

# THE Libertarian Forum

A MONTHLY NEWSLETTER

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## OH, OH, OH, WHAT A LOVELY WAR!

I'm sorry. I know that war is a grim and evil business, and I've surely paid my dues by personally participating in every anti-war movement since the United States launched its savage attack on Great Britain in the War of 1812. But oh please, don't ask me to be grim about, no o ho ho, *not* about the tinpot Falkland/Malvinas Islands! No, there is an irresistibly comic quality about the Falklands Caper. Oh glorious Marx Brothers, where are you now that we need you? Where are you now, Rufus T. Firefly, of *Duck Soup*, who launched his idiotic little war in defense of the Honor of Fredonia?

The title of this piece is of course taken from the joyous music-hall song that sent the demented British masses off to the monstrous charnel-house known later as World War I. It was then used as the ironic title to a (not very good) anti-war movie about that war. But, dammit, this *is* such a lovely war.

In the first place, the Falklands Caper reeks of nostalgia for the Good Old Wars of the nineteenth and earlier centuries. It is so adorably low-tech. In an age when Tom Lehrer can sing: "Goodbye Mom, I'm off to Drop The Bomb ... Goodbye Mommie, I'm off to kill a Commie ... I'll see you again when the war is over, an hour and a half from no-o-ow"; in that sort of age, a war which takes the British fleet *three weeks* to get to the action exudes an undeniable raffish charm. And the British ships have good old names like the *Invincible*. It's good to see that *some* values remain eternal.

And then, there's not a Commie in a carload. There's not only no Commies involved, but also no Marxist-Leninists, no ragtag guerrillas, no national liberation front, no non-existent bearded Libyan hit men, no Comrade Carlos, no nuttin! The only "terrorists" involved are the good old-fashioned terrorists of the respective State apparati: Argentina and Britain. (In the modern Claire Sterlingian lexicon, of course, *States* don't qualify as terrorists, only non-state groups.) The Argentinian *junta* are good old-fashioned right-wing military dictators, champions therefore of the "free world." No problem there.

Furthermore, only those people who think that *every* square foot of the globe is of "vital strategic interest" can find any strategic interests whatsoever in that godforsaken little lump of rock known as the Falkland Islands (and you can toss into the pot the South Georgia and South Sandwich Islands to boot). There *might* be some offshore oil, but hell, there might be offshore oil almost anywhere. In the old coaling station days, someone could work up a case about a strategic naval route around Cape Horn, but in a current epoch of the Panama Canal and air travel that old excuse seems a bit moth-eaten.

That little rock could not serve as a more comic excuse for a mighty imperial inter-State conflict. Most of these islands are unoccupied (e.g. the South Georgia and South Sandwich); and virtually the only occupation on the island is sheep-herding. The Falklanders are called "kelpers," because the islands are surrounded by the seaweed called kelp, and because they often spend their days up to their knees in icy sea-water gathering kelp with which to form mulch to feed the sheep. The 1800 inhabitants, half of whom live in a little town of Stanley that functions as the capital, are heavily outnumbered by the 650,000 sheep whom they tend. (Hey, animal rightsers: how about calling for a democratic vote by the sheep?)

The climate of the Falklands is unbelievably awful. The wind is brutal and perpetual, it rains two-thirds of the year, and the sky, to quote an hilarious article in the *Village Voice* (April 13) by Alexander Cockburn, is "perpetually the color of a mud-stained sheep." There are no manufactures on the island, no trees, no fisheries (doubtless they are scared off by all the kelp), and no roads except for the streets of little Stanley. The population of the Falklands has been steadily declining for the last half-century: in the 1920s it had reached the august total of 2300. Why has it been declining? Are you kidding? Would *you* stay on the Falklands?

Yet over this barren and windswept little hole mighty states and armies rage. Each state proclaims the importance of its precious "sovereignty" over this rock, each state quickly mobilizes the deluded patriotic masses of their nation behind it, as Britain trumpets that it will regain the Falklands "by any means possible," (even more ominous a threat than the old "by any means necessary"), and Argentina vows to defend the captured (recaptured) Falklands "at any cost." My, my, where is old drunken Winnie at this hour, cigar aloft, proclaiming that "We shall fight them on the beaches, we shall fight them in the hills, we shall nevaah surrender?"

So both nations rush exultantly to war, with the British, as usual, being far more repellent and hypocritical about the whole deal. Poor old Lord Carrington, the doveish Foreign Secretary who "lost" Rhodesia to the Zimbabweans, has been thrown quickly to the jingo wolves, and Mrs. Thatcher herself might yet fall, victim of the very war hysteria she is whipping up. The old cretinous nonsense about "National honour" and "Shame!" has been dusted off, and the kept Labour Party has played its usual social-imperialist rôle to the hilt. The only critic of the Falkland War in Britain seems to be the leftist leader Tony Benn, and even he, as Cockburn pointed out, has been wearing his old Naval Reserve tie.

