

## My Future of Freedom Debate, 1977

*Back in 1977, I had a debate with Tom Hayden at a Future of Freedom conference. The opening statements were recorded, the rest of the debate, so far as I know, was not. I have [webbed](#) the recording and converted my half of it to text, starting below.*

(Starts at 15:03 on the recording)

I would like to start my talk by a quote from Mr. Hayden's campaign material for his senatorial race, not because I think it's a particularly evil or ridiculous quote but only because it states a rather fundamental problem with political institutions and I think what bothers me about what he has been saying is that he knows what outcomes he wants and he has a peculiar idea that the institutions called democracy, if they are institutions at all, will produce it.

The quote is "we have no say over fundamental economic decisions." The problem which this raises is that most fundamental economic decisions affect more than one person. For instance, my decision to come here and speak to you affected both me and you, and there is no way that both of us can have an absolute say over whether or not I come and speak to you. I can have an absolute say, in which case you have no say over that particular fundamental decision, a very minor one but a decision none the less. Or you can have, some one of you, Dana Rohrabacher, could have the absolute say, in which case I'm his slave and I have no say. But we can't both have it.

Now there are two ways of resolving this problem, this situation. One of them, which I would perceive as the libertarian way, is to say I have the absolute say over what I do with my body, with goods I have produced, and so forth. And there are all sorts of difficult philosophical questions, to some of which I don't have very good answers, about propertizing land and so forth, and if Tom and I had fifteen hours to argue about it we might say something useful.

But just start out with me, because most libertarians agree that I belong to me. You have similar property over you. If I want to use what you own, I have got to make you an offer you're willing to accept, and similarly if you want to use what I own. In that system, in one sense I have fundamental control over the decision that most concerns me, but there is a huge range of decisions which affect me enormously, what kinds of clothes are produced, what kind of jobs are available, and so forth, which really depend on other people's decisions and over which I am powerless. It's unfortunate, it would be very nice to live in a world in which I could control everything, but if I could nobody else could, and so it happens to be a circumstance of the human condition.

Now there appears to be a way out of it, and I think this is the way that Tom thinks he believes in, though I may be wrong, and it's called democracy. And that way is, "well the sense in which I will control everything is I get one vote." There are about 500 of you, one of me, so we have a vote on whether I'll come, and I suppose the vote would include whether or not I got paid for coming too, and I think I lose. I hope I lose, in a way. And that's democracy.

Now Tom in his material is very hostile to the past and big government and things like that, so apparently he would want to apply democracy on a small-scale, say 501 people or me and my neighbors or whatever. That may be better or worse, but the logic of it is still the same. And that

logic, unfortunately, does not lead to very pleasant societies. And it does not lead to me actually controlling much of anything, because 1 vote over everybody is worth a whole lot less than all the votes over me — to me.

One thing that disturbed me a little bit about Tom's literature, and I guess even about what he said today, is his unwillingness to call things by their names. The ideology he is arguing for, it's not a new ideology, it is a rather reputable thing called democratic socialism. One of my favorite writers, George Orwell, was in that position, and I suspect he's a writer who Tom might be fond of too. It does happen to be the official ideology of the ruling parties of Great Britain, West Germany, a number of other societies that do not look very much like Utopia. And it may be that there are some points in which Tom really isn't a democratic socialist, but after reading through his material at some length I can't find any, other than the fact that he wants to call it economic democracy, I think, or a new economic democracy, or something like that instead.

The odd thing about democratic socialism ... democratic socialists will tell you, correctly I think, that the various Social Democratic parties of Europe aren't really socialist, they sold out to somebody or other. The odd thing is the very rare circumstance under which one observes real democratic socialism. Real democratic socialism is only observed in countries which do not permit reporters, except those who like the government. For instance the Soviet Union in the 1920's under Stalin and earlier under Lenin was a real democratic socialism. The 1920's Soviet Union became undemocratic a few years later when we found out more about it, and nowadays, of course, China is true democratic socialism. I don't know whether Tom — I'm sure Tom doesn't like Stalinist Russia and I don't know whether he likes China or not.

That's one of the odd characteristics of true democratic socialist societies as they exist in the real world. The other is that they generally won't let their citizens leave, and that does apply to China today. And I'd like to talk a little bit about why modern liberalism, perhaps a halfway house, why it behaves in ways that most of us don't like, why this system unfortunately seems to lead to unpleasant and oppressive societies even though it is supported by people who probably support it because they believe it leads to very attractive societies. So in a sense what I'm really talking about is the consistency of socialism or liberalism or whatever mix of the two you like.

