for nothing” governments are able to interfere with production.

Subsidies, minimum wage laws, restrictions on hours of work, affirmative action, licensing laws, government monopolies, etc., all increase prices, reduce employment opportunities, and interfere with production.

To see if all this would really “boot-out” production, we just need to extrapolate the situation by applying it to all areas of industry. If all production were subsidised; if everyone were restricted to confined working hours; if all firms were restricted to employ equal numbers of people of each skin colour group, of each religious group, of each mental and physical group; if all jobs required licenses; or, if all sectors were under government monopolies – would there be *more* production?

By asking governments to introduce more restrictions and more laws, we are harming our fellow citizens and ourselves. More restrictions, and more laws, we are supporting the slothful and encourage the grabbers-for-nothing, remove incentives, and dampen initiative. If we pay people because they are unemployed, we will have an increasing number of people who are out of work.

*Government can
neither guarantee
useful and profitable
work, nor provide it,
nor compel it.*

Henry Hazlitt, 1971

☺ Government officials have had non-production on their agenda for years. It is they who are paid not to produce!

Freeing production from interference would encourage the employers and the employees to help each other toward beneficial production. The result would be better quality products, better consumer satisfaction, more job creation, more job satisfaction, and more wealth for all.

Background

In the early 1900s, Charles Ponzi “operated” the first fraudulent “pyramid” investment con in which money from new investors is directly and immediately used to “pay off” the original investors. This goes on until no new “investors” are found and there is no money to pay earlier investors in the “pyramid”. The American Congress made these fraudulent con games illegal, *except* the government’s own “Social Security” game. If the laws of fraud were applied to the people in government, they would all be in jail.

References

When we use laws to increase the wealth of disadvantaged workers, we succeed only in making them poorer, explains Mary Ruwart in *Healing Our World* – Chapter 3.

Also see: http://www.cato.org/research/#domestic_issues.

Chapter 25

The Applausometer

A lone spotlight cast a circle of light on the empty platform and the audience began to murmur. Someone began to clap rhythmically and soon the crowd joined in. The whole place reverberated with excitement and noise. At last, a robust figure with slick, jet-black hair, leaped onto the platform. He wore a glittering gold sequined suit and the silliest smile that Jonathan had ever seen. The man bounded back and forth like a cat across the stage as he greeted the excited crowd.

“Welcome, welcome, welcome! I’m Showman Phil and I’m thrilled to have you wonderful people here with me today on our show. And what a show we have for you, too. Later we’ll be talking to – you guessed it – the Candidate!” Scantly clad women standing on both sides of the stage started waving their hands wildly, and the whole crowd broke into thunderous applause.

“Thank you, thank you, thank you very much. First, I have a very, very, very special treat for you. We have none other than the Chairperson of the Corrupmo Election Commission here with us to explain the revolutionary new election procedures that we’ve all been hearing about.” At this point, the host turned and, with a grand sweep of his arm up stage, yelled, “Will you all please welcome Doctor Julia Pavlov!”

The stagehands and the crowd again clapped wildly, cheering and whistling their excitement. Showman Phil shook Dr. Pavlov’s hand and signalled for silence. “Well, well, Dr. Pavlov, you certainly seem to have built quite a following over the years.”

“Thank you Phil,” she said. Dr. Pavlov wore thick spectacles, a stiff grey suit, and a look of calm assurance on her squarish face. “I’d say it’s about 5.3 enthusiasm.”

“Hey, hey, you’ve got me there,” said the host. The stage assistants flashed a sign to the audience and they all let out a slight

burst of laughter. “What do you mean ‘5.3 enthusiasm?’” asked Phil.

“Well,” said Dr. Pavlov, “I have here an official applausometer. I always carry one around with me. It tells me just how much enthusiasm is shown by crowds of people.”

“That’s incredible, isn’t it folks?” On cue, the crowd again eagerly applauded.

As soon as the noise subsided, Dr. Pavlov continued, “That’s about 2.6.”

“Amazing!” said the hosts. “What are you going to do with the applausometer? Are you using it in the next election?”

“That’s right, Phil. We at the Corrumpto Election Commission have decided that counting votes is not enough. It’s not just numbers that are important in deciding morality, power, wealth, and rights. We also feel that enthusiasm should count too.”

“That’s incredible!” shouted Showman Phil. Everyone broke into applause.

“4.3,” said Dr. Pavlov passively.

“How are you going to do this, Doctor?”

Her thick eyebrows rose above her glasses and the first glimmer of a smile crossed her stern face. “This will be the first year of using applausometers at the election polls in the city. Instead of filling out ballots, voters will just stand in booths and applaud when a light comes on next to the name of the candidate of their choice.”

“What do the candidates think of this new balloting procedure?” asked Phil.

“Oh, they love it, Phil. It seems that they have already been getting their supporters ready for the changeover. They spend long sessions promising to spend other people’s money on their supporters and the promises always bring down the house.”

“Well, thank you very much for being with us today and giving us a preview of a better tomorrow. Join us again, won’t you? Ladies and gentlemen, let’s hear it for Doctor Julia Pavlov!”

When the applause finally died down again, the host made another sweep of his hand toward the back of the stage. “Now for

the moment you've all been waiting for. Yes, right off the busy, busy campaign trail – here's Joe Candidate! Let's hear it!"

Joe Candidate bounded athletically across the stage with both arms wide, beaming incandescently at the crowd. The candidate wore a stark black-and-white chequered suit. Jonathan thought he had the blackest hair and whitest teeth ever to shine under a spotlight. "Thank you, Phil. This is a really great moment for me to be here with all you fine people."

"Now Joe, you've just got to tell us the story behind the big story. You surprised everyone and hit the headlines with the hottest news on the island in over a decade. So what's the story?"

"Right to the point, huh, Phil? I like that about you and your show! You see, I became alarmed at the tremendously high cost of political campaigns in recent years. So I decided to do something about it. I firmly believe that the voters of this great island deserve a bargain price for more of the same. That's when I started the Generic Party."

"The Generic Party! What a brilliant idea! And you even changed your own name, didn't you?"

"That's right, Phil. With my real name, Elihu Root, I could never really be the true people's candidate. You've got to cover your roots..." The impromptu pun drew a roar of laughter from everyone, including Phil and Joe. "But seriously, Phil," continued Joe, "you must have broad appeal if you're going to be credible."

"What are you doing to get the word out, Joe?"

"The Generic Party will soon have its basic black-and-white flyers, buttons, and posters available at all local outlets. We hope to cut the typical campaign budget in half with our ideas."

Showman Phil interrupted, "But do you have a stand on the issues?"

"Sure, just like all the other parties," said Joe. He reached inside his checkered coat and pulled out a sheaf of papers. "Here's our White Paper on Crime and here's our White Paper on Poverty."

"But, Joe, there's nothing on these white papers," said Phil, with an incredulous look. The White Papers were simply plain sheets of white paper.

“That’s the beauty of it, Phil. Don’t you see? Why waste time promising everything to everyone? Why not let voters fill in the papers themselves? Promises and performance will be just as before – only we save the cost of printing.”

“How ingenious! While other candidates talk about cutting campaign costs, you really do something about it. Well, our time is running out. Can you sum up what your party is all about?”

“Sure, Phil. It’s already catching on all across the island. Our slogan for the Generic Party is, ‘We Believe What You Believe!’ “

“Thank you very much, Joe. Ladies and gentlemen, can we have a really great round of applause, a high 5.5, for that genius of the campaign trail, Joe Candidate!”

*You have a right
to seek leaders for
yourself, but you have
no right to impose
rulers on others.*

Extract from
Jonathan's Guiding
Principles

*Too often, in recent
times, the name of
democracy has been
misused to describe
situations where a
vote is taken without
free and fair debate
beforehand, and
where those who have
won 51% of the vote
claim the right to ride
rough-shod over the
other 49%*

Kofi Annan at
the closing of the
Organisation of
African Unity in
Durban, July 2002

Brainstorming

- Why would a political party say, “We believe what you believe”?
- Is it logical to decide morality, power, wealth, and rights by the enthusiasm of applause?
- Is it logical to decide these things by the numbers of votes?
- What is the best basis for determining these?
- Examples?
- Ethical issues?

Commentary

A voter's only power over a ruling party is the vote he or she gets once every four or five years. Even at that time, the ruling party still has the upper hand as it will adapt the voting methods to suit itself. The stronger the party the more it can manipulate voting regulations. Election commissions are often set up to organise the voting. Although these commissions are meant to be independent, they have to contend with a great deal of pressure from those in power.

There are a variety of ways voting can be structured. Many variables may be shifted to benefit those in power. The commission determines who is allowed to vote. For instance, they might, or might not, allow citizens temporarily staying outside the country to vote. The physical boundaries of the voting constituencies may be re-drawn or combined to include more voters of the favoured party into an area known to be less supportive.

The result of the voting leads to various interpretations. A 51% majority means that 49% do not want to be represented by that person or party. Should the 51% be allowed to implement laws over the beliefs, morals, ethics, family, and property of the remaining 49%? At times fewer than half the population go to cast their

If the natural tendencies of mankind are so bad that it is not safe to permit people to be free, how is it that the tendencies of these organisers are always good? Or do they believe they are made of finer clay?

Frederic Bastiat,
The Law

☺ *Politicians are the same all over. They promise to build bridges even when there are no rivers.*
Attributed to Nikita Khrushchev, Soviet Union Premier, 1958 – 1964

vote because they do not have confidence in the system. This means there are even *fewer* people wanting that person or party to make decisions for them.

It is obvious that the percentage game will not create respect, harmony, and prosperity. Respect, harmony, and prosperity are far more likely to occur if there is individual freedom – freedom of speech, freedom of association, freedom of beliefs, freedom of choice over one’s life, body and property. Removing the laws that prevent these free choices will result in the need for only a small administrative government. And, like those governments in Switzerland, Hong Kong and New Zealand, only a few government departments would be needed for police, courts, and defence. Fewer departments mean fewer civil servants. Fewer civil servants mean less corruption, fewer taxes, more wealth for the citizens, and a more energetic economy.

Candidates from every political party might read this with horror. They would lose their privileges, their tax-paid cars, tax-paid housing, tax-paid overseas trips, and tax-paid dinners. No wonder they rush around on “busy, busy” campaign trails *before* the election. No wonder candidates from all parties tell the voters what fine people they are. No wonder that they all say voters are well qualified to make decisions. And yet, after the election, candidates will treat the voters like imbeciles who cannot make their own moral decisions or make financial choices for their own good.

Whatever degree of democracy we live in, we have one chance to use our vote to ensure that we restrain the strongest and most powerful party from turning towards a dictatorship.

Once cast, there is no way for the voter to change his or her mind until the next election and they have no way of enforcing election promises. Just like a generic tablet, each party promises the same thing. Just like the generic tablet, once you

☺ *A politician gets money from the rich and he gets votes from the poor with the argument that he is protecting each from the other.*

have swallowed it, it is in the system, and there is no control over what happens after that.

Background

Ken: There was no particular reason for using “Elihu Root” here, except the pun (getting back to one’s roots). I was looking for the name of a person in US history who was a power behind a politician, in this case President Theodore Roosevelt.

Ivan Pavlov conducted experiments which dealt with conditioning dogs’ behaviour to salivate at the sound of a ringing bell and thus the expectation of food. The use of sound can also train humans – an angry or kindly voice, loud noises, music, etc. Pavlov’s ideas played a large role in the Behaviourist theory of human psychology.

References

In *The Law*, Frederic Bastiat eloquently dealt with the subject of voting. The full text of this book may be seen at: http://www.bastiat.org/en/the_law.html.

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Chapter 26

True Believer

As the applause began to fade, Joe Candidate just stood there motionless. Eager to keep the action rolling, Showman Phil tapped Joe on the arm and nudged him toward the exit. Joe just smiled and wouldn't budge. So Phil raised his arms to silence the audience.

Joe spoke up. "I have someone I want you to meet."

"Sure, Joe, of course, but we don't have much time."

"It'll only take a minute. I have to tell you about one of our generic voters – our number one generic voter." Joe turned to the side and motioned to someone offstage. No one appeared but Joe continued to gesture gently, as if coaxing a shy toddler. Finally, a pale, elderly woman appeared, at first gripping a fold of the curtain, then tentatively stepping forward.

Phil immediately dashed over to welcome this small figure and pull her forward. "Ladies and gentlemen," said Phil nervously, the shyness of the woman showing up his false enthusiasm, "aren't we lucky to have a bonus today? And who have we here?"

The old woman, wearing a simple black-and-white checkered dress, made Joe look like a caricature. Her pale face was nearly expressionless, her eyes blank and empty. Her salt-and-pepper grey hair was neatly combed over her ears. She gripped a little black-and-white bag tightly as if it held her most valuable treasures.

When she reached Joe, he began to speak evenly. "As you know, Phil, the island's voting record has been dismal for years, but that hasn't discouraged our guest, Phoebe. Phoebe just happens to be the record-breaking voter in Corrupmo!"

Phil's eyes widened in astonishment. "Oh, I know about you! I've heard so much about you, ma'am. This is none other than the reigning voter of all time; the record holder of balloting; the champion of island mandates. Ladies and gentleman, we are truly blessed with the presence of none other than, Phoebe Simon!"

Again, the crowd responded to its handlers with generous applause, though some were sneaking out the back door. Others covered their yawns behind their programmes.

“Phoebe,” said Showman Phil, “I have a question that I’m sure is on everyone’s mind?” And he paused. Stillness descended on the auditorium. Projecting his voice so that everyone would hear, he said, “Why do you vote so consistently?”

With a look of pure innocence, Phoebe replied in a soft, sweet voice, “Well, sir, it’s my duty to vote – this is what the Council tells me. They say it doesn’t matter who I vote for, so long as I vote. So, I vote. I have voted in every single election since I was first eligible fifty years ago today.”

“Wow!” replied Phil. “Fifty years! Isn’t that incredible, folk!” Once again the audience clapped. “But let me ask you the ultimate voter question, Phoebe. There’s a saying: ‘The lesser of two evils is still evil’. Now tell me truthfully, Miss Simon, do you vote even when you don’t like any of the candidates?”

“All the time, sir. My daddy once told me that if I didn’t vote, then I’d have no right to complain about elected officials. I vote to protect my right to complain.”

“How about that, folks! Now tell me honestly, Miss Simon, do you believe Joe’s promises?”

“Of course, I believe. I always believe. If I didn’t believe, why would I vote for him?”

“Do you know what the pundits are saying about you? They claim that you are the last true believer on Corruppo?”

“Yes, sir, I’ve heard about them.” Phoebe replied almost too softly to be heard. “I believe them, too. I believe you. I believe everyone.”

Turning to the crowd, Phil placed a hand over his heart and exclaimed, “Ladies and gentlemen, have you ever heard anything so tender, so childlike. Isn’t it wonderful that innocence can still be found on our all-too-cynical island?” Then returning to his guest he asked, “And, Phoebe Simon, did your representative ever fail you?”

“Oh sure,” shuddered Phoebe. “He always fails. Time and time again. He has hurt me so many times. But I stand by my

representative, no matter what.” She seized Joe’s arm and pressed tightly to him. “And I will forever. I can’t imagine life without Joe and all my ex-reps before him!”

Then someone from the audience shouted, “Why believe after so much heartache?”

She looked at Joe painfully and replied, “I believe that he is good at heart. He means well. I believe he can change – I can help him change. I believe that deep down he really cares about me. He just doesn’t understand me.”

“Aaah!” sighed the audience in unison.

“Folks, this brings tears to my eyes. But, Phoebe, these are tears of concern as much as of joy. Some in your family have tried to get you to join Voters Anonymous.”

“Oh no, sir!” she said shrinking. “Voters Anonymous is for people with a problem. I don’t have a problem. Do you think I have a problem?”

“Phoebe, some experts declare that abused voters always keep returning to their reps no matter how much they suffer.”

Looking up at Joe trustingly she asked, “Do I have a problem, Joe? I don’t think so.” Seeing him smile, she gushed, “I stand by my rep.”

A bell rang off stage alerting Phil that they were out of time. Phil shouted for all to hear, “Where would we be without true believers like Phoebe Simon? Well, ladies and gentlemen, that’s all the time we have. Thank you so much for joining us. Let’s all show Phoebe Simon and Joe Candidate how much we love them both!”

The crowd broke into an enthusiastic cheer, happy that the real show was about to begin.

*Democracy becomes
a government of
bullies tempered by
editors.*

Ralph Waldo
Emerson

*We go by the major
vote, and if the
majority are insane,
the sane must go to
the hospital.*

H. Mann

Brainstorming

- Why do voters usually vote for incumbents?
- Are politicians trustworthy?
- Does one have a right to complain about politics if one does not vote?
- Is there any parallel between the behaviour of abused spouses and abused voters?
- Ethical issues?

Commentary

Confusion can occur between “the right to vote” and “a duty to vote”. Every citizen has the right to be allowed to vote, but there is not a duty to do so.

Why do people vote for the same candidate or party at each election? Sometimes it is because their parents did (traditional), or because “everyone” in that community does (fashionable). Some people are just too busy trying to keep their lives together to “be bothered” about politics (uninterested).

Sometimes a party becomes frighteningly powerful and people are fearful. Those people who do not enjoy making their own decisions or who dislike change (even if it is an improvement) will vote for the strongest party in order to keep the established order. In some societies conflict is distasteful, so it is felt that voting for the strongest party is a way of keeping society amicable.

Voting or not voting is a personal choice. There is no duty to vote. Voters who feel limited or unhappy about their choices, or feel voting has become meaningless, may decide not to vote. However, even if you do not vote, you still have the right to make a complaint. Intentionally *not* voting is also a valid statement to make. However, it could be a protest *or* apathy, for which rulers sometimes hope.

*You do not rent your
life from others who
demand your
obedience.*
Extract from
Jonathan's Guiding
Principles.

In desperation, others show their disapproval by making the effort to vote and spoil their ballot paper on purpose. However, politicians could construe this as being the voters' ignorance of voting procedure.

Some people vote because it is the only means of self-defence they have against the impositions of the state. Few of these people believe that the person or party for whom they are voting will actually carry out their promises. Thinking back to the poster promises from the previous election would make it clear that promises were not kept. Despite the harmful lies, some abused voters, like abused spouses, often keep returning to vote for the biggest, strongest party.

Most people prefer to make up their own minds, but this can be difficult when governments use their power of control and intimidation to influence reports, radio, television, and universities. People in the government-owned or subsidised media often promote government propaganda because government provides their bread and butter.

Some voters choose to prevent a certain amount of future abuse by voting for a party other than the strongest party (or parties). Increasing the influence of smaller parties can upset the collusion tactics between powerful politicians and special interest groups. This prevents the established "old order" from becoming entrenched. With this option, voters might prevent a dictatorship of one person or one party. Political competition might result in less corruption, fewer restrictive laws, and more individual freedom.

Background

Simon from the game "Simon Says".

References

For the psychology of voting, see *A Liberty Primer* by Alan Burris.

Chapter 27

According to Need

A great fanfare from trumpets and a resounding drum roll silenced the crowd. Showman Phil lifted his arms toward the audience, “You parents out there have been waiting long enough. Here’s our finale. Your child’s twelve-year trek is about to end. It’s the Graduation Game!”

Organ music filled the great hall and side doors suddenly opened along the aisles. Through them marched students in mortarboards and long black gowns. The crowd broke into another raucous round of applause occasionally interspersed with whoops and yells.

Jonathan whispered to a woman who was standing next to him, “What’s the Graduation Game?”

She half-turned her head toward him and replied, “This is a contest among the youth of our Council schools.” She paused briefly to listen to the announcements and then continued, straining to be heard over the noise. “It’s the culmination of one’s formal education. Until now, the purpose of a formal education has been to demonstrate the importance of hard work and diligent performance in the pursuit of knowledge. Tonight we honour the top students for their competitive success and outstanding achievements. But the ultimate prize, not yet awarded, is the Valedictory Trophy that goes to the winner of the Graduation Game.”

Squinting at the stage, Jonathan saw a thick figure that looked familiar. “Who’s that greeting the students as they step forward?”

“Why, that’s Lady Bess Tweed. Don’t you recognize her from the newspapers? She’s our distinguished speaker. As a member of the Council of Lords and the queen of politicians, she’s the guest of honour, as always, and she loves the publicity. Her profession is simultaneously the most revered and the least respected in the island. So, she’s perfect for the Graduation Game.”

“How’s the game played?” asked Jonathan.

“It works like this.” said the woman, pressing close to Jonathan’s ear. “Lady Tweed gives one of her usual prepared political speeches. The students write down all the phrases that directly contradict what they have practised or learned in school. The one who finds the most contradictions is declared the winner of the prestigious Valedictory Trophy. Shhhh, Lady Tweed has begun. Listen.”

“...thus, we have learned about the virtues of freedom,” bellowed Lady Tweed. “We know how free will and personal responsibility lead to maturity and growth. There you have it and that is the pressing situation for our fine community. People throughout history have always sought liberty. How wonderful it is that we now live on a free island”

The woman pointed to the students behind Lady Tweed on the stage. “See how they are writing furiously. Oh, so many points to rack up!”

