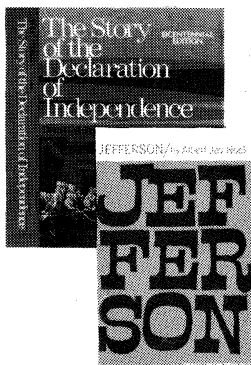


## THE STORY OF THE DECLARATION

By Dumas Malone, Milton K



A year before his death, Thomas Jefferson was broke. A friend through whom he had invested large sums had gone belly-up, and Mr. Jefferson's money disappeared without trace. A daughter's husband shrugged his shoulders over the debts he had created; Mr. Jefferson assumed them. Monticello farm, never managed first for financial results and second for scientific inquiry, had had a series of bad years.

Mr. Jefferson was eighty-two. He resolved to sell off some lands and mills he owned in Albemarle County, Virginia; a fair price would pay off his debts. But the market was momentarily depressed, and buyers knew that in a forced sale they could afford to wait for a bottom price. A lottery! That was the thing!

In Jefferson's youth, and still in many parts of the fifty-year-old United States, a man could put a fair valuation on what he owned, sell a minimum number of chances, and realize an adequate return for his property at exceedingly low cost to the buyer. But now the Virginia legislature had taken over the licensing and regulation of lotteries. They were immoral, you see, and while the state might operate one at any time, strict supervision of any private lottery was obviously required.

While Richmond endlessly debated whether to let Mr. Jefferson sell his property in the manner he wished, ruin set in. Three months before death he would have been evicted from his beloved lifelong home, as much a part of his nature as he was of its, had it not been for the last-moment generosity of friends in Baltimore and New York. Mr. Jefferson believed he and his family had been rescued, and died in peace.

The incident suggests what was happening to the revolution for individual freedom with which Thomas Jefferson's life was so entwined. It had begun, perhaps, around 1760, when the efforts of France to gain the ascendant over the British Empire on the North American continent were finally crushed. The long fighting was over; the colonists could go home, build, trade, create!

But a good king came to the English throne: George III. He was no do-nothing, like his father; he was determined that the now-secure Empire should be arranged for the maximum benefit of all its citizens. (Good rulers have a way of being a fearful burden to their subjects, as opposed to bad ones out only for their own purposes. How costly was good King Richard I, and how much Englishmen gained under King John, so bad no monarch in 800 years has cared to hold the name! For that matter, contrast the continuing hideous world-wide chaos, so much the creation of good President Woodrow Wilson, with the tranquillity prevailing whilst relatively non-interventionist, bad Calvin Coolidge was president.)

Of course, North America, for openers, had to repay to England a part of the cost of the wars with the French, and George and his ministers conscientiously set about to organize that. Dumas Malone and his co-authors, Milton Kaplan and the late Hirst Milhollen, set about relating and illustrating the sequence of events in the first part of *The Story of the Declaration of Independence*. Tariffs, of course, were imposed upon colonial imports. When smuggling became rampant, the Crown authorized writs of assistance

—a sort of early no-knock law—to run down violators. James Otis, in his Massachusetts court arguments against them, was “a flame of fire” and roused the populace. The Stamp Acts (payment to the Crown for the privilege of legally concluding a contract or issuing a deed for property) followed. Patrick Henry declaimed that Caesar had his Brutus, Charles I his Cromwell, and George III . . . “Treason!” cried older members of the House of Burgesses, but the leader of protest had forever made his point among Virginians and all the colonists. The Townshend Acts, which when eventually repealed after solid colonial opposition, still left the tax on tea symbolic of British power over the American economy. And then came the Tea Party in Boston harbor.

George had to end all these resistances. He closed Boston harbor and remodelled the Massachusetts government to bring it under his hand.

But it didn't work; force met with its response in the First Continental Congress, called in Philadelphia in 1774 to see what was to be done. Sam Adams (the Murray Rothbard of the first libertarian revolution) and John Adams were there; they could see the inevitable denouement, but publicly stayed not too far ahead of their compatriots. Nonetheless, after shrewd diplomatic maneuvers, they achieved passage of the non-importation agreement aimed at British traders, which they knew would force a political showdown.

Thomas Jefferson wasn't there. He was a young farmer and lawyer of thirty-one years who had picked up a remarkable sort of self-education while attending the college of William and Mary in Williamsburg—Devilsburg, he called it! Why studies of the libertarian bent of so many Virginians of the period omit or downplay mention of George Wythe, extraordinary professor (then “tutor”) of law, is a mystery to this reviewer. He had a profound effect upon the early shaping of Jefferson's mind, and of innumerable others. It may be that he is one of the seminal libertarian thinkers.

While the Congress sat, Jefferson wrote a pamphlet offering the then-advanced view that Crown and Parliament had no authority whatsoever over the colonies. The Adamses saw an intelligent and capable ally; when Jefferson was sent to the second Congress, they urged his seating on the committee which soon metamorphosed from that to draft A Declaration On The Necessity of Taking Up Arms to one for drafting a declaration for independence.

