

Capitalism: An Olympic Winner

by David R. Henderson

The sports pages tell us that America lost the Winter Olympics. In a literal sense, that's true. But to the extent that an economic system proves itself at an Olympics, it was America's capitalistic system of economic freedom, that triumphed.

The point was made implicitly in the exhibition skating on the last Saturday of the Olympics. Viktor Petrenko, the gold medalist for men's skating from Odessa in Ukraine, put on one of the most joyous performances of the evening. He performed, besides some breathtaking triple axles, a mixture of the twist and other modern dances, all to the tune of Chubby Checker's "Let's Twist Tonight."

So what does this have to do with economics? Look at the economic system under which the twist and the song were produced. It was capitalism.

Only by being free to create and to sell the products of his creativity was Chubby Checker able to make his song and his dance popular. The tools and the means of expression that Petrenko chose were the fruits of economic freedom.

Now you might say that these are trivial exam-

ples. Then look at the big picture. Literally. Millions of people worldwide, who couldn't afford the time or money to attend the Olympics, enjoyed the Games on television.

But television is a product of capitalism, of a system in which people are relatively free to pool investors' funds and to take risks with them. That's how television stations, TV sets, and commercial satellites were developed. And although it's obvious now that televising winter sports is profitable, that's mainly because about 30 years ago, Roone Arledge of ABC had the courage to risk his employer's funds to make it work.

Few of these investors and entrepreneurs were selflessly creating for the greater good of mankind. Or, if they were, it wasn't their main goal. Their desire was to make money, and some of them earned lots of it.

But that's not a flaw of capitalism. It's one of capitalism's principal virtues. It means that if we desire something, we can depend on people who want to make money to provide it. There are a lot of people like that—I am one, proudly, and so, I hope, are you. Because there are so many of us, an economic system that depends on us is pretty reliable.

So if capitalism is so great, why did the United States, which still has a fair amount of economic freedom, win so few medals? Why did the Unified

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Viktor Petrenko, who recently announced plans to move to the U.S., is looking forward to buying a house and continuing his career here.

Team, made up of athletes from five former Soviet republics, win so many? And why were 20 of Germany's 24 individual medals won by athletes from what was recently socialist East Germany?

The apparent American failure actually results from one of our country's strengths. Economic freedom doesn't guarantee gold medals. It guarantees that each person is free to pursue whatever career or leisure activity interests him. Because we have so many choices, many Americans who could be champion athletes spend their lives doing other things.

Members of the Unified Team and the former East Germans did so well because their governments, by enforcing socialism, precluded other options. In the former Soviet Union, people still cannot choose many careers or start many kinds of businesses. They look in awe at average

Americans who own their own homes or rent two-bedroom apartments, and who have cars that don't break down.

Thus, for many citizens of these socialist countries, the only way to get ahead was sports. The government could guarantee them a private apartment, food, and, for some of the best athletes, a car inferior to a Yugo. In return, the government got them to work almost every day, year after year, on their "sport." Many athletes still in the former Soviet Union probably would trade everything they have for a green card that allows them to live, work, and make money in America.

I admit my disappointment that America didn't win more medals. But one of my joys watching the Winter Olympics and anticipating the summer games in Barcelona is seeing capitalism work in all its glory. □

Civil Disobedience: A Threat to Our Society Under Law

by Morris I. Leibman

This article, which originally appeared in The Freeman in December 1964, is an adaptation of Mr. Leibman's address before the American Bar Association Meeting, Criminal Law Section, in the summer of that year. As we again face challenges to our society and its rule of law, his ideas merit a careful re-examination.

Woodrow Wilson once said: "A nation which does not remember what it was yesterday, does not know what it is today, nor what it is trying to do. We are trying to do a futile thing if we do not know where we came from or what we have been about."

In seeking to improve tomorrow, it is our duty to remember where we have been and reflect on where we are.

We live in that instant of time when it can be said that never before have the people in this country enjoyed so many material goods, however "imperfect" their distribution. Never before have we had as much mechanical, electronic, and scientific equipment with which to subdue the natural obstacles of the universe. But the multiplication of consumer wealth is subordinate to our greatest accomplishment—the fashioning of the law society [one that operates under the rule of law].

Morris I. Leibman (1911-1992), was a partner in the law firm Sidley and Austin. He was awarded the Presidential Medal of Freedom in 1981 by President Ronald Reagan.

Never in the history of mankind have so many lived so freely, so rightfully, so humanely. This open democratic republic is man's highest achievement—not only for what it has already accomplished, but more importantly because it affords the greatest opportunity for orderly change and the realization of man's self-renewing aspirations. Our goals, as set forth in the Declaration, have been buttressed by a Constitution, a system of checks and balances, a mechanism judicial, legislative, and executive which permits the continuation of Western civilization's spirited dialogue. This unhampered dialogue makes possible the opportunity to continuously approximate, through our legislative and judicial system, our moral and spiritual goals.

The long history of man is one of pain and suffering, blood and tears, to create these parameters for progress. This noble and unique experiment of ours over a hundred years ago, lived through the cruelty of a massive civil war to test whether such a unique system could endure. It did. It has. It will. Let us always remember that the law society is the pinnacle of man's struggle to date—the foundation for his future hope.

There is an obligation to that law society. It was stated by Abraham Lincoln in these passionate words: "Let every American, every lover of liberty, every well-wisher to his posterity swear by the blood of the Revolution never to violate in the least particular the laws of the country. . . . Let