Leave it to the British to use the most odious justification for the Falkland War. The London *Times* mentioned that some of the 1,800 Falkland Islanders, despite their enthusiasm for the remaining British, were "terrified" at the prospect of the British fleet storming the battlements, and slaughtering all of them in the process of "liberating" them from the wicked Argentines. (By the way, is it pronounced Ar-gen-TEENS or Ar-gen-TYNES? The newscasters can't seem to get it straight.) But isn't that always the way? Isn't war always a process of murdering innocents in the name of "liberating" them? Isabel Paterson's beautifully named "the humanitarian with the guillotine" is never more aptly applied than in war. But when Mrs. Thatcher was asked, on television, "what of the people of the Falkland Islands? Some of them seem to be terrified at the prospect of a British invasion," here — and I swear I took it down word for word — is what this Great Statesman (Stateswoman? Statesperson?) replied:

"When you try to stop a dictator, there are always risks. But my generation found out long ago that there are greater risks if you don't stop a dictator."

There it is: a world of high camp in two sentences. First of all, Mrs. Thatcher, *who* is bearing these "risks?" The poor kelpers, huddling on their rock in the Falkland Islands, or *you* perhaps or your smug Cabinet, sitting snugly in London? "There are always risks," indeed, but nothing can be clearer than in the Falkland Caper *who* is being forced to bear those risks. For the risks are being taken up not by the victims (the Falklanders) themselves, but by the rotten gang in London who are ruling Britain and the tatterdemalion remnants of the British Empire, and the risks are being imposed by said gang upon the hapless Falklanders, whose "rights" are supposed to be preserved by the British State. Group A (The British State) imposes grave risks solely on Group B (The kelpers/shepherders of the Falklands) and has the unmitigated gall to mouth national honor, "rights," and all the rest in so doing.

It's always been that way, especially with the British and (following after their instructors) the U.S. empires. What sticks in one's craw is not so much their foul deeds but the hypocritical rationalizations and moralizing that have always been the unique specialty of the U.S. and British empires.

And then there is the Munich Model, reduced to the utterly ludicrous in being used in the Falkland Caper by Thatcher and the rest of her ministry. "Appeasing a dictator," indeed! Yes, yes. Are we asked to believe, as gossip columnist James Brady sardonically noted, that "let the Argentines keep the Falklands, and next they'll grab the Sandwich Islands, and next they'll grab Coney Island"? Are we to believe that the Argentine Threat will loom if the first domino — the Falklands — is not saved? Is Argentina going to bomb Britain?

And speaking of Threats, what about the good old Russian Threat which the Brits seem to have put in mothballs for the duration? We've been hearing for years about the necessity for a mighty British navy, since Britain is surrounded by Soviet subs poised to cut the jugular of "Britain's sea lanes." And yet fully two-thirds of the entire British fleet are now taking many weeks to steam back and forth to an incredibly remote island. For shame, Mrs. Thatcher! You are leaving Britain helpless and prostrate before the Commie Soviet threat for months! Resign!

And the hokum about "dictators"! Are we really supposed to believe that the Thatcher government would be any less warlike if Argentina were a duly certified democracy

instead of being a military *junta*? Fat chance! But the baloney about "dictators" is deliberately designed to recall probably the single most pernicious fallacy ever promulgated about international relations: the Wilsonian myth that "democracies" are always peaceful and dictatorships ever warlike, so that in any dispute between two nation-states, the "democracies" are always assumed to be angelic and the dictators aggressors. Well, it sounds plausible, but it just ain't true. To find out who are more at fault in international disputes, there is no substitute for detailed empirical/historical investigation of the facts.

The facts, by the way, provide us with two rules-of-thumb that work remarkably well in virtually all disputes through modern history: (1) the United States is always wrong (or more wrong); and (2) Great Britain is always wrong. And what if, once in a while, the U.S. and Britain conflict? Then we look in more detail to the data. Britain was wrong in the Revolutionary War (which was not really an inter-state conflict), and the U.S. was wrong in the War of 1812 and in the near-war Venezuelan Crisis of the 1890s.

The British and pro-British apologists keep repeating the refrain: "the Argentines used force." Heavens to Betsy! What do these worthies think governments *always* use? In fact, what do they think governments *are*, if not repositories of organized force? The Argentines, yes, used force when they conquered the tiny band of British Marines (who, however, managed to kill a few Argentinians and then surrender before any of *their* necks were at stake). But the British are now proposing to use a lot more force to kick the Argentines out. And, more to the point, the British, by virtue of governing the Falklands, "used force" every day of the year, against the Falklands population. Government *is* force.

