

We Know What Works

by John Stossel

It's nice to be among friends. I'm not usually among friends. I live in New York. I work for a network news organization.

Some of you have read the bestseller, *Bias*. I think it's telling that this is a book that is about us in the networks, that was conspicuously held by the president to show that he is reading it, that is the number one bestseller and has been on the bestseller list for about 20 weeks, and yet there is not even any buzz about it in my business. It's just forbidden. We don't talk about it, even in the hallways.

But it's good to be here among people who do talk about these things. Ed Crane and David Boaz told me to be upbeat. They know me as a sort of doom-and-gloom, black cloud over his head kind of person. Not tonight. This is a celebration. And they pointed out all the great things that I could talk about, all the progress liberty has made. And that's true. They pointed out that we



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ABC News correspondent John Stossel, best known for such specials as “Are We Scaring Ourselves to Death?” and “Greed,” delivers the keynote address to some 1,800 guests at the Cato Institute’s 25th Anniversary celebration on May 9.



WHITE HOUSE PHOTO BY TINA HAGER

Hosting a visit to the White House by Milton Friedman (center), who was in Washington for the presentation of the Milton Friedman Prize for Advancing Liberty, President George W. Bush honors the economist for lifetime achievements during a ceremony in the Eisenhower Executive Office Building on May 9.

don't have slavery anymore. Fewer theocracies and monarchies are in charge. That is good. But I keep asking how freedom is doing lately. And I'm having trouble obeying Ed. I look at what Congress is doing. Collective entitlement seems to be winning.

How Is Freedom Doing Lately?

I look at the farm bill that the Senate just voted on. Those subsidies failed before. Congress watched all the distortions they produced. The farmers got poor; they had to be given more money. And Congress said, “We’re going to fix this; we’re going to pass the Freedom to Farm Act, which would phase subsidies out.” How great.

A few years later they phased out the phaseout, and they’re increasing the subsidies. What happens here? Why doesn't liberty win? Why don't they get it? The new

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Pro-Life



Back in 1997 I wrote an editorial, titled “Pro-Choice,” about conservatives and liberals who want to deny people choice in all sorts of areas. So I thought it was time I wrote a “pro-life” editorial. This time I want to focus on one of the most important choices: the choice of life over death. (And once again, I’m not writing about abortion.) Not much controversy here, right? Everyone prefers life to death. Everyone wants to live as long as possible. You’d think so. But no, it turns

out that lots of people are not so sure that life is a good thing.

The most obvious are Osama bin Laden and his network of terrorists. Islamic martyrs “love death as you love life,” bin Laden tells an interviewer. “The Americans are fighting so they can live and enjoy the material things in this life,” a Taliban spokesman says, “but we are fighting so we can die in the cause of Allah.” In a video for his followers, bin Laden intones, “The love of this world is wrong.”

And there he reaches the crux of the issue. He is wrong. This world is well worth loving. It is right and good for human beings to try to make the most of life on this earth. The Americans are indeed “fighting so they can live and enjoy the material things of this life.” Not just material things, of course—we fight for such values as love, sex, family, friendship, community, integrity, and courage. But at the root of all these is the love of life in all its wonder and happiness.

One of the biggest complaints modern Americans have about life is how stressed they feel, how they are pulled in so many directions. Why are we stressed? Not because we have to work longer hours than we used to. Whatever the statisticians may tell us about the hours we work, we know that our grandparents and their grandparents worked harder than we do to achieve a much lower standard of living. How many hours a week would I have to work to afford a small house without air conditioning, radio, television, or a refrigerator? No, the problem today is that capitalism has given us so many options; but who would want to give up all that abundance?

Or all the *interestingness*? Whatever your interests, the modern world is filled with enough to keep you busy for a lifetime. Every day there’s more news about science, politics, international affairs, sports, entertainment, and so on—not to mention new books, new movies, new music, new religions, even new family and friends. I for one don’t want to die because I want to find out what happens next—in everything from sports to politics to TV soaps to the newest scientific discoveries.

Sadly, the Islamic terrorists are not the only people who see life as a limited blessing. The debates over genetic engineering have brought out our native-born anti-lifers in droves. One of the most-quoted bioethicists of our time, Daniel Callahan of the Hastings Center, says: “The worst possible way to resolve [the question of

life extension] is to leave it up to individual choice. There is no known social good coming from the conquest of death.”

Callahan is a liberal, in the modern welfarist sense. Conservatives such as philosopher Leon Kass, named to head President Bush’s Council on Bioethics, and scholar Francis Fukuyama, a member of the council, sound remarkably similar. In a debate at the Cato Institute, Fukuyama said, “The whole effort to defeat death, it seems to me, is a kind of striving that speaks of a kind of serious lack of a certain kind of moral perspective.” A certain kind, perhaps.

Kass writes, “The finitude of human life is a blessing for every human individual.” In a speech in Jerusalem two years ago, he complained that Jewish scholars “nearly always come down strongly in favor of medical progress and on the side of life—more life, stronger life, new life.” He objects to their making “victory over mortality” the goal of medical science. This Jewish attitude

has also been noticed in the Middle East, where Hamas leader Ismail Haniya says that Jews “love life more than any other people, and they prefer not to die.”

And then there are the environmental extremists, who think there’s just too much human life on earth. Jacques Cousteau told the *UNESCO Courier* in 1991, “In order to stabilize world populations, we must eliminate 350,000 people per day.” Earth First! founder Dave Foreman writes, “We humans have become a disease, the Humanpox.” Celebrated young novelist William T. Vollman says, “I would say there are too many people in the world and maybe something like AIDS or something like war may be a good thing on that level.”

There are many ways to divide people according to their political beliefs—communist and anti-communist, liberal and conservative, libertarian and statist, reactionary and modernist, and so on. But the issue of whether you celebrate life on this earth and want to extend it or think that “the conquest of death” lacks any value seems a good place to draw a line. With enemies of life in abundance, maybe we need what Hayek called a party of life, a “party that favors free growth and spontaneous evolution,” a party that appreciates and encourages the enjoyment of life on this earth. And since choice is an essential part of human life, the pro-life party must be pro-choice as well. The Declaration of Independence, which not only declares that governments derive their powers “from the consent of the governed” but also claims for all people the rights of life, liberty, and the pursuit of happiness, can serve as the party manifesto.

“We need what Hayek called a party of life.”

—David Boaz

Stossel, O'Rourke, Friedman Prize highlight event

Cato Institute Celebrates 25th Anniversary

The Cato Institute celebrated 25 years of advancing liberty on May 9 with a gala dinner at the Washington Hilton, attended by more than 1,800 people from 31 states and 18 countries. Cato Sponsors, allies, journalists, members of Congress, and a virtual pantheon of libertarian thinkers and writers turned out in black tie to hear humorist P. J. O'Rourke, ABC News correspondent John Stossel, and the posthumous presentation of the first Milton Friedman Prize for Advancing Liberty to economist Peter Bauer.

Cato president Ed Crane kicked off the festivities by reflecting on Cato's gradual rise to prominence and its struggle to preserve the "essence of America," which he identified with "respect for the dignity of individual human life." He then introduced a short film chronicling the achievements of the Institute over the past 25 years, including the historic conferences on free-market ideas it hosted in China and the Soviet Union.

Nobel laureate economist Milton Friedman, who had predicted that Cato would be damaged by its move to the nation's capital in 1981, happily conceded a rare misjudgment. "I would not have thought



JIM PHOTOGRAPHY

Cato Institute president and cofounder Edward H. Crane welcomes guests to the Institute's 25th Anniversary dinner at the Washington Hilton on May 9.

it possible 25 years ago," said Friedman, "that Ed Crane could withstand the corrupting influences of Washington as well as he has." Though gladdened by the replacement of "galloping socialism" in the 1970s by mere "creeping socialism" today, Friedman urged that "we really need to go further: we need to bring it back to declining socialism, and that is Cato's job for the next 25 years." He then spoke of the courage

and insight of the late Peter Bauer, on whose behalf John Blundell, general director of the Institute of Economic Affairs in London, accepted the inaugural Friedman Prize for Advancing Liberty.

P. J. O'Rourke's remarks and John Stossel's keynote address were both tinged with a bleak optimism or, perhaps, a joyous pessimism. O'Rourke, Cato's H. L. Menck-

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25th ANNIVERSARY *Continued from page 3*

en Research Fellow and author of numerous books, most recently *CEO of the Sofa*, spoke of libertarianism as a “grim cause,” which faced powerful opposition at every step. It is not, he said, a faith in the goodness of individuals that inspires libertarians but rather confidence that the “limited scope for evil that individuals enjoy” makes personal freedom less dangerous than collective power. Or, as O’Rourke pithily summarized it, “The ugliest strip mall is better than the most beautiful gulag.”

Stossel also began by painting a rather dismal picture. He observed that each day seems to bring news of another new federal power, another new tax or subsidy,

Ohio secretary of state Ken Blackwell talks with Milton and Rose Friedman before the anniversary dinner.



ELSE B. RIVERA



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Cato executive vice president David Boaz talks with José Piñera, the architect of Social Security privatization in Chile, and Chinese social insurance administrator Sun Jian Yong. With Sun is translator and former Cato intern Shun Zhang.

and “another spider web of little rules for you to obey.” Stossel did note, however, that there had been a few surprising roll-backs of state power in recent years from which libertarians could take hope. He thanked Cato, which he called a “jungle gym for your brain,” for its part in the struggle against unchecked government expansion.

Cato chairman William A. Niskanen introduces John Stossel with a few words from Gilbert and Sullivan.



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Darcy Olsen of the Goldwater Institute talks with syndicated columnist Deroy Murdock.

