

The Revolt of the Libertarians

To many Americans who believed in the existence and value of Western civilization, 1945 was a year of victory and foreboding. Europe was liberated but prostrate; the price of Hitler's extirpation had been the rending of what men once called Christendom. In far-off Asia, the Rising Sun had set—but not before seeing the future in the atomic bomb. And after all the sacrifices of war, there stood across eastern and central Europe, ominously, enigmatically, the Colossus of the East. Like the Abbé Sieyès, who had lived through the French Revolution, historically minded Americans might simply have said to one another: We survived.

For those Americans who believed in the creed of old-fashioned, classical, nineteenth-century, liberal individualism, 1945 was especially lonely, unpromising, and bleak. Free markets, private property, limited government, self-reliance, *laissez-faire*—it had been a long time since principles like these

had guided governments and persuaded peoples. The 1930s—what had they been? Uncongenial years of workers' utopias, New Orders, and marching feet abroad; Blue Eagles, the WPA, and increasing regulation of the economy at home. The war—the Popular Front war, the crusade for freedom—had been little comfort to many thoughtful adherents of the old liberal faith. President Roosevelt may have announced the demise of “Dr. New Deal” in favor of “Dr. Win-the-War,” but to many of his foes the end of domestic reform could hardly be welcomed.

For what had war and victory brought? A domestic superstate, a partially controlled economy, millions of conscripts under arms, and widespread fears of reversion to depression once demobilization set in. Further success for a philosophy of “tax and tax, spend and spend, elect and elect.”¹ If, seeking solace or perspective, these apprehensive “individualists” turned to ravaged Europe for a portent of the future, they could only be further disheartened. In the summer of 1945, Americans were stunned to learn that Britain had voted Socialist. Britain—home of so much of the classical liberal tradition, of John Locke and Adam Smith, Herbert Spencer and John Stuart Mill. Britain—home of the dauntless Tory, Churchill, who had warned the voters about the dangers of socialism, only to be turned out into the cold. “We are the masters now,” boasted a Labour Party M.P. In Parliament, August 1, 1945, exultant socialists sang the “Red Flag” for the first time since the Spanish Civil War.²

Was the whole Western world going Left? Many old-time American liberals feared that it was. Their dejection was sharply reflected in an article written by the historian Mortimer Smith and published three days after the Yalta conference in the year of victory. The “central fact” of the last seventy-five years, he declared, had been the march of men to collectivism; this trend was certain to gain “terrific momentum” from the war.

1. This phrase has been attributed to Harry Hopkins.

2. Harold Macmillan, *Tides of Fortune* (New York, 1969), p. 36; *New York Times*, August 2, 1945, pp. 1, 9.

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Through the cacophonous chorus of the postwar planners runs one harmonious theme: the individual must surrender more and more of his rights to the state which will in return guarantee him what is euphemistically called security.

No matter what their ideology, said Smith, the leaders of the Grand Alliance agreed on one goal: “enhanced state power” after the war. The fact was inescapable that “old-fashioned liberalism . . . is all but dead in our present world.”³

And yet. And yet. The situation, gloomy though it appeared to many whom we may designate libertarian conservatives, was not hopeless. History, in fact, is rarely without hope, for history is possibility. There is no such thing as a lost cause, said T. S. Eliot, for there is no such thing as a gained cause. In 1945 classical liberalism was neither dead nor dying. Even then, as Mortimer Smith acknowledged in his article, there were “faint twitchings and stirrings”⁴ in the land. In a world of overweening statism, entrenched bureaucracy, and seemingly triumphant philosophies of the Left, the old indigenous American tradition of “individualism” was about to enjoy an unexpected revival. It was to become one branch of the postwar conservative intellectual movement.

However old and indigenous this stream of thought may have been, much of the initial impetus for its renaissance came not from America but from Europe. Indeed, it is doubtful that this resurgent libertarianism would ever have achieved the respectability and impact that it eventually did attain without the contributions of two émigré scholars from the nightmare world of the Thousand Year Reich. The roots of postwar American conservatism must first be sought in Europe, in the revulsion from dictatorship and war.

In the spring of 1944 a little book called *The Road to Serfdom*

3. Mortimer Smith, “Individualism Talks Back,” *Christian Century* 62 (February 14, 1945): 202.

4. *Ibid.*, p. 203.

appeared in Britain and soon caused a great storm. Interestingly enough, it was not written by a native Englishman but by an Austrian economist named Friedrich A. Hayek, then teaching at the London School of Economics. Born in Vienna in 1899 and educated at its university, an economist and lecturer in Austria during the 1920s, Hayek had gone to the London School of Economics as a professor of economics in 1931. Watching from afar the deepening crisis in central Europe in the 1930s, Hayek became a British subject in 1938. As World War II enveloped Europe, he grew increasingly alarmed about the tendency toward governmental planning of the economy and the consequences of this trend for individual liberty. He decided to write a learned polemic, which he dedicated “to the Socialists of all parties.”⁵

The thesis of Hayek’s work was simple: “Planning leads to dictatorship”; “the direction of economic activity” inevitably necessitates the “suppression of freedom.”⁶ By “planning” Hayek did not mean any kind of preparation by individuals or governments for the future; he meant only “central direction of all economic activity according to a single plan,” or “planning against competition.”⁷ Such comprehensive controls, he argued, would necessarily be arbitrary, capricious, and ultimately destructive of liberty.

Economic control is not merely control of a sector of human life which can be separated from the rest; it is the control of the means for all our ends. And whoever has sole control of the means must also determine which ends are to be served,

5. Friedrich A. Hayek, *The Road to Serfdom* (Chicago, 1944). In 1956 this book was reprinted with a new foreword; we shall cite this later edition (Chicago, 1956). This important foreword is reprinted as chap. 15 of Friedrich A. Hayek, *Studies in Philosophy, Politics and Economics* (Chicago, 1967). For biographical information on Hayek, see Mary Sennholz, ed., *On Freedom and Free Enterprise* (Princeton, 1956), pp. 3–4.

6. Hayek, *Road to Serfdom*, p. 70.

7. *Ibid.*, pp. 35, 42.

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which values are to be rated higher and which lower—in short, what men should believe and strive for.⁸

Collectivism, in short—all collectivism—was inherently totalitarian; “democratic socialism” was illusory and “unachievable.”⁹ Pointing to Nazi Germany as the incarnation of his fears, Hayek argued that “the rise of fascism and nazism was not a reaction against the socialist trends of the preceding period but a necessary outcome of those tendencies.”¹⁰ His book, in short, was no academic matter. The path to socialism which Britain was taking was the very path Germany had already chosen: the road to serfdom.

Against this specter Hayek opposed “the abandoned road” of individualism and classical liberalism. The “fundamental principle” of this creed was “that in the ordering of our affairs we should make as much use as possible of the spontaneous forces of society, and resort as little as possible to coercion. . . .”¹¹ This did not mean, Hayek insisted, that government should be inactive;¹² he strenuously denied that his brand of liberalism was identical with *laissez-faire*.¹³ Instead, he proposed the concept of the Rule of Law: “government in all its actions is [to be] bound by rules fixed and announced beforehand. . . .”¹⁴ Such a principle would often require vigorous government action designed to facilitate competition and the continued functioning of a free society. Under such a system, in fact, limitations of working hours, sanitary regulations, and even minimum wage

8. *Ibid.*, p. 92.

9. *Ibid.*, p. 31.

10. *Ibid.*, pp. 3-4.

11. *Ibid.*, p. 17.

12. “In no system that could be rationally defended would the state just do nothing” (*ibid.*, p. 39).

13. For example, see *ibid.*, pp. 17, 36. On the latter page he called the *laissez-faire* attitude “dogmatic.”

14. *Ibid.*, p. 72.

laws and social insurance would be permitted.¹⁵ But always the design of such interventions must be the *preservation* of competition, private initiative, and private property, and the rules of the game would have to be applied equally. There was, he contended, a world of difference between his version of the liberal state and the centralized, capricious, privilege-granting, collectivist state—aggrandizing power and “planning against competition.”¹⁶

The response to Hayek’s work in Great Britain was immediate. Intended “as a warning to the socialist intelligentsia of England,” *The Road to Serfdom* incited many readers to vigorous reply.¹⁷ So important a challenge did it offer that two book-length refutations appeared—one by a prominent Labour Party M.P.¹⁸ At one point in 1945, Hayek even briefly became an election issue when Clement Atlee accused the Conservative Party of adopting the Austrian economist’s allegedly reactionary principles.¹⁹

The British reception of Hayek’s book was mild and restrained, however, compared to its fate in the United States

15. *Ibid.*, pp. 36-37, 120–121. They might not always be wise policy, however.

16. *Ibid.*, p. 42. For a concise statement of Hayek’s distinction, see his radio debate with Professor Charles Merriam and Professor Maynard Kreuger, April 22, 1945, entitled “The Road to Serfdom,” *University of Chicago Round Table*, no. 370.

17. See, for example, George Orwell’s review in the *Observer*, April 9, 1944, reprinted in *As I Please, 1943-1945* (New York, 1968), pp. 117–119. A surprisingly favorable review came from Lord Keynes in a letter to Hayek, June 28, 1944: “In my opinion it is a grand book. We all have the greatest reason to be grateful to you for saying so well what needs so much to be said. You will not expect me to accept quite all the economic dicta in it. But morally and philosophically I find myself in agreement with virtually the whole of it; and not only in agreement with it, but in a deeply moved agreement” (quoted in *The Life of John Maynard Keynes*, by R. F. Harrod [New York, 1951], p. 436).

18. Barbara Wootton, M.P., *Freedom Under Planning* (London, 1945), and Herman Finer, *The Road to Reaction* (Boston, 1945).

