



The man who would put up with all that hand-to-mouth existence is the man who would put up with a trusting firm.

psychology, in history, in computer sciences—but not generally covered by the gray title of "economist."

Another Nobel Laureate, Milton Friedman, is certifiably an economist—indeed, known as "the economist's economist." He has said, "Only those countries in which capitalism has prevailed over long periods have experienced both freedom and prosperity."

And that leads me to the central point of this essay.

The means to political power lie in economic manipulation. A rebel may raise an insurrectionist army, a demagogue may sway the masses by force of rhetoric, but for a sure takeover of control, nothing beats the appropriation unto oneself of the wealth for which others labor.

Here on campus, I have seen many of our starry-eyed youngsters swept off into cults of various form and appeal. What those cults have in common is that, first off, they require their followers to surrender much or all of their worldly possessions and to turn over much or all of their continuing earnings. A man or woman with a steady pay check and money in the bank is not a good candidate for an ant colony. (No self-respecting ant would put up with all that scrabbling, hand-to-mouth existence if its parents had thought to set up a trust fund for it.)

Our government, I must admit, does nothing quite so blatant. James Madison, speaking to the Virginia Convention in 1788, said, "I believe there are more instances of the abridgment of the freedom of the people by gradual and silent encroachments of those in power than by violent and sudden usurpations."

Take, for instance, the tax laws applied to industry, and particularly the depreciation allowance, which fails to account for inflation

and thereby leads to a subtle expropriation of industry's assets. In the case of the steel industry, I see three possible developments over the course of the next five years. It will start to use plants built by insurance companies. It will borrow money from the government to keep its head above water. Or—and this is a likely consequence of the first two developments—it will be taken over by the government.

I talked a short while ago with Raymond D. Gastil, of Freedom House in New York, who conducts the annual survey that measures the degree of freedom around the world. He says, "A critical problem for all societies seeking justice is to control the powerful, and specifically to control their tendency to expropriate economic surplus."

Dr. Gastil is editor and principal author of the recently published "Freedom in the World: 1978." In that work, he says:

"It appears to be much easier to nationalize an industry than to denationalize it. . . . If the drift continues, a people may not know when it arrives at a socialist state, but it will arrive. It will have arrived when there is no longer concern to respect on principle the rights of private property, when the presumption is in favor of government ownership and the exception is private ownership."

Unfortunately, we are not likely to see many protest rallies on behalf of the corporation, perhaps because "Save Our American Private Enterprise System" is too much to fit onto a portable poster. What may arouse our "double-lithing" people is the recognition—already implicit in what has become known as the Proposition 13 mentality—that our tax laws do more than give government the power to take money from some and give it to others. With that power comes control over individual lives, and therefore a loss of individual liberties. I am sensitive to the fact that, many years ago, when I first committed myself to the folly of pedagogy, it was considered unthinkable that Washington would have anything to say about what happens in the universities. Today, we spend as much time in filling out government forms as we do in reading student papers. We have consented to accept the money the bureaucrats take from others and dole out to us, and the price has been high.

Consider the nature of freedom. It consists as much in the belligerent "no, I won't" as in the positive "yes, I will." I don't delude myself that we have the kind of society in which a person can work at any job he wants to or live in any place that pleases him. We do retain the right of refusal as to occupation and residence. That right has never existed in societies where government owns the means of production.

Meanwhile, short of outright expropriation, our government does quite nicely at

nibbling upon our private lives. The columnist George Will has written:

"Public ownership is largely irrelevant to the goal of permeating economic life with public policy. That goal can be achieved by the regulatory instruments of the activist, interventionist state."

Today, regulation; tomorrow, control. What we have is a sort of revolution in reverse—government rising up to seize power from the people. And this it accomplishes by increasing claim upon the people's wealth. Whom the gods would destroy, they first make insolvent.

When last we met, I quoted to you something Walter Lippmann set down in 1929. Now, one year later and coming near the 50th anniversary of those words, they are worth repeating: "Most men, after a little



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freedom, have preferred authority with the consoling assurances and the economy of effort which it brings."

Understand, I don't say that these gloomy pronouncements mean the end of the world. We may yet prevail, as Faulkner insisted, but we shall certainly have lost some of our freedoms in doing so. This is particularly true if we think of our freedoms in terms of the many options we now enjoy, more numerous and more varied than any society has ever known before.

Sorry to be so pedantic. Perhaps I should have stuck to news of kith and kin

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