Although only economist and author Walter Williams obliged when Crane jokingly asked “all the famous people in the room” to stand, as a way of saving time on acknowledgements, the evening’s guest list contained quite a few distinguished names. Among them were Secretary of Labor Elaine L. Chao; Sen. George Allen (R-Va.); Sen. Phil Gramm (R-Tex.); former Virginia governor James S. Gilmore III; syndicated columnists Linda Chavez and Tony Blankley; Nobel laureates James M. Buchanan and Gary Becker; psychiatry professor and author Thomas Szasz; Italian defense minister Antonio Martino; and Václav Klaus, president of the Czech parliament. President Bush sent a message



Italian defense minister Antonio Martino, a member of the Friedman Prize selection committee, and his wife Carol with Fran Smith of Consumer Alert and Fred Smith of the Competitive Enterprise Institute.

praising Cato’s “hard work and dedication to the principles of individual liberty, limited government, and free markets.”

In a *Wall Street Journal* article published soon after the event, Claudia Rosett wrote, “Rarely does one get to a black-tie dinner more festive, inspiring and—yes—humorous than the libertarian Cato Institute’s 25th anniversary gala.” The dinner was broadcast in its entirety by C-SPAN several days later.

The next morning, Cato hosted a Public Policy Day for Sponsors in the Institute’s F. A. Hayek Auditorium. Cato Institute policy analysts delivered brief talks on their areas of expertise and fielded questions from Sponsors. Among the speakers were Brink Lindsey, David Boaz, Veronique de Rugy, Roger Pilon, and Tom Palmer. ■

Bauer Receives First Milton Friedman Prize

The first Milton Friedman Prize for Advancing Liberty was awarded to British economist Peter Bauer on May 9 at the Cato Institute's 25th Anniversary celebration dinner. Bauer was selected by a distinguished panel of international judges in recognition of his pioneering work in development economics, which exposed the disastrous effects of central planning and foreign aid on poor nations.

Sadly, Bauer died on May 2 in his London home, only days before his intended departure for the awards ceremony, at the age of 86. The award was accepted on Bauer's behalf by John Blundell, director of the Institute of Economic Affairs, who read the acceptance speech Bauer had prepared. The \$500,000 cash award that accompanies the biennial prize will go to Bauer's estate.

After leaving his native Hungary in 1934 to study economics at Cambridge University, Bauer conducted extensive studies of industry and entrepreneurship in Asia and trade in West Africa. His experiences led him to reject entirely the conventional economic wisdom of the day, which held that only government-to-government transfers from wealthier nations and strict economic controls could enable the developing world to escape the "vicious cycle" of poverty. Bauer saw that, instead, "aid" enabled corrupt regimes to sustain bad policies and drew talented citizens out of the private

sector, into government. Regulations and price controls meant to cultivate development quashed burgeoning domestic industries, which were invariably replaced by boondoggles. A professor for many decades at the London School of Economics and fellow of the British Academy, Bauer was also a prolific author. His many books include *West African Trade* (1954), *The Economics of Underdeveloped Countries* (1957), *Dissent on Development* (1971), *Equality, the Third World and Economic Delusion* (1981), *Reality and Rhetoric* (1984), *The Development Frontier* (1991), and *From Subsistence to Exchange* (2000). At the instigation of Margaret Thatcher, Queen Elizabeth II made him a member of the House of Lords in 1982.

Though Bauer's views are now commonly accepted, thanks in large part to the spectacular failure of the programs he opposed over the past half century, they placed him at odds with virtually the whole of his profession for many decades. Blundell, a former student of Bauer's, spoke fondly of his mentor's tenacity: "It was Peter who by personal example showed that however much you are mocked and execrated, however shell-shocked you may be, you must continue to pursue truth. And remember that when Peter started all other development economists, I repeat, all favored central planning as the first condition of progress."



Along with a cash prize of \$500,000, the Milton Friedman Prize includes a framed certificate and a metal-and-glass sculpture of the flame of liberty atop the globe.

The award's namesake, economist and champion of liberty Milton Friedman, attended the ceremony and joined Blundell in praising the iconoclastic Bauer. "He was consistent and persistent in presenting ideas that were not popular but were correct," said Friedman.

The Friedman Prize was established by the Cato Institute to honor persons who have made important contributions to the advancement of human liberty. Specially designated funds were received for the prize, which will be given every other year. The members of this year's selection committee were Blundell; former British prime minister Margaret Thatcher; Italian defense minister Antonio Martino; economist Rose D. Friedman; Cato president Edward Crane; Taiwanese entrepreneur Jimmy Lai; Peruvian author Hernando de Soto; and Václav Klaus, president of the Czech parliament.





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JAMES R. BRANTLEY/THE WASHINGTON TIMES

1. Cato Institute cofounders Charles G. Koch and Edward H. Crane talk with Koch's wife Elizabeth at a reception before the anniversary dinner.
2. Cato adjunct scholar Richard Rahn with Bill Archer, former chairman of the House Ways and Means Committee.
3. Cato Club 200 member Johanna Chase closes the evening with *America the Beautiful*.
4. David Boaz signs his new collection of Cato essays, *Toward Liberty*:

- The Idea That Is Changing the World*, for participants in the weekend events.
5. Nathaniel and Devers Branden with theatrical producer Willette Klausner.
6. Nobel laureate and Cato distinguished senior fellow James M. Buchanan talks with Rose Friedman at the anniversary dinner.
7. Sen. Phil Gramm talks with CNN correspondent Jonathan Karl at the anniversary dinner.



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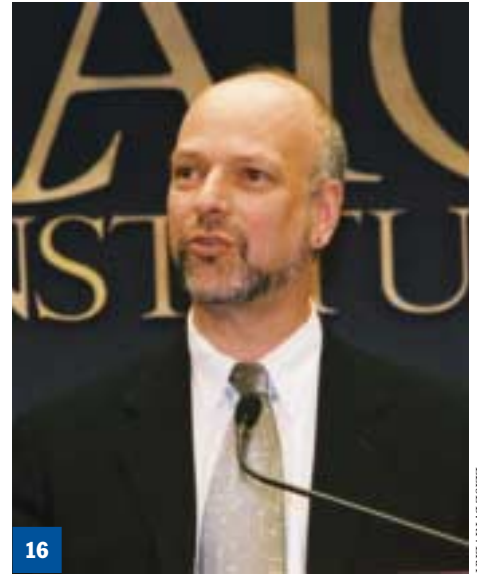
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- 8. Judge Douglas Ginsburg with Chip Mellor, president of the Institute for Justice.
- 9. Milton Friedman at the Sponsors' picnic on Saturday, May 11.
- 10. New York area Sponsors Marlene Mieske, Denise Mullin, Jane Tjian, Sandy Gelfond, Frayda Levin, Andrea Rich, and Susan Watson.
- 11. John Stossel compares the short, simple Constitution with the long, complex tax code during his keynote address on May 9.
- 12. Former Cato employees Carrie Lips and Aaron Lukas dance after the dinner.
- 13. Best-selling author and Cato Mencken Research Fellow P. J. O'Rourke tells dinner guests that common sense and logic lead to libertarianism.
- 14. Lesley Albanese, director of sponsor services and chief organizer of the anniversary dinner, with Cato Club 200 member Dean Cash from San Francisco.



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- 15. Venezuelan-American journalist Carlos Ball and his wife Anita with Cato's Ian Vásquez and José Piñera.
- 16. Michael Tanner, director of Cato's Project on Social Security Choice, is among the speakers at Friday's Public Policy Day for Sponsors.
- 17. Psychologist Nathaniel Branden and psychiatrist Thomas Szasz discuss the life of the mind.

- 18. David Boaz and Cato board member Tucker Andersen discuss corporate governance.
- 19. Christine Klein, director of sponsor relations, with Cato Sponsors Diane Levy of Maryland and Melodee Eby of Kansas.
- 20. Cato Club 200 members Rebecca and Bill Dunn of Florida.
- 21. More than 1,800 guests attend Cato's 25th Anniversary dinner on May 9.



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- 22. Cato senior fellow Pat Michaels with John Stossel.
- 23. Czech political leader Václav Klaus with Cato's James A. Dorn and William A. Niskanen and Chinese official Sun Jian Yong.
- 24. Nobel laureate Gary Becker talks with Václav Klaus.
- 25. Cato board member Howard Rich of U.S. Term Limits plots social change with Bob Costello of Social Security Choice.org.
- 26. Ed Crane introduces P. J. O'Rourke at the black-tie dinner.

- 27. Milton and Rose Friedman study the program at Public Policy Day on Friday.
- 28. Linda and Ed Feulner of the Heritage Foundation, Don Lambro of the *Washington Times*, and economist Richard Rahn.
- 29. Cato Club 200 members Peter Flinch of Virginia, Fred Young of Wisconsin, and Grant Schaumburg of New Jersey.

Milton Friedman: A Hero of Freedom

Milton Friedman was honored by President Bush at a White House ceremony on May 9, in celebration of his approaching 90th birthday. Following are the president's remarks from that ceremony.

It's an honor for me to be here to pay tribute to a hero of freedom, Milton Friedman. He has used a brilliant mind to advance a moral vision: the vision of a society where men and women are free, free to choose, but where government is not as free to override their decisions.

That vision has changed America and it is changing the world. All of us owe a tremendous debt to this man's towering intellect and his devotion to liberty.

Milton Friedman has shown us that when government attempts to substitute its own judgments for the judgments of free people, the results are usually disastrous. In contrast to the free market's invisible hand, which improves the lives of people, the government's invisible foot tramples on people's hopes and destroys their dreams.

He has never claimed that free markets are perfect. Yet he has demonstrated that even an imperfect market produces better results than arrogant experts and grasping bureaucrats. But Milton Friedman does not object to government controls solely because they are ineffective. His deeper objections flow from a moral framework. He has taught us that a free-market system's main justification is its moral strength. Human freedom serves the cause of human dignity. Freedom rewards creativity and work, and you cannot reduce freedom in our economy without reducing freedom in our lives.

