The Hope of Victory
By Bob Murphy

May the God of hope fill you with all joy and peace as you trust in him, so that you may overflow with hope by the power of the Holy Spirit. (Romans 15:13, NIV)

We are engaged in a great struggle for liberty. There are forces at work in the world seeking to literally enslave all of mankind. At any moment in history, there is a small minority who have given their time, treasure, and even lives in an effort to hinder and ultimately defeat the would-be tyrants.

Ironically, some of the most passionate and zealous combatants — and the combat might not be physical, but instead take place on the plane of ideas — are acting inconsistently with their own professed views of the ultimate foundations of justice and morality. Only if we believe in some higher power, and moreover one that has constructed the very fabric of the universe to ensure that good will triumph over evil, does our struggle make any sense.

Reason Is Not Enough

Many champions of liberty have been agnostic or even outspoken atheists. It does not take an intellectual devotion to God to yield fine and courageous advocates of freedom. But do their heroics make sense, in light of their professed justifications?

We can find no better exemplar of this dichotomy than Ludwig von Mises. He did not justify his advocacy of private property and free markets by appeal to the alleged natural rights of man, let alone to the supposed commands of a supernatural being. For Mises, a society based on private property and the rule of law would be far more productive than one based on arbitrary government privilege, or worse yet a chaotic anarchy in which people stole and murdered with reckless abandon.

Therefore it seemed obvious to Mises that everyone bore responsibility in promoting the free society, because only in such a society could all of us achieve our long-term objectives through cooperation and the division of labor. Whatever temporary thrills one might derive from theft and violence, would be far counterbalanced by the inability to have large-scale capitalist production and market exchange.
Unfortunately there’s a flaw in Mises’ reasoning. He didn’t prove that everyone should be moral and law-abiding. Rather, Mises simply proved that everyone would be better off if everyone were moral and law-abiding. Those are two different propositions.

There are many situations in life that resemble a "prisoner’s dilemma" as discussed by the game theorists. That is, there are situations in which self-interest and reason leads each person to act in a way that makes the whole group worse off, compared to the outcome where everyone acts against his self-interest.

Hard-headed rationalists cannot get around this stubborn fact. It’s true that many social situations repeat themselves, and so even if they resemble the prisoner’s dilemma in any given iteration, in the long-run they actually foster cooperation. For example, even if one could get away with it, it would be foolish to skip out of a restaurant without paying the bill, if the diner expected to return to the same restaurant in the future.

Yet this clever answer doesn’t really solve the problem of evil. Is it really true that a secular humanist, armed with all the knowledge of economics, could convince a David Rockefeller or a Henry Paulson that his standard of living would be improved by abiding by the tenets of classical liberalism? If those examples leave the reader unsure, what about Kim Jong-il? If Ayn Rand were locked in a room with the North Korean leader, could she really convince him that the value of his own life would be enhanced by refraining from looting others?

Again, it is true that if the whole world embraced laissez-faire capitalism, even current despots would probably end up living with greater material prosperity. But that is not the choice any current despot faces. He looks at the options at his disposal, and the likely choices that others (including despots) will make during his lifetime. It is wildly unrealistic to assume that the most powerful (and evil) people on the planet are currently hurting their self-interest by violating the rules of traditional morality. A student of David Hume could explain why traditional moral rules benefit everyone, but he ultimately could not prove why anyone ought to be moral in the first place.

Heroes and Sociobiology

We can go further. If the foundation of morality really were a rationalist calculation of the actions promoting one’s self-interest, some of the most heroic defenders of liberty would be fools. Consider the dissidents under a thug such as Chile’s Pinochet. Many of them chronicled his abuses so that future generations would know the extent of his crimes, knowing full well that they would likely be murdered for daring to oppose his regime. Under the Misesian and especially the Randian framework, these rebels all behaved foolishly — indeed they arguably behaved immorally.

So why do even secular humanists cheer such heroes? Because they view themselves not as simply maximizing the chance of material prosperity, but as engaged in a battle of ideas. Many of today’s libertarians would rather live on the streets than become an IRS agent. Surely this decision wouldn’t be driven merely by an estimate of the likely long-run earnings from either career path (where other libertarians perhaps punish the person for seeking IRS employment and temporarily earning a higher paycheck). No, there is a much deeper sense among many secular libertarians that working for the IRS is just plain wrong and therefore it’s not even an option.

The Darwinists of course have something to say. Like many other creatures, we Homo sapiens experience strong feelings of altruism, especially for our kin. This is biologically programmed into us, because a genetic predisposition for a soldier to jump on a live grenade would tend to survive in a population. It’s no more "irrational" for people to die in the cause of liberty, the sociobiologists could argue, than for parents to spend $100,000 sending their kids to college.

This explanation is too glib. After all, evolutionary theorists can come up with stories to explain why
people experience optical illusions and other "mistakes" in sensory experiences. Yet someone wandering in the desert who thinks he sees water would use his reason to resist the faulty biological urge; the same goes for someone caught in a blizzard who is experiencing hypothermia and suddenly feels very hot and wants to take off his hat and parka.

By the same token, then, a captured member of the French Resistance might feel a strong urge to tell his Nazi captors to go jump off the Eiffel Tower when they demand to know the addresses of his colleagues. Yet if he were a rational egoist, he would recognize those biological traits as dangerously inappropriate in that specific instance, nudging him to engage in behavior that would lead to his torture and death. Talk about a maladaptive response!

**The Hope of Victory**

The theist who believes in a just and omnipotent God does not suffer from the above inconsistencies. He can justify his passionate and heroic defense of liberty. Even if he dies, he knows he has done the right thing — where "right thing" is not defined as a set of strategies to maximize the likelihood of achieving earthly happiness.

Belief in the God of the Bible gives one hope in the ultimate triumph of good over evil. We know that those who enslave, steal, and murder may experience temporary victories, but that ultimately they are doomed to defeat.