Which sets international relations in proper perspective. Ever since the incredibly evil Woodrow Wilson, U.S. foreign policy has been committed to "collective security" against any nation "committing aggression" upon another, by using force across boundaries. The United Nations is grounded on this very principle, which is why the Security Council condemned the Argentines and at least implicitly put their imprimatur on the British counter-action. But this analogy with *individual* criminals and "police actions" is a pernicious fallacy, which libertarians at least should be the first to denounce. For *all* governments, by virtue of their existence, are "aggressors" whereas not all individuals are criminals or aggressors. The British government, day by day, aggressed against their Falkland subjects. But if *all* parties are aggressors and criminals, the self-righteous moralizing so beloved by British and U.S. imperialists is peculiarly out of place. If all nation-states are aggressors, the best any nation can do — the best for the cause of liberty and the avoidance of mass murder — is to *stay out* of the fray. Neutrality, not "collective security," becomes the crucial libertarian watchword for international relations.

Moreover, the simple use of the concept of "aggression" every time one nation-state attacks another implicitly assumes that each nation-state has just title to its current status quo boundaries. But why so? For after all (1) no nation-state has legitimate title to *any* territory; and (2) even apart from that, why should any *status quo* boundary be more just than any other, past or future? Thus, in the Falkland Crisis, Argentina's use of force in 1982 is countered by the British conquest of 1833, in which Britain *used force* to oust the Argentine government then in charge of the Falkland Islands.

Argentina's claim, moreover, is strengthened and Britain's weakened by considering the simple fact that the Falklands/Malvinas are only a few hundred miles off Argentinian shores, whereas Britain is 8,000 miles away. And what in blazes are the Brits *doing* there, anyway? (See our separate article in this issue, *The Historical Claims to the Falklands*.)

Another irritating aspect of British/pro-British propaganda in the Falklands Caper is the claim that the Argentine *junta* is using the crisis as a method of whipping up patriotic unity at home and distracting the masses from the economic troubles at home. No doubt. But what is sauce for the goose is sauce for the gander. Isn't the discredited Thatcher Administration using this foreign crisis to silence opposition and distract the minds of the public from its economic failures?

It is patently clear that the Reagan Administration, instead of keeping its mitts off of at least *this* foreign affairs crisis, is hip-deep on the British side. It's professed "neutrality" is a sham, a cover for thinly veiled support for the British, a support which includes providing the British intelligence estimates of the movements of the Argentine fleet. (In one of the less comic notes of the crisis, the Soviets are countering by providing Argentina with intelligence on British fleet movements). The pro-British, pro-NATO wing of the State Department (Haig, Eagleburger) has won out over the pro-South American — *junta* wing (Enders, Kirkpatrick.)

By international law, the Argentine claims are far superior to the British, and besides, the United States — believe it or not — played a key role in inducing the British to invade the Falklands and oust the Argentines in 1833 (See our article on the *Historical Claims*). The United States should be neutral-neutral in this dispute, but if it simply *has* to get involved, it should be "neutral anti-British" rather than "neutral pro-British."

Sink the Brits! Destroy the last tattered remnants of the bloody British Empire! Fulfill the Spirit of 1776!

But stop, you may say. What about the poor accursed kelpers, those 1800 stalwarts consumed with love of Great Britain? They *want* desperately to be British, so much so that these very odd ducks, consumed with hatred of all things Argentine, stubbornly refuse to eat good Argentinian steaks and fresh fruit and vegetables, and refuse to drink good wine, instead insisting on canned peaches and second-rate beer imported from Britain. For meat, they persist in eating tough Falkland mutton. Well, so, haven't these curmudgeons the right to remain British?

No, dammit. For why should the British taxpayer be forced to pay for this nonsense, for the maintenance of this godawful rock, for the fleet and the munitions to go to war to defend it, etc? The fact that the Falklanders *want* to be British does not suffice; for why should the British, 8000 miles away, be stuck with the welfare-imperialism of supporting and defending them?

The Argentines, indeed are graciously offering to allow the benighted kelpers to remain British citizens, so long as the "Argies" can occupy and claim sovereignty over the island. But more than that, one is tempted to suggest that the sainted Queen of England disgorge a teeny fraction of her ill-gotten "private" property and offer to move the little cluster of kelpers from the Falklands to Britain proper. They could settle in the marshes of East Anglia, where they could enjoy bad

weather, the wind whipping across the North Sea, could go up to their knees in some marshes, and live out their days eating authentic British food and hanging out in authentic British pubs. Surely, a simpler and less costly solution all around.

If not, let the British, suddenly so suffused with the love of "national self-determination," grant independence to the Falklanders and pull the hell out, leaving the stubborn kelpers to their own devices. If they want "national self-determination," then they should be granted such, and let them take the consequences. And, then, if all the British and pro-British blowhards want to put their money and their lives where their mouths are, let them send Bundles to the Kelpers or let them form an International Falkland Brigade to defend the kelpers against the terrible Argies. Let us localize, not internationalize, the conflict.