As Milton Friedman has written, "I know of no society that has been marked by a large measure of political freedom, and that has not also used something comparable to a free market to organize the bulk of economic activity." This viewpoint was once controversial, as was Milton Friedman, himself.

When he began his work, the conventional wisdom held that capitalism's days

were numbered. Free-market systems were thought to be unsuited to modern problems. Today we recognize that free markets are the great engines of economic development. They are the source of wealth, and the hope of a world weary of poverty and weary of oppression.

We have seen Milton Friedman's ideas at work in Chile, where a group of econ-



President Bush and Rose Friedman listen as Milton Friedman addresses the audience at the White House ceremony in his honor.

omists called the "Chicago Boys" brought inflation under control and laid the groundwork for economic success. We have seen them at work in Russia, where the government recently adopted a 13 percent flat tax with impressive results. We have seen them at work in Sweden, which has adopted personal retirement accounts. We have seen them at work even in China, where the government conceded long ago that Marxism was, in their words, "no longer suited" to China's problems.

These are extraordinary developments. They demonstrate that the rest of the world is finally catching up with Milton Friedman.

Yet Milton Friedman has done more than defend freedom as an abstract ideal. He has creatively applied the power of freedom to the problems of our own country, and in the process he has become an influential social reformer.

Milton has shown us how freedom can enhance our national security. He is the intellectual godfather of our all-volunteer

Army. He argued that America could rely on the dedication of soldiers who serve in the armed forces of their own free will—and he was right. We have recently seen the quality and idealism and skill of the all-volunteer Army. Those who serve our country by choice are serving it with honor.

Milton Friedman has also shown us how freedom can foster educational reform. For many years, he has been a tireless advocate of school choice as a way of empowering parents and improving the performance of our schools. Educational reform advances when parents have the information and the authority to push for reform. And there is no greater authority than a good alternative. Poor children in America need better options when they're trapped in schools that will not teach and will not change.

In all of these issues and debates, Milton Friedman has argued with consistency and courage, and trademark bluntness. His ideas have influence around the world. And by his strength of conviction, he has served his country with distinction.

And it has been recognized as such—after all, he received the 1976 Nobel Prize for Economics, and in 1988 he was awarded the Presidential Medal of Freedom.

In 1938, Milton Friedman married Rose Director, an outstanding economist in her own right—and the only person known to have ever won an argument with Milton. Half a century later, Milton and Rose Friedman published a joint memoir called *Two Lucky People*. There's no doubt that Milton and Rose Friedman have been lucky. But not as lucky as America. We're lucky that their parents chose to immigrate from Europe. We're lucky they gave them the love and encouragement they needed to be bold and to succeed.

We're lucky that Milton Friedman flunked some of his qualifying exams to become an actuary and became an economist, instead. We're thankful for those tough exams but not nearly as thankful as we are for the lives and talents and intellect of Milton and Rose Friedman. ■

WHITE HOUSE PHOTO BY TINA HAGER

Changing the Course of History

Following are the remarks of Secretary of Defense Donald Rumsfeld (a longtime *Cato* Sponsor) at the White House ceremony on May 9.

As a young congressman in the 1960s, I used to go to seminars at the University of Chicago, where Bob Goldman was director of the Center for Continuing Education. He would gather a cluster of geniuses and then allow a few young pups to come in and learn at their feet. As a then-young pup, I was privileged to participate on a number of occasions.

I remember well the conference on the all-volunteer Army. Milton was so persuasive that I became an early advocate. I introduced legislation and testified before the House and Senate Armed Services Committees; and then, as a young cabinet officer in the Nixon administration, I worked

written on the back of an envelope, was only a paragraph or two, and it embarrassed the president because inflation was rising and the president wasn't stopping it. So Congress passed a law saying that the president shall have the right to control wages and prices. I put the law on the floor in my office, next to my desk. And then every time the Wage Board, or the Price Commission, or the Health Services Board, or the Rent Board, or the Construction Stabilization Industries Board, any one of those alphabet boards that were spawned by this Economic Stabilization Act issued a regulation, we stuck it on top. Before too long, the pile started working its way up to the ceiling—a reminder for everybody of the potential damage we were doing.

We kept granting exceptions, letting out everybody; we kept freeing up all of these categories. We had tiers, and we would let this group go free of wage controls and that group go free of price controls, because it was an option.

After a while, Milton Friedman called me up and said, "You have got to stop doing what you are doing." And I said, "Why? Inflation used to be up at around 6 or 7 percent; it's now down to about 4 or 5 percent. We're freeing up all kinds of activities. We're not doing much to damage the economy." He said, "I know, I know that. But you're not the reason inflation is coming down, and you know that!" I said, "That's true." And he said, "The problem is that people are going to think that you're doing it, and you're not—you're letting

everybody out and inflation's coming down and they're going to learn the wrong lesson." He did not quite go so far as to say that I should start damaging the economy, but that was right underneath what he was telling me. And of course he was correct.

The central theme of Milton's work in public policy has been the defense and promotion of human freedom and the critical link between political and economic freedom. Government, he has told us, has

three primary functions: It should provide for the military defense of the nation. It should enforce contracts between individuals. And it should protect citizens against crimes against themselves or their property. Milton, I'm relieved defense made the cut. Building a truly great society requires, not the power of government, but unleashing the power of human freedom, creating a climate in which millions of individuals can think, speak, create, and build.

People behind the Iron Curtain were listening—the dissidents and intellectuals of the captive nations, who were later to become the presidents and prime ministers of free nations. One such prime minister was recounting the steps his country was taking to build a free-market society out of the rubble of communism. Dick Armev asked where the government got its ideas for reforms. The prime minister replied, "We read Milton Friedman and F. A. Hayek." So, yes, he has changed the course of history.

So today, Milton, as we say when we are visiting our troops around the world—the men and women who defend what you have helped to build—thank you for what you do for our country. ■



Milton Friedman on stage for the presentation of the Milton Friedman Prize for Advancing Liberty at the Cato Institute's 25th Anniversary dinner.

to help achieve the all-volunteer service.

Later, George Shultz asked me if I would run the wage and price controls for the United States of America. As I recall, it was not Milton Friedman but H. L. Mencken who once said, "For every human problem there is a solution that is simple, neat, and wrong." Richard Nixon found it.

Early on, I figured out that the key to success was not to even try to manage wages and prices. Senator Proxmire's law, I think

"My views on government spending can be summarized by the following parable. If you spend your own money on yourself, you are very concerned about how much is spent and how it is spent. If you spend your own money on someone else, you are still very much concerned about how much is spent, but somewhat less concerned about how it is spent. If you spend someone else's money on yourself, you are not too concerned about how much is spent, but you are very concerned about how it is spent. However, if you spend someone else's money on someone else, you are not very concerned about how much is spent or how it is spent."

—Milton Friedman
at White House ceremony
in his honor, May 9, 2002

Women, Hispanics Need Social Security Choice

The Cato Institute recently held a pair of full-day conferences exploring the effects of Social Security privatization on two groups with heavy stakes in any reform: women and Hispanic Americans. Those conferences completed a series that began with Cato's "Social Security and African Americans" conference in March.

Leanne Abdnor, a member of the President's Commission to Strengthen Social Security, defended the commission's recommendations in her opening address at the conference on "Social Security: A Women's Issue," cosponsored with Women Impacting Public Policy. She pointed to an outmoded benefit structure as evidence that "the Social Security system has been profoundly asleep, while women's lives have moved forward" and

da's luncheon address focused on rebutting the "campaign of fear" launched by "partisan demagogues" against private accounts. Deposada pointed out that proposals being seriously considered are far less radical than opponents have suggested.

The first of three panels at each conference dealt with the specific stake each group has in reform and revealed striking similarities between women and Hispanics. Both tend to have lower incomes and savings and longer life expectancies than the average citizen; thus they rely disproportionately on Social Security for retirement income.

women unlikely to benefit from privatization, saying, "You can't save what you don't earn." On the corresponding Hispanic panel, columnist Linda Chavez observed that privatization, which is more popular with younger citizens generally, was appealing to a disproportionately young Hispanic-American population. Cato's Jacobo Rodríguez argued that the current system, which "takes wages and deposits them in a black hole," is especially unfair to workers with little income to spare.

MSNBC anchor Natalie Morales introduced the "Hispanics as Investors" panel, noting that Hispanic Americans tend to be distrustful of financial institutions and to remit to relatives more than they save. Much of the blame for those trends, said investment author Julie Stav, lies with broadcast executives who seem reluctant to offer Hispanic audiences "more than just *novelas*," an observation that drew thunderous applause. Authors Joan



Keynote speaker Leanne Abdnor, a former Cato vice president and member of the President's Commission to Strengthen Social Security, raises a question from the floor at Cato's conference on "Social Security: A Women's Issue."

accused opponents of misrepresenting the commission's proposals. Former Congressional Budget Office director June O'Neill gave the luncheon address, in which she underscored the severity of the current fiscal crisis and the need for reform.

At the second conference, "Social Security and Hispanic Americans," cosponsored with the Hispanic Business Roundtable, former Chilean labor secretary José Piñera, now co-chairman of Cato's Project on Social Security Choice, told the assembled crowd how, 21 years earlier, he had privatized Chile's pension system, saving it from fiscal ruin and dramatically increasing returns. Latino Coalition president Roberto Deposada



Luncheon speaker June O'Neill, former director of the Congressional Budget Office, discusses the economic imperative of Social Security reform.



Author Vanessa Summers and Washington Post columnist Michelle Singletary talk during a panel on women and investing.

On the women's panel, Latino Coalition fellow Naomi Lopez Bauman and Celeste Colgan of the National Center for Policy Analysis blasted a spousal benefit structure that discourages women from pursuing careers. Laurie Young of the Older Women's League argued that lower incomes make

Gruber and Vanessa Summers, proponents of privatization on the "Women as Investors" panel, stressed the importance of self-directed education as a counter to the investment establishment's condescension toward women. *Washington Post* columnist Michelle Singletary, however, was skeptical about a



Mara Liasson of National Public Radio moderates a panel on women's stake in Social Security reform.