Ironically, we have come full circle. The theist can tell David Rockefeller, Henry Paulson, and Kim Jong-il the following advice which is the epitome of realpolitik:

"You should stop what you are doing because it offends the Creator of the heavens and earth. You are making an intellectual error in your assessment of the strength of your position. Your armies are nothing compared to the might of the LORD, and your intelligence networks are nothing compared to His wisdom. Repent while you still can, and save yourself from ruin."

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**Purpose-Driven Learning Is the Only Kind that Lasts**

by Kerry McDonald

Do you remember sentence-diagramming in school? I do. It was the onerous process of breaking apart individual sentences into their component parts and identifying those parts, like the subject, the verb, the modifiers, and so on.

By the time sentence-diagramming was introduced in elementary school, I had learned how to play the game of school. I had learned that obedience, memorization, and regurgitation of exactly what the teacher wants is the key to school success. I played it well. Looking back, and witnessing how my own unschooled children learn how to write, I realize how arbitrary and artificial learning in school was.

**Playing the Game**

Those of us who buried our enthusiasms in the name of conformity did well. Those who recognized just how silly it all was did not.

With unschooling, there is no game to play.

Along with sentence diagrams, we also learned how to write simple letters and five-paragraph essays, again by dissecting component parts and following meaningless (to us) writing prompts. Those of us who could ignore the fabrication and effectively mimic the teacher did well. Those who refused to play the game did not.

The reality is that sentence-diagramming and copying someone else's writing template don't create better writers. They create students who may meet contrived curriculum benchmarks and pass standardized tests. They create students who can play the game.

With unschooling, there is no game to play. There is no manufactured curriculum or assessment. There is simply life.

**Learning for a Purpose**

My son Jack (age 9) downloaded an app this
week that offered a free 7-day trial. It includes an abundance of content related to skateboarding, one of his present passions. There is a section of content in the app that he particularly likes, and he wanted to know how often that content is refreshed before deciding whether or not to purchase the app. He searched the company's website for information. Unable to find the answer to his question, he drafted and sent the following email:

To Whom It May Concern:

I am interested in subscribing to [your company’s channel] mostly for the show “XYZ” (and others). Right now I am in a 7-day free trial and am very pleased. I was wondering when the “XYZ” upload date would be. Is it once every 2 days or once every 2000 days?

Thanks,
Jack

We didn't spend time on sentence-diagramming. He learns parts of speech from playing MadLibs with his siblings sometimes. He likes to practice typing to get faster and better. He asked me how to address a letter to someone when you don't know his or her name, and the rest he wrote by sincerely expressing himself about something that matters to him. He learned spelling and punctuation by reading a lot and reading things that he wants to read.

This wasn't an "activity" we decided to do that day. It didn't occur as part of a curriculum segment on letter-writing or in preparation for a standardized test. It wasn't a lesson. Jack wrote this letter because he needed information that was otherwise unavailable. In short, he wrote this letter for the same reason you or I might write a letter: because it is purposeful. When we write, it is for a reason. It is authentic.

Living as Learning

In my forthcoming Unschooled book (now at the publisher!), I highlight the story of a grown unschooler who didn't really write until he was a teenager. Then, he wanted to communicate with a girl he liked and wanted to impress her. That provided the real and motivating context to write—and to write well. He never had formal writing instruction as an unschooler, but after writing back and forth to the girl, he realized that he liked both the girl and the writing! He became increasingly passionate about writing, ultimately majoring in journalism in college and becoming a successful journalist.

"Knowledge which is acquired under compulsion obtains no hold on the mind."—Plato

When learning is connected to living, it is meaningful. It is not something that occurs at certain times, in certain places, with certain people. It occurs all the time, everywhere, and with everyone around us. Unschooling allows natural learning to occur by providing the time, space, support, and opportunity for interests to emerge and talents to sprout. With unschooling, reading, writing, and arithmetic become purposeful activities connected to personal interests and motivations.

Writing letters is enjoyable and important when it is necessary for your own purposes. Writing letters when someone else tells you to—when it is forced—may not be so fun or helpful. As Plato warns: "Knowledge which is acquired under compulsion obtains no hold on the mind."

Reprinted from Whole Family Learning.

Kerry McDonald has a B.A. in Economics from Bowdoin and an M.Ed. in education policy from Harvard. She lives in Cambridge, Mass. with her husband and four never-been-schooled children. Follow her writing at Whole Family Learning.

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Nelson’s Book Recommendations
https://infinitebanking.org/books/

*The Fall of The Ottomans* by Eugene Rogan
*Progress and Poverty* by Henry George
*The State* by Franz Oppenheimer
*The Progressive Era* by Murray Rothbard
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Belief in College Has Become Religious
by Isaac M. Morehouse


There is a dominant belief in this town that one must attend church every Sunday if they want to live a prosperous life.

Because the belief is pervasive, those who want to be prosperous attend in high numbers. Those who don’t care about being prosperous attend less. Since those who care more about prosperity choose church more than those who care less, if you were to look at data on the prosperity level of the townspeople, you’d find that those who attended church were more prosperous than those who didn’t on average.

This would provide further fuel to the idea that prosperity requires church. It would be considered a must, not even worth questioning. Even skeptics would say things like, “It’s not the only or main cause of prosperity, but you’d better attend just to be safe and decrease the odds that you don’t succeed.”

That is the world we live in now.

The Church of School

The religious belief is that ambitious people have to attend college or they will be losers, or at least fail to realize their potential. No one knows what actually happens in college or why it’s supposed to make you more successful. Since the belief that college is needed for ambitious people is pervasive, ambitious people go more than less ambitious people. When employment or pay data are analyzed, they show that college goers do better on average than those who don’t. Of course. Because more ambitious people go to college more.

You might object that the market would not allow such an inefficiency to survive. But we’ve seen towns like the above in real life. People’s beliefs shape their actions, and their beliefs are not always those that lead to material prosperity. People make themselves materially worse off all the time in service of beliefs, even crazy superstitions in some cases.