19. *New York Times*, June 6, 1945, p. 4. Harold Macmillan later recalled that Churchill read *The Road to Serfdom* before he gave his famous 1945 election radio address denouncing socialism as a threat to British liberties (Macmillan, *Tides of Fortune*, p. 32). For Hayek’s retrospective analysis of the success of his book in Great Britain, see his 1956 foreword, pp. iv–v.

following publication on September 18, 1944. The book had not been expected to make much of an impact; in fact three publishing houses—at least one of them apparently motivated by political opposition to Hayek—rejected it.²⁰ When the University of Chicago Press finally published the book, it printed only 2,000 copies.²¹ Clearly, as Hayek later recalled, this book was “not intended for popular consumption.”²²

Hayek’s expectation was wrong. Instantly his book was recognized, not just as a scholarly polemic but as a fervent tract for the times. Within a week a second printing of 5,000 copies was undertaken;²³ a few months later the *Reader’s Digest* eagerly condensed the book for its readers and arranged for the Book-of-the-Month Club to distribute more than a million reprints. Soon Hayek—who had thought of himself as something of a voice in the wilderness—was lecturing all over the United States. “Seldom,” said one observer, “have an economist and a nonfiction book reached such popularity in so short a time.”²⁴

Many book reviewers contributed to the growing controversy with excited and sometimes extravagant remarks. In a front-page article in the *New York Times Book Review*, the veteran journalist Henry Hazlitt proclaimed *The Road to Serfdom* “one of the most important books of our generation,” comparable in “power and rigor of reasoning” to John Stuart Mill’s *On Liberty*.²⁵

20. Hayek, *Road to Serfdom*, p. v. For a discussion of the peculiar response of at least one publisher to the book, see William Miller, *The Book Industry* (New York, 1949), p. 12, and W. T. Couch, “The Sainted Book Burners,” *The Freeman* 5 (April 1955): 423.

21. C. Hartley Grattan, “Hayek’s Hayride: Or, Have You Read a Good Book Lately?” *Harper’s* 191 (July 1945): 48.

22. Hayek, *Road to Serfdom*, p. v.

23. Grattan, “Hayek’s Hayride,” p. 48.

24. Lawrence K. Frank, “The Rising Stock of Dr. Hayek,” *Saturday Review* 28 (May 12, 1945): 5.

25. Henry Hazlitt, “An Economist’s View of ‘Planning,’” *New York Times Book Review*, September 24, 1944, p. 1. Hazlitt believes that this front-page review in one of the nation’s principal newspapers made Hayek’s book a best-seller (interview by telephone, August 30, 1973).

In *Fortune*, John Davenport judged the book “one of the great liberal statements of our times,” an effective restatement of the faith in individualism, “the faith after all in Western Christian civilization.”²⁶ Mortimer Smith predicted that Hayek’s work might become a “milestone in a critical age,” like Thomas Paine’s *The Rights of Man*.²⁷ Meanwhile, the hostile *New Republic* editorialized that Hayek’s work was having little scholarly impact and was simply being used by reactionary business interests.²⁸ Stuart Chase asserted that the volume was fulfilling a “deep spiritual need in American men of affairs” for “the fundamentalist doctrine that those of us beyond fifty were brought up on.”²⁹ Writing early in 1946, Professor Charles Merriam, a wartime vice-chairman of the National Resources Planning Board, vehemently dismissed Hayek’s book as “over-rated,” “dismal,” “cynical,” and “one of the strange survivals of obscurantism in modern times.”³⁰ Even in academic circles the debate became tempestuous, so much so that the editor of the *American Economic Review* took the unusual step of publishing two reviews of the book. Needless to say, they disagreed.³¹

No one was more startled—and admittedly embarrassed—by this uproar than the scholarly Professor Hayek himself.³² As he later observed, the emotions the book engendered amazed him.³³ Why should a work aimed at experts and written by an Austrian émigré living in London stir the passions of Americans?

26. John Davenport, review of Hayek’s book in *Fortune* 30 (November 1944): 218–221.

27. Smith, “Individualism Talks Back,” p. 203.

28. “Poor Mr. Hayek,” *New Republic* 112 (April 23, 1945): 543; “In Justice to Mr. Hayek,” *New Republic* 112 (May 21, 1945): 695.

29. Stuart Chase, “Back to Grandfather,” *Nation* 160 (May 19, 1945): 565.

30. Charles Merriam, in *American Political Science Review* 40 (February 1946): 135.

31. Aaron Director and Eric Roll, in *American Economic Review* 35 (March 1945): 173–180.

In introducing these reviews, the editor mentioned the “ideological character” of Hayek’s book.

32. Hayek’s reaction, given in the *Chicago Sun*, is quoted in Grattan, “Hayek’s Hayride,” p. 50.

33. Hayek, *Road to Serfdom*, pp. v–vi.

Perhaps it was true, as the *New Republic* charged, that chambers of commerce, advertising interests, and other businesses were boosting demand for the book by bulk orders, thereby concealing its actual public appeal.³⁴ But why should they have bothered? And if, as one critic alleged, Hayek had merely presented “an old nostrum attractively packaged,”³⁵ why should many liberals (new style) have become so angry and even dismayed? Why should one self-proclaimed “left-of-center” reviewer confess that the book had “shaken” him and proved to be “one of the most unsettling books to come along in many years”?³⁶

The reason for the Left’s malaise was partially supplied by Hayek in his retrospective essay of 1956. In contrast with Britain, where the question of freedom versus planning had become a familiar issue by 1945, the United States remained at the stage of enthusiasm. For many American intellectuals, the ideal of a “new kind of rationally constructed society” still seemed novel, vibrant, and “largely unsoiled by practical experience.” To criticize such heady beliefs was to attack something nearly sacred—even if it was, in Hayek’s view, an illusion.³⁷

The Austrian economist’s analysis suggests another reason for the Left’s reaction to his book. It had not, after all, been such a long time since modern liberalism (statism to its detractors) had attained power in America. It had not been so terribly long—twelve years, in fact, in 1945—since professors, lawyers, and many others had turned to Washington, D.C. and to President Roosevelt for leadership and the New Deal. For many of these people, one suspects, the pleasures and gains of those days were not quite consolidated in 1945. Theirs was still an uncertain triumph, not yet ratified by time and consensus. Con-

34. “In Justice to Mr. Hayek,” p. 695.

35. Grattan, “Hayek’s Hayride,” p. 45.

36. Paul Hutchison, “Is a Planned Economy Slavery?” *Christian Century* 62 (January 3, 1945): 18.

37. Hayek, *Road to Serfdom*, pp. vi–vii.

sequently, when a bold challenge like Hayek's appeared—and few denied his competence and polemical power—it could not be airily dismissed. It was a threat, and it had to be vigorously repulsed. In 1948 and 1949 some American liberals would react in a similar but even more intense way to another formative controversy of the postwar era, the Hiss-Chambers trial. In 1945 their uneasiness about the future was already evident.

Yet if, at war's end, many self-designated progressives, for all their power and prominence, may still have felt insecure, the Right did not know it. There a far different sentiment prevailed. Outnumbered and beleaguered, it could only rejoice when a compelling restatement of its case appeared. Stuart Chase might ridicule it as “the true faith we have lost”;³⁸ John Davenport might hail it for the very same reason. But both sides agreed that an old tradition had acquired an articulate voice again. No doubt, as many critics eagerly observed, Hayek's defenders did not always realize just how critical of *laissez-faire* and business he was. Still, their impulse was correct; Hayek *was* on their side. And that was precisely part of his significance: he enabled those who felt routed to draw the lines and confidently take sides once more. At last they had a champion who made the enemy squirm. It is a measure of their rout and of the paucity of libertarian thought in America in this period that they were obliged to rely on an Austrian professor for leadership.

Hayek was not the only European intellectual who provided intellectual sustenance to the American Right in the mid-1940s. Less dramatic but equally noteworthy was the widening influence of another Austrian: Hayek's mentor, the indefatigable Ludwig von Mises. Born in Austria-Hungary in 1881, Mises studied law and economics at the University of Vienna, where he obtained his doctorate in 1906. To be a young economist at Vienna

38. Chase, “Back to Grandfather,” p. 565.

in those days was to live in an environment dominated by the great *Methodenstreit* (clash over methods) of the late nineteenth century. Carl Menger, an eminent “classical liberal” Austrian economist, had opened the “war” in 1883 with an attack on Gustav Schmoller and the German Historical School of economists. To Menger and his allies—soon known as the Austrian School—the Historical School’s relativistic rejection of universal economic laws in the name of history was a dangerous repudiation of science and a justification for government intervention and socialism. After all, if there were no immutable economic laws, why shouldn’t the government direct affairs as it wished? This dispute did not quickly subside. Instead, as Mises later observed, each camp produced its disciples. In the direct line of the Austrian succession, from Menger to Eugen von Böhm-Bawerk (another Austrian economist) and beyond, was Ludwig von Mises. By the 1920s he had become internationally known as an economic theorist and author of a trenchant critique of socialism.³⁹ He was also, like Hayek, an unremitting opponent of Nazism (or National Socialism, as its classical liberal critics carefully noted). In 1934 he left the University of Vienna to become a refugee at the Graduate Institute of International Studies in Geneva. In 1940 the “patriarch of the modern Austrian school”⁴⁰ emigrated to the United States.⁴¹

He was not the only one of his circle to depart. During his years in Europe such men as Gottfried Haberler and Fritz Machlup, as well as Hayek, had studied with or been deeply influenced by Mises. As Europe careened toward catastrophe, these three disciples and others took up residence abroad; sev-

39. For biographical information on Mises, see Sennholz, ed., *On Freedom*, pp. ix–xii. For a discussion of his intellectual ancestry, see his own *The Historical Setting of the Austrian School of Economics* (New Rochelle, NY, 1969).

40. Henry C. Simons, in *Annals of the American Academy of Political and Social Science* 236 (November 1944): 192.

41. See Sennholz, ed., *On Freedom*, pp. x–xi.

eral came to America.⁴² If, as is now recognized, the “Great Migration” of intellectuals from central Europe in the 1930s was a crucial event in the intellectual history of our time, the diaspora of the Austrian School to England and America was likewise one of the significant chapters in the history of modern American conservatism.