PHOTOS: ELSE B. RIVERA



MSNBC anchor Natalie Morales, Cato's Jacobo Rodríguez, former Univisión correspondent Armando Guzman, columnist Linda Chavez, and former Chilean labor minister José Piñera were among the speakers at "Social Security and Hispanic Americans," cosponsored with the Hispanic Business Roundtable.

system under which, she feared, neophyte investors would "get their information from the salesman."

Each conference closed with a "Great Debate" on privatization. The first debate panel included privatization opponent Joan Entmacher of the National Women's Law

Center and Independent Women's Forum fellow Meredith Leyva, who argued that consistent feminists should promote self-reliance rather than dependence on future generations. At the second, Eric Rodríguez of the National Council of La Raza defended the status quo on the grounds that

Hispanics benefit more than other groups from Social Security's progressive structure. In rejoinder, Cato's Ian Vásquez argued that, although the system might be less bad for Hispanics than for others, that failed to make it a "good deal" compared with private accounts. ■

Cato Is Coming to Silicon Valley

The Cato Institute inaugurated a series of Silicon Valley Policy Forums in June with a City Seminar on "Liberty, Technology & Prosperity." The Forums, which will be held approximately every six weeks starting in July, deal with topics of special interest to those in the information technology industry, such as intellectual property, Internet regulation, and the future of digital cash. The events will be organized by Cato's director of West Coast development, Richard Friesen.

The June 6 seminar, held in Palo Alto, California, featured a policy discussion by Cato scholars Wayne Crews and Adam Thierer on "Cyber-Libertarianism and Its Enemies," as well as a keynote speech by Cato president Ed Crane and a luncheon address by author and economics professor David D. Friedman. Three future Forums, adapted from those Cato regularly holds

in Washington, are already planned: "Hollywood vs. Silicon Valley: Digital Copyright Protection," "Digital Cash and the Future of Virtual Currency," and "The Broadband Bottleneck on the Information Highway."

Cato's vice president for development Don Beezley, who spearheads the West Coast project, explained its goals succinctly. "The threats of regulation to Silicon Valley are tremendous, and our opportunity here is to raise the profile of the benefits of free markets and the dangers of a relationship with Washington." At present, Beezley said, Silicon Valley is the "lightly regulated wealth-producing engine" of the information economy. These Forums are intended to ensure that key players in the industry understand the importance of the connection between light regulation and wealth production.



Don Beezley, Cato's vice president for development (right), talks with Benefactor Rich Friesen, Cato's director of West Coast development.

The opening conference and the first three Forums are cosponsored by the British news magazine *The Economist*. ■

Capitol Hill Briefings on Social Security, corporate welfare, and immigration

Troop Presence in Saudi Arabia Debated

◆**April 4:** A half-day conference at the Cato Institute attempted to settle the question, “Does the U.S. Military Need to Retain Its Presence in Saudi Arabia?” The first panel, which asked if U.S. defense of the Saudi regime was necessary to ensure the continued flow of Saudi oil, comprised National Defense University economist Don Losman, National Defense Council Foundation president Milton Copulos, Cato’s director of natural resource studies Jerry Taylor, and Paul Michael Whibey of the Institute for Advanced Strategic and Political Studies. All agreed that no American presence was needed for that purpose. The second panel considered whether a U.S. military presence enhanced or diminished U.S. security. Cato senior fellow Doug Bandow maintained that the moral costs of supporting a despotic regime, coupled with the security costs of enraging radical Muslims by “desecrating” sacred land, outweighed the ever-diminishing benefits. Author Nawaf Obaid and former ambassador Ed Walker both countered that, until Saddam Hussein was deposed, a military foothold was needed in order to contain Iraq.

◆**April 5:** Michael Tanner and Andrew Biggs, director and assistant director, respectively, of Cato’s Project on Social Security Choice, discussed the merits and disadvantages of alternatives to private accounts at a Cato Institute Hill Briefing, “Social Security Reform: Are There Any Alternatives to Private Accounts?” Among the options examined were tax increases, benefit cuts, government investment in the market, and inaction.

◆**April 9:** “Social Security: A Women’s Issue” was the second of three full-day Cato conferences examining the effects of Social Security reform on different demographic groups. Featured speakers included Leanne Abdnor of the President’s Commission on Strengthening Social Security; June O’Neill, former director of the Congressional Budget Office; and Grace Hinchman, vice president of public affairs at Financial Executives International.

◆**April 10:** Dartmouth College economics professor Douglas Irwin called his trade

policy primer *Free Trade under Fire* an “ode to empirical economics” at a Cato Institute Book Forum. Irwin offered examples from the book of recent empirical findings that show the benefits of trade. Studies he discussed showed the tendency of trade to stimulate productivity, as well as environmental quality and job growth, contrary to the claims of anti-globalization activists. J. Michael Finger of the American Enterprise Institute spoke largely in praise of the book, and Steve Clemons of the New America Foundation cautioned that free trade is a mixed blessing.

◆**April 12:** Protecting ourselves from terrorists need not entail closing our borders, argued two scholars at a Cato Institute Hill Briefing titled “Smart Borders, Secure Borders: Must We Curb Immigration to Be Safe from Terrorism?” Daniel T. Griswold, associate director of Cato’s Center for Trade Policy Studies argued that Congress could do more to keep out terrorists without closing our borders to peaceful immigrants and tourists. In fact, said Griswold, a less restrictive general immigration policy would allow more resources to be devoted to excluding the dangerous few. John Gay of the Essential Worker Immigration Coalition pointed out that Mexican immigrants in particular are important to key sectors of the American economy.

◆**April 18:** Three of the contributors to the new Cato book *Exiting the Balkan Thicket* spoke at a Cato Institute Book Forum moderated by editor Gary Dempsey. Cato’s own Ted Galen Carpenter described “a series of miscalculations, short-sighted policies, and outright hypocrisy” that, he said, had “afflicted” Western involvement in the Balkans. E. Wayne Merry of the Pearson Peacekeeping Centre suggested that U.S. forces were ill suited to peacekeeping missions and should pass the Balkan baton to their European counterparts. The Heritage Foundation’s John Hulsman blasted Serbian intervention as a product of hubris, which had failed to serve either a U.S. national interest or the interests of people in the region. He recommended a “recalibration” of NATO that would allow problems to be tackled by regional coalitions.

◆**April 22:** By the year 2020, half of western India will be middle class, predicted author and former Procter & Gamble India CEO Gurcharan Das. Speaking at a Cato Book Forum on his economic memoir *India Unbound: A Personal Account of a Social and Economic Revolution from Independence to the Global Information Age*, Das opined that the growing openness of the Indian economy would lead to several decades of spectacular growth. He attributed India’s success in adapting to the information economy to the Brahminical reverence for knowledge and contempt for manual labor that served as an obstacle to growth during the Industrial Revolution. Das also speculated that India might be on the verge of a “second green revolution” long blocked by regulators. Swaminathan Aiyar, a columnist for India’s *Economic Times*, sounded a more pessimistic note, characterizing the country as still “half gagged and half bound.”

◆**April 30:** A Cato Institute Policy Forum posed the question, “Does Polling Hurt Democracy?” Matthew Robinson, author of *Mobocracy: How the Media’s Obsession with Polling Twists the News, Alters Elections, and Undermines Democracy*, answered with an emphatic yes! “The media,” said Robinson, “abuse the apparatus of modern polling techniques. They ask one-sided questions; they ask questions that tend to jibe with their particular news agenda at that time.” Polls, he argued, encourage journalists to focus on superficial first impressions and strategic “horse-race-style” coverage, to the detriment of serious deliberation. Worse, polls give the false impression that citizens have strong opinions on issues about which they are often uninformed, and polls use biased or leading questions to elicit the results their authors want. Pollster John Zogby, president of Zogby International, conceded that many media polls are poorly constructed but defended the ability of polls to enrich public debate.

◆**May 1:** Five experts delivered “A Progress Report on the HDTV Transition” at a Cato Institute Policy Forum. The FCC’s Rick Chessen, David Donovan of the Associa-

At a conference on the U.S. presence in Saudi Arabia, Paul Michael Wihbey of the Institute for Advanced Strategic and Political Studies and Jerry Taylor, Cato's director of natural resource studies, argue that the United States does not need troops there to guarantee access to Middle Eastern oil.



a model and suggested that limits in both amount and duration be placed on corporate welfare.



PHOTOS: EISEN RIVERA

Scott Bullock, a senior attorney at the Institute for Justice (and former Cato intern), discusses the institute's lawsuits to limit the use of eminent domain laws to take private property in the name of economic development.

◆ **May 14:** An “unholy and unethical alliance between business and government” is responsible for state seizures of private property in the name of “economic development,” according to Institute for Justice senior attorney Scott Bullock. At a Cato Policy Forum titled “Eminent Domain: Its Uses and Abuses,” Bullock said that the constitutional power to take property “for public use” had become an unconstitutional means of benefiting wealthy private interests at the expense of property owners. Jeff Finkle, CEO of the International Economic Development Council, argued that such seizures are necessary to attract businesses that require more land than can be easily purchased in pieces.

Chris Edwards, Cato's director of fiscal policy studies, testifies before the House Committee on Government Reform on sunset laws on April 23.