The psychological benefit of going along with the dominant belief, gaining the prestige it entails, and not risking being seen as a non-believer motivates all kinds of actions detrimental to a person’s individual goals and aspirations.

Attending college is the most pervasive religious act today.

Why Do They Really Go?

Most ambitious people do it. And the reason they do has nothing to do with causal connection between attendance and achievement of their individual goals (most of the time they don’t have any so it would be impossible to help them achieve it.) The reason most ambitious people go to college is this: they believe that if they don’t, God won’t love them.

“God” is whatever aspects of the dominant cultural narrative most impact them. Prestige. Parental love and approval. Being normal.

If it were really about careers, it would only take a few minutes of solid reflection to realize that specific employers want nothing more than specific value creation, proven in specific ways. A degree is one of the weakest, least common denominator efforts to doing this and is easy to surpass.

College persists for the ambitious—and thus the self-reinforcing data about successful people having degrees—because of a religious-like belief in its necessity. But it’s not necessary at all.

OK sure, if you know what you want, you can get it more directly. But most students don’t know what they want for their career. That’s normal and good in most cases. You can’t know until you’re several years into working and trying stuff (and maybe not even then). But that doesn’t mean entering the five-year, six-figure black box will help you move towards a question mark any more than it helps you move toward a specific goal.
In fact, the sooner you can grapple with and solve specific problems for specific people and create specific value provable in specific ways, the sooner you open up your ability to translate that into self-knowledge about what you do want, and transfer it to other activities and narrow down your search for a career fit.

**Why It’s So Tempting to Go Anyway**

College is a complete waste of time and money for ambitious people.

Most know it in their gut. But they’re there because they are afraid to be and do something specific. They fear becoming a solid, concrete, autonomous individual, and all the effort and responsibility it requires. College is the only way to defer becoming a fully differentiated person while mom and dad pay the tab without judgment.

I get it. But it comes at a cost. Every minute you live off others, delay becoming a specific individual and languish in a murky sea of imaginary “options”, you reduce the potential of what you can become. The longer you live in limbo, the lower your ceiling when you emerge into the world of concretes.

**Don’t Worry, This is Good News for You!**

College is a complete waste of time and money for ambitious people.

This isn’t bleak, bad news. This is the greatest news ever!

To use a different religious analogy that my friend Michael Gibson likes to use (Michael and his partner Danielle’s VC fund invests in college opt-outs and dropouts, check them out), it’s like Luther’s 95 thesis. It’s the revelation that you were lied to. You don’t need to buy indulgences to have a chance at heaven. You have agency, and you can determine your own fate without appealing to some bloated bureaucratic institution for an official stamp of approval.

Break out the champagne, and get busy doing real stuff in the real world. Don’t live your life by averages and aggregate data that reflect little more than the superstitions of the day.

**Further Reading:**

- Employers Don’t Care About Degrees (the stats are misleading)
- Forget the Degree, Build a Better Signal
- College is Dead
- Projects are the New Resume
- Most People Go to College to Feel Normal
- Imagine if We Taught Bike Riding Like We Teach Careers
- Options Are Blinding You to Opportunities
- Reprinted from author's blog.

Isaac Morehouse is the founder and CEO of Praxis. He is a member of the FEE Faculty Network. He blogs at IsaacMorehouse.com.

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**John Bright Was the Voice of Victorian Liberalism**

by Nicholas Elliott, Lawrence W. Reed

*Nothing is so contagious as example; and we never do any great good or evil which does not produce its like. — Francois de la Rochefoucauld (1613-1680).*

Heroes for liberty are not particular to any region of the world or to a particular time period or to one sex. They hail from all nationalities, races, faiths, and creeds. They inspire others to a noble and universal cause—that all people should be free to live their lives in peace so long as they do no harm to the equal rights of others. They are passionate not solely for their own liberty, but for that of others as well.

In my last book, *Real Heroes: Inspiring True Stories of Courage, Character and Conviction*, I wrote about 40 individuals whose views, decisions, and actions served this cause in various ways. That book planted the seed for this new weekly series to be published each Thursday at FEE.org. But this time, others from around the world will do the writing, and I’ll be content to do the editing while keeping
that to a minimum to preserve the author’s voice. It is my hope that when all is said and done some months from now, the literature of liberty will be greatly complemented by this collection of short biographies. The authors will be writing about heroes for liberty who are (or were) citizens of each author’s own country. Each week’s installment will be added to the collection here.

This week we dust off an oldie from the FEE archives, a 1988 article on the great 19th Century classical liberal and free trader, John Bright. At the time he wrote this, author Nicholas Elliott, a graduate of the University of York, was a regular contributor to the publications of London’s Institute of Economic Affairs.

—Lawrence W. Reed, President, Foundation for Economic Education

John Bright did more than anyone else to bring about the great advances for liberty in 19th-century Britain. A leading orator and agitator, he was considered by many to be the best political speaker of the century. His voice contained a quiet passion which captivated fellow members of Parliament and roused the many thousands he addressed at public meetings.

Born in Rochdale (a town north of Manchester) in 1811, Bright was raised in the individualistic tradition of the Society of Friends. From the faith of his family, he learned that there is a natural equality of mankind and that any individual can communicate with God. He later recognized this connection between his religion and his politics:

We have no creed which monarchs and statesmen and high priests have written out for us. Our creed, so far as we comprehend it, comes pure and direct from the New Testament. We have no thirty-seven articles to declare that it is lawful for Christian men, at the command of the civil magistrate, to wear weapons and to serve in wars.\[1\]

For many years, Nonconformists—those who did not conform to the established Church of England—had been persecuted and forced to finance the state church. Because of this, they also tended toward political individualism. John’s father, Jacob Bright, was liberal in his politics, and a supporter of the radical Member of Parliament Joseph Hume. He was also one of the many Nonconformists who refused to pay the church rate—a local tax to finance the state religion—and as a result, had silver spoons taken from his house by church officials.