Even the "self-determination" argument is not as clear as one might think. For one thing, the British Falkland government has been forcibly keeping out Argentine scrap dealers who wish to emigrate to that lovely rock. Even more interesting is the fact that while there is indeed not a Commie in a carload, the *feudal land* question once again emerges as crucial even in the remote and barren little Falklands.

As much research as I have been able to muster reveals that fully 1¼ million acres, or 43% of the Falkland land area, is owned by one company, the Falkland Islands Company Ltd., which also employs 51% of the labor force and owns 50% of the sheep. How did the Company get its title? By feudal concession, natch. The land area was illegitimately (according to libertarian homestead theory) sold by the British government in 1846 to one Samuel Lafone, a Uruguayan, who transferred his relatively vast holdings in 1851 to the newly-created Falkland Islands Company.

The Company has a monopoly on all the wool exports from the Falklands. Wool, as one might imagine, is the only export — the only product — from the Falklands, and a company-owned wool ship sails once a year to London to sell 1000 tons of wool at auction for \$6 million. The Company also owns the only steamer that sails once a week to and from the mainland.

The Company is the kelpers' main feudal landlord. We are also informed that the other landlords are absentees living in Britain, and that it is difficult for any kelper to own, rather than rent, his own home. (How did these other landlords get their titles? Who knows? We have been trying to do as much research as we can on the Falklands' socio-economic situation, but as you might imagine, these islands have not been the focus of very much detailed historical research. To put it mildly.)

The *Wall Street Journal* (April 8) supplies us with a fascinating tidbit of recent Falklands Company history, which puts the present crisis in sharp relief. It seems that in 1965, when the Falkland Islands Company was still a subsidiary of

(Continued on page 8)

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# THE HISTORICAL CLAIMS TO THE FALKLANDS

Who, Argentina or Britain, has the better historical or international law claim to the Falklands? I take my analysis from a massive and definitive work on the history of the Falklands Question up to the British seizure in 1833: Julius Goebel, Jr., *The Struggle for the Falkland Islands: A Study in Legal and Diplomatic History* (Yale University Press, 1927). Goebel, a crusty Old Right legal historian at Columbia University Law School, was a friend and disciple of those two Grand Old Men of old-fashioned "isolationist" international law: John Bassett Moore and Edwin M. Borchard.

Goebel begins his study with a thorough international law analysis of when a new, unowned land property comes under national title. On an analogy and extension from the private natural law of "homesteading" — or occupation and possession — Goebel asserts that international law properly grants the ownership and sovereignty of an unoccupied land area (*res nullius*), not simply to the first nation whose ship finds it or sails near it ("discovery") but to that nation which first occupies and possesses it. The occupation and possession must be an "apprehension," a physical act of taking possession and control, in effect a Lockean mixing of labor with the land. In a detailed analysis of international law doctrines, Goebel gives top honors not so much to Hugo Grotius but to his now-forgotten German contemporary, Johann Gryphiander, who in his then influential *Tractatus de Insulis* (1623), presented the clearest version of the correct doctrine.

After a lengthy and closely reasoned determination of that doctrine, Goebel then proceeds to apply international law to the history of the Falkland Islands. The Falklands were first colonized by a French expedition under a young naval officer, Antoine de Bougainville, in 1764. Remarkably, De Bougainville financed the expedition himself and from among his relatives, who lived in the French port of St. Malo, whose merchants and sailors were long familiar with the islands. They called the islands a name derivative from their town: Les Malouines, from which the Spanish got their current name, Las Malvinas.

Bougainville established a French colony of 150 settlers on the island of East Falkland (the major island), setting up the fort and village of St. Louis. In 1766, Spain purchased the Malouines from France for a sum of 680,000 livres, and placed the islands under the vice-royalty of Buenos Aires. Meanwhile, in 1765, a British ship had nosed around the neighboring island of West Falkland, and established a small colony there at Port Egmont a couple of years later. (Though "neighbouring," the seas were so rough that it took a few years for each nation to be aware of the existence of the other's colony.)

In 1770, the Spanish conquered the British settlement at Port Egmont, and finally, the following year, the British made a deal with Spain: in return for Spain's allowing the British government to return to Port Egmont, the British would

abandon the entire colony after a suitable interval. In 1774, the British fulfilled their unpublicized agreement with Spain, and abandoned the Falklands. Not only that: the British recognized the Spanish right to the Falklands at the Convention of Nootka Sound in 1790.

Spain, therefore, enjoyed undisputed and acknowledged sovereignty to both the East and West Falklands for two generations. During the Napoleonic Wars in 1810, Argentina (along with the rest of South America) went into rebellion against the Bonaparte-imposed regime in Spain, and during the press of war, Argentina abandoned the Falklands settlement in 1811. After the Napoleonic Wars were over, however, the South American republics declared their independence from Spain, and the new republic of Argentina sent a frigate to the Falklands in 1820. The Argentine government not only claimed possession of the Falklands, but embodied that claim in action by once again settling the islands in 1826. In order to stimulate the colonizing of East Falkland, Argentina had granted a colonial concession to Louis Vernet. After Vernet successfully planted the colony in 1826, Argentina appointed him governor two years later, and granted him a concession of lands and a monopoly of the fisheries in the Falklands. Fishing regulation, while scarcely consonant with a free-market, has always been accepted in international law as a function of any government in its territorial waters, a function which may not be interfered with by outside powers.

