

Libertarians—Sprading—\$1.50. Very curious, I thought. The Preface began with a definition from *Webster's*: “*Libertarian*: One who upholds the principle of liberty, especially individual liberty of thought and action.” This “*Anthology of Liberty*” collected the most libertarian passages from the writings of Burke, Paine, Jefferson, Godwin, von Humboldt, Mill, Emerson, the abolitionists, Josiah Warren, Thoreau, Spencer, Spooner, Ingersoll, George, Tucker, Auberon Herbert, and many others. In all it was 540 pages, “published for the author,” in Los Angeles. I marvelled at the publication date: 1913.

When I arrived back home the new catalogue from Laissez-Faire Books was waiting, with a re-edition, newly typeset, of this remarkable volume featured on the cover.

The new dust-jacket contains information provided by Carl Watner about Charles Sprading (1871–1959). As a convert to Benjamin Tucker’s individualist anarchism, Sprading moved to Los Angeles soon after the turn of the century. In that city he spoke frequently for the Liberal Club. He was active in the Libertarian League and served as contributing editor of its journal: *The Libertarian* (1922–1924). During the 1920s Sprading wrote several tracts and short books which were published by The Libertarian Publishing Company. The Libertarian League in Los Angeles “petered out during the 1930s, as its main participants passed from the scene.”

It is apparent from the care and judgment that went into the selection, as well as from Sprading’s Introduction, that the libertarian spirit was alive and well in Los Angeles in 1913.

Sprading shows a delight in aphorisms and short pithy passages. There are ample pages of selected “*Laconics of Liberty*,” representing scores of thinkers, famous and obscure. The volume serves as a libertarian sampler permitting easy acquaintance with insightful and passionate lovers of liberty.

To me the special significance of the book is Sprading’s resolute usage of the term “*libertarian*.” There is no reason to think that Sprading fancied the thought of having a definitive characterization of The Good in all political matters. The wide-ranging material might suggest that Sprading was aware of ambiguities and incompleteness of the idea of individual liberty, even in its specifically libertarian sense. It is a growing awareness today of limitations of the paradigmatic libertarianism of the late, great Murray Rothbard, I believe, that has prompted leaders of the movement to promote alternative names for the party of liberty—“*neoliberalism*,” “*mar-*

ket liberalism,” “*classical liberalism*,” “*postlibertarianism*.” These are efforts to project a less brittle philosophy which nonetheless affirms the worthiness of radical anti-state reform. I’ve been gathering a file of material that shows that long before Rothbard, diverse writers saw the trouble of the term “*liberal*” and employed “*libertarian*.” Sprading’s book is a landmark that assists one in maintaining that the family name is *libertarianism*. □

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Public Policy and the Quality of Life: Market Incentives versus Government Planning

by Randall G. Holcombe

Greenwood Publishing Group • 1995 • 190
pages • \$55.00

Reviewed by Jane M. Orient

This book asks a lot of the right questions. On general issues, it is a primer on free-market solutions. It considers how private regulatory mechanisms might work. It shows how market incentives could be harnessed to protect the environment and reduce pollution. It highlights important political insights: “political victories are never permanent . . . with government ownership, there is no way to prevent those with political power from using it to gain access to publicly owned resources.”

When it gets to specifics, however, the book is a real disappointment, and in fact could be detrimental to the cause. The author is apparently not very well informed about either medical or environmental issues and thus discredits the very solutions that he favors.

The American Medical Association is *not* the answer to regulation of the medical profession. The AMA is allied with the government in preserving a medical cartel. Because of the AMA’s help, destructive governmental interference, such as the price controls called the “Resource-Based Relative Value Scale,” gain a credibility they otherwise could never earn. The AMA would indeed like to be involved in “policing” the profession by coercive governmental means. It would like to have absolute immunity for establishment “peer reviewers.” In fact, California does grant absolute immunity, even

for actions taken in bad faith for anti-competitive motives. When "private" regulators can tell malicious lies with impunity, the resulting House of Peers can become at least as corrupt as the government.

This is not to say that private regulation could not work. It already does, to some extent. The bulwark against bad doctors is informed patients. And patients should inform themselves not by asking the AMA but by asking a nurse, another doctor, a malpractice lawyer, or family and friends.

The author gets even further off track when he states that Health Maintenance Organizations offer "improved" incentives. Actually, HMOs put physicians and patients in an automatic conflict of interest. Furthermore, the author confuses "traditional fee for service" (in which the patient paid most bills directly) with prepayment for consumption (most bills paid by third parties), erroneously called "insurance."

On environmental issues, the book gets the principles right but the technical details wrong. For example: "the elimination of lead and asbestos from the environment is a legitimate public health goal because those substances have been linked to noncommunicable health problems." First, it is impossible to eliminate these natural substances from the environment. Second, efforts to reduce the amounts to lower and lower levels have led to absurdities that actually increase risk, if by no other mechanism than wasting money that might have been spent in a productive way.

This book may help to balance an academic reading list. But its dry professorial prose is unlikely to inspire the layman. The majority of *Freeman* readers could better invest both their time and their money in reading the classics. □

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A Trade Policy for Free Societies: The Case Against Protectionism

by Robert W. McGee

Quorum Books, Westport, Conn. • 1995 • 197 pages • \$55.00

Reviewed by Joseph T. Salerno

For over two centuries, economists have argued that protectionism is a policy designed to "protect" not consumers and workers at large but special interests, namely, inefficient domestic firms and their often highly paid and unionized labor forces. "Protecting the American economy" from cheap foreign imports of agricultural products, apparel, and pharmaceuticals, for instance, means creating a greater scarcity and increasing the prices of food, clothing, and medicine in the United States.

Robert McGee's book clearly and concisely drives home the point that protectionism is a species of monopoly privilege that benefits special interest groups at the expense of the average American. The first section, the "Philosophy of Protectionism," ruthlessly exposes and refutes the web of misconceptions and fallacies that lie at the heart of the protectionist case. McGee not only sets forth and then demolishes, one by one, 17 of the most common arguments in favor of protection, but also presents the positive arguments for free trade. Unlike most economists writing on the subject, McGee does not limit himself to expounding the "utilitarian" or efficiency aspects of the free trade case, as important as this task obviously still remains. He also emphasizes its ethical dimension, in particular the fact that "The moral basis of free trade is property rights."

In Part II of the book, McGee undertakes an assessment of the crushing "Cost of Protectionism" borne by American consumers and workers. He provides a useful summary of recent studies that have attempted to estimate the monetary costs of protectionist policies, in the form of higher prices and misallocated resources, both for the economy as a whole and for individual industries. For example one study estimated that, in 1986 alone, protectionist policies cost U.S. consumers about \$65 billion in higher prices. Another study reckoned that Reagan's "voluntary export restraints" on Japanese auto manufacturers cost American car buyers \$14 billion in 1984 alone. Various analyses have also indicated that protectionism raises the price of