

by  
Joseph G. Dejan

# A Challenge to Modern Alchemists



*Alchemy was a medieval science, as well as a speculative philosophy, whose aims were the transmutation of the base metals into gold, the discovery of a universal cure for diseases and, ultimately, a means of indefinitely prolonging life.*

The alchemists had been impressed with Herold's tale which described the first epoch in the life of a man as a happy age of gold, where men never grew old. Unfortunately, man was passing through a series of epochs, and the alchemists saw themselves as living in the fifth such epoch, a bleak and unlovely age of iron. Ah, to return to the glory of the golden age; one in which there was a relationship between long life and potable—safely drinkable—gold. Dreams of a return to an idyllic life inspired the alchemists to toil long hours in search of a magic elixir and the formula to transmit base metals into that shining metallic wonder, GOLD!

Although their efforts were bound to fail, since natural laws are not flexible to man's wishes or desires, the medieval alchemists contributed techniques and materials to early chemistry.

Since then, a new breed of alchemists has appeared. Although the contribution of twentieth-century alchemists is quite doubtful, they have gained the prestige of a revered elite—an elite with the power of controlling the lives of others, exercised in the name of the masses: **THE POLITICIANS!**

The success of these modern-time alchemists reached levels far beyond the imagination of their pitifully inept predecessors in both science and speculative philosophy. Well aware of the failures of early alchemy, the modern alchem-

ists knew the futility of tampering with natural LAWS. So, they abandoned the metaphysical realm to the scientists and the philosophers, and they embraced the "POLITICAL sciences." They then created their own laws. They didn't transmute base metals into gold; they accomplished a more amazing feat: they transmuted paper into gold and, by so doing, were able to prolong life, not of the individual, but of the particular group to which they belonged: The State.

How was this "miracle" possible? Simply by the "miracle" that they were necessary to reality, robbery, fraud, and not only sporadic, but comparison to the jealous monopoly established by these modern "protection" to "protect" the "public" by bankers, the state printing of money. Since then, the alchemists who have ever lived on could not match the universal the state in one year. The result is chronic inflation.

Generally, people work hard to earn a living and to save for their future. If they would spend a mere fraction of their earning time in trying to understand the purchasing power of the money they receive for their labor, they would be outraged by the treatment they get. Lately, because of its baneful manifestations, inflation is a word very much in use in conversation, yet very little understood. Soaring prices are badly

felt by everyone. They are commonly mistaken for inflation itself. The solution offered is more intervention by the government by means of wage and price control. The politicians, always fast in sensing the waves of public wishes, offer to take up the fight, if only they obtain enough support to pass stronger laws. They also take advantage of this opportunity to attack their classical scapegoats: the profiteering businessmen and the "inherent defects" of capitalism.

Rising prices are merely a consequence of inflation, and not the cause. Any government intervention in wages and prices would only enlarge the confusion in the economy, restrict investments, and curtail production, thus increasing inflation's symptoms.

The labor unions are often blamed for inflation by forcing (with help of the law) constant wage increases. But wage increases force price increases, lessening the product demand and thus leading to unemployment, not inflation.

The Vietnam war is also suggested as a cause for inflation, but South American states—Bolivia for example, which has not known war in a long time—still experience inflation. In nine years' time, the Bolivian money supply increased seventy times, and the cost of living increased one hundred times. Statistics of similar significance could be cited for many other countries.

The 10 per cent hike of last year's income taxes was accepted without much fuss as a sure cure for inflation. The increase was imposed again this year, while the politicians prepare the public for next year, and the inflation progresses untouched.

No matter how many examples we cite, we continue to see the tight relationship between these two elements: the cost of living and the money supply.

In our country, the active money supply increased from \$40 billion in 1933 to \$455 billion in 1969. During the same period, the cost of living increased 170 per cent. The purchasing power of the dollar fell to 37 cents, as compared to the 1933 dollar.

In comparing these figures, it may be surprising, in view of the Bolivian example, to see a greater ratio of increase in the money supply than in the cost of living in the U.S. The reason is that, during the same period, the creation of real wealth, i.e., goods and services, has also increased, but at the ratio of three to four, as

compared to the money supply. With this relationship in mind, we are now ready to define inflation.

Inflation is an increase in the **money supply** exceeding the increase in the creation of real wealth.

If only the amount of goods and services were to increase, while the money supply remained unchanged, prices would decrease and the cost of living would decline.

"Thus, we see that higher prices for goods and services or labor wages cannot, in themselves, cause inflation since they do not affect the supply of money." (Davis Keeler, *Research Review*, October, 1969.)

Whereas individuals must produce in order to survive, the state obtains its revenue by compulsory means. While individuals must produce more to spend more, the state must find new methods of expropriation in order to spend far more than it has courage or ability to collect in taxes. The first method employed by the state is to simply increase the supply of money by printing more paper money; but this method is too obvious, too easily detectable, so the state resorts to a more subtle method. It "sells" securities to its Federal Reserve Bank which, in turn, **creates** a "deposit" in the state's favor. The state then draws checks against this "deposit." The Bank uses these securities as bank reserve for loans and investments which are major components of the money supply. This "convenient" source of revenue is the cause of inflation. It is practically the most evil form of taxation, because its vicious effects are hidden and, therefore, misunderstood. Everyone is affected by the results, but most of all, the aged and the handicapped, because they are on fixed revenues (pensions, retirement plans, insurance, savings, etc.).

Inflation and consequent depreciation of a currency is not new in the world, but for the first time in history a noticeably greater number of families hold life insurance and savings in this nation's currency. Never before has the great majority of citizens of any country been as certain to lose so heavily.

The beneficiaries of inflation are primarily the politicians, who can spend more money to fulfill part of their promises, keep up with political pressure, avoid blame for unemployment, and thus be able to boost their "usefulness" and secure the stepping-stone for full state domina-

tion. The secondary beneficiaries of inflation are the influential political groups who want "easy money" and "credit expansion." Also, as Henry Hazlitt points out in his *The ABC of Inflation*, "inflation makes it possible for some people to get rich through speculation and windfall instead of hard work. It rewards gambling and penalizes thrift. It conceals and encourages waste and inefficiency in production. It finally tends to demoralize the whole community. It promotes speculation, gambling, squandering, luxury, envy, resentment, discontent, corruption, crime, and increasing drift toward more intervention which may end in dictatorship."

Two noteworthy legal actions, known as the Daly case and the Milan case, have recently challenged the legitimacy of government fiat money.

The Daly case was reported in *Myers' Finance Review*, June 4, 1969.

The case was in Justice Court, Township of Credit River; Martin V. Mahoney, Justice. In the State of Minnesota, County of Scott; plaintiff First National Bank of Montgomery, and defendant Jerome Daly. The bank had loaned \$14,000 to Jerome Daly, which had not been paid, and it moved to secure possession of the property in a trial by jury. The jury unanimously rejected the plaintiff on the grounds that **it admitted it had created the money out of nothing, and that it knew of no law that allowed it to create money.** Therefore, there was no consideration. The mortgage was declared null and void — December 9, 1968.

The bank went to appeal in the district court and offered two paper dollars as the standard fee to the justice of the peace to transfer the case. Justice Mahoney refused the two dollar bills on the grounds they were not money and he was not required under the State of Minnesota to accept them. However, he invited the bank to a hearing to show cause how they could claim the two paper dollars were money under the law. The bank didn't show up.

The strongest point of this case is that the bank would rather give up \$14,000 than be required to prove that Federal Reserve notes are money. **They dropped the case**, undoubtedly hoping the news would go no further. Appeal was denied February 4, 1969.

They may claim the justice of the peace court is a low court and carries no precedent in law. But here we have the greatest PRECEDENT IN FACT. Jerome Daly has defied the Federal Re-

serve System of the U.S. to claim real property on a mortgage. They have not been able to claim it. **Justice Mahoney has defied the Federal Reserve System to force him to accept Federal Reserve notes as money under the Constitution of the U.S., and they have abdicated and run away from this challenge.**

The Milan case was reported in the *San Diego Register*, November 1, 1969.

A suit striking at what the federal government uses for "lawful money" was filed against the government and the Federal Reserve System Friday by a former chief assistant U.S. attorney.

Mobley M. Milan, who resigned from the U.S. Attorney's office here October 18, contended in his suit that Federal Reserve notes were not lawful money as defined in the United States Code.

The defendants—The United States of America, the Federal Reserve System Board of Governors, and the Federal Reserve Bank of San Francisco—refused to redeem a \$50 Federal Reserve note in lawful money, Milan's action said.

