

The Function of *The Freeman*

by Henry Hazlitt

Editor's note: Henry Hazlitt wrote this piece several years after he and others revived The Freeman in 1950. Although it pre-dates the magazine's merger with FEE's Ideas on Liberty, Hazlitt's message faithfully reflects the continuing mission of FEE and The Freeman.

On the positive side, of course, our function is to expound and apply our announced principles of traditional liberalism, voluntary cooperation, and individual freedom. On the negative side, it is to expose the errors of coercionism and collectivism of all degrees—of statism, “planning,” controlism, socialism, fascism, and communism.

We seek, in other words, not only to hearten and strengthen those who already accept the principles of individual freedom, but to convert honestly confused collectivists to those principles.

A few of our friends sometimes tell us that a periodical like *The Freeman* is read only by those who already believe in its aims, and that therefore we believers in liberty are merely “talking to ourselves.” But even if this were true, which it isn’t, we would still be performing a vital function. It is imperative that those who already believe in a market economy, limited government, and individual freedom should have the constant encouragement of knowing that they do

not stand alone, that there is high hope for their cause. It is imperative that all such men and women keep abreast of current developments and know their meaning in relation to the cause of freedom. It is imperative that, through constant criticism of each other’s ideas, they continue to clarify, increase, and perfect their understanding. Only to the extent that they do this can they be counted upon to remain true to a libertarian philosophy, and to recognize collectivist fallacies. Only if they do this can the believers in freedom and individualism hope even to hold their ranks together, and cease constantly to lose converts, as in the past, to collectivism.

But the function of a journal of opinion like *The Freeman* only begins here. The defenders of freedom must do far more than hold their present ranks together. If their ideas are to triumph, they must make converts themselves from the philosophy of collectivism that dominates the world today.

A Lesson from the Enemy

They can do this only if they themselves have a deeper and clearer understanding than the collectivists, and are able not only to recognize the collectivist errors, but to refute them in such a way that the more candid collectivists will themselves recognize, acknowledge, and renounce them as errors. A friend of free enterprise is hardly worth having if he can only fume and sputter. He must know the facts; he must think; he must be articulate; he must be able to

Henry Hazlitt (1894–1993), author of Economics in One Lesson, The Failure of the “New Economics,” and other classics, was a founding trustee of FEE.

convince. On the strategy of conversion, our side can take at least one lesson from the enemy. The task of the Bolsheviks, Lenin once wrote, is "to present a patient, systematic and persistent analysis." And our own cause, the cause of freedom, can grow in strength and numbers only if it attracts and keeps adherents who in turn will become, not blind or one-eyed partisans, but enlightened and able expositors, teachers, disseminators, proselytizers.

To make this possible, it is essential that there should exist a prospering periodical with the aims of *The Freeman*. We must restore "conservatism" and the cause of economic freedom to intellectual repute. They have not enjoyed that repute, in the eyes of most "intellectuals," for many years—perhaps since the beginning of the twentieth century.

"We are all Socialists now," said Sir William Harcourt in 1894, and he was not joking as much as his listeners, or he himself, supposed. We must never forget that, in the long perspective of human history, "capitalism"—i.e., individualism and a free-market economy—is the newest form of economic organization. Communism is the most primitive form; it is as old as primordial man. Feudalism, a regime of status; rigid State and guild control; mercantilism; all these preceded the emergence of economic liberty. Socialism as a self-conscious "intellectual" movement came into being a century and a half ago with such writers as Saint-Simon, Owen, and Fourier. In its Marxian form it made its official debut, so to speak, in the revolutions of 1848 and in the *Communist Manifesto* of the same year.