There is precious little fish in the Falkland waters, but there were a considerable number of seals, and foreign sealers persisted in defying the Argentine/Vernet edicts. Finally, in July 1831, Governor Vernet precipitated the final crisis of Argentine rule in the Falklands by seizing three American sealing ships for violating the sealing regulations.

At this point, the United States leaped in to play a fateful role in the coming of British imperialism to the Falklands. Andrew Jackson, despite his commitment to libertarian policies in many areas, was a militarist and an arrogant expansionist in foreign affairs. (It was later to be the Jacksonian Polk who would launch the savage imperial assault on Mexico in the 1840s.) The U.S. consul to Argentina, George W. Slacum, was an inexperienced lout who fit the Jacksonian mould in foreign affairs. Slacum began to launch intemperate attacks on Argentina, and to persistently refer to Governor Vernet as a "pirate" who must be brought to trial. Slacum worked his influence on Commander Silas Duncan, captain of the U.S.S. *Lexington* then in Argentine waters, who began to rant about steaming to the Falklands and "protecting the rights of U.S. citizens." In the great tradition of 19th century U.S. naval captains, Duncan was a militarist aggressor, ever ready to use American naval force against foreign countries, even unauthorized and on his own whim. Duncan began further to call for the surrender of Governor Vernet for trial as a pirate and robber.

In all probability, the thirst for war by Slacum and Duncan was whipped up by the British consul-general to Argentina, Woodbine Parish, who saw a beautiful opportunity for Britain to fish in troubled waters. Two years earlier, in 1829, Parish had filed a formal protest against the Argentine occupation of the Falklands, claiming that Britain, despite its abandonment of the islands in 1774, was still "really" sovereign of the islands. Argentina paid no attention to a note she regarded as nonsense, and Parish did nothing further until the Vernet/U.S. dispute arose in 1831. Parish now proceeded to tell Slacum that Britain was still the true sovereign of the Falklands, and Slacum, grateful for a way of shoring up the legality of his position, welcomed the point and began to write home that it would be a "terrible tragedy" for U.S. trade if the Falklands should remain in Argentine hands.

Finally, on December 28, 1831, Commander Duncan sailed the *Lexington* into the harbor of Puerto Soledad (which Spain had renamed from the French Port Louis). After inviting a top aide of Vernet's aboard his ship, Duncan clapped him in irons, and proceeded to invade and lay waste to the Argentine settlement. Duncan seized all weapons, burned all the ammunition, and sacked the settlements, not incidentally confiscating many of the sealskins. Having plundered the Falkland settlement to his satisfaction, Commander Duncan seized seven Argentines, including the Vernet aide, and took them away in irons. On arriving in South America, Duncan only agreed to free the Argentines after receiving assurances that the U.S. Government would retroactively sanction his plunder expedition.

Not that Andrew Jackson was loath to do so. As early as his annual December message to Congress, before Duncan had reached the Falklands, Jackson attacked the Falkland administration as a pirate "band," and announced that force would be sent there to "protect American citizens."

After the Duncan incident, Secretary of State Edward Livingston weighed in, denouncing Vernet as a "pirate". Finally, after a fruitless exchange of charges, the U.S. charge d'affaires at Buenos Aires, Francis Baylies, gave the green light, in an entirely unauthorized manner, to the British to invade the Falklands. In the fall of 1832, Baylies asked Fox, the British minister to Argentina, whether Great Britain, sovereign over the Falklands, would continue to tolerate the "horde of pirates" from Argentina then infesting those islands.

That disingenuous question was all the British needed. The British promptly sent two warships to the Falklands, which claimed and invaded Port Egmont in December 1832 and Puerto Soledad the following January. The British invaded in force, proclaimed themselves the government, and expelled all the Argentine settlers.

Such was the act of naked aggression by which Great Britain ousted the Argentines and gained its rule over the Falkland Islands. Furthermore, the United States government, ever since, has refused to indemnify the Argentines for the illegal acts of plunder committed by Commander Duncan. The excuse was that no indemnity would be paid until the sovereignty question was cleared up. It never has been.

Such is the "powerful" argument, as Samuel Flagg Bemis called it, by which Julius Goebel established the merit of the Argentine claim and the shabbiness of the British claim to the Falklands. But another revelation is the action of the United States, plundering and kidnapping the Argentines, and goading the British on to its invasion of the Falklands in 1833. □

## FELIX MORLEY, RIP

So Felix Morley is dead. Never again will I be able to visit Felix's lovely home on Gibson Island, in Maryland, and listen to the charming and civilized discourse of this man of deep individualism and rugged integrity. Felix has died at the age of 89 and up to the end, though crippled by arthritis, he continued to be a man of great intellectual and personal vigor.