As a young man, John worked in his father’s cotton mill, he kept a collection of books in a room above the counting-house, and in spare moments went there to expand his knowledge. His favorite writer was the poet and liberal scholar John Milton. At the same time, John was tutored in politics by his fellow workers, supporters of the Chartist movement, which called for universal male suffrage and the elimination of property qualifications for members of Parliament.

Bright established his reputation in an 1840 debate over church rates, an issue close to his heart. In his hometown of Rochdale, he led a rebellion against the local vicar. A large gathering was held in the local churchyard, at which John mounted a tombstone to denounce the “foul connection” of church and state.

The Campaign Against the Corn Laws

Bright is most famous for his part in the successful campaign for the repeal of the corn laws. During the Napoleonic War, English landowners had enjoyed a monopoly in the production of food. At the end of the war, they instituted the corn laws—a form of import control—to protect their domestic monopoly from competition. The laws kept the price of grain high, and since bread was the primary sustenance for most families, the laws created particular hardship for the poor. The issue had been brewing for some time. Charles Villiers had proposed corn law repeal in Parliament every year, and the Anti-Corn Law League was formed in Manchester in 1839. Richard Cobden and John Bright were instrumental in its founding.

The campaign gathered impetus in the “hungry forties” with a succession of poor harvests. The poverty was very real—observers reported seeing people with “withered limbs” in Manchester. Cobden was elected to Parliament from Stockport, and
Bright was elected in 1843 to represent Durham. The League developed into a highly efficient political machine with mass support. They distributed millions of leaflets, held gatherings up and down the country, and published their own newspaper, The League. In addition, they gained the support of the fledgling Economist. In 1845, when Ireland was struck by a potato blight, pressure for repeal grew even stronger.

Bright and Cobden embarked upon a hectic speaking tour. The climax was a meeting in the Covent Garden Theatre, where Bright railed against the protectors of upper-class privilege:

The law is, in fact a law of the most ingeniously malignant character ... The most demoniacal ingenuity could not have invented a scheme more calculated to bring millions of the working classes of this country to a state of pauperism, suffering, discontent, and insubordination...

Leading Whigs and Tories were convinced of the need for repeal, and on June 25, 1846, a bill for repeal was carried. The elimination of other import duties followed, and a 70-year era of British free trade began; in the popular mind, free trade now signified cheap bread.

The event was also a momentous one for the landscape of British politics. Division in the Tories was irreconcilable. The landowning interests had stubbornly resisted repeal, and Prime Minister Robert Peel, who had supported repeal, was forced to resign. The division excluded the conservatives from government for the next twenty years.

In his activity in support of free trade, Bright was motivated above all by a concern for the plight of ordinary people. From the same motive, he opposed all the legislation which regulated working conditions in factories. The Factory Act of 1847 was in part a retaliation by the landowners for the corn law repeal: regulation of factories was a means of penalizing manufacturers. Bright was certain that it would make people worse off by reducing the number of hours in which they could earn money.

**Opposition to the Crimean War**

In their campaign against the corn laws, Bright and Cobden rode a wave of public adoration. But in their opposition to the Crimean War, the contrast could not have been greater, for they had to endure derision from a jingoistic public. Despite this, they produced some of the most lucid statements of non-interventionist foreign policy ever made, and Bright contributed some of his most memorable oratory.

For Bright, Cobden, and other leaders of the “Manchester School,” free trade was inseparable from a pacific foreign policy. Trade is based on mutual cooperation and evokes goodwill among nations. They rejected the argument that foreign alliances were needed to enforce a “balance of power” in Europe, and warned that such alliances would drag Britain into future conflicts. The only people who would benefit from war were the “tax-eating” class—government bureaucrats. Common people would suffer from the burden of taxes to fund foreign adventures. Bright and Cobden reserved no cordiality for Liberal Party Prime Minister Palmerston, a notorious interventionist whose policies attracted the description of “gun-boat diplomacy.”

As the war continued, Bright became deeply distressed by the loss of life: 22,000 British soldiers died, but only 4,000 in action; the rest died from malnutrition, exposure, and disease. His passionate speeches left a lasting impression on the House of Commons. His most famous words were these:

The Angel of Death has been abroad throughout the land; you may almost hear the beating of his wings. There is no one, as when the first-born were slain of old, to sprinkle with blood the lintel and the two sideposts of our doors, that he may spare and pass on; he takes his victims from the castle of the noble, the mansion of the wealthy, and the cottage of the poor and lowly.

**India and the American Civil War**

At the end of the Crimean War, Bright suffered a nervous collapse and was unseated in the general
However, it was not long before he was returned as member for Birmingham, and with renewed energy, he sought better government for India. Bright argued that the mutiny of 1857 was caused by the ineptitude of colonial government. Capable Indians were excluded from the administration of their own country, positions being allocated instead by personal favor.

Bright assailed the economic management which imposed onerous taxes on the Indian peasantry, stunting development to maintain a vast, inefficient Indian civil service. He was ahead of his time in recognizing that Britain would not rule India forever. He also saw the potential for conflict in a country of “twenty nations, speaking twenty different languages,” and argued for a confederacy of smaller states.

For many years, Bright had been an admirer of the United States—he was sometimes known in the House of Commons as the Honourable Member for the United States. He thought that the free and democratic style of government in America should be a model for Britain. When civil war erupted, Bright was concerned for the future of the republic but allied himself with the cause of the North.

English liberals weren’t unanimous in supporting the North. Cobden initially inclined toward the South, and The Economist sympathized with the South throughout. A humanitarian always, Bright supported the North because of the issue of slavery, which appalled him. In the early part of the war, when military intervention on the side of the South seemed likely, Bright urged neutrality. He also maintained a correspondence with the Chairman of the Senate Foreign Relations Committee, Charles Sumner. He encouraged caution and diplomacy; some of the letters he wrote to Sumner were read to President Lincoln.