In 1944 Mises published two books that increased the debt of American “classical liberals” or “libertarians” to the European refugees. The subject of *Omnipotent Government* and *Bureaucracy*⁴³ was the same: governmental intervention in all its forms. With analytical skill and erudition that even his opponents respected, and with a supreme logical rigor that even his friends sometimes considered excessive,⁴⁴ Mises fought on. He was uncompromising; one reviewer called him “Cato-like.”⁴⁵ More totally devoted to pure laissez-faire than his pupil Hayek, Mises insisted that the choice was stark: capitalism or statism, capitalism or “chaos.”⁴⁶

The essential teaching of liberalism is that social cooperation and the division of labor can be achieved only in a system of private ownership of the means of production, i.e., within a market society, or capitalism. All the other principles of liberalism—democracy, personal freedom of the individual, freedom of speech and of the press, religious tolerance, peace among the nations—are consequences of this basic postulate. They can be realized only within a society based on private property.⁴⁷

42. Friedrich A. Hayek, “A Rebirth of Liberalism,” *The Freeman* 2 (July 28, 1952): 730.

43. Ludwig von Mises, *Omnipotent Government* (New Haven, 1944), *Bureaucracy* (New Haven, 1944). Both were published by Yale University Press.

44. University of Chicago Professor Henry C. Simons, for instance, called Mises “the greatest living teacher of economics” and “the toughest old liberal or Manchesterite of his time.” But alas, he added, “he is also perhaps the worst enemy of his own libertarian cause” (in *Annals*, 192).

45. Antonin Basch, in *American Economic Review* 34 (December 1944): 903.

46. Mises, *Omnipotent Government*, p. 55.

47. *Ibid.*, p. 48.

Indeed, Mises was convinced that “private property is inextricably linked with civilization” and that lasting peace could arise only “under perfect capitalism, hitherto never and nowhere completely tried or achieved.”⁴⁸ According to one reviewer, statism was for Mises “the great pervasive evil of the modern world.”⁴⁹ Another reviewer asked, “Could it be that the city of Manchester is actually located in Austria?”⁵⁰

Like Hayek, Mises was writing in the somber days of war, and like his pupil, he was convinced that the abandonment of nineteenth-century liberalism had led to twentieth-century catastrophe. Dismissing arguments that Nazism was somehow a product of capitalism, Mises traced totalitarianism to the ideology of etatism, of which Nazism was one variant. Etatism—“the trend toward government control of business”⁵¹—led to economic nationalism and war. Nazism, he strenuously contended, was *anti*-capitalistic, socialistic, and thus necessarily undemocratic.⁵² The true lesson of our era was not any failure of the free market but the ominous ascendancy of its foes. It was no coincidence that the rise of the socialist panacea was accompanied by the rise of Nazi and Soviet totalitarianism and the outbreak of total wars. To Mises, Hayek, and their disciples, these phenomena were profoundly related. Again and

48. *Ibid.*, pp. 58, 284.

49. Simons, in *Annals*, p. 192.

50. John Cort, “More Books of the Week,” *Commonweal* 41 (November 3, 1944): 78. This is a review of *Bureaucracy*. The purity of Mises’s opposition to any governmental power beyond the minimum necessary for the preservation of domestic peace and the market is suggested by an anecdote that Leonard Read tells about him. In 1940, shortly after arriving in the United States, Mises was a guest of Read, then general manager of the Los Angeles Chamber of Commerce. One evening at a party, someone asked Professor Mises: Suppose he was the dictator of the United States and could impose any change he deemed advisable. What would he do? Instantly Mises replied, “I would abdicate!” Interview with Leonard Read, president of the Foundation for Economic Education, Irvington-on-Hudson, NY, November 17, 1971.

51. Mises, *Omnipotent Government*, p. 6.

52. See *ibid.*, passim, and Ludwig von Mises, *Planned Chaos* (Irvington-on-Hudson, NY, 1947).

again, Mises, like Hayek, stressed the utter incompatibility of centralized planning and the preservation of liberty. “The main issue,” he said, “. . . is whether or not man should give away freedom, private initiative, and individual responsibility and surrender to the guardianship of a gigantic apparatus of compulsion and coercion, the socialist state.”⁵³ That was what socialism inescapably meant.

They call themselves democrats, but they yearn for dictatorship. They call themselves revolutionaries, but they want to make the government omnipotent. They promise the blessings of the Garden of Eden, but they plan to transform the world into a gigantic post office. Every man but one a subordinate clerk in a bureau, what an alluring utopia! What a noble cause to fight for!⁵⁴

Although Mises’s writings did not create the sensation produced by Hayek’s book, his services to the cause did not go unnoticed. Pointing out that *Bureaucracy* had been published just one day after *The Road to Serfdom*, Henry Hazlitt remarked how “ironic” it was that “the most eminent . . . defenders of English liberty, and of the system of free enterprise which reached its highest development in America, should now be two Austrian exiles.”⁵⁵ Far from New York, an obscure sergeant in the Chemical Warfare Service named Russell Kirk had also discovered and enjoyed both *The Road to Serfdom* and *Bureaucracy*. He wrote to a friend that the Vienna of Freud “also had its great school of economists of a very different and much sounder mind.”⁵⁶ In 1945 Mises’s grateful and admiring American friends arranged for him to become a visiting professor of economics at New

53. Mises, *Bureaucracy*, p. iii.

54. *Ibid.*, p. 125.

55. Henry Hazlitt, *New York Times Book Review*, October 1, 1944, p. 5.

56. Russell Kirk to W. C. McCann, November 3, 1944, Russell Kirk Papers, Clarke Historical Library at Central Michigan University, Mount Pleasant, MI.

York University's Graduate School of Business Administration, a position he would hold for more than twenty years.⁵⁷

The culmination of Mises's early contributions to the classical liberal revival came in 1949, when Yale University Press published his massive tome *Human Action*.⁵⁸ Nearly 1,000 pages long, this prodigious effort was the synthesis of Mises's system of "praxeology." Many critics considered the work to be dogmatic and "hectoring"; one complained that a reader encountering the work "continually has the sense of being argued out of existence."⁵⁹ Everyone, however, agreed that the 68-year-old economist had written a "Capitalist Manifesto,"⁶⁰ "a truly unvarnished and unconditional defense of laissez-faire."⁶¹ Once more Henry Hazlitt suggested the book's importance for the intellectual history of the American Right:

Human Action is, in short, at once the most uncompromising and the most rigorously reasoned statement of the case for capitalism that has yet appeared. If any single book can turn the ideological tide that has been running in recent years so heavily toward statism, socialism, and totalitarianism, *Human Action* is that book.⁶²

57. Sennholz, ed., *On Freedom*, p. xi. Paul Poirot, managing editor of *The Freeman*, and the journalist Henry Hazlitt recall that it was necessary to pay New York University to hire Mises. Because of the university's reluctance to appoint the Austrian economist, a number of his American friends, including Hazlitt, Leonard Read, and Lawrence Fertig (an NYU trustee), had to channel funds to the university to support him. Interview with Paul Poirot, Irvington-on-Hudson, NY, November 16, 1971; interview with Henry Hazlitt (by telephone), August 30, 1973.

58. Ludwig von Mises, *Human Action* (New Haven, 1949). Leonard Read states that Yale University Press never would have published the book had Read not paid the press \$7,500 for 750 copies, which he distributed to colleges and universities in the United States (interview, November 17, 1971).

59. Alfred Sherrard, "The Free Man's Straitjacket," *New Republic* 122 (January 9, 1950): 18–19.

60. Seymour E. Harris, "Capitalist Manifesto," *Saturday Review* 32 (September 24, 1949): 31.

61. John Kenneth Galbraith, "In Defense of Laissez-Faire," *New York Times Book Review*, October 30, 1949, p. 45.

62. Henry Hazlitt, "The Case for Capitalism," *Newsweek* 34 (September 19, 1949): 70.

Single books usually do not instantly turn ideological tides. Still, it would be difficult to exaggerate the contributions of Friedrich Hayek and Ludwig von Mises to the intellectual rehabilitation of individualism in America at the close of World War II. One right-wing journalist, William Henry Chamberlin, called the redoubtable Mises (whom he knew personally) “a true St. George fighting the dragon of collectivism.”⁶³ To those Americans who remained shell-shocked by the New Deal and the wartime growth of government, it was a pleasure to find scholarly “saints” to lead them.

If Hayek, still living in London, had taken the time to examine the American situation in 1944 or 1945, his gloom and discouragement would not have abated very much. As the furor caused by his book indicated, libertarianism was still alive in the United States, but it gave no promise of becoming the wave of the future. Here and there, of course, one could find dissenters from the prevailing orthodoxy. There were journalists: Henry Hazlitt; John Chamberlain, who wrote the introduction to the American edition of *The Road to Serfdom*; Isabel Paterson, whose *The God of the Machine* (1943) had assailed collectivism and argued the need for individual freedom in a technological society; Gareth Garrett, author of *The Revolution Was* (1944), a fierce denunciation of the New Deal; and John T. Flynn, whose *As We Go Marching* (1945) contended that America under welfarism was following the very road that Italy and Germany had already traversed to disaster. There were Felix Morley, William Henry Chamberlin, and Frank Hanighen, the founders of *Human Events* in early 1944. In time this journal would become an important organ of libertarian journalism, but in 1945 it was still a small-circulation weekly news sheet concentrating on foreign policy. Among

63. William Henry Chamberlin to Mrs. Chamberlin, July 5–6, 1949, William Henry Chamberlin Papers, Providence College, Providence, RI.

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the various academic classical liberals, probably the most notable were Professors Henry C. Simons and Frank H. Knight of the University of Chicago—the nucleus of the nascent Chicago School in economics.