◆ **May 16:** The latest U.S.-Russian arms reduction treaty, though a step in the right direction, is more “photo opportunity” than substance, said Cato senior defense policy analyst Charles Peña at a Cato Policy Forum, “Bush-Putin Summit: The Future of Arms Control and Missile Defense.” Peña observed that, because the treaty calls for warheads to be decommissioned and stored but not destroyed, it “reduces” arms only in the loosest sense. He raised the possibility that the warheads might “be safer, for the Russians and for us, sitting on their launchers than sitting in storage,” where they could become targets for terrorist theft. Daryl Kimball, executive director of the Arms Control Association, agreed, calling the treaty “less than meets the eye,” but Heritage Foundation analyst Jack Spencer contended that the treaty preserved U.S. flexibility without ruling out reductions beyond what is required.

tion for Maximum Service Television, and former FCC chairman Richard Wiley all endorsed the ongoing regulation-driven phase-in of high-definition television. More skeptical was New America Foundation fellow Michael Calabrese, who said the FCC's mandate constituted “an incredibly inefficient and unwanted use of an increasingly scarce and valuable public resource.” He suggested instead auctioning off the spectrum for a variety of wireless digital uses and letting television programs be delivered by cable. Thomas Hazlett of the Manhattan Institute agreed, deriding the FCC's plan as “the next top-down, command-

and-control, force-fed industrial policy in the television market.”

◆ **May 3:** Two Cato scholars, senior fellow Stephen Moore and director of fiscal policy studies Chris Edwards, delivered a Cato Institute Hill Briefing on “Cutting Corporate Welfare and Other Wasteful Spending.” After providing numerous examples of waste, Edwards proposed a federal “sunset law” that would terminate all federal programs unless they were explicitly renewed and require the government to publish a yearly list of all corporate subsidies. Moore looked to recent social welfare reforms as

◆ **May 21:** “Social Security and Hispanic Americans” rounded out a trio of full-day Cato Institute conferences on Social Security reform. Former Chilean labor minister José Piñera and Latino Coalition president Robert Deposada gave the main addresses, and panels included a wide range of respected leaders from the Hispanic community. ■

Americans should have access to smallpox vaccine

Trust Fund Is Accounting Fiction, O'Neill Says

The Social Security crisis is worse than it appears, according to June O'Neill, an economist and former director of the Congressional Budget Office. In a new Cato study, "The Trust Fund, the Surplus, and the Real Social Security Problem" (Social Security Paper no. 26), O'Neill observes that current debate has focused on the date that the so-called trust fund is projected to become insolvent, 2038. But because the trust fund consists entirely of Treasury bonds, which must be redeemed with future government revenues, its "assets" are little more than an accounting fiction. As O'Neill argues, the more important date is 2016, when it is expected that Social Security benefits being paid out will exceed payroll tax revenues coming in. When that happens, she says, "the existence of a trust fund of trillions of dollars recorded in the accounts will not pay the bills. At that point what will matter will be the ability of government to make good on the promise implied by the fund." O'Neill concludes by endorsing privately owned individual accounts.

◆How to Think like al-Qaeda

The best way for the American intelligence community to fight terrorist organizations may be to emulate them, says James W. Harris, former chief of the CIA's Strategic Assessments Group. In a new Cato Institute Policy Analysis, "Building Leverage in the Long War: Ensuring Intelligence Community Creativity in the Fight against Terrorism" (Policy Analysis no. 439), Harris argues that victory in the "War on Terror" can be achieved only by a decentralized intelligence structure, in which the initiative of individual agents, rather than bureaucratic bottlenecks, shapes investigations. Agencies must also permit personnel to form ad hoc alliances with experts outside the intelligence community. While information sharing cannot be totally unfettered, says Harris, "the tradeoff between protecting security and promoting collegiality certainly bears recalibration." To help agents anticipate terrorist actions, Harris suggests establishing terrorist "red teams" to probe security weaknesses, holding "games" that mimic possible attack scenarios, and creating computer simulations that duplicate

the evolving behavior of autonomous terrorist cells.

◆Bush Takes Aim at Tenth Amendment

President Bush has long professed a great respect for federalism, but according to Cato senior editor Gene Healy, Project Safe Neighborhoods, the centerpiece of Bush's anti-crime program, flies in the face of constitutional limits on federal power. In a new Cato Policy Analysis, "There Goes the Neighborhood: The Bush-Ashcroft Plan to 'Help' Localities Fight Gun Crime" (Policy Analysis no. 440), Healy



Gene Healy

argues that Bush's plan to hire more than 700 lawyers to prosecute firearm offences in federal courts mocks the constitutionally enumerated powers of Congress and usurps a traditional state police power. Healy also warns that the program would encourage prosecutorial overkill and allow state lawyers to choose the forum most likely to convict a given defendant, using such suspect criteria as the racial composition of juries.

◆Legal Cartel Seeks to Squelch Competition

Private arbitration firms typically provide a faster, cheaper, and more confidential means of dispute resolution than does a court system steeped in legal jargon and characterized by procedural maneuvering. That, says Cumberland School of Law professor Stephen J. Ware, is precisely why trial lawyers are attempting to kill arbitration firms by making arbitration contracts legally unenforceable. In a Cato Policy Analysis, "Arbitration under Assault: Trial Lawyers Lead the Charge" (Policy Analysis no. 433), Ware chronicles some lawyers' attempts, both in the courts and via congressional lobbying, to preserve their monopoly on conflict settlement and warns that even a seemingly narrow victory could open the door to much wider restrictions.

◆Evidence of Welfare Reform's Success

Despite numerous catastrophic predictions, the welfare reforms of 1996 appear

to have been a huge success. Some recalcitrant critics, however, deny this, claiming that the economic boom of the late 1990s, not reform, was responsible for drops in the welfare rolls during that time. The critics are answered by Michael J. New in a recent Cato study, "Welfare Reform That Works: Explaining the Welfare Caseload Decline, 1996–2000" (Policy Analysis no. 435). New compared the different policies implemented and results achieved in each of the 50 states, tracking multiple variables that might affect welfare numbers. He found that the most significant influence was exerted by the strength of state "sanctioning" policies, that is, by how closely benefits were tied to the fulfillment of work requirements. New's analysis indicated that differences in sanctioning could bring about a 20 percent difference in caseload decline, while a mere 5 point difference in decline separated strong from weak economies.

◆Rule of Lawyers vs. Rule of Law

The suits brought against the major tobacco companies by many states in the 1990s resulted not only in "the largest transfer of wealth resulting from litigation in the history of the human race," according to Cumberland School of Law professor Michael DeBow, but also an equally massive expansion in the power of state attorneys general. In "Restraining State Attorneys General, Curbing Government Lawsuit Abuse" (Policy Analysis no. 437), DeBow chronicles a spate of similar suits brought since by newly emboldened attorneys general. Almost all, notes DeBow, are based on original, unprecedented, and highly implausible legal theories, intended to frighten firms into large settlements rather than achieve victory in court. Moreover, he argues, they threaten to upset the separation of powers by allowing the executive branch to pursue properly legislative ends through the courts.

◆Reports of Copyright's Death Greatly Exaggerated

Online file-sharing programs such as Napster and Gnutella do pose a real threat to intellectual property rights, but, according to University of Texas economist Stan

“Is the military healthier if it relies on those who desire to serve and succeed, or if it is forced to include those who desire to escape at any price?”

Liebowitz, they are more likely to deliver a flesh wound than a deathblow. In a new Cato study, “Policing Pirates in the Networked Age” (Policy Analysis no. 438), Liebowitz predicts that digital rights management technologies, which rely on code rather than law to control access to copyrighted works, will both reduce piracy and make markets more efficient by allowing consumers to purchase only as much use of a given work as they desire. Liebowitz rebuts critics who allege that the technology would upset the traditional balance between copyright holders and the “fair use” rights of consumers.

◆Pakistan Alliance Not Built to Last

Despite the recent high-profile cooperation between the United States and Pakistan, Cato research fellow Leon T. Hadar warns that Pakistan, “with its dictatorship, a failed economy, and an insecure nuclear arsenal, is at best a reluctant supporter of U.S. goals and at worst a potential long-term adversary.” In a Cato study, “Pakistan in America’s War against Terrorism: Strategic Ally or Unreliable Client?” (Policy Analysis no. 436), Hadar says that the support the United States currently receives from Pakistani leader Pervez Musharraf is both self-serving and temporary and should not prevent America’s “strategic disengagement” from Pakistan. Insofar as U.S. interests require an ally in the region, he recommends India as a more reliable candidate.

◆Don’t Procrastinate, Vaccinate

The current Centers for Disease Control plan for responding to bioterrorism will not protect Americans against the release of terrifying diseases such as smallpox, according to a new Cato study, “Responding to the Threat of Smallpox Bioterrorism: An Ounce of Prevention Is Best Approach” (Policy Analysis no. 434).



Charles V. Peña

According to Cato policy analysts Veronique de Rugy and Charles V. Peña, the CDC strategy of “ring containment,” which entails inoculating only



Veronique de Rugy

people who have had recent contact with confirmed smallpox victims, is appropriate for coping with natural disease outbreaks but inadequate as a response to terrorist attack. Because terrorists would probably target multiple population centers simultaneously, the authors argue, such a tactic would be unlikely to stem the geometric spread of the disease. Instead, they say, the government should make smallpox vaccine widely available, giving citizens the choice of whether to be vaccinated and creating a “community immunity” that would slow the spread of smallpox if it were ever unleashed.

◆FDIC Changes Would Leave Taxpayers Liable

Proposed reforms to the Federal Deposit Insurance Corporation would increase the risk of taxpayers being stuck with the bill for banks’ risky investments, warns Loyola University finance professor George G. Kaufman. In “FDIC Reform: Don’t Put Taxpayers Back at Risk” (Policy Analysis no. 432), Kaufman details problems with three such proposals. Automatic premium increases triggered by bank losses that deplete the FDIC fund impose discipline on banks, and maximum coverage limits impose fiscal discipline on banks. Loosening either restriction, says Kaufman, would encourage riskier behavior by banks and investors. A plan to allow regulators to charge banks different premiums on the basis of the estimated risk they pose, while attractive on its face, is found to be equally problematic. Relative to market assessments, argues Kaufman, regulatory estimations of risk would probably be both inaccurate and sensitive to political pressure. Kaufman recommends leaving the current system largely as it is but allowing banks greater say in FDIC management.