It was always a matter of regret for Bright that he never visited North America. He maintained his admiration for the United States and saw in it the potential of a great world power.

**Parliamentary Reform**

Before 1867, only 16 percent of British adult males had the right to vote. In the 1860s, Bright led a vigorous campaign for full manhood suffrage, secret ballots, and equal representation for industrial cities like Birmingham and Manchester.

He rested his case upon two principles. First, since working people must pay taxes and bear the impact of legislation, they should also have a voice in government. Second, he expressed faith in the decision-making ability of ordinary people. A frequent claim of reactionary conservatives was that common people are incapable of making important decisions. Bright reversed this and argued that progress had been achieved only by enforcing working-class opinion. He was somewhat naive in supposing that a mass franchise would lead to low taxes, free trade, and a non-interventionist foreign policy.

With his ability to rouse passions, Bright’s efforts in the campaign for electoral reform made him a formidable adversary of the Conservative government. Previous campaigns had often suffered from having the support of only one class, whereas Bright rallied the middle and working classes into unity. Ironically, in the same way as corn law repeal, reform was introduced by a Conservative prime minister. Benjamin Disraeli presided over the 1867 Reform Act, which enfranchised two million additional men, and cleared the way for later reforms.

**Later Years: Cabinet and Ireland**

As a parliamentary back-bencher, Bright had been enormously influential. Nearing the end of his campaigning career, he entered William Gladstone’s cabinet in 1868. He never was happy in assuming collective responsibility, and soon had cause to disagree with his government colleagues.

The Forster Act of 1870 laid the foundations of state education, and it incorporated the teaching of state religion which was anathema to Bright. He wrote to Gladstone that it had done a “tremendous mischief” to the party.[4]
After the 1880 election, Bright was again invited into government. Soon after, Britain initiated a war with Egypt, and Bright’s objection was so great that he felt compelled to resign.

Ireland was another longstanding interest. Bright had been a personal friend of Irish reformer Daniel O’Connell, who had supported the Anti-Corn Law League. Bright took up the grievances of the Irish and, after O’Connell’s death in 1847, was often their most persistent representative in Parliament. He rejected all attempts to impose the Church of England upon the native Catholics; instead, he called for the withdrawal of this “symbol of conquest.”

The other issue was land policy: Irish agriculture had always been weak because large-scale English owners maintained idle lands and because tenants scratched a precarious existence with no legal right of tenancy. Bright offered three solutions: an end to the law of primogeniture which ensured the continuation of concentrated ownership; compensation for evicted tenants and loans for those who wanted to buy land; and land purchase from English owners, to be sold at a discount to Irish buyers.

Some of these proposals were implemented, as Gladstone had been taking note of Bright’s suggestions. But in Parliament, the Irish Nationalist representatives became increasingly militant. They used disruptive techniques which led, in response, to the rules of procedure which still are with us today. Bright deplored all this, and it significantly changed his attitude.

In 1886, Gladstone introduced a land purchase scheme to buy out the English landlords, along with a proposal for Irish home rule. By this time, Bright was so disgusted with the activities of the Nationalists in Parliament that he opposed the land purchase scheme, and he regarded home rule as a policy which would endanger the “Protestant and loyal people of the north.”[5]

As a figure of importance among the Liberals, Bright’s opposition was very damaging to Gladstone. Home rule was defeated, and the Liberals were hopelessly divided on the issue. It pained Bright to speak out against Gladstone because they had been good friends.

In an essay of this length, it isn’t possible to describe all of Bright’s arguments. He was also a committed opponent of capital punishment, spoke on many aspects of colonial government, and addressed a variety of issues involving religious freedom. His speeches are a pleasure to read, and one can imagine the impact they made on listeners.

Bright lived from 1811 to 1889, and when looking at the political events during those years, the advance of liberal principles is quite momentous. In 1819, when demonstrators protested against the corn laws and the lack of parliamentary representation, they were cut down by a cavalry charge. As late as 1859, Queen Victoria expressed her concern to Lord Palmerston that John Bright was attempting to undermine British institutions. Yet by 1868, when Bright became the first Nonconformist to hold a cabinet post, he was respected, as were the principles he enunciated.

In the campaign against the corn laws, he helped to establish free trade as a popular principle which no politician would dare to interfere with for years to come. His stand with Cobden against the Crimean War inspired a later generation of liberals to follow the idea of non-intervention. Opening up Parliament to the scrutiny of ordinary people marked an end to the high-handed government of earlier times. In these, as in many other issues, John Bright, as a consistent and principled defender of individual liberty, imparted a widespread and lasting acceptance of liberal politics.

3. Speech to the House of Commons, February 23. 1855. in Rogers, p. 251.
Imagine being born during the bloody Cultural Revolution in China and growing up in a country with little economic or personal freedom. Few Chinese citizens had the knowledge that human rights are not granted by government, and those few who knew could not say. Few knew that government is not the source of economic progress; and again, those who knew could not fully share their understanding.

Now imagine you’re thirty-something years old, traveling to the United States to begin your MBA studies. In the spring of 1999, I taught an MBA economics class to a cohort of 30 such Chinese students.

The class was split between students from Beijing and Shanghai. Students from Shanghai—having more experience with the beneficial impact of liberalizing markets—were much more willing to embrace the ideas of classical liberalism. Beijing students were more likely to believe in a larger role for government. This split between the Beijing and Shanghai students was most evident in a class discussion after the class read Hayek’s “The Use of Knowledge in Society;” the reading led to a discussion of central planning.

A student from Beijing was emphatic, “This theory is not applicable to China—China is a relatively poor country, and in a poor country the government needs to plan.”

An exasperated Shanghai student responded, “You miss the point, central planning is precisely why China is comparatively poor.”

Hayek’s ideas were so provocative that soon the entire class had joined in; the two factions began shouting at each other in Mandarin. Someone, concerned about the din, called campus security. The students lowered their voices, but Hayek’s ideas had left their mark. I feel certain those students carry an indelible memory of that class.