Yet all these voices of protest hardly comprised a movement in 1945. Looking back on those early days, Frank Meyer, later a conservative leader, correctly assayed the libertarians' plight: "scattered remnants of opposition . . . remained after Roosevelt's revolution of 1932."⁶⁴ Henry Regnery, the conservative Chicago book publisher, concurred:

Liberalism [new style] reigned supreme and without question; the Liberal could believe, in fact, that no other position was conceivable. The war, which represented the triumph of good over evil, had been won. Fascism, militarism and colonialism had been banished from the earth; the Peace-Loving Nations, joined together in San Francisco in a perpetual bond, would preserve peace, protect the weak, and guarantee the rule of democracy—the future seemed assured. It was a beautiful picture and questions about its conformity to the facts of life were not welcome.⁶⁵

One must agree with Robert Crunden: "The war period, 1939–45, marked the nadir of individualistic, Jeffersonian thought in the United States."⁶⁶

One indication of the almost forlorn minority status of libertarianism in these years was the quiet discovery by many future conservative intellectuals of the writings of Albert Jay Nock. Probably best remembered today as the founder of *The Freeman* in the 1920s and as the author of *Memoirs of a Superflu-*

64. Frank S. Meyer, "Richard M. Weaver: An Appreciation," *Modern Age* 14 (Summer–Fall 1970): 243.

65. Henry Regnery, "A Conservative Publisher in a Liberal World," *The Alternative* 5 (October 1971): 15.

66. Robert M. Crunden, *The Mind and Art of Albert Jay Nock* (Chicago, 1964), p. 179.

ous Man, the highly cultivated, eccentric Nock came to exert a significant influence on the postwar Right. Increasingly pessimistic and elitist in his later years, Nock verged on anarchism in his denunciations of the inherently aggrandizing State.⁶⁷ *Our Enemy, the State* he entitled one of his tracts.⁶⁸ Deeply affected by Ralph Adams Cram, Nock abandoned his early Jeffersonian idealism in revulsion from the hopeless, uneducable masses. Nock the classicist, the man of culture, became convinced that the masses could never be saved. But—and here he appealed to many later conservatives—the Remnant could. For in every age there existed a small Remnant of truly intelligent people; it was the task of each would-be Isaiah, alarmed at decay and impending doom, simply to preach. The members of the Remnant would eventually find him; they would come.⁶⁹

In 1945 Nock died; already, however, a kind of Remnant had made its way to him. Out in the South Pacific during the war, a young serviceman named Robert Nisbet read and “practically memorized” Nock’s *Memoirs of a Superfluous Man*.⁷⁰ Stationed in the desolate wastes of the Great Salt Lake Desert, Russell Kirk read Nock’s work and corresponded with him.⁷¹ In Massachusetts, a Unitarian minister named Edmund Opitz discovered Nock’s writings just before World War II and read *Our Enemy, the State*.⁷² Opitz later recalled Nock’s impact:

67. Nock distinguished between government, which performed the limited and negative function of preserving the peace, and the State, which was always predatory and exploitative.

68. Albert Jay Nock, *Our Enemy, the State* (New York, 1935).

69. It is significant that Nock’s essay “Isaiah’s Job” was reprinted by William F. Buckley Jr. in his anthology *American Conservative Thought in the Twentieth Century* (Indianapolis, 1970), pp. 509–522. Two recent biographies of Nock are Robert M. Crunden’s, cited above, and Michael Wreszin’s *The Superfluous Anarchist: Albert Jay Nock* (Providence, 1972).

70. Interview with Robert Nisbet, Northampton, MA, November 29, 1971.

71. Russell Kirk mentioned Nock in his letters to W. C. McCann on May 14, 1945, July 19, 1945, and September 4, 1945, Kirk Papers. In this last letter, Kirk said of the recently deceased Nock, “There are few of his stamp left.”

72. Interview with the Reverend Edmund Opitz, Foundation for Economic Education,

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Nock has a way of becoming an event in a man's life. . . . after World War II I picked up a secondhand copy of the *Memoirs* . . . and sat up reading it during a long train trip across the country. By the time I reached the East Coast I had chosen sides. But I was not Nock's man; I was more than ever my own man, I felt, as a result of AJN's gentle prodding.⁷³

Still others acknowledged their debt; the journalist John Chamberlain, for example, revealed that *Our Enemy, the State* had "hit me between the eyes when I read it in the thirties."⁷⁴ In one important case—that of William F. Buckley Jr.—Nock's impact was direct. Since Nock knew Buckley's family and lunched often at their home in Connecticut, it was no surprise that the young Buckley was personally affected by Nock in the 1940s. It was Nockian libertarianism, in fact, which exercised the first conservative influence on the future editor of *National Review*.⁷⁵

Why did Albert Jay Nock appeal so compellingly to so many who were to lead the postwar conservative renaissance? One reason, of course, was that he articulated their thoughts so fully and so well. His passionate antistatism, his stern educational traditionalism (with its disdain for "progressive" education), his scorn for the masses, and his prewar isolationism were likely to attract people whose hopes for the future differed from those of Franklin Roosevelt, John Dewey, or Henry Wallace. A second reason may have been equally important, par-

Irvington-on-Hudson, NY, November 17, 1971.

73. Edmund Opitz, "Catalyst of Liberty," *National Review* 17 (January 12, 1965): 26. Opitz eventually helped to found the Nockian Society.

74. John Chamberlain, "People on Our Side: 1. Frank Chodorov," *The Freeman* 2 (May 5, 1952): 504; reprinted as the introduction to Frank Chodorov, *One Is a Crowd: Reflections of an Individualist* (New York, 1952), pp. vii–xii. Chamberlain, a radical in the early 1930s, had also been moved by William Graham Sumner's *Folkways*. See Malcolm Cowley and Bernard Smith, eds., *Books that Changed Our Minds* (New York, 1938), pp. 75–87. For a recent study of Chamberlain, see Frank Annunziata, "The Political Thought of John Chamberlain: Continuity and Conversion," *South Atlantic Quarterly* 74 (Winter 1975): 52–71.

75. Interview with William F. Buckley Jr., Stamford, CT, November 26, 1971.

ticularly in the mid-1940s: Nock's distinctive stance and style. In the century of the "common man" and the era of the welfare state, Nock did not pretend to hold out political hope. Instead, adopting a stoic, aristocratic pose, he presented himself as a sublimely *superfluous* man. This very concept of superfluity was, one suspects, part of Nock's charm (certainly his aristocratic aloofness from vulgarity may well have influenced Buckley). To be a philosophical individualist in 1945 was to feel alone and probably superfluous—or so, at least, Nock and other right-wing intellectuals appeared to think. But then, there were other goods in this life than pleasing the crowd—a useful and consoling lesson for a minority, and a lesson that Nock taught. Perhaps history and the masses had passed us by. So much the worse for history and the masses.

If Albert Jay Nock had lived on, he might have become the "grand old man" of postwar American libertarianism. With his death, however, the mantle passed to his principal disciple. The task of promulgating his thought to a larger audience was accomplished by a remarkable, individualistic son of a poor Russian Jewish immigrant peddler in New York: Frank Chodorov. Born on the lower East Side of New York City in 1887, Chodorov graduated from Columbia and started work as a teacher. Discontented with petty bureaucratic conformity, he soon resigned and spent several years as an advertising man and manager of a clothing factory. An early exposure to *Progress and Poverty* convinced Chodorov that Henry George was a prophet; in due time he became director of the Henry George School of Social Science. When, in 1936, he met Albert Jay Nock, Chodorov had already imbibed deeply of the American libertarian tradition: men like Thoreau, Sumner, Mencken, and (he believed) George. A close friendship with Nock for nearly a decade thereafter intensified his convictions.⁷⁶

76. An excellent and moving essay on Chodorov is William F. Buckley's eulogy in Buck-

In the late 1930s Chodorov revived *The Freeman* under the auspices of the Henry George School. It was not long before his pungent writing got him into trouble. Unabashedly antiwar and isolationist, Chodorov embarrassed his cautious and politically sensitive trustees. One day he was fired; the militant individualist was now fully on his own.⁷⁷

At this point the career of Frank Chodorov began to shape directly the intellectual development of the postwar Right. Anxious to proselytize and undaunted by adversity, he established in November 1944 a four-page monthly broadsheet called *analysis*.⁷⁸ It is a vivid illustration both of the virtually underground character of much of the “classical liberal” movement in this period and of the perseverance of its devotees that this little journal appeared at all. Frank Chodorov was a practicing individualist; he produced his own magazine in a few rooms in an unpretentious building in Manhattan.⁷⁹

In a promotional letter to readers of *analysis*, Chodorov described his “venture in personal journalism.”⁸⁰ It was, he said, “an individualistic publication—the only one of its kind in America”; the tradition it espoused was that of Herbert Spencer, Adam Smith, Thoreau, George, and Nock. “I have tried . . . to interpret events and trends in the light of Nock’s philosophy,” he added.⁸¹ In another such letter Chodorov was more explicit:

ley, *The Jeweler’s Eye: A Book of Irresistible Political Reflections* (New York, 1968), pp. 343–349. See also Frank Chodorov, *Out of Step: The Autobiography of an Individualist* (New York, 1962), especially chaps. 7, 14. For other appreciations of Chodorov (who died in 1966), see the eulogies by Oscar B. Johannsen et al. in *Fragments* 5 (January–March 1967): 1–16.

77. Chodorov, *Out of Step*, p. 79.

78. *Ibid.*, pp. 79–82.

79. *Ibid.*, p. 80. See also Edmund A. Opitz, “Witness to the Truth,” *Fragments* 4 (October–December 1966): 2.

80. Chodorov, *Out of Step*, p. 80.

81. Chodorov, promotional letter to readers of *analysis* (n.d.); copy in possession of Opitz, Foundation for Economic Education, Irvington-on-Hudson, NY.

. . . *analysis* . . . stands for free trade, free land and the unrestricted employment of capital and labor. Its economics stem from Adam Smith and Henry George.

. . . *analysis* goes along with Albert Jay Nock in asserting that the State is our enemy, that its administrators and beneficiaries are a “professional criminal class,” and interprets events accordingly. It is radical, not reformist.