Felix's death leaves a great void that can never be filled. Not simply because each individual is unique and irreplaceable. But because Felix Morley was the last of the Old Right. With him now disappears that wonderful tradition of classical liberalism that animated the right-wing before the mid-1950s, and that dominated the conservative wing of the Republican Party until that period.

An educator, political scientist, journalist, foreign affairs expert, man of affairs, Felix Morley was not only a staunch believer in individualism and minimal government at home, but its corollary in non-intervention and "isolationism" abroad. A co-founder of *Human Events* during World War II to foster the insights of non-intervention, Morley broke with the publication after the war when it became an organ of global crusading and the Cold War. A man of courage and integrity, Felix would never think twice of bending with the prevailing winds to join another futile crusade that could only aggrandize State power and crush the individual.

During the last gasp of conservative isolationism in the Presidential campaign of Robert A. Taft in 1952, Felix was Taft's major foreign policy adviser. There was talk that if Taft had won, Felix might have been Secretary of State. If so, the entire course of modern history would have been changed.

Felix Morley shall always be remembered for his great political works, expounding classical liberalism and non-intervention, *Power in the People* (1949) and *Freedom and Federalism* (1959) (All conservatives and libertarians should be required to read three chapters from the latter: "Democracy and Empire"; "Nationalization through Foreign Policy"; and "The Need for an Enemy"). But the best introduction to Felix is his fascinating intellectual autobiography, *For the Record* (1979), in which he sets forth the dimensions of his life. Acknowledging the influence of F. A. Hayek and Albert Jay Nock, Felix ends by saying that he is a libertarian, even though it is hard to give up the good old term "liberal," in its original nineteenth century meaning.

Felix Morley is one of the reasons why libertarians who were around in the 1940s and the 1950s automatically called themselves "extreme right wing Republicans." With the now vanished Old Right of that epoch, it was a pleasure to be a comrade in friendly dialogue, pointing to the logical conclusions of classical liberal doctrine. All that is long gone, swept away by the theocratic warmongers who have constituted the post-1955, *National Review* and later Right-wings.

We may hope, however, that future generations will be inspired by Felix Morley's life and works to take up the torch of liberty. But one thing they will have to miss: sitting on the patio of the Morley home at Gibson Island and being inspired by conversing with Felix in person. For that some of us will be forever grateful. □



# ARE WE BEING BEASTLY TO THE GIPPER — PART IV

## 6. Macro/Reaganomics: Lies, Damned Lies and Statistics

But there is hope, of a peculiar sort, for the hard-pressed American people. If the Reaganauts cannot relieve inflation or unemployment, they may moderate these twin evils by sleight-of-hand: by doctoring the statistics which everyone has been following avidly. Despite the pretensions of "scientific" economic forecasters, the seemingly precise quantitative data spewed forth by the various statistics factories are highly imperfect indicators of what is going on in the economy. There are no even approximately "scientific" measurements of inflation or unemployment, and there is no way of arriving at such measurements. Every person experiences his own "inflation rate," depending on what he customarily buys. I, for example, buy a great number of books every year, whereas the paradigmatic blue-collar Dayton, Ohio housewife with 2.2 kids buys no books at all. Yet, book prices have been skyrocketing upward at an alarming rate in the last few years, though none of this has been reflected in the orthodox Consumer Price Index (CPI).

There is, then, no "scientific" or unflawed measurement of the movement of consumer prices. The only excuse for any such index is that it be consistent, that is, whatever its flaws, it be consistent over the years so that movements in the index can have a substantial degree of coherent meaning. To change the nature of such indices is to deceive, for it is to abandon consistency and to doctor the data for political effect.

If the Reaganites cannot bring down inflation, however, they have decided that they can bring down the index by redefinition. This, of course is equivalent to bringing down a patient's fever by repainting the numbers on the thermometer. The Reaganites have decided that rises in housing costs have been embarrassing them, so the Bureau of Labor Statistics, which issues the CPI, has been ordered to change the bases for its measurements: From now on, instead of housing prices, all housing will be costed as if it were rented. The reasoning is that one buys a house as a durable good, but during each year one only lives in an amortized yearly quota; hence, a purchased house will be treated in the index as if it were rented.

The reasoning sounds plausible, but is as phony as a three-dollar bill. For why stop at housing? Why not similarly "imputed rents" for all consumer durables: speedboats, hi-fi sets, furniture, even clothing — none of which is used up during one year? The main point is that there are good arguments either way, but the overriding consideration is to remain consistent so as to enable meaningful comparisons over time. Reaganite doctoring of the CPI — which will begin

in early 1983 — may help to fool the public into thinking that inflation is getting better, and may also reduce the upward indexing of numerous contracted wage rates.