The Light Goes On

Recently, sorting through a box of former student essays, one written by a student in that 1999 class captured my interest. Almost twenty years later, as I read this student’s essay, I was still spellbound by his clarity.

The essay writer observed, “I was always amazed by the great wealth the United States has created over such a short period of history compared to that of China.” Formerly, he attributed the success of America to, “its abundant natural resources, its youth and talented population coming from all over the world.”

The Chinese government, he explained, had ready excuses for its failures: “On the other hand, I ascribed China’s slow progress to its scarce natural resources, the burden of its long history of feudalism and poor education of the population. My view was quite similar to what our government explained to us.”

His studies of Hayek, Mises, Kirzner, and Rothbard gave him a fresh lens to examine, with a critical eye, the Chinese Constitution. He saw its foundation, placing the powers of government before the rights of individuals, was the exact opposite of the basis of the American Constitution. The founding principles of the Chinese Constitution, not scarce resources, were at the heart of China’s difficulties.

Article 1 of the Chinese Constitution states the Chinese system is socialistic: “The socialist system is the basic system of the People's Republic of China. Sabotage of the socialist system by any organization or individual is prohibited.” Article 1 also introduces the oxymoronic concept of a “democratic dictatorship” which will guide the
clamoring to surrender?

**The Revolutionary Basis of America**

The 1999 class of Chinese students grasped—perhaps more than many Americans—the gift that America’s founders bequeathed to humanity. That human rights are self-evident, unalienable, and originated in individuals is a powerful idea that struck, as another student in that class put it, like “a lightning bolt across my long-closed mind.”

For the essay writer and many in his class, Jefferson’s immortal words were sacred: “We hold these truths to be self-evident: that all men are created equal; that they are endowed by their Creator with certain unalienable rights; that among these are life, liberty, and the pursuit of happiness.”

Rose Wilder Lane, in her book *The Discovery of Freedom*, brilliantly explains the uniqueness of the American idea. From Lane’s work, the essay writer quoted: “This revolutionary basis is recognition of the fact that human rights are natural rights, born in every human being with his life, and inseparable from his life; not rights and freedoms that can be granted by any power on earth.”

Lane continues,

> The true revolutionary course which must be followed toward a free world is a cautious, experimental process of further decreasing the uses of force which individuals permit to Government; of increasing the prohibitions of Government's action, and thus decreasing the use of brute force in human affairs.

No doubt, my former student is dismayed that the authoritarian Xi is increasing the use of government force in China.

**Planning Is Counterproductive**

The Chinese students in that 1999 economics class began their MBA studies much like the essay writer who explained, “I had trouble conceiving of an economic or social order that is not deliberately made for a specific purpose.” “Government planning,” it seemed to him, was needed “to
bring order and coordination to otherwise chaotic economic conditions.”

Reading Hayek’s, “The Use of Knowledge in Society” convinced him otherwise. He wrote, “Central planning ignores its impossible knowledge requirements. It demanded that all the fragments of knowledge existing in different minds be brought together in one mind, a feat requiring that single mind process knowledge far in excess of what anyone could ever comprehend.”

The student realized, quoting Hayek from his book Law, Legislation and Liberty, Vol. 2, there is no need to agree on aims: “The Great Society arose through the discovery that men can live together in peace and mutually benefiting each other without agreeing on the particular aims which they severally pursue.”

After reading Kirzner and Mises, the student wrote, Pure profit opportunities emerge continually as errors are made by market participants in a changing world… Only through this process of error detection and correction within the market that keeps entrepreneurial hunches reasonably abreast of changes in consumer tastes, resource availabilities, and technological possibilities… Without entrepreneurs, not only would markets fail to coordinate, they would also fail to innovate resulting in stagnation… The free market must depend on this entrepreneurial discovery process for its socially benign character.

I graded student essays anonymously, so I don’t know the career arc of the student whose essay I have quoted here. I would like to think he and others in his class have pursued entrepreneurial opportunities and are making the world a better place. During that spring of 1999, this student discovered freedom. With the knowledge he gained he could be indelibly changing the lives of those he touches. Such is the power of economic education.

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Formal Education Doesn’t Lift Worker Productivity. So What Does?

by Bryan Caplan

During my day with Eric Hanushek, he repeatedly asked me, “If rising worker productivity doesn’t come from education, where does it come from?” Good question. In the pre-modern world, workers got little education and had low productivity. In the modern world, workers get much education and have high productivity. Productivity (and education!) keep going up. If formal academic training isn’t the main reason, what is?

The safe answer is, “I don’t know. But whatever the answer is, it’s not education.” However, safe answers are not my style. While I’m not sure, I think I’ve got a pretty good guess. Or to be more precise, two pretty good guesses. To what does the modern worker owe his high productivity?

1. Practice. Modern workers get really good at modern tasks by practicing modern tasks, under the tutelage of other workers who have already mastered them. Modern programmers get good at programming by practicing programming, under the tutelage of skilled programmers. Modern offshore oil drillers get good at offshore oil drilling by practicing offshore oil drilling, under the tutelage of skilled drillers. In the pre-modern world, these practice opportunities were simply unavailable. Now they’re everywhere. Whenever a new industry arises, people get new practice—and new tutelage. The same holds whenever an existing industry innovates: people get new practice—and new tutelage.

2. Management. Production is a team sport, and the coaches are called managers. Even if all the team members are great at their jobs, productivity will be low unless these managers expertly lead
and direct their skills. This is crucial because good management does not come naturally to human beings. Forging an effective production team isn’t quite as hard as herding cats, but it’s in the same ballpark. In the Third World, management practices are plain bad; common-sense policies like “Show up on time,” “Pay for performance,” and “Count the inventory and the money” are widely violated. And remember, the whole world used to be the Third World! What changed? Common-sense slowly caught on—though as Alex Tabarrok reminds us, even First World businesses have ample room for improvement. Even if all the team members are great at their jobs, productivity will be low unless these managers expertly lead and direct their skills.

