

THE MOST INFLUENTIAL, AND ENDEARING, INTELLECTUAL COUPLE IN LATE-TWENTIETH-CENTURY AMERICA DESCRIBE THEIR THOROUGHLY INTERTWINED LIVES.

Milton & Rose Friedman

Sixty years of marriage, two children, four grandchildren, best-selling books (on economics, of all unlikely subjects for chart-toppers!), a landmark PBS television series, a Nobel Prize: Milton and Rose Friedman have indeed been Two Lucky People, as they titled their newly published joint memoir. Milton Friedman has been the most influential economist of the latter half of the twentieth century. The principle upon which his work has been built is that people must be “free to choose,” as the Friedman TV series (and co-authored book) was called. After a career spent mostly at the University of Chicago—where the couple met, on October 3, 1932, in Economics 301—Milton and Rose have chosen to spend the last two decades in the Bay Area, where Milton keeps an office at the Hoover Institution. Oakland journalist Michael Robinson interviewed the Friedmans for TAE at their apartment in downtown San Francisco.

TAE: Was it fun writing a memoir?

ROSE: You re-lived both the good and the bad. “Fun” isn’t the right word: It was interesting.

MILTON: It was a mixed bag. I had a series of operations on my back, and I was out of action for about a year; so there was a big hiatus.

ROSE: Then we went on a cruise for four weeks, and we took our Power Book with us, and it was a wonderful place to work.

MILTON: There’s no better time, if you write a book and don’t have to do any more research, to go on a long cruise. No telephone calls, no visitors, no conferences, no reporters coming around, and you have a restaurant to go to for breakfast, lunch, and dinner.

TAE: In your collaborations, is there one person who’s clearly the leader?

ROSE: I’m not competitive and never have been. I was smart enough to know that he was smarter so why should I try to compete with him?

MILTON: The first book that we really collabo-



rated on was *Capitalism and Freedom*, which was published in 1962. It was based on a series of lectures, but the spoken word is very different from the written, and she took those lectures and turned them into the book. It never would have appeared if she hadn’t rewritten those lectures. When it came out in 1962, it was not reviewed by any major American publication but it sold more than 500,000 copies. Compare that to the most influential book I have been a coauthor on, *A Monetary History of the United States*, which has not sold 20,000.

TAE: If you had to choose between doing the more popular books and *A Monetary History of the United States*, which would you choose?

MILTON: Had I not done the more serious work, I would not have been qualified to do the more fun work.

TAE: The credibility you established?

MILTON: That’s all external. I’m talking internal. I wouldn’t have understood the problems and I wouldn’t have been able to write the same thing if I did not have the backing that came from the scientific work.

If you want to know what should be done about anything, if you want to make suggestions for policy or political change, you have to know how the world is working. Too much of political discussion is an expression of objectives without any real understanding of what means will yield you those objectives.

TAE: You talk about not being competitive Mrs. Friedman. Did you ever feel overshadowed?

ROSE: No. I’ve always felt that I’m responsible for at least half of what he’s gotten. When people asked how I felt when he got the Nobel Prize, I said it seemed to me that I was part of it. Now, maybe that’s false pride but I think it’s true.

Every time he had to go somewhere to change his job, I gave up my job. I didn’t feel that I was giving up anything. It seemed to me that that was the way it should be. He was the

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socialist enterprise.**

—Milton Friedman

main income-bringer. It was his profession that was important. So I never felt neglected; I feel that I have much of the responsibility for his success. Am I wrong?

MILTON: Of course not. You know the fundamental principle of economics. Two people enter into a voluntary transaction, both have to benefit. What drives the world are the possibilities of voluntary exchanges in which everybody is better off. What destroys the world are actions which involve some people benefitting at the expense of others. The reason the Soviet Union ultimately fell was it was based on the principle that some people could tell other people what to do and could benefit at the expense of other people, whereas what makes a great success of a little spit of land like Hong Kong is that it's been based on the principle that all exchanges have to be voluntary.

TAE: It's been such a long association between you two: 60 years. Was it love at first sight?

ROSE: We landed in the same class in our first year of graduate school. [Jacob] Viner, the professor, arranged the students alphabetically. My name ended with D, Director, and his with an E, so we sat next to one another. I was the only girl in the class. So he had no choice.