The latest scheme of the mendacious Reaganite statisticians is to doctor the embarrassing unemployment data. Once again, there are good reasons both for increasing the number of unemployed (disheartened who have given up seeking work) or reducing them (those only recently off the employment rolls or who are not really seeking work). But the vital thing is to keep the measures consistent over time, and not to doctor the data by changing the measurements. But the unemployment figures have been embarrassing for many years, and are getting worse. After World War II, the blissful state of "full employment" was defined as unemployment of 3-4% of the labor force. But since we haven't seen hide nor hair of such a figure for decades — it's been hovering around 7% — "full employment" has now been redefined as 5-6%. But apparently that's still not enough, and the Reaganites are moving toward still further mendacity.

Specifically, Secretary of Labor Raymond Donovan has now proposed to stop including in the unemployment figures all teenage workers still in high school. Since teenage unemployment has been far higher than adult — largely because of minimum wage laws — what better and more painless way to reduce overall unemployment than by tossing teenagers out of the statistics?

And, indeed, why stop there? Why not drop out all teenagers whatever, indeed everyone below 25, where unemployment is the highest? And also drop out women workers, since their unemployment rates are also high? And blacks too? And urban areas of the Northeast, and of New England?

Lies, damned lies, and statistics. Why stop there, Reaganauts? Why not include in the CPI *only* computers and hand calculators? Then, precise statistical data could "prove" that prices have been *going down* rapidly. And why not include in the labor force only adult white males in the Sun Belt? Then we could "prove" that there is virtually no unemployment in today's America.

The Reagan Administration might be a macro-economic disaster, but it has brought us "creative" language ("revenue enhancement") and "creative" statistics. Mendacity, mendacity. For shame, "free market" Reaganites! As Swift once put it, "I never wonder to see men wicked, but I often wonder to see them not ashamed." □

Look for Part V in the next issue of Libertarian Forum.

## CHANGING JUDGMENTS AND ALLIANCES

I am often gently chided by friends and acquaintances about changing assessments about people that I have made over the years. In particular, the chiding applies to changing evaluations of persons and groups in the libertarian movement and Party. "Four years ago, you said that Joe Zilch was a great guy; now he's a *schmuck*." Or, "how do I keep up with your fast-changing alliances?"

Of course, the quick, flip answer is: "Keep reading the *Forum*." But there is more to be said here. Because the implicit assumption of the chiders is that there is something a bit bizarre about the very fact of changing assessments and alliances. But, oddly enough, these critics *only* think of making such statements about ideological friendships and alliances. They would never think of doing so about personal friendships or romantic relationships. Neither they nor anyone else would ever contemplate charging: "Hey, you were in love with Miss X three years ago and now you're split up; what's wrong with you, buddy?" For in personal life it is taken for granted that values change, more is learned about another person whether for good or for ill, etc. So why should it be any different in an ideological movement?

Taken in this light, we see that changing assessments of persons is no odder in the libertarian movement than in "real

life" itself. Life, to use the current horrible cliché, is a "learning experience." Joe Zilch, who seemed like such a great guy at first blush, indeed turns out to be a *schmuck*. On the other hand, Jim Doe, who seemed like a bad guy way back, turns out to be a great fellow when more is discovered and misunderstandings are cleared up. That's life, after all, and the movement (though it sometimes seems to be taking place on Mars) is part of the whole shebang.

In fact, we should naturally expect *more* shifts of friendships and enmities within the movement than in life itself. For the movement is ideological, and ideology (a) must always be applied to new conditions and priorities in the real world, and (b) the result is continual reassessments of strategy and tactics. Even people who agree 100% on ideology can and do disagree on tactics. As a result, a movement and a Party create enormously greater opportunities for shifts in personal ties and assessments than does "real life" itself.

One hopes, of course, that friendships can persist and deepen even in the face of all the conditions generated for shifts and breakups. Friendships which fuse the personal and the ideological bring a deep joy which cannot be equalled. But one should not be puzzled or shocked when such friendships or alliances break up and scatter. *C'est la condition humaine*. □

## ERRATA

### August 1981 — January 1982 Issue:

We noted (p. 7) the assurance of a genial and highly perceptive LP participant/observer after the Nov. 7-8 Bethesda Natcom meeting that the Crane Machine had had it: "Murray, it's the Battle of Iwo Jima. They're (the Machine) the Japs," etc. This self-same observer recently pointed out my error in recalling the conversation: "It wasn't Iwo Jima; it was Okinawa." I stand corrected. It should also be noted that Leslie Key, the Madame DeFarge of the libertarian movement, in her hysterical *samizdat* attacking alleged "errors" in this issue, missed this one — a *real* error. Which proves that Leslie's grasp on World War II military history is at least as weak as my own.