Now one of the central ideas, as I see it, is the idea that a socialist society accepts interdependence and accepts, therefore, the fact that on the one hand I have an obligation to poor people, a real enforceable obligation — If they are poor I ought to be taking care of them — and, unfortunately, there are certain consequences that come from that. In effect what the socialist is saying is that we have certain common resources. And if you follow the logic of the argument, which many people won't do, many of those resources are human. The society has three plows, seventeen acres of land, two peasants and a doctor. And if it's really the case that we should democratically decide what's being done, then what happens to any of those resources is the concern of all members of the society. That means that if one of those resources chooses to poison himself by consuming heroin or cocaine it is reasonable, within such a society, for the others to say "You are damaging our common property. If you are not productive, you cannot take care of the helpless poor who might depend on you. Furthermore, if you become sufficiently unproductive, we will have to take care of you." Therefore there no longer are any self-regarding actions, as Mill put it. There no longer is any region of individual freedom, logically, in a democratic socialist society. Now I'm certainly not saying that Tom Hayden believes he's against

individual freedom. I don't know if he believes that or not. Very likely he doesn't. What I am saying is that the logic of the system he wants to establish, not the results he wants, the system he wants to establish, that logic is unfortunately inconsistent with individual freedom.

There is a very moving essay by Orwell by the way, which is a [joint review](#) of *The Road to Serfdom* and a book by a far left British writer, Konni Zilliacus. What Orwell says is: Professor Zilliacus argues that capitalism necessarily leads to monopolies, Great Depressions, and so forth, somewhat along the lines of what Tom believes in. Professor Hayek argues that socialism necessarily leads to totalitarianism, oppression, slave labor camps and so forth. It is a sobering thought that they may both be right.

He may have been the last open-minded socialist. I don't know. Well, I believe only one of them was right, of course. I don't know which if any Tom believes were right. But I am suggesting that there is some reason why societies which have a heart, which believe that everybody's entitled to a decent wage, which believe in taking care of the poor, must also believe that you are not entitled to use drugs which will injure for you, that you must wear a safety helmet, that you must wear seat belts and many other propositions of this sort.

Now it's true many liberals are in favor of legalizing certain drugs, but those are the drugs that they don't think hurt you, marijuana for instance. There are very few of them, I don't know about Tom, who of course doesn't call himself a liberal or a socialist at the moment, there are very few of them who are in favor of legalizing thalidomide, even to people who have informed consent and know what they're doing, legalizing heroin, legalizing laetrile, legalizing essentially anything which anybody wants to do with his own body. Saccharin is a fine example. Because ultimately their position leads you to the conclusion that it isn't your body.

Now there is another point connected with this. I said a few minutes ago that one of the characteristics of the true democratic socialist societies was that they didn't let people out. Well, there is a reason for that too. I mean, after all, people can't be allowed to walk off with the state resource.

It goes both ways. I would say one of the least defensible characteristics of our present set of Institutions, a characteristic which Mr. Hayden, from what he has written, appears to approve of, is the fact that we believe that America is a closed preserve which we are willing to let a trickle of other, of nasty foreigners, into, but that basically they belong there and we belong here. And in Tom's campaign literature he specifically suggested a readjustment of the immigration quotas, which I think leads to the reasonable inference that he's not in favor of abolishing them.

Well why? If you take the position that we have an obligation to clothe the naked and feed the hungry ... well, if they are on the other side of the border we don't have to worry about them. But if they come in and get sick and hungry then they're coming out of our pocket so we better shove them over there. And that's the way our society works, and I don't think it's coincidental that the end of unlimited immigration in this country roughly coincided with the rise of the central government.

Well, I guess I believe that there are many millions of people out there who would rather be allowed to come into an America without welfare than be kept out of America with welfare. And Tom presumably is an egalitarian. Well, most of those people are an awful lot poorer than the

American poor. And I don't know quite what his grounds are for keeping them out, or whether he really believes it, he just didn't say he was in favor of letting them in because it was a campaign statement and it might have been unpopular, or why, then. He can comment on that when he comes to it, but I do think it's sort of interesting that essentially a libertarian society, a society in which each person is ultimately his own responsibility and in which, although I may choose to help a starving man, I cannot be compelled to, that only such societies, as far as I know, are willing to freely let anybody come in who wants, as this country did for many years, which is why most of us are here, I think, because of our ancestors, and freely let anyone go out who wants. And I am rather pleased with that idea and I think that it would be nice if we could move back towards that sort of a society.

Now there are a few other things that I would like to say. I guess part of it is really a set of challenges to Tom. When he talked about democracy, the nearest he came to defining it was when he talked about a system which is good for the majority. Now that, unfortunately, is an outcome not a system. I presume he believes that, in the most literal formalistic sense, our system is a democracy. If you've got a sizable majority you can elect the guy you want president and the people you want to the Senate and House and so forth. And yet, none the less, he obviously believes that the system does not serve the interests of the majority.