And it was not, contrary to popular myth, the proletarian masses or the starving millions who were responsible for either originating or propagating socialist ideas. It was well-fed middle-class intellectuals. This description applies not only to Marx and Engels themselves, but to the epigoni, and to the literati who were chiefly responsible for parroting and popularizing the socialist doctrines. Intellectual hostility to capitalism was made fashionable by the Carlyles and Ruskins of the nineteenth century, and later

by the Fabians. Since the beginning of the twentieth century it has been difficult to find an outstanding novelist or playwright, from Bernard Shaw to H. G. Wells, or from Anatole France to Andre Gide, who did not proudly proclaim himself a Socialist.

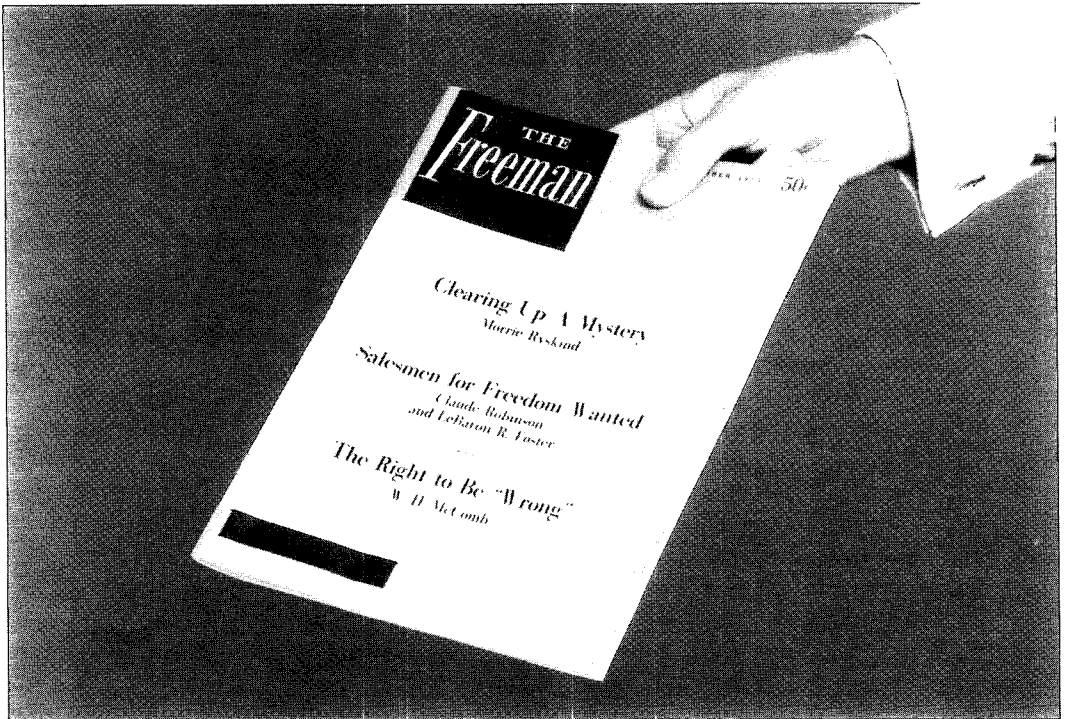
The late Lord Keynes, in the last pages of *The General Theory of Employment, Interest, and Money*, a book not always distinguished for wisdom or sense, pointed out one fact that is profoundly true.

The ideas of economists and political philosophers [he wrote] both when they are right and when they are wrong, are more powerful than is commonly understood. Indeed the world is ruled by little else. Practical men, who believe themselves to be quite exempt from any intellectual influences, are usually the slaves of some defunct economist. Madmen in authority, who hear voices in the air, are distilling their frenzy from some academic scribbler of a few years back.

The irony and tragedy of the present is that Keynes himself has become the chief "academic scribbler" and "defunct economist" whose ideas dominate the "madmen in authority" and the intellectuals today. The restoration of economic, fiscal, or monetary sanity will not be possible until these intellectuals have been converted or (to use a word coined by Keynes himself) debamboozled.