So that’s my story. The foundation of the modern economy is not teachers, but craftsmen and bosses. Not book learning, but experience and leadership. Not studying, but doing and directing. As a professor, this doesn’t do much for my ego. But why should everything be about me?

Update: Many readers have listed “tools” or “capital goods” as a third critical factor. This is perfectly reasonable if you’re just trying to explain GDP/worker. I’m trying to explain why “worker productivity holding capital constant” is so high.


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How the Closing of the Campus Mind Threatens Freedom

by Barry Brownstein

“Our ignorance is sobering and boundless,” philosopher Karl Popper famously observed.

Popper continued with what could be a credo for humble individuals willing to admit the limits of individual knowledge: “With each step forward, with each problem which we solve, we not only discover new and unsolved problems, but we also discover that where we believed that we were standing on firm and safe ground, all things are, in truth, insecure and in a state of flux.”

If the world is full of challenging problems and individuals with boundless ignorance, it is not surprising Popper believed, “There are no ultimate sources of knowledge.” We can only “hope to detect and eliminate error” by allowing criticism of the theories of others as well as our own.

Popper was writing before the era of social media and the contemporary attack on free inquiry on college campuses. Endless opinions, based on nothing but feelings, are shared by those who want to eliminate criticism of their views and stymie debate on the critical issues of our time. Popper would be dismayed.

We are Ignorant of Our Ignorance

In their book The Knowledge Illusion, cognitive scientists Steven Sloman and Phillip Fernbach report on experiments testing “the illusion of understanding.” Their findings confirm a glaring gap between individuals’ perceived knowledge and actual knowledge.

In one study, participants were asked: “on a scale from 1 to 7, how well do you understand how zippers work?” Then follow-up questions asked, “How does a zipper work? Describe in as much detail as you can all the steps involved in a zipper’s operation.”

The disconnect between the response to the first
We are quickly moving away from Popper’s vision of an “open society” and away from a society where the citizenry can consider causal explanations and policy implications. Those who hold a conflict worldview also believe “debate is counterproductive because it dilutes passion and sows confusion.”

We have transformed ourselves, author David Brooks recently opined in The New York Times, from a society where errors are overcome by “bringing different perspectives and expertise to the table” to a society where “progress is less about understanding and liking each other and more about smashing structures that others defend.”

The latter worldview is a “conflict theorist worldview” where “most public problems are caused not by errors or complexity, but by malice and oppression.” Brooks continues,

The powerful few keep everyone else down. The solutions to injustice and suffering are simple and obvious: Defeat the powerful. Passion is more important than reason because the oppressed masses have to mobilize to storm the barricades.

Importantly, Brooks warns that those who hold a conflict worldview also believe “debate is counterproductive because it dilutes passion and sows confusion. Discordant ideas are not there to inform; they are there to provide cover for oppression.”

With the rise of the “conflict theorist worldview” comes increasing polarization and tribalization. Views you disagree with are to be suppressed because those who hold opposing views are assumed to be motivated by bad intentions.

Feelings Over Reason

David Brooks is concerned that students who shut down free speech “manage to combine snowflake fragility and lynch mob irrationalism into one perfectly poisonous cocktail.”

You may have never heard of the late poet Audre Lorde, but to call her the poet laureate of the feelings-trump-reason camp would not be inaccurate. Railing against the canons of Western civilization,
she wrote, “the master’s tools will never dismantle the master’s house.” Jillian Kay Melchior reports it would be a mistake to overlook Lorde’s influences on college campuses.

Lorde believed “true knowledge and, therefore, lasting action,” comes from “our feelings.” In another essay she wrote, “It feels right to me,” acknowledges the strength of the erotic into a true knowledge, for what that means is the first and most powerful guiding light toward any understanding.”

If you think this antirational rhetoric is being marginalized, guess again. Melchior reports on student activism at the University of Pennsylvania, where students “took down a portrait of Shakespeare in the English Department, replacing it with a printout photo of Lorde.” Rather than giving voice to the oppressed, Lorde gives voice to those who would substitute feelings for scholarship and debate.

Rather than giving voice to the oppressed, Lorde gives voice to those who would substitute feelings for scholarship and debate. By marginalizing the classic canons of Western civilization, long-term prospects for the most marginal members of society are diminished.

Of course, Lorde is not alone in providing the “intellectual” firepower to justify the growing irrationalism that threatens an open society.

Sloman and Fernbach pointedly write, “You can’t consider the implications of a policy by ruminating on how you feel about it.” They add, “Getting people to think beyond their own interests and experiences may be necessary for reducing their hubris and thereby reducing polarization.”

How long will freedom be sustained in a society whose citizens are unwilling to recognize their own hubris and unwilling to consider anything but their own feelings?

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of language. Government goes hand-in-hand with calling actions what they are not, often the opposite of what they really are. We would do well to bear in mind Nietzsche’s sweeping declaration: “Whatever the State saith is a lie.” Often it is not a plain and simple lie, but one that springs from twisting language into a grotesque misrepresentation of reality.

Reprinted from the Independent Institute via Intellectual Takeout.

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Pondering and Ruminating about Income Taxes and Social Security

By R. Nelson Nash

The month of April has come to a close — the month that Americans have a deadline to file their income tax report — or get an extension to file at a later date. What a vast subject we have to ponder and ruminate about! How in the world did all this nonsense come to be?

It all came from faulty fundamental assumptions. The Bible is the story of man’s relation to his maker. It is obvious that we did not create ourselves. At the beginning of His ministry Jesus is teaching at “The Sermon on The Mount.” (Matthew 5-7) and is essentially teaching us how God made us. It could be considered as our “owner’s manual.” When you buy an automobile, the manufacturer provides a Owner’s Manual

“Enter through the narrow gate. For wide is the gate and broad is the road that leads to destruction, and many enter through it. But small is the gate and narrow the road that leads to life, and only a few find it.” (Matthew 7:13-14).