TAE: Was this a relationship that blossomed over time?

ROSE: We were friends from the beginning. We worked together first, in statistics, in money, and the various other courses. Our first date, I think, was at the end of the first year when we went to the World's Fair together.

MILTON: That was 1933: Century of Progress. Made notable by the fan dancer whom we did not see.

ROSE: I don't remember anything about the fan dancer.

MILTON: If you think of the way in which people behave at a university, especially in graduate work when they're together, dating doesn't have any meaning. Most days Rose and I, George Stigler and his future wife, Allen Wallis and his future wife—the six of us—would have lunch together, we'd have dinner together.

ROSE: That's one of the virtues of coeducation instead of a female or male school. We lived together not in the way they live together today but in our different activities. My daughter went to a girl's school at first—Bryn Mawr. I listened to her stories about meeting somebody at Haverford, and you didn't just stop in to have a cup of coffee, you had a date. I don't think that's very healthy.

TAE: When did you first know that your economic views were contrary to the prevailing notions?

Women are in the market now, but they're losing out on the other half of their job with their children.

—Rose Friedman

MILTON: I went to Washington in 1935, and Rose went in '36. We went not really as economists but as statisticians. We went on a large-scale project to collect data on income and consumer purchases. So we weren't really involved in policy issues; it was much more a use of the technical training that we had as statisticians rather than as economists.

ROSE: And it was a job.

TAE: You were glad to have a job.

ROSE: The combination of being Jewish and, in my case, female, didn't help.

MILTON: There were no academic jobs, literally, for those combinations. Washington at that time was a very lively city. It was the early days of the New Deal. There was a large and energetic group of relatively young people. The city of Washington was not what it is now.

ROSE: And we were high on Roosevelt.

MILTON: We were very high on Roosevelt. Of course.

TAE: Was discrimination against women and Jews obvious in Washington in the '30s?

ROSE: I'm not sure we thought about it very much. Both of us were brought up in relatively small towns where we didn't experience the kind of anti-Semitism that our friends from New York felt. They'd always say, "You didn't get this job, you didn't get that job because of anti-Semitism," and we would say, well, maybe, but we're not so sure. But the proof of the pudding was that our close friends got teaching jobs right out of school and he didn't.

MILTON: We knew that academic jobs were likely to be hard to get for that reason, but that didn't apply in Washington. Washington was a pretty open, tolerant place.

TAE: Is faith something that's important in your lives?

ROSE: No.

MILTON: We have been agnostics.

TAE: Since?

MILTON: Childhood. I was fanatically religious until I was 11 or 12, and then suddenly one day I had an epiphany. I switched completely to the other side.

TAE: Culturally, were you ever involved in Jewish life?

ROSE: We've never joined a synagogue in Chicago.

MILTON: The only respect in which we have been involved is in connection with Israel.

ROSE: That's not really religious.

MILTON: It's cultural.

ROSE: Our families were both religious, so we were brought up following the Jewish laws.

MILTON: I have no doubt that the cultural aspects of Judaism have affected both of us very much: the emphasis on intellectual activity, on education.

TAE: Was there a sense during your student days that your husband was going to be a rising star in economics?

ROSE: Not really. There were a lot of smart kids. He was no smarter than the others.

TAE: Have there ever been any philosophical rifts between the two of you?

ROSE: Not really.

MILTON: You must realize we're survivors. If we had had major differences in ideology, we probably would have broken up years ago, so you're looking at a biased sample.

TAE: A woman I interviewed once claimed there are two things you have to have to make marriage work: chemistry and shared values.

MILTON: What you really have to have is tolerance. That's more important than either of those.

ROSE: If you have opposite values, you don't get along very well.

MILTON: I don't remember our ever having a really serious argument.

ROSE: We could always persuade one another.

MILTON: That means I could always do what she asked.

TAE: Tell me about your school voucher foundation.

ROSE: My first idea for a foundation, I have to confess, was not vouchers but to do something about the orphans in Bosnia. I mentioned it to several friends and each one said, "It's impossible, you can't do it." And I'm not really at the point where I can be very active in the foundation myself. It's too late. So then I thought vouchers is the next idea, so we set up the [Milton and Rose D. Friedman] Foundation. It's a question of getting the information to the public, because every time you think you've got the public, the unions come in.