The latest from our Military Maven occurred after the Houston NatCom meeting on March 27-28, a quietly but deeply satisfying meeting in which the cowed Crane Machine was revealed to be in a distinct and substantial minority. Our Military Maven who himself has been one of the great architects of the continuing Craniac defeat, put it this way after Houston: "Murray, I've got a new analogy. They're punchy, they don't know what's going to hit them next. It's France in 1940, and *they're* the French."

Some of our readers have asked us who Madame DeFarge was. The good Madame, of course, was the ultra-revolutionary in Dickens' *A Tale of Two Cities*, who sat, coolly gloating, as various Enemies of the French Revolution were marched off to

the guillotine. She was perpetually knitting, and I *believe* that the Madame knitted the names of each of the victims in the sweaters or whatever that she churned out. She looked suitably evil and hatchet-womanish in the Ronald Colman movie. (If she was not knitting the names of the victims, we can depend upon La Key to read the book, find the old movie somewhere, and report — and then get the whole thing wrong.)

### March 1982 Issue:

Various Texas LPers have corrected our account of the etiology of the suppressed Randolph interview with *Free Texas*. In addition to the fact that there were two interviews involved, the crucial point is that the suppression was effected, not by the Randolph camp, but by editor Mike Grossberg himself in a dispute with interviewer Robert Sablatara over the editing of the interview. One further point: apparently the Jeff Hummel article which touched off the Randolph attack on the concept of a principled Libertarian Party was *not* his controversial call for unilateral disarmament, as we had believed, but *another* radical article of Hummel's calling for repudiation of the public debt. The point of the Old Curmudgeon's critique of the unprincipled nature of Randolph's position, however, remains unblemished and intact. For the content of this odious interview remains undisputed, and repudiation of the public debt is the evidently principled libertarian position, which does not suffer from fears of Russkie invasion or from pointing out the even greater blessings of joint mutual disarmament.

# REAL WORLD NOTES

by The Old Curmudgeon

One cheery note for libertarians is the occasional realization that there are lots of crazies who are not libertarians, who are actually out there in the "real world." The New York Times (March 11) published an absolutely hilarious article (an odd source, of course, for hilarity) about a new cult flourishing in the West. The cult, imbibed by "thousands upon thousands", is called "manifesting" and is one of the "therapies" (natch) taught at Wingsong, a therapy center founded in Oakland, California by a certain Miss Lisa de Longchamps. "Manifesting" is the theory that one can have anything one wants, says a Rolls-Royce, simply by wishing for it. The de Longchamps "divine plan of opulence", which came to her through divine voices, costs only \$815 for four one or two-day "workshops." A Wingsong administrator explains that the workshops are so costly because people only evaluate something highly when they have to pay a lot for it. One of the Wingsong aides clarifies the theory: "Manifesting is about getting rid of all that junk in our consciousness so that we can join the rich."

Miss de Longchamps arrived at her theory by an appropriate route: she got a degree in "humanistic psychology" and then worked in real estate. By then she was ready for the Higher Life.

One of her ardent customers, Toby Clark, 44, denies that the price of the workshops is high. "The cost of the classes doesn't matter to me at all," he said, "I would spend my last dime on them."

Another "therapy" outfit, the Prosperity System, is based, appropriately enough, in Washington, D.C. Founded and run by Jeff Blake (also a real estate maven) and Charles

Stinson, this \$75 one-day workshop has clients throwing crumpled \$10 bills at each other, to "teach people that as money goes out, it also comes back" (Huh?), and that "there is so much money in the world that you can take as much of it as you want and it doesn't matter". One of the Prosperity Systemites, noting its success so far in the West, complained that Easterners "resist" the theory far more: "Easterners have a lack of trust in self-actualization." Rather a lack of trust, we might add, in get-rich-quick hokum at a couple of hundred bucks a throw.

But the last word belongs to the aforesaid Mr. Clark, who, before he arrived at Wingsong, had been through est, "rebirthing", and 14 enlightenment "intensives". (Why do these noted theorists habitually confuse adjectives and nouns?) "Life," concluded Mr. Clark, "is just a workshop."

How come there are no libertarians in this movement? □

## LOVELY WAR *(Continued from page 3)*

Charringtons Industrial Holdings (it is now a subsidiary of Coalite Group Ltd.), an Argentine consortium, sponsored by the Argentine government, offered to purchase the Company for \$7 million. In fact, the consortium was willing to pay "almost any price" to acquire the Company. The shareholders were happy to do so, but the takeover bid was blocked by the British and (British-run) Falkland governments, at the behest of the Company management.

So there we have it. In the grand old Free Trade slogan, "If Goods Can't Cross Borders, Troops Will." In this case, Argentina, in essence, tried to *buy* the damn island by purchasing the Falklands Company, and the sale, though desired by the shareholders, was prohibited by force by the British government. The Brits, so devoted to the "free market," prevented goods (in this case, money) from crossing borders, and so the troops came. It serves the Brits right. □

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