“Did Lady Tweed contradict what the students were taught in school?” asked Jonathan.

The woman snickered, “Free will? Nonsense. School is compulsory. Kids are forced to attend and everyone is forced to pay for it. Now hush!”

“..... and we are fortunate to have the . . . finest schools imaginable, especially as we face the harsh times that are forecast by our best economists,” said Lady Tweed in ringing tones. “Our teachers are the model of exemplary behaviour for our students, shining a path to democracy and prosperity with the light of truth and knowledge ...”

The woman standing next to Jonathan grabbed his sleeve in excitement. She squealed, “My daughter is the third student from the right in the second row. She’s writing; she’s got all those points, I’m sure.”

“I don’t understand,” asked Jonathan. “What points?”

“Finest schools? Impossible to compare without choice. Lady Tweed privately sent her own children to the countryside for lessons, but authorities assigned our kids to the nearest Council school. Model teachers? Ha! Students must sit quietly and take orders for twelve years. In return, they get letter grades and paper stars. If a teacher got paper stars instead of a pay-cheque, he’d call it slavery

and go on strike! ‘Shining a path to democracy’? No way! What they practice in class is autocracy.”

Lady Tweed bowed her head humbly, “... you have arrived at this milestone in your life. Each of us realizes that ours is but one small voice in the great human chorus. We know that fierce competition and a ruthless, greedy struggle to reach the top is unsuitable in today’s world. For us, the noblest virtue is sacrifice. Sacrifice to the needs of others, to the multitudes who are less fortunate ...”

The women almost shrieked with delight. “Look at those students go! What a gold mine of contradictions! ‘Great human chorus’? ‘Sacrifice’? In school, they were always taught to excel, to be their own personal best. And Tweed, herself, is no slouch. She’s the loudest, most demanding and unscrupulous of the lot. She has succeeded in clawing her way into the leadership by every cunning trick imaginable. These students know that they didn’t get to this stage today by sacrificing their grades to the incompetent students around them.”

Jonathan just could not figure this out. “You mean, in school the students are told to excel personally. And yet, upon graduation, Lady Tweed tells them to sacrifice themselves to others?”

“Now you’ve got it,” replied the woman. “Lady Tweed preaches a changed world for graduates. From each according to ability and to each according to need. That’s their future.”

“Couldn’t they try to be consistent and teach the same thing before and after graduation?” asked Jonathan.

“The authorities are working on that,” said the woman. “The schools function on an old-fashioned tradition that awards high grades for the best performance. Next year they plan to reverse the grading system. They plan to use incentives and rewards to prepare students for the new reality. Grades will be awarded on the basis of need rather than achievement. The worst students will get A’s and the best student will get F’s. They say the worst students have more need of good grades than the best students.”

Shaking his head, Jonathan repeated her words to make sure he had heard them correctly, “The worst students will get A’s and the best students will get F’s?”

“That’s right,” she nodded.

“But what will happen to performance? Won’t everyone try to become more needy and less able?”

“What matters, according to Tweed, is that this will be a bold, humanitarian act. The best students will learn the virtue of human sacrifice and the worst students will be instructed in the virtue of assertiveness. School officials have also been urged to adopt the same plan for teacher promotions.”

“How did the teachers like that?” asked Jonathan.

“Some loved it and some hated it. My daughter tells me that the better teachers threatened to quit if the plan is adopted. Unlike the students, the teachers still have the luxury of that choice – for now.”

From each according to ability; to each according to need.
Karl Marx

It's time to admit that public education operates like a planned economy, a bureaucratic system in which everybody's role is spelled out in advance and there are few incentives for innovation and productivity. It's no surprise that our school system doesn't improve: It more resembles the communist economy than our own market economy.

Albert Shanker,
President of the
American Federation
of Teachers

Brainstorming

- Would students' performance change if bad scores were given high grades and vice versa?
- Can economic systems operate like this?
- Is a teacher the best model for students to imitate as they grow up?
- Should all citizens be forced to pay the salaries of teachers?
- Do schools contradict life in the real world?
- Would teachers accept the incentives offered to students?
- What happens when the most needy are given the most rewards?
- What ethical issues are raised in this chapter?

Commentary

Why are people invited to speak at graduation ceremonies? Sometimes these guests are very accomplished individuals, models of achievement in business, the arts, sports, or science. But frequently politicians are invited to address ceremonies. This is an odd choice since surveys of public opinion frequently indicate a very low respect for the honesty and integrity of politicians. Yet, politicians are also much admired for their celebrity status and for their ability to provide tax funds or political favours for educational institutions.

Politicians are models of contradiction because their words so often conflict with their actions or with the system they represent. Politicians say that they are preparing young people for democracy, yet this is in sharp contrast to the authoritarian environment of the classroom. They say that education is preparing young people for life in a society dedicated to freedom and independence of thought. Yet the funding and attendance are both compulsory.

It is odd that nearly everyone still entrusts the decisions on education of children to the government instead of to the family.

Ken Schoolland in his book review of *Separating School and State* by Sheldon Richman

Politicians boast of their devotion to quality education, yet there is no way of knowing or achieving quality without comparison and freedom of choice. Young people are scolded for their lack of motivation, but “letter grades and paper stars” give little reason to be motivated. Meaningful incentives are absent from the one-size-fits-all government monopoly school. Letter grades and paper stars would not be sufficient to motivate teachers and politicians to go to work every day.

It is dangerous to have only one source of schooling – where the government is master and the parents and students are treated like servants. The consumers of education services need to be allowed freedom of choice concerning education. If tolerance is the acceptance of diversity, then tolerance of variety is important in education.

In a voluntary education system, people only pay for schools, teachers, and books that provide value. Competitive incentives between schools would ensure that a variety of education is offered at competitive prices with the best customer service and innovation. This would lay the foundation for learning that would be well suited to the learner’s interests.

What is the life that awaits young people when they graduate from school? The political system forcibly taxes the earnings of productive people in order to give wealth to unproductive people. This follows the Marxist dictum, “From each according to ability; to each according to need.”

Learning does not need to be expensive to be effective. However, with a lack of choice and with perpetual state indoctrination, all students, including the poor, lose.

Remarks

These chapters about the educational system are frequently ranked among the students' favourites!

References

One of the best books on the history of education in America is Sheldon Richman's *Separating School and State*. It reveals the ulterior motive behind the adoption of compulsory government schools.

In the classic novel *Atlas Shrugged*, Ayn Rand tells the story of the Twentieth Century Motor Company, and of what happens when it tries to apply the principle, "From each according to ability, to each according to need!", to the payment of workers. Rand's philosophy of Objectivism asserts that each individual has the right to pursue his or her own dreams. This pursuit of personal interest improves the lives of everyone in the market.

Mary Ruwart shows how the poor can be educated in *Healing Our World in an Age of Aggression*.

In *South Africa – The Solution*, Nobel prize nominees Leon Louw and Frances Kendall put forward the idea of a voucher system for education.

Doug Thorburn's book, *Drunks, Drugs & Debits: How to Recognize Addicts and Avoid Financial Abuse*, deals with personal responsibility. It reveals the folly of sacrificing responsible personal behaviour to irresponsible personal behaviour.

Shogun's Ghost: The Dark Side of Japanese Education, by Ken Schoolland, focuses on education as does his article: <http://www.jonathan.gullible.com/Shogunize>.

For education and child policy see: <http://www.cato.org/research/#domestic-issues>.

☺ *We don't want no education, we don't want no thought control, teacher leave them kids alone.*
Pink Floyd

Chapter 28

Wages of Sin

Jonathan left the cheering mob in the Palace auditorium and wandered down a long corridor. At the far end, rows of people sat on benches, all chained together with leg irons. Were these criminals awaiting trial? Perhaps the officials here might be able to recover his stolen money.

To the left of one bench was a door with the title, “Bureau of Hard Labour.” At the far side of the bench uniformed guards stood talking quietly, ignoring their passive prisoners. The sturdy chains on these captives ensured that there was little hope of escape.

Jonathan approached the nearest prisoner, a boy of about ten who looked not at all like a criminal. “Why are you here?” asked Jonathan innocently.

The boy looked up at Jonathan and glanced sneakily at the guards before answering, “I was caught working.”

“What kind of work could get you into trouble like this?” asked Jonathan, his eyes wide with surprise.

“I stocked shelves at Jack’s General Merchandise Store,” replied the boy. He was about to say more, then he hesitated and looked up at the grey-haired man sitting next to him.

“I hired him,” said Jack, a sturdy middle-aged man with a deep voice. The merchant still wore the stained apron of his trade – and leg irons attached to one of the boy’s legs as well. “The kid said he wanted to grow up and be like his dad, a manager at the factory warehouse. Nothing more natural than that, you might say. When the factory closed, his dad had trouble finding a job. So I thought a job for the boy might do his family some good. I have to admit it was good for me, too. The big stores were driving me into the ground and I needed some cheap help. Well, it’s all over now.” A look of resignation crept over his face.

The young boy piped up, “At school they never paid me to read and to do arithmetic. Jack does. I handled inventory and the books

– and Jack promised if I did well he'd let me place orders. So I started reading the trade journals and notices. And I got to meet folks, not just the kids at school. Jack promoted me and I helped my dad pay the rent – even earned enough to buy a bicycle. If I was paid nothing, I would've been praised for volunteering. But I got paid so now I'm busted," his voice trailed off as he stared at the ground, "and I've got to go back to make-believe."

"Make-believe isn't so bad, sonny, when you consider the alternative," declared a hefty, jovial man with a basket full of drooping white gardenias. He wore chains attached to the other leg of the boy. "It's tough to make a living. I've never liked working for anyone else. Finally, I thought I had it made with my flower cart. I did pretty well selling bunches of flowers in the Town Square. People liked my flowers – the customers, that is. But the shopkeepers didn't much like the competition. They got the Council of Lords to outlaw 'hawkers'. A hawker! Yes, that's what they call me because I can't afford a shop. Otherwise I'd be a 'shopkeeper' or a 'merchant.' I don't mean any offense, Jack, but my kind of selling existed long before your shop. Anyway, they called me a nuisance, an ugly eyesore, a bum, and now an outlaw! Can you figure me and my flowers being all that? At least I wasn't living off charity."

"But you sold right on the pavement," responded Jack. "You've got to leave it open for my customers."

"Your customers? You own the customers, Jack? Yes, sure, I was on Council property. It's supposed to belong to everyone, but it doesn't, right Jack? It really belongs to those favoured by the Lords."

Jack scoffed, "But you don't pay the steep property taxes that we have to pay as shopkeepers!"

"So who's to blame for that? Not me!" retorted the peddler irritably.

Jonathan intervened with a question, hoping to cool the debate. "So they arrested you on the spot?"

"Oh, I got a few warnings first. But I didn't care to dance to their tune. Who do they think they are – my masters? I'm trying to work for myself, not some nosey boss. Anyway, the zoo's okay. I don't have to work and I get three squares a day and a room at the shopkeepers' expense. Oddly enough, the warden thinks he's doing

me a favour. He says he's going to rehabilitate me so I can make a contribution to society. He's talking taxes, not flowers."

The young boy began to whimper. "Do you think they'll send me to the zoo, too?"

"Don't worry, kid," soothed the flower seller. "If they do, you're sure to learn a *really* practical trade."

Jonathan turned to a group of women wearing overalls who sat next in line. "Why are you here?"

"We have a small fishing boat. Some official stopped me as I lifted some heavy crates down at the dock," said a wiry, rugged woman with piercing blue eyes. "He told me I violated the safety regulations for women." Motioning to her companions, she added, "The regulations supposedly protect us from abuse in the work place. The officials shut us down twice, but we sneaked back to the docks to get the rigging ready for the coming season. They caught us, again, and said that this time they're going to protect us really good – behind bars."

She wondered aloud, "What will they do with my son? He's only three and he weighs more than those crates that I lifted. Nobody complained when I carried him around!" Fighting back her tears she added, "Now they'll have to find someone else to carry him."

"Finding someone else is not so easy," said a man whose full beard barely concealed a pockmarked face. Elbowing the youth next to him on the bench, he said, "George has been working part-time for me two winters in a row, a sort of apprentice. He helps to keep my barbershop clean and gets the customers ready. When I tried to teach him the trade, we got into trouble because he's not yet a member of the union." He threw up his hands in exasperation.

Young George, with a mournful look on his face, lamented, "At this rate, and now with a court record, I'll never get my licence."

Brainstorming

- For what reasons are people arrested?
- Why are people helped or hurt by this?
- When is it wrong to want to work?
- Do volunteers violate minimum wage laws?
- Are schools or prisons better for people than the workplace?
- Ethical issues?

Commentary

Who owns our lives? Are we able to make decisions for our lives or must others make these decisions for us?

Usually we hear politicians praising the virtues of work, but in many ways they pass laws that prevent people from working. It is natural for young people to imitate their elders. While some youths may learn well in the classroom, others are best motivated by the same monetary rewards that motivate their teachers and parents. Why, then, do politicians tell young people that work is harmful and illegal for them throughout their youth, then, at some “magical age,” work suddenly turns from being a crime to being a virtue?

At about this same age some countries force young people to work “patriotically” for their country for a certain period of time. Conscription, either in the medical field or in industry, insinuates that people are the property of the state. Even worse is military conscription that requires young people to do the fighting that is decided by politicians. Young people are told that obedience to authority is good preparation for democratic life. Nothing could be further from the truth.

Laws to criminalize work are the creation of influential special interest groups, which use the pretext of caring to eliminate competition in the workplace. This was the origin of laws that claimed to “protect” women, thus excluding them from competition with men. This was also the

Human nature is not a machine to be built after a model, and set to do exactly the work prescribed for it, but a tree, which requires to grow and develop itself on all sides, according to the tendency of the inward forces which make it a living thing.

John Stuart Mill,
1859

When faced with the problem of poverty, most people ask what the government can do about it. Instead it is more appropriate to ask what the government did to create the problem in the first place.

Ken Schoolland in his paper *The State, Obedience Training, and Young Rebels: In Defence of Youth Rights*

origin of laws to exclude street traders from the pavements in front of shops. In addition, it is the origin of licensing laws that exclude specialised workers who are not members of exclusive unions or guilds.

Freedom of choice is the best protection of the workers. Willing employers and willing workers rightfully make the best decisions for themselves.

Remarks

Economist Walter Williams said that minimum wage laws had the same effect as the Jim Crow laws: harming economic opportunities for blacks in South Africa. He said this was why the white's only unions used to call for higher minimum wages for blacks – because it made blacks less competitive in the market and ensured jobs for whites. Minimum wage laws serve to take the bottom rungs off the economic ladder, so employees must pay for training schools instead of employers paying workers to be trained on the job.

Is someone really better off unemployed, than having a job at below the minimum wage?

References

Mary Ruwart, in her book *Healing Our World*, deals with how we create poverty in a world of plenty by destroying jobs. We do this when we use *aggression*. The misguided attempt at increasing the wealth of disadvantaged workers by law usually succeeds in making them poorer.

Alan Burris' *A Liberty Primer* is a great reference.

Milton and Rose Friedman's *Free to Choose* also has material on this.

Articles by Ken on this subject include:
<http://www.jonathangullibe.com/REBELS>
<http://www.jonathangullibe.com/KidStrike>

Chapter 29

New Newcomers

“**Y**ou think you have problems?” said a haughty looking woman, clearly distressed that she was chained to people she considered her inferiors. On the verge of tears, she pressed a fine lace handkerchief to her eyes and said, “When the press finds out that I, Madam Ins, am under arrest, my husband’s career will be finished. I never thought I was doing anything so wrong. What would you have done?”

Embracing a young couple chained next to her, Madam Ins continued, “Years ago, I had a big home, three growing kids, and I wanted to get back to my career. My neighbour travelled a lot so I asked him to keep an eye out for people who might help with my household. He highly recommended Jiyo and Shar, so I hired them immediately. Shar is wonderful with the garden and carriage. She can fix anything around the house and does endless errands.”

“And Jiyo, such a dear, has been my lifesaver. He’s so good with the children. He’s always there when I need him. He cooks, cleans, cuts hair – does a thousand and one chores better than I ever could. My boys are crazy about his cookies. When I get home I can relax with my husband and play with the children.”

“Sounds like help that everyone would love to have,” said Jonathan. “What went wrong?”

“Everything was just fine at first. Then my husband got a new appointment to head the Bureau of Good Will. His opponents investigated our finances and found that we had never paid the retirement taxes for Jiyo and Shar.”

“Why not?” asked Jonathan.

“With taxes high and my earnings low, we couldn’t afford to at the time. And they’re not allowed to collect the retirement benefits anyway.”

Jiyo spoke up saying, “Report is very trouble for us.”

Shar poked Jiyo and whispered, “Careful, Jiyo. Much risk.”

To his wife, Jiyo replied bravely, “Madam help us. We help her now.” Then to Madam Ins he said, “You save our lives. We come from home island of El Saddamadore. Very bad hunger and very bad war. We no choice – leave, hunger or be killed. So we come Corrumpto. Madam no help us, we die.”

“This true,” said Shar, in a mild voice. “Now sorry we give Madam trouble.”

Madam Ins heaved a great sigh and said, “My husband will lose his promotion to the Bureau of Good Will and maybe his old job, as well. He has been the head of the Us First Commission, promoting national pride. His enemies will accuse him of hypocrisy.”

“Hypocrisy?” asked Jonathan.

“Yes. The Us First Commission discourages new newcomers.”

“New newcomers?” repeated Jonathan. “Who are the *old* newcomers?”

“Old newcomers? That’s the rest of us,” said Madame Ins. “This is an island. Over the years, all of our ancestors came from somewhere else as newcomers, either fleeing oppression or trying to improve life. But new newcomers are recent arrivals. They’re banned by the Pulluptheladder Law.”

Jonathan swallowed uneasily. He dared not think of what would happen if the authorities discovered that he was a new newcomer as well. Trying to sound only mildly interested, he asked, “Why don’t they want new newcomers?”

The fisher woman interrupted, “New newcomers are allowed if they spend money and leave right away. They’re tourists or businessmen. But the Council of Lords worries about poor new newcomers, ones who might stay. Many work harder, longer, cheaper, smarter, or at greater risk than the locals. They’ll do chores that Madam Ins wouldn’t touch.”

“Hold on just a minute!” said Jack. “There are plenty of legitimate complaints against new newcomers. New newcomers don’t always know the language, the culture, or the manners and customs of our island. I admire their spirit – they’re gutsy to risk their lives to come here as strangers – but it takes time to learn everything and there’s not enough space. It’s more complicated than when our ancestors fled the far islands.”

Jonathan thought about all the space he had seen on Corrumpto, all the uninhabited forests and open fields. Most people avoided the wilderness and preferred the crowds and activity of city life.

Then Madam Ins answered Jack, “My husband made those very same arguments against new newcomers. He always said that new newcomers must first learn our language and customs before they can be allowed to stay. They must also have money, skills, self-sufficiency, and they shouldn’t take up any space. My husband drafted a new law to identify and deport people that didn’t qualify, but there was a glitch. The description of illegal new newcomers applied more to our own kids than to talented people like Jiyo and Shar.”

Two men in stiff uniforms barged through the doors, each man being tugged by a ferocious black dog on a leash. They marched directly up to Madam Ins, who shrank in fright from the dog’s heavy panting and drooling fangs. One of the men motioned for the guard to unlock her leg irons. In a deep monotone, he read from a document, “Dear Madame Ins, We wish to axtend ...” He paused to show the letter to the other man, whispered, then started again. “Dear Madame Ins, We wish to *extend* our sincere apologies for this unfortunate misunderstanding. Madame Ins, you can be assured that this whole matter is being taken care of at the highest levels.”

Visibly relieved, she hastily followed her escorts down the long hall without daring to look back at Jiyo or Shar. The rest watched in dead silence that was broken only by the clank of a restless chain. Once Madam Ins was out of sight, the guards turned on Jiyo and Shar, unlocking and separating them from the group and from each other. Roughly shoving them in the opposite direction, the guards yelled, “Off you go, scum. Back to where you came from.”

“We no harm!” pleaded Shar. “We die!”

“That’s none of my doing,” grumbled the guard.

The fisher woman waited until they turned down the stairwell and the door slammed behind them, then she mumbled under her breath,

“Yes it is.”

Jonathan trembled slightly, thinking of the fate that lay ahead for the couple and maybe even for himself. He looked up and asked the

woman, “So everyone on this chain is here because they weren’t allowed to work?”

Pointing down the row to one young man whose face was buried in his hands, the woman responded, “If you look at it that way, he’s the exception. The authorities insisted that he sign up to work as a soldier. He refused – so he got locked on this chain with the rest of us.”

Jonathan couldn’t quite see the face of the young man, yet he wondered why the town elders would require one so young to do their fighting for them. “Why do they force him to be a soldier?”

The fisher woman answered Jonathan, “They say it’s the only way to protect our free society.” Her words echoed in Jonathan’s ears, amidst the metallic noise of the chains.