In short, *analysis* looks at the current scene through the eyeglass of historic liberalism, unashamedly accepting the doctrine of natural rights, proclaims the dignity of the individual and denounces all forms of Statism as human slavery.⁸²

The reverse side of this letter contained an endorsement of Chodorov’s effort by Nock himself, who declared that *analysis* was “by far the best contribution to our minor literature of public affairs.”⁸³

That Chodorov’s intent was not mildly reformist was soon evident to his few thousand readers. Hayek’s *Road to Serfdom*, he complained, had given him a “let-down.” After demonstrating “that this road [to serfdom] is paved with planning he offers ‘planning for competition’ as a way out. How silly!”⁸⁴ Like so many other “individualists” in this era, Chodorov stated his case in a sweeping and zealous manner. And like them also, he was endowed with energy and will. Early in 1947, for instance, an *analysis* bookstore was set up in New York. Among the titles offered were books by Henry George and Nock, Vernon Louis Parrington’s *Main Currents in American Thought*, Charles Beard’s

82. Chodorov, promotional letter to readers of *analysis* (n.d., but about April 1945); copy in possession of Opitz. It is indicative of Chodorov’s political views that in 1912 he voted for Theodore Roosevelt for president; he never again voted in a presidential election (Chodorov, *Out of Step*, p. 36).

83. In one of his early promotional letters Chodorov said that Nock had agreed to become a contributing editor of *analysis*. Death, of course, intervened.

84. Chodorov, “What This Country Needs Is Guts,” *analysis* 2 (February 1946): 3.

Economic Interpretation of the Constitution of the United States, Thoreau's *Walden*, and Ayn Rand's novel *Anthem*.⁸⁵

By October 1946 *analysis* had attracted only 2,786 subscribers;⁸⁶ up to the time of its merger with *Human Events* in 1951, circulation reached a peak of only 4,000.⁸⁷ These were not easy years financially for the crusading libertarian.⁸⁸ Still, it was not money or a mass audience that he wanted; it was a Remnant. And, sure enough, by one route or another, it found him. About a year after *analysis* was founded, William F. Buckley Jr. discovered it; this and other writings by Chodorov impressed him greatly.⁸⁹ Through his essayist-friend Henry Beston, Edmund Opitz learned of the magazine and enthusiastically urged it on his friends.⁹⁰ A future revisionist historian, James J. Martin, first learned about World War II revisionist works by such men as Harry Elmer Barnes and John T. Flynn in *analysis*; it was for Martin the "voice" of "the intellectual libertarian underground."⁹¹ In 1946 Murray Rothbard, a graduate student at Columbia who would one day be a leading libertarian, discovered *analysis* and "eagerly imbibed" the writings of Chodorov, Nock, Mencken, and others; Chodorov's essay "Taxation Is Robbery"⁹² had a "big impact" on him.⁹³

During these years in which Chodorov was helping the libertarian Remnant to attain self-consciousness and intellectual coherence, a trenchant and sophisticated classical liberal

85. *analysis* 3 (February 1947): 4.

86. *analysis* 2 (October 1946): 4.

87. Chodorov, *Out of Step*, p. 80.

88. Opitz recalls being told that Chodorov had no money for his enterprises and lived on one meal a day (interview, November 17, 1971).

89. In his interview with the author on November 26, 1971, Buckley cited Chodorov along with Nock as a principal libertarian influence on him in the 1940s.

90. Opitz, "Witness to the Truth," p. 2.

91. James J. Martin, "Frank Chodorov: Journalist," *Fragments* 4 (October–December 1966): 7.

92. Chodorov, "Taxation Is Robbery," *Out of Step*, pp. 216–239.

93. Murray Rothbard to the author, December 14, 1971.

literature was gradually beginning to develop. In 1946, Henry Hazlitt published his conspicuously pro-capitalist *Economics in One Lesson*, which eventually achieved a substantial circulation. Among those whom he praised in his introduction was Ludwig von Mises, who had read the manuscript.⁹⁴ In 1947 Frank Knight of the Chicago School published his *Freedom and Reform*, a collection of essays which argued forcefully a more or less Hayekian liberal position.⁹⁵ A year later another influential set of essays restated the Chicago case. Entitled *Economic Policy for a Free Society*, this volume represented most of the significant output of Knight's colleague, the late Henry C. Simons. Only 46 at his death in 1946, Simons had already come to hold "a unique position in American economics. . . . [H]e was slowly establishing himself as the head of a 'school.' Just as Lord Keynes provided a respectable foundation for the adherents of collectivism, so Simons was providing a respectable foundation for the older faith of freedom and equality."⁹⁶ Author of the famous 1934 essay "A Positive Program for Laissez-Faire," Simons, along with his friend Knight, would come to achieve immense influence on the American Right through their brilliant disciple, Milton Friedman.⁹⁷

In 1948, also, the University of Chicago published a collection of essays by Friedrich Hayek entitled *Individualism and Economic*

94. Henry Hazlitt, *Economics in One Lesson* (New York, 1946), p. ix.

95. Frank Knight, *Freedom and Reform: Essays in Economic and Social Philosophy* (Chicago, 1947).

96. Aaron Director, prefatory note to Henry C. Simons, *Economic Policy for a Free Society* (Chicago, 1948), p. v. While not fully agreeing with Simons's views, Hayek recognized his book as an outstanding and important work; see Hayek, "The Intellectuals and Socialism," *University of Chicago Law Review* 16 (Spring 1949): 417–433. This essay is reprinted in Hayek, *Studies in Philosophy, Politics and Economics*, pp. 178–194.

97. For two assessments of Simons, see John Davenport, "The Testament of Henry Simons," *Fortune* 34 (September 1946): 116–119, and Charles Oscar Hardy, "Liberalism in the Modern State: The Philosophy of Henry Simons," *Journal of Political Economy* 56 (August 1948): 305–314. For both Knight and Simons, see William Breit and Roger L. Ransom, *The Academic Scribblers* (New York, 1971), chaps. 12, 13. A recent essay on Simons is George J. Stigler, "Henry Calvert Simons," *Journal of Law and Economics* 17 (April 1974): 1–5.

Order, a work reflecting his profound distrust of “rationalist” attempts deliberately to design an improved society.⁹⁸ Hayek attacked the notion, which he traced to Descartes and other continental thinkers, that human society could be totally comprehended and manipulated by conscious human reason. Opposed to this “rationalistic pseudo-individualism” which “leads to practical collectivism”⁹⁹ was a primarily English tradition of “true individualism” expounded by Adam Smith, Adam Ferguson, Burke, Tocqueville, and Acton. This tradition, said Hayek, was antirationalistic, deeply convinced of the limits of reason and of the fallibility of any one individual. Men simply could not *know* enough to presume to direct consciously an entire society. “The fundamental attitude of true individualism is one of humility toward the processes by which mankind has achieved things which have not been designed or understood by any individual and are indeed greater than individual minds.”¹⁰⁰ Hayek remained confident that the spontaneous actions of men and women were fundamentally beneficent: “if left free, men will often achieve more than individual reason could design or foresee.”¹⁰¹ As if to consolidate his forces with the congenial Chicago School of Knight, Simons, and Jacob Viner, Hayek became a professor at the University of Chicago in the 1950s. It was one more sign of the times that, like Ludwig von Mises, Hayek was forced to rely on private sources to subsidize his entry into American academic circles.¹⁰²

98. Friedrich A. Hayek, *Individualism and Economic Order* (Chicago, 1948).

99. *Ibid.*, p. 6.

100. *Ibid.*, p. 32.

101. *Ibid.*, p. 11.

102. According to Milton Friedman (interview by tape, March 1972), three University of Chicago professors—John U. Nef, Aaron Director, and Henry Simons—persuaded the small, conservative Volker Fund to pay a portion of Hayek’s salary at the university for a long time. Otherwise, presumably, the Austrian economist would never have joined its faculty. Hayek became a member of the prestigious Committee on Social Thought; Friedman recalls hearing that the department of economics was reluctant to hire him.

Other signs of rejuvenation were slowly surfacing. In 1949, for instance, came Felix Morley's *The Power in the People* and John T. Flynn's *The Road Ahead*—both responses to what the authors perceived as a socialist or statist threat to libertarian, individualistic America.¹⁰³ In 1947, Henry Regnery founded the publishing house bearing his name, intending, as he later put it, to publish “books which didn't necessarily fit the liberal ideology which so dominated publishing as to constitute a particularly effective form of censorship.”¹⁰⁴ Two other publishers were also adding to the right-wing output: Devin-Adair of New York and the Caxton Printers of Caldwell, Idaho.¹⁰⁵

Yet books alone do not create a coherent intellectual movement. They may alter the life of individual minds and, ultimately, the *weltanschauung* of a generation. But the construction of networks of influence with political impact—this, print alone cannot accomplish. Members of the Remnant needed to find one another and come together if their ideas were to have immediate and discernible consequences. If William F. Buckley Jr. had become a businessman; if Frank Chodorov had remained in advertising; if Edmund Opitz had remained a minister in Hingham, Massachusetts; if Henry Regnery had not founded a publishing house; if countless other libertarians, individualists, and classical liberals had chosen to remain a scattered, hidden Remnant—they might still have had some personal influence. But it is unlikely that these individuals would

103. Felix Morley, *The Power in the People* (New York, 1949); John T. Flynn, *The Road Ahead* (New York, 1949).

104. Regnery, “Conservative Publisher,” p. 14.

105. The president of Devin-Adair Company was Devin A. Garrity, who had met Frank Chodorov at the Henry George School in the 1930s and had been impressed by him ever since. Devin-Adair published all four of Chodorov's books. See Devin A. Garrity, “Frank Chodorov: Prophet,” *Fragments* 4 (October–December 1966): 5. Caxton Printers was founded in 1907 by James Herrick Gipson, brother of the famous historian Lawrence Henry Gipson. For a brief reminiscence of this individualistic publisher, see Lawrence Henry Gipson, “James Herrick Gipson, RIP,” *National Review* 17 (June 15, 1965): 508.

have achieved broader intellectual significance were it not for their impulse in the 1940s to proselytize and organize. The example of the lofty, passive Albert Jay Nock, exuding indifference toward the twilight struggles about him, was no doubt an inspiration, especially in moments of loneliness and despair. It was not, however, a formula for turning the tide here and now.

And that was what most individualists really wanted to do. As Hayek, Mises, and many others realized, the hour was late in 1945. What was to be done? It is imperative to recognize that the postwar libertarian intellectual movement was a movement of ideas *in action*. It was not solely a phenomenon of academic journals, lectures, and seminars, although many of its most distinguished and influential leaders lived in academe. Instead, it was the intellectual flank of what became a political movement, or, to put it differently, an intellectual movement with political implications. Its goal was not conventional power and prestige but the implementation of ideas. Parallels on the Left included the Fabian Socialists and the Americans for Democratic Action.