The suit asked for "the sum of \$50 in lawful money, interest, and costs; and that the defendants be specifically required to redeem the note aforesaid mentioned in lawful money."

Milan said the U.S. Code defined "dollar" as "so many grains of silver or gold and nothing else" and that when he tried to exchange his note for dollars he was offered more Federal Reserve notes.

The suit "goes to the very foundations of our government and society," Milan told newsmen after filing. "It strikes at the root cause of our basic problems of inflation, the public debt and the loss of our freedom to big government."

He equated the government position to "saying green stamps can only be redeemed in green stamps. . . ."

Federal Reserve loans to the government result in creation of paper currency, and "that is merely a form of legalized robbery of the American people," Milan said. . . .

"With a fully redeemable currency, the people control their government, but with fiat money the bureaucrats control us!"

"I predict," says Mr. Daly, "that (Justice Mahoney's) decision will go into the history books as one of the great documents of American history. It is a huge cornerstone wrenched from the temple of Imperialism and planted as one of the solid foundation stones of Liberty."

The three heroes for freedom are Mr. Daly, Justice Mahoney, and Mr. Milan, who had the courage to challenge the bureaucratic predation

of the Federal Reserve Bank and the legislators in charge. But for these first stones to become a monument of freedom against the parasitical growth of the state, a wider dissemination of those facts is necessary. Ultimately, people themselves must build the bastion of liberty.

A wider demand for the return to the gold standard must be heard. A healthy economy requires confidence and security. Confidence is lost because of continuing money mismanagement by the government. Fiat money has never in history offered security.

Paper is worth a mere few ounces of gold per ton! The gold standard represents sound money. It is as old as man's civilization because man needs a dependable medium of exchange. It is dependable particularly because it protects from evil interventions and manipulations of governments. Its scarcity makes it valuable, and the quantity of gold in existence does not multiply according to the wishes of the politicians and pressure groups.

How does government maintain its power? By a means less spectacular and less cruel, in appearance, than naked force but far more effective: by the control of the market. One of the most important means to control the market is in the government's absolute monopoly of the money system. The government dictates the value of the money, forbids any competition or secession, and crushes any dissent.

Dr. Hans Sennholz offers this approach to an orderly *transition* from the ailing system of government's absolute money monopoly to a sound monetary system (*Inflation or Gold Standard*): "No reasonable economist would want to revolutionize economic life through a radical monetary reform. He does not want to make gold the only money, forbidding government issue of any kind and suppressing bank notes and demand deposits used as media of exchange. Such a reform would require radical government intervention and greatly reduce the country's money supply. Prices and wages would have to be drastically cut, which no modern society could withstand in an orderly fashion."

The first step would be to restore the right of every U.S. citizen to own gold and the freedom to use it in all economic exchanges. The demand and supply of gold and paper money would then fluctuate freely and would determine the ratio of exchange. Any attempt, then, from the govern-

ment to expand its paper money supply would be discouraged. People would replace a devalued money by a more secure gold currency. Still, this first step would be insufficient because it would limit the rapidity and the possibility of the paper money redemption in gold by most citizens. The difficulty of divisibility of expensive gold bars limits its acquisition to a few specialists and wealthy people.

The second step would be the abolition of the state monopoly and the restoration of the individual's right to mint coins. Private coins have circulated throughout history, and as late as 1848 in California. No one would be legally coerced to accept these coins in payment of debts. The reputation of the minters (and easy check of weight and test) would determine their worth.

No nation can survive on the basis of broken promises. Inflation destroys the means of exchange and breaks the promises, expressed or implied, in every contract.

Only the word of politicians substantiates paper currency. Their reputation for reneging on their promises, repudiating their loans, and better "monetizing" their debts with the magic wand of the law is well established over the past three decades of money mismanagement.

Since 1945, they have "embezzled" more than 500 billion dollars of real wealth from the American citizens. In 1969 alone, we suffered as much as 50 times the losses from 1929 to 1933. This universal robbery is witnessed with apathy due to ignorance or to an illusion of impotence or helplessness.

But three champions of freedom had the courage to challenge the statist philosophy. They have taken the first steps to reverse the creeping collectivism of the state, with its "planned" economics and its inflation apostles. They have refused to be subjects at the mercy of the bureaucratic whims. They have rejected the value of the word of parasitical predators in power. They have fought for the freedom to own gold. No freedom could exist without it. A gold standard is an integral component of a free enterprise economy under which the state must respect private property.

Only a better understanding of inflation and a wide dissemination of these facts would stop the evil power of the state, and thus the courageous actions of our three heroes would not be lost in vain.



### THE SWAYHOUND

This species is usually found with a coat of black and white spots. However, it moves so rapidly that some find the colors blurring. Hence, there are reports that this dog is either all black or all white. It can change directions at racing speed and there is impressive testimony that the Swayhound can go in two directions at once. Its manner is pleasant and deceptive. It can apparently justify any action it takes by setting up an elaborate program of barking orders and explaining afterward in an effort to make everything clear. It is a useful animal on limited occasions, but it never makes lasting friendships. Its behavior is unpredictable. It bites.

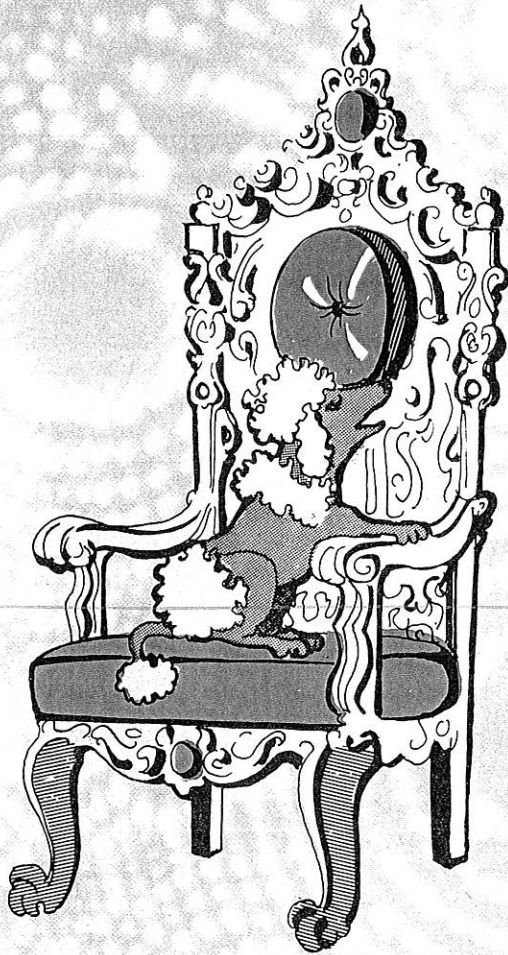
# NUMBER ONE KENNEL

by LeFevre — DeJan

### THE WAR MONGREL

This animal is a composite of many breeds, both known and unknown, and therefore does not constitute a breed in itself. It is probably the result of excessive inbreeding. It has a surly temper and a high determination to compel all other animals to conform to its master's views. This is a dangerous, truculent, short-tempered, powerful beast. The political structure is its natural habitat. It also flourishes at Annapolis and points west. Muzzles are recommended, together with a bland diet.





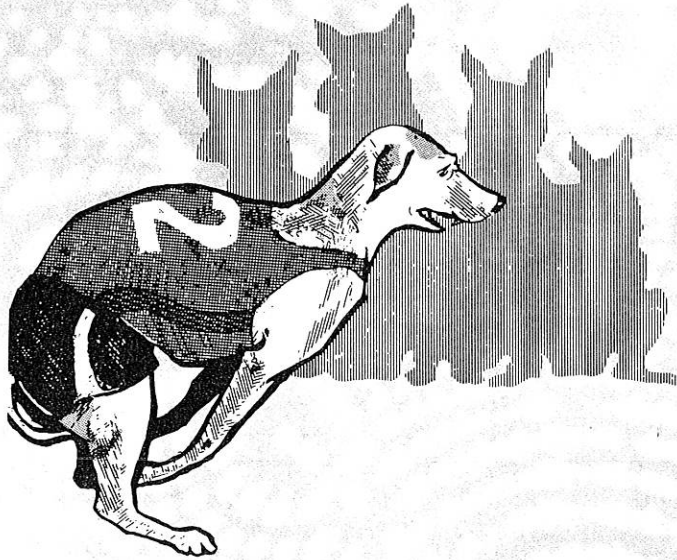
#### **THE ALL-AMERICAN LAP-LANDER**

*This tiny creature is the ideal House pet, although it is often found in the Senate, as well. It is so small that it is often mistaken for a cat, but it is a real dog. Its bark has a feline tone, and is sometimes confused for a "me-ow" when it is actually emitting a "me-too" sound. Whatever happens, it can be predicted that it will land on its feet, and usually on someone's lap. It loves to have its back scratched, and to encourage this practice it scratches the backs of other animals.*

