

## BOOKS

[*Against Leviathan: Government Power and a Free Society*, Robert Higgs, Independent Institute, 408 pages]

## Enemy of the State

By Daniel McCarthy

EIGHTEEN YEARS AGO, Robert Higgs published *Crisis and Leviathan*, a work that has since become a landmark in the study of political economy. Upon its release, the book attracted favorable reviews from nearly every quarter, with a *Harper's* editor calling it "a thoughtful and challenging work" and the *American Spectator's* R. Emmett Tyrrell writing, with characteristic hyperbole, that he could "think of no more important reading than Mr. Higgs' book, apart from the Constitution itself." Economists from Murray Rothbard to James Buchanan similarly praised it.

What made *Crisis and Leviathan* a milestone was the rigor with which it elaborated upon the logic of James Madison's 1794 warning against "the old trick of turning every contingency into a resource for accumulating force in government." Other political economists had studied the growth of state power during times of war, depression, and general upheaval before, but none had done so as thoughtfully and thoroughly as Higgs. He took special care in describing the "ratchet effect"—once a crisis has passed state power usually recedes again, but it rarely returns to its original levels; thus each emergency leaves the scope of government at least a little wider than before. Just as importantly, Higgs paid close attention to the role of ideology in nourishing Leviathan, a factor often dismissed out of hand by economists for whom what cannot be quantified does not exist.

Higgs is an economist of a different kind, as his new book, *Against Leviathan*, shows. His background is well within the scholarly mainstream—a Johns Hopkins Ph.D., he has taught at colleges large and small, from the University of Washington to Pennsylvania's Lafayette College, where he held the William E. Simon chair in political economy before joining the Independent Institute of Oakland, California and becoming the editor of its quarterly journal, the *Independent Review*. But he has long questioned the assumptions, and the numbers, on which the pillars of political economy rest. Against the public-choice school, with whom he otherwise has much in common, Higgs contends that government cannot simply be treated as if it were a business or a means for reducing the "transaction costs" of contracts—force and ideology play too great a role. This new volume, carrying on from *Crisis and Leviathan*, makes that case powerfully.

The 40 short chapters here are drawn from Higgs's journalism in the *Independent Review* and elsewhere; yet despite the variety of sources, this volume comes close to being an organic whole. It is a polemic, as the title suggests, but one built upon meticulous scholarship. "Although I express a definite point of view in these essays," Higgs writes in his introduction, "I have also been at pains to present evidence, explanation, and analysis—this book is not just a bunch of op-ed diatribes." What's more, "I have sought to express my ideas in clear, forceful, and vivid English"—for which the reader can be grateful. Political economy hardly makes for a sexy subject matter even with the lucid prose, cutting wit, and moral intensity Higgs brings to this book; without those qualities, all else would be lost.

That Higgs sets out in his first chapter to overturn the Left's most sacred idol helps enliven things immediately. That opening volley is entitled, provocatively, "Is More Economic Equality Better?" One need not be a Marxist to think so: too wide a gulf between the riches of the elite and the meager lot of the poor

promises to be a recipe for turmoil. But Higgs cannily approaches the question from an oblique angle, showing that inequality can have structural causes that no sensible person would want to remove. By way of illustration he suggests, tongue in cheek, seven radical measures that could drastically reduce income inequality—compelling housewives to enter the workforce, for example. "Because housewives are not rewarded for their efforts in the home by explicit monetary payments, their presence in society increases economic inequality—at least as now measured." Higgs here lampoons those sophisters and calculators whose statistics paint an unworldly picture of human misery. Statistical inequality need not mean societal instability; what must be examined, Higgs argues, is whether the actions that lead to more or less equal distribution of wealth are themselves just or not.

Two further chapters explore the ethos and practice of income redistribution in detail before the author turns his attention to the men who built the welfare state, whom he calls in his next section heading, "Our Glorious Leaders." These include a few of the usual bogeymen execrated by critics of big government, notably Franklin Delano Roosevelt and Richard Nixon. But Higgs does not conjure their ghosts simply to condemn them again (and again and again); he has a new take. The chapter on Nixon, for example, does not dwell on his price controls or Watergate or even that part of the Vietnam conflict fought during his tenure. Instead, Nixon represents for Higgs a common type—not a monster but a politician who keenly understood the ways of patronage and power and whose example teaches us a great deal about the nature of the trade. That nature, according to Higgs, was adumbrated long before Nixon by the words of Lord Bolingbroke, who wrote of his own political fortunes, "we came to court in the same dispositions that all parties have done ... our principal views were the conservation of [governmental] power, great employments to our-

selves, and great opportunities of rewarding those who had helped to raise us, and of hurting those who stood in opposition to us.”

That may be a depressing thought, but Higgs is not all twilight and gloom. In later pages he revisits American history in search of a few good—not great—presidents, and he finds some. Best of all in his view is Grover Cleveland. “He kept the country at peace. He respected the Constitution, acknowledging that the national government has only a limited mission to perform and shaping his policies accordingly.” Indeed, Cleveland took the legal limits of his ability to act so seriously that he refused to offer federal disaster relief to drought-stricken Texas farmers; he simply could not find any constitutional authority for doing so. Other presidents who fare well by Higgs’s standards include one of the greats, George Washington, and if not Ronald Reagan at least Reagan’s own favorite occupant of the Oval Office, Calvin Coolidge. Higgs seconds Henry Mencken’s wry epitaph for Silent Cal: “There were no thrills while he reigned, but neither were there any headaches. He had no ideas, and he was not a nuisance.” All of this supplies a welcome antidote to the war-president hagiographies offered by the likes of Michael Beschloss and Doris Kearns Goodwin (or whoever writes her books).

These early chapters fortify the reader for the intense examination of economic policy that follows and comprises the bulk of the book. On everything from taxation, trade, and regulation to the therapeutic regime that urges Ritalin on every fidgety schoolboy, this book presents an uncompromising and carefully argued case for smaller government. Even many conservatives and libertarians sympathetic to the direction of Higgs’s thought may find him too radical at times; not for nothing does he begin the book with an epigraph from Burke’s *Vindication of Natural Society*—“In vain you tell me that artificial government is good, but that I fall out only with the abuse. The thing! The thing itself is the abuse!”—a work the states-

man himself published anonymously and later repudiated as a mere satire. Since *Crisis and Leviathan*, Higgs has become ever more trenchant in his criticisms, and he does not offer policy-makers palatable—or some might say plausible—alternatives to their current practices. Yet this negative effort is still an invaluable service, all the more so because he is not averse to addressing such impolitic topics as wasteful military spending and the failings of the Food and Drug Administration.

What can he say about the FDA, an agency that keeps us safe from impure food and poisonous pharmaceuticals? Occasionally the FDA will approve a drug like Vioxx that later turns out to be harmful, but the larger problem with the agency, he contends, is to be found in the other direction—in the form of life-saving medicines that have been held up by the regulatory process or kept off the market altogether by the rigors of bureaucracy. The depth of this problem can be gauged by noting how often doctors prescribe medications for “off label” purposes—that is, for uses not approved by the FDA. The figures Higgs cites indicate that 40 to 50 percent of all prescriptions, and a higher percentage of those for children and cancer patients, are for “off label” uses.

#### HIGGS SECONDS HENRY MENCKEN’S WRY EPITAPH FOR SILENT CAL: “THERE WERE NO THRILLS WHILE HE REIGNED, BUT NEITHER WERE THERE ANY HEADACHES.”

A cold anger suffuses the chapters here on the political abuses of defense contracts. When congressmen approve useless or defective weapons systems for the sake of their own re-election prospects, they jeopardize the whole country. Higgs mints a new word for these reckless pols: pork-hawks. He relates at length the stories of such early 1980s defense boondoggles as the A-7 and T-46 aircraft, the latter of which cost taxpayers hundreds of millions of dollars and ultimately produced “only two prototypes and a single production-model aircraft.” Every million for planes

that don’t fly is, of course, another million that cannot go toward providing U.S. soldiers in a combat zone with proper armor. Or as Higgs puts it, this kind of corruption “slashes the ammunition budget in order to buy more guns.” It won’t stop until “opinion leaders, and hence the public, start to view these acts as treachery rather than as politics as usual.” Quoting an anonymous congressional aide, Higgs notes that 9/11 changed nothing in this regard: “For Congress, this disgusted insider wrote, ‘War is not Hell; it’s an opportunity.’”

As important as such material is, much of it can be found elsewhere—albeit not so succinctly and cogently argued—in studies by the Cato Institute and other think tanks with an eye on Uncle Sam’s spending habits and urge to meddle. *Against Leviathan*’s last two sets of chapters, however, present rather more original matter—surprisingly, most of it in the form of book reviews. Higgs is often at his best engaging the work of other scholars, whether he’s sharpening his thoughts about ideology against the whetstone of Aileen Krador’s book *The Radical Persuasion* or debunking the reheated socialism of Third Way guru Anthony Giddens. A representative example is Higgs’s discussion of *Quicksilver Capital*, a 1991

volume by political economists Richard B. McKenzie and Dwight R. Lee. Their thesis in that work, and an idea in great vogue among libertarians throughout the tech-boom ‘90s, is that the increasing mobility of capital across national borders promises to render the Leviathan-state a thing of the past. Higgs dissents: at the height of globalization, government was not getting smaller. The statistics upon which the pollyannaish forecast of *Quicksilver Capital* is based turn out not to be reliable. The rate of government expansion slowed for a time in the last decade only because the larger the

state grew the smaller each additional billion became by comparison.