It seems to follow from that that the formal institutions we call democracy are no guarantee of the outcome of serving the majority of people or anybody else. I think he believes that, he ought to believe that. And it's true. And I hope he believes, as I do, that democracy in the sense of majority vote is merely a means, an instrument. It may lead to good results, it may lead to bad results, and it must be judged only on those grounds. There is nothing essentially just about oppressing people by majority rule. I think therefore that what Tom really has to explain, if he wants to be taken seriously as an intellectual and not merely as a politician, is what his reasons are for believing that he has some way, some procedure, social institutions, or whatever, which actually will serve the majority of the people, which will make government do good things.

Now the other question I'd like to ask him is whether he is or is not a liar about being a decentralist. That is to say, it's very easy to say "I'm in favor decentralizing all those decisions where I disagree with the decision the central government has already made." I noticed in his literature that he was in favor of repealing 14B, that is to say of making it illegal for states to have right-to-work laws. Now I think much can be said against right to work laws. Personally I'm in favor of both union shops and yellow dog contracts being legal. The yellow dog contract is a contract in which an employee agrees not to join a union. And it is called that by people who don't like them on the theory that only a yellow dog would sign one.

However, it does seem to me that if you're going to argue for decentralization as your solution to things, then you ought to say that decisions are made at the lowest possible level not the highest possible level. And I would appreciate it if Tom would tell me whether he would be willing to decentralize minimum wage laws, say, to say that any town or community or state which doesn't want to have minimum wage laws doesn't have to, whether he would be willing to decentralize drug laws, any town which believes that it's all right for people to take so-called prescription drugs without a prescription or heroin or anything else, that's all right, whether he is willing to decentralize child labor laws, usury laws, and in fact any other set of laws which he approves of the way the federal government is doing them now.

Now I may get a surprise. The last time I tried this experiment, the man I was talking to was Paul Goodman and his answer was a modified "yes." But Paul Goodman was not a socialist. He was an anarchist, he was really one of our people even if a rather strange and peculiar variant of our people. And I hope Tom is but I don't think he is.

One last sort of set of comments about this boggy of monopoly corporations and such. If I understand Tom correctly, he is saying the fifty largest banks have on average one percent each of the total quantity of deposits. I think he said fifty banks and fifty percent. And I would say that if the fifty largest banks average one percent each of deposits that's what I learned to call competition. It's very far from a monopoly. And that as far as I can see, almost without exception, the only effective monopolies in this country that exist or that have ever existed, and if Tom wants to discuss Standard Oil I will be glad to discuss the real history of Standard Oil. If he doesn't want to discuss it, I refer, of course, to the McGee article, the first volume of the Journal of Law and Economics, that discusses what really happened. But that the only effective, powerful monopolies that have existed in this country have been those which have had their monopoly position guaranteed by government.

As a matter of fact, if Tom bothers to read some of the people on his own side, and I'm thinking now of Gabriel Kolko, who he may be familiar with, he will discover that those nice regulatory commissions which got taken over by the evil interests after being founded by the good guys to control the evil interests were actually founded by the evil interests. That the ICC in particular was created at the desire of a large part, but not all, of the railroad industry, and the reason it was created was that, with one brief exception, and my source now is Kolko who is a Socialist but nonetheless I think an intelligent, interesting man, as Orwell was and as many socialists are.

Brief interlude: It is a mistake to assume that people who disagree with you are stupid or that their ideas are indefensible, because then you have an impossible picture of the world in which bright people hold indefensible and stupid ideas.

End interlude.

What Kolko says essentially was the railroads tried to maintain monopolies according to the best principles which Mr. Hayden believe they ought to do it by and they were almost uniformly unsuccessful. And so they got the ICC put in, and the ICC fixed their rates for them at nice high levels. The airlines did much better for themselves. We were already used to such things so almost as soon as they got in they got the CAB for themselves, and I think since that date nobody has established a major interstate airline. Funny thing. And I think we could all go down the list, all the way down to Medical licensing, of various government monopolies.

And we could have a long argument, but I think that the empirical evidence is not, as Tom believes and as Orwell believed, incidentally, that competition normally leads to monopoly. Competition doesn't normally lead to monopoly for much the same reason that centrally planned socialist economies don't work, a proposition I assume Tom agrees with. Because very large firms tend to get inefficient, have large administrative costs, and so forth. And most of the time the final economic situation is one with a fair number of firms competing with each other. And even when there are only a few firms, as long as there's no government getting in the way, other firms can enter if one of them behaves badly.

And the last comment to Tom is no businessman can buy a politician or a bureaucrat if there aren't any politicians or bureaucrats, or if they don't have anything to sell.