MILTON: And the black leaders have never been for us because they get clout out of the public school system. They get patronage and influence.

ROSE: Since we started, the schools have gotten worse and worse. The only question is, what do you do about it? They established charter schools, which go halfway, but they're still public schools and they're still influenced by the union and all the rest. We would like to see a strict voucher system. We would like to see parents being responsible for the education of their children and not the government.

MILTON: It's hard to overestimate the importance of this issue. Our main interest all our life has been the promotion of human freedom. The school system in the United States is our major socialist enterprise other than the military. Ninety percent of kids, roughly, are in government schools. So this is a major socialist enterprise, and it will teach socialism. Every institution



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will reflect its own internal characteristics. In addition, public schools are governmental monopolies under the control of the teachers' unions and the professional education establishment.

ROSE: If you want a good job, go to the teachers' union.

MILTON: They are undoubtedly the strongest political lobby in the country. In the 1992 Democratic convention, something between a fifth and a quarter of all delegates were from the teachers' unions. Same thing in 1996.

ROSE: Clinton, as governor of Arkansas, was for vouchers, until he became President. And now he's in bed with the teachers' unions—as well as everybody else.

MILTON: That's a nasty crack!

Monopoly is bad, and government monopoly is doubly bad. If you were to have parents having really free choice, you would have a brand new industry. It would explode: Competition would force the public schools to improve their performance, and that would offer parents at every income level, but particularly in the low-income level, alternative opportunities for improving the well-being of their children.

One of the most serious dangers that this country faces is balkanization into a society of haves and have-nots. What mechanisms are readily available to reduce that balkanization? The only one that I know of that has any real promise is improvement of the quality of the education available to the low-income family.

If you have a voucher system open to everybody, neither

you nor I are smart enough to figure out what the educational industry would look like ten years from now, any more than when the personal computer came on the scene, who imagined the Internet? The equivalent of the Internet will develop if you open this up to competition and innovation. Homeschooling is rising very rapidly because the computer has made it much easier to homeschool your children.

ROSE: The Internet is really going to be the final answer to women, I think.

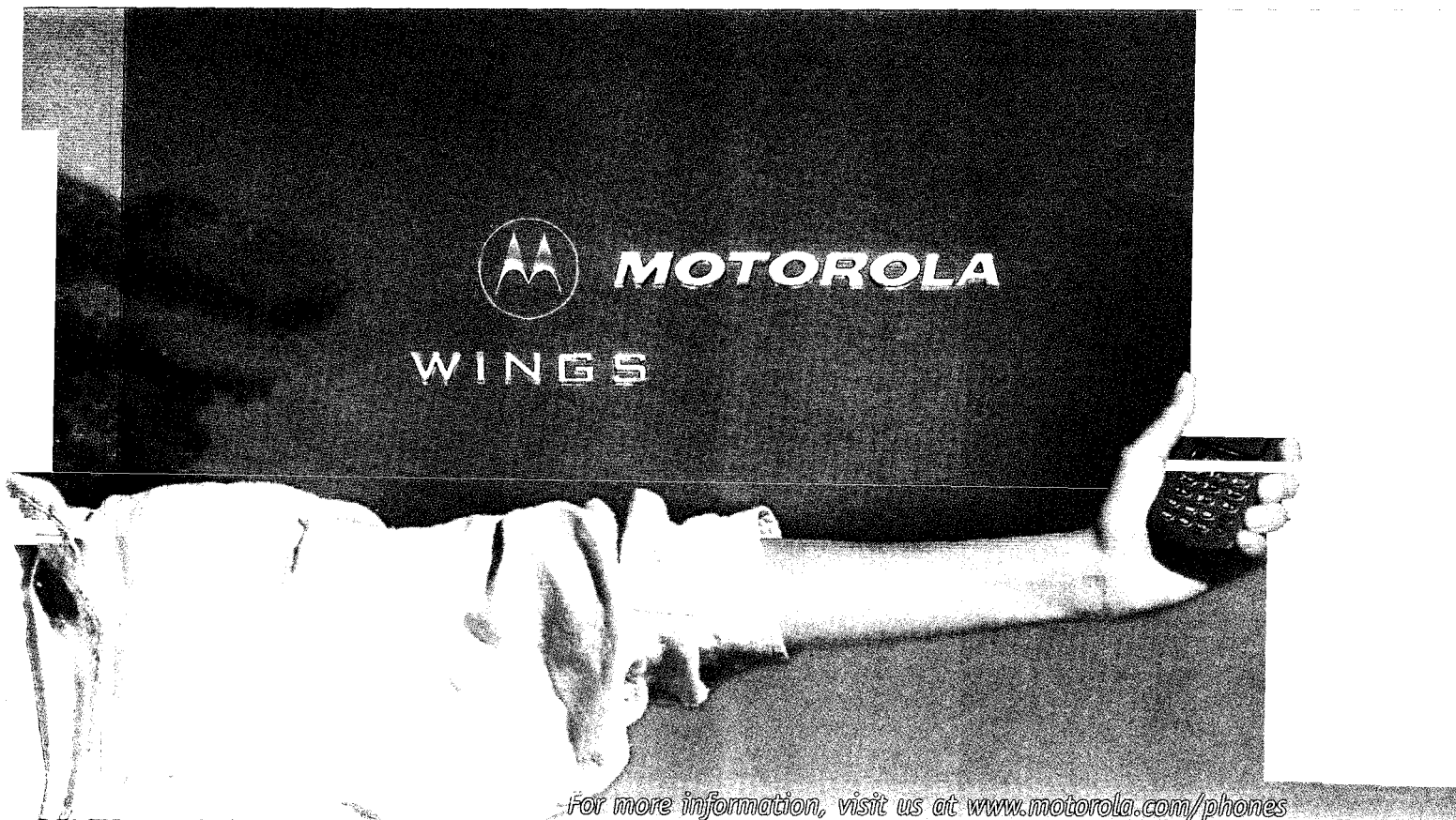
TAE: How so?