Yet just as in the case of the Fabian Socialists and the ADA, so, too, with the individualists of the Right: the Remnant had to be mobilized in order to be effective. It was not enough for individuals to protest the zeitgeist here and there; it was not enough for a few books to be written. An intellectual movement, like a political movement, requires form as well as spirit. In the years following 1945, several groups arose to fill this need.

“An institution is but the lengthened shadow of a man.” In an article in *The Freeman* in 1952, John Chamberlain used this aphorism of Emerson’s to describe a little organization called the Foundation for Economic Education and its energetic found-

er-president, Leonard Read.¹⁰⁶ The application of Emerson's wisdom to this case could not have been more apt; once more the quiet, almost obscure, and highly individualistic origins of postwar libertarian conservatism become apparent.

Born in 1898, Leonard Read by 1945 had already enjoyed a long career as an evangelist for classical liberalism. He had not always been a libertarian; in 1932, as manager of the western division of the Chamber of Commerce of the United States, he merely echoed the ideas of its national leader, Henry Hariman, a proponent of interventionist ideas which became the basis of the NRA a year later. One day in 1932, Read recalls, he paid a visit to an ideological opponent, W. C. Mullendore, then executive vice-president of Southern California Edison Company and later a supporter of many right-wing causes. Within an hour, Read's mind was completely changed; Mullendore had converted him to a free-market, limited-government philosophy. It was the turning point in his life.¹⁰⁷

As Read, newly won to a libertarian perspective, surveyed the political scene in California, pernicious radical nostrums and panaceas seemed to be everywhere; EPIC, Ham-and-Eggs, Production for Use, and Townsendism were some of the most alluring. He soon became convinced that only a profound educational reorientation would suffice to quell the forever bubbling cauldron of erroneous doctrine; in 1935 he wrote a book embodying that thesis. Gradually Read became known as a dedicated believer in educational methods; in 1938 he left the national organization to become manager of the Los Angeles Chamber of Commerce, the largest of any city in the world. His task was explicit: to combat radicalism in California by a campaign of education.¹⁰⁸

106. John Chamberlain, "A Reviewer's Notebook," *The Freeman* 2 (July 14, 1952): 702-03.

107. Interview with Read, November 17, 1971.

108. *Ibid.*

During World War II, Read worked energetically to spread his gospel. As one activity, he organized a little group called Pamphleteers, Inc., with a mailing list of 3,000. In 1935 Professor Thomas Nixon Carver of Harvard had introduced Read to the works of Frédéric Bastiat (1801–1850), a French economist, politician, and polemicist for classical liberalism. Delighted by Bastiat’s brilliant essay *The Law*, Read mailed it to his readers in 1943. Another nineteenth-century figure he enthusiastically introduced to his clientele was William Graham Sumner.¹⁰⁹

Despite all this activity, Read by 1945 was dissatisfied with his accomplishments. Negative critiques of statism were not enough; a positive philosophy, a “freedom philosophy,” was needed.

. . . I made several interesting discoveries. . . . Number one, it wasn’t issuing from any place on the face of the earth. Number two, there wasn’t a magazine in the country that would take one of our articles. Three, there wasn’t a book publisher that would take one of our books. Number four, just twenty-six years ago [1945] there did not exist a consistent literature of this philosophy written in modern American idiom. That’s how far down the drain this philosophy was.

Resigning from the Los Angeles Chamber of Commerce, Read came to New York to organize a challenge to the prevailing orthodoxy. He was convinced that socialism, statism, Communism, the planned economy, the welfare state—“it’s all the same thing”—were successful principally because “there [are] so few persons on earth who understand and can explain socialism’s opposite, which is this free-market, private ownership, limited government philosophy.”¹¹⁰

109. Ibid.; Chamberlain, “A Reviewer’s Notebook,” p. 703. Read’s libertarianism was not merely theoretical; he vigorously protested the removal of Japanese-American citizens from their homes on the west coast during the war.

110. Interview with Read, November 17, 1971.

In March 1946, with a number of distinguished associates,¹¹¹ Read established the Foundation for Economic Education in Irvington-on-Hudson, New York. Gradually he collected a staff, including three economists from Cornell University (W. M. Curtiss, F. A. Harper, and Paul Poirot)¹¹² and Ludwig von Mises, whom Read put on the payroll at an early date.¹¹³ Among FEE's early friends was Friedrich Hayek, who occasionally lectured for it and supported its activities.¹¹⁴

As a nonpolitical foundation, FEE did not seek publicity in its early days; so thorough was its belief in voluntarism that it invariably relied on voluntary donations¹¹⁵ and sent its literature to anyone free for the asking. At first Read believed that "economic illiteracy" was the chief ill to be cured; soon he realized that the problem was deeper than that: it was moral.¹¹⁶ Consequently, much of FEE's literature became homiletic in character. Intellectually, another staff member has recalled, a key question for FEE was: What are the proper functions of government?¹¹⁷ Government strictly limited to the prevention of "aggressive force" was FEE's answer.

111. These were Donaldson Brown, vice-chairman, General Motors Corporation; Professor Fred Rogers Fairchild, Yale University; David M. Goodrich, chairman, B. F. Goodrich Company; Henry Hazlitt, *New York Times*; Claude Robinson, president, Opinion Research Corporation; Professor Leo Wolman, Columbia University (ibid.).

112. Interview with Paul Poirot, November 16, 1971; interview with W. M. Curtiss, Irvington-on-Hudson, NY, November 18, 1971.

113. Interview with Read, November 17, 1971.

114. Interview with Poirot, November 16, 1971.

115. On October 1, 1947, the foundation was nearly bankrupt, with a \$120,000 mortgage, \$70,000 in unpaid bills, and no money in the bank. According to Read, two small conservative foundations—the Relm Foundation and the Volker Fund—put up the money for the mortgage. Within less than three years, Read, an excellent fund raiser, had paid off this debt and established FEE's solvency (interview, November 17, 1971). The role of the Volker Fund and Relm Foundation in financing intellectual conservative causes was unobtrusive but frequently crucial.

116. Ibid.

117. Interview with Curtiss, November 18, 1971. Read was not an anarchist. See his *Government—An Ideal Concept* (Irvington-on-Hudson, NY, 1954), a book dedicated to W. C. Mullendore.

From its inception, Read's foundation was clearly influenced by Nock's concept of the Remnant; one sympathetic observer even likened FEE to a kind of secular monastery.¹¹⁸ But FEE's importance was greater than its austere avoidance of controversy might suggest. By the summer of 1952 it had developed a mailing list of 28,712 people,¹¹⁹ to whom it offered a growing array of literature of the "freedom philosophy." Bastiat's *The Law* was reissued in a new translation in 1950; it became the foundation's all-time best-seller. (By 1971 more than 500,000 copies had been sold.) Henry Hazlitt's *Economics in One Lesson* was also distributed by FEE; it, too, had passed the 500,000 mark by 1971.¹²⁰ In 1952 the foundation collected its best releases in a volume entitled *Essays on Liberty*; among the contributors were Chodorov, Hazlitt, Mises, William Graham Sumner, and Bertrand de Jouvenel of France.¹²¹

The principal function which the Foundation for Economic Education served in these early years, in short, was to facilitate the recovery of a tradition and the dissemination of ideas. Classics of the "freedom philosophy" were being dusted off and published again; forgotten writers were now providing sustenance for a libertarian renaissance. Many living individualist writers—well or little known—were finding an outlet for their efforts. Moreover, FEE'S staff was assiduously compiling an expanding list of " clichés of socialism" and writing brief rebuttals for mass distribution. These "twitchings and stirrings" were not the kind to generate headlines or affect events at once.

118. John Chamberlain, "A Reviewer's Notebook," *The Freeman* 5 (October 1954): 144.

119. Chamberlain, "A Reviewer's Notebook," *The Freeman* 2 (July 14, 1952): 702. In the late 1950s the list reached 50,000, where it has hovered ever since (interview with Poirot, November 16, 1971).

120. Interview with Read, November 17, 1971. Probably more than anyone else, Read is responsible for the great interest in Frédéric Bastiat on the American Right. Incidentally, in the preface to *Economics in One Lesson*, Henry Hazlitt stated that his greatest debt therein was to an essay by Bastiat.

121. *Essays on Liberty* (Irvington-on-Hudson, NY, 1952).

No one peering into FEE'S stately old mansion on the Hudson would have thought he perceived the wave of the future—not yet. Nevertheless, the import of these activities should not be underestimated. Perhaps Read himself assessed the phenomenon most judiciously in 1951:

The substance for a thorough-going twentieth century revolution is in the making. . . . That this spirit [of individualism] at present is evident among only a minority need not necessarily deject the devotee of liberty. Everything begins with a minority of one, extends to a few, and then to many.¹²²

The Foundation for Economic Education in these years was extending its version of classical liberalism from the few to the many, one by one.

As FEE quietly went about its work, another organization founded in 1947 thousands of miles away was also contributing substantially to the growing self-consciousness and interrelatedness of what some were soon calling the neo-liberal movement in the United States and Western Europe. The earliest stimulus for this aspect of the revival emanated from the United States in 1937, when Walter Lippmann published *The Good Society*. Among those quick to perceive its importance was Friedrich Hayek, who considered it a “brilliant restatement of the fundamental ideals of classic liberalism.”¹²³ At the University of Paris, Professor Louis Rougier was similarly elated and called for an international colloquium of liberal-minded scholars to discuss Lippmann’s “maître-livre, un livre-clé, . . . la meilleure explication des maux de notre temps.”¹²⁴ Among those who attended

122. Leonard Read, *Outlook for Liberty* (Irvington-on-Hudson, NY, 1951), quoted in *A Free Man's Library* by Henry Hazlitt (New York, 1956), p. 137. For further comments on Read, see William F. Buckley Jr., *The Governor Listeth: A Book of Inspired Political Revelations* (New York, 1970), pp. 408–411.