The Influence of Intellectuals

Who are the intellectuals? They include not merely the professional economists, but novelists, playwrights and screen writers, literary and music critics, and readers in publishing houses. They include chemists and physicists, who are fond of sounding off on political and economic issues and using the prestige gained in their own specialty to pontificate on subjects of which they are even more ignorant than the laymen they presume to address. They include college professors, not merely of economics but of literature, history, astronomy, poetry. They include clergymen, lecturers, radio commentators, editorial writers, columnists, reporters, teachers, union leaders, psychoan-



The 1955 "Chodorov" Freeman.

alysts, painters, composers, Broadway and Hollywood actors—anybody and everybody who has gained an audience beyond that of his immediate family and friends, and whose opinions carry kudos and influence either with other intellectuals or with the man on the street.

To consider this group of intellectuals is to recognize that it sets the fashion in political, economic, and moral ideas, and that the masses follow the intellectual leadership—good or bad—that it supplies. Clearly also there is a hierarchy within this hierarchy. The ballet dancer, say, gets his ideas from the pages of *The New Yorker*, and *The New Yorker* from some vague memory of Veblen; the popular leftist novelist gets his notions from *The Nation* or the *New Republic*, and these in turn from the Webbs, the Harold Laskis, or the John Deweys.

The hopeful aspect of this process is that it can also be used to revise or reverse ideas. If the intellectual leaders, when they go wrong, can have a great influence for harm, so, when they are right, they can have a great influence for good. When we consider

the immense practical influence for evil that has been exercised by Karl Marx's *Das Kapital*, we should also recall the immense practical influence for good exercised by Adam Smith's *The Wealth of Nations*. If the intellectual leaders can themselves be converted or reconverted, they can be counted on, in turn, to take care of the task of mass conversion. For the masses do respect and follow intellectual leadership.

Above all, we must keep in mind the rising generation, which will comprise both the future masses and the future intellectual leaders, and whose ideas and actions will be heavily determined by what they are taught today.

Few practical businessmen realize how economic and social ideas originate and spread, because they are not usually themselves students or readers. It is perhaps unrealistic to expect them to be. There is a necessary division of labor in society, and most businessmen have enough to do in improving their particular product to satisfy consumers, in reducing costs and in meeting competition. But one result of the preoccu-

pation of business leaders with their own immediate problems is that they hardly become aware of the existence and power of ideas—conservative or radical—until some legislative proposal that would destroy their business is put before Congress, or until the labor union in their own plant makes some ruinous demand. Then they are apt to think that this demand comes from the rank-and-file of the workers, and that it can be answered by some statistics showing the smallness of profits compared with wages.

But usually neither the assumed origin nor the assumed cure is correct. The demands come, not from the working rank-and-file, but from labor leaders following a suggestion thrown out in some college classroom, or by some radical writer; and the practical businessman, even though he knows the immediate facts of his own business, finds himself at a heavy disadvantage in these controversies because he cannot answer, and perhaps is even unaware of, the *general premises* on which the contentions of those hostile to business really rest.

These general premises, seldom explicitly stated or even clearly formulated by those

who reason from them, form part of the climate of opinion in which particular radical proposals come to growth. Even competent experts in their special fields are usually not aware that some proposal they are combatting is merely part of a whole system of thought. That is why their arguments against it, often unanswerable in detail, are as often ineffective. It is a comprehensive though confused philosophy that we have to meet, and we must answer it by an equally comprehensive philosophy. Above all we must combat the superstitious belief that the coming of socialism is inevitable.

It is the aim of *The Freeman* to address itself specifically to the leaders and molders of public opinion and to thinking people everywhere, in order to help create a healthier climate for the preservation of free enterprise and the liberty and moral autonomy of the individual. It is our aim to point out the fallacies in the basic premises of the collectivists of all degrees up to the totalitarian.

It is our aim, above all, to expound the foundations of a philosophy of freedom. □

"I shudder to think what the state of the world might now be if it weren't for the efforts of FEE and the great work it has done on behalf of liberty and the achievement of the civil society. IHS probably would not exist. And most likely, many of the other organizations that were either inspired by or spawned directly from FEE would not exist either.

The impact of FEE, its publications, and its people is indeed impossible to calculate and easy to underestimate. I wish you continued great success and an additional fifty years of influence. But only fifty more years — because by then I hope the great work of FEE will be completed."

— David C. Nott

President, Institute for Humane Studies

"In 1946, when FEE was founded, it was almost the only source of ideas supporting the free market and individual liberty. At that time I was fully in the free market camp, but I was also of the school that we had to raise lots of money, put up good political candidates, and elect much better people to government!

One of the most important ideas I absorbed from Leonard was that to achieve the highest ends, one must use only the highest means. You cannot achieve a great end by using forceful means.

It is so heartening to witness the explosion of think tanks promoting our ideas. It is equally gratifying to see the numbers of college students who reject the heavy diet of political correctness almost universally being taught in this country's colleges and universities. Of course, most of these students will try first for the quicker political solution, but it is wonderful how many are aware of the power of good ideas. Stay the course on the high road and you will help make a better world. In the long run the best ideas, well explained, will carry the day."

— Lovett C. Peters
Pioneer Institute

"I am delighted that FEE is continuing its unique role of introducing people to free-market economics, in the form of thoughtful articles that relate directly to real-world issues and concerns.

In my own case, The Freeman was the lifeline I grasped in order to survive two semesters of Paul Samuelson mathematical economics at MIT.

In a very significant way, The Freeman introduced me to the world of free-market public policy, in which I was ultimately to make my career with Reason magazine and the Reason Foundation. For this I owe FEE an enormous debt of gratitude."

— Robert W. Poole, Jr.
President, Reason Foundation

The Foundation for Economic Education: Success or Failure?

by Benjamin A. Rogge

The question before us is this: Has the Foundation for Economic Education, in its first twenty-five years, succeeded in its mission? Most speakers on such occasions are capable of supplying only one answer to such a question. Tonight, at no extra cost to you, I intend to give you *four* answers to this question. They are in order: yes, probably no, almost certainly no, and unqualifiedly yes. Are there any questions?

The reason I can give you four answers to this one question is that the phrase, “succeeded in its mission,” is capable of at least four meaningful interpretations, each calling for its own answer.

One possible interpretation is that the mission of any organization, at first instance, is quite simply to survive. That FEE has survived is testified to by our presence here tonight. Nor should any of us think lightly of this accomplishment. Given the general social and economic climate of the immediate postwar period, the survival chances of any organization committed to individual freedom and limited government could well have been described in 1946 as two in number: slim and none.

So much, you might think, for the criterion of mere survival—but survival is not

as “mere” as you might think. Never underestimate the significance of the simple fact of the continuing existence of an island of sanity in an increasingly insane world. Whether this sanity can eventually turn the battle is still moot and will be discussed in a moment, but its simple existence is a very present help in time of trouble.

I am reminded of Tolstoy’s description of the role of the Russian commander, Prince Bagration, in the battle of Schön Grabern. Although himself in doubt of the outcome and aware of how little he really knew of the battle’s progress, the Prince stood serene and confident in the view of all, answering each report of the action, whether encouraging or discouraging, with a sonorous, “Very good!”—as if even the local defeats were part of an overall pattern of events that foretold ultimate victory. As Tolstoy put it:

Prince Andrew noticed that . . . though what happened was due to chance and was independent of the commander’s will, his [Bagration’s] presence was very valuable. Officers who approached him with disturbed countenances became calm; soldiers and officers greeted him gaily, grew more cheerful in his presence, and were evidently anxious to display their courage before him.¹

As with these soldiers, we grow more cheerful in the presence of FEE and Leonard Read, more anxious to display our limited courage. Believe me, this is something; even though the battle itself were to

Dr. Rogge (1920–1980) was Dean and Professor of Economics at Wabash College in Indiana and a long-time trustee of FEE. This essay is an adaptation of his remarks at FEE’s twenty-fifth anniversary celebration in 1971.