ROSE: The situation for women in the job market when I came out was certainly not good. I don't think the situation today is any better in a different sense. Women are in the market now, but they're losing out on the other half of their job with their children. With the computer, they don't have to leave the house at 8:00 or nurse their babies in a special room that the factory sets up for them; they can nurse their babies at home but work at the same time. It's going to be a much better solution for women's problems.

TAE: If you had to pin on a label, would it be "libertarian"?

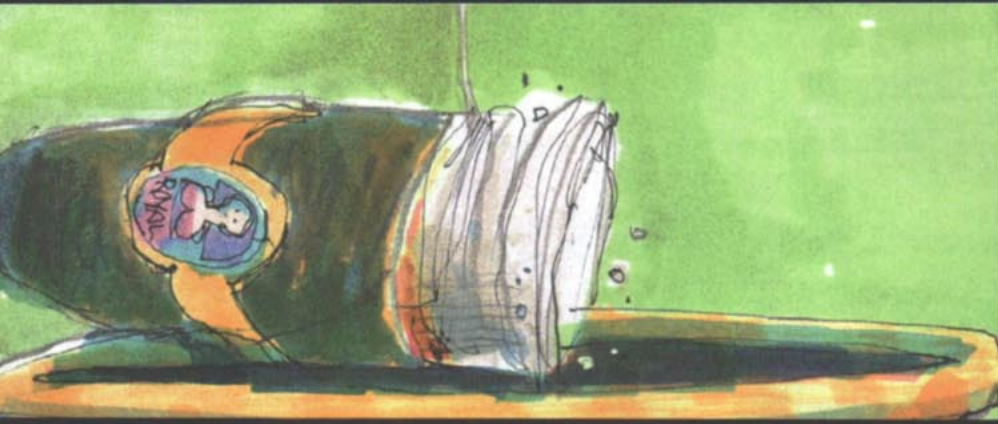
ROSE: It comes closest.

MILTON: Classical liberal is our favorite designation, but libertarian is roughly the same. I am a libertarian with a small *L* and a Republican with a capital *R*.



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Photos (clockwise from top right): Linda Tripp; Movie poster from *Saving Private Ryan*; Minnesota governor-elect Jesse Ventura. President Clinton and Monica Lewinsky at the White House, December 16, 1996.



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