123. Hayek, *Studies*, p. 199n.

124. Quoted in *Le colloque Walter Lippmann* (Paris, 1939), p. 13. This is a transcript of the proceedings of the five-day conference.

in August 1938 were Lippmann himself and a number of prominent European scholars, including Hayek, Mises, Raymond Aron, Étienne Mantoux, Michael Polanyi, Wilhelm Röpke, and Jacques Rueff. After several days of earnest discussions, the conference established the Centre International d'Études pour la Rénovation du Liberalisme.

Before this organization could take form, conflict descended upon Europe, and the “renewal” of liberalism yielded to the demands of war. Soon after the war ended, however, the effort was revived, this time by Hayek. He had become convinced of the need for scholars then “working in isolation” and scattered by war, men united by a common faith in traditional liberalism, to unite, exchange views, and consolidate their forces. Among the people to whom he confided his hopes were Sir John Clapham, the eminent British economic historian, and Professor Henry Simons at Chicago. Finally, on April 1, 1947, nearly forty prominent European and American scholars gathered at Mont Pélerin, Switzerland for a ten-day conference. Almost half of those in attendance were Americans, or Europeans living in America.¹²⁵

The mood of this conference was somber; the participants, high in the Swiss Alps, were only too conscious that they were outnumbered and without apparent influence on policymakers in the Western world. All across Europe, planning and socialism seemed ascendant. The conference's concluding declaration revealed its trepidation:

125. Information about this meeting can be found in Hayek's opening remarks, reprinted in *Studies*, pp. 148–159. The participants from America were Karl Brandt, John Davenport, Aaron Director, Milton Friedman, Harry Gideonse, Frank Graham, F. A. Harper, Henry Hazlitt, Frank H. Knight, Fritz Machlup, L. B. Miller, Ludwig von Mises, Felix Morley, Leonard Read, George Stigler, and V. O. Watts. It was virtually a directory of intellectuals of the American libertarian Right. It is quite noteworthy that the Volker Fund “made possible the participation” of these individuals (Hayek, *Studies*, p. 159). Among the European conferees were Hayek, Bertrand de Jouvenel, John Jewkes, Michael Polanyi, Karl Popper, Lionel Robbins, and Wilhelm Röpke; for the complete list, see Hayek, *Studies*, p. 148n.

The central values of civilization are in danger. Over large stretches of the earth's surface the essential conditions of human dignity and freedom have already disappeared. In others they are under constant menace from the development of current tendencies of policy. The position of the individual and the voluntary group are progressively undermined by the spread of creeds which, claiming the privilege of tolerance when in the position of a minority, seek only to establish a position of power in which they can suppress and obliterate all views but their own.

The group holds that these developments have been fostered by the growth of a view of history which denies all absolute moral standards and by the growth of theories which question the desirability of the rule of law. It holds further that they have been fostered by a decline of belief in private property and the competitive market; for without the diffused power and initiative associated with these institutions it is difficult to imagine a society in which freedom may be effectively preserved.¹²⁶

Eschewing all partisan alignments and merely propagandistic motives, the group called for study of several issues pertinent to its central goal, "the preservation and improvement of the free society."¹²⁷ After some discussion, the conference decided to call itself the Mont P  lerin Society.¹²⁸

The immediate impact of the society was perhaps best stated by one of its members, Milton Friedman: "The importance of that meeting was that it showed us that we were not alone."¹²⁹ This in itself was no small gain in those uncongenial

126. From the "Statement of Aims" of the Mont P  lerin Society, adopted April 8, 1947; copy in possession of the author.

127. *Ibid.*

128. Hayek had thought of naming the society after Lord Acton or Alexis de Tocqueville, but instead a neutral name was preferred (Hayek, *Studies*, p. 158).

129. Quoted by John Davenport in "The Radical Economics of Milton Friedman," *For-*

years. As Friedman later put it, the conference served as a “rallying point” for outnumbered troops.¹³⁰ But the advantages of cooperation soon transcended the reassurance of comradeship in adversity. Reassembling in 1949 and almost every year thereafter, the Mont Pélerin Society gradually became a kind of international “who’s who” of the classical liberal and neo-liberal intellectuals.¹³¹ At its conferences papers were presented which were often eventually published;¹³² ideas were exchanged and friendships formed. For the American Right, already indebted to Europeans for help in its resuscitation during the 1940s, this exposure to wider currents was, one suspects, particularly important; it stretched the web of influence and tended to make American conservative thought more cosmopolitan. Whatever the “grass-roots” of American conservatism may have been in this period, its intellectual leadership was not xenophobic. For this increasing cosmopolitanism, for this consciousness of compatriots in Europe, the Mont Pélerin Society—and the network it created—must be given partial credit. In 1952 its founder, Friedrich Hayek, was justifiably proud to report:

Gone are the days when the few outmoded liberals walked their paths lonely, ridiculed and without response from the young. . . .

. . . at least personal contact among the proponents of neoliberalism has been established. . . .

Thus the period of drought . . . seems to have come to an end.¹³³

time 75 (June 1, 1967): 147.

130. Interview with Friedman, March 1972.

131. Among the Americans who could not attend the first Mont Pélerin Society meeting but who later agreed to join were William Henry Chamberlin, Max Eastman, Hans Kohn, Walter Lippmann, and Henry Wriston. Europeans included Luigi Einaudi, Salvador de Madariaga, Jacques Rueff, and G. M. Young (Hayek, *Studies*, p. 152n).

132. For example, papers presented at the society comprised the core of Friedrich Hayek, ed., *Capitalism and the Historians* (Chicago, 1954).

133. Hayek, “Rebirth of Liberalism,” p. 731.

That the drought was indeed ending was evident in the appearance of *The Freeman* on October 2, 1950. Combining with Isaac Don Levine's anti-Communist journal *Plain Talk*, the new journal unabashedly declared its dedication to "traditional liberalism and individual freedom" and pledged to uphold such principles as these:

. . . economic freedom, as embodied in the free market, is the basic institution of a liberal society. . . .

The free market economy not only provides the maximum of economic liberty but insures maximum production. . . .

. . . True liberalism rests on the common law, on clear and definite statute law, and on a government of limited powers. . . . And true liberalism means local autonomy and the decentralization of political power.¹³⁴

Edited by two experienced classical liberal journalists, John Chamberlain and Henry Hazlitt, with the assistance of Suzanne La Follette (formerly on the staff of Albert Jay Nock's *Freeman* in the 1920s), the magazine welcomed as contributors to its first issue such veterans of the struggle for old-style liberalism as Raymond Moley, George Sokolsky, and John T. Flynn.¹³⁵

By the end of its first year of publication, *The Freeman* had attained a modest circulation of about 12,000.¹³⁶ This rather low figure does not, however, adequately reflect either its influence or its significance in the early 1950s. Here at last was a respectable journal ("a fortnightly for individualists")¹³⁷ which was providing a regular forum for hitherto dispersed writers. Here at last was a periodical applying libertarian theories to daily realities. Not only professional journalists but also scholars like

134. "The Faith of the Freeman," *The Freeman* 1 (October 2, 1950): 5.

135. At the end of its first year *The Freeman* listed among its owners Chamberlain, Hazlitt, La Follette, Mises, Read, and Roscoe Pound (*The Freeman* 2 [October 22, 1951]: 34).

136. *Ibid.*

137. This was the subtitle which the magazine adopted with its issue of April 7, 1952.

Hayek, Mises, and Germany's neo-liberal economist Wilhelm Röpke appeared in its pages. Men as diverse as Senators Harry Byrd and John Bricker, John Dos Passos, Roscoe Pound, and General Albert Wedemeyer acclaimed its value.¹³⁸ It is difficult to convey a sense of the crucial role of *The Freeman* at the height of its prestige, between 1950 and 1954. The American Left, in these years, had many well-known and reputable journals from which to choose; the American Right had almost none. It fell to *The Freeman*, almost alone among popular journals, to focus dissent, to marshal its forces, to articulate practical alternatives to the chimeras and schemes of its foes. It did so with recognized skill and success.

Still, the way was uphill. Financially the journal was a disaster; by mid-1954 it had lost \$400,000. In July 1954 the Irvington Press (whose capital was owned by the Foundation for Economic Education) purchased the magazine, which now became a monthly. Leonard Read hired Frank Chodorov as editor, and under his guidance the magazine increasingly emphasized economics. When after eighteen months Read had lost \$90,000 in the venture, he was forced to alter the scope and format of the journal.¹³⁹

The Foundation for Economic Education, the Mont Pèlerin Society, and *The Freeman* were not the only groups and organizations that were providing leadership and an institutional framework for the developing libertarian wing of the conservative movement in the late 1940s and early 1950s. Others of varying intellectual and political respectability were also at work. One was the *American Mercury*, which served as a useful outlet for

138. These men sent greetings to *The Freeman* on its second anniversary. See "Birthday Greetings," *The Freeman* 3 (October 20, 1952): 43–45.

139. Interview with Read, November 17, 1971. The title was retained but was transferred to the former *Notes on Liberty*, FEE's monthly collection of short articles and homilies similar in format to the *Reader's Digest*.

some conservative intellectuals in the 1950s.¹⁴⁰ Another was *Faith and Freedom*, established in 1950 as the organ of Spiritual Mobilization, a group founded in 1935 “to arouse ministers of all denominations in America to check the trends toward pagan stateism [sic].”¹⁴¹ Among the contributors to this monthly were Hazlitt, Mises, Morley, and Read. It also featured in April and May 1953 a notable exchange on government and economics between Edmund Opitz and his former teacher, Dr. John C. Bennett of Union Theological Seminary.¹⁴² Opitz had discovered the magazine through his friend Frank Chodorov; not long thereafter he became the conference director for Spiritual Mobilization, where he stayed until 1955.¹⁴³ While neither of these two periodicals had as central a role in the rebuilding of the intellectual Right as did *The Freeman*, their contributions to the cause were not negligible in its formative years.¹⁴⁴

Meanwhile, yet another organization was getting under way in the early 1950s; it was, from the beginning, the “lengthened shadow” of the tireless Frank Chodorov. Slowly the editor of *analysis* was becoming known; his friend Devin Garrity published Chodorov’s *One Is a Crowd* in 1952 and *The Income Tax: Root of All Evil* in 1954.¹⁴⁵ “Absolutely unyielding” in his libertarianism,¹⁴⁶ he liked to boast that no one stood to his right;

140. Under the direction of William Bradford Huie, who succeeded Lawrence Spivack as editor late in 1950, the *American Mercury* moved further to the Right.