#### **THE GUZZLE-TONGUED TAIL WAGGER**

*This is a canine noted for its affectionate nature. It leaps upon everyone with great enthusiasm, climbs over furniture, and gets onto tables, chairs, and even into beds with strange companions. It can be counted on to be the life of every party. It cracks jokes, and its powerful tail often bruises the unwary. It is noisy and spirited on all occasions. Its tongue always drips, and it is an inveterate guzzler.*



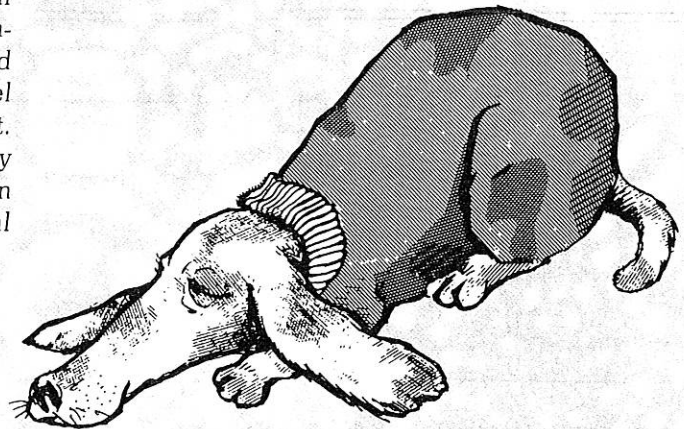


### THE POTOMAC PACK-RUNNER

*This particular canine is never found singly or in pairs. It moves in a pack of its own kind. On rare instances, it has been known to join with herds of other animals, rather than accepting the risk of being alone. This animal fancies itself as a leader among dogs, but it is completely disoriented if it is ever left to its own resources. Fanciers attest that it is the ideal animal for the kennel, but useless in any other circumstances. A devotee of organization and method, the dog understands how to do anything, but at the same time never understands what it is doing. Its limp tail, sagging back, and bedraggled appearance reveal its lack of courage and of self-esteem.*

### THE LEGAL BEAGLE

*With short legs and long ears, this species is very popular and in plentiful supply. Its contention is that any real problem can be solved by new legislation. It slinks along the ground, and many who are unaccustomed to kennel ways find themselves tripping over it. It comes in large litters and is unusually prolific. A single active pair has been known to populate an entire federal bureau.*



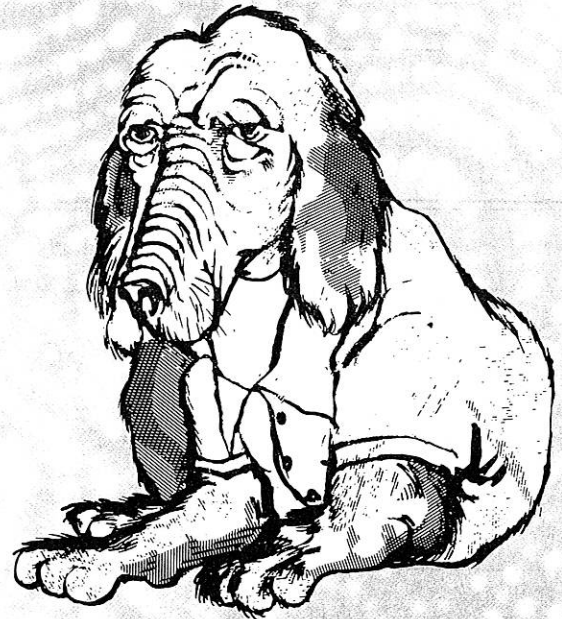


### THE SHORT-HAIRED PLOT SNIFFER

The eyes of this species are virtually useless and, in consequence, nature has moved them together. They are now so close that observers suggest a total lack of depth perception, and hence the Plot Sniffer is known for its singleness of vision. Whatever it lacks in visual awareness it more than remedies by the keenness of its sense of smell. It has been known to detect even slight variations in the odors of colors and sounds. It can detect a trace of pink with eyes entirely shut, and it has been known to bay loudly at indistinguishable noises coming from either the left or the right. This animal is indispensable in all enforcement proceedings. It is totally loyal to the hand that feeds it.

### THE FRET-NOSED SHAG

This long-haired animal is known for its worried expression. An altruist by nature, it is constantly fretting about other animals. Its own affairs are invariably in a mess but its long nose, which it pokes into everything, has apparently convinced it that it can solve all the problems of others. Unfortunately, this breed tends to make friends with the Buckeyed Retriever, and the two of them often go on romps together. There is some evidence to suggest that the mating of a Buckeyed Retriever stud and a Fret-nosed Shag bitch produces the War Mongrel. Research in this area is as yet inconclusive.







### **THE BUCKEYED RETRIEVER**

Here is a canine whose ears prick up at the sound of rustling greenbacks. It has an uncanny sense of detection when it comes to money. It is related, distantly, to the ferret and one of its habits deals with multifarious efforts to plug up loopholes. It is always looking for buried treasure and is the terror of the neighborhood whenever it gets off the leash. It roams other people's property at will, and retrieves anything that isn't nailed down.

### **THE BARREL-CHESTED RUMP BUMPER**

This animal is invariably found in a seated or crouching position. Its appearance suggests a readiness to leap into action; however, it never stirs from its seat. This proclivity has created the fiction that this breed has nothing to stand on. However, dog lovers insist that it has normal locomotion, and after long association, careful observers have seen it move, especially at feeding time. It is also noted for its stentorian tones.





### THE BRASSY BULL TERROR

This heavy jowled, slim-hipped animal is bred for ritual and protocol. It adores anything wearing buttons, brassy objects, or ribbons and is usually seen fawning on anything that glitters. It whines a great deal and loves to be petted. A word of praise, indicating a possible promotion to a higher rank, will create ecstatic responses. It has a strong stomach and can apparently swallow anything.

Herein PINE TREE offers a quick look at the nation's number one kennel, headquartered at Washington, D.C.

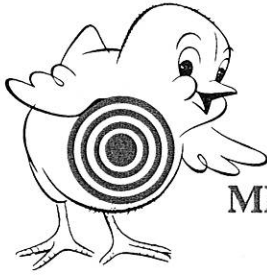
Only a few of the many dogs in the district have been catalogued, but they are among the most distinctive and thus most easily recognizable.

One notable omission has been brought to PINE TREE's attention, but at deadline we are unable to provide a suitable sketch. This is the famed hound of the Bastarville, first immortalized by A. Conan Doyle. To date, it remains invisible. It can only be detected on clear, starry nights when its dread presence is interposed between whatever you are trying to do and your natural ability to do it.

### THE ARBOREAL AIRDALE

This hound, a close relative of the timber wolf, has a longing for the out of doors. It pines for trees, and makes stump speeches anywhere. Pollution is its tour de force, and hence it is found in all branches of government. Its view is narrow and dogmatic. It is quite incapable of detecting its own odor so it is frequently found barking up the wrong tree. It has a passion for cleanliness while at the same time favoring deterrents to detergents, cyclamates, amphetamines, nicotines, and mescalines. This animal is a real gasser.





## MIDDLE OF THE BIRD

by Dana Rohrabacher

Milton Friedman recently disclosed the fact that it was all based on plans he received from Bob LeFevre many years ago. I'm referring to Friedman's summer house, not the negative income tax proposal.

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The California Libertarian Alliance is really diversified in its activities. It seems members have been influencing every conceivable political organization with anti-statist thought. At the same moment Randy Gragg was calling on the Christian Anti-Communist Crusade not to pay property taxes for public schools, Doug Kennell (who belongs both to NYA and RLA) was calling on the Peace and Freedom Party to abolish compulsory education. Other groups contacted and worked with have been: YAF, the Birch Society, and the War Resisters League. Wow, are the FBI-file boys going to have a tough time with us!

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Berl Hubbell's new libertarian book store was all set for its grand opening—and then the bureaucracy clamped down. It seems the city of Long Beach is so in favor of free enterprise that it refused to give him a license. After all, Berl does have red hair. He persevered—and the Agoric Black Market Book Store is now open for business.

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Does Karl Hess really call himself an anarcho-syndicalist now? You'd better ask him. Unfortunately, Karl can't distinguish the difference between being just anti-state and being pro-freedom. They aren't always similar. I just wonder if, after the revolution, the Hessians won't be wearing uniforms so they can officially hunt down and brutally destroy any statist who raises his head as a threat to freedom.

