

better government is like speaking of better war: an oxymoron.

Ignoring libertarian roots also means that Eggers and O'Leary give away the moral high ground. Thinking people on all sides are now coming to realize that government does not have a promising future. Nobody expects—as the socialists of earlier generations expected—that government will bring us to utopia, or even to a harmonious, functional community. Now the debates are about limiting the damage. By accepting government as society's problem-solver, Eggers and O'Leary join the fatigued pessimism of the modern mainstream. They concede that none of their reforms, even if fully implemented, will bring impressive results. The best we can hope for, they say, are "minor improvements."

Is this all we have to offer future generations? Is this what we want on our tombstones, that we made minor improvements in a fundamentally sick system? What happened to the vision of a voluntary society? We have abundant proof that voluntary institutions do work. Think of the glorious future that beckons if we deliberately expanded these approaches. We can see, almost within reach, a society based on co-operating with our neighbors instead of forcing them.

Idealistic? Probably a little. But if libertarians don't do the dreaming, who will? □

*Dr. Payne, a contributing editor of The Freeman, is a Bradley Fellow at the Heritage Foundation and the author of Costly Returns: The Burdens of the U.S. Tax System.*

## Wildlife in the Marketplace

edited by Terry L. Anderson and Peter J. Hill

Rowman and Littlefield Publishers • 1995 • 191 pages • \$22.95 paperback

Reviewed by Jane M. Orient

**T**his compendium of nine articles takes examples from the Hudson's Bay Company, 1700-1763, to emerging Africa, to show how to turn wildlife from a liability

into an asset. It is not a collection of rhetoric but of detailed economic analyses of how to manage wildlife resources, including endangered species, buttressed with a wealth of references, tables, and graphs.

The extinction of species is not a modern phenomenon. In the British Isles, the wolverine, wild boar, and lynx were probably gone before historic times. However, in modern times, property rights to large holdings in Britain (where 92 percent of the land was privately owned in the late 1800s, in contrast to 28 percent in the United States) gave English landowners ownership rights to the ambient wildlife as well. English law is a more promising model for preserving species than is the myth of the "noble savage" (the American Indian).

One particularly interesting analysis of the "economics of fatal mistakes" concerns endangered predators such as eagles. We currently have a fine-and-imprisonment system, but the bounty for killing an eagle is nonetheless about \$25. Ranchers have an incentive to kill eagles because of the damage they cause. In a free-market scheme to protect eagles, someone (groups of conservationists?) would have to compensate owners for livestock lost to predation.

The discussion of elephants shows how conservationists often have things backward. The ivory trade, rather than being a threat, may be a means to preserving an animal that is very destructive to agriculture. "The African farmer's enmity toward elephants is as visceral as western mawkishness is passionate," states the book, quoting David Western. The right to profit from their ivory would give someone an incentive to preserve the elephant.

The book challenges the assumption that public management is always the best way to preserve wildlife. Natural areas now have to pay their way in political currency: "It is entirely possible, depending upon who happens to exercise political control, that they will fare better in the economic market than they do in the political market. Those who seek the free lunch promised by public management always run the risk that others will be served."

Parts of the book are quite technical, and it is not on the whole intended for casual reading. It is a valuable resource for those engaged in serious study of innovative ways to conserve wildlife while meeting the needs of human beings. □

*Dr. Orient is an internist in solo private practice. She serves as the Executive Director of the Association of American Physicians and Surgeons. She wrote Your Doctor Is Not In: Healthy Skepticism about National Health Care (Crown, 1994).*

### **Private Cures for Public Ills: The Promise of Privatization**

edited by Lawrence W. Reed

The Foundation for Economic Education •  
1996 • 208 pages • \$14.95 paperback

Reviewed by E. S. Savas

**T**his volume might well be called *A Privatization Anthology*, for it brings together a fine selection of articles on the subject that have appeared over the last dozen years. Most of the 24 chapters (nineteen of them) were first published in *The Freeman*; another, by the editor, Larry Reed of the Mackinac Institute in Michigan, is an original article written expressly for this book.

The book is well organized, divided into six sections: (1) the conceptual basis for privatization, studded with well-chosen quotations from Adam Smith, Ludwig von Mises, and Friedrich Hayek; (2) opportunities for privatization at the federal level; (3) transportation privatization; (4) privatization applied to the natural environment; (5) opportunities for privatization at the state and local level; and (6) overcoming the opposition to privatization. The chapters in this slim tome are brief and snappy. Averaging about seven pages in length, each is an easily digestible morsel. The reader can dip in anywhere and find rewarding intellectual nourishment. Despite the fact that three-quarters of the chapters first appeared in print in the 1980s, their message is neither dimmed by time nor faded by familiarity:

They are as valid today as they were when first written. Many more recent writings provide much greater detail and depth, of course, and many well-documented experiences since then have confirmed the expectations of those of us who are among the earliest "privatizers." But for the reader who wants just a light exposure that nevertheless covers the waterfront, this book satisfies the need. Considering that there are now about 150 English-language books on the subject, this is no mean accomplishment.

In his chapter, Hans Sennholz deems divestment to be the only acceptable form of privatization, and warns that other forms of privatization—contract, franchise, or voucher—will save no money and will instead perpetuate a large and even growing government role in society as private firms join the chorus for more government spending. That concern was not misplaced in 1987, but the evidence now is overwhelming that large savings and a decline in the number of government employees are realized by introducing competition into the delivery of public services. Indeed, this is the most common form of privatization in the United States, and it has been adopted most effectively at the local level, where financial constraints have been most binding (unlike the federal government, cities can't print money) and services are most visible to the populace. "Contracting out" works, when it's done right, and in my opinion this is a good way to privatize collective (that is, "public") goods. One must remain alert, however, to the danger that programs which government should not be engaged in at all (providing individual or private goods) would be maintained through contracts or vouchers and sold under the banner of privatization.

The section on federal privatization opportunities focuses on welfare, space, and postal service. The one on transportation deals with railroads (in Japan and Michigan) and private roads, and explains how privatization of roads can greatly improve highway safety. The section on privatization in state and local government addresses