◆Market for Tax Regimes Brings Greater Profits and Perils

The increasing mobility of labor and capital in the information age has generated

two contrasting trends, according to the authors of a new Cato Institute study, “International Tax Competition: A 21st-Century Restraint on Government” (Policy Analysis no. 431). While there have been palpable reductions in marginal tax rates in countries competing for international capital, say Cato’s policy analyst Veronique de Rugy and director of fiscal policy studies Chris Edwards, there have also been attempts at “tax harmonization,” the formation of international cartels for the purpose of keeping taxes high. Regimes of harmonization are undesirable, the authors argue, both because they force different nations to adopt a one-size-fits-all rate of taxation and because, like any other monopolistic cartel, they eliminate competitive pressure on inefficiently high rates. They recommend that, instead, states attempt to simplify tax codes, lower marginal rates, and shift to a flatter system of taxes on consumption, rather than on income.

◆Military Doesn’t Want Draft; Neither Should Pundits

The events of September 11 have led some commentators to call for the reinstatement of the draft, either to generate soldiers for the overseas effort or for a number of ancillary domestic purposes. But as Cato



Doug Bandow

scholar Doug Bandow notes in a new Cato paper, “Fighting the War against Terrorism: Elite Forces, Yes; Conscripts, No” (Policy Analysis no. 430), the military itself is opposed to conscription, and with good reason. High-tech 21st-century combat demands a smaller, specially trained force rather than the “masses of cannon fodder” a draft would supply. Bandow argues that conscripts invariably raise discipline problems as well. “Is a military healthier,” he asks, “if it relies on those who desire to serve and succeed, or if it is forced to include those who desire to escape at any price?” Should the armed forces face a recruitment crisis, Bandow suggests that scaling back our current commitments would both increase enrollment and free existing troops for other missions. ■

The War of the “We” against the “Me”

by P. J. O’Rourke

Ed told me to be upbeat tonight. It’s our 25th anniversary; everything is going great. We’re a successful think tank. We’ve got a big building. We’ve got a lot of generous donors. We get quoted in the newspapers—just today in the *Washington Post*’s Style section. And when we get quoted, newspapers hardly ever refer to us anymore as the nutty Ayn Rand disciples who want dope and machineguns legalized.

So I’m supposed to be upbeat tonight, but I say, no. Upbeat is for sissy, do-gooder organizations, like Brookings and the UN and the Democratic Party. Cato is not a do-gooder organization. We’re libertarians. We’re not here to do good; we’re here to do anything we damn well please—and take the consequences. Because we are real advocates of freedom, and freedom has consequences.

Freedom, as we real advocates of it know, is mostly about responsibility. And I speak to you as a man who freely contracted to pay a very large mortgage, who freely got married, freely fathered kids, and, of my own free will, bought an SUV that has to go to the gas station every 11 miles. There are times when it seems that freedom is *all* consequences.

I say the hell with upbeat because I’m not upbeat about the cause that Cato represents. Upbeat is for people who want to feel good about their cause—the reformers, the progressives, the revolutionaries, the idealists, the utopians, the collectivists, and the rest of the altruistic scum of the earth.

Now, why do those people want to feel good? They want to feel good in order to convince themselves that they are good people. They want to be good people in order to be better than other people. And they want to be better than other people in order to push the rest of us around. That’s all that it’s about.

Our cause is not a good cause. Our cause is a grim cause. We are the front-line soldiers in the endless war of the “we” against the “me.”

You and I did not become libertarians because we’re altruists. In fact, there is a certain selfishness to libertarianism. (“Enlightened self-interest” is the euphemism that we use.) My house, my car, my family may be a lot of responsibility, but I would rather take that responsibility than have any of you dating my wife or backing my car into phone poles or leaving your dirty socks on my bedroom floor. (Although when it comes to the kids, if any of you want to baby-sit for free, I’m willing to share.)

But it’s common sense, really, more than common selfishness, that drives the libertarian philosophy. We hold the individual to be self-evident. We believe in the pri-



P. J. O’Rourke, best-selling author and Cato Mencken Research Fellow, addresses the guests at Cato’s 25th Anniversary dinner.

our welfare system that lets all the less famous and less beautiful Elizabeth Hurleys put the cost of their children on my income tax tab.

There is such a thing as mass jubilation—among young idiots at N’Sync performances. There is such a thing as mass death—Hiroshima and Auschwitz. But atomic bombs, genocide, and boy band concerts are not things that bring joy to the heart of a libertarian.

Whenever a libertarian hears the word “masses,” he knows that those masses are in for something rotten—mass hysteria, mass movements, mass murder, mass starvation. Notice how, when collectivists are speaking, mass poverty is always paired with individual wealth. Draw your own conclusions. There is only one happy phrase that makes reference to the masses, and that is mass exodus, when everybody is on his own two feet, trying to get the hell away from everybody else.

I say that logic leads to libertarianism. But also, in libertarianism there is, frankly, an element of despair, because we know that people aren’t good. Some of the religious among us believe in the doctrine of original sin. The rest of us watch Maury Povich. We know that people are sneaky, people are greedy, people are cruel. Yet we, as libertarians, want to turn people loose to do whatever they want. We want that because we also know that no matter what bad things individuals do, they are better than the things that get done to individuals by the collective will.

And I don’t even mean the really gross manifestations of the collective will such as totalitarianism or public television. I mean, imagine a rich farmer going door to door in your suburb, trying to get huge subsidies from you, out of your grocery money. Imagine a steel tycoon down at the docks in Long Beach trying to impose a one-man tariff on cheap foreign steel. Imagine someone trying to inflate his own currency with a Xerox machine at Kinko’s. Imagine Enron trying to cheat the whole nation without the help of an impenetrable tax code, obscurantist accounting principles, and the dark

macy of the individual, the sanctity of the individual, the freedom and responsibility of the individual because we are individuals. We are not ants or bees. We do not reason or love or live or die collectively.

I may say, like President Clinton, that I feel your pain. But, like President Clinton, I’m lying. Though I will admit, on the subject of feeling the pain of others, that the Clinton administration was collectively a pain in the butt.

Anyway, when Elizabeth Hurley has a torrid love affair, I don’t get the pleasure. So why should I get the bill for child support? And that’s a good question, given

ELISE B. RIVERA

“We’re not here to do good; we’re here to do anything we damn well please—and take the consequences.”

powers of the Securities and Exchange Commission. It couldn’t be done.

Libertarians don’t expect miracles from individuals. We just expect individuals to be individuals, with the limited scope for evil that individuals enjoy. Real evil is coercive, and an individual does not have the power of coercion that a government has. Real good is voluntary, and no government, however democratic, is fully voluntary—as Florida voters discovered in November 2000. Only individuals have free will; systems do not. Voluntary good is done by individuals, for the benefit of individuals. Some of that voluntary good is going to be tasteless and dumb and shortsighted, of little value to mankind as a whole. But the ugliest strip mall is better than the most beautiful gulag.

This gives libertarians hope. But I’m not sure that it’s wise for us to be hopeful. The individual has powerful enemies. Over the course of history those enemies have, in most times and in most places, defeated the individual utterly. Libertarians have a lot of things to fight. Libertarians must fight the herd instinct. This is a powerful instinct: witness the lemming. (Although we should thank the lemming for the wonderful weapon of simile that it gives libertarians when it jumps off cliffs—something, incidentally, that lemmings always do in masses.)

Libertarians must fight not only instinct but ideas. And two of the most ingrained ideas in the human mind are the idea of collective entitlement and the idea of zero-sum outcomes.

Collective entitlement is the notion that I am owed something, not because of what I made or did but because I belong to a category. I am owed something because I’m a member of the proletariat who deserves the fruits of capital, a member of the female sex who deserves affirmative action, an African American who deserves slavery reparations, an American Indian who deserves the whole darn country, or, in my case, a middle-aged white guy who deserves some peace and quiet when he comes home from work (and some sports on TV).

Notice how the idea of collective entitlement is much more popular than the idea of collective forfeiture. Very, very rarely does somebody volunteer to go to jail because



P. J. O'Rourke: "Two of the most ingrained ideas in the human mind are the idea of collective entitlement and the idea of zero-sum outcomes."

the other members of his ethnic group have been running the protection rackets in Brooklyn for decades.

And then there are zero-sum outcomes—the notion that whatever it is you’ve got, you’ve got it because you took it from me. Like all bad ideas, this has some basis in reality. For millions of years humans were dependent for their livelihood on land, and there’s only so much of it—unless you’re Dutch and you’ve drained your own. (And I think we should note that the Netherlands went from being a swamp on the outskirts of Belgium to being a very wealthy nation.)

It’s easy enough to see where zero-sum thinking comes from, but the era that it came from is over. Everybody in America who didn’t arrive via the Bering Straits ice bridge stole his land from somebody else. And speaking for myself, they can have it back if they promise to mow it. The heck with all land. I would rather be up in the air in my Gulfstream jet, playing the market with wireless technology.

Libertarianism comes from a different place—a place that most people don’t understand and other people don’t believe in. Libertarianism comes from the place that is in between taking and being given. And hardly anybody wants to go to that place. It’s full of work and worry.

Lord Acton said that the true friends of liberty are always few. They may all be here in this room. We’re here because nobody loves us.

And yet, although I say that we shouldn’t be hopeful, that isn’t really how I feel. I do feel hope. I do think there is a future for the free individual, whether he wants it or not. And the reason that I say so is because of something that’s right outside this ballroom—America.

Hardly anyone wanted to come to America. Even the original inhabitants were just following a mammoth farther than they meant to. The rest of us were dragged here as slaves and bondservants. We were exiled here as heretics and criminals. We were chased here by poverty and oppression. And we came here because no place else would take us. We’re a bunch of losers and bums, the off-scourings of the planet. And now we are the richest and most powerful nation in the world. Why? Is it because we’re collectively good? No. It’s because we’re individually free.