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How much left would be of the right if Ralph Fucetola was right about the left? WOW!!

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Loren Van Wyk and Mike Engler of Santa Barbara are starting a Christian libertarian newsletter. R. C. Hoiles began this tradition many years ago. He is the publisher of the Santa Ana Register, and one of the

truly great libertarians. For those of you who don't know his story, it is one that would inspire all of us. By the way, good luck to Loren and Mike with their black flag and gold cross movement.

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Don Ernsberger, co-chairman of SIL, works at a public school in Philadelphia. We all shouldn't be too hard on him for it. Between the draft and having to make enough money to buy ice cream for his family, his environment forced (WHAT???) him into it. I understand his classes get to hear Ayn Rand records. I would suggest, to keep the tradition of fair play and equal time, as has long been the policy of our public education system, Don should give both sides. Let's say a record by Nathaniel Branden. Those are the only two sides I can think of.

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Is there a difference between private schools and public? Recently, the California Libertarian Conference (February 28-March 1) was changed from UCLA to USC because of bureaucratic red tape.

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To ease the fear of some of our contributors (to the California Libertarian Alliance), don't worry, boys, there is no possibility of the California gang giving the image of being fat capitalists. In accepting contributions, we don't discriminate between ex-Army officers, computer tycoons, push-up champions, or topless dancers.

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Great guerrilla theater: "How are you going to keep him down on the commune after he's seen laissez-faire?" Remember, as David Friedman says, ask not what your country can do for you, but what your country is doing to you.

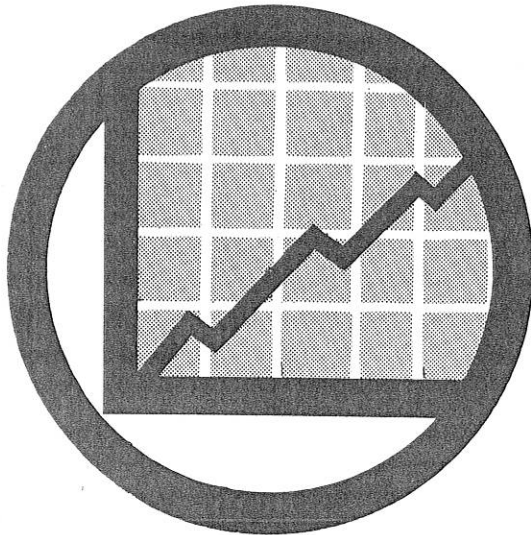
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Where is Jim Farley? YAF's most libertarian national board member (besides Pat Dowd) has disappeared. Some people are worrying that Randy Teague (YAF executive director) has contracted with the Illuminati to eliminate Jim as a YAF influence. Actually, it really didn't take much to make Jim a non-active YAF.

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Frank Bubb from Pennsylvania SIL really had some interesting comments at the Philadelphia SIL conference. He claimed anarcho-pigs are those who want to destroy the state by becoming as bad as the state.

*Laissez-Faire*



What in the world could possibly be wrong with the Boy Scouts? The purpose of this article is to suggest to the Boy Scout organization at New Brunswick, New Jersey, that it revise its requirements of its "American Business Merit Badge" or drop the badge altogether. It may come as a surprise to many that this fine organization, which professes to favor free enterprise, independence, and self-reliance as well as the traditional virtues such as trust, loyalty, friendliness, courtesy, kindness, and so on, is now offering a merit badge which could prepare the recipient for life in the regimented society of the U.S.S.R.

# BOY SCOUT DEMERIT BADGE

by Robert LeFevre

The Boy Scouts of America, originally inspired by the work of Sir Robert Baden-Powell in Great Britain, has been an outstandingly successful organization in furthering the development of growing boys. In the main, this organization has been so constructive and so much a part of the American scene that criticism of any of its procedures would fall into the same category as an attack on motherhood.

The "American Business Merit Badge" was only recently added to the other badges which can be earned by First Class Scouts. Not too many Scouts will have yet availed themselves of the honor it bestows. Before it becomes popular, it might be helpful if the businessmen who back the Boy Scout organization learned what is contained in the Scouting pamphlet which provides the questions and information upon which the badge is awarded.

Some businessmen may be disconcerted when they discover that the booklet *American Business*, which is a part of the official Merit Badge Series of the Boy Scouts, openly endorses the trade union movement, favors Social Security, looks upon Medicare as an acceptable and desirable good, lists such men as Sidney Hillman and Samuel Gompers as outstanding Americans, and sets the stage for convincing Boy Scouts that they will be supporting free enterprise when they ask the government to intervene in the nation's economy at federal or state level.

The information in this pamphlet is not totally erroneous. Like most propaganda, the distortions and misstatements are cloaked from discovery since they are woven into other material that will not be challenged. The tendency would

be for persons to accept it in toto because some of it is obviously correct and useful. But this is the practice of all propagandists. To twist opinion you do not begin with the untrue. You begin with that which is factual and then insert the fulcrums over which public opinion can be levered.

Here are two paragraphs taken from page 9 of the Merit Badge pamphlet:

The American economy — the way we produce, buy, sell, and use goods — is known as a “free economy.” It often goes by the name *individual enterprise system* or *free enterprise system*.

Under this type of economy, each person may own property, start a business and run it, get a job, and make a profit or go broke from his own efforts. The federal government can help and set up such rules to guide the economy as the Constitution and our laws provide. But under our system, neither federal nor state governments can have absolute control over either the owners of business enterprises or the workers in their individual jobs.

The fulcrum inserted in this instance is a single word, *absolute*. The impression created is that America enjoys a free enterprise system because the government cannot extend control over business and enterprise. The fact is that the government can and does extend such control and that such control is enlarging annually.

Does it extend ABSOLUTE control? No, it does not, and thus the statement is factually correct for the time being. But the impression created is incorrect. By phrasing it this way, the reader is prone to assume that America enjoys a free enterprise system into which the government does not intrude. Indeed, the indication is that the Constitution provides the rules which “guide” the economy.

There are no such rules in the Constitution. Actually, insofar as the Constitution is concerned, there is nothing to prevent ABSOLUTE control of any business or enterprise, provided only that it be in the “common defense” or in support of the “general welfare,” however those phrases are to be interpreted. To teach teenage boys that the Constitution is protecting them in their business activities is to practice deceit. In terms of “common defense” and “general welfare” there is no business in the United States which could not be totally confiscated at any time. All that is required would be an Executive Order, issued by

the President, which would declare that it was in the public interest to have such confiscation occur; that an emergency existed and that in terms of “common defense” or “general welfare,” or both, such action was necessary.

Although the statement taken from page 9 is factual, it creates an impression which is contrary to fact. The government has already enacted and enforced laws which impair freedom of enterprise to an extraordinary degree. Earnings from businesses are confiscated annually at increasingly high rates. These rates have now become abusive. Government intrudes at every level, setting up production “do’s and don’ts” of such magnitude that many business and professional people are simply giving up and heading into early retirement.

If the purpose of the Boy Scout Merit Badge pamphlet is to support American business, then an honest statement of the deplorable situation which presently exists in our business and industrial community is in order. Why seek to lure the defenseless teenager into presuming that business and industry is a safe haven of activity simply because the government may not ABSOLUTELY take it over, or at least has not yet ABSOLUTELY taken over?

Here is a paragraph from page 11:

“Full employment under safe and healthful working conditions” is a personal as well as national goal. Ask a member of any high school or college graduating class, “Now what?” The answer is usually the same: “I want a job.”

In logic, the two sentences must appear as a *non sequitur*. It is presumed that the second sentence proves the validity of the first, but this does not follow. The fact that high school and college students may want jobs does not mean that “full employment” is either a generally accepted national goal or of necessity a personal goal.

The phrase *full employment* is often bandied about as though it were a desirable end. Factually, full employment can exist only in a nation which has an enslaved working force. In a free enterprise system, a person can seek work and he can also stop working for purposes of retirement, vacation, self-improvement, or a score of other reasons. Most of us would like to earn enough so we would be able to stop work. If we

work hard and save and invest our money in a free enterprise system, this is possible. But to have full employment, no one could be allowed to stop work because he wished to stop. The government would have to decide when each person would stop or whether or not he could stop.