In the meantime, Bunker Hill had been fought, Patrick Henry had spoken, and boys were wearing the motto “Liberty or Death” on their hunting-shirts (like political slogans on T-shirts during the last few years).

Early on the delegates saw that Jefferson's words could set the controversy on a higher plane than mere taxation: “Our fathers, inhabitants of the island of Great Britain, left their native land to seek on these shores a residence for civil and religious freedom.” And when the military and diplomatic relationship between Crown and colonies became inflamed in 1776 beyond the power of conciliatory poultice to soothe, Jefferson was appointed to draft the fateful Declaration whose words are nearly all his.

Mr. Jefferson later said he was not straining for novelty, but “to place before mankind the common sense of the subject, in terms so firm and plain as to command their assent, and to justify ourselves in the independent stand we are compelled to take.” To his countrymen, Malone adds

## ABORTION, BASEBALL, &amp; WEED: E

By D. C. North

This is a half-priced, improved version of *The Economics of Public Issues*, which has been widely used as a supplemental text. (Harper & Row has been ripping-off students.) Since it approximates my own views more nearly than any other book—except perhaps Roger Miller's magnum opus, *Economics Today*—I will play the devil's advocate in this review.

One interesting change from the textbook version is that “The Economics of Standard Oil” has disappeared. That chapter typified the phony posturing about moral neutrality that permeates the book: “Again we leave to individual judgement the decision as to whether the results are ‘good’ or ‘bad’.” (Two pages later, the authors are caught saying, “Although the distributional aspects of the gains from oil imports may not seem equitable. . .”) Now, why put quotation marks around *good* and *bad*? This sort of thing irritates moral philosophers, and rightly so. Abdication on ethical matters is not neutrality; it

implies that moral reasoning is invalid. Yet the book's opening sentence declares, “Very few of the major issues of our time are purely economic. . .”

More ethical neutrality: “Socialization of medicine would, in fact, allow low-income people (actually all people) to obtain medical care that they might not have chosen to spend their money on if forced to pay for it directly. . . If society feels this is a desirable goal,” say North and Miller, “then socialization of medicine is a possible course of action.” But why is it okay for a majority to decide to send its medical bills to a minority? Again, the statement is factually dubious too: Wealthy, higher-income people make more use of medical facilities because they are better-informed about dangerous symptoms, and most socialized medicine schemes are designed (by rich senators) to be financed by regressive payroll taxes. Thus socialized medicine would surely be another subsidy of the rich by the poor!

# RATION OF INDEPENDENCE

plan, and Hirst Milhollen

"it has seemed that [this] first public paper of the Republic is the best one. Its well-worn phrases still have the freshness of life because it nobly evokes the undying spirit of human freedom."

The triple authors of *The Declaration of Independence* carry on its story in 275 pages lavishly illustrated in black and white. The events surrounding its proclamation, the lives of the Signers, the fate of the document itself over eight generations, are all swiftly and accurately covered. As an overview for those not familiar with the events of the time the book is sound, if not gripping. It was first published in 1954 by Oxford University Press; I wonder if this "Bicentennial Edition" reissue at fifteen dollars is not an act of English economic revenge.

Jefferson saw the Revolution, and the events following it with which he was intimately involved, as one for and about the liberation of most of mankind—and especially from the State and the institutions created by the State for the profit of its supporters. Having served as governor of Virginia during the war, having narrowly escaped capture at his home by Tarleton, and having suffered extensive property destruction by Cornwallis, when peace came he was eager to settle back in Monticello and live the life of writer, farmer, and scientific experimenter. He probably would have done so but for the early death of his wife Martha in the fall of 1782.

Congress asked him to be minister to France; he went in 1784 and remained on the continent for five years. He delighted in the amenities—every civilized person, it is said, has two countries, one of which is France—but there was a missing sense of freedom. "The immense majority was in bondage to its masters, the masters were in bondage to vices which were the natural fruit of irresponsibility, which kept them in a condition really worse and more hopeless than that of those whom they exploited." So comments that great libertarian Albert Jay Nock in his fascinating study *Jefferson*. His subject, commenting upon the ultimate masters, the French Court, said that that spectacle is to be seen as you would see "the menagerie of Versailles with [its] lions, tigers, hyaenas, and other beasts of prey, standing in the same relation to their fellows. A slight acquaintance with them will suffice to show you that under the most imposing exterior, they are the weakest and worst part of mankind." Indeed. Mightn't that description be aptly applied to the Nixon "court"? Mr. Jefferson would have done so if resurrected at the appropriate moment for comment, I have no doubt. What he saw and what raised his gorge in Europe in the 1780s has recently been routine in the United States.