When you come to a fork in the road and take the wrong one then the only way to get to your desired destination is to go back to your point of error and get on the right one. Human beings have a built-in nature to take the wrong road. It’s because — down deep in his soul — mankind wants to be god! God is a jealous God. He won’t put up with that behavior. Mankind can’t get that fact straight in his brain.

Our blessings in life do not originate from government action. Our blessings come from God and through peaceful interactions with one another. ‘Truly I say to you, to the extent that you did it to one of these brothers of Mine, even the least of them, you did it to Me.’ (Matthew 25:40)

Government is force! Government is coercion! All it can legally do is restrain or inhibit wrongdoing by evil actions of people.

So why do people look to government for sustenance and dependence? There is a tremendous element of dependence in the act of worship. You will worship that on which you are dependent. Christians say they worship God — but suggest that we terminate a government program — like Social Security — and they cannot conceive of life without it. Their actions and words do not correlate.

So, in our pondering and ruminating how does all this fundamental stuff apply to our subject at hand — Income Taxes and Social Security?

In our country’s history there have been a few instances of an income tax, but it became a permanent fixture in 1913. Three horrible things occurred during that year — Income Tax — direct election of Senators - and the Federal Reserve Act.

There is no way to really understand the rationale behind the idea of income tax in just a few lines. For the best treatise on it I encourage you to read The Income Tax: Root of All Evil by Frank Chodorov. This is essential knowledge for anyone who wants to maintain sanity.

And now, we come to the Federal Reserve Act. Before we go any further, have you noticed that politicians and government bureaucrats change the meaning of words to help preserve their “hidden
agenda?” The Federal Reserve Bank is not Federal. There is no reserve, and it is not a bank. It is a cartel of member private banks that have secured a monopoly privilege that no one else can engage in. There are a number of books that address this con-game, but I think the best on is *The Secrets of The Federal Reserve* by Eustace Mullins. This, too, is essential knowledge.

Lastly, there is the direct election of Senators. Before this act Senators were elected by State Legislators. States had much more power under that system. That’s all gone now.

Before we go any further we need to agree on a few absolutes. Otherwise you need to stop reading this article. You are wasting your valuable time.

TANSTAAFL. That’s an acronym that I ran across over sixty years ago — *There Ain’t No Such Thing As A Free Lunch!*

Yet, we are bombarded every day by advertising using the word “free.” And based on observed behavior I think there are people who actually believe this nonsense. Maybe it is an attempt to justify their irrational purchase of something.

Comic strips are one of our best sources of real education. *Blondie* by Chic Young is a good example. It’s late February and Tudbury’s Department Store is having their clearance sale. Blondie comes home from shopping and with great enthusiasm announces that “I just bought a dress that was marked $100 and it was now on sale for only $50. It was such a good deal that I bought another one for the same price! Dagwood, I just saved you $100!!!” That can be classified as “Blondie Bumstead economics.”

Extend this type of reasoning to its’ ultimate conclusion and you will see that Americans buy things they don’t need — with money they don’t have — to impress folks they don’t know — who could care less.

Another unassailable fact — Customers pay for all the costs incurred by a seller (plus his hoped-for margin of profit) for the goods and/or services of the provider. Without customers no goods or services happen. One of my dear friends down through the years is Roland Nelson. He was an independent retail druggist. I remember well an extended session with his employees where he was teaching them that “I’m not your boss. Our customers are your boss. Every bit of your income is coming from them. Don’t ever forget it. Think about it every day!”

This creates the groundwork for recognizing another huge lie — Corporate Income Taxes. Corporations do not pay income taxes! The collect taxes in the form of their sales price. A manufacturer of a good requires labor, raw material, rent, administrative personnel, sales, advertising, financial services, and perhaps a host of other expenses including accounting services which estimates the corporate income taxes that the government will extort from him. He has to do all these things in order to earn the hoped-for margin of profit.

There is only one way that he can recover all these costs (which includes the expected income taxes he will incur) and that is in the price of his finished product.

THE CUSTOMER ALWAYS PAYS THE COST OF EVERYTHING. TANSTAAFL

I know this a burden on your mind to ponder such truths and spending a lot of time on it will wear you out. I don’t want this to happen to you. This is going to take a long time. We are going to have to recognize the lies we live with and take these confrontations with truth in small doses.

So, let’s quit until next month and we will continue to ponder and ruminate about taxes, income taxes and Social Security.
Welcome IBC Practitioners
https://www.infinitebanking.org/finder/

The following financial professionals joined or renewed their membership to our Authorized Infinite Banking Concepts Practitioners team this month:

- James Byers - Aurora, Colorado
- Paige McKechnie - Brentwood, Tennessee
- Bill Skinner - Williamsburg, Virginia
- Julius Botelho - Inyokern, California
- Wayne Durksen - Warman, Saskatchewan
- Jake Chesney - Chicago, Illinois
- Gina Wells - Fenton, Michigan
- Brian Slabaugh - Syracuse, Indiana
- Alan Blecker - Upper Saddle River, New Jersey

You can view the entire practitioner listing on our website using the Practitioner Finder.

IBC Practitioner’s have completed the IBC Practitioner’s Program and have passed the program exam to ensure that they possess a solid foundation in the theory and implementation of IBC, as well as an understanding of Austrian economics and its unique insights into our monetary and banking institutions. The IBC Practitioner has a broad base of knowledge to ensure a minimal level of competency in all of the areas a financial professional needs, in order to adequately discuss IBC with his or her clients.

Nelson’s Favorite Quotes

The masses have never thirsted after truth. Whoever can supply them with illusions is easily their master; whoever attempts to destroy their illusions is always their victim. — Gustave Le Bon

When you have a gun, you can rob a bank. When you have a bank, you can rob everyone. — Anonymous