“Protect from whom?” asked Jonathan.

The woman glowered, “From those who would put us in chains.”

Brainstorming

- Are border guards responsible for what happens to refugees who are turned away?
- What is the difference between newcomers and new newcomers?
- Why?
- Should young men be required to work for the military?
- Are there other examples?
- What ethical issues are involved?

Commentary

People move. Whenever they move to a new place they are referred to as “newcomers” until, over time, they have become established. When others come they are the “new” newcomers. It is a pattern that people around the world have experienced. Indeed, all of us have ancestors who have moved from one place to another because of fear or in order to take advantage of some opportunity.

Since this experience belongs to all of us, it is sad and tragic that people who are moving today are hated so much by those who are already established. Insightful people empathise and welcome newcomers. Fearful people shun and revile newcomers.

Not all newcomers are unacceptable. Wealthy tourists and businessmen are welcomed because it is hoped they will leave their money when they depart. Powerful people are always welcomed, even though they may have gained their wealth by very brutal and sordid means.

Newborn babies are always welcomed as citizens, even though they will be dependents for many years and have yet to learn skills, language, and customs. Newborns are not rejected even though some of them might one day turn to crime or might one day be in trouble, or “take” another citizen’s job. No, the potential

*To lose your freedom
is to lose your
present.*

Extract from
Jonathan’s Guiding
Principles

*Can we assume that
a thing is right if it
is legal? But slavery
was once legal;
Nazism was legal.
Well, can we assume
a thing is right if it is
endorsed by majority
rule? But a lynch
mob is majority rule.
R. W. Grant, *The
Incredible Bread
Machine**

problems are considered far less significant than the potential gains. Besides, newborn citizens are “just like us”.

People fear newcomers because of insecurities. They fear that employers might prefer to hire the newcomers. They fear that their children might prefer the newcomers as friends, associates, and mates. They fear the changes that newcomers might bring. These fears are considerable, but not as considerable, or as justified, as the fears that newcomers have about the place from which they are fleeing.

People usually move from areas of high tyranny to areas of relatively lower tyranny. Among those who move, it is the most courageous who leave everything that is familiar to go to a place where the language and customs are unfamiliar and the people potentially hostile.

When slavery existed, those who helped them escape to freedom were violating the law. The law required that these slaves be returned to their masters. Today people commonly accept that in the 19th century it was inhumane to return the people to cruel masters. Today there are many tyrannical nations. Isn't it still inhumane to return these people to government masters?


The humane way to help people under oppressive rule is to welcome them to our country and to restrict the entry of their oppressive rulers.

Background

Part of the inscription on the American “Statue of Liberty”, the first sight for immigrants to the United States, reads:

*“... And her name Mother of Exiles. ...
Give me your tired, your poor,
Your huddled masses yearning to breathe free,
The wretched refuse of your teeming shore.
Send these, the homeless, tempest-tossed to me:
I lift my lamp beside the golden door.”*

Love thy neighbour.
 Jesus
 (A sentiment
 common to many
 religions)

 *We can laugh
 at many things, but
 there is nothing funny
 about being beaten
 up at home, going to
 your neighbour's for
 shelter, only to have
 them send you back
 for more punishment.*

“The tiny country of Switzerland took in more Jewish refugees than the United States took in refugees of all kinds,” said Dr Stephen P. Halbrook at the signing of his book, *Target Switzerland: Swiss Armed Neutrality in World War II*.

In the US, the Department of Immigration is known as Immigration and Naturalization Service, (INS).

References

Mary Ruwart's *Healing Our World*, Chapter 4, “Eliminating Small Businesses”: “...only in America could penniless immigrants become affluent by starting their own businesses. Today our aggression keeps the disadvantaged from following in their footsteps.”

In “Why Open Immigration?” a presentation at the International Society of Individual Liberty World Conference, Mexico 2002, Ken Schoolland argued: “Opponents of immigration express the fear that people will give up everything that is familiar to them, take all the risks of the journey, and face all the hostility of a new culture, because they are too lazy to work. There are some high profile exceptions, but most migration results from a desire for opportunity, not for welfare. People who are too lazy to work are also lazy to leave everything that is familiar to them to go to a place that is unfamiliar and potentially hostile.”

Ken Schoolland's talks on immigration/migration given at world conferences of ISIL may be read at:

<http://www.jonathangullible.com/Immigration>
<http://www.jonathangullible.com/Candlemakers>



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836-B Southampton Rd. #299, Benicia, California 94510-1960 USA
Tel: +(707) 746-8796 Fax: +(707) 746-8797 E-mail: isil@isil.org
World Wide Web: www.isil.org • www.free-market.net

Chapter 30

Treat or Trick?

The Palace of Lords had more rooms and halls than a labyrinth. Jonathan began to smell something delicious – coffee and fresh baked bread! He followed his nose down a corridor and into a great meeting hall where several elderly men and women stood arguing and angrily shaking their fists. Some held the hands of others who wept quietly.

“What’s the matter?” asked Jonathan, who noticed a huge basket sitting in the centre of the hall. It reached almost to the ceiling. “Why are you so upset?”

Most of the old folks ignored him and continued moaning and complaining to each other. But one serious fellow stood up slowly and approached Jonathan. “That uppity Lord,” he grumbled, “he’s done it again! He fooled us!”

“What did he do?” asked Jonathan.

“Years ago,” the old man remarked sarcastically, “High Lord Ponzi told us of a grand scheme to prevent anyone from ever going hungry in their old age. Sounds good, huh?”

Jonathan nodded in agreement.

“Yeah, that’s what we all thought, too. Humph!” he snorted with exasperation. “Upon pain of death, everyone, except that high and mighty Carlo Ponzi and his Council, received the order to contribute loaves of bread into this gigantic basket every week. They call it the Security Trust Basket. Those who reached sixty-five years of age and retired could start taking bread out of the Security Trust Basket.”

“Everyone except Lord Ponzi and his Council contributed?” repeated Jonathan.

“Yeah, they got special treatment,” responded the old man. “We had to put more of our own bread in a separate basket exclusively reserved for them. Now I know why they wanted their own kept separate.”

“It must be nice to have bread for your old age,” said Jonathan.

“That’s what we thought, too. It seemed such a marvellous idea because there would always be bread to feed the elderly. Since we could all count on the great Security Trust basket, most of us stopped saving any bread of our own for the future. Figured we didn’t have to help our family and neighbours either, since the Council would take care of us all.”

His shoulders slumped as if weighed down by the burden of a lifetime. The old man scanned the frail and aged group. He pointed to another elderly gentleman who was seated on a bench nearby. “One day my friend, Alan, watched people put bread in and take bread out of the big basket. Alan calculated that the Security Trust Basket would soon be empty. He used to be a bookkeeper, you know. Well, Alan raised the alarm.” Alan began to nod shakily.

“We went straight to that basket and climbed up the side. It took some doing, but we’re not as weak and blind as some of those young Lords think. Anyway, we looked in and discovered that the food basket was almost empty. The news caused an uproar. We told that High Lord Ponzi right then and there that he’d better do something quick or we’d have his hide at the next election!”

“Whew, I bet he was scared,” said Jonathan.

“Scared? I never saw anybody so fidgety. He knows we have a lot of clout when we get riled up. First he proposed to give the elderly even more bread, beginning just before the next election. Then he’d take more bread from the young workers, beginning right after the election. But the workers saw through his scheme and they got mad, too. Those young workers said they wanted to have bread now. They said their own pantries protected bread against mould and rats better than the Council’s big basket. And they don’t trust the Lords to leave the bread alone until they retire.”

“What did he do then?” asked Jonathan.

“That Ponzi always has a new angle. He then said that everyone should wait five years longer, until seventy years old, before they could start taking bread out of the basket. Well, this angered those close to retirement, those who expected to collect bread at sixty-five as promised. Finally, Ponzi came up with a brilliant new idea.”

“Just in time!” exclaimed Jonathan.

“Just in time for Election Day. Ponzi promised everybody everything! He’d give more to the elderly and take less from the young. Perfect! Promise more for less and everyone’s happy!” The old man paused to see if Jonathan could see what was happening. “The catch is that the loaves will be smaller every year. Yup. The loaves of bread will be so small that we’ll be able to eat a meal of a hundred loaves – and still feel hungry.”

“Darn crooks!” burst Alan. “When those loaves are gone they’ll have us eating pictures of bread!”

Brainstorming

- Why is bread put into the big basket?
- Why is the bread supply running low?
- What solutions are offered to fix the shortage?
- What is a better solution?
- How does this affect human behaviour?
- Are there examples in the world?
- Ethical issues?

Commentary

There is nothing unusual in having a group of people voluntarily agree to invest in a fund for future benefits. Mutual aid societies, pension associations, insurance and investment funds, have done this for centuries. The benefits are sometimes paid unequally to its members, depending on the agreement. Other groups such as families, religious organisations, and fraternity groups also agreed to pay out various amounts for education, medicine, and emergencies. These groups often form charities for the benefit of non-members. This has always been a natural part of society.

However, is it morally correct for people to be *compelled* to pay into such funds? Unfortunately, this has become the norm as many countries have adopted state run savings systems for retirement, unemployment, and health care, over which those paying in have no personal choice or control. Politicians decide who qualifies and how. Politicians siphon funds to their own pet projects, and they frequently establish privileged payment systems for themselves.

Generally, people comply with such illogical schemes because of government force. These schemes come under a variety of names such as “the National Pension Scheme”, “the Social Security System”, “the National Health Scheme”, “the Unemployment Fund”, or “the Government

The state is the great fictitious entity by which everyone seeks to live at the expense of everyone else.
Frederic Bastiat

*Your action on behalf
of others, or their
action on behalf of
you, is only virtuous
when it is derived
from voluntary,
mutual consent.*

Extract from
Jonathan's Guiding
Principles

Medical Aid Scheme". It is appropriate that these plans are sometimes called "schemes". Another meaning of the word "scheme" is to connive, to enter into a conspiracy, to intrigue, or to encourage illegality.

These schemes are a financial "tragedy of the commons" and are self-destructive.

Logic tells us that systems like these cannot last. The only way they can survive is either for people to be forced to put in more, or for the "needy" to be given less. Social welfare is not like free manna from heaven – someone has to pay for it.

When money is forcibly taken from producers and given to non-producers, production falls and there is less for everyone. If money is left with the rightful owners, that is producers and earners, then it would be used in a manner that creates more prosperity and jobs.

When people save for their own future needs, they become independent. However, when governments pretend to do this for them, people become dependent on governments – which is a condition politicians greatly prefer.

People free to choose are more capable of taking care of themselves and of others, than people who are not free.

The idea of a “trust fund”, in which money is accumulated for retirement, is a deliberate hoax used to disguise the true nature of “Social Security”. It bears no relation to a private pension, annuity or insurance plan.

Alan Burris,
A liberty Primer

☺ *Our grandchildren are going to have a hard time paying for the good times we didn't have.*

Background

“Bread” is the American slang for money.

This chapter is about the politicians’ version of Trick or Treat. At Halloween, children in America dress up in scary costumes and go from door to door demanding a treat. If they don’t get a treat they threaten to play a “violent” trick on the household that denied them.

Certain “Social Security” schemes are compared with the Ponzi Pyramid Scheme. (See the Charles K. Ponzi website at: <http://www.mark-knutson.com>.)

Alan Greenspan is head of the US Federal Reserve Bank – some bookkeeper! Greenspan was once a friend of philosopher Ayn Rand, author of *Atlas Shrugged*, but he later abandoned the principles of sound money that they had both espoused. By creating an enormous amount of new government money, Greenspan contributed to a bubble economy that went bust. In this manner, and by inflating the currency, he devalued the money that people put into savings. This is comparable to the smaller loaves of bread in the Great Bread Basket.

Since the late 20th century Ireland spends less on social welfare than any other country in the European Union. Spending more would have reduced Ireland’s dramatic growth. Growth benefits *all* Irish citizens – the “rising tide raises all boats”.

References

Capitalism: the Unknown Ideal by Ayn Rand, with additional articles by Nathaniel Branden, Alan Greenspan, and Robert Hessen (1966).

Social Security (forced government pension) research may be seen at Cato Institute: http://www.cato.org/research/#domestic_issues.

Chapter 31

Whose Brilliant Idea?

“Hooray? Hooray!” shouted a man at the top of his lungs. Startled, the elderly men and women stared in amazement at this loud disruption. The intruder was perfectly groomed, sporting a finely trimmed moustache and wearing the latest gentleman’s fashion. He charged into the room, heading an entourage of men dressed in sleek dark suits, all carrying briefcases. They fawned over him as if their lives depended on him. Their leader strode over to the table for a cup of coffee, impatiently brushing off his followers with a haughty wave of his hand. Sheep-like, they withdrew to a corner of the room to await his summons.

“Congratulations,” said Jonathan, “for whatever you’re celebrating.” Jonathan felt compelled to pour coffee for this dandy, while studying the sharp lines and precision of his clothing. “Do you mind my asking why you’re so happy?”

“Not at all,” the gentleman said proudly. “Thanks for the coffee. Ow! It’s hot! Take a note of that, Number Two,” he said to a follower who rushed up and pulled a notepad from his pocket. Setting the coffee back down, the gentleman stuck his hand out to Jonathan saying, “My name’s George Selden. What’s yours?”

“Jonathan. Jonathan Gullible. Pleased to meet you.”

George shook Jonathan’s hand firmly. “Jonathan, today my riches are assured. I just won a decisive vote.”

“What vote?”

“By a vote of three to two, the High Court confirmed my letter patent for sharpmetalonastick.”

“What’s a letter patent?” asked Jonathan.

Thrusting his chest out proudly George declared, “It’s only *the* most valuable piece of paper on Corrumpto. The Council issued a letter giving me exclusive use of a revolutionary new idea for cutting timber. No one may use sharpmetalonastick without my permission. I’ll be filthy rich!”

“When did you invent this?”

“Oh, I didn’t come up with the idea. Charlie Goodyear, rest his soul, put the whole thing together and filed papers with the Bureau of Idea Control. He died before it came through and I paid Charlie’s widow a pittance for the rights to his claim. It’ll soon pay off!” Nodding over his shoulder at the flock of men huddled in the corner, George added, “Charlie couldn’t afford to hire that crew of lawyers on his own.”

“So, who lost the vote?” asked Jonathan.

“Lots!” George squinted at the ceiling, counting in his head. “Must be, well, at least thirty-four others claimed that they had thought of this thing before me, uh, before Charlie, that is. Some argued that it was the next logical discovery after stoneonastick. Ha! Charlie’s grandmother even filed a counterclaim, saying she made his discoveries possible. And some science fiction writer tried to horn in saying that Charlie stole ideas from him.”

George stopped long enough to blow on his coffee. “But this last court challenge was the toughest. The plaintiff claimed her father put metal to wood first. Can’t even remember her name now.”

Jonathan gulped, recalling his encounter with the tree workers. “Was the woman named Drawbaugh?” He remembered the first incident on the island with the woman tree worker.

“Doesn’t matter, really. What’s-her-name had more than twenty phoney witnesses testify that she had the idea long ago. Said her father was a born tinkerer. Said she and her father were simply trying to make her work a little easier. Then she played on the sympathies of the judges by arguing that, as a poor tree worker, she didn’t have money for patent fees and lawyers. But I spoiled it for her by revealing her recent arrest record. Shattered her credibility with the judges. Tough luck, huh?”

“Luck?” responded Jonathan.

“I suppose she wanted a place in the history books. Now, no one will ever hear of her.” Putting his cup down again, George leaned against the wall and studied the perfectly manicured nails of his right hand, clearly relishing his moment of triumph. “Each of these challenges has a different twist,” continued George. “Some say I can’t own the use of an idea – that it deprives others of freedom. But

the court says I can, because Charlie was the first to file and there's no place for latecomers. I own it for seventeen years."

"Seventeen years? Why seventeen years?" asked Jonathan.

"Who knows?" he chuckled. "Magic number, I guess."

"But if you own the use of an idea, then why does it end after seventeen years? Do you lose all your property after seventeen years?"

"Hmmm." George paused and took up his coffee again. He began to stir it pensively. "Good question. There's usually no time limit on property ownership, unless the Council takes it for a higher social purpose. Maybe there's a higher social purpose. Wait a moment." He raised his hand and Number Two promptly came running from his corner of the room. This puppy of a man practically bounced to George's side.

"What can I do for you, sir?"

"Number Two, tell this young friend of mine why I can't own a letter patent for more than seventeen years."

"Yes, sir. Well, it's like this. In ancient times the letter patent simply gave royal monopolies to friends of the monarch. Today, however, the function of a letter patent," said Number Two in a droning monotone "is to motivate inventors who, otherwise, wouldn't have any reason to invent useful things or to reveal their secrets. A century ago, a superstitious inventor persuaded the Council of Lords that six months less than two and a half seven-year apprenticeships allowed sufficient monopoly privileges to motivate inventors."

"Please correct me if I'm mistaken," said Jonathan, straining to understand. "You say that inventors are motivated solely by a desire to get rich by stopping others from using ideas?"

George and Number Two looked blankly at each other. George replied, "What other motive could there be?"

Jonathan found their lack of imagination a little depressing. "So every maker of sharpmetal onastick must pay you?"

"Either that or I produce them myself – a few at a time and at great expense," said George.

Number Two laughed nervously, glancing sideways at George. "Ahem, well that's still uncertain, sir. We have staff looking

into this already. You recall that we first have to deal with the bothersome Tree Workers Law prohibiting the use of new tools. Another meeting with Lady Tweed is scheduled later today. If we are successful at obtaining an exemption from the law, then perhaps the tree workers will make us an offer to sit on the idea for seventeen years.”

Returning to Jonathan, Number Two explained, “The tree workers have a quaint, but archaic notion that their use of an old idea should be protected from our use of a new idea. As they see it, we’re the latecomers.”

George was lost in thought. Speaking absent-mindedly he commented, “That Tree Workers Law is downright anti-progressive, don’t you think Number Two? I know I can count on you. You’re always ahead of the game.”

“But, sir,” persisted Jonathan, “what if you hadn’t won your patent in court today?”

In a grand embrace, George hugged both Number Two and Jonathan around the shoulders, marching them toward the door. “Young man, without a patent, you can bet that I wouldn’t be wasting time jabbering with you. I’d race for the best factory to turn out the best sharpmetalonastick faster than anyone else. And Number Two would be looking for another job. Right, Number Two? Maybe production, marketing, or research, instead of law. Every new sharpmetalonastick would have to carry the slightest innovation just to keep one step ahead of the pack!”

“Ugh! Sounds dreadful!” snickered Number Two.

“No. I’d find opportunity in another area of law – contracts or fraud, perhaps.”

*If I have seen further,
it is by standing on
the shoulders of
giants.*

Isaac Newton

*Ownership comes
from production. It
cannot come from
discovery.*

Henry George

Brainstorming

- Can one own the use of an idea?
- Do patents assure that inventors reap rewards?
- What rewards motivate inventors?
- Can patents obstruct innovation or liberty?
- Without patents, how would behaviour change?
- Can you think of up-to-date examples?
- Ethical issues?

Commentary

When a person invents a useful “1st-gadget” people will want to buy it and the inventor will profit. Inevitably someone else will make a cheaper or an improved “gadget mark 2”. Now everyone will want to buy the “mark 2” version and the person who invented the “1st-gadget” will lose a portion of his expected profits unless he makes a more attractive gadget. Of course there is nothing to stop “1st-gadget” inventor from improving on “gadget mark 2” and start selling “gadget mark 3”. In this way the world progresses and life gets better and easier for us all. Progress depends on what happens after the “1st-gadget” is invented.

The “1st-gadget” inventor is not obliged to share this invention to “improve the world”. No one can force him/her to share the idea. He could rightfully keep it to himself. However, if he reveals this knowledge to the world, then others may act upon that knowledge.

Will people be willing to share knowledge if others are able to make a bigger profit from an invention than they made? That depends on the motives of the inventor. People innovate for a variety of reasons, only one of which is financial reward. Any motive is satisfactory for a free person. Curiosity, hobby, generosity, fame, wealth, etc. are all valid motives.

*It has often happened
in the history of
human invention that
similar discoveries
are made at the
same time purely
independently
by people widely
separated in space
and conditions.*
Ludwig von Mises

Do the rewards of invention only go to the inventor? If “1st-gadget” inventor cannot stall its development, each new increment of innovation will be rushed to the consumer without delay. That may result in a far greater impetus for invention than the current monopolising patent system.

The “1st-gadget” inventor might wish to call on the government to use the law to prevent anyone else from copying or improving on his “1st-gadget”. He then has a patent on “1st-gadget” and nobody else may sell it or make improvements to it without paying him.

One problem is that it is impossible to invent something without using ideas of others who came before. Every inventor is building on ideas that came from an idea, sight, book, or invention that touched him. If this is so, how can the “1st-gadget” inventor be permitted to restrict other people’s freedom to use his invention for further inventions?