Freedom is tough. We’re tough. Freedom is difficult. We’re difficult. Freedom is a heavy load to carry. We’ve got baggage. And one more thing—freedom is messy. So I think we should make a mess. To end on a fully upbeat note, I suggest that we all get drunk. ■

“President Clinton said, ‘The era of big government is over.’ Four hundred thousand new pages have been added to the *Federal Register* since that speech.”

STOSSEL *Continued from page 1*

farm bill just passed the Senate by a two-to-one vote.

Some time ago I did a “Give Me a Break” on the plan to federalize airport security. And I did what I thought was a brilliant story. I pointed out how NASDAQ counts billions of trades a day and they get it all



MIH PHOTOGRAPHY

John Stossel: “The people of Israel demanded a king. God warned them, ‘He will take a tenth of your seed and your vineyards. . . . He will take your asses and put them to work.’”

right. At the end of the day they have the numbers right. Visa processes a billion transactions a day, and, by and large, the bills come in correct. The government can’t even count the votes in Florida. Now we’re going to federalize airport security. The feds are going to do it better? Why do we assume they’re going to do it better?

And everybody with whom I work laughed. They said, “That was a great piece, but, of course, we’ve got to federalize, we’ve got to have the government do it.” Why don’t they get it?

Some years ago I reported on José Piñera’s brilliant job of privatizing social security in Chile. He presumably saved the country. Cato was working on a similar plan independently at about the same time. But José made it work in his country. And I went there. Then, 16 years later, when everybody was vastly richer and they had their

own money, I interviewed people on the street, thinking they would talk about how wonderful it was. Most people just complained. You know: “The other guy made a little more than I did.” “Couldn’t it be better?” “It’s not making that much.”

People take freedom for granted. In a speech Lord Bauer made 20 years ago, he said the West had never had it so good and had never felt so bad about it. So what’s this about? The Soviet Union fell. That was good. You’d think we would have learned from that. And President Clinton did make a speech before Congress, in which he said, “The era of big government is over.” Remember that? It was met with thunderous applause from Democrats and Republicans. What’s happened since then? Government’s gotten bigger. And it only gets bigger under both parties. Four hundred thousand new pages have been added to the *Federal Register* since Clinton’s speech. Another spider web of little rules for you to obey.

Jefferson said it’s the natural progress of things for government to gain at the expense of freedom. I think he was right. Look at the Bible. If you look at the First Book of Samuel, it says the people of

Israel demanded a king. God warned them, you don’t want a king. “This will be the manner of the king that shall reign over you. He will take your sons for his chariots, your daughters to be cooks, and he will take a tenth of your seed and your vineyards to give to his officers.”

A *tenth*? Wouldn’t it be great if they took just a tenth? And this is what God was worrying about! He went on to say: “And he will take your asses and put them to work. Ye shall be his servants.”

So how big should government be? If not a tenth, what’s the right percentage? We don’t normally talk in these terms—certainly not in the press. But America grew fastest during our first 150 years, when government was never more than 5 percent of GDP. Is 5 percent too low? Is 10 percent better? 20 percent? What should it be? We don’t have this discussion. But

the ugly fact is that it’s now approaching 40 percent. P. J. O’Rourke once asked, “Is it time to stick a fork in it and say it’s done?”

Good Things Can Happen

As I look at these battles, it seems impossible to me. I’m such a pessimist. But Ed Crane and David Boaz are right, because good things can happen—and it’s always stunning to me when they do.

Welfare reform—who would have thought that was possible at the time? Nobody around me ever thought it would be anything but a disaster. The *New Republic* wrote, “Families will fracture.” Richard Gephardt was widely quoted as saying, “A million children will be forced into poverty.” Everyone I worked with certainly believed that. Pat Moynihan said, “Trauma we haven’t known since the cholera epidemics will come.”

What happened? Welfare reform passed. Somehow it passed. Ideas have power. And the result of course is that not only have welfare caseloads fallen by half but 5 million people have been lifted out of poverty. Freedom works.

Now we have the Treasury secretary saying we’re going to simplify the tax code. Maybe it will happen. He came and sat down with me for a “Give Me a Break.” He dumped the tax code books on my lap and talked about how he’s going to eliminate the five definitions of “child” that are in the code.

It makes me wonder, can’t we do better than just that? The tax code, with its explanations, is now 45,000 pages.

Thank God for Cato

This is what I like about Cato: Cato helps focus your mind on what we really need, because they give out copies of the Declaration of Independence and the Constitution. This little booklet is what we need to make America work. It’s this thin. Can’t we keep it simple?

When I argue this with my bosses, they say: “Well, this won’t work. You need more rules; it’s a more complex world now.” But that isn’t true. We need simple rules for a complex world, rules everyone understands.

Thank God we have Cato to keep reminding us of that and to offer alternatives to

“Capitalism is a miracle. It does wonderful things for people. Nobody is pointing that out like Cato does.”

reporters like me, who look for good sources of information. This was made clear to me recently when I was asked to do a “Give Me a Break” on Tom Ridge’s new plan to warn us with that color code. I was reading about it in the *New York Times* and the *Washington Post*, and they were all arguing about, well, how will the state governments coordinate with the local governments? And they were making fun of the colors. But they just seemed to be missing the point, and I just couldn’t quite get my hand around how I could do a “Give Me a Break” on that.

So I asked a producer to call Cato and see if they had anyone who could talk about this. We were referred to Cato’s defense analyst, Chuck Peña. I’ve never met him, but my producer talked to Peña, and he very clearly summed it up. He said: “This won’t help. Information flows through the private sector much more efficiently than through government. This is not going to make it better.”

Look at the Emergency Broadcast System. Remember that? All those annoying warnings when you were watching TV? “This is a test of the Emergency Broadcast System. Annnnnhhhh.” Your tax money has paid for that for 30 or 40 years now. Has it ever been used? No. It wasn’t used during the big hurricanes. It wasn’t used on September 11. When are they going to use it?

They don’t use it because, Peña was right, information flows better through the private sector. You have a million radio stations. So are they getting rid of the system? No. They never get rid of a government program. You’re still paying for it.

Peña went on to say that the new system wouldn’t work. It would either lull people into a false sense of security or whip them into a constant state of panic. Green would be a signal for the terrorists to attack. They might say, “The infidels think it’s safe now; let’s go!” Peña said we’d probably end up with a perpetual state of yellow. It’s the only way for the politicians to cover themselves—to say something might happen today. He was right; we’re still in a state of yellow. So thank goodness for Cato, for offering an alternative. Thank you for taking our minds to new places. ■

Brink Lindsey’s book taught me a lesson. He pointed out, and I think it’s a good reminder to libertarians, that “no government” isn’t the answer, that the poorest places in the world are the places that have no government, no rule of law. You can’t build a factory if there is no honest government to make sure you will still own it next year, to protect your private property. You need limited government to enforce contracts.

Thank God for Cato for being a jungle gym for your brain that helps preserve and develop the ideas that could create much better lives for the billions of people living in the mud of misery. Cato keeps their hope alive.

All this stuff we talk about in the press—what’s going on in America and my upset over the farm bill—you could call trivial. We’re talking about maybe the 900 million people who live in the West, who have good incomes. And by good incomes, I mean those 900 million might just be earning more than \$10,000 per capita per year. There are 6 billion people in the world. Most are living in misery, dire poverty. A billion people live on less than a dollar a day.

What is stunning is that we know what works. We know what it would take to make their lives better—economic freedom. Cato keeps that fire burning. I like the way Cato tries to find new ways to keep the fire burning.

Since I’m holding up small things here, I’ll pull out this credit card. I once heard David Boaz give a speech in which he talked about credit cards: “Isn’t it a miracle, you can go to another country and give them this piece of plastic and a total stranger who doesn’t even speak your language will give you a car? Or you can go to a wall someplace and stick it in and cash will come out. And they don’t even know you.”

Capitalism is a miracle. It does wonderful things for people. Nobody is pointing that out like Cato does. We know what works—freedom and limited government, one of the greatest achievements of humanity, because it makes so much else possible. And thank you for fighting for that, for defending it, and for the liberty that makes life great. ■

Cato Calendar

Cato University

*Chantilly, Va. • Westfields Marriott
July 27–August 2, 2002*

Speakers include Tom G. Palmer, Randy Barnett, Don Boudreaux, Edward H. Crane, and Walter Williams.

Portland City Seminar

*Portland • The Benson Hotel
October 30, 2002*

Seattle City Seminar

*Seattle • Four Seasons Olympic Hotel
October 31, 2002*

International Financial Crises: What Role for Government?

20th Annual Monetary Conference
*Cosponsored with The Economist
New York • Waldorf-Astoria
October 17, 2002*

Speakers include William McDonough, Anne Krueger, Jeffrey D. Sachs, Samuel Brittan, Charles Calomiris, and John Taylor.

Chicago City Seminar

*Chicago • The Drake Hotel
November 7, 2002*

Cato University

*San Diego • Rancho Bernardo Inn
November 7–10, 2002*

New York City Seminar

*New York • Waldorf-Astoria
November 15, 2002*

San Diego City Seminar

*San Diego
San Diego Marriott & Marina
December 11, 2002*

Los Angeles City Seminar

*Los Angeles • Westin Bonaventure
December 12, 2002*

14th Annual Benefactor Summit

*Naples, Florida
LaPlaya Beach Club & Resort
February 26–March 2, 2003*

Updated information on Cato events, including Policy Forums and Book Forums not shown here, can be found at www.cato.org/events/calendar.html.

Penn Jillette and Bjørn Lomborg in Regulation

Cato Journal Surveys Europe, China, Mexico

The Winter 2002 *Cato Journal* (vol. 21, no. 3) has a decidedly international flavor: scholars examine economic liberalization, and its absence, over the last five decades in China, Germany, Mexico, the Czech Republic, and the world as a whole.