Mr. Jefferson came back and again longed to stay at Monticello. But he became President Washington's Secretary of State in a cabinet of four. He almost alone was qualified to advise on matters relating to the revolution in France, rapidly assuming stage center in world affairs.

His first shock was to find that in fashionable circles the talk was of the need for a strong government for the United States. "Where," asks Nock, "was the old high spirit, the old motives, the old familiar discourse about natural rights, independence, self-government?" Jefferson said, "I can not describe the wonder and mortification with which the table conversations filled me."

It was, of course, a swing of the ideological pendulum. It had been

pushed by everyone's perception of the wrong turning taken by the French Revolution, and again by that determined and successful advocate of the central state, Alexander Hamilton. Jefferson was no debater, no orator; in his years in the cabinet he almost always opposed Hamilton's plans to create a class of creditors of the federal government whose interests therefore would be made to coincide with the government's desire for strength, solvency, and growth. Jefferson lost, every time. And to this day, it is, at bottom, the Hamiltonian system of those persons and corporations who have been deliberately made economically dependent upon Washington (and especially the close association between banking and government) which holds up the federal government.

Nock's study of Jefferson's learning curve (as we might today call it) during this period is not to be matched. And Jefferson's comprehension of the wheels within wheels was perhaps not complete even when the pendulum returned and he was made president in 1801; he believed Hamilton's general system was a fixture. "When the government was first established, it was possible to have kept it going on true principles, but the contracted, English, half-letted ideas of Hamilton destroyed that hope in the bud. It mortifies me to be strengthening principles which I deem radically vicious, but this vice is entailed on us by the first error . . . What is practicable must often control what is pure theory."

Libertarian Jefferson was, but not a "pure" one, either compared to the Thomas Paines and Patrick Henrys of his day, or, of course, to the thinkers of today's renewed and refined libertarian cause. In his administrations, Mr. Jefferson reduced government expenditure and taxes of all kinds, eliminated the military projects commenced by the Adams administration, and ended pomp and expensive governmental ceremony. But he bought the Louisiana Territory with eyes open to the unconstitutionality of his act, imposed (with Congress) the dreadful Embargo upon this country, and wrote to his Secretary of the Treasury in 1808, "The appointment of a woman to office is an innovation for which the public is not prepared, nor am I."

At last in 1809 Mr. Jefferson was free. He went to Monticello, and quite literally stayed home the rest of his life—seventeen years. He was by nature a private person. "Hide thy life, said Epicurus; and no one ever succeeded better than Thomas Jefferson at hiding his inner springs of sentiment." So Nock; but Jefferson loved his scientific pursuits, visits from the great of the world, his correspondence that went to the limits of the Western world, and the University of Virginia, whose creation was the major occupation of his last years.

But best of all Jefferson loved his surviving daughter, his grandchildren, and the incomparable Monticello. Jefferson had had only one real tragedy in his life: the loss of his wife. It is a happy thought for any admirer of his great contributions that his far-away friends spared Mr. Jefferson a second tragedy in the closing months of his life.

Nock's book is also a reissue, in paper, at a price of \$2.95. It's a steal! But it is not a biography; it is best read with a prior nodding acquaintance with the history of America between 1760 and 1820. Professor Peterson of Brandeis wrote a sound and accurate introduction to the new edition, yet hardly in the slightest what I in his place should have written. Nock is that rich. Reviewed by Roger Lea MacBride / History-Biography / Jefferson / LR Price \$2.95 / Story / LR Price \$15

# ECONOMIC ISSUES OF OUR TIMES

and R. L. Miller

More quirks: "The New York Stock Exchange is perhaps the most perfectly competitive market we know." That should at least be qualified with a reference to the SEC brokerage cartel, perhaps the most perfectly monopolized trade we know. "A federal bureaucratic job offers little risk of termination, but also little chance of a large income." False. It offers both low risk and high income (particularly if you include the opportunities for graft).

"Those who pay additional taxes must in turn decide whether they feel the additional public services made available are worthwhile." When was anyone—outside of California—last given a genuine opportunity to vote against a perpetually increasing tax bite?

These reservations aside, the book is truly remarkable. The scope is heroic, covering thirty subjects and at least as many economic concepts. Examples:

application of peak-load pricing to energy problems, of information-cost theory to consumerism, of human-capital theory to discrimination against women and blacks, and of risk-aversion theory to usury laws. A typically novel insight: "Income is redistributed by laws which make abortion, prostitution and narcotics illegal. . . . Since information is more costly for illegal goods and services, in general those who can afford to pay more (the wealthy) receive a better product than those who are poor."

This is a fun book, full of simple yet challenging ideas. Nearly every imaginable issue is stripped to its essentials and subjected to embarrassing (for the State) analysis and evidence. It is also a useful reference for getting your head together on seemingly complicated subjects. It was a bargain at \$2.95, so the difference is pure consumer surplus. Reviewed by Alan Reynolds / Economics / LR Price \$1.50