141. Quoted in Eckard V. Toy, “Spiritual Mobilization: The Failure of an Ultra-conservative Ideal in the 1950’s,” *Pacific Northwest Quarterly* 61 (April 1970): 78.

142. “Dear Mr. Bennett: Dear Mr. Opitz:” *Faith and Freedom* 4 (April 1953): 3–6, and 4 (May 1953): 10–15.

143. Interview with Opitz, November 17, 1971. Since 1955, Opitz has been on the staff of the Foundation for Economic Education.

144. Since the days of H. L. Mencken, for instance, the *American Mercury* had considerable prestige. *Faith and Freedom* was sent to a literate, professional clientele (the ministry), and *Spiritual Mobilization* attracted some distinguished sponsors in the 1940s and 1950s. See Toy, “Spiritual Mobilization,” pp. 77–86.

145. Both were published by Devin-Adair, which Garrity headed.

146. Interview with Buckley, November 26, 1971. In *One Is a Crowd*, Chodorov argued for the abolition of the government postal monopoly—one mark of his intransigence.

perhaps for this reason he was beginning to acquire a following on college campuses.¹⁴⁷

As Chodorov surveyed trends in academe, he was increasingly disturbed by what he saw. In an article in *analysis* in 1950, he asserted that the most significant development in the first half of the twentieth century had been “the transmutation of the American character from individualist to collectivist.” Why had this revolution come about? Partly because “the collectivist seed was implanted in the soft and fertile student mind forty-odd years ago.” Chodorov traced the long, slow process by which socialistic ideas had allegedly permeated campuses, captured many of the best young minds, and laid the foundations for the New Deal. Yet this trend had *not* been inevitable. It had been the product of conscious effort, manifest injustices of the status quo, the intellectual sloth of the defenders of natural rights and capitalism, and the vigor of the socialist idea. With a similar effort on the campuses, the cause of individualism could itself, he believed, eventually prevail.

We are not born with ideas, we learn them. If socialism has come to America because it was implanted in the minds of past generations, there is no reason for assuming that the contrary idea cannot be taught to a new generation. What the socialists have done can be undone, if there is a will for it.

There would be no instant reversal, though; it might take fifty years for the cause to triumph.”¹⁴⁸

147. Devin A. Garrity recalls Chodorov’s delight in saying that no one was further right than he (interview, South Hadley, MA, August 5, 1972). The importance of Chodorov’s influence and the quiet way in which it spread are both evident in an anecdote told by M. Stanton Evans, later a leading conservative writer and activist. While an undergraduate at Yale in the 1950s, Evans discovered *One Is a Crowd*. It was the first libertarian book he had ever read, and it “opened up more intellectual perspectives to me than did the whole Yale curriculum.” Evans came to believe that Chodorov “probably had more to do with the conscious shaping of my political philosophy than any other person” (“Frank Chodorov: Editor,” *Fragments* 4 [October-December 1966]: 5).

148. Frank Chodorov, “A Fifty-Year Project to Combat Socialism on the Campus,” *analysis*

Chodorov was not the only libertarian dismayed by “collectivism on the campus” in the 1950s. In 1951 a young Yale graduate, William F. Buckley Jr. published a book that produced a sensation, dwarfing even the reception of *The Road to Serfdom* a few years before. Widely, often angrily reviewed, *God and Man at Yale* has probably been the most controversial book in the history of conservatism since 1945, and its importance for this movement is manifold. Of immediate interest here is only one aspect: Buckley’s contention that individualism—the philosophy of free enterprise, private property, and limited government—was “dying at Yale, and without a fight.”¹⁴⁹ By analyzing allegedly lopsided courses and textbooks in economics, Buckley tried to prove “the net influence of Yale economics to be thoroughly collectivistic.”¹⁵⁰ In his introduction to the book, John Chamberlain echoed Buckley’s complaint. It might be permissible, he said, to expose students to left-wing economic viewpoints as part of a truly balanced fare. “But where [at Yale] are the countervailing quotations from Röpke, von Mises, Hayek, Frank Knight, the Walter Lippmann of *The Good Society* and other believers in the economics of free customer choice?”¹⁵¹

One result of this ferment was Chodorov’s founding, in 1953, of the Intercollegiate Society of Individualists (ISI)—with William F. Buckley Jr. as president.¹⁵² Intended as an antidote to the Intercollegiate Society of Socialists of an earlier generation,

6 (October 1950): 1–3. Buckley recalls that Chodorov always thought in terms of the distant future. In fact, Chodorov was very pleased to attract an audience of only thirty or forty people, which he considered “almost massive” (interview with Buckley, November 26, 1971).

149. William F. Buckley Jr., *God and Man at Yale: The Superstitions of “Academic Freedom”* (Chicago, 1951), p. 113. This book was published by the Henry Regnery Company.

150. *Ibid.*, p. 46.

151. *Ibid.*, p. v.

152. Buckley did not remain president for long. In an amusing letter to him that Buckley delights in, Chodorov wrote: “Am removing you as president. Making myself pres. Easier to raise money if a Jew is president. You can be V-P. Love. Frank” (quoted in Buckley, *Jeweler’s Eye*, pp. 347–348).

ISI reflected Chodorov's personality and interests. There was virtually no organization, no salesmanship, and no fanfare. All materials were free on request; all members were self-elected. It was indeed, in Chodorov's own words, "an organization of ideas"—and a reflection of his expectation that the Remnant would find him.¹⁵³ By 1956 a total of 10,000 people had done so and had received more than 500,000 pieces of the burgeoning literature of libertarianism.¹⁵⁴

In later years ISI became extremely influential as a clearing-house of conservative publications and as a coordinator of the conservative intellectual movement.¹⁵⁵ But by the mid-1950s its significance was already noticeable. First, ISI was doing for intelligent conservative youths what other groups were doing for adults: it was giving them an intellectual home and a focus for disparate energies. This, Chodorov acknowledged, was one of its purposes: "to inform nonconformists that they have company."¹⁵⁶ Certainly the need was obvious. As one college graduate wrote, "The youthful libertarian is faced with an environment utterly hostile. . . . To be a libertarian is a lonely, sometimes heartrending job."¹⁵⁷

ISI was notable for a second reason: its success revealed that the classical liberal revival was increasingly self-conscious and articulate. ISI could not have flourished had there not already emerged an array of respectable books bearing its message. Among the works which it distributed to its eager youthful Remnant were Chodorov's own *One Is a Crowd*, Hazlitt's *Economics*

153. See F. R. Buckley, "Revolt of the Classes," *The Freeman* 5 (September 1955): 653–656.

154. Frank Chodorov, "The Sophomores Are Coming," *Human Events* 13 (September 26, 1956). ISI started with 600 members.

155. For an excellent survey of its work as of 1961, see M. Stanton Evans, *Revolt on the Campus* (Chicago, 1961), pp. 57–73.

156. Frank Chodorov, "The Seven Thousand Unequals," *Human Events* 14 (September 14, 1957).

157. F. R. Buckley, "Revolt of the Classes," p. 655.

in *One Lesson*, Bastiat's *The Law*, Buckley's *God and Man at Yale*, Hayek's *The Road to Serfdom*, and William Graham Sumner's *What Social Classes Owe to Each Other*.¹⁵⁸ ISI's work in the 1950s was thus a testimony to the intellectual spadework that had begun in the 1940s. Indeed, one might even say that William F. Buckley's *God and Man at Yale* could not have been written without the revival of the classical liberal tradition. For how could he have criticized Yale's monolithic "collectivism" had not a scholarly alternative to Keynes and Marx already been developing?

In this task of creating and sustaining an intellectual movement, then, ISI joined FEE, the Mont Pèlerin Society, and *The Freeman* as the principal architects of the libertarian reconstruction.¹⁵⁹ To these four groups belongs most of the credit for giving "classical liberalism" some initial coherence as a movement. Each strengthened the network of influence and personal contacts so indispensable to widely dispersed dissenters.

"Everything begins with a minority of one, extends to a few, and then to many."

By 1955—the year *National Review* was founded—the libertarian revival in America had reached a new plateau. If classical liberals and individualists had not escaped from what they regarded as an intellectual ghetto, at least they had emerged from the storm cellars.¹⁶⁰ Many of their intellectual leaders were becoming happily aware of their changing status. As early as

158. *Ibid.*, p. 654; Chodorov, "Sophomores Are Coming."

159. The founding of ISI is one more reason why William F. Buckley Jr. has concluded that Chodorov "deeply influenced the postwar conservative movement." See William F. Buckley Jr., "Nay-Sayer to the Power-Hungry," *National Review* 13 (December 4, 1962): 446–447.

160. Not all, however. The journalist Gareth Garrett, author of *The Revolution Was* and other anti-New Deal tracts, apparently became so despondent and angry about the nation's affairs that he actually retired to live in a cave in Tuckahoe, NJ. He died in 1954. See Gareth Garrett, *The People's Pottage* (Boston, 1965), p. 140.

1952, Friedrich Hayek had celebrated a “rebirth” of liberalism on both sides of the Atlantic.¹⁶¹ A year later, examining European intellectual currents, the conservative Austrian author and scholar Erik von Kuehnelt-Leddihn acclaimed a “resurgence” of liberalism.¹⁶² In 1954, Hayek edited a provocative book, *Capitalism and the Historians*. Drawing heavily on recent trends in British economic historiography, it was a hard-hitting, deliberate counterattack on “the legend of the deterioration of the position of the working classes in consequence of the rise of ‘capitalism’. . . .”¹⁶³ The early Industrial Revolution was *not* an era of exploitation and suffering caused by “capitalism,” the contributors insisted. Significantly, Hