

# Cato Policy Report

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## The Environment Since the Industrial Revolution

by Harry Lee Smith

Today's "New Environmentalists" would repeal the Industrial Revolution. Yet the unprecedented improvements in the quality of human life during the past 200 years have been the direct result of the individual freedom, technology, industry, and economic growth that began to flower during that revolution.

The dramatic increase in life expectancy, and hence population, since the Industrial Revolution can be attributed to what may be called "Old Environmentalism"—the modern medicine and sanitation that came about in increasingly wealthy capitalist society. Affordable soap, underwear, cast-iron sewer pipe, indoor plumbing, sewerage systems, and water-treatment plants have all contributed to our well-being.

Life expectancy in the United States has effectively doubled during the past 200 years. In the 19th century it increased by 15 years, and it has increased by another 25 years since 1900. The

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improvement has been about the same in other developed nations and evident, though less pronounced, in the Third World.

Birth rates did not increase during the Industrial Revolution, but improved diet, housing, clothing, and sanitation reduced the death rate and population soared. Between the time of Christ and 1760, the world's population doubled. It doubled again in the next 150 years and now doubles every 35 years in most countries.

Thomas Malthus noted the sudden increase in people in his apocalyptic *Essay on the Principles of Population* (1798), which argued that populations increase in geometric progression, far outstripping the world's arithmetically increasing food supply. Only starvation could balance birth and death rates, he reasoned. What Malthus did not know was that improvements in technology and economic growth would be even more exponential and would be able to supply food in abundance for vastly increased populations.

Humanity might reasonably expect

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to enjoy the benefits of longer life and the fruits of its labors, but such is not the case. Powerful voices in contemporary society claim we are in imminent danger of destroying our planet. The very forces of individual creativity unleashed by the Industrial Revolution purportedly endanger our existence as a species.

New Environmentalism—which is backed by some of today's most prominent intellectual leaders—probably began in 1962 with the publication of Rachel Carson's *Silent Spring*. Carson argued that agricultural chemicals were poisoning the food chain, killing the birds and animals on which human life depends. Life on earth would be destroyed, perhaps as soon as 20 years hence. The fault lay with an industrial profit-making economic system, she claimed, and the solution must be massive political intervention.

Other hysterical articles followed, all predicting that advanced industrial societies would blacken the planet by the turn of the century. Overpopulation would produce unprecedented famine



Moscow-born writer Cathy Young and Cato chairman William A. Niskanen laugh at a joke by Moscow mayor Gavriil Popov, who visited the Cato Institute on February 6 for a mostly somber discussion of the prospects for reform in the Soviet Union.

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# War, Taxes, and Injustice Chairman's Message



In a long-lost manuscript, Adam Smith observed that "little else is requisite to bring a state from the lowest barbarism to the highest opulence but peace, easy taxes, and a tolerable administration of justice." The astute Smith may also have observed that peace is a necessary (but not sufficient) condition for easy taxes and a just society.

In the past six months, on each of these dimensions, our government has started down the road to barbarism. Let me count the ways.

On January 16 our government initiated a massive war against a government that had not harmed us, is not a threat to us, cannot be a significant threat to us, and is not an agent of a larger nation, such as the Soviet Union, that has been a threat to us. The governments that our forces are defending are tribal monarchies of countries that regard us as infidels, are more than 6,000 miles away, and to whom we had no security commitments. In this case the characteristics of neither the aggressor nor the victim meet the traditional criteria for the use of U.S. military forces. This war does not involve defending the United States, stopping the spread of communism, fulfilling our security commitments, defending democracy, or securing our backyard. President Bush is correct to describe his objective for this war as "a new world order," but one wonders what that has to do with the shared values of the American people. Contrary to Clausewitz, war is *not* just the extension of politics by other means; war represents the failure of politics. If war is not necessary, it is necessary to avoid war. Some wars are necessary, even though they risk the lives of our own forces and others with whom we have no quarrel. This war is not necessary. That is why it was wrong—tragically wrong.

Last fall President Bush broke his strongest campaign pledge by approving a budget that will increase federal tax revenues by about 0.5 percent of GNP. His renegation was an economic mistake and a political disaster. The more serious problem is that more tax increases now seem likely. The ink was hardly dry on the most recent increase when congressional leaders started considering new taxes on millionaires and corporations. The gulf war, in turn, has provoked proposals for a general income tax surcharge and additional energy taxes. Such tax increases are defended as necessary to reduce the deficit, but that is a fraud. The 1991 budget authorized a large increase in both domestic spending and the deficit. Since that time, the collapse of the Uruguay Round of trade talks has eliminated the reduction of agricultural subsidies, and the gulf war has indefinitely deferred any reduction in defense spending. The recession

that started last fall will probably end soon, but the primary continuing problem of the U.S. economy is our low rate of economic growth. I have yet to hear an explanation of how increased taxes will solve that problem. My own calculations indicate that a one-percentage-point increase in average (federal, state, and local) tax rates would reduce the rate of U.S. economic growth by about 0.6 percentage point.

Most Americans may not remember the domestic injustices committed during prior wars. Several recent actions by our government, however, should remind us that the road to barbarism begins with little steps. In 1986, for example, the FBI and the Immigration and Naturalization Service developed a contingency plan to quarantine Arab Americans at a camp in Louisiana in the event of a war with Arab states; on exposure that plan was denounced by the government, but some such plan is almost surely buried in some bureaucrat's files. More recently, the FBI has interviewed more than 200 Arab Americans without probable cause, presumably to gather information about potential terrorism. On January 9, three days before the congressional authorization of the gulf war, President Bush authorized four federal departments to commandeer any goods, services, or plants necessary for the war, rejecting only a proposal to conscript oil industry executives. Such measures are just a small part of the comprehensive emergency plans to nationalize the American economy that have been developed over the years by the Federal Emergency Management Agency. As usual, many businessmen were quick to sell them the rope. The chairman of General Motors, for example, counseled that "it's a very reasonable and prudent act. . . . It's a right first step, given where we are on the calendar and the times." Maybe so, but the next steps will be on a very slippery slope.

*William A. Niskanen*

—William A. Niskanen

Sen. Brock Adams Keynotes

# Cato Scholars Debate Going to War at January Conference

It was an event that most participants hoped would be repeated in Congress before the January 15 UN deadline: a full-scale debate on a U.S. war against Iraq and its implications for the Constitution and individual liberty here at home. Sixteen economists, scholars, journalists, foreign policy analysts, and retired military officers made up the three panels of speakers at the Cato Institute's January 8 conference, "America in the Gulf: Vital Interests or Pointless Entanglement?"

Over 300 people from the Washington area, the mid-Atlantic region, and as far away as Arizona and California crowded the ballroom of Washington's Willard Hotel for the day-long conference, coordinated by Ted Galen Car-

penter, Cato's director of foreign policy studies.

Sen. Brock Adams (D-Wash.) said in his luncheon address that President Bush has staked his vision of a new world order, the lives of thousands of Americans, and even his presidency on the use of force against Iraq. Events in the Persian Gulf are "bringing America to the brink of a constitutional as well as a political crisis," Adams said.

Congress must debate Bush's gulf policy, the senator argued, because "along with the right to declare war, Congress has a responsibility to decide questions of war." The Founders were not seeking mere efficiency when they insisted on the separation of powers. They meant to make it impossible for one person to



Ted Galen Carpenter welcomes Sen. Brock Adams to Cato's conference on the Persian Gulf War.

singlehandedly take the nation to war and to protect the fundamental individual liberties upon which they were founding the United States.

Ted Carpenter took the Bush administration to task for its repeated claim that the Persian Gulf intervention is a collective security effort, because allied support extends little beyond the diplomatic. The elimination of Iraq would suit the expansionist goals of Syria and Iran, creating even greater turmoil in the region, Carpenter added.

Rear Adm. Gene R. La Rocque (Ret.), director of the Center for Defense Information, argued against military intervention on the grounds that the United States should go to war only if its borders are threatened, it is bound to do so by treaty, or Americans are directly threatened. Charles William Maynes, editor of *Foreign Policy*, contended that the sanctions were working and, given time, could be expected

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More than 300 people gathered on January 8 for Cato's conference "America in the Gulf."

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*Pinkerton Brings "New Paradigm" to Cato*

## ACLU Head Condemns Hate-Speech Codes at Forum; Studios and Networks Battle It Out over Deregulation

### Cato Events

**January 8:** Over 300 people gathered at Washington's historic Willard Hotel for the Cato conference, "America in the Gulf: Vital Interests or Pointless Entanglement?" hosted by Ted Galen Carpenter, director of Cato's foreign policy studies. Sixteen economists, journalists, foreign policy analysts, and retired military officers debated the Bush administration's policy in the Middle East and the consequences of entangling the United States in the territorial disputes of Persian Gulf nations.

**January 16:** A number of the contributing authors joined editors James A. Dorn and Wang Xi and a packed house of Cato Institute friends for a party to celebrate the publication of *Economic Reform in China: Problems and Prospects*. Dorn, Cato's vice president for academic affairs, and Wang, a professor of economics at Fudan University, each addressed the crowd. Dorn spoke of the courage it took for his Chinese colleagues to speak at Cato's 1988 conference in Shanghai, from which the papers were collected for *Economic Reform in China*, and contrasted the systems of the two socialist countries in which he had organized conferences, China and the Soviet Union. Wang described the highlights of the Shanghai conference—such as how the Chinese followed speaker Milton Friedman everywhere, clamoring to hear the Nobel laureate speak—and pointed out that many of his friends who had called for reform and democratization in 1988 are now compelled to hold their peace or face arrest.

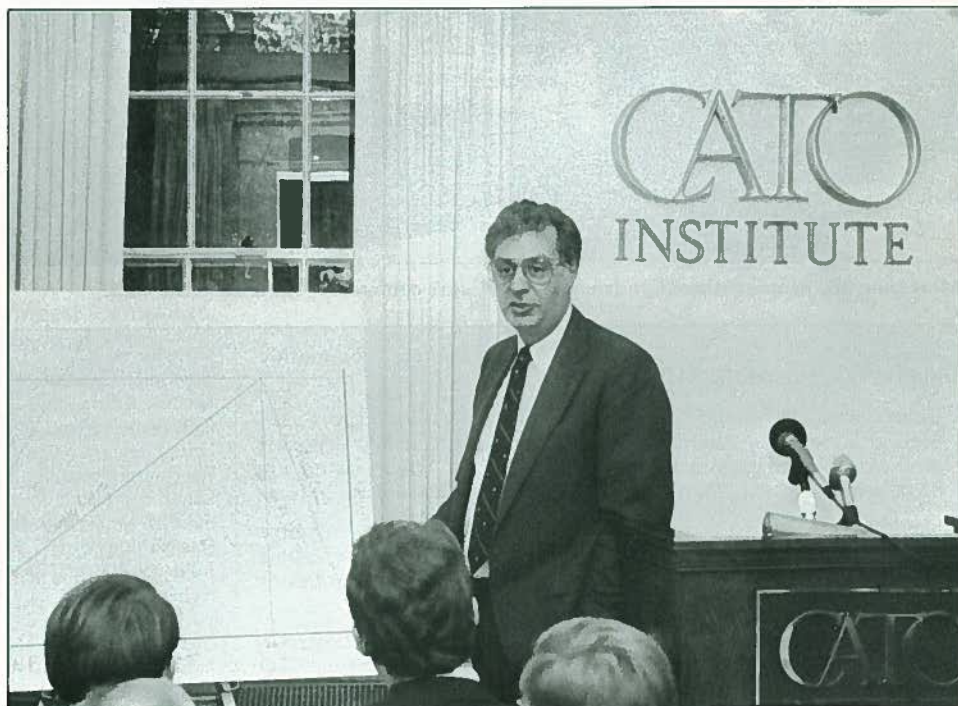
**January 22:** James P. Pinkerton, a domestic adviser in the White House, discussed his ideas for "America's New Paradigm" at a Cato Policy Forum. Pinkerton called for an entrepreneurial approach to government—elimination of monopoly bureaucracies, reliance on the forces of the free market, and recognition of people's right to educate their children where they choose and



White House aide James P. Pinkerton calls for a "new paradigm" of choice and decentralization at a Cato Forum.

make other important decisions. The duty of government should not be custodial but liberating, providing people with opportunities to become self-sufficient, Pinkerton argued.

**January 29:** Nadine Strossen, New York Law School professor and president-



At a Cato Policy Forum, Rep. Richard Arney (R-Tex.) discusses the "Arney Curve," which demonstrates that higher government spending leads to lower economic growth.

elect of the American Civil Liberties Union, discussed "Politically Correct Speech on Campus and the First Amendment." Strossen condemned the anti-hate speech codes cropping up at most U.S. colleges and universities as a real and prevalent threat to free speech and academic discourse and argued that it is often the very minorities such rules seek to protect who are charged with violating them. J. Peter Byrne of the Georgetown University Law Center commented on Strossen's speech.

**January 30:** "Digging Out of the Federal Budget Wreckage." Rep. Dick Arney (R-Tex.) discussed the breakdown of the 1990 budget negotiations and the unprecedented tax hikes Americans face today. Our burgeoning government imperils the U.S. economy, Arney said, comparing what he called the "Arney curve" with the standard Laffer curve, which tracks taxes and economic growth. The Arney curve, which shows the relationship between federal spending and economic growth, indicates that the larger government



Wang Xi and James A. Dorn, editors of *Economic Reform in China*, talk before Cato's reception in honor of their book.

becomes, the greater its negative impact on the economy.

**January 31:** "Independent Producers vs. the Networks: Reevaluating the FCC's 1970 Financial Interest and Syndication Rules," policy debate at the Willard Hotel hosted by William A. Niskanen and Catherine England. Robert Crandall of the Brookings Institution argued for elimination of the rules, which forbid television networks from owning the prime-time programs they broadcast. John Haring of National Economic Research Associates contended that even if the rules could not be eliminated entirely, they should not apply to new networks such as Fox. Frederick Warren-Boulton of ICF Consulting Associates spoke in favor of retaining the rules. Thomas Hazlett, Columbia University; Barry Adler, George Mason University Law School; and Herb Brown, House Energy and Commerce Committee, commented. The debate was moderated by Donald Baker of Sutherland, Asbill & Brennan.

**February 1:** Stephen Moore, Cato's director of fiscal policy studies, held a press briefing at the National Press Club to discuss his recent Cato study on **Bush's fiscal policy**. Moore announced that real domestic spending is growing 10 percent a year under Bush—generating larger budget deficits both in dollar terms and as a percentage of GNP than did the spending of any other post-World War II president—and that Bush has increased the federal tax bur-

den on working Americans to 19.5 percent of GNP—a level unseen since the days of Franklin Roosevelt.

**February 1:** "Resolved: Judicial Restraint Is the Road to Popular Tyranny." Roger Pilon, director of Cato's Center for Constitutional Studies, debated Gary McDowell, visiting scholar at the Harvard Law School. Pilon argued that the Founders intended the judiciary to be the "bulwark of our liberties," not the handmaiden of the other branches in pursuit of "good government." McDowell countered that in a democracy the majority should determine what our liberties are. The debate was moderated by

Judge Randall Rader of the U.S. Court of Appeals for the Federal Circuit.

