

devastating analysis of socialism yet penned . . . an economic classic in our time.” He sent his review to Mises in Switzerland and, 2 years later, when Mises came to this country, he phoned Hazlitt. Hazlitt recalled Mises’s call as if coming from an economic ghost of centuries past. Hazlitt and Mises soon met and became close friends. Hazlitt’s contacts helped establish Mises on this side of the Atlantic, enabling him to continue his free-market teaching, writing and lecturing. Hazlitt was instrumental in persuading Yale University to publish Mises’s *Omnipotent Government* and *Bureaucracy* in 1944 and then his major opus, *Human Action*, in 1949. As a founding trustee of the FEE, Hazlitt also was responsible for Mises’s appointment as economic advisor to that Foundation.

In 1946, Hazlitt wrote and published his most popular book, *Economics in One Lesson*. It became a best-seller, was translated into 10 languages, and still sells thousands of copies each year. Its theme—that economists should consider not only the seen but also the unseen consequences of any government action or policy—was adopted from 19th-century free-market economist Frédéric Bastiat. Thanks to *Economics in One Lesson*’s short chapters and clear, lucid style, countless readers were able to grasp its thesis that government intervention fails to attain its hoped-for objectives.

While still at *Newsweek*, Hazlitt edited the libertarian biweekly, *The Freeman*—as coeditor from 1950 to 1952 and as editor-in-chief from 1952 to 1953. When the left-liberal *Washington Post* bought *Newsweek*, Hazlitt became a columnist from 1966 to 1969 for the international *Los Angeles Times* syndicate.

At least two of Hazlitt’s books made original contributions to libertarianism. *The Failure of the “New Economics”* contributed to a much more sophisticated understanding of the economics of the modern world. Chapter by chapter, he criticized John Maynard Keynes’s *The General Theory of Employment, Interest and Money*, which explained why Keynes’s politically popular inflationary recommendations would fail to solve unemployment, work against the revival trade, and even exacerbate the economic slump.

Hazlitt’s second major contribution to libertarianism, *The Foundations of Morality*, elaborated on Mises’s statement that “Everything that serves to preserve the social order is moral; everything that is detrimental to it is immoral.” Hazlitt wrote, “Morality is older than any living religion and probably older than all religion.” He noted a common denominator in law, ethics, and manners: They all rest on the same principles: sympathy, kindness, and consideration of others. The moral philosophy Hazlitt presents is “utilitarian . . . [i]n the sense that all rules of conduct must be judged by their tendency to lead to desirable rather than undesirable social results.”

By the age of 70, Hazlitt had estimated he had written some 10,000 editorials, articles, and columns, plus a dozen

books—six more followed later. Hazlitt’s literary works were not mere potboilers. Each book on a special theme—government intervention, foreign aid, welfare, poverty, morality, and inflation—was based on sound libertarian principles. Each short piece analyzed some current event from a free-market perspective. Mises credited Hazlitt’s repeated warnings of the dangers of inflation in *Newsweek* for possibly giving the government’s monetary authorities a “guilty conscience” and dampening their political inclination to inflate.

Some dismiss Hazlitt as “just an economic journalist.” But he was no ordinary economic journalist, no “secondhand dealer in ideas” in the sense used by economist F. A. Hayek. He was an original thinker who contributed to an understanding of economics and libertarian principles and to their dissemination among millions. He died on July 9, 1993.

BBG

*See also* Hayek, Friedrich A.; Mises, Ludwig von; Money and Banking

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## HEALTH CARE

Health care represents a special area of public policy for libertarians, although not for the reasons typically offered in support of government intervention. In limited circumstances, a substantial number of libertarians support state-sponsored coercion to prevent the spread of infectious diseases. In the absence of violence, theft, tortious injury, fraud, or breach of contract, however, libertarians reject the use of coercion in health and medicine as immoral and counterproductive.

People can do violence to each other by transmitting contagious diseases. Therefore, most libertarians sanction limited government efforts to identify and contain infectious

diseases and punish those who infect others intentionally or negligently. They do so cautiously, however. A 2004 survey published in the journal *Health Affairs* hints at one way such powers could be abused. Amid widespread concern about bioterrorism, roughly equal shares of white and black Americans expressed support for quarantines to contain a serious contagious disease. When subsequently asked whether they would support a compulsory quarantine, where the authorities would have the power to arrest violators, 25% of whites changed their minds, whereas 51% of blacks did, indicating an awareness that these policies would not necessarily be fairly implemented. Just as libertarians advocate limits on government's ability to pursue criminals generally, they closely circumscribe the use of force to protect public health. For example, an outbreak must pose a serious health threat, there must be no feasible alternative to coercion, and the state must use the least coercive measures available. Libertarians reject government intervention to remedy private health problems, such as obesity, diabetes, or addiction.

There exist more unjustified uses of the state's coercive power in health and medicine than in nearly any other area. In the United States, governments routinely forbid competent adults from making medical decisions that affect no one but themselves. Libertarians maintain that such laws are unjust and ultimately counterproductive. For example, the government denies patients, including terminally ill patients, the ability to determine their course of treatment. Proponents argue that such laws exist to ensure the safety and effectiveness of medical products. Libertarians argue that those laws cause more morbidity and mortality than they prevent.

Licensing laws restrict entry into the medical professions, dictate what tasks each profession may perform, and deny patients the right to be treated by the practitioner of their choice. Libertarians agree with a quip that Mark Twain delivered before the New York General Assembly in 1901, as reported in *The New York Times*:

I don't know that I cared much about these osteopaths until I heard you were going to drive them out of the State; but since I heard this I haven't been able to sleep. . . . Now what I contend is that my body is my own, at least I have always so regarded it. If I do harm through my experimenting with it, it is I who suffer, not the State.

Proponents of licensing argue that it enhances the quality of care, but libertarians point to the fact that low-quality care is widespread despite licensing, that licensing does not improve overall quality because it reduces access to care for the poor, and that the chief proponents of licensing are incumbent practitioners who profit by restricting entry. Meanwhile, unregulated markets are extremely likely to develop private quality certification.

Government prohibits the sale of human organs to transplant patients or organ brokers. Proponents of that ban consider it immoral to commodify the human body, but such a ban allows government to assert a property right in the body of every citizen. Further, it makes organs no less valuable a commodity, but merely imposes on them a zero price and consequently creates an artificial shortage that causes thousands of unnecessary deaths in the United States each year.

Governments infringe on the individual's ability to choose whether to purchase health insurance and what type of insurance to purchase. Targeted tax breaks penalize consumers for purchasing the wrong type of health insurance or no insurance. Libertarians note that these laws require adults to buy coverage they do not want and may even consider immoral. Legislatures enact these laws at the behest of the providers of the covered services, which increases the costs of health insurance and the number of uninsured.

Libertarians further object to the government's refusal to honor contracts limiting a provider's liability for malpractice in exchange for reduced-price or free medical care. Proponents of that rule argue that patients harmed by negligent providers might not be able to recover. Opponents say that such rules limit the right of consenting adults to engage in mutually beneficial exchanges that harm no one else and that they reduce access to care among those least able to pay. Finally, regulations of this sort reduce experimentation with malpractice rules that ensure both quality and access.

Government may do the greatest damage to health and personal liberty through its influence over the financing of medical care. Government programs such as Medicare and Medicaid finance nearly half of all medical expenditures in the United States. They devour private health insurance markets and deny adults the ability to choose whether and how to fund their health needs in retirement and how to assist the needy. These programs waste more than \$60 billion per year on care that makes patients no healthier or happier. Targeted tax breaks divert even private spending from pursuing high-quality, affordable care and unnecessarily induce millions to become dependent on government. These targeted tax breaks deny workers control over their earnings and their health insurance. They encourage wasteful consumption of medical care and strip workers of their health insurance when they leave a job.

In 1963, Nobel laureate economist Kenneth Arrow wrote that licensure and other features of health care markets can be partially explained by uncertainty about the quality of medical care and the fact that physicians possess more certainty regarding quality than do patients. Many supporters of licensure cite Arrow's analysis when arguing for government intervention to correct the perceived market failures of imperfect and asymmetric information. With

respect to Arrow's conclusions, however, health economist James C. Robinson has replied,

The most pernicious doctrine in health services research, the greatest impediment to clear thought and successful action, is that health care is *different*. . . .

To some within the health care community, the uniqueness doctrine is self-evident and needs no justification. After all, health care is essential to health. That food and shelter are even more vital and seem to be produced without professional licensure, nonprofit organization, compulsory insurance, class action lawsuits, and 133,000 pages of regulatory prescription in the *Federal Register* does not shake the faith of the orthodox. . . .

The central proposition of [Arrow's 1963] article, that health care information is imperfect and asymmetrically distributed, has been seized upon to justify every inefficiency, idiosyncrasy, and interest-serving institution in the health care industry. . . . It has served to lend the author's unparalleled reputation to subsequent claims that advertising, optometry, and midwifery are threats to consumer well-being, that nonprofit ownership is natural for hospitals though not for physician practices, that price competition undermines product quality, that antitrust exemptions reduce costs, that consumers cannot compare insurance plans and must yield this function to politicians, that price regulation is effective for pharmaceutical products despite having failed in other applications, that cost-conscious choice is unethical while cost-unconscious choice is a basic human right. . . .

Libertarians do not dispute that health and medicine present unique challenges, but they argue that noncoercive measures are best able to address these challenges.

MFC

*See also* Bioethics; Paternalism; Regulation; Rent Seeking; Welfare State

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## HEINLEIN, ROBERT (1907–1988)

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Robert Heinlein, author and social critic, was born in 1907 in Missouri. He was one of the century's most important writers of science fiction. J. Neil Schulman said it best in his *Reason* article (later reprinted in "The Robert Heinlein Interview") when he drew this picture of Robert A. Heinlein's eclectic followers:

His devotees range from freaked-out astrologers to coolly rational astronomers; from Goldwater-country conservatives to Greenwich Village anarchists; from atheists such as Madalyn Murray O'Hair to members of the Church of All Worlds who proclaim him a prophet and his novel, *A Stranger in a Strange Land*, a holy book.

Heinlein's award-winning science fiction spanned five decades and paved the way for a new era in the genre. Indeed, his works constitute some of the most commercially successful libertarian fiction of all time.

Writing science fiction was not Heinlein's original career goal. He served in the U.S. Navy, where he stayed until his health forced him into retirement at age 27. Engineering, politics, and other pursuits followed. He did not set pen to paper until 1939, when he wrote his first story and sold it to *Astounding*. After that, his ascent was all but immediate. Dozens of novels, novellas, and short stories followed, bringing Heinlein multiple awards, including the very first Grand Master Hugo Award. He continues to hold the record along with Lois McMaster Bujold for the most Hugo Awards won for science fiction novels. Chief among these works was *The Moon Is a Harsh Mistress*, written in 1966. Heinlein here offered a loose retelling of the American Revolution, with the revolt against tyranny set on the moon. The "Loonies" rebel against the iron control of the authorities on Earth and in the process learn the lesson that "there ain't no such thing as a free lunch" or, as Heinlein states it in the novel, TANSTAAFL. Ultimately, the Loonies, like the