Russia is one of the few nations in the world today which has "full employment." Gangs of women sweep the streets in Moscow's Red Square several times each day. They have even been observed sweeping the roofs of buildings adjacent to the square. This is "made work" similar to work programs started in this country under various designations from time to time. We had the WPA during the 1930's and now we have the Job Corps and the Peace Corps. People are hired on the assumption that they should be busy doing something for which the government will pay them a wage. People employed by the Peace Corps may expend a great deal of energy but there is no market place demand for this work. During the 30's some men were hired to dig ditches and other men were hired to fill them in again. This would be one method of providing "full employment." But it can only occur when the truly productive segment of the economy is being taxed so that the "made work" employees can be paid.

In fact, such procedures can be defined as "economic waste," serving to prevent those who are gainfully employed from saving their own money and managing their own affairs in terms of their own self-improvement, time off between jobs, retirement, and other personally desirable alternatives.

Page 11 continues:

In 1945 Congress considered a full-employment bill guaranteeing a full-time job to every man and woman who wished to work. The bill stated that all Americans have a right to work. It went on to describe how the government could keep up-to-date on economic conditions in the country and provide additional jobs as needed for those not employed.

There was much disagreement about the bill, and it didn't pass. Many people believed that the right to work was not something that could be guaranteed in a free country. But Congress did pass an employment act the next year. It called for the federal government to promote free competitive enterprise and the general welfare as a practical way of providing economic opportunities. It did not guarantee work to anybody.

Meanwhile, the number of employed rose. Many employers have voluntarily established practices to make the workday less tiring and more pleasant for employees. Such important things as frequent rest periods, morning and afternoon snacks, and pleasant cafeterias and lounges reduce fatigue and contribute to the mental health of working people.

If the purpose of this pamphlet is to support American business, then the recitation of attempts, both successful and otherwise, to make the economy dependent upon the government should be placed in a framework of reference which would show such actions as contrary to American business interests. Since this was not done, the impression is created that government guarantees of jobs are desirable and that the more extreme political offering, which was not passed, was also desirable, even if controversial. It appears that the Boy Scout organization wishes to create the impression that government guarantees in the field of business and enterprise are free enterprise. The reverse is true.

If free enterprise is desirable, why does the federal government have to promote it? Free enterprise, if desirable, will be so recognized. People will enter and support business and industry because it is profitable for them to do so. And how can any enterprise be free if producers are being taxed to pay for federal promotion? If a business is taxed sufficiently, it will not be profitable. If it is no longer profitable, this might explain why the federal government (with the help of the Boy Scouts) is seeking to lure people into it.

A better procedure, and one the Boy Scouts might consider, would be to recommend the repeal of some of the taxes so that free enterprise will again be profitable. That way, more people would be attracted to the area of business and enterprise and the government could get along with fewer on its payroll.

Note the last portion of the quotation which sets up what are generally known as "fringe benefits" as a means of improving the "mental health" of workers. If workers are experiencing better "mental health" as a result of such "benefits," why are so many more people consulting psychiatrists or finding temporary or permanent lodgings in mental institutions? According to the *Statistical Abstract of the United States*

(1968 edition), the numbers of patients in mental hospitals, outpatient psychiatric clinics, and institutions for the mentally retarded have doubled in the past thirty years. Yet it is during this last thirty-year period when a major portion of the "fringe benefits" supposedly leading to better mental health have been installed.

An eight-page spread plus cover in *Time* (March 23, 1970) on "America the Inefficient—Why Nothing Seems to Work Any More" reports increasing instances wherein bad workmanship, ineffective maintenance, carelessness, and heightened costs serve to lower our efficiency and standard of living.

A few psychologists and psychiatrists have begun to ask whether the loss of personal responsibility and individual identity, possibly encouraged by excessive paternalism on the part of employers, may not be a contributing factor to the need for mental health treatment.

In any case, all of the "fringe benefits" cost money. One of the reasons prices on nearly all goods and services continue to skyrocket relates to increased costs of production. Customers must pay more and more to provide for all these "benefits." In process, workmanship is often becoming less and less skillful.

According to *Time* magazine of January 10, 1969, the *Queen Elizabeth II*, the giant Cunard liner, was returned from her trial run in such sad shape that it was anticipated it would cost \$2.2 million to make her the vessel she should be. Top management said the bill would have to be paid because of "slap dash" workmanship and "casual" management.

The same month, General Motors recalled some 270,000 "defective" cars. A GM spokesman said the cars were defective because of the manner in which the steering shaft was installed. Later, the number of vehicles recalled expanded to 4.9 million because of faulty carburetor and exhaust parts. Some of the parts were defective. These parts had been manufactured somewhere prior to assembly. And the exhaust problem was met by the process of "resealing" certain body joints already sealed and by replacing a drain plug that had already been in position.

Nor was General Motors the only automotive company affected by shoddy workmanship. Rolls-

Royce, Ltd., called back some 5,000 Rolls and Bentleys because, as Lynn Perkins, advertising manager of the company's motor car division, put it: "It's not perfect, you see."

Curiously, the public was led to believe that management was at fault. But of course managers don't perform any of the actual assembly, manufacture, or installation. Nonetheless, management is certainly at fault if it is so concerned with fringe benefits and the leisure time of its employees that supervision relaxes to the point where slipshod production occurs.

Where did the Boy Scouts get the idea that these fringe benefits are of such importance? Certainly such ideas are common enough in this country at the moment. But at an earlier date Americans didn't think this way.

The Russian Constitution is interesting in this particular. Here is a quotation from Articles 119 and 120 of Chapter X of that document:

Citizens of the U.S.S.R. have the right to rest and leisure. The right to rest and leisure is ensured by . . . the institution of annual vacations with full pay for industrial, office, and professional workers, and by the provision of a wide network of sanatoriums, holiday homes, and clubs for the accommodation of the working people. . . .

Citizens of the U.S.S.R. have the right to maintenance in old age and also in case of sickness or disability.

This right is ensured by the extensive development of social insurance of industrial, office, and professional workers at state expense, free medical service for the working people, and the provision of a wide network of health resorts for the use of the working people.

Russian production is considerably lower and far less skillful in regard to consumer products than U.S. production. Yet it seems that Americans have adopted the Russian concern for the worker, in place of concern for customers, which was the original consideration of American business and industry. It is surprising to see that a booklet in support of American business, and published by the Boy Scouts, would take a similar view.

Here is a quotation from page 12 of the Merit Badge pamphlet:

The Fair Labor Standards Act, which was first passed in the 1930's and amended later, guarantees

a minimum hourly wage for certain types of work. This law applies to workers producing and distributing goods and services that go from one state to another. It does not apply to all workers — farm laborers, for example. However, it has helped to raise their pay. They and other workers not covered by the law benefited indirectly, because they can ask for and get wages close to or the same as workers whose minimum wages are fixed by this law. Some states have minimum wage laws, too. In New York, for example, the minimum wage paid varies according to the occupation of the worker.

Other steps have been taken toward the goal of fair pay for all. It is generally unlawful to employ children under 16 years of age — in some jobs, under 18. Paying women less than men for the same work is no longer the common practice it once was. Ten states now have laws requiring that women and men both receive equal pay for equal work done.

This explanation of wage and hour laws and minimum wage laws is clearly intended to embellish the original point that the government in this country has helped to create a climate in which free enterprise can flourish. But the explanation overlooks or ignores current findings on the effects of such legislation. For example, several highly qualified economists have pointed out that the minimum wage law tends to create unemployment for those individuals it is purportedly designed to aid. The reason is that when prices are raised on a given good or service, less of it will be sold in the market. A wage is the price paid for labor. If wages are raised, particularly at marginal or minimum levels, it tends to throw out of work the very men who make small wages. Employers cannot afford to pay a higher rate of pay for these workers so the less skilled workers are forced off the labor market. Often these former workers are supported by welfare checks from the government. These checks are provided by new taxes upon those still working. Faced with rising wage costs, employers may try to replace a worker with a machine. In the long run, the machine will cost less than the worker if the wage for the worker is excessive in terms of the value of the work accomplished. Employers do not really pay workers, unless you wish to classify customers as the real employers. So, to pay these added wages, either men are laid off or prices are raised, or both.

The unspoken assumption in both the quoted paragraphs is that by raising wages, living con-

ditions will improve. But this is not necessarily true. If wages rise but prices rise even faster, the person making more money is actually earning less in purchasing power than he was before. Thus, even with an improved wage, he may be able to buy fewer goods and services. A man earning \$40 per week when haircuts cost twenty-five cents is in a better position to buy a haircut than a man earning \$100 per week when haircuts cost \$2.00. If other prices keep pace, the man earning \$100 a week could be in a financial squeeze while the man earning \$40 a week might be doing very well.