Moreover, Higgs notes, the statistics fail to take ideology into account. Economic progressivism may have lost some of its popularity since the collapse of Communism, but what has replaced it is not a new longing for limited government. Citing the evidence of opinion surveys, Higgs reveals, "During the past twenty-five years increasing proportions of the randomly sampled respondents have had no opinion at all about the size and power of the national government in the United States. They evidently view it either as a fact of nature or as beyond conceivable change. Maybe they just don't care." "Arriving at a condition against which Alexis de Tocqueville warned long ago," he later writes, "the American people have now become for the most part 'a flock of timid and industrious animals, of which the government is the shepherd.'"

Something in the American character had to change before a people who had revolted against George III's taxes on tea and sugar could accept an Internal Revenue Service—and before a nation whose statesmen had cautioned against entangling alliances and searching out monsters to destroy could become sheriff to the whole world. Higgs locates in

the Civil War "the Bloody Hinge of American History," with Union and Confederacy alike seizing vast new powers over the press, the judiciary, commerce, personal income, and even money itself—the era gave us both "Confederate currency" and the greenback. But the spirit of the Old Republic was not lost all at once; "something approximating classical liberalism retained a strong hold on most Americans, even on many opinion leaders, prior to the Progressive Era." It was only then that a combination of judicial activism and the imperial presidency of Theodore Roosevelt effected the fatal turn, as Higgs discusses in a review of Martin Sklar's book *The Corporate Reconstruction of American Capitalism, 1890-1916*.

The closing chapters of *Against Leviathan* leave the reader hoping that Higgs will soon return to his study of ideology at greater length. But in the meantime, this important and surprisingly readable collection provides an outstanding survey of the aggrandizement of Hobbes's artificial man. If it isn't exactly the most essential reading next to the Constitution itself, *Against Leviathan* is nonetheless the best critique of the relentless expansion of state power—and the perils that growth entails—since Higgs's own earlier book. ■

[*An Imaginative Whig: Reassessing the Life and Thought of Edmund Burke*, Ian Crowe, ed., University of Missouri Press, 242 pages]

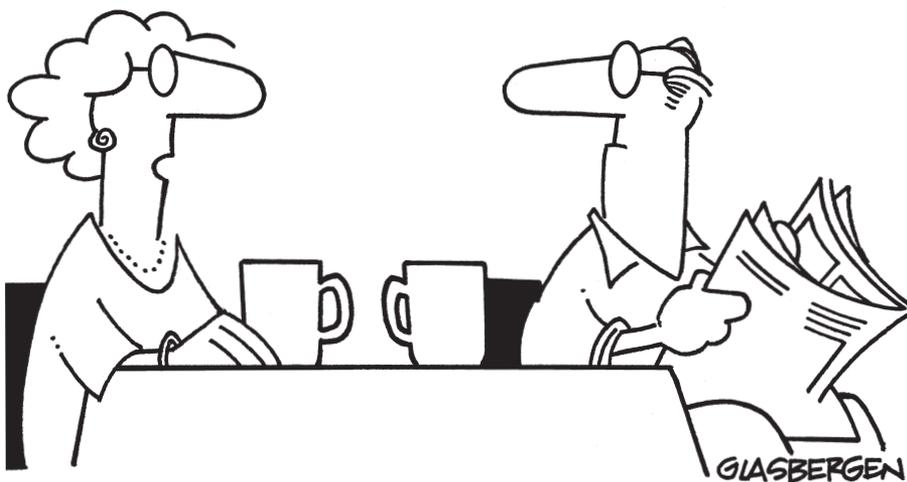
## An Ambiguous Conservative

By Edward Feser

FOR SOME CONSERVATIVES, the value of tradition lies in its tendency to reflect an eternal order, a natural law of which tradition is but an approximation. For others, long-established practices and institutions are valuable because they provide the stability societies need for their well-being. The first sort of conservative is liable to advocate a departure from tradition if it too imperfectly reflects the natural law. The second is more likely to favor preserving tradition, even when this might entail a compromise on moral principle, in the interests of maintaining continuity with settled expectations and respect for precedent. Whereas conservatism of the first sort often rests on a robust metaphysical conception of human nature and systematic moral theory, the second type is commonly associated with skepticism about the possibility of metaphysical and moral knowledge.

Edmund Burke is interesting for many reasons, but perhaps chief among them is that he appears to straddle this divide between conservatisms. On the one hand, he clearly regarded those traditions he sought to preserve as deriving from a divine order to which we are duty bound to submit ourselves. On the other hand, he was highly suspicious of abstract theory of any sort. The essays in Ian Crowe's important new anthology reflect this tension and thereby illustrate how the conflicts that often arise among contemporary conservatives may well have their origin in the thinking of their common spiritual father.

Joseph L. Pappin III favors a reading of Burke as essentially a conservative of the metaphysical sort, and in an essay



"Same-sex marriage is nothing new.  
We've been having the same sex for 25 years."