**February 7–10:** Milton and Rose Friedman were special guests at the **Third Annual Benefactor Summit** at the Boulders in Carefree, Arizona. More than 100 Cato Sponsors gathered to hear from Milton Friedman, whose topic was "Why I Am Not a Conservative," and Cato's senior policy staff as well as former Delaware governor Pete du Pont; journalist Warren T. Brookes; term-limitation advocate Cleta Deatherage Mitchell; and Michael Rothschild, author of *Bionomics: The Inevitability of Capitalism*.

## Piyasheva, Jordan, Schwartz Join Roster of Cato Adjunct Scholars

James A. Dorn, the Cato Institute's vice president for academic affairs and the coordinator of the Institute's adjunct scholar program, recently announced the appointment of five new adjunct scholars to Cato's distinguished list.

Larisa Piyasheva is a senior researcher at the Institute of International Labour Movement in Moscow and one of the Soviet Union's best known free-market economists. She spoke on the opening panel and at the Open Forum at Cato's Moscow conference in September 1990. With her husband, Boris Pinsky, she runs Referendum Publishers, which is publishing Russian translations of important classical liberal books.

Jerry L. Jordan is chief economist and senior vice president at First Interstate Bancorp. A close follower of the Cato Institute's work on economic liberties, Jordan has been a frequent participant in the Institute's annual monetary conferences.

George Selgin, an associate professor of economics at the University of Georgia, is a leading scholar on monetary theory and the author of *The Theory of Free Banking*. He has been doing innovative work on money and banking with another Cato adjunct scholar, Lawrence H. White, under whom he wrote his Ph.D. dissertation at New York University.



Larisa Piyasheva

George Selgin



Pedro Schwartz

Jerry L. Jordan

Kevin Dowd, a lecturer in economics at the University of Nottingham, is gaining widespread attention for his recent book *Private Money*. Published by the Institute of Economic Affairs, *Private Money* expands on the work of F. A. Hayek.

Pedro Schwartz, director of Iberagentes, S.A., in Madrid, is a former student of Karl Popper and holds a doctorate in economics from the London School of Economics. A former member of the Spanish parliament and one of Europe's leading liberals, Schwartz has played a key role in turning Spain toward the free market.

## Politically Correct Speech and the First Amendment

### Policy Forum

The Cato Institute regularly sponsors a Policy Forum at its Washington headquarters, where distinguished analysts present their views to an audience drawn from government, the media, and the public policy community. A recent Center for Constitutional Studies forum featured Nadine Strossen, a professor at New York Law School and newly elected president of the American Civil Liberties Union. It was Professor Strossen's first public address after her election. Commenting on her remarks was J. Peter Byrne, a professor at Georgetown University Law Center.

**Nadine Strossen:** For the past several years I have been traveling around the country talking to audience after audience about free speech on campus and the extent to which we should tolerate racist, sexist, homophobic, and other forms of what is called "hate speech." I was bemused the first time I was asked recently whether the First Amendment should protect hate speech, because I thought that issue had been definitively settled in 1978 by the two *Skokie* cases (appellate court of Illinois and federal court), in which the American Civil Liberties Union valiantly defended the right to free speech of a group of American neo-Nazis who wanted to march through the town of Skokie, Illinois, which has a large Jewish population and a large population of Holocaust survivors.

At great trauma to itself, the ACLU took the case, and as a result, our membership dropped off enormously, by about 10 percent around the country. That to me is astonishing. We're talking about 10 percent of an organization whose cardinal principle is dedication to the Bill of Rights, and of course, that includes free speech. As a constitutional law professor, I thought it was clearly understood that the central principle of the Bill of Rights is the indivisibility of rights. That is, if any person or any group is deprived of any right, then all rights are endangered for all people and all groups. That was the

principle the ACLU was defending in *Skokie*.

That is not a position that just the ACLU and the Cato Institute have advocated; it is a position that has been accepted by the entire spectrum of Supreme Court justices from left to right, from conservative to liberal, or however you want to describe them. I think that is striking when we look at a Court that now is so divided on so many issues. I mean, how many decisions are five to four with fragmentary opinions within them? First Amendment protection for offensive or hateful speech is



Nadine Strossen: "To think that granting the 'oppressive' power structure the additional power to sanction certain speech is somehow going to improve the lot of the oppressed strikes me as politically naive."

one of the few individual rights issues on which the Court is unanimous.

*Hustler Magazine v. Falwell* (1988) is a good example. In 1983 the magazine published a phony ad that purported to be a description by the Reverend Jerry Falwell of his first sexual experience. Falwell sued the magazine, and eventually the case reached the Supreme Court. In a unanimous opinion written by Chief Justice Rehnquist, hardly the most staunch advocate of free speech, the Court took a very strong stand. It held that despite the fact that the ad was offensive, or indeed, because it was offensive, it had to be protected and could not be the basis for a civil damages suit. I use that example to put what I am talking about in context; it is not just the ACLU posi-

tion; it is the accepted position of American constitutional law.

Many colleges and universities have either adopted or are in the process of adopting speech codes that restrict what students can say on the basis of content. Some of those codes have gotten a lot of publicity. At Stanford University, for example, the speech code was very hotly debated by Charles Lawrence, a law school professor who favored restrictions on hate speech, and the great constitutional law scholar Gerald Gunther, who opposed them. Gunther ultimately lost. What many people do not realize is that in a quieter, less controversial fashion—because there are not Gunthers opposing them—those codes are being adopted by schools all over the country.

Even at my own law school, a couple of months ago the faculty was considering a proposal to curb sexual harassment on campus. The proposal defined sexual harassment in sweeping terms to include everything from jokes about sex to comments on a person's appearance. Some faculty members advocated rules that would have prohibited a professor from having any kind of intimate relationship not only with a present student but also with anyone who had ever been a student, on the theory that we professors have continuing power over students because we may be asked to write letters of recommendation. I come from a faculty that includes many members of the ACLU; in fact the chair of the committee that drafted the rules is an active member of the ACLU. The problem was that the faculty just wasn't thinking in terms of free speech.

I think it is only rather recently that people have started to realize how endangered free speech is by some otherwise seemingly noble goals that, considered in their own right, in the abstract, nobody could quarrel with. Who's in favor of sexual harassment? Who's in favor of undermining equality of educational opportunity on the basis of sex and race? It's only recently that some people have started to see the adverse impact on free speech of attempts to attain those goals by imposing speech codes. The bad news is

that we have the academics, including some well respected constitutional law professors, advocating revisionist views of free speech. The good news is that the courts are steadfastly resisting efforts to rethink the First Amendment in this context.

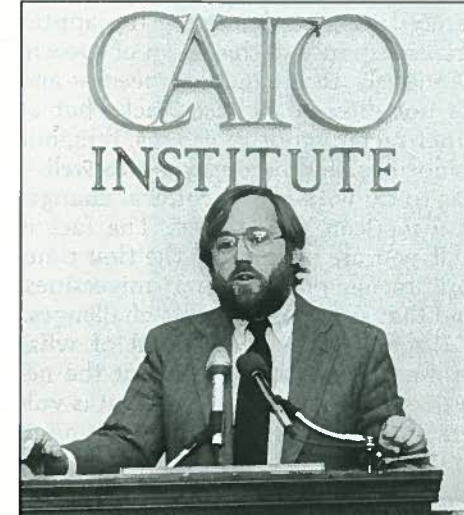
The one case that has been decided so far was quite definitive. A student at the University of Michigan, who felt his speech was chilled by the University's anti-hate speech rule, was so worried about being called a racist or a sexist because of what he wanted to say that he proceeded anonymously. In the course of his graduate studies in psychobiology he had come across some evidence that there might be genetic distinctions among races and between sexes that might affect their intelligence. He felt he couldn't discuss those ideas in his graduate seminar without running afoul of the anti-hate speech rule, and indeed, the judge agreed that it was a serious problem that raised a justiciable issue and proceeded to strike down the rule.

There was also a suit brought against the University of Connecticut by a woman named Nina Wu. She had put a sign on her door saying, "The following categories are not allowed into this room," and one was "homos." She explained that she meant *Homo sapiens*; but it was not surprisingly assumed that she meant homosexuals, and she was, therefore, not only reprimanded or chastised but also barred from university facilities. The Connecticut Civil Liberties Union brought a suit on her behalf that resulted in a very favorable resolution consistent with the First Amendment.

Wu is an Asian-American woman. I think it's striking that the very minority group members who think that they are going to benefit from anti-hate speech rules are the ones who are disproportionately victimized by them. Efforts to regulate group defamation or hate speech are always offered as a vehicle for protecting oppressed groups. Yet what anti-hate speech rules are doing is handing over to government, in this case to university officials, the power to enforce codes that are inevitably vague and subjective and leave an enormous amount of discretion to the decisionmaker. For example, the Michigan code talks about words that

create a "hostile" or "intimidating" environment. Well, I think each one of us in this room would interpret those words differently, so it's not surprising that the power structure that is being challenged as oppressive interprets the rules in a way that oppresses those who felt they were being oppressed in the first place.

In the Michigan case the university had to open its files and reveal what the actual enforcement record had been—who had brought complaints under the rule, and how the rule had been enforced. The only two students who had been punished for racist speech (there were other categories of hate speech) were both black. One was a



J. Peter Byrne: "We can have a more productive educational discourse if we adhere to fundamental standards of competence and courtesy."

law student who got into an argument during which she used the term "white trash," and that was held to be a violation of the code. The other student was enrolled in a preclinical course in the dentistry school—a course considered so difficult that there was an orientation session so students could air their concerns and get acculturated to the rigors of the course. The black student said, "I heard that this course is particularly difficult for minority students." It happened that the instructor was a black woman who took the student's expression of concern as a racist attack on her; she accused the student of racism, and he was punished. I think it's striking that in a university that has tens of thousands of students, in a year and a half of enforcement, those were

the only cases of racism. I think that's hardly a coincidence; indeed, if we look through history, we find that pattern repeated over and over.

I think it's also striking that the student who received the harshest penalty under the University of Michigan's rule was a black student accused of homophobia. He was a graduate student in social work who believed that homosexuality was a curable disease; as part of his clinical experience in social work he wanted to design a program for curing the disease. Whether or not you agree with the student's approach, I hope you would agree that his is the kind of idea that should be allowed to be expressed and should not be punished. In his petition for clemency to the president of the university, the student said he thought that he had been singled out for punishment on account of his race and his political views.

There is an ultimate irony in the "politically correct" movement; its root notion is that everything in life is political and all academic subjects reflect the power struggle between those who are oppressed and their perceived oppressors. In that sense, the movement seems to be calling for a more politically aware view of the world. Yet to think that granting the oppressive, as they say, power structure the additional power to sanction certain speech is somehow going to improve the lot of the oppressed strikes me as politically naive.

I think campus speech codes reflect a more widespread problem, a problem that has to do not only with what you can't say but with what you can't think—and even worse, what you must say, what you must think, what you must teach, and what you must study.

When the ACLU national board recently unanimously opposed campus hate speech codes on free speech grounds, one of the examples given of an appropriate corrective for such speech was required courses on multiculturalism and diversity. Now, that's no panacea for First Amendment problems, because the way those courses are taught can raise free speech problems. I'm proud to say that I moved an amendment, which was adopted, that cautions that any such course would have to be taught in a way that respected the individual rights of conscience and belief of the students. I

**Campus Speech** (Cont. from p. 7)

think there is a great danger that that kind of course could degenerate into a reeducation camp. Pressure to be "politically correct" in such a course poses an insidious danger that we have to be alert to as universities all over the country make seemingly benevolent efforts to adopt multicultural curricula.

I could not feel more strongly that we have a serious and very disturbing problem of racism, sexism, homophobia, and other forms of group hatred on our campuses; there is no doubt about it. All organizations that keep statistics on incidents of hate-based violence report a dramatic increase, and I think that's tragic. A major reason I feel so strongly that we must adhere to the principle of free speech when we try to combat group hatred is that free speech is the only effective route. We are never going to eliminate group hatred, oppression, or bigotry by silencing its most crass expressions and forcing them to go underground; that is counterproductive.

Some people argue that there is a conflict between civil liberties on the one hand and civil rights on the other. I reject that argument. I think it is clear that the goal of equality in education, as well as civil rights goals generally, is more effectively pursued by allowing free speech—even racist speech. Many of the responses to the recent epidemic of racist incidents have proven that point. The country as a whole is now very conscious of problems of racism. That consciousness has led to constructive steps, including counseling, educational programs, information, counterspeech, and counterdemonstrations. I think that is the only way to eradicate, or at least counter, the racist attitudes that erupt in hate speech.

It's encouraging that many scholars, activists, and commentators recently have challenged the politically correct speech line and warned of its dangers. We have reached a turning point when we see a cover story in *Newsweek* entitled "Thought Police: Watch What You Say; There Is a Politically Correct Way to Talk about Race, Sex, and Ideas; Is This the New Enlightenment or the New McCarthyism?" That article, as well as most coverage that I have seen in

the mass media, criticizes rules that would dictate "correct" speech not only as violations of free speech but also as unproductive in terms of advancing equality.

**J. Peter Byrne:** Professor Strossen has elided two aspects of the problem that are best kept separate. I would disassociate myself from all of the silly forms of politically correct speech, but there is a real concern that manifests itself in the simple but offensive hypothetical of the words "niggers suck" spray painted on the side of a student union. There's nothing cute about that; it's not funny. Clearly, those words are speech. And many administrators and faculty members around the country are sincerely trying to determine the appropriate response to that form of speech. Obviously that kind of speech—and it's not directed at just blacks but at other racial minority groups, religious minorities, and homosexuals as well—has to do with broad cultural changes in American universities. The fact is that you are seeing, for the first time, multiracial, multicultural universities, and that situation presents challenges.

I agree with a great deal of what Professor Strossen says about the necessity of protecting speech that is vulgar, stupid, and generally inhibiting of intelligent thought throughout society as a whole. We are all citizens under the Constitution, and the government has no transcendent criteria for deciding which forms of speech are acceptable and which are not. I think, however, that on university campuses different principles can apply.

Universities are not entirely open institutions. Our system of academic freedom assumes that only people who are qualified to speak on a particular topic will hold forth in the classroom, and if their speech is inadequate, they will be penalized—they will not be rehired, be tenured, or get raises. Even admission to most of our universities requires some showing of aptitude. Our whole system of education is based on the idea that we can have a more productive educational discourse if we adhere to fundamental standards of competence and courtesy.

The main objective of scholarship at universities is the establishment of a form of speech that aspires to a degree

of credibility to which we are comfortable applying the word "knowledge." The struggle to say something worthwhile, to collectively address very hard problems, requires a certain degree of tolerance and courtesy, and the type of racial insult that I gave as an illustration is fundamentally at odds with that attitude. Liberal education means very little unless it equips students with the capacity to master difficult forms of thought and expression and the ability to express themselves with some degree of persuasiveness.

Although I believe that universities can, in principle, penalize members of the academic community for voicing racial insults, I do not believe that any member of the academic community can be penalized for expressing a substantive view, however offensive it may be, in a form that is subject to rational contradiction through the aducement of evidence or through open debate.

The types of insults we are talking about are not forms of speech that further debate; they are forms of speech that burden debate and cause people to retreat into a form of tribal safety that engenders a closing in rather than an opening out. That approach to speech permits universities to penalize members of their communities who abuse their fellow students in a way that is subrational. It's worth saying, I suppose, that I think that that view of the authority of universities is encompassed within the First Amendment. What the Supreme Court has said about academic freedom establishes that universities, acting to further academic values, have more discretion in the regulation of their members than the government does with regard to society as a whole.

Having said that, I certainly do not want to gloss over the difficulties there may be in administering a program that requires university officials to distinguish between gross insults and the expression of substantive views that are offensive but have to be protected. That task requires a great deal of care and good faith. The effort of separating those two kinds of speech is part and parcel of what it means to be a member of an intellectual community. Speech calls our attention to significant ethical questions about the way we treat each other, about our need to hear things that are uncomfortable, and about our

need to transcend our own prejudices.

**Strossen:** We are indeed entering an era of multiculturalism in our universities, perhaps even in advance of the rest of society, and there is a challenge to bridging gaps that have separated people. One of the reasons there have been outbursts of racism and other forms of group hatred on campuses is that many students grew up in de facto segregated neighborhoods, went to de facto segregated schools, and were not thrown together with people of other ethnic, racial, or religious groups until they went to college. We have to start addressing the problem not by looking at its most crude and superficial manifestation—the blatant racist insult—but by dealing with the root causes of racism and segregation in our society. It's a politically appealing solution to a government official or to a university administrator to say, "Aha, I am doing something about this problem; I'm stopping one student from calling another a nigger."

One of my profound bases for opposing that kind of "solution" is that it deters people from pursuing a serious strategy to deal with the real problem. About a year ago I debated law professor Charles Lawrence of Stanford—the primary proponent of anti-hate speech codes not only at Stanford but all over the country. He agreed with me that those codes have always been used to punish disproportionately the speech of minority groups. His way around that admitted problem was to make an exception to the rule: the rule will not apply to speech about "members of dominant majority groups."

That raises some questions. At Howard University is a white person part of a dominant majority? Is a Jew part of a dominant majority group at Yeshiva University? One of the law students in the audience asked, "Can I, as a woman, a white woman, make a racist remark to a black male?" Lawrence said, "No; you can to a white male because you are oppressed vis-à-vis him, but you can't to a black male, and you can't to a gay male." At that point I said, "But what if she's a lesbian?" and the audience burst out laughing. I didn't mean to be funny, but Lawrence never answered the question. One faculty member asked a proponent of the Stanford

rule, "Does this mean that a black student could be punished for calling a white student a honky?" The answer from the chair of the committee that drafted the rule was "No, because in our society whites are dominant, and therefore they inherently can't feel oppressed or victimized when they are called those names by blacks." I could

give you many more examples from the politically correct movement that raise shades of the Nuremberg laws and apartheid.

Colleges and universities are opening the door to increased racism and other forms of group-based hatred and suspicion by adopting anti-hate speech codes. ■

**CATO INSTITUTE CALENDAR****Making Sense of Safety***Annual Regulation Magazine Conference***Madison Hotel • Washington, D.C. • March 21–22, 1991**

Speakers will include Judge Stephen Breyer, W. Kip Viscusi, Aaron Wildavsky, Joanna Siegel, Lyn Weiner, Lester Lave, and Margaret Maxey.

**Computers, Freedom, and Privacy***Cosponsored with Computer Professionals for Social Responsibility and other groups***San Francisco Airport Marriott • March 25–28, 1991**

Speakers will include Laurence Tribe, Eli Noam, Mitch Kapor, David Burnham, and Jerry Berman.

**All the President's Men:****Perestroika Yesterday, Today, and Tomorrow***Cosponsored with Independent University and Komsomolskaya Pravda Oktyabrskaya Hotel • Moscow • April 20–22, 1991*

Speakers will include Stanislav Shatalin, Grigori Yavlinsky, Alexander Yakovlev, Nikolai Petrakov, Edward H. Crane, and Bernard Siegan.

**Multilateral Aid: Fostering Independence or Addiction?****Willard Hotel • Washington, D.C. • May 8, 1991**

Speakers will include Shyam Kamath, Pascal Wick, George Ayittey, William McGurn, Jim Powell, David Osterfeld, J. Michael Finger, Ted Galen Carpenter, and Melanie Tammen.

**Global Environmental Problems: Environment, Science, and Politics****Washington, D.C. • June 5–6, 1991**

Speakers will include Patrick Michaels, Hugh Elsaesser, S. Fred Singer, Donald Stedman, Edward Krug, Fred L. Smith, Jr., and Richard Stroup.

**Summer Seminar in Political Economy****Dartmouth College • June 30–July 6, 1991**

Speakers will include Edward H. Crane, David Kelley, Sheldon Richman, Ralph Raico, George H. Smith, and Nadine Strossen.

**Environment** (Cont. from p. 1)

by 1980, Paul Ehrlich wrote in *The Population Bomb* in 1967. Only "many brutal and heartless decisions" by governments could solve the problem. Barry Commoner, prominent biologist turned leftist presidential candidate, faulted technology and suggested a socialist alternative to capitalism. In a 1969 congressional hearing he gave the earth another 50 years. Nobel laureate George Wald, a Harvard biology professor and opponent of capitalism, Christianity, and Western values, was the most apocalyptic of all. Writing in 1975 he gave the world 25 years but later suggested that life on earth might end by 1985. The environmental crisis is the fault of science, economic growth, and the "vile slums" of the Industrial Revolution, according to René Dubos, a Pulitzer Prize-winning scientist. Writing in 1972, he gave the earth another 25 years if society did not submit to the recommended political transformation.

**The Triumphs of Old Environmentalism**

The New Environmentalists would impede, if not halt, technological and industrial progress and economic growth for the sake of "saving" the earth and prolonging human life—the very things the Old Environmentalists have been doing successfully for 200 years. Let the record speak for itself.

Belief in the divine right of kings had begun to erode in 17th-century England. The English Civil War, the Glorious Revolution of 1688, and the ideas of men such as John Milton and John Locke ushered in limited government and individual freedom. Once people realized that sovereigns were the historical exploiters of their subjects, constitutional monarchy and a bill of rights were adopted to protect individual liberties and property—requisites for a flourishing economic life.

As the economies of England, the United States, and much of Western Europe grew, the quality of life improved steadily. That economic growth was the result of technological advances achieved by the entrepreneurial private sector: The McCormick reaper (1834) increased agricultural productivity. The use of the flying shuttle (1733), steam

power (1785), and Whitney's cotton gin (1793) increased productivity in the textile industry. Newcomen's atmospheric pump (1708), which removed water from coal mines, and Kelly's and Bessemer's steel converters (1851 and 1856) improved productivity in the coal and steel industries. Advances in transportation (Fulton's steamboat, 1807, the Liverpool-Manchester railroad, 1829) and communications (transatlantic cable, 1866, telephone, 1876) opened markets and facilitated trade.

Private enterprise also produced advances in medicine. By about 1830 research had revealed that "cures" such as bleeding, cupping, purging, fasting, and leeching were often worse than the

**"The dramatic increase in life expectancy since the Industrial Revolution can be attributed to 'Old Environmentalism'—the modern medicine and sanitation in a capitalist society."**

ailments. For a century thereafter, according to biologist Lewis Thomas, doctors practiced "supportive treatment"—nursing care, bed rest, sensible diet, common sense, and trust in nature. The role of bacteria and, later, viruses in illness was discovered, and diagnostic analysis paved the way for the wonder drugs developed by the chemical and pharmaceutical industries starting in the 1930s. Modern medical treatment came into being—at no cost to taxpayers, since Old Environmentalism depended on private enterprise.

**A Gauge of Progress**

Since we are all born of woman and must pass through childhood, the status of women and children is as good a gauge as any of the quality of life in

any historical period. Until the Industrial Revolution, the record had been dismal.

Edward Gibbon, the 18th-century historian, explained that his father, also named Edward, named many of his sons Edward in hopes that at least one would survive to carry on his name. His concern was justified. Edward the historian was the only survivor of seven children. Oliver Cromwell was the only child of 10 to reach adulthood. Queen Anne of England had 17 children, none of whom survived her. It was not uncommon for women in the Scottish highlands to bear 20 children and have only 2 survive. Adam Smith wrote in *The Wealth of Nations*. Most 17th-century women were pregnant from puberty to death and often saw none of their children live to adulthood. Children realized that their lives were marginal, since death was always at hand. Few knew a grandparent, and many had lost one or both parents and many siblings. Childhood diseases would quite possibly carry them off before age 15.

A high death rate results in a young population. During the 18th century 50 percent of the available workforce was under the age of 15. Britain was 80 percent rural, and for centuries rural children had worked from the age of five. It should be no surprise, then, that whole families sought employment in the coal mines during slack agricultural seasons and women and children, harnessed to coal carts in narrow underground tunnels, worked 12-hour shifts for starvation wages. But the greater demand for labor and the improved technology occasioned by the Industrial Revolution meant higher wages. Men were able to retire most of their families from the pits, and we find no record of women or girls working in the northern mines after 1780, according to British economist and historian T. S. Ashton.

Improvements in economic, and thereby physical, well-being during the Industrial Revolution and the Industrial Age that followed ended child labor, put children in schools, and freed women from being child-bearing machines and beasts of burden to become literate and intellectually productive human beings.

Through voluntary exchange to mu-

tual benefit, entrepreneurs created wealth by recombining economic assets to make a final product worth more than the sum of its parts. That created the economic infrastructure that made it possible for members of the lower classes to lift themselves into a middle class of unprecedented affluence. It was a peaceful process. No conflagration of Napoleonic magnitude occurred between 1815 and 1914.

**The Attack on Prosperity**

Nonetheless, the New Environmentalists argue today that the Old Environmentalists' advances were a blight on planet Earth and the beginning of the world's end through environmental degradation.

Like Marxism, New Environmentalism is purported to be a science. It provides an excellent excuse to curtail productive forces and spend other people's money. It offers desirable social status and political power to those willing to fight the "evils" of economic and technological progress. But to impose their convictions, the New Environmentalists need to show that free enterprise is a loose cannon that requires centralized controls. Collectivist New Environmentalism has to discredit individualist Old Environmentalism. Unfortunately, it is succeeding.

Both the taxes and the human effort expended in combating such putative dangers as global warming and ozone depletion are fungible, detracting from the private sector's proven success in improving hygiene, sanitation, and health. Yet New Environmentalists insist on giving their fears funding priority at the federal level. They oppose the search for new landfills and new methods of incineration, disapprove of industrial research such as genetic engineering, hamper the development of life-saving pharmaceuticals through excessive regulation and taxation, and favor escalating product liability suits against industry and malpractice suits against the medical profession. New Environmentalists are on a collision course with property rights; they would exercise political control over wetlands, deserts, forests, lakes, cities, shorelines, and an ever-broadening range of land uses.

The New Environmentalists immediately eschew any suggestion that the

private sector could solve environmental problems. They object to the inexpensive liming of lakes acidified by acid rain, preferring to ban high-sulfur coal despite the loss of coal-mining jobs. They oppose allowing untreated toxic waste dumps to be isolated. Indeed they oppose burying waste for fear of contaminating aquifers. Purifying contaminated ground water, as we have done for decades, is, for them, not an alternative. It is anathema to suggest that economic forces are an effective conservation tool, and it is reactionary to propose any cost-benefit analysis. Thanks to technology, automobile emissions are 96 percent cleaner than they were in 1970, yet the New Environmen-

**"The extraordinary and unprecedented improvement in our quality of life during the past 200 years can be attributed to individual freedom, technology, industry, and economic growth."**

talists advocate allocating valuable resources for ever-cleaner air to the detriment of our economy. Their list of grievances against industry and technology is seemingly endless.

Once primitive man used fire, progress would not be turned back—energy and technology were necessary for survival. New applications of energy developed by the Industrial Revolution provided energy-intensive agricultural methods that allowed for massive increases in population density. When Columbus discovered America, what is now the United States supported fewer than a million Indians. Today the same area supports 250 million people and exports millions of tons of food. Our current population density of 69 persons per square mile is less than 8

percent of that of England, leaving room for many more inhabitants. A new source of energy must replace the nonrenewable fuels that have fed our fires for centuries. The atom is such a source of energy. Nuclear power is abundant, yet New Environmentalists oppose it. With ample and cheap energy, we could create synthetic resources and neutralize pollution. A world without affordable energy would be a miserable legacy for our progeny.

Equally important for sustaining an increasing population is a dynamic and developed economy. An economy is something like a bicycle—arrest its forward motion and it topples. Leftists claim that unrestricted growth depletes our natural resources and destroys the environment. Yet excessive conservation or zero-growth movements would condemn to privation first those least able to care for themselves—the poor. If successful, those movements would lead to serious conflict as the allocation of diminishing resources was disputed.

**Environmental Balance Today**

The fears of the New Environmentalists remain unproven. Despite dire predictions concerning global warming, ozone depletion, and pollution, there was no deterioration in human health during the Industrial Age, and there has been none in the past 30 years during which the global environment has been a concern. In the battle of pollution vs. hygiene, cleanliness has won. Humans have never been cleaner both inside and out than they are today. The industrialized nations of Europe and North America have cleaner air and water and healthier populations than the less developed nations of Asia and Latin America. The streams of undeveloped Africa are more dangerously contaminated than are the waters of the industrialized United States. The automobile is environmentally superior to the horse.

Primitive man lived in balance with nature by limiting his numbers and longevity. He killed other animals for food and clothing. But further survival required animal husbandry. The demand of increased populations for meat resulted in increased herds of cattle. Increased demand for wool produced more sheep. Today's demand for fur

**Environment** (Cont. from p. 11)

coats has resulted in mink ranches. Similarly, a high demand for ivory would result in more elephants if private owners were allowed to raise them for profit. Banning the legal sale of ivory will eliminate all incentives to increase elephant herds and lead to poaching. The interrelationship of animals, including man, is governed by natural economic laws.

The leftist mindset has led many intellectuals into an emotional thicket. They are unable to recognize the irrationality of apocalyptic predictions during a time when the human condition is ever improving. They have an anthropomorphic conception of a pristine Mother Earth beset by anarchic free individuals, each intent on his own self-interest and giving little thought to the consequences of his actions. Leftists see a holistic earth pockmarked by the detritus of human waste, with forests and wildlife ravaged in the pursuit of wealth. The changes brought about since the Industrial Revolution that have made it possible for the earth to accommodate 5 billion inhabitants today instead of the 500 million it supported only three centuries ago—or 5 million in primitive times—have been unprecedented. Yet many New Environmentalists compare the modern biosphere with that of 12,000 years ago and categorize any change as polluting or violating our "fragile" habitat. They favor spending whatever is necessary to return the earth to its original "pristine" condition. (They seem to forget that man has been altering his environment since he gathered his first berry.)

Free individuals cannot be trusted since they have not controlled their own numbers. If the earth must be altered to accommodate more inhabitants, then utopia requires population control. New Environmentalists do not hesitate to resort to political coercion—the one force that could truly destroy humanity. "Man is neither angel nor brute," said Pascal, "but the unfortunate thing is that he who would act the angel, acts the brute."

Survival depends on individual creativity, which is a discovery process. As each individual seeks his own best interests in an interdependent world,

he can never be sure of the outcome of his actions. His every action affects the economy and the environment around him, so he and everyone else must adjust to change. A free economy has altered our planet for survival through human action, not through human design. In a similar fashion, the human race came into existence through unpredictable mutations in individual beings, each of whom then had to ad-

**Persian Gulf** (Cont. from p. 3)

to achieve their goal. He saw no reason for the United States to resort to force prematurely.

Cato senior fellow Doug Bandow stressed the constitutional need for a congressional vote on war. David R. Henderson, an economist at the Naval Post-Graduate School, argued that Saddam's "oil weapon" is a dud—that, in fact, increases in petroleum prices would cost the U.S. economy less than one-half of 1 percent of GNP were America not to intervene in the Persian Gulf. Cato senior fellow in foreign policy studies Christopher Layne said that the United States cannot play the "geopolitical Don Quixote," trying to right the world's wrongs.

Other speakers at the conference were Gen. Edward C. Meyer, former Army chief of staff; Michael E. Canes of the American Petroleum Institute; Rich Thomas of *Newsweek*; Peter Riddell of the *Financial Times*; William A. Niskanen of the Cato Institute; Gerald Seib of the *Wall Street Journal*; Robert



Adm. Gene La Rocque listens as Foreign Policy editor Charles William Maynes makes a point in debate.

just to survive. All of nature works that way.

The extraordinary and unprecedented improvement in our quality of life during the past 200 years can be attributed to individual freedom, technology, industry, and economic growth. Let us not sacrifice the system that has given us longer life and better health to unwarranted fear of the very processes of that system. ■



Panel chair Jed Snyder welcomes Ted Galen Carpenter, Gen. Edward Meyer, and Doug Bandow to the opening session of Cato's conference on the gulf war.

E. Hunter of the Center for Strategic and International Studies; Sheldon L. Richman of the Institute for Humane Studies; and Leon T. Hadar, formerly of the *Jerusalem Post*.

Cato scholars continue to keep the Institute's foreign policy program in the news spotlight with television interviews and articles in major publications.

Carpenter, appearing on "CBS Evening News with Dan Rather" shortly before the January 15 deadline for Iraq's withdrawal from Kuwait, presented arguments against the impending war. He was interviewed on NBC as well, and on January 12 he had an article in the *Japan Times* in which he explained that President Bush's Persian Gulf policy was sure to backfire if we went to war.

In a *New York Times* article on January 3 Bandow called on Congress to accept its responsibility to decide whether the country should go to war, and on January 24 in *USA Today* he explained why U.S. military action in the gulf and even the removal of Saddam Hussein will not ensure peace. ■

**Private Sector Can Provide Long-Term Care****Bush Is the Biggest Spender Since World War II**

Cato Institute policy studies offer provocative and thoughtful analyses of current issues. Topics covered in recent studies range from the February 3 hike in postal rates to the superiority of an all-volunteer military force.

**Volunteers, Not Conscripts**

Bringing back the draft would have no effect on America's military prowess in the Persian Gulf War and would undermine the force of intelligent, educated, and willing troops the United States has amassed during the 18 years of its All-Volunteer Force, writes senior fellow Doug Bandow in "The Volunteer Military: Better Than a Draft" (Foreign Policy Briefing no. 6). Today's problem is not a lack of volunteers for the armed forces but politicians willing to wage war for peripheral interests, according to Bandow.

Recent statistics reveal that 91 percent of new recruits have graduated from high school, compared with 75 percent of all 18- to 24-year-olds; and 96 percent of enlistees scored in the top three of five categories of the Armed Forces Qualification Test, compared with 69 percent of the civilian population. Clearly the AVF "has had no trouble filling its ranks with top-quality people—young men and women who are, in fact, better educated and brighter than their civilian counterparts," Bandow concludes.

**Long-Term Care**

Peter J. Ferrara, director of Cato's Project on Entitlement Alternatives, argues against the proposed national health



As William Niskanen listens, Stephen Moore releases his Cato study on the record spending of the Bush administration.

care program that would cost taxpayers an additional \$60 billion to \$80 billion annually in "Long-Term Care: Why a New Entitlement Program Would Be Wrong" (Policy Analysis no. 144). Federal and state governments already spend \$33 billion annually to cover the costs of long-term care for the elderly who cannot afford it themselves, but proponents of the new entitlement program wish to prevent high health care costs from consuming the life savings many elderly people have accumulated. Taxpayers' money should not be used to preserve private capital because "such expenses are exactly what retirement savings are for," Ferrara writes.

The elderly could meet long-term-care expenses effectively and efficiently through private markets, Ferrara argues, calling for the development of private-sector insurance coverage, the removal of regulatory and taxation barriers, and tax-exempt health care savings accounts.

**Government's the Real Price Gouger**

Because the market has been allowed to work during the current oil supply disruption, Americans are not faced today with the gas lines and energy shortages they had to deal with in the 1970s, Robert L. Bradley, Jr., writes in "What Now for U.S. Energy Policy? A Free-Market Perspective" (Policy Analysis no. 145). Bradley, president of the Institute for Energy Research and a Cato adjunct scholar, argues that abolishing the Department of Energy, expanding reliance on the free market, and adopting a more modest Middle East foreign policy would ensure an ever-increasing supply of oil at lower prices.

The price increases after Iraq's invasion of Kuwait were not the result of "concerted monopolistic action but of uncertainty about the supply of oil in the near future," according to Bradley. Moreover, "while a price increase of approximately 10 cents per gallon... could be attributable to the prior (Iraqi-led) OPEC accord and the invasion itself, another 10 to 15 cents per gallon or more was due to the U.S.-led embargo."

**Slower Is Better?**

Only private competition will force

the U.S. Postal Service to improve its dismal record, James Bovard, an associate policy analyst at the Cato Institute, argues in "Slower Is Better: The New Postal Service" (Policy Analysis no. 146) released the day of the latest postal rate increase. First-class letters now take 22 percent longer to reach their destinations than they did in 1969, and the Postal Service's goals for delivery are lower today than they were in 1764. The February 3 hike in postal rates is the most visible indication of the gross inefficiency of the Postal Service, which is the result of its monopoly status, Bovard writes.

"Contracting out postal work could save billions of [taxpayer] dollars," yet since "postal unions donate over \$1 million a year to congressional campaigns" there is ample incentive for politicians to help the Postal Service remain a monopoly. When asked what his legislative policy would be, Rep. William Clay (D-Mo.), the new chairman of the House Post Office and Civil Service Committee, replied, "Anything the postal unions want, I want."

**Bush the All-Time Spender**

Real domestic spending is growing 10 percent a year under President Bush, generating larger budget deficits both in dollar terms and as a percentage of GNP than did the spending of any other post-World War II president, writes Stephen Moore, director of the Cato Institute's fiscal policy studies, in "The Profligate President: A Midterm Review of Bush's Fiscal Policy" (Policy Analysis no. 147). In addition, Bush has raised federal tax revenues to 19.5 percent of GNP—a rate unseen since the days of Franklin Roosevelt.

"In two years Bush has gone from being the president... of 'no new taxes' to the president who imposed the highest tax burden ever on American workers," Moore writes. He concludes that Bush must cancel the new taxes, make across-the-board cuts in federal spending, abolish agencies such as the departments of Energy and Education, and return to the supply-side policies of the Reagan administration if he is to reverse the crisis his policies have created. ■

## A Comprehensive Case for Choice

## Educational Choice Would Rescue Inner-City Children

Most parents know that American schools are in trouble—if not the ones in their own neighborhood, then those everywhere else. With test scores plummeting since 1963, U.S. students lag far behind their counterparts around the globe.

The children of the ghettos suffer the most as the U.S. educational system collapses. A generation ago class troublemakers threw spitballs and paper airplanes. Today teachers in inner-city schools worry about students who carry guns to class or peddle drugs on the playground. Urban schools are more akin to prison wards or war zones than to the academies suburbanites expect. Children cannot learn—much less excel—in such an environment.

In a new book from the Cato Institute, 11 scholars and educators look at the causes and casualties of worsening urban schools. Many of the essays in *Liberating Schools: Education in the Inner City*, collected and edited by the Institute's executive vice president David Boaz, name educational choice as the key to breaking the cycle of poverty for inner-city kids and bringing good schools to every neighborhood.

In his introductory essay, Boaz documents the abysmal state of education in America today and argues that the



Journalist Warren T. Brookes (right) talks with Brookings Institution scholar John E. Chubb, coauthor of *Politics, Markets, and America's Schools* and a contributor to *Liberating Schools: Education in the Inner City*, at Cato's 1989 conference on education.

U.S. educational system is a stagnating monopoly comparable to the socialist economies collapsing around the world today.

Public education is creating a permanent American underclass, Boaz writes, and the only solution is to begin treating students and parents as customers in an education market. A monopoly cannot conform to every parent's beliefs about school prayer, ethnic history, saluting the flag, school uniforms, gay teachers, and drug testing as well as issues directly related to education such as phonics and new math, Boaz points out. A market for schools would give rise to academic institutions that provided what parents and students, not bureaucrats and other "experts," want. Boaz's essay also counters many of the popular objections to adopting either a voucher or a tax-credit system.

John E. Chubb and Terry M. Moe of the Brookings Institution argue that autonomy is essential if a school is to be innovative, effective, and organized in a practical manner. Schools do not succeed when they are dictated to by a central agency but when they are left alone to judge for themselves how to best educate their students and respond to the concerns of the children's parents, Chubb and Moe argue in a lengthy series of questions and answers about educational choice.

In his essay, Myron Lieberman, author of *Privatization and Educational Choice*, questions whether one can expect the benefits of competition from nonprofit organizations, which almost all private schools are. Plans for choice in education must allow for-profit schools to compete equally with nonprofit and public schools if education in America is to reap the benefits competition produces in a true free market, he concludes.

Former governor of Delaware Pete du Pont argues that parental choice would lead to excellence and equality in American schools and would empower the people to improve their own lives. He calls for "education enterprise zones" in which choice systems would provide quality education for the children of the nation's most educationally



David Boaz, editor of *Liberating Schools: Education in the Inner City*, refutes seven common myths about educational choice in his introductory chapter.

deprived areas.

Although the whole educational system is in need of reform and restructuring from top to bottom, it's in America's inner cities that the benefits of educational choice will be the most visible and dramatic. Education can break the cycle of poverty. Today's schools merely propagate that cycle. After spending months observing an elementary school in inner-city Chicago, Bonita Brodt of the *Chicago Tribune* concludes in her essay that "we are at risk of losing an entire generation of children to the culture of poverty."

John Coons of the University of California accuses Bush of being the last believer in market socialism, because of the president's desire that educational choice be restricted to public schools.

Essays by William A. Niskanen, Joan Davis Ratteray, Seymour Fliegel, and Robert S. Peterkin complete this book's powerful argument in favor of granting parents a voice and a vote in the education of their children.

*Liberating Schools: Education in the Inner City*, published by the Cato Institute, is available for \$25.95 (cloth) or \$13.95 (paper). ■

## Milton and Rose Friedman Highlight Event

## More Than 100 Sponsors Enjoy Third Benefactor Summit



William A. Niskanen, Warren Brookes, and Rose Friedman listen as Milton Friedman questions another speaker during Cato's Third Annual Benefactor Summit for major contributors.



Former Oklahoma legislator Cleta Deatherage Mitchell calls for term limitation in her closing luncheon talk.



With a drawing of Cato's proposed new building in the background, Cato president Edward H. Crane chairs a meeting of the 40-member Finance Committee at the Benefactor Summit, which was held in Arizona at the Boulders, one of the country's most highly rated resorts. (All costs for the Benefactor Summit are paid by participants.)



J. Patrick Rooney, chairman of Golden Rule Insurance, and Patricia Rooney talk with Peter J. Ferrara, director of Cato's Project on Entitlement Alternatives.



Former Delaware governor Pete du Pont dines with Cato Sponsors Warren Nunn and John Norton before his banquet address on educational choice.



Ed Crane welcomes Nobel laureate Milton Friedman to the podium for a talk on the decline of socialism around the world and the rise of socialism in the United States at the Summit's Saturday night banquet.



Cato Sponsors Carol Cunningham of Connecticut, Eric O'Keefe of Wisconsin, and Wayne and Shula Beyer of Mississippi talk at a reception.

# "To be governed..."

## Why won't you believe me?

I wish to respond to your recent article of July 11, 1988, entitled "The Inevitable Tax Hike." The piece states that "While both Bush and Dukakis say there's virtually no chance they'll raise taxes, there's actually very little doubt that they will."

Your article gets it only half right. You are right about him, wrong about me.

First, let me restate what I said when I announced my candidacy last October: "I will not raise your taxes, period."

Seven years of economic success—17 million new jobs, low inflation, interest rates finally under control—after four years of Democratic tax and spend failure—should have taught us that controlling the tax burden and controlling spending are the key to success. The problem is not that we're taxed too little, it's that we spend too much.

Raising taxes is not just unpopular, it is hazardous to the economic recovery we have struggled to achieve and maintain. Tax hikes never gave an American a job or fed a family. They simply feed the Congressional spending machine. We have not come this far to see America turn back to the days of double digit inflation and unemployment. Tax hikes would throw 17 million new American jobs into jeopardy.

My opponent, Michael Dukakis,

has conspicuously refused to rule out tax increases—and his performance in Massachusetts underscores his intent: when confronted with a deficit, tax.

The only thing inevitable about tax increases is that he is for them and I am against them, period.

—George Bush, letter to the editor of *U.S. News & World Report*, July 14, 1988

## Just another night on government radio

Welcome to three hours of conversation on WAMU-FM. In the first hour we'll discuss reproductive health priorities of women of color. In the second hour we'll hear about the Public Citizen guide to who's robbing America in the savings-and-loan scandal, and in the third hour George Washington University law professor John Banzhaf tells us how he fights institutional sexism.

—WAMU-FM (Washington), Dec. 17, 1990

## Great moments in academia

A Florida State University professor has decided to write a doctoral dissertation on Madonna. . . . Chip Wells describes the material girl as a "postmodern social construct." His dissertation will be titled "Like a Thesis: A Postmodern Reading of Madonna Videos." "I'm a fan because of the

videos' complex intercultural critiques," he explained. "When Madonna grabs her crotch, the social order is effectively transgressed."

—*Washington Post*, Jan. 16, 1991

## At last a definition:

### An insider is a person with cable

Securities industry sources . . . said that there was a plan to suspend trading for half an hour at all stock exchanges . . . to permit news of war or other major events to be widely disseminated if it were considered necessary to prevent investors from being penalized for lack of information. . . .

The purpose would be to avoid "having only those who happened to be watching CNN at that moment to have an advantage over those who were not," according to the source.

—*Washington Post*, Jan. 12, 1991

## Except the Second Amendment

Ban guns; guns kill. Cherish the Constitution and the Bill of Rights.

—Michael Gartner in the *Wall Street Journal*, Jan. 31, 1991

## So many officials, so little time

Attorney General Dick Thornburgh said the Justice Department won 1,149 convictions of public officials or their associates last year, a record.

—*Washington Post*, Dec. 12, 1990

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