Note also the tacit acceptance of the idea that all workers should be paid at the same rate. Why, if some are better workers than others? Wouldn't it be more in the tradition of good sportsmanship, and the American sense of fairness, to pay superior workers more because they are worth more? And wouldn't this have a tendency to cause workers to improve their skills? Why should they seek to improve their skills if they can make the same wage by being less skillful?

Then there is the suggestion that child labor laws help to preserve the climate of free enterprise. Today, we have such a major problem among certain juveniles that it has become a national scandal. Boy Scouts are among the juveniles who are not usually included in any such statistics. But Boy Scouts like to work. And a lad can become a Scout at the age of eleven. But it is unlawful for a Scout to be employed until he is fourteen. The Merit Badge booklet states that it is generally unlawful to employ children under sixteen years of age. This appears to be the intention of the child labor provisions of the Fair Labor Standards Act (as amended in 1966). There are minor exceptions. For example, fourteen and fifteen-year-olds may perform part-time work on school days and may work as much as eighteen hours during a school week. During vacation time the fourteen and fifteen-year-olds might be able to work as much as forty hours a week. The kind of work they can do is limited by law. The obvious purpose of the law is to discourage employment for minors until they are eighteen years of age or over. And no provisions exist wherein the child between the ages of eleven and fourteen can be legally employed.

It might be an admirable approach if the Boy



Scout organization sought to open the door to employment among boys and girls from the age of eleven. Of course no one wishes to see children forced to work, any more than one would wish to see anyone else forced to take a job. But if a young lad wants to work, it would certainly be encouraging to know that the laws were not opposed to such efforts. A young man with a job is not the source of juvenile delinquency. The delinquent is frequently a competent and even an ambitious youngster who has nothing constructive to do. And he probably isn't in Scouting. It is surprising to find the Boy Scout organization, with all its experience in the field, citing child labor laws in a favorable framework of reference. Certainly it is true that a young boy or girl who is fourteen can find certain types of employment and after the age of eighteen can find still other areas in which to work. But many times a permit is first necessary. And in other instances, jobs simply aren't made available to young people. But the period between the ages of eleven and fourteen is crucial. It is right here that habits of industry and thrift could be taught. There is considerable evidence that children can gain greatly if they are employed in part-time work at an age as early as eight or nine, and possibly the child labor enactments, dating as they do from the period of 1830 and the investigations of conditions during the Industrial Revolution, ought to be revised or dropped. Certainly, with the increased reliance upon the tools that are more and more safe and do more and more of the work, the dangers that helped to inspire the child labor legislation need no longer concern us. It is entirely possible that a good hard look at the question of child labor might move the Scout executives to revise their views here and to do what they could toward the freeing of this area from government intervention.

This quotation is from page 12:

Bigger paychecks for everybody is the main road to the economic goal — "sufficient food, clothing, housing and medical care" — for everybody. This goal suggests part of the answer to the question of what is fair pay. Anything less than the amount it takes to provide these essentials can hardly be considered fair. How else would the individual get them in a country where it is believed that every able-bodied adult should earn his own way?

Again the pamphlet seems to suggest a national goal. And the assumption is that "everyone" must automatically agree. But isn't the assumption implicit that a job — any job — should pay enough so that everyone could purchase "sufficient food, clothing, housing, and medical care"? How much is "sufficient"? The pamphlet itself admits that some persons may find a sufficiency at one level while others will seek some other level. But apparently any job is to provide whatever any individual THINKS is sufficient for himself. And what does that mean? It appears to indicate that if an employer is unwilling or unable to pay a sum that the *employee* feels is sufficient, such an employer is reprehensible and the government, in view of the national goal, should force that employer to meet the sufficiency of the employee.

Sufficiencies tend to become insufficient in time. Thus, the more the employee gets as a wage, the more he will be inclined to believe that he is entitled to more. The time will come when the job he has cannot pay what he believes is only "sufficient" for him to have. And this will either cause him to become a malcontent, or it will cause him to suppose that businessmen are selfish and evil.

Some jobs don't pay well. They shouldn't. They are not particularly productive jobs. No person, if we are to be fair, should be paid more than he earns, a point that is stated elsewhere in the pamphlet. But page 12 argues in reverse.

On the bottom of page 12 the following appears:

In every community one can see new houses going up; in many, slums coming down. The national, state, and local governments cooperate with each other and with private builders, trying to catch up with people's demand for better houses to live in. But, even with government help, the goal of sufficient housing remains a very distant one. High costs stand in the way of sufficient housing for the nation. In 1965 Congress passed a Medicare law, which guarantees elderly people enough money to pay a portion of their medical needs. Tax benefits are also given to citizens who have heavy medical expenses.

Since this pamphlet is ostensibly in support of American business and the free enterprise system, the statement just quoted seems out of place. Any discerning reader will conclude, if he accepts it at face value, that American busi-

ness has not met the challenge of providing sufficient housing or adequate medical care. The government had to get in to help. And even with the government participating, the goal hasn't yet been reached. The implication is that the government, rather than free enterprise, is a more practical tool for reaching the goal of sufficiency.

But government has no money of its own. Its total income is taken from producers and savers and investors. The process of taking is called taxation. This means that the costs of housing and the costs of medical care are being pushed up by taxation. The government has been intruding in these areas for a number of years. Apparently there is a long way yet to go. Perhaps the fact that we have so many substandard buildings and so many failures in both these fields might indicate that costs are rising more rapidly than our ability to provide BY THE PRESENT METHOD, which method involves government. Perhaps the process of taxing and regulating and then bestowing government assistance is what is creating scarcity in the housing and medical fields.

Yet, the Boy Scout pamphlet is purportedly aimed at supporting and extolling the virtues of a free enterprise system.

Here is something from page 13:

One of the economic goals of our nation is to help citizens build up retirements or pensions for old age. People live longer today. On what do they live when they are too old to do the kind of work our fast, industrialized economy demands? Even before they have grown old, on what do they live when they are unemployed, sick or disabled?

Some employers have long helped with this problem by providing pensions for employees who work for them over a long period of time. Many people help themselves by a systematic savings or insurance plan. A nationwide social security program provides additional benefits and reaches many more of our people.

Congress passed the Social Security Act in 1935. This was the first step toward nationwide "social security-protection against the basic hazards of existence such as old age, sickness, accident, and unemployment." Since that time the law has been amended so that a large proportion of our people are now protected to some extent against misfortunes and old age.

Why do we have laws regarding social security, fair pay, full employment, opportunity for full devel-

opment — all the economic goals toward which the nation works? The answer lies in the fact that our people have a bigger, overall goal. They want "the opportunity to enjoy life — no one should be so hard-pressed to earn the necessities of life that he cannot take part in 'the pursuit of happiness.'"

Here again the Boy Scout pamphlet presumes to represent national goals. The above quotation clearly indicates that it is the job of the government to see to it that everyone has an opportunity to enjoy life and to pursue happiness, and to be secure against all of the basic hazards, including old age, sickness, accident, and unemployment. But this is to create a condition of total dependency of the people upon the state. It is at variance with the idea which is implicit in a free enterprise economy that people are independent of the state and they depend on their own energies and resources.

Additionally, it might be observed that no such assurance can ever in fact be provided by a government. To make it appear that the government can in fact look after everyone is to foster and maintain an illusion.

Later on in the pamphlet, on page 40, Social Security is identified as a type of insurance. But the Supreme Court, as early as 1953, ruled that Social Security is a "tax," the "benefits" of which create no obligation on the part of the government. There is nothing in the program which creates an actuarial base from which payments are to be made to persons of "retirement age." Apparently the Boy Scout pamphlet wishes to create the impression that the Social Security program creates assets from which various persons will be paid. If the program really were an insurance program, this would be true. But in fact the Social Security program turns its collections over to the U.S. Treasury, where they are expended as the treasury sees fit. When it comes time to pay back to the "contributors," further taxes must be collected in order to provide the funds.

Here is a quotation from page 14:

A deep and prolonged depression is one in which thousands or even millions of people are out of work, lose their homes and household goods, or are cold and hungry. Mild rise and fall in our free economy is normal and healthy. Suggested cures for the deep

depression are limits on production and credit buying, price and wage fixing, tax variations depending on conditions, etc. . . .

It would have been helpful if the Scout officials had recalled that all of these suggested "cures" were tried by the federal government during the first part of the 1930's in an effort to offset the "deep and prolonged" depression. In the face of these "cures," the depression deepened and it was not until we began to go on a war footing, which has now apparently become a permanent way of life in America, that the economy began to right itself.