Anthony de Jasay plots the trajectory of future European development by examining two pairs of contrasting “states of mind” found there: the different nationalisms of Britain and France and liberal and statist attitudes, which de Jasay associates with economists Adam Smith on the one hand and Jean-Baptiste Colbert on the other. China, say Yao-hui Zhao and Jianguo Xu, will need to hew more closely to Smith if its pension system, plagued by employer evasion and non-compliance, is to survive, and Cato’s Ian Vásquez challenges the Colbertist conventional wisdom that holds the IMF bailout



of Mexico in the 1990s to have been an unmitigated success.

The Czech transition from communist planning to markets provides evidence for F. A. Hayek’s position in the “socialist calculation debate,” according to Jan Hanousek and Randall K. Filer. As Hayek predicted, planners were unable to set efficient market prices for shares of state firms being privatized, leaving the market for shares characterized by disequilibrium in the form of excess demand. An article by Richard Reichel shows that Germany’s transition from the Nazi regime to a system of open markets was responsible for its impressive economic growth in the 1950s and 1960s, undermining the position of economists who claim that growth was purely a function of postwar reconstruction.

Abdiweli M. Ali and W. Mark Crain examine the more general link between

political institutions and economic growth and conclude that past empirical studies have been frustrated by insufficient precision. When economic freedom as

a variable is separated from other factors, such as the degree of democracy or civil liberty a country enjoys, it becomes clear that economic freedom exerts a strong positive influence on growth and the other two factors are almost irrelevant.

Other authors analyze the “financial safety net” in the United States, experimental

models of electricity deregulation, ticket scalping, public vs. private provision of social welfare, the Keynesian concept of “liquidity traps,” and the Food and Drug Administration’s use of placebos as a benchmark for the effectiveness of new drugs.

The previous *Cato Journal* (vol. 21, no. 2), which dealt with monetary policy in the new economy, included articles by Alan Greenspan, Kevin Dowd, William Niskanen, Alan Reynolds, James Gwartney, and Lawrence H. White.

The Spring 2002 issue of *Regulation* (vol. 25, no. 1) amply covers the domestic front, with articles on the return of agricultural subsidies, the salutary effects of FDA user fees, market alternatives to police, and the hidden pitfalls of location-efficient mortgages. Magician Penn Jillette’s column suggests that allowing weapons on airplanes would place terrorists in the uncomfortable position of having to profile passengers, and Richard Gordon reviews Bjørn Lomborg’s controversial book, *The Skeptical Environmentalist*.

Cato Journal (\$8.00) and *Regulation* (\$5.95) can be purchased from Cato Institute Books at 1-800-767-1241 or via the online Cato Bookstore at www.cato.org. One-year subscriptions to both magazines are available: *Cato Journal* for \$24.00 (\$6.00 per issue) and *Regulation* for \$20.00 (\$5.00 per issue). ■



Roger Pilon, who holds Cato’s B. Kenneth Simon Chair in Constitutional Studies, delivers the commencement address at Columbia University’s School of General Studies on May 21.

New collection reveals botched Balkan policy

Cato Book Explains Interventionist Quagmire

“Balkanization” has come to mean a process of fragmentation through conflict. Many people in the NATO countries hoped to reverse that legacy by ending civil strife in new Balkan nations and forging stable, democratic, multiethnic states. But, as Cato foreign policy analyst Gary T. Dempsey points out in his editor’s introduction to *Exiting the Balkan Thicket*, never in history has such a feat been accomplished, and there is every indication that intervention in the former Yugoslavia will leave that record of failure untouched. This collection of essays, published by the Cato Institute, reveals how far short interventionist efforts have fallen and recommends ways for NATO and the United States to begin a smooth exit.

The book’s essays are divided into two parts, the first of which assesses Western attempts at democratic nation building in Bosnia and Kosovo and finds both severely wanting. Cato’s vice president for defense and foreign policy studies, Ted Galen Carpenter, paints a disturbing portrait of the autocratic management of Bosnia by Western officials. He catalogues one instance after another of callous disregard for the democratic process, including the rigging of elections and even the outright dismissal of elected representatives. Bosnia’s self-appointed guardians have also displayed, says Carpenter, “an almost casual willingness to harass or suppress media outlets” that fail to provide sufficiently fawning coverage of NATO’s efforts or of the Dayton agreement.

David Chandler, a research fellow with the Policy Research Institute at Leeds Metropolitan University, argues that NATO’s Kosovo intervention, heralded as “the first war initiated in the name of human rights,” is a stunning failure on those terms. Kosovars, he says, have been left more ethnically divided than before, besieged by a newly emboldened Kosovo Liberation Army, and utterly stripped of the sovereignty and self-



Gary Dempsey, editor of *Exiting the Balkan Thicket*, discusses the book with Cato vice president Ted Galen Carpenter (left) and former U.S. diplomat E. Wayne Merry.

determination that provide a necessary base for other fundamental rights.

Even people once most sanguine about intervention have grown disillusioned. As a journalist in Sarajevo in the mid-1990s, Stephen Schwartz writes that he had welcomed the arrival of U.S. troops in Bosnia, only to receive an “education . . . in just how badly intervention could be botched.” So opposed to nationalist sentiment were Western officials in both Bosnia and Kosovo that they attempted to recreate the forced multiculturalism of the Tito era, restoring to power many former members of the communist nomenclatura.

The book’s second part deals with the problem of extracting ourselves from the mess depicted in the first. Robert M. Hayden, director of the University of Pittsburgh’s

Center for Russian and East European Studies, insists that attempts to manufacture a new multiethnic Bosnian state are doomed to fail. Instead, says Hayden, officials should hew to the Dayton

agreement’s original plan: central institutions of very limited scope compatible with a de facto ethnic partitioning of the country. De facto partitions should not become national borders, however, warns Marquette University international affairs professor Raju G. C. Thomas, who favors defending the “territorial status quo.”

The final two essays focus on the transition from a U.S.-led to a European peacekeeping force. John Hulsman, senior European analyst at the Heritage Foundation, recommends “recalibrating NATO around the twin concepts of power sharing and burden sharing,” giving our European allies both greater voice and greater responsibility in missions in their sphere of influence. E. Wayne Merry of the Lester B. Pearson Canadian International Peacekeeping Training Center observes that European forces are perfectly capable of handling regional peacekeeping tasks and, indeed, are better suited to the task than our own. He emphasizes, however, that they will have little incentive to step up to the plate until the United States shows that it is serious about withdrawing.

Exiting the Balkan Thicket can be purchased (\$8.95 paper) at Cato’s online bookstore, www.cato.org, or by calling Cato Institute Books at 1-800-767-1241. ■



◆ Justify yourself

Many corporations are taking out life insurance on their employees with the company as the beneficiary. . . . Some survivors and insurance experts are offended by the practice.

“It raises very serious public policy questions,” said J. Robert Hunter, a former Texas insurance commissioner who is now with the Consumer Federation of America. “What is the purpose of this? If it’s just to make money, I don’t think that’s sufficient” reason to allow it.

—*Washington Post*, May 30, 2002

◆ Repeat after me: nothing is distributed evenly

The good news for Asian neighbors is that as China’s economy roars ahead, it seems to be sucking raw materials and components from elsewhere in the region. The bad news is that the benefits of that trend . . . surely won’t be distributed evenly.

—*Washington Post*, May 25, 2002

◆ Gee, wonder how that happened

As crime has dropped in the United States in recent years, it has worsened in much of Europe, despite generous welfare states designed to prevent U.S.-style inequality and social conflict.

—*Los Angeles Times*, April 28, 2002

◆ In which clauses, Dean Lehman?

“Today’s decision [upholding racial preferences in law school admissions] is a tremendous victory for all of higher education. Our Constitution recognizes the educational benefit of having students

study in a racially integrated environment.”

—University of Michigan Law School Dean Jeffrey S. Lehman, in the *Detroit News*, May 15, 2002

◆ And teachers no longer have to be smart . . .

Jazzercise Inc. said it will no longer require instructors to look trim and fit, settling Jennifer Portnick’s complaint that she was refused a job because she weighed 240 pounds. Portnick alleged discrimination under San Francisco’s “fat and short” law, which bars discrimination on the basis of weight and height.

—*Washington Post*, May 8, 2002

◆ Paging Thomas Jefferson

What interest does government have in whether people get and stay married? Plenty, actually.

The Declaration of Independence says Americans have the inalienable right to life, liberty and the pursuit of happiness. And an eye-popping array of statistics prove that an excellent way for government to promote the pursuit of happiness is to encourage stable, healthy marriages.

—Patrick Fagan, Heritage Foundation, in the *Washington Times*, April 17, 2002

◆ Maybe the Presidential Service Scholars can write about freedom

On April 26, the Corporation for National and Community Service started a “Presidential Freedom Scholars”

program offering \$1,000 scholarship . . . to 1,700 high school students who win an essay contest about their views on service after Sept. 11.

—*Washington Post*, May 12, 2002

◆ Next, the bill for getting colds from baby kissing

The Montana political world is abuzz with word that [Gov. Judy] Martz has filed or is about to file a workers’ compensation claim with the state for a repetitive stress injury to her arm for handling her gubernatorial duties, in this case constantly shaking hands with the voters.

—*Washington Post*, April 29, 2002

◆ Elections are already publicly funded (cont.)

[California Gov. Gray] Davis is already in campaign mode, filling his schedule with public appearances and mailing to citizens—at taxpayer expense—“informational” pamphlets that also tout his “leadership.”

—*Washington Post*, April 28, 2002

◆ That right would be found in which article?

“Clearly, the court today has ignored the constitutional right and responsibility of Congress to pass laws protecting citizens from dangerous and addictive narcotics, and the right of Congress to exert legislative control over the District of Columbia as the nation’s capital.” Barr said.

—Rep. Bob Barr, press release, March 28, 2002

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