What about intellectual rights – the right to own the use of ideas? Do the rules for inventing “1st-gadget” apply to “1st-song”, “1st-film” and “1st-computer program”? Haven’t these originated from other people’s ideas and inventions of music, musical instruments, photography, computers, and programs?

Would there be more harmony and less aggression, more co-operative spirit and fewer disputes, without patents?

Remarks

Ken: This is an excellent and healthy debate. I am open to all the arguments and eager to find free market solutions.

This chapter was included largely to challenge the readers to new perspectives about government granted monopolies that may actually be infringements on individual freedom. In the absence of government enforced copyrights and patents, there could be sufficient guarantee of

rights and rewards by the enforcement of laws concerning contract and fraud.

Background

George Selden was a patent lawyer who bought up patents on horseless carriages (cars) and then threatened lawsuits against anyone who tried to produce these without getting a license from him. Finally, Henry Ford challenged him, lost the first case but in the end won against Selden in the appellate courts.

Patents do not guarantee profits for inventors. Charles Goodyear, after numerous experiments, discovered the benefits of vulcanised rubber. However, people dismissed his ideas as those of a crackpot and actively sought to destroy him. His patents were sold to others and he died a pauper.

Leonardo de Vinci wrote down many of his inventions in such a manner that the authorities of the day could not read them.

References

Alan Burris has a section in *A Liberty Primer* proposing free market protection of ideas.

Another good book on patents in communications is *Monopoly*, by Joseph Goulden. This book gives examples of how the legal system was used by those with power to gain the profits of patents.

In “Liberty on Copyrights,” an article in *The Agorist Quarterly*, Fall 1995, Wendy McElroy, discusses the pros and cons of this issue as debated over the years in that publication.

Intellectual property: <http://www.ipnetwork.net>.

Ken’s article on this subject: “An Open Marketplace of Ideas is the Best Mechanism for Reaching the Truth: Exercising the Mind” at <http://starbulletin.com/2002/11/03/business/bizcol.html>.

Individuals benefit from others' inventions and endeavours. As they improve on them they are raising the standard of living for themselves and the rest of us. To prevent this happening is to slow the rate of the solutions to the betterment of life.
Ludwig von Mises



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Chapter 32

The Suit

Seeing their leader, George, head for the door, the other men in the corner picked up their briefcases and followed close behind. “Number Two,” said George, “explain that problem of liability to me again, would you?” George wanted to show Jonathan how well his lawyers performed.

The whole bunch marched rapidly down the hall with George’s arms still slung around the necks of both Number Two and Jonathan. “You see,” said Number Two, “the metal piece may fly off the stick and hit some bystander. So we have to protect you and the other investors.”

“Protect me if the metal piece hits someone else? Whatever do you mean?” said George, feeding questions to the lawyer.

“The injured person might sue you in court, trying to get you to pay for damages – lost income, trauma, legal fees, etcetera, etcetera.” The group practically stepped on Jonathan’s heels as they tried to stick close to George. For the knee-walkers in the group, the pace was especially difficult, but they muffled their groans and consoled themselves with the thought of year-end tax returns.

“A lawsuit could ruin me!” said George, pretending to be alarmed and watching Jonathan’s reaction out of the corner of his eye.

Number Two continued, unaware that he was performing on cue. “So an ingenious new idea has been enacted by the Council of Lords to absolve you of personal responsibility for losses suffered by others.”

“Another new idea? Who owns the letter patent on that?” said Jonathan innocently.

Number Two raised an eyebrow, then proceeded, ignoring Jonathan’s question. “We file these forms and put the letters ‘Lpr.’ after your company name.” Without missing a step, Number Two

struggled to unbutton a folder to withdraw a stack of papers. “That reminds me, Mr. Selden, please sign on the line at the bottom.”

Jonathan was fascinated. “What is ‘Lpr.’?” he asked, stumbling a little to keep up.

“‘Lpr.’ means ‘Limited personal responsibility’,” said Number Two. “If Mr. Selden registers his company, the most he can lose to a lawsuit is the money he invested. The rest of his wealth is safe from victims. It’s a kind of insurance the Council sells for an additional tax. Since the Council limits the risk of financial loss, more people will invest in our company. And they’ll pay less attention to what we do.”

“At the worst,” commented George, “we can shut down the company and walk away. Then we start another one under a new name. Pretty clever, eh?”

In that instant, George’s eye caught sight of a stunning young woman coming down the hall. She had more curves than some thought should be legally allowed on a public street. As he turned to watch her pass, George tripped and tumbled pell-mell, jamming his perfectly groomed fingers into the wall. “Ow!” he cried in agony, his arms and legs sprawling in every direction. He tried to raise himself up from the floor and complained of a sharp pain in his hand and lower back. His lawyers swarmed over him in a frenzy, exchanging words frantically. A few helped gather items that had fallen out of George’s pockets while others busily jotted notes and drew diagrams of the scene.

“I’ll sue!” yelled George, holding his bruised and bloody fingers in a silk handkerchief. “I’ll crush the stinking lout who’s responsible for this obstruction in the floor! And you, young lady, I’ll see you in court for causing my distraction!” Quick as a flash, several lawyers darted over to the woman, calling for her name and address.

Shocked, the young lady purred haughtily, “Sue me? Do you know who I am?”

“I don’t care,” said George, glaring. “The bigger the better. I’ll sue!”

Trembling and fighting to control her anger, she countered, “You can’t do that! My boyfriend, Carlo, that’s *Carlo Ponzi*,” she repeated for emphasis, “says my beauty benefits everyone – that it’s a public good. He declared it so – he told me last night!” Instinctively, she

reached into her purse to find a mirror. What she saw displeased her. Her eye makeup looked smeared. “Now look what you’ve done to a public good! Carlo says that everybody should pay for public goods. He always puts my cosmetics on his expense account. Well, you’ll be sorry! Your taxes will go up because of this!” She stuffed the mirror back into her purse and stormed away in search of a powder room.

Feeling some sympathy for the woman, Jonathan asked, “Are you really going to sue her? How can she be blamed?”

Ignoring Jonathan, George crawled along the floor looking intently for a protrusion, evidence of negligence on someone else’s part. He stopped at an indentation and screamed, “That’s the cause, Number Two! Find out who’s responsible. I’ll have his job and every penny he owns. And what’s that female’s name?”

“Calm down, George,” said Number Two. “That’s Ponzi’s girl. Forget her if you want to repeal the Tree Workers Law. However, this building is Palace property. With the Lords’ permission, we can sue the taxpayers.”

George smiled broadly and exclaimed, “Number Two, you’re a genius. Put it on the agenda for Tweed! Of course, the Lords don’t care if we sue the Palace. The settlement money won’t come out of their pockets. We’ll even see that they get a share.” He wondered how much Lady Tweed would extract from him for this favour. George’s pain was fading rapidly. “This gives me a chance at the deepest pockets of all.”

“You’ll ask the Lords to pay for your injury?” asked Jonathan.

“No, you idiot,” retorted George. “The Lords have the ultimate Lpr. No, they’ll hand the innocent taxpayers to me on a silver platter. I’m going to collect big time!”

Brainstorming

- What is liability?
- Is it ethical to limit liability?
- How does behaviour change if liability is limited?
- What is a public good and who decides?
- Can “public goods” be bad for the public?
- Does government subsidize free riders?
- Ethical issues?

Commentary

The judicial system is supposed to hold people personally responsible for their actions which are harmful to others. Unfortunately, this is not always the way the law works.

It is obvious to all that political connections influence the justice system. It would take a gutsy person to bring a court action against a politician or his girlfriend. Can you imagine a traffic officer stopping a politician and his cavalcade to give them a speeding ticket! Even if a politician is given a ticket, he is likely to have insiders who can clear his record.

Increasingly, the law has ignored personal responsibility and has allowed people to be compensated for injuries simply because of sympathy or perceptions of wealth.

A woman ordered hot coffee at McDonalds. When she received it, she spilt it on her lap. The court ordered McDonald’s to pay her \$2 million because the coffee was too hot. In such cases, people are not accepting self-responsibility, nor encouraged to take responsibility for their own actions. Instead, institutions perceived as wealthy are exploited.

People who want to make a great deal of money can look for an opportunity to sue those whom they think can most afford to pay. These victims are mostly large companies or

*Since you own your
life, you are
responsible for your
life.*

Extract from
Jonathan’s Guiding
Principles

When law and force keep a person within the bounds of justice, they impose nothing but a mere negation. They oblige him only to abstain from harming others. They violate neither his personality, his liberty, nor his property. They safeguard all of these. They are defensive; they defend equally the rights of all.
Frederic Bastiat

☺ 99% of lawyers give the rest a bad name.

the state. When suing a company on frivolous charges, people do not think of the harm they are causing the employees, the customers, or the shareholders. Likewise, when suing the state it is not the officials who pay out of *their* pockets. The state pays this money out of the pockets of innocent taxpayers. The people suing on frivolous charges are really stealing from their fellow taxpayers and the politicians are left unaffected.

Each of us has a personal responsibility for the consequences of our own actions.

Background

“The Suit” is a play on the word “suit”, which is the legal term for the act of suing in a court of law. Also, a businessperson or a lawyer, such as George Selden or Number Two, is called a “suit” in American slang.

References

Books that deal with libel and liability are those of Murray Rothbard, *The Ethics of Liberty*, and Alan Burris, *A Liberty Primer*.

To be amazed at some of the frivolous court cases look up “Stella Awards” including the “coffee in her lap” case at <http://www.stellawards.com>.

For video tapes *The Blame Game* and *Greed* see John Stossel in the Classroom: <http://www.intheclassroom.org>.

Also The Palmer R. Chitester Fund: <http://www.prcfund.org>.

Why do the worst get to the top?

In 1947, Friedrich von Hayek posed this question. While he explained the economics, he omitted the psychology of those driven to wield power. Shortly after, Ayn Rand suggested that producers stop playing host to parasites, but also missed identifying the motive force behind the parasitic need to control.

The psychology can be explained by a megalomania usually rooted in alcohol or other drug addiction. Stalin, Hitler, Mao Zedong, Saddam Hussein and Kim Jong Il have all been such addicts. Coincidence? Hardly.

Most consider alcoholism to be a “loss of control over drinking.” Yet, this is but one symptom of the disease in its terminal stages. The early stage is characterized by a differential brain chemistry leading the afflicted to develop a god-like sense of self. Resulting misbehaviors include unethical or criminal conduct, ranging from the relatively innocuous (verbal abuse and serial adultery) to the extraordinarily destructive (mass murder).

Understanding addiction is essential for our well-being, both personally and on a geopolitical scale. The addict is capable of *anything*. Seemingly innocuous misbehaviors can escalate into tragic ones when addiction is allowed to run unchecked. Early identification can help minimize the effect it has on our personal and professional lives and, with the right treatment, may get the addict sober far earlier than is common—maybe even before tragedy occurs.

In his latest book, *How to Spot Hidden Alcoholics: Using Behavioral Clues to Recognize Addiction in its Early Stages*, libertarian author and addiction expert Doug Thorburn redefines alcoholism as a brain dysfunction that, when combined with use, causes erratically destructive behaviors. Over 70 behavioral clues allow you to protect yourself from alcoholic misbehaviors as well as provide a better understanding of history, current events and the psychological needs driving those in positions of power. He also details the most effective ways of dealing with the addicts in your life.

Chapter 33

Doctrinaire

Jonathan followed George's entourage out of the Palace of Lords in search of medical help. Across from the Palace, a long white building occupied most of the block. The group entered the nearest door. Suddenly screams of agony came from an open window halfway down the block. Dashing along the pavement, Jonathan reached the window just as the shutters were closing. He grabbed one of the shutters, holding it open.

"Get away," shouted a large matronly woman from inside. Her angry red face contrasted sharply with the white uniform that covered her from head to toe.

"What's going on in there?" insisted Jonathan. "What's the screaming about?"

"That's none of your affair. Now let go!"

In desperation, Jonathan tightened his grip. "Not until you let me know what you're doing! You're hurting someone!"

"Of course we're hurting someone," said the woman. "How else can we cure them? Trust me, I'm a doctor." Sure enough, Jonathan saw the woman's name and title embroidered on her uniform – Dr. Abigail Flexner.

Jonathan gasped, "You hurt people to cure them? Why don't you just let them alone?"

"We must kill the demons. Sometimes, we can't help it if the patient is hurt as well," declared the doctor matter-of-factly. Frustrated with Jonathan's stubbornness, she looked around for help in dealing with this impertinent youngster. "Oh, all right," she said resignedly. "I'll prove that we're helping people. Go around by the side door and I'll give you a little instructional tour."

Hesitant, Jonathan finally let go of the shutter and went where he was told. George and the others had passed through the same door, but Jonathan saw no sign of them inside. He had entered a room filled with people of all ages, sitting or standing shoulder-

to-shoulder along the walls. Some moaned loudly and held out arms and legs wrapped with bandages and tied with splints. Others muttered, paced anxiously, or comforted loved ones. Many people had bedding and cooking utensils piled next to them, signs of a long occupation. Jonathan wondered how long these people had to wait.

Dr. Flexner opened an interior door and beckoned to Jonathan. The crowd immediately stopped all activity and grew hushed. The occupants stared enviously at Jonathan as he passed by in front of them. The doctor admitted him to a windowless room filled with desks, clerks, and piles of paper stacked to the ceiling. She guided him to another door, which led to a small amphitheatre stage, ringed by a balcony with seats. The powerful odour of chemicals and decay assaulted Jonathan's senses.

Scores of observers leaned on the railing of the balcony. Below, several men and women in white, apparently doctors and nurses, huddled intently over a bulky patient strapped to a low table.

"To heal this patient," whispered the doctor sombrely, "orthodox practitioners cut open veins to let the demons flow out with the blood. On occasion, we apply blood leeches." She pointed to a table next to the patient, which held an array of knives, saws, candles, and bottles of various sizes and shapes. Oozing over the side of a large metal bowl, slimy leeches, the size of a man's thumb, writhed. Jonathan felt his stomach turn.

"Failing that, our men and women of science poison the demons with chemicals. We prefer to use arsenic, antimony, and compounds of mercury. What great progress we have made in medical science! Mark my words, a century from now physicians will marvel at our achievements."

"Aren't those poisons deadly?" said Jonathan. He recalled that his uncle sold mixtures like these compounds to kill rats back home. He vaguely remembered hearing old-timers tell of such dangerous substances used medically in the old days. But hadn't those practices ended long ago?

"Can't be helped," she said reassuringly. "Cut, draw, and poison are the only safe and effective treatments."

"How often does it work?"

“The treatment succeeds in destroying demons one hundred percent of the time! And,” she beamed, “our patients experience a stunning twenty-seven percent survival rate.”

Jonathan stared. One of the doctors slit the patient’s belly and jets of blood spurted out. “What’s his ailment?”

“Opsonin rot of the nuciform sac,” answered Dr. Flexner. “We’re certain.”

“Isn’t there any other way to treat him?”

“Ha!” she snorted. “Some claim otherwise. Thank God those quacks aren’t licensed to administer cures. It isn’t enough just to certify the quality of our own physicians for people to choose. We must outlaw charlatans who pretend to heal with unauthorized medicines, silly diets, moulds, plants, pins, touch, prayers, fresh air, exercise, and sometimes even, can you believe it,” she scowled, “laughter! When we catch them, we toss them in the zoo and throw away the key!”

“Do those cures ever work?” asked Jonathan softly.

“Pff! Mere coincidence if they do,” she replied. Jonathan noticed her puffy and bloated face. Her blotched red nose provided the only colour in her grey complexion, the colour of an overcast sky. Her breath could kill.

“But what if a patient chooses those remedies?” prodded Jonathan. “Whose life is it?”

“Precisely!” she exclaimed. Jonathan had raised a favourite topic. The doctor drew Jonathan away from the railing and crossed her thick arms in front of her, one hand to her chin. Speaking fervently she said, “Whose life is it? Some of these selfish patients actually think that life is their own! They forget that each life belongs to all. All of us form an unbroken line from ancestors to descendants, all connected to the great whole. For the good of society, trained professionals must protect patients from their own poor judgement. Imagine! Some patients actually want to kill themselves! We’re much better prepared to decide when and how they are to be treated.”

She paused to reflect, then continued, “Besides, the Council of Lords generously pays all medical bills on the island. Healthy workers stand duty in the tax line, ranked by the Council’s

judgement of ability. Patients stand duty in the wait line, ranked by our judgement of need. The two lines must one day match, so we cannot afford to let patients make costly errors with the people's money."

A moan of pain resounded through the room and more blood squirted into a basin on the floor. Attendants relayed commands. The attending surgeon received more instruments and sponges. A concerned look clouded the doctor's face as she stood next to Jonathan. "I feel his pain," she murmured.

"How do you get a licence," asked Jonathan, "so that you can make these life and death decisions for people?"

"It takes many, many years of preparation. One must undertake orthodox medical schooling, pass numerous tests. As authorized by our friends in the Council of Lords, we closed one of the two medical schools of Corrumpto in order to maintain high orthodox standards. Years of scholarly research and hallowed traditions provide these standards. The Benevolent Protective Guild of Orthodox Medicine awards licences and assures practitioners of remuneration proper to their standing in society."

"High pay?" said Jonathan.

"That's all for now." The doctor gave an impatient look and ushered Jonathan out. But Jonathan refused to stop asking questions. "How do you know which doctor is good and which is bad?"

"There's no such thing as a bad doctor," she asserted. "Licensed doctors are all equally qualified. Of course there are rumours – we can't stop gossip about good and bad. But our control over the reports assures that any such gossip is baseless."

Quick as a flash she pushed him out the back door and slammed it with a bolt.

Brainstorming

- Who owns your life?
- Does it matter who decides on, or pays for, a doctor?
- What is the difference between licensing and certification?
- Who should decide whether or not you use a risky medical treatment?
- Is competition and information valuable to good medicine?
- Examples?
- Ethical issues?

Commentary

In this 21st century the medical community is moving slowly away from a narrow view of the medical guild and is exploring both new and ancient fields of medicine with beneficial effect. Unfortunately, national and international governments still promote the idea that governments own people's lives and must, therefore, make decisions for them.

If people own their lives, then they must be free to choose their own advisors on all matters concerning health.

Isn't this the way it is today? No. Government officials have outlawed many kinds of healers that are not approved by the orthodox medical establishment. Politically influential members of this establishment hope to restrict options and thus channel people towards their member practitioners. So they have obtained laws to prohibit philosophies of medical education and practice of which they disapprove.

Don't people need to be protected from charlatans? Yes, but the best way to protect against medical charlatans is through competition and choice, not through monopoly and the force of political charlatans. After all, there are honest

*Can I have the
freedom to buy
medicine I need, even
though government
has not approved it?*

Alan Burris

It is probable that more people die because medicines are too long withheld from them by regulators than are killed by premature approval of new medicines.

From *The Economist*
January 8, 1983

and dishonest healers both inside and outside the ranks of orthodox medicine.

When one brand of medicine has a monopoly over the kinds of medical practice that may occur, orthodox practitioners have less incentive to innovate and a greater ability to cover their faults. When facing competition there is greater incentive to innovate, to prove successful treatments, and to reveal the faults of competitors.

While it is true that the average patient doesn't know much about sophisticated and technical professions, he or she can seek the advice of certifying agents who will do the investigations for them. But the final decision is still in the hands of the patient, not politicians.

What if a patient makes a wrong decision? It is possible. However, wrong decisions will also be made by politicians, especially as they do not have the same interest in a person's life that is not their own. Even if a patient, or the advisor of his choosing, makes an unwise decision, it is his right to decide because it is his own life.

Won't a person become a burden on society by making an unwise health decision? A burden only occurs when the government forces people to pay the health costs of others. If force is not used to pay health costs, then individuals must: 1) pay their own costs; or 2) persuade others to pay voluntarily through mutual aid societies, charities, or insurance. Either way, voluntarism provides a greater incentive for personal responsibility in caring for one's own health.

Isn't the cost of health care too high for an individual to pay by himself? The cost of health care is high because of the monopoly favours that politicians have been handing to the very powerful medical lobbies for more than a hundred years. The surest road to dramatic cost reduction is through competition in a free market. As always, competition lowers prices while improving both innovation and service.

Background

Hippocrates is known as the Father of Medicine. He was keen to share and exchange his knowledge with anyone who was interested in medicine. His famous medical school attracted many physicians and fee paying students. This exchange of knowledge resulted in the spread of new insights and observations.

It is usually thought that Hippocrates wrote The Hippocratic Oath, but it was written twenty years after his death. It was after his death that some physicians began to feel threatened by competition for patients. They decided to take choice away from the patients by devising a professional code of conduct that they claimed was for the protection of patients.

Although the Hippocratic Oath contains some noble sentiments, the oath calls for doctors not to associate with physicians outside of an officially approved circle. It slyly included the phrase, “... *to teach them this art, if they shall wish to learn it, **without fee or stipulation**; and that by precept, lecture, and every other mode of instruction, I will impart a knowledge of the Art to my own sons, and those of my teachers, and to disciples bound by a stipulation and other according to the law of medicine, **but to none others.** ...” . It is unlikely that Hippocrates would have subscribed to this idea of confining the exchange of knowledge.*

This was the beginning of efforts throughout history to limit the study and practice of medicine, such as was done by the guilds in Europe. When America gained independence from Europe, it broke away from the guild system and the market generated nearly twice as many doctors per capita as in any country of Europe. To the benefit of consumers, this was accompanied by great diversity, innovation, and low prices.

By the beginning of the 20th century, the American Medical Association had become

*Since you own
your life, you are
responsible for your
life.*

Extract from
Jonathan's Principles

politically powerful and began to imitate the medical guilds of Europe again. It was able to outlaw competitive medical practices, to close medical schools, and to greatly reduce the number of physicians by the use of restrictive licensing. Medical prices began to soar and the choice available to patients was severely restricted. Patients who could not afford the high prices resorted to self-treatment.

The present Canadian politicians are so wary of their own national health system that they have established a special clinic for themselves. In 1743, Dr. Robert James published his book which recommended bleeding of patients with leeches, (as depicted in Jane Austin's *Pride and Prejudice*). François Quesnay (1696 – 1774), recommended "laissez faire" to let alone, as a preferable treatment and was very successful. He then applied the same idea, "laissez faire", to the health of the economy.

☺ Isn't it a bit unnerving that doctors call what they do "practice"?

References

Good references are John Goodman's book *Patient Power* and Milton Friedman's book *Free to Choose*. Dr. Mary Ruwart is a Senior Scientist at a major pharmaceutical firm and a former Assistant Professor of Surgery at St. Louis University Medical School. Her book *Healing Our World in an Age of Aggression* covers the topic of medical drug development. It may be viewed at: <http://www.ruwart.com/Pages/Home>.

Chapter 34

Vice Versa

No sooner had he exited the building than he nearly tripped over Mices, lying in wait outside with a dead rat at his feet. Eyeing the revolting sight, Jonathan mused, “I can imagine where this came from, Mices. Thanks, but no thanks.” The yellow cat scratched his torn ear, unconcerned by Jonathan’s rejection of the juicy morsel.

Across the street, Jonathan noticed a woman wearing heavy makeup and a tight fitting, bright red dress. As a gentleman passed her on the street, she smiled and tried to engage him in conversation. She didn’t appear to be begging. No, Jonathan thought she was trying to sell something. When unsuccessful in her efforts with the man, she abruptly turned to find another customer. Jonathan wondered if Lord Ponzi had declared this gaudy woman a public good, too.

Then, coming towards him, he saw another outrageously dressed woman. She, too, wore vivid lip paint and a low-cut black blouse that showed off her ample cleavage. Her short skirt revealed lithe legs that gave no hint of ever doing knee walking. When she stopped and gazed boldly at Jonathan, he practically stopped breathing. She was on the verge of speaking, when a police wagon barrelled around the corner and jerked to a stop between the two women.

Several men dressed in black jumped out, grabbed both women, leering and pinching as they hauled the women, shrieking and kicking, into the wagon. The policemen slammed the doors shut, the driver cracked his whip, and off they went. One of the officers remained behind, writing some notes in a little black book that he pulled from his pocket.

“Excuse me, sir,” said Jonathan, “I’d like to report a robbery.”

“That’s not my department,” replied the policeman, without even glancing up from his notebook.

Jonathan was stymied. Glancing at the name tag under the man's badge, Jonathan asked, "What's your department, ah, Officer Stuart?"

"Immorals," said the man.

"Beg your pardon?"

"Immorals Department. At our Department we're concerned with immoral behaviour."

"Surely robbery is immoral." Getting no further response, Jonathan asked, "Why were those women arrested?"

Officer Stuart finally looked up from his note-taking and saw Jonathan's perplexed look. "Couldn't you tell by their clothes? Those women were guilty of giving men sexual favours in exchange for cash. It would have been much better for them if they had bartered for those favours instead."

"Barter? What do you mean by 'barter'?" asked Jonathan, who was less concerned about his own troubles at the moment and increasingly curious about those women.

"I mean," said the policeman, emphasizing every single word, "those women should have entertained their associates after receiving dinner, drinks, dancing, and a theatre ticket instead of cash. It's better for community business and perfectly legal."

This confused Jonathan even more. "So cash must never be used for sexual favours?"

"There are exceptions, of course. For example, cash may be paid for the activity if it is filmed and shown to all the people in town. Then it's a public, not private, event and permitted. Instead of getting arrested, the participants may even become celebrities and earn a fortune from a sellout audience."

"So it's the trading of cash for purely private sexual activity that's immoral?" asked Jonathan.

"There are exceptions for private cash transactions, too, especially when the women wear nicer clothing than those streetwalkers," said Officer Stuart with disdain. "Short-term deals, for an hour or overnight, are illegal. But for a permanent, lifetime contract between a couple, cash may be used. In fact, parents sometimes encourage their children to make such deals. Aspirants to nobility have often been revered for this kind of behaviour. Properly done,

such contracts provide legitimate means for improving social status and security.”

The policeman finished making his notes and reached into a bag. He pulled out a stoneonastick and some nails. “Mind giving me a hand over here?”

“Sure,” said Jonathan uncomfortably. He tried to reconcile these strange moral standards.

Officer Stuart turned and walked to a store nearby. He took hold of some loose boards piled on the sidewalk and motioned to Jonathan. “Here, hold this end up. I need to board up the windows of this shop.”

“Why are you boarding up this shop?”

“The shop is closed,” he said in a voice muffled from holding the nails in his mouth. “The owner was found guilty of selling obscene pictures and got sent to the zoo.”

“What’s an obscene picture?” asked Jonathan, naively.

“Well, an obscene picture is of some foul and disgusting activity.”

“Was the shopkeeper doing this ‘disgusting’ activity?”

“No, he was just selling the pictures.”

Jonathan thought about this carefully as the man finished nailing the top board across the door. “So selling pictures of an obscene act makes one guilty of the act?”

Now it was the policeman’s turn to stop and deliberate. “Well, in a way, yes. People who sell such pictures are guilty of promoting the activity. Consumers are easily influenced, you know.”

Jonathan struck his palm against his forehead. “I get it! This must have been the newspaper office. You have arrested the news photographers for taking pictures of warfare and killing! But are your newspapers guilty of promoting warfare and killing just because they print and sell the pictures?”

“No, no. Ouch!” exclaimed the officer, shaking his thumb in pain and letting fly a string of violent curses. He had missed a nail and struck his thumb by mistake. Officer Stuart glanced around self-consciously to see who might have heard him swearing. Picking up his tools, he started again. “Obscenity is sexual activity – only

performed by perverts! Decent folk condemn such behaviour. On the other hand,” said the man, “warfare and killing are things that decent people and perverts may all read about and do together. In fact, graphic reporting of these things can earn journalistic awards.”

“People condemn sexual activity?” said Jonathan.

Officer Stuart grunted, “Of course! If there is to be any such activity, then it must remain strictly private. None of this public display. All pictures of nudity are forbidden.”

“All pictures of nudity are forbidden?” repeated Jonathan.

“Yes,” said Officer Stuart, still hammering away, “though very old paintings and sculptures are required. In that case we compel taxpayers to pay for a public display of nudity.”

As soon as the last board had been securely hammered in place, Officer Stuart picked up his tools and walked away. Jonathan looked down at his cat Mices. “I guess he’s too busy with immorality to help me with a mere robbery.”

The state shall not make or impose any law which shall abridge the right of any citizen to follow any occupation or profession of his or her choice.

Proposed by Rose and Milton Friedman

You own your life.
Extract from
Jonathan's Principles

Brainstorming

- Are people being harmed in this episode?
- Who and why?
- Is the law contradictory concerning these activities? Why?
- What is the difference between disapproving of behaviour and outlawing it?
- Should the state control radio, TV, or the press?
- What ethical issues are involved in the use of force?

Commentary

An activity should only be declared a crime when the action would harm others. If the law declares an activity to be a crime, then it should apply to everyone.

Crimes that do not hurt anybody are called “victimless crimes”. It’s a crime in most societies to hit another person on the head. However, it is a victimless crime if you chose to hit yourself on the head. It would also be a victimless crime if I gave or sold you permission to hit me on the head. In such a case, as with a boxing match, neither of us (neither the buyer nor the seller) is an unwilling victim.

A boxing match might horrify some observers and they might even consider such an activity immoral. If those observers demanded a law to be passed against boxing, then the participants, *both* the buyer and the seller are equal participants.

Religious laws on moral behaviour are different from state laws. Religious laws only apply to people who choose to practise that particular religion. These religious laws are beyond the sphere of state laws. Frequently, however, people feel that *their* religious morality ought to apply to everyone in the state. They have two ways to accomplish this: 1) by persuasion and

☺ *Reformer – one who insists on his conscience being your guide.*

☺ *Puritanism – the haunting fear that someone somewhere may be happy.*
H.L. Mencken

2) by force. To enlist the state to force religious values on other people is a violation of the rights of individuals to live as they see fit. The basis of freedom of religion is to allow everyone to choose his or her own moral guide.

There is only one legitimate basis of law for the state: preventing people from using force or fraud against others. Beyond this, people should be free to choose their own moral guide. This is the basis of freedom of religion.

People who *voluntarily* exchange sexual favours are not harming others. Therefore, the state should not interfere in their decision. However, they may be considered to be breaking the moral code of some religion, but they have not committed a crime against a victim. In this case, other people may choose to shun them or persuade them, but they do not have the right to use the state to forcibly change their behaviour.

If people agree to have sex, does the amount paid determine whether they are breaking the law? Is selling sex for a loaf of bread a crime? Is selling sex for a meal at a fancy restaurant a crime? In each case, are *both* the seller and the buyer arrested for dealing in prostitution?

Studies have shown that the police spend by far the greatest amount of their time, and a huge amount of tax money, dealing with the victimless crime of prostitution. This time and money could be used more constructively in dealing with rapists, where there is a victim and, therefore, a *real* crime.

References

Defending the Undefendable by Walter Block, as well as being an entertaining book, deals with the economic aspects of the “morally unacceptable”. Web sites on this subject are: The Sex Workers Education and Advocacy Task-force’s: <http://www.sweat.org.za>.

Chapter 35

Merryberries

As Jonathan wondered where to go next, a rotund, sloppily dressed woman approached him cautiously. The woman's greasy unkempt hair repulsed him, and she smelled like a putrid swamp. Mices darted away. "Psst! Do you want to feel good?" whispered the woman nervously. Jonathan recoiled in disgust. She repeated in a strained voice, "Do you want to feel good?"

After the policeman's description of immorality, Jonathan felt unsure of what to say. However, he thought that this repulsive woman could not be trying to sell sexual favours. So Jonathan, being an honest, sensible chap, answered truthfully, "Doesn't everyone want to feel good?"

"Come with me," said the woman, gripping his arm firmly. She led him down an alley and through a dingy, darkened doorway. Jonathan remembered the robbery and tried to hang back – holding his breath to shield himself from her stench. Before he could protest, the woman closed the door behind him and locked it. She motioned to Jonathan to sit at the table. From her bag, she pulled out a small case of thick cigars. Selecting one, she bit the end, lit the other end with a match, and drew a long, satisfying puff.

Jonathan shifted uncomfortably in his seat and asked, "What do you want?"

She exhaled a plume of smoke explosively and said gruffly, "You want – merryberries?"

"What are merryberries?" asked Jonathan.

The woman's eyes narrowed suspiciously. "You don't know what merryberries are?"

"No" said Jonathan, starting to get up from his chair, "and I really don't think I'm interested, thank you."

The woman ordered him to sit down and he reluctantly complied. After puffing on her cigar and scrutinizing him closely, she said, "Say, you're not from around here, are you?"

Jonathan paused, worrying that she guessed he was a new newcomer. But before he could reply, the woman yelled, “False alarm! Come on out, Doobie.”

A hidden door suddenly opened behind a tall, narrow mirror and a uniformed police officer came bounding through. “How do you do?” said the policeman, thrusting his hand out for Jonathan to shake. “I’m Doobie and this is my partner, Mary Jane. Sorry to inconvenience you but we’re undercover agents rooting out the merryberry trade.” Turning to Mary Jane he added, “I’m starved. Let’s make it up to this young fella with a little refreshment.”

From the cupboards in the room, they began pulling boxes, packages, bottles, and jars of every size and shape. Food! Jonathan breathed a sigh of relief and his mouth watered at the sight of a feast. The two began to help themselves to the goodies scattered on the table. There were pastries of all types – fresh bread, butter and jam, slices of cheese, chocolate confections, and other tasty delights. Doobie grabbed a hunk of biscuit and dabbed butter and jam thickly on top with his fingers. “Dig in, young fella,” he said through mouthfuls of food. He waved his hand over the table, “No politicafes for the Merryberry Squad, right Mary Jane?” She could only nod, her fat cheeks bulging from the chocolate sweet in her mouth.

Jonathan took a slice of bread with jam and ate hungrily. Pausing to make conversation, he asked again, “What are merryberries?”

Mary Jane poured a cup of coffee and heaped three spoonfuls of sugar into it. As she stirred some thick cream into the cup, she replied, “You really don’t know? Well, merryberries are an illegal fruit. If you had tried to buy merryberries from me, then you would have gone to the zoo for ten or twenty years.”

Jonathan’s loud gulp could be heard across the room. He had narrowly escaped the zoo! Mary Jane and Doobie caught a look at his face for a moment and instantly burst out laughing.

“But what’s so bad about merryberries?” demanded Jonathan. “Does it make people sick? Or violent?”

“Worse than that,” said Doobie as he used his sleeve to wipe the smears of jam and butter from his cheeks. “Merryberries make people feel good. They just sit quietly and dream.”

“Disgusting,” added Mary Jane as she lit up a thick long cigar and handed it to Doobie. Taking a buttery biscuit and spreading generous layers of cream cheese on top, she muttered, “It’s an escape from reality.”

“Yeah,” said Doobie, adjusting his gun belt more comfortably and mumbling through another mouthful of biscuit. Jonathan had never seen anyone cram food into his mouth so fast. “Young people nowadays just don’t take responsibility for their lives. So when they turn to merryberries as an escape, we bring them back to reality. We arrest them and lock them behind bars.”

“Is that better for them?” asked Jonathan discreetly offering Doobie a serviette.

“Sure” responded Mary Jane. “Want a shot of whiskey, Doobie?” Doobie grinned and thrust a greasy glass toward her. She filled it to the brim with brown fluid from an unlabelled jug. Returning to Jonathan’s original question, she replied, “You see, merryberries are addictive.”

“What do you mean?”

“It means you always want to have more. You feel like you must have it to continue living.”

Jonathan considered this. “You mean like food?” he said, barely audible over the huge burp that exploded from Doobie.

Doobie chuckled contentedly as he downed his second shot of booze and puffed deeply on his cigar. “No, no. Merryberries have no nutritional value and may even be unhealthy. Hand me the ashtray will you, Mary Jane?”

“And if merryberries are unhealthy,” said Mary Jane, as she stirred her coffee with a stick of candy, “then we’d all have to pay for the treatment of those sorry derelicts no matter how foolish their behaviour and habits. Uncontrolled merryberry eaters would be a burden on all of us.”

Jonathan blurted out “If people harm themselves, why should you pay for their folly?”

“It’s the only humane thing to do,” said Doobie, now a bit tipsy. His hands were swinging and jabbing in the air with every thought that came to mind. “We solve human problems. The Lords got to pay for a lot of problems, you know, like our salaries and the big

zoos. And don't forget, last year, the Council of Lords had to help the tobacco and sugar farmers get through a bad year. Got to feed the people, don't you know? Taxes solve these problems and plenty more. Taxes care for people who become ill. It's the only decent, civilized thing to do. Pass the whiskey, Mary Jane."

Mary Jane passed him the jug and nodded in agreement. She lit a new cigar from her packet by holding it to the stub of her previous smoke. Doobie was on a roll. "Because we gotta help everyone, we gotta control what everyone does."

"We?" questioned Jonathan.

"Eek!" belched Doobie. "Excuse me!" He took a pill bottle from his shirt pocket. "When I say 'we' I don't mean you and me personally. I mean that the Lords decide for us what is good behaviour and who must pay for bad behaviour. In fact, it's good behaviour to pay for bad behaviour. Does that make sense, Mary Jane? Anyway, the Lords don't make mistakes on these decisions like the rest of us would." Doobie stopped to down a couple of little red pills. His words were beginning to slur. "Funny how I always say 'we' when talking about them. Mary Jane, would you like a couple of these to calm your nerves?"

"Thanks, but no thanks," she said graciously. She slipped a delicate metal box across to him adding, "My pretty pink pacifiers work a lot faster. I can hardly start the day without my coffee and one of these. Here, try one if you like. It's the latest in prescribed chemistry."

Jonathan reflected on the politicians he had met so far. "Are the Lords wise enough to show people correct behaviour?"

"Somebody has to!" bellowed Doobie, as he wobbled slightly in his chair. He took another slug of whiskey to wash down a mouth filled with cakes and pink pills and glared at Jonathan. "If people don't behave correctly, we'll certainly teach the bums responsibility when they get to the zoo!" Doobie began to plead with the others to join him in a round of drinks.

"No, thank you," said Jonathan. "What do you mean by 'responsibility'?"

Mary Jane moved to pour a little whiskey into her coffee before adding still more sugar and cream. "I don't know how to...well, Doobie, you explain it."

“Hmmm. Let me think.” Doobie tilted his chair back and puffed on his cigar. He might have looked wise except that he almost lost his balance. Recovering, he said, “Responsibility must be accepting the consequences of your own actions. Yes, that’s it! It’s the only way to grow, you know, to learn.” The smoke around Doobie thickened as he puffed faster, trying to think hard about responsibility.

“No, no,” interrupted Mary Jane. “That’s too selfish. Responsibility is taking charge of others. You know – when we keep them from harm, when we protect them from themselves.”

Jonathan asked, “Which is more selfish? To take care of yourself or to take charge of others?”

“There’s only one way to figure this out,” declared Doobie. He stood bolt upright from his chair, knocking it to the floor. “Let’s take him to the Grand Inquirer. If anyone can explain responsibility, he can!”

*The more prohibitions
you have, the less
virtuous people
will be. Try to
make people moral,
and you lay the
groundwork for vice.*
Lao-tsu, *Tao Te Ching*

*Good laws make it
easier to do right and
harder to do wrong.*
William E. Gladstone

Brainstorming

- Is it okay to do things that are unhealthy or risky?
- Should people be required to pay for mistakes of others?
- When do people learn, or not learn, from mistakes?
- Are officials wiser than their subjects?
- Examples?
- Why would governments want to keep alcohol legal but marijuana illegal?
- Ethical issues?

Commentary

Governments often treat citizens as if they are too immature to manage their own lives. Politicians decide what is good for citizens and what is not. They get so caught up believing in the superiority of their judgement that they pass law after law without any consistency.

Governments promise to provide clean water, then require us to drink water containing fluoride. They say that gambling is bad, but gambling at state owned or licensed casinos and horse races is okay. Governments prevent us from smoking marijuana, but encourage us to drink alcohol by using tax money to subsidize vineyards.

The odd thing is that marijuana makes people placid whereas alcohol often makes them aggressive. Military personnel are often provided with low cost alcohol and tobacco on military bases. When people become sick from government subsidised tobacco or alcohol, taxpayers are often required to pay for their medical treatment.

If wine and alcohol production is profitable, creates jobs, and lifts the standard of living for the whole community, then surely the production of marijuana cigarettes, creams and lotions would

It will be found an unjust and unwise jealousy to deprive a man of his natural liberty upon a supposition that he may abuse it.
 Oliver Cromwell,
 1599-1658

You choose your own goals based on your own values.
 Extract from
 Jonathan's Guiding Principles

have the same financial effect? By banning the use of marijuana, thousands of non-aggressive people are put in jail all over the world. This places a financial strain on the economy as these people are made non-productive but still have to be fed and clothed by the rest of society. By the time these marijuana users come out of jail they have been schooled in the methods of aggressive crimes.

Governments say they want to create job opportunities. Surely allowing the farming of marijuana hemp and the manufacture of its many by-products would help alleviate the job shortages and raise living standards? In countries where research in marijuana has been allowed, it has been found to help with glaucoma and with the pain and constant vomiting caused by certain anti-cancer therapies.

So instead of governments helping the poor and sick, and instead of allowing individuals to relax quietly at home without disturbing others, politicians create victims by throwing innocent people into jail and making hardened criminals out of them.

All the time and money spent on easy-going marijuana users could be more constructively used to deal with the real crimes of violence.

Background

Canada reformed its medical marijuana laws in 1999. Those who suffer cancer across the border in America still have to flee to Canada to get this form of medical help from Canadian doctors. The citizens of Canada can reduce their medical bills by growing their own marijuana.

In Belgium it has been made legal for people over the age of 18 to smoke marijuana in private, as long as they do not disturb public order.

For years doctors in the Netherlands have recommended marijuana to cancer patients, to stimulate appetite and to battle pain and nausea.

Every friend of freedom... must be as revolted as I am by the prospect of turning the United States into an armed camp, by the vision of jails filled with casual drug users and an army of enforcers empowered to invade the liberty of citizens on slight evidence.
 Milton Friedman,
 Nobel Prize-winning free market economist, *Wall Street Journal*,
 September 7th, 1989

Patients have usually bought marijuana at one of the hundreds of Dutch “coffee shops” where it is sold openly. Dutch law now allows pharmacies to fill prescriptions for marijuana for medical use. The Dutch Ministry of Health says the law is intended to standardize medical marijuana and to encourage the development of marijuana as medicine. The Dutch government plans to license several growers to provide marijuana to pharmacies.

Mary Jane is a common term for marijuana in the US and a doobie is a marijuana cigarette.

References

In Mary Ruwart’s *Healing Our World* the chapter “Dealing in Death”, has interesting statistics on drugs, choice, and enforcement.

Another excellent book about freedom is *On the Duty of Civil Disobedience* by Henry David Thoreau. One act of his civil disobedience was to go to jail rather than to pay a tax that he felt supported war with Mexico and the enforcement of plantation slavery. How many people today would go ahead and pay the tax instead of running the risk of going to jail for immoral actions of government?

Doug Thorburn’s book, *Drunks, Drugs & Debts: How to Recognize Addicts and Avoid Financial Abuse*, explains how addicts exploit the conscience and personal wealth of those who care for them.

Mark Emery’s website on putting an end to marijuana prohibition may be seen at: <http://www.emeryseeds.com>.

For drug policy reform organizations see: <http://www.dpfhi.org/brochure>.

Those readers lucky enough to be living under governments that allow inexpensive connection to the Internet will enjoy *A Drug War Carol*, a comic strip by Susan Wells and Scott Bieser, available at: <http://www.adrugwarcarol.com>.

Chapter 36

The Grand Inquirer

The shadows had lengthened into late afternoon. Jonathan and his two acquaintances, Mary Jane and Doobie, emerged from the alley. Somewhere on the street, Mices rejoined him as they walked to a grassy park. People entered the park from all directions, some on foot and some on knees, and gathered around a hillock in the centre.

“Good,” said Mary Jane, “we’re early. Soon this place will be filled with followers who have come to hear the Grand Inquirer’s truth. All your questions will be answered.” They sat down on a mound of grass. Doobie, overcome by food and whiskey, promptly fell back and passed out. Mary Jane grew quiet. Families settled under the trees and all waited expectantly.

Jonathan overheard a man behind him say, “Wonderful! I didn’t expect the Grand Inquirer today.”

His companion replied, “Nobody expects the Grand Inquirer, whose chief elements of proof are...”

At that instant a tall, gaunt figure clad completely in black, strode rapidly into the middle of the gathering. His eyes slowly swept the faces gazing up at him. The murmuring of the crowd stopped and all grew silent.

The man’s hard voice seemed to rise from the very ground and penetrate Jonathan’s whole body. “Peace is war! Wisdom is ignorance! Freedom is slavery!”

Jonathan glanced around at the silent awestruck crowd. The Grand Inquirer had mesmerized his audience. But young Jonathan blurted, “Why do you say freedom is slavery?”

Stunned by Jonathan’s brashness, Mary Jane chided him in a whisper, “I said you’ll have your questions answered – I didn’t say you could ask him questions.”

The Grand Inquirer fixed a piercing look on his young examiner. No one before had ever had the nerve to challenge him. The light

rustle of wind in the leaves made the only sound in that park. Then the Grand Inquirer growled, half at Jonathan, half at the crowd, “Freedom is the greatest of all burdens that mankind can bear.” Roaring at the top of his voice, the man raised his arms and crossed his wrists high above his head, “Freedom is the heaviest of chains!”

“Why?” persisted Jonathan, finally feeling the courage of an outsider who doesn’t worry much about what others might think of him.

The Grand Inquirer moved directly in front of Jonathan and spoke gravely, “Freedom is a monumental weight on the shoulders of men and women because it requires the use of mind and will.” With a roar of pain and horror, the Grand Inquirer warned, “Free-will would make you all fully responsible for your own actions!” The crowd shuddered at his words; some clapped their hands over their ears in fright.

“What do you mean ‘responsible’?” asked Jonathan in an unwavering voice.

The Inquirer retreated a step and his face softened in a kindly expression. He reached down to pluck a sprig growing near his foot. “My beloved brothers and sisters, you may not realize the dangers of which I speak. Close your eyes and imagine the life of this tiny plant.” His voice grew soft and caressed the crowd.

Everyone, except Jonathan, pressed his or her eyes tightly closed and concentrated. Hypnotically, the Grand Inquirer began to describe a picture to the assembly. “This little plant is but a frail bit of shrubbery, rooted in soil and fixed upon the earth. It is not responsible for its actions. All of its actions are pre-set. Ah, the bliss of a shrub!”

“Now, beloved, imagine an animal. A cute, busy little mouse scurrying to find its food among the plants. This furry creature is not responsible for its actions. All that a mouse does is predetermined by nature. Ah, nature. Happy animal! Neither plant nor animal suffers any burden of the will because neither faces choice. They can never be wrong!”

A few in the crowd murmured, “Yes, Grand Inquirer, yes, yes, so it is.”

This charismatic leader straightened, suddenly taller, and continued, “Open your eyes and look around you! A human being, one who succumbs to values and choices, can be wrong, I tell you! Wrong values and choices can hurt you and others! Even the knowledge of choice will cause suffering. That suffering is responsibility.”

The people shuddered and huddled closer together. A boy seated next to Jonathan cried out suddenly, “Oh please, master. How can we avoid this fate?”

“Tell us how to rid ourselves of this terrible burden,” pleaded another.

“It will not be easy, but together we can conquer this terrifying threat.” Then he spoke in a voice so soft that Jonathan had to lean forward to catch his words. “Trust me. I will make the decisions for you. You are then relieved of all the guilt and responsibility that freedom brings. As decision maker, I will take all the suffering upon myself.”

Then the Inquirer flung his arms high and shouted, “Now go forth, every one of you. Comb the streets and alleys, knock on every door. Get out the voter as I have instructed you! Victory is at hand for me, your decision maker on the Council of Lords!” And the crowd shouted their approval, rose as one and scrambled away in all directions. They pushed and shoved, eager to be the first to hit the streets.

Only Jonathan and the Grand Inquirer were left – and Doobie, gently snoring in the grass. Jonathan sat in disbelief. He watched the mad dash of the group, then he peered at the face of the man in black. The Inquirer looked past Jonathan, as if seeing some distant vision. Jonathan broke the eerie silence with one more question. “What virtue is there in turning all decisions over to you?”

“None,” replied the Inquirer with a contemptuous sneer. “Virtue can only exist if there is freedom of choice. My flock prefers serenity to virtue. As for you, little one with too many questions, what do you prefer? Let me make your choices, too. Then your questions won’t matter.”

Speechless, Jonathan walked away from the empty park. The Grand Inquirer’s laughter rang out behind him.

Political language is designed to make lies sound truthful and murder respectable, and to give an appearance of solidity to pure wind.
George Orwell

When the freedom they wished for most was freedom from responsibility, then Athens ceased to be free.
Edward Gibbon,
1737 – 1794

Brainstorming

- What is responsibility?
- Do people want responsibility?
- Do people want leaders to make decisions for them?
- Is there a danger in letting politicians make decisions for you?
- Should adults have to accept rulings with which they disagree?
- Is choice necessary in order to achieve virtue?
- Are choice and virtue important to society?
- Why?
- Examples?
- What ethical issues are involved?

Commentary

It is a burden to have the freedom to make one's own choices and to decide one's own values. Free will entails using one's mind. It entails thinking for oneself and taking responsibility for the outcome.

The freedom to choose is a weight some people find too heavy to bear – especially if they have never been given the chance to do so. They prefer to abdicate the burden of this responsibility. They prefer to have decisions made for them, to trust other people's decisions and to believe that everything will be provided for them. In this way they will have someone to blame when things go wrong. When things go right, it further entrenches their indebtedness to the decision makers. Surely, they think, they could never have made those clever decisions for themselves. These people are usually comfortable with making only one decision – to live under a system where all decisions are made for them – from the cradle to the grave.

It's very difficult to live in a free society after having all decisions made for you by 'the bosses'.
Elbegdorj Tsakhia,
former prime minister of Mongolia, 1998

We have an answer for all. And they will be glad to believe our answer, for it will save them from the great anxiety and terrible agony they endure that present in making a free decision for themselves.

Fyodor Dostoyevski's
"The Grand Inquisitor" in *The Brothers Karamazov*.

Charismatic personalities play on this vulnerability. They seduce personal freedoms by delivering carefully honed speeches with mysterious reasoning. They imply that if their reasoning is not understood, then it is others who must be inferior, uninformed, and unqualified to decide what is good for themselves. Therefore, they imply, all decisions for our care and welfare should be left in their capable hands.

When questioned, these charismatic people respond that others either do not know all the "sensitive" issues involved, or they are uncaring, unpatriotic, or biased. To persist in questioning these eager rulers, one would need the courage of a daring pressman.

With befuddling arguments and evasions, charismatic politicians erode our personal freedom "*with our permission*". A lost freedom is rarely returned. Losing our freedom to choose reduces us to the role of puppets under a ruler's power and command. With the stroke of a pen, rulers command our lives: when to work (number of hours on permissible days), when to rejoice (prescribed public holidays), what we may do in the privacy of our homes, what may go into our bodies, when we may protest, and when we must sacrifice our lives in their wars. In return they offer us the feeling of being "good", "loyal", and "patriotic" citizens.

One who genuinely cares about people does not take away freedom. The one who really cares for his neighbours allows freedom – freedom to fail and to succeed, freedom to question and to find independent solutions. In this way, each will better himself for his own purpose. Each will become self-sufficient and will find his own dignity.

Background

Dostoyevski's Grand Inquisitor in *The Brother's Karamozov* is a riveting dialogue between a returning Jesus and the Grand Inquisitor who will have him imprisoned. They discuss whether or not people want to have personal responsibility, choices, and decisions.

George Orwell's *1984* contains the words "War is peace, freedom is slavery, ignorance is strength."

References

Milton and Rose Friedman *Free to Choose*.

In *The Law*, Frederic Bastiat says:

This will remain the case so long as human beings with feelings continue to remain passive; so long as they consider themselves incapable of bettering their prosperity and happiness by their own intelligence and their own energy; so long as they expect everything from the law; in short, so long as they imagine that their relationship to the state is the same as that of the sheep to the shepherd.

Doug Thorburn's book, *Drunks, Drugs & Debits: How to Recognize Addicts and Avoid Financial Abuse*, shows how personal responsibility is inextricably connected with choices in life.

To find out what system you prefer to live under see "The World's Smallest Political Quiz" at the web site of The Advocates for Self Government: <http://www.self-gov.org/quiz.html>.

I am freeing man from the restraints of an intelligence that has taken charge, from the dirty and degrading self-mortifications of a chimera called conscience and morality, and from the demands of a freedom and personal independence which only a few can bear.
Adolf Hitler

Chapter 37

Loser Law

Jonathan hoped it was time to rendezvous with Alisa. He frequently thought of her. Moreover, he looked forward to telling her about his experiences. In anticipation, his footsteps quickened on the pavement.

As he retraced his path, Jonathan heard shouting and whooping from a great throng of people. In a vacant lot across from BLOCK A, BLOCK B, and BLOCK C, a raised, square platform had been erected and was surrounded by ropes. An excited, shouting crowd pressed close to the perimeter. He noticed that everyone in the crowd was wearing a wide strap or brace on their backs.

In the middle of the platform, a man was yelling at the top of his lungs. “In this corner – weighing 256 pounds – five months the undefeated champion of the Workers’ International Competition – the Terrible Tiger – Karl ‘the Masher’ Marlow!” The crowd went wild.

Off to one side, a man with a scar on his face sat at a rickety table, deftly shuffling through a pile of papers and stacks of money. The man looked up at Jonathan and barked, “Place your bet, sonny. Only a few seconds before the next round.”

An eager old woman, elbowed Jonathan aside and slapped a handful of bills on the table. “Fifty on the champ, quick!” she demanded.

“Okay, lady,” said the clerk. He stamped a ticket, tore the stub from a ledger, and handed it to her.

The announcer crossed the platform calling out, “And in the far corner – the challenger – weighing in at 270 pounds of pure muscle – the knuckle-crunching stevedore...”

Turning to the man at the table, Jonathan asked, “Some trouble going on? Is there going to be a fight?”

“A fight for sure, but hardly any trouble,” said the man with a grin. “Never had it so good.” The bell clanged and the man shouted

to the crowd, “Bets closed!” Both men leaped forward, swinging punches and ducking each other’s blows.

“Listen, sonny, there’s nothing to get nervous about,” consoled the clerk. “The winner and the loser both take home a bundle of cash.”

One of the fighters suddenly hit the floor, knocked on his back by a solid punch. The crowd roared with enthusiasm while the clerk counted money into an iron box.

“Both win a prize?” asked Jonathan.

“...five hundred, six hundred... sure,” said the man, stopping the count momentarily. “This is the most popular fight on the island. Sometimes the loser makes out better than the winner... seven hundred, ... eight hundred...”

Jonathan’s eyes widened. “Anyone can get rich by losing?”

“Not everyone. You’ve got to have a good job to lose before you can take on the champ.”

“I don’t get it,” said Jonathan. “Why would a worker risk his job to get smashed by the champ?” The bell ended another round and the crowd quieted down.

“...nine hundred, a thousand. That’s the whole idea. Haven’t you ever heard of the Loser Law?” asked the man, tapping the money into neat stacks. “The Loser Law eliminates the risk. The loser doesn’t worry about a thing – pay cheques, doctor bills, nothing.”

“Why not?” asked Jonathan.

“After a fight, the loser never works again and his employer pays everything.”

Jonathan craned his neck over the crowd and saw one man slumped in the corner getting his face mopped by a ring assistant. “What’s the employer have to do with this fight?”

“Nothing, really,” said the man. “The worker claims he got injured on the job and can’t go back to work, right?”

“Okay,” replied Jonathan, trying hard to follow. “You mean the loser might lie in order to get the money?”

“It’s been known to happen,” said the man with a sly wink. “Don’t get me wrong, not all workers will lie to get a free ride. But the Loser Law rewards those who do. So every day we’re getting

more players. It's an attractive arrangement. No one has disproved a claim in forty years."

Jonathan finally understood why everyone was wearing those special straps and back braces. "What does the Council do about it?"

The man chuckled, "They'll support us on anything – and we're loyal on Election Day."

"Police!" shouted someone in the crowd. Dozens dropped to their knees. The clerk quickly clapped his moneybox shut, folded up the table, and whistled nonchalantly.

Jonathan scanned the street for signs of the police. Seeing Officer Stuart and other policemen approach the ring, Jonathan asked, "What's the matter? Is the fight illegal?"

"Heavens no," replied the man coolly. "The police enjoy a good match as much as the next guy. It's freelance gambling that's illegal. The Council of Lords says that games of chance are immoral – except at the Special Interest Carnival where they take a cut of the winnings. As for Tweed, well, she thinks it's better if we save our bets for the election."

Just then the bell rang out and the crowd cheered. Jonathan felt a tap on his shoulder and turned. It was Alisa. She smiled and said, "Where's your cat?"

The initiation of force to take life is murder, to take freedom is slavery, and to take property is theft. It is the same whether these actions are done by one person acting alone, by many acting against a few, or even by officials with fine hats and titles.

Extract from
Jonathan's Guiding
Principles

Brainstorming

- If innocent people must pay for the misfortune of others, how does this affect the behaviour of all?
- Would people become more reckless or less reckless if they knew that others would have to pay for their injuries and loss of income?
- Why might people be motivated to fake injury?
- Does it matter?
- When is gambling allowed or not allowed?
- Why?
- Examples?
- Ethical issues?

Commentary

Crimes committed using paperwork are known as “white-collar” crimes because they are usually committed in offices by people wearing suits and white shirts. Since white-collar crimes are not physically violent, they are often thought of as not being “really” bad. Besides, the unseen victims seem to be able to afford the losses. White-collar criminals, who would not dream of stealing 10 kayns from a hard-up friend, convince themselves they are guiltless in stealing 10 kayns from an unfamiliar millionaire or from a group of unknown people. Both of whom might have worked just as hard as, or harder, than the hard-up friend. Fraud committed against any person, or group of people, is still fraud.

Taking fraudulent advantage of an insurance scheme is stealing a little bit from a great many people. The thief is stealing not only from the stockholder, but also from each participant who is meant to benefit from the programme. This makes each participant poorer. The participants are poorer *not only* by the amount defrauded, but also by the extra amount everyone has to pay in order to keep the benefit programme

Liberty (individual freedom) is the prize, responsibility the price.
Dick Randolph

going. When people see someone benefiting from this fraud, many others want their slice of “this commons” too. The more money taken fraudulently, the more the premiums have to be raised to keep the benefit fund going. Everyone becomes a loser.

Likewise, when organisations are centralised in bureaucracies, officials become so far removed from the membership that the members become distant “unseen non-people”. The money with which they are dealing does not *appear* to belong to anyone in particular. Thus, taking a few thousand kayns here or there *appears*, to these criminals, as a lesser crime than stealing a loaf of bread.

Both of these types of fraud are more likely to occur in large centralised organisations. The nearer the money is kept to the people, the less likely it is that fraud will be committed.

This is one of the many reasons why it is important for governments to remain small and lean. Government officials should be easily reachable by people paying any sort of tax, licence, or government fee.

The most important fact is that “social benefit” schemes run by governments often experience a financial “tragedy of the commons”. They appear to belong to everyone, yet they belong to no one and so people think “I better get my slice before someone else does – by fair means or foul”.

Background

In a free market, choice is the greatest benefit of the workers. When benefits are not assigned and operated by government, there are more options from which to choose. Employers have more choice of insurance benefits and providers, or they may provide no benefits. Workers will have the choice of selecting to work for companies that have generous benefits and lower pay, or for companies that pay them more and allow them

to select self-insurance through personal savings or independent policies.

Remarks

In Hawaii, employers must pay hefty sums to a workers' compensation system run by the state. Yet it seems that many people have taken advantage of this system by claiming fake injuries in order to stop working and to live off the mandated insurance scheme. The easiest claim is for a bad back, which is virtually impossible to disprove. While the state orders that every employer must pay into the system, the courts block efforts to screen phoney claims, even when there is an abundance of evidence of fraud. And so the taxes soar.

☺ *Compensation...*

Man, to the small son of a workman who had an accident:

"When will your father be fit to work again?"

Boy: "Can't say for certain, but it will be a long time."

Man: "What makes you think that?"

Boy: "Because compensation has set in."

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Milton and Rose Friedman *Free to Choose*.
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Chapter 38

The Democracy Gang

Jonathan didn't have time to say hello. Someone screamed, "It's them! The Democracy Gang! Run for cover!"

"Run, run," shouted a kid, who sprinted past Jonathan.

Alisa's face lost its colour. "We've got to get out of here – fast!"

First to disappear were the police. The crowd scattered in all directions – many of them shedding their back braces to run faster. Three whole families, with children in tow, raced down the stairs of BLOCK B, while some tossed belongings out of the windows to friends below. All gathered what they could and dashed up the street.

Moments later the street was nearly empty. Only the slowest, their arms laden with bundles or children, could still be seen heading away from the approaching threat. A structure at the far end of the street burst into flames. Frozen with fear, Jonathan grabbed Alisa's arm demanding, "What's going on? Why's everyone so scared?"

Tugging wildly against his grip, Alisa yanked Jonathan to his feet and cried out, "It's the Democracy Gang! We've got to get out of here quick!"

"Why?"

"No time for questions, let's go!" she shouted. But Jonathan refused to budge. Scared to death she cried, "Let's go or they'll get us!"

"Who?"

"The Democracy Gang! They surround anyone they find and then they vote on what to do with them. They take their money, lock them in a cage, or force them to join their gang. There's nothing anyone can do to stop them!"

Jonathan's head was spinning. Where were those ubiquitous police now? "Can't the law protect us from the gang?"

“Look,” said Alisa, still wriggling to escape Jonathan’s hand, “run now and talk later.”

“There’s time. Tell me, quickly.”

She looked over his shoulder. She swallowed hard and spoke frantically. “When the gang first attacked people, the police hauled them into court for their crimes. The gang argued that they were following majority rule, just like the law. Votes decide everything – legality, morality, everything!”

“Were they convicted?” asked Jonathan. By now, the street was completely deserted.

“Would I be running now if they had been? No, the judges ruled three to two in the gang’s favour. ‘Divine Right of Majorities’ they called it. Ever since then the gang has been free to go after anyone they could outnumber.”

The senseless rules and ways of the island finally got to Jonathan. “How can people live in a place like this? There must be a way to defend yourself!”

“Without weapons, you can only flee or join another gang with more members.”

Jonathan loosened his hold and they both ran. On and on they went, up alleys, through gates, around corners, across plazas. Alisa knew the town as well as she knew the back of her hand.

The two kept running until they were exhausted. Finally, well beyond the streets and houses, they climbed a steep cliff hoping to reach safety high above the town. The last rays of sun died in the west and Jonathan saw fires breaking out in the town below. The sounds of distant screams and shouts occasionally floated up to their perch.

“I can’t go any further,” gasped Alisa, her long brown hair draped over her shoulders in a tangle. She leant against a tree, panting to regain her breath. Jonathan sat down exhausted and braced himself against a rock. In her mad run, she had torn her frock and lost her shoes. “I wonder what happened to my family,” she worried.

Jonathan worried, too. He thought about the old couple who had taken such good care of him the night before – and their little grandson, Davy. Every individual seemed helpless in this strange

world. “Alisa, too bad you don’t have a good Council to keep the peace.”

Alisa stared at Jonathan and sat down next to him. “You’ve got it mixed up,” she said. Still trying to catch her breath, she pointed in the direction of the riots. “For as long as anyone can remember, people have learned to take from each other by force. Who do you suppose taught them?”

Jonathan frowned and answered. “You mean someone taught them to use force against each other?”

“Most of us learned it by example every day.”

“Why didn’t the Council of Lords stop them?” said Jonathan.

“The Council *is* force,” said Alisa, emphatically, “and most of the time it’s used *against* people instead of protecting people.” She saw Jonathan’s blank look. He obviously didn’t have the slightest idea of what she was talking about. She pushed her forefinger into his shoulder and said, “Listen, when you want something from another person, how could you get it?”

Still feeling his bruise from the robber, Jonathan responded, “You mean, without a gun?”

“Yes.”

“Well, I could try to persuade them,” answered Jonathan.

“Right. Or?”

“Or – or, I could pay them?”

“Yes, that’s a kind of persuasion. How else?”

“Hmmm. Go to the Council of Lords for a law?”

“Exactly,” said Alisa. “With government you don’t have to persuade people. If you get the Council of Lords on your side, either by votes or bribery, then you can force others to do what you want. When someone else offers the Council more, then he can force you to do whatever he wants. And the Lords are always winners.”

“But I thought government encouraged co-operation,” said Jonathan.

“Hardly! Who needs co-operation when you can use force?” responded Alisa. “Anyone with power can win whatever they want – and the rest have to put up with it. It’s legal, but the losers remain unconvinced, bitter, and hostile.”

Alisa directed Jonathan's gaze to the fires below. "Look at the riot down there," she said. "Society is torn apart by this constant struggle for power. All over the island, groups that lose too many votes eventually explode in frustration."

She sat still for a long time. A tear began to trickle down her cheek. "My dad and I have arranged a special place to meet when this happens. But I'll wait until the fires die down."

Jonathan sat quietly a long time, bewildered by these two long days since the storm. By the time he looked back at Alisa, she had fallen into a deep sleep. He was very impressed with her – everything about her. As he made himself comfortable, he thought, "She's no simple Phoebe Simon."

Government of the people, by the people, for the people, usually ends up as government of the people, by the government, for the government.

Richard Needham
1977

Government is not reason; it is not eloquence; it is force. Like fire, it is a dangerous servant and a fearful master.

George Washington

Brainstorming

- Is it okay for one person to take from another person by force?
- Is it better to use persuasion or force to solve social problems?
- Is it okay for majorities to take property, or life, or freedom, from minorities by force?
- What may majorities do that individuals are not allowed to do?
- How can politics lead to riots?
- Examples?
- What are the ethical issues involved?

Commentary

Freedom and democracy are not the same. Democracy has come to mean the rule of leaders who are favoured by a majority of the citizens. In other words, it is the majority leader who rules all, even over those who did not vote for him. In a country where people are disenchanted with an electoral system that is dominated by an influential elite, voter participation may fall dramatically and a very small number of people may select the rulers for everyone.

Even countries that are ruled by dictatorships usually claim to be “democratic” if they go through the motions of a sham election where opposition is not allowed. A country is said to be democratic if it has had an election. However, an election does not give freedom to individuals. Individual freedom occurs when people have a right to make their own choices, even when 99% disagree. As soon as a voter casts his vote, power is shifted to rulers who presume to be “superior” human beings.

Once in power, the removal of the elected “gang” from office is extremely difficult as they establish the rules for the next election to favour themselves.

*What is the ballot?
It is neither more
nor less than a paper
representative of the
bayonet and the
bullet. It is a labour
saving device for
ascertaining on
which side force lies.*
Benjamin Tucker

*The smallest minority
on earth is the
individual. Those
who deny individual
rights cannot claim
to be defenders of
minorities.*
Ayn Rand, 1962

*Whenever you find
yourself on the side of
the majority, it's time
to pause and reflect.*
Mark Twain

Democracy makes actions by rulers legal; it does not make these actions just. A group has no right to initiate the use of force against anyone they can outnumber.

A glance at certain factors in society may give a good indication of a country's degree of freedom:

The leaders: How many bodyguards surround them? How do they deal with the people who did not vote for them? Do they grant favours to those who do support them? How much corruption is allowed? What privileges do they have which the ordinary citizen does not have? Is there movement towards centralized government that is isolated from the people? How many people are in prison? How crowded are the prisons? How many government programmes would survive if the public could vote directly on the money to pay for each of these?

Personal freedom: How much freedom is there to decide on the education of one's children? Are people allowed to marry without a licence? Are they allowed to earn a living as they wish? Are they allowed to trade (export, import and domestic) without government interference?

Culture of freedom: How free is the media to criticise the government? Is there freedom to broadcast without government licensing or interference?

Attitudes of the people: Do citizens take responsibility for their own lives, their health care, and their retirement? Do people believe that competition is better than government monopoly and central planning? Are people pleased at the economic success of others?

Personal freedom and responsibility are essential for a blossoming of civilization.

What is beyond democracy?

A democracy is nothing more than mob rule, where fifty-one percent of the people may take away the rights of the other forty-nine.
Thomas Jefferson

☺ *Democracy: Two wolves and one sheep voting on what to have for breakfast.*
H.L. Mencken

Background

In the Middle Ages, people were told that God anointed one person, the King, to rule them – “The Divine Right of Kings”. John Locke challenged this, saying all individuals have the same rights – “Natural Rights”. However, over the years individual rights continue to be challenged by rulers (ruling parties), who act on behalf of a majority vote. This could be called “The Divine Right of Majorities”.

References

Ayn Rand’s novel *Atlas Shrugged* shows what happens when the majority vote forces its will upon the minority at the Twentieth Century Motor Company.

A Liberty Primer by Alan Burris is packed with information on “freeing the people”.

On the Duty of Civil Disobedience, by Henry David Thoreau, gives an excellent case for individual rights against the majority.

The Fraser Institute’s *Index of Economic Freedom* is the result of a yearly in-depth study. To find out how much economic freedom exists in your country click on it at:

<http://www.freetheworld.com/cgi-bin/freetheworld/getinfo2002.cgi>

On going beyond democracy see Christian Michel’s thought provoking article *Why I Am Not A Democrat (I Prefer Freedom)* at:

http://www.liberalia.com/html/cm_not_democrat.htm

For inspiration on the plan for a region totally free from restrictions in Costa Rica see:

<http://www.limonreal.com>

Chapter 39

Vultures, Beggars, Con Men, and Kings

Next morning, the first rays of light awakened Jonathan. He heard purring; Mices was enjoying a long stretch – digging his claws in the soil. Jonathan rubbed his eyes and looked wearily around. Aside from a few columns of smoke, the town seemed quiet again. Hungrily he searched his pockets and found a couple of remaining slices of bread. He ate one and, trying not to wake Alisa, gently placed a slice under her hand. But she stirred and sat up.

“I want to take a look from the top of this mountain,” he told her. She agreed and they began heading up the steep slope together. Soon the path gave way to rocks that required hand over hand climbing and hauling, using any protruding branch or root. Well ahead of Alisa, but behind Mices, Jonathan arrived at an outcrop near the top. He surveyed the town far below. The summit was near, so he continued up an incline and through a cluster of stunted and twisted trees.

“People!” he said to himself, exasperated. “Constantly pushing each other around. Threatening each other. Arresting each other. Robbing and harming each other.”

Eventually, the trees thinned out to a few bushes, and then, a pile of large boulders. A faint, full moon could still be seen fading in the dawn, slipping closer to the horizon. The air was cool and pleasant as he trudged along. On the peak was a single scraggly tree with a big, ugly vulture perched on a bare branch. “Oh no,” groaned Jonathan, who had hoped for a more lonely spot. “Just my luck. I leave behind a valley of vultures in order to find peace and what do I find? A real vulture!”

“I am a condor!” echoed a deep, gruff voice.

Jonathan froze. Mices jumped, then arched his back and began to hiss. Jonathan’s eyes, wider than the moon, moved slowly,

surveying the area. His heart pounded fast in his ears. Lips trembling, he asked, “Who said that?”

“Who said that?” repeated the voice. It seemed to come from that isolated tree.

Jonathan eyed the vulture-like bird. Neither moved. He spoke, “You talk? Birds can’t talk!”

Mustering his courage and taking a deep breath, Jonathan slowly approached the tree. The bird didn’t move a feather, though Jonathan had the distinct feeling of being under its gaze.

Again Jonathan spoke, trying to keep his voice steady, “You talk?”

“Of course!” replied the condor arrogantly. “I am a condor, the largest member of the proud vulture family.” Jonathan’s knees buckled and he nearly fell. He caught himself in time and lowered in a crouch before the tree. “You – you, can speak?”

“Ahem,” puffed the bird. “Can you? You don’t seem to know what you’re saying half the time. Just mimicking, I suppose.” The bird swivelled his head slightly and said, in an accusing tone, “What did you mean when you said you left a valley of vultures?”

“I – I – I’m sorry. I didn’t mean to insult you,” sputtered Jonathan, feeling a little silly to be talking with a bird. “All those people down there were so cruel and brutal to each other. It’s just a figure of speech about vultures and such. The people reminded me of, well, of...”

“Vultures?” The bird expanded the ruff of feathers below his bald head and neck. Jonathan nodded meekly.

Alisa emerged from the trees and the sight of the exchange took her breath away. “He exists!” she exclaimed. She hastened to Jonathan’s side and grasped his arm whispering, “The great Bard really exists! I thought it was only a myth. I never imagined – and so big and ugly!”

The condor grunted and flapped his great wings before settling back on his branch. “Thank you for the kind introduction, Alisa.”

Seeing her surprise at hearing her name, the Bard responded, “You knew of me. Why shouldn’t I know of you and your friend, Jonathan?”

Alisa and Jonathan looked at the condor, awestruck.

“I’ve watched you both for some time now, especially Jonathan’s harrowing trial at sea,” said the Bard. “You’re brave and clever, young man, but easily fooled. Alisa is more insightful, more likely to trust actions than words.”

“I don’t understand,” said Jonathan.

“To you, this land is all vultures. Hmph! If that was true, then this would be a far better island than it is.” The bird raised its ugly, naked head proudly. “You have come to an island of many creatures – vultures, beggars, con men, and kings. But you don’t recognize who is worthy because titles and words deceive you. You have fallen for the oldest of tricks and hold evil in high esteem.”

Jonathan defended himself. “There’s no trick. Vultures, beggars, and so forth are easy to understand. Where I come from, vultures pick the bones of the dead. That’s disgusting!” Jonathan’s nose wrinkled in emphasis. “Beggars are simple and innocent. Con men are clever and funny – sort of mischievous.”

“As for kings and royalty,” added Jonathan quickly, his eyes dancing with a glint of excitement, “well, I’ve never met any in real life, but I’ve read that they live in beautiful palaces and wear gorgeous clothes. Everyone wants to be like them. Kings and their ministers rule the land and serve to protect all their subjects. That’s no trick.”

“No trick?” repeated the Bard, amused. “Consider the vulture. Of the four, the vulture is the only one of true nobility. Only the vulture does anything worthwhile.”

The great bird stretched its scrawny neck again and glared at Jonathan. “Whenever a mouse dies behind the barn, I clean up. Whenever a horse dies in the field, I clean up. Whenever a poor man dies in the woods, I clean up. I get a meal and everyone is better off. No one ever used a gun or a cage to get me to do my job. Do I get any thanks? No. My services are considered dirty and foul. So the ‘ugly’ vulture must live with verbal abuse and no appreciation.”

“Then there are the beggars,” continued the condor. “They don’t produce. They don’t help anyone, except themselves. But they do no harm either. They keep themselves from dying in the woods, of course. And it can be said that they provide a sense of well-being to their benefactors. So they are tolerated.”

“Con men are the most cunning and have earned a high place in poetry and legend. They practice deceit and cheat others with the words they weave. Con men perform no useful service, except to teach distrust and the art of fraud.”

Rearing up and throwing his huge wings open, the condor sighed deeply. A faint smell of rotten meat drifted down in the morning air.

“The lowest are royalty. Kings need not beg nor deceive; though they often do both. Like robbers, they steal the product of others with the brute force at their command. They produce nothing, yet they control everything. And you, my naive traveller, revere this ‘royalty’ while you scorn the vulture? If you saw an ancient monument,” observed the Bard, “you would say that the king was great because his name was inscribed at the top. Yet, you give no thought to all the carcasses that my kind had to clean up while the monument was being built.”

Jonathan spoke up, “True, in the past some kings were villains. But now voters elect their leaders to a Council of Lords. They’re different because – well, because they’re elected.”

“Elected Lords different? Ha!” cried the condor harshly. “Children are still raised on fantasies about royalty and, when they grow up, royalty is still what they expect. Your elected Lords are nothing more than four-year kings and two-year princes. Indeed, they combine beggars, con men, and royalty all rolled into one! They beg or scheme for contributions and votes; they flatter and deceive at every opportunity; they prance around the island as rulers. And, when they succeed in their exploits, those of us who truly produce and serve get less and less.”

Jonathan fell silent. He gazed back down to the valley and nodded his head in resignation. “I’d like to see a place where it isn’t like that. Could there be such a place?”

Lifting his great wings, the condor sprang from the tree and landed with a resounding thud next to Jonathan and Alisa. They jumped back, surprised at the great size of the bird. The Bard leaned over them, almost twice their height, with a gigantic wingspan.

“You would like to see a place where people are free? Where force is used only for protection? You would like to visit a land

where officials are governed by the same rules of behaviour as everyone else?”

“Oh yes!” said Jonathan eagerly.

The Bard studied them both carefully. The bird’s huge eyes bore right through Jonathan, reading him for signs of sincerity. Then he declared, “Jonathan, climb on my back.” The bird turned slightly and lowered his broad stiff tail feathers to the ground.

Jonathan’s curiosity overcame his fear. He stepped on a notch in the tree and carefully reached out to pull himself up to the soft hollow between the bird’s wings. Then he looked expectantly to Alisa.

“I can’t leave,” she said to them both. “My family is looking for me. I want to go with you sometime, but not now.”

Jonathan blushed. With a big smile, he quipped, “I still haven’t had that free lunch.”

No sooner had Jonathan put his arms around the bird’s powerful neck than he felt tension in the muscles. The condor leaped awkwardly along the ground in great strides. Jonathan felt a lurch and they floated into the rising breeze. Looking back, he could see Alisa waving, with Mices at her feet.

Sailing high above the island, with the wind beating against his face, Jonathan felt exuberant. Except for missing a few friends, he left the island gladly. The mountains disappeared beneath the clouds and the condor soared straight toward the brilliant rays of the rising sun. A vast ocean of clouds and water stretched ahead and Jonathan wondered, “Where?”

*One murder makes
a villain; millions a
hero.*

Bp. Porteus

*The shaft of the
arrow had been
feathered with one
of the eagle's own
plumes. We often
give our enemies the
means of our own
destruction.*

Aesop 550 BC

Brainstorming

- What people are symbolized by these: vultures, beggars, con men, and kings?
- What valuable services do they provide?
- Which are the least helpful to society?
- Is it more important to trust actions or words?
- Why?
- Should authorities be held to the same rules of behaviour as everyone else?

Commentary

Kings: People should all be viewed as having the same rights and responsibilities. This does not change with one's title. Is it okay if human beings "kings" lie, steal, or kill other human beings? No. They should be held accountable, in the same way as all other human beings.

Consider for a moment, Alexander the Great. What was so great about this Alexander? Did the killing of thousands of people make him "great"? Did he protect or exploit his subjects? Did his conquests provide lasting peace and understanding? Without Alexander, perhaps the people living in these lands would have come to know and understand each other better through commerce and trade, correspondence, study, love and marriage. Might this have resulted in more peace, understanding and acceptance in that part of the world today? Did Alexander leave the people more healthy, wealthy and wise, or more disfigured, impoverished, and ignorant? Alexander the *Great*? Who started this praise of a killer? Why does it persist?

Are people as subservient today as they were in ancient times? Are rulers any different today because they are elected for jobs as two or five year "kings" and "princes"? Are new "greats" conning us into fighting their wars? Today, a few government officials decide whether a nation will go to war. These officials are often

*The Swiss proved that
diverse peoples and
language groups can
live peacefully
together by surviving
the dark days of
1940-41.
Walter Lippmann*

beholden to special interest groups who profit from the fighting. They would choose war when the average person might choose peace. Governments in the 20th century killed more citizens (170 million) than in all of history before. How many officials who decided to wage war, died in those wars? Do heads of state deserve more protection than the ordinary citizen?

Beggars: Who benefits from the political donation – the giver or the beggar? Is the head of the donating country giving away his countryman’s hard earned money to buy support for himself? Do donations make the citizens of the donating country feel superior? Do the citizens of the begging country feel inferior? Are the people of these countries made powerless by wealth that is given to the ruling party? Is the donating country perpetuating poverty by encouraging corrupt and oppressive governments? Are the rulers of these begging countries directly responsible for their subjects’ poor conditions?

Con men: As with con artists, officials flatter the voters with words carefully crafted by their public relations professionals. As with con artists, they even begin to believe what they say. Could this be the reason why they strut so arrogantly as masters instead of humbly as the public’s servants?

Is there a perfect system? Could there be such a place where people use force only to defend themselves against aggressors? Could there be a place where people respect each other’s freedom?

What is the answer?

Remarks

The condor adult eats up to three pounds of meat a day, so people and other animals are kept safer with the removal of carcasses. It amazes many people that it is important for condors to keep

Evil does not arise only from evil people, but also from good people who tolerate the initiation of force as a means to their own ends. In this manner, good people have empowered evil throughout history.

Extract from
Jonathan's Guiding
Principles

☺ *Revolutionary:
An oppressed
person waiting for
the opportunity to
become an oppressor.*
Anonymous

themselves very clean. Meat must be cleaned from their feathers to reduce the risk of illness. After eating, they find water in which to bathe, washing away debris, then spend much time preening and arranging their feathers.

Condors look after their own health and welfare and the offshoot of this is that society is better off. The businessperson is in much the same position. Although also often scorned, he looks after his own needs. He does this by earning enough money to take care of himself. In achieving this, he provides society with valuable services. He does not force his services on anyone, yet the services he provides benefit us all. The businessperson gets his meal and everyone is better off.

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Murray Rothbard's *For a New Liberty*.

Lord Peter Bauer demonstrated, in his books *From Subsistence to Exchange* and *Reality and Rhetoric*, that the so-called Third World was capable of prosperity with a free market and that foreign aid, restrictive immigration, and trade barriers hinder economic growth. See books at: <http://www.cato.org/special/friedman>.

Ken Schoolland's article, "Time Bomb in the Middle East: A Long Time Ticking," may be viewed under Guest Commentary at: <http://www.jonathangullible.com/MiddleEast>.

Chapter 40

Terra Libertas

A slight headwind blew steadily across Jonathan's face. Time stretched into hours and the rhythmic motion of the condor's flight made Jonathan drowsy. He dreamed that he was running down a narrow street, chased by the shadowy figures of guards and their unleashed dogs. "Stop you scalawag – you new newcomer!" they shouted. Terror gripped him, as he desperately pumped his legs harder and harder. One figure loomed out in front of the others – Lady Tweed. He heard her breathing down his neck as she lunged with fat fingers to grab him.

A sharp bump woke Jonathan with a start. "What?" murmured Jonathan still clutching handfuls of the bird's thick feathers.

They had landed on a beach that looked familiar. The Bard issued instructions. "Follow this beach along the shoreline. Continue a mile or so north and you'll find your bearings." Thick clumps of salt grass waved gently over long golden sand dunes. The ocean looked grey and cold where it lapped the shore. He climbed gingerly off the back of the bird.

Suddenly Jonathan realized where he was. "I'm home!" he shouted with joy. He started to run up the sandy slopes of the beach then halted and turned again to the condor. "But you said you were taking me to a place where things are done right," said Jonathan.

"I have," said the Bard.

"That's not the way it is here," argued Jonathan.

"Not yet maybe, but it will be when you make it so. Anywhere, even Corrumpto, can be a paradise when the inhabitants are truly free."

"Corrumpto?" gasped Jonathan. "Most believe they're free enough. Lady Tweed told them as much. And the rest are afraid of freedom, so eager are they to give themselves to the Grand Inquirer."

“Mere words!” said the Bard. “The test of freedom comes with action.”

Jonathan felt very young. He pulled a reed from the ground and started poking the sand thoughtfully. “What should things be like? I’ve seen many problems – but what are the solutions?”

The condor let Jonathan’s question hover between them while preening his feathers. When the feathers lay clean and smooth, the condor looked out to sea saying, “You’re looking for a vision of the future?”

“I suppose so.” said Jonathan.

“That’s a problem. Rulers always have a vision and force others into it. Remember, rulers have no right to do anything that you have no right to do on your own. If you shouldn’t do it, you shouldn’t ask others to do it for you.”

“But isn’t a vision good for knowing where you’re headed?”

“For yourself, but not to impose on others.” The Bard turned to face Jonathan again, his talons clenching and digging the sand. “In a free land you place confidence in virtue and discovery. Thousands of creatures seeking their own goals, each striving, will create a far better world than you can possibly imagine for them. Look to the means first, noble ends will follow. Free people find unexpected solutions and those who are not free find unexpected problems.”

Despairingly Jonathan groaned, “But no one will listen to me.”

“Whether others listen or not, you gain strength by speaking and acting. Those who listen will take courage from you.” The condor turned towards the sea readying to leave.

Jonathan yelled, “Wait! Will I see my friends again?”

“When you have prepared your paradise, I’ll bring her to see it.”

Jonathan watched the great bird gather himself and launch his huge body into the wind. Moments later he disappeared among the clouds.

Jonathan began walking. He did not remember much about that walk except the steady crunch of sand beneath his feet and the gusts of wind on his body. Jonathan recognised a rocky channel that marked the entrance to his village. Soon, he was nearing a house and store at the harbour’s edge – his home.

Jonathan's lean and sad-faced father stood coiling rope on the front porch. His eyes widened when he saw his son coming up the path. "Jon," cried his father. "Jon – boy, where have you been?" His voice breaking, he shouted to his wife who was busy cleaning inside. "Rita, look – Jon's back!"

"What's all the rumpus about?" asked Jonathan's mother, looking a little more careworn than he remembered. She came out on the porch and screamed with delight at the sight of her son. Instantly she gathered Jonathan into her arms and hugged him a long time. Then, pushing him back and looking him over at arms' length, she brushed her sleeve across her eyes to stop a flood of joyful tears. "Just where have you been young man? Are you hungry?" Then she said to her husband excitedly, "Stoke the fire Hubert, and put on the kettle!"

They shared a festive reunion and Jonathan recounted his adventure, occasionally making rough drawings to describe what had transpired. His parents smiled and shook their heads in a mixture of disbelief and happiness. After he had eaten one last slice of his mother's warm pie, he sighed and sat back in his chair. The old store and their living quarters in the back room glowed in the light of the fireplace. "Son, you seem older," said his father. He looked hard at Jonathan and added jokingly. "Are you sailing again soon?"

"No, Dad," said Jonathan, "I'm here to stay. There's plenty of work to do."

Brainstorming

- Should officials live by the same standards as everyone else?
- Is it desirable or possible to have a society that is free of force and fraud?
- Can a vision of utopia be forced upon people?
- What is the process of discovery in a free society?
- Can the end justify the means?
- Examples?
- Ethical issues?

Commentary

What alternative political, economic, and social systems are achievable? What are the possibilities to which we can now strive?

Your country is unlikely to be everything you would like it to be. Yet, wherever you live it could become a land where people are free to choose goals that make it far better than can presently be conceived.

This land is beyond the political system of majority rule. It is a system that maximizes individual freedom, allows self-respect, and promotes respect for others. What would this be like? How would it be run? We can only speculate on the paths that might be taken by millions of free people who discover new solutions on a daily basis.

Such a land might have a small administrative body without power, one that is restrained from meddling in personal choices. There may still be a desire for representative administrators (not rulers) who are limited in the scope of their duties. Small communities might select administrators to carry out community wishes, leaving individuals to get on with the business of making a living and seeing to their family

*I am the master of my
fate;
I am the captain of
my soul.*
William Ernest
Henley, 1875

*They listened,
trying to understand
Jonathan Livingston
Seagull. He spoke of
very simple things
– that it is right
for a gull to fly,
that freedom is the
very nature of his
being, that whatever
stands against that
freedom must be set
aside, be it ritual,
or superstition, or
limitation in any
form.
“Set aside” came a
voice from the
multitude, “even if it
be the law of the
Flock?”
“The only true law
is that which leads
to freedom.”
Jonathan said.
“There is no other.”
From Jonathan
Livingston Seagull,
by Richard Bach,
1970*

life. These administrators might be paid at the discretion of those they represent. Or they might work voluntarily. Voluntary groups make better decisions concerning the community in which they live and are the most committed. The administrators could be sacked at anytime for non-performance. Does this sound familiar? Yes, it is the same way commerce works. It is the way many charities, religious organizations, and clubs work.

A land beyond democracy might have an economic system of freedom that is based on healthy entrepreneurial competition. This produces low prices, good services, good quality, and inspired innovation. It is a system where people make deals without restraints imposed on trade, negotiations, or contracts. Such unrestricted trade has the power to break down barriers of race, religion, territory, and prejudice. Under such freedom we reap the rewards of improving ourselves and of cooperating voluntarily with others. Individual freedom gives the poor the best opportunity to improve their living standards. A system based on individual freedom rewards economic risks, eliminates waste, and ensures the best use of human and material resources. The choices of individuals are respected and each person might prefer, in his or her own best interests, to accept responsibility for his or her own behaviour. People would delight at the success of others, for they would know that this success brings benefits to themselves as well. From this would come the greatest measure of prosperity.

The land beyond democracy allows each individual to make his or her own religious and moral choices. The decisions of charitable and personal sacrifice would be matters of personal choice.

People would be afforded the respect to do anything that does not interfere with the equal right of any other person. In such a land, force

*You are the fellow
who has to decide
Whether you do it or
toss it aside
You are the fellow
who makes up your
mind
Whether you'll do it
or linger behind
Whether you'll try for
the goal that's afar,
or just be content to
stay where you are.
Take it, or leave it
There's something to
do,
Think it over
IT IS ALL UP TO
YOU.
Child's rhyme*

John Stossel, on ABC News, quoted Thomas Jefferson as saying, "*The natural progress of things is for government to gain and liberty to yield.*" Then he added, "*The choice is up to you.*"

could only be used to defend those things which each citizen holds dear.

Some are afraid of choices or believe they are free enough already. But people who seek a greater measure of personal freedom will take courage from you. There is plenty of work to do!

Background

Hubert and Rita Jongen gave life to the idea of a global Jonathan Gullible by publishing the first international edition in Dutch. Hubert is the Chairman of Libertarian International: <http://www.libertarian.to>.

There are many well known personalities who believe in these principles. You can see a long (and partial) list of these on: <http://www.theadvocates.org/celebrities.html>.

Ken: A sequel to the *Adventures of Jonathan Gullible – A Free Market Odyssey* might feature Jonathan making a free market success where he lives. Now that this edition has made him a friend of Alisa, she might come and comment on the free society that is new to her. Just a thought at this point.

References

In Mark Skousen's *The Making of Modern Economics: The Lives and Ideas of the Great Thinkers*, a free market economist reviews the great economic minds of history from a lively, humorous, free market perspective.

For frequently asked questions on this subject see: <http://www.theadvocates.org>.

Rigoberto Stewart's *Limon Real* is a practical inspiration of how a land beyond democracy can be achieved. View at: <http://www.limonreal.com>.

Alan Burris' *A Liberty Primer* is an easy reference book which sums up various aspects of freedom.

Epilogue

Mr. Gullible, a wise man many years my senior, gave me far more than a story of adventure. During many months of discourse he provided me with an outline of his intriguing philosophy of life. Over the years, this philosophy of life guided Mr. Gullible to fruitful activity in his homeland. That is yet another story. Nevertheless, I leave you with words from the conclusion of his journal.

My Guiding Principles

My philosophy is based on the principle of self-ownership. You own your life. To deny this is to imply that another person has a higher claim on your life than you do. No other person, or group of persons, owns your life nor do you own the lives of others.

You exist in time: future, present, and past. This is manifest in life, liberty, and the product of your life and liberty. The exercise of choices over life and liberty is your prosperity. To lose your life is to lose your future. To lose your liberty is to lose your present. And to lose the product of your life and liberty is to lose the portion of your past that produced it.

A product of your life and liberty is your property. Property is the fruit of your labour, the product of your time, energy, and talents. It is that part of nature that you turn to valuable use. And it is the property of others that is given to you by voluntary exchange and mutual consent. Two people who exchange property voluntarily are both better off or they wouldn't do it. Only they may rightfully make that decision for themselves.

At times some people use force or fraud to take from others without wilful, voluntary consent. Normally, the initiation of force to take life is murder, to take liberty is slavery, and to take property is theft. It is the same whether these actions are done by one person acting alone, by the many acting against a few, or even by officials with fine hats and fancy titles.

You have the right to protect your own life, liberty, and justly acquired property from the forceful aggression of others. So you may rightfully ask others to help protect you. But you do not have a

right to initiate force against the life, liberty, or property of others. Thus, you have no right to designate some person to initiate force against others on your behalf.

You have a right to seek leaders for yourself, but would have no right to impose rulers on others. No matter how officials are selected, they are only human beings and they have no rights or claims that are higher than those of any other human beings. Regardless of the imaginative labels for their behaviour or the numbers of people encouraging them, officials have no right to murder, to enslave, or to steal. You cannot give them any rights that you do not have yourself.

Since you own your life, you are responsible for your life. You do not rent your life from others who demand your obedience. Nor are you a slave to others who demand your sacrifice.

You choose your own goals based on your own values. Success and failure are both the necessary incentives to learn and to grow. Your action on behalf of others, or their action on behalf of you, is only virtuous when it is derived from voluntary, mutual consent. For virtue can only exist when there is free choice.

This is the basis of a truly free society. It is not only the most practical and humanitarian foundation for human action; it is also the most ethical.

Problems that arise from the initiation of force by government have a solution. The solution is for people of the world to stop asking officials to initiate force on their behalf. Evil does not arise only from evil people, but also from good people who tolerate the initiation of force as a means to their own ends. In this manner, good people have empowered evil throughout history.

Having confidence in a free society is to focus on the process of discovery in the marketplace of values rather than to focus on some imposed vision or goal. Using governmental force to impose a vision on others is intellectual sloth and typically results in unintended, perverse consequences. Achieving a free society requires courage to think, to talk, and to act – especially when it is easier to do nothing.

Jonathan Gullible

Acknowledgements and Notes

I am grateful to many people for their contributions to this project. Sam Slom and Small Business Hawaii are responsible for bringing the original US English publication to life. Flora Ling made fundamental editorial contributions to the writing style and overall presentation of this story. Lucile Schoolland, Nicolai Heering, Fred James, Harry Harrison, Scott Kishimori, Ralph Smeed, and Stuart Hayashi gave meticulous editorial assistance. Randall Lavarias, David Friedman, Tiffany Catalfano, and Orlando Valdez all provided superb art work for earlier editions. Gerhard “Geo” Olsson and Stuart Hayashi contributed many philosophical insights. Geo introduced this book to Milton Friedman. Vince Miller and Jim Elwood did the promotion around the world; Louk Jongen, Louis van Gils, Reg Jacklin, Pelle Jensen, Jeff Mallan, and the HPU SIFE team have promoted the book extensively through the Internet.

Hubert & Rita Jongen, S Wimmie Albada, and Ton Haggenburg produced the Dutch edition. Dmitrii Costygin and William Milonoff produced the first Russian edition and Kenneth DeGraaf and Elena Mamontova are responsible for the new Russian translation, which has been placed online by Jaroslav Romanchuk and Elena Rakova. Linda Tjelta, Jon Henrik Gilhus, and Bent Johan Mosfjell are responsible for the Norwegian editions. Virgis Daukas arranged the Lithuanian edition and uses it regularly in his English language camp along with Monika Lukasiewicz and Stephen Browne. Tomislav Krsmanovic is the great and courageous champion of liberty who has arranged the Serbian, Macedonian, Croatian, Slovenian, Albanian, and Romany editions. Trifun Dimic translated and published the Romany edition. Valentina Buxar translated both Romanian editions and, along with Cris Comanescu, is responsible for the soon-to-be published second Romanian edition on line. Valdis Bluzma published the Latvian edition. Arlo and Gundega Pignotti are preparing a new Latvian edition. Margaret Tse, Wilson Ling, and Carlos Fernando Souto produced the Portuguese edition. Toshio Murata, Yoko Otsuji, Toyoko Nishimura, Mariko Nakatani, Kayoko Shimpo, and Hiroko Takahashi are responsible for the translation and publication of the Japanese edition by Nippon Hyoron Sha. Alex Heil worked diligently on a translation and Stefan Kopp published the German edition. Jonas Ekebom, Carl Henningsson, Christer Olsson, and Mats Hinze all worked on the Swedish translation and John-Henri Holmberg is preparing it as an epublication. Jan Jacek Szymona, Jacek Sierpinski, and Andrzej Zwawa produced the Polish editions. Andras Szijjarto is responsible for the Hungarian edition. Judy Nagy translated and published the Spanish edition. Joy-Shan Lam is primarily responsible for the Chinese edition in *The Hong Kong Economic Journal*; Dean Peng and Jerome Ma, for the book in the People’s Republic of China. Kozeta

Cuadari translated the Albanian edition that was published by Dr. Zef Preci and the Albanian Center for Economic Research. And many thanks to the brothers Dulmaa Baatar and Hurelbaatar for the publication in Mongolia, to K-mee Jung for the publication in Korean, and to Zarina Osmonalieva and her SIFE team for the publication in Kyrgyzstan. Louise Zizka has produced the French translation and brought it on-line with Sieg Pedde. Shikwati James Shikuku has published the Kiswahili edition. Bojidar Marinov and Assen Kanev have produced the Bulgarian translation. Paul Vahur is working on an Estonia translation. The Somali publication is due to the work of Faissal Hassan. And the Urdu edition has been translated and published through the efforts and hard work of Dr. Kahlil Ahmad and Paul Lindberg. Dimitrios Malamoulis and Neos Typos of Magnesia are responsible for the Greek publication. And surely there are many others I could add.

Kevin Tuma is currently preparing a graphic novel of the book. Andrew Sullivan and Tim Skousen have collaborated Kerry Pearson in the production of a DVD presentation of the Philosophy of Liberty. Shahram Sadeghi, Henry and Roya Weyerhaeuser, and Uncle Reza have been diligently preparing a Farsi edition. SIFE@HPU team member Mary Disbrow prepared the powerpoint quiz game for the classroom, assisted by Andy Jacob, Claes Insulander, and Benedikt Goetz. Simone Knobel was largely responsible for preparing the Global SIFE Essay Contest. Edgar Peña and Tomislav Krsmanovic conducted the national essay contests in Mexico and Serbia respectively. Winners of those contests were Valerija Dasic and Carlos Francisco Mendoza, respectively.

Also I wish to acknowledge some of the terrific supporters of this book: Mark Adamo, Mike Beasley, Glenn Boyer, Charles Branz, Rodger Cosgrove, John Dalhoff, Jean Frissell, Henry Haller III, Thomas Hanlin III, Frank Heemstra, Dave Hoesly, Doug Hoiles, Michael J. LeCompte, Paul Lundberg, Jim McIntosh, William & Denise Murley, Roger Norris, Tom Payne, Richard Riemann, Jim Rongstad, Lucile Schoolland, Dagny Sharon, Mark and JoAnn Skousen, Cliff and Bobbie Slater, David Steigelman, Rudy & Pat Tietze, Howard Thomsom, Doug Thorburn, Susan Wells, and Louise Zizka.

For all of this work on line I am grateful to Ginger Warbis, the fabulous webmistress. Kerry Pearson has produced a magnificent flash animation in many languages (English, Spanish, Portuguese, French, and German) with the help of others. Raul Costales has arranged for this to be broadcast weekly on national TV in Costa Rica. And Dick Morris, Ryan Segawa, Ron Corpus, and Geo Olsson have produced radio spots that are broadcast weekly on station KXEM in Phoenix.

Co-author of the Commentaries

On first reading Jonathan Gullible, Janette found it extremely entertaining. It made her laugh out loud, and with every subsequent reading, she kept finding more subtle points. This was probably because she had been exposed to the more serious side of these ideas. However, she found that others, not exposed to these ideas, did not see the humour. Thus, the idea of a commentary edition was conceived. Whilst a Computer Tutor, Janette used her knack of taking involved subjects and making them “understandable”. She has used this same gift with these economic theories. With Ken’s guidance, she has been on a ‘voyage of discovery’ in giving birth to the Commentary Edition. She hopes it will give you enjoyment, laughter, and many fascinating discussions.



I would like to dedicate the joy of the work I have done on these commentaries to the memory of Ilona Daukas, Lithuania, who was my inspiration for this project. – Janette

The Publisher

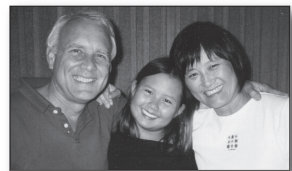


Barry Kayton is a writer, a developer of learning materials and a publisher. He began in the academic world of English literature, classical civilisation, mythology and philosophy. He then entered the commercial world of advertising, marketing, copy writing, photography and graphic design. Since 1999 he has been designing learning materials for adults and children in the field of entrepreneurship. “If it’s not fun, it’s not effective!” says Barry.

Leap Publishing’s logo is of a photograph Barry took in Israel. Children were leaping into the sea off the ancient wall. To Barry this kind of daring attitude is a vital entrepreneurial trait. Every project is a leap into the unknown, and to take the plunge demands courage.

Jonathan Gullible’s Greatest Supporter

Li Schoolland, a teacher of Chinese and Asian History, is Jonathan Gullible’s background supporter. Her duties are keeping her husband, a professor in economics, financially solvent and patiently waiting for him while he corresponds with the great many Jonathan Gullible projects around the world. She is the only woman who says: “A man’s work is never done”.



Recommended Reading

- Frederic Bastiat, *The Law* – Seventy-five pages of reasoning. Although written in 1850 it reads as if it were written today.
- Alan Burris, *A Liberty Primer* – An easy reference book on the various aspects of freedom.
- David Friedman, *The Machinery of Freedom* – An excellent analysis of market solutions to the tough issues, from streets to defence.
- Milton and Rose Friedman, *Free to Choose* – A popular account of the economic benefits of freedom.
- R.W. Grant, *The Incredible Bread Machine* – Explains why government doesn't work.
- Henry Hazlitt, *Economics in One Lesson* – An enjoyable and easy to read book for laymen.
- Ayn Rand, *Atlas Shrugged* – A masterpiece which presents her philosophy in an exciting novel.
- Murray Rothbard, *For a New Liberty* – A classic general book on liberty.
- Mary Ruwart, *Healing Our World, The Other Piece of the Puzzle* – Shows the practical possibilities of how a nation of individuals could achieve freedom today.
- Linda and Morris Tannehill, *The Market for Liberty* – Excellent analysis of market alternatives to traditional government interventions.
- Henry David Thoreau, *On the Duty of Civil Disobedience* – The “bible” of non-violent protest successfully used by Gandhi and many others. It is only 19 pages long.
- E-Publication of *The Adventures of Jonathan Gullible – A Free Market Odyssey* – <http://www.jonathangullible.com/languages.htm>

Recommended Organisations and Websites

Adam Smith Institute	www.adamsmith.org
Advocates for Self-Government	www.self-gov.org
Atlas Research Foundation	www.atlasusa.org
Cato Institute	www.cato.org
Foundation for Economic Education	www.fee.org
Fraser Institute	www.fraserinstitute.ca
Freedoms Foundation at Valley Forge	www.ffvf.org
Free Market Foundation	www.freemarketfoundation.com
Independent Institute	www.independent.org
Institute for Economic Affairs	www.iea.org.uk
Institute for Humane Studies	www.TheIHS.org
International Society for Individual Liberty	www.isil.org
Laissez Faire Books	www.lfb.com
Liberty Tree: Review and Catalogue	www.liberty-tree.org
Libertarian Alliance	www.la-articles.org.uk
Libertarian International	www.libertarian.to
Ludwig von Mises Institute	www.mises.org
Makinac Center	www.mackinac.org
Reason Magazine and Reason Foundation	www.reason.org
Stossel in the Classroom	www.intheclassroom.org

Some of Ken Schoolland's articles:

<http://www.jonathangullible.com/Shogunize>

<http://www.jonathangullible.com/RentControl>

<http://www.jonathangullible.com/REBELS>

<http://www.jonathangullible.com/KidStrike>

<http://www.jonathangullible.com/Immigration>

<http://www.jonathangullible.com/Candlemakers>

<http://www.jonathangullible.com/MiddleEast>

Jonathan's Philosophy in flash animation:

<http://www.isil.org/resources/introduction.swf>

Jonathan Gullible Web site: <http://www.jonathangullible.com>

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