The "cures" suggested are precisely the reverse of the correct methods to be employed, if support is given to free enterprise and the arguments of those economists who favor free enterprise. A depression, according to these economists, is not caused by overproduction and therefore cannot be cured by cutting production. Rather, it is caused by an overextension of credit, and government has often been used as the principal device for such overextension. When that credit collapses, a depression will follow. There is no "overproduction" as such, but merely too much of a good or service offered at TOO HIGH A PRICE in terms of credit no longer available.

The pamphlet goes on to talk about the American industrial revolution. It extols the emergence of antitrust laws, which are a major means of eliminating freedom of enterprise, although it is made to appear that we have more freedom of enterprise because of so many laws. Actually, the laws are so extensive and so contradictory that, as noted by Harold Fleming in his *Ten Thousand Commandments*, today almost any successful businessman can be prosecuted under the antitrust laws if the government decides to do so.

The Boy Scout pamphlet continues by citing a few "leading figures" who fought for government legislation in behalf of the workers or who helped to organize the workers into unions that "could help them meet and bargain more effectively with industry."

The three men listed are Samuel Gompers, Sidney Hillman, and John L. Lewis. This is an interesting selection in view of the fact that the purpose of the Merit Badge is ostensibly to support American business. Samuel Gompers was the youngest registered member of the Cigar

Makers Union in America, joining that organization at the age of fourteen. From that time on through a busy life he invariably supported the cause of the workers as opposed to businessmen. There can be no question but what Gompers won a great deal of deserved fame as a result of his successful efforts in preventing the American Federation of Labor from being taken over by the Communist wing of the labor union movement. Gompers was not attracted to communism. However, he remained consistently a believer in the doctrine of employing the strike and other public protest tools in order to obtain advantages from businessmen that could not be obtained through voluntary individual bargaining.

Sidney Hillman's inclusion as an outstanding American is even more questionable. Hillman was an active advocate of world communism, seeking perpetually to cause the working men of the world to unite in an effort to fulfill the famous Karl Marx injunction in the *Manifesto*. He sought to create "one big union" so that the tools of production and distribution could be placed under the control of the workers. Indeed, it was Hillman's Amalgamated Clothing Workers of America which from time to time opposed Gompers in an effort to take over the entire American Federation of Labor. As to the fact that the Amalgamated Clothing Workers of America was dominated by communism, there can be no doubt. The following statements appear in the preamble to this union's constitution:

"The economic organization of labor has been called into existence by the capitalist system of production under which the division between the ruling class and the ruled class is based upon the ownership of the means of production. The class owning those means is the one that is ruling; the class that possesses nothing but its labor power, which is always on the market as a commodity, is the one that is being ruled.

"A constant and unceasing struggle is being waged between these two classes.

"In this struggle the economic organization of labor, the union, is a natural weapon of offense and defense in the hands of the working class. . . .

"Every oppressed class in history achieved its emancipation only upon its attaining economic supremacy. The same law operates also in the struggle between capital and labor.

"The industrial and inter-industrial organization built upon the solid rock of clear knowledge and class consciousness will put the organized working class in actual control of the system of production, and the working class will then be ready to take possession of it." (*Revolutionary Radicalism, Part One, Subversive Movements*, Report of the Joint Legislative Committee of the State of New York Investigating Seditious Activities, filed April 24, 1920 — Albany, New York: J. B. Lyon Company, 1920, p. 942-3.)

The admission of John L. Lewis's name as one of the three important Americans can certainly be challenged. He remains a controversial figure as a result of his actions with the United Mine Workers and because of his efforts in helping to organize the CIO. There is no question but what the CIO supported President Franklin Delano Roosevelt's candidacy and contributed \$600,000 to his campaign fund. The United Mine Workers was honeycombed with Communist members although the union itself, as an organization, did not follow the Communist Party orders from Moscow. In 1946, despite a federal injunction, Lewis called his workers out on strike. He was held in contempt of court and fined \$10,000. The union was fined \$3.5 million. The court later reduced that fine. Lewis put his union into the AF of L and then took it out when he refused to sign the non-Communist oath required of union leaders under the Taft-Hartley Law. Again, in 1948, he was fined (\$20,000) for contempt of court.

Fortunately, the pamphlet includes the names of a number of American and British inventors and some outstanding American enterprisers. Perhaps the Boy Scout organization felt that this recitation had to be "balanced" by bringing in some men who were opposed to business. If so, it would have helped if the latter had been so identified.

From page 25 to page 46 a discussion occurs respecting money and banking. In the main, this is excellent, although there is a rather unfortunate statement appearing at the top of page 27:

Banks are heavily regulated by federal law, state statutes, and the rules of the Federal Reserve System to prevent abuse of depositors' money. These regulations ensure that banks are financially sound, that they are safe depositories for other people's money.

The fact is that within the last several years there have been a number of bank failures. And it is instructive to recall that in the so-called Great Depression, which occurred some fifteen years AFTER the establishment of the Federal Reserve System which "prevented the abuse" of depositors' money, the number of commercial bank failures increased from 1,453 in 1932 to 4,000 in 1933. And in the same period, according to Dr. Murray Rothbard's *The Great Depression, 1929-1933*, deposits of failed banks increased from \$706 million to \$3.6 billion.

On page 30 there is a statement which indicates that whenever free market conditions warrant, the government can step in to make all things right.

Government spending can be increased to give more employment and make more money available. When inflation looms, the government may cut down its spending to reduce the amount of readily available money.

The system advocated here is the system of a managed and controlled economy rather than that of a free enterprise system.

Beginning on page 47, ten pages are devoted to the importance of labor unions and the usefulness of such agencies. There are any number of American businessmen who will wish to challenge this section in any pamphlet which professes to support the free enterprise system.

And, finally, there are two pages devoted to "Your Small Business."

If a young man actively participating in Scout work has reached the place where he can earn this Merit Badge, he has probably done so by dint of hard work and perseverance in a number of areas that have tended to improve his character. When he begins seeking the "American Business Merit Badge," much of what he has been taught before could be undone. The fact is that this pamphlet, which bears the official imprint of the Boy Scouts of America Merit Badge Series, is an effective promotion of socialism and could conceivably convince a young man that life under a controlled and regimented economy is superior to free enterprise, or that it IS free enterprise.

It would be a tragic error if these facts were not brought to public attention.

*Laissez-Faire*

# REVIEWS

Edited by Terry Catchpole

Education is the area where applied libertarian philosophy can make the greatest advances in the next few years. The public school system is in the throes of death, and private education is booming. It is essential that everyone concerned with education in the country (or with beating the state) get as full an understanding of this movement away from public education as possible — why and how it is happening, and what one can do to help it along.

The bibliography following is a first-of-a-kind thing: a listing of the most informative books and periodicals dealing with both libertarian theory of education, and critiques of various public-state systems. The emphasis is on past and present experiments toward providing alternative forms of education, usually on the grade-school level. A capsule review of each entry is included.

This listing was prepared by Bob Kephart, publisher of **Human Events**; George Von Hilsheimer, director of a successful private school in Florida for problem children; and Donna Rasnake, a staff member at George's Green Valley School. So, read up, raise some bucks, start your own free school, and watch the public system wither away. — T.C.

## BOOKS

Ashton-Warner, Sylvia. **Teacher**. Simon & Schuster and Bantam, New York, 1963. Describes the experience of Sylvia Ashton-Warner as a teacher at a Maori school. A presentation of her Organic Reading teaching technique: centering the learning of reading around the words which interest the child, and using the child's original writing to develop a natural writing-reading vocabulary suited to the child's needs and interests, rather than imposing the bland and sterile vocabulary presented by most reading systems.

Bazeley, E. T. **Homer Lane and the Little Commonwealth**, Schocken, New York, 1969. Miss Bazeley was a teacher at Lane's famous "Little Commonwealth" school (see listing for Lane), and here she recounts its creation, growth, and

death. An extremely readable, pragmatic account of the practicability of freedom.

Coleman, J. S., et al. **Equality of Educational Opportunity**, U.S. Government Printing Office, Washington, 1966. Popularly known as the "Coleman Report" and conducted under the aegis of the U.S. Office of Education, this is the result of the most comprehensive analysis of public education ever undertaken in this country. Professor Coleman and his colleagues verily demolish virtually every myth and superstition upon which our public education system has been constructed. The report concludes that only two basic considerations have any real importance and effect on a child's educational development: the kind of home he comes from, and the kind of children he goes to school with. Such sorceries as curriculum, teacher qualifications, and teacher-pupil ratio are shown to have almost no effect on pupil achievement. Right on.

Dennison, George. **The Lives of Children**, Random House, New York, 1969. The story of the First Street School in New York City, where five teachers and twenty-three students discovered the enormous educational and psychological benefits brought by freedom and honesty in teacher-student relationships. Writing with grace and fascination, school organizer Dennison presents an excellent integration of the best ideas and methods of the free school movement, as well as a compelling case for the libertarian philosophy of education.

Friedenberg, Edgar F. **Coming of Age in America**, Vintage-Random House. Professor Friedenberg writes well of the debilitating effects which pressure, coercion, and force can have on public school students. Of interest in that it deals with the secondary school level.

Goodman, Paul. **Compulsory Mis-education and The Community of Scholars**, Vintage-Random House, New York, 1962. These two extended essays summarize Goodman's richly practical, humanist, and "reactionary" criticisms of public education. The second essay offers a simple, practicable approach to education based upon contracts between students and a small group of professors, using the city and its resources as basic learning tools.

—**Growing Up Absurd.** Vintage-Random House, New York, 1956. Here the well-known anarchist-sociologist levels a devastating attack on the way American youth are frustrated, with their initiative and creativity destroyed, by public schools and society at large. Goodman lays down provocative blueprints on how radical change and improvement of the educational system could be brought about.

Holmes, Gerard. **The Idiot Teacher**, Faber and Faber, London. This book is out of print, but well worth an effort to find. It describes a Lancaster County (Pennsylvania) tax-supported school, a very unusual public facility: Never more than one copy of any book is bought; halls and grounds are the classrooms; school is open from early morning to late night; the whole town is directly involved in the daily operation of the school. If we have to have public schools, this is the way they should be run.

Holt, John. **How Children Fail**, Dell, New York, 1964. The perceptive, moving record of Holt's discovery of the predominantly frightened, defensive mental attitude of school children, and their consequent inability to learn under pressure. A vivid, insightful description of the arbitrary authoritarianism of most classroom situations, and the psychology of defeat and confusion that destroys the independent spirit of so many children.

—**How Children Learn**, Pitman, New York, 1967. Here Holt offers some alternatives, based upon the natural curiosity, intelligence, and tremendous efficacy in the learning of children in unpressured situations. Excellent, lucid descriptions of the epistemological development of the child in various learning processes.

—**The Underachieving School**, Pitman, New York, 1969. A series of essays in which Holt attacks the premises underlying compulsory, structured education. Points out the cruelty and immorality of using the physical coercion and psychological intimidation on which public schools depend, not to educate children, but to train them in what Holt terms "practical slavery."

Lane, Homer. **Talks to Parents and Teachers**, Schocken, New York, 1969. A very comfortable

book describing the author's very successful work with young criminals in a "Little Commonwealth" situation. Lane utilizes the child's need for power (competence) in directing him in socially constructive channels; also demonstrates the usefulness of democracy and self-reliance as tools for restructuring personality. Lane is revered as one of the early practitioners of child independence in learning and play situations.

Leonard, George. **Education and Ecstasy**, Delacorte, New York, 1968. Excellent analysis of how children are systematically retarded in their educational development by the rigidity of public and most "traditional" private schools.

Makarenko, A. S. **Talks to Parents; Road to Life**, Foreign Language Publishing House, Moscow, 1951. Makarenko is the patron saint of Soviet education; unfortunately, only his later work is used. These two works were written during his more libertarian phase (despite gestures to "bolshevik education"), and are extremely useful in understanding how the concepts of "socialist conscience" and "socialist personality" have indeed evolved a new character type. They also underline the dangers of "team spirit" and "groupness" which now dominate U.S. education.

Neill, A. S. **Summerhill**, Hart, New York, 1960. The story of the famous English school where Neill allows the child freedom to control his own life and education. Though some of his psychological premises might be questioned, Neill's work has profound significance to the libertarian concept of self-rule.

—**Freedom—Not License!** Hart, New York, 1966. Excerpts from letters Neill received from parents and children in response to **Summerhill**, together with the author's replies.

Renfield, Richard. **If Teachers Were Free**, Acropolis, Washington, 1969. Renfield presents data reinforcing the experiences of Sylvia Ashton-Warner in using a life-related curriculum as the basic teaching tool.

Spiel, Oskar. **Discipline Without Punishment**, Faber and Faber, London. Describes a libertarian school in Austria where the Adlerian method of increasing the child's responsibility was em-

ployed. Provides some strong criticisms of the open or free school from other points of view.

**Tolstoy, Leo. Tolstoy on Education**, University of Chicago Press, Chicago, 1967. A collection of essays setting out Tolstoy's educational philosophy, and the methods used at his early free school at Yasnaya Polyana.

**Von Hilsheimer, George. How To Live With Your Special Child: A Handbook for Behavior Change**, Acropolis, Washington, 1970. A practical handbook for parents and teachers concerning means to enrich actual classroom and home experiences. Suggestions on how to give the child control over his own behavior—immediately!—and increase his competence as a way of learning good behavior and skills.

**Wills, David. Throw Away Thy Rod**, Columbia University Press, New York, 1967. An account, by the head of the Homer Lane Foundation, of another school for criminal youth using democracy and family care as a means of increasing self-responsibility. Extremely useful, detailed accounts of staff problems and interactions.

## PERIODICALS

**American Society for Humanistic Education Journal** (P.O. Box 606, Orange City, Florida): The occasional journal of ASHE features essays on a wide variety of subjects related to open education methods.

**New Directions in Teaching** (Department of Education, Bowling Green University, Bowling Green,

Ohio 43402): A quieter, less radical domestic version of "This Magazine Is About Schools." (See below.)

**New Schools Exchange** (2840 Hidden Valley Lane, Santa Barbara, California 93103): This is a surprisingly competent group serving as a clearing house for students, parents, teachers, groups, and schools. Very current information on projects involving more-or-less free or open education.

**Summerhill Society Bulletin** (339 LaFayette St., New York, New York 10012): The monthly bulletin of the Summerhill Society provides current information on Summerhill-type schools in America, and features articles on various aspects of libertarian education.

**This Magazine Is About Schools** (P.O. Box 876, Terminal "A," Toronto 1, Ontario, Canada): Canadian magazine run by the very resourceful young group who established Everdale Place, the first Canadian free school. Some brilliant and practical material, some trash. The editorial staff's leftism creeps in from time to time.

## HOME STUDY COURSE

**Raising Children for Fun and Profit**, Rampart College (104 West Fourth Street, Santa Ana, California 92701). This is a hard-hitting series of forty lessons designed to awaken the parent to his potential as a teacher of his own children. It includes material to be used with children and young people to help them become self-responsible, achieving individuals in today's world.

*Laissez-Faire*



getting it  
together

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# at Rampart College ?

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The products of Rampart training — capable student instructors — are now conducting sessions of their own in Washington, D.C., in San Diego, Yolo, Los Angeles, and Orange Counties, in Philadelphia, New Jersey, Illinois, and Wisconsin. For specific information on study groups already formed, or on how to start a new one, write to the registrar, Rampart College.

Two moving pictures (16 mm) are now available for general viewing: "The Meanings of Responsibility and Obligation" (a fifteen-minute film, available for showing upon request), and "Property — a Basis for Morality" (a thirty-minute film, available on a small rental fee). Both films are also available for purchase.

The Rampart College quarterly has had a new and exciting re-birth. Within the first two weeks after issuance, PINE TREE subscriptions totaled about 3,000; since then, a continual stream of subscriptions has been piling up.

Rampart is now becoming known as the college which takes the concepts to the students. Our campus is located anywhere in the U. S. A. where the lamp of inquiry is turned on.

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The Rampart College Library is now being reorganized as a carefully put together collection for research and study. Members of the Rampart Library Association have virtually unlimited access for purposes of study and research.

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## GET READY FOR THE AUTUMN PINE TREE

### **EPISTEMOLOGY AND THE POLITICS OF FREEDOM by A. V. Diveglia**

This young scholar has begun to make ripples in academic circles by the closeness of his logic and the cogency of his reasoning powers. In his analysis of "concept destruction," Diveglia reveals the task confronting philosophers and others who wish to protect the concept of freedom and the way of life it defines.

### **ABORTION AND HUMAN RIGHTS by Robert LeFevre**

The publisher of PINE TREE comes into the verbal arena taking a hard look at the changes in sexual mores, and challenging both new legal developments and the traditional view respecting personal intimacies and the responsibilities involved.

## **No Censorship**

The 1970 summer edition of Rampart College's "Pine Tree" magazine was not censored by scissor-wielding postal workers. In a time of costly typesetting, the cutout copy removed from this edition was re-used for an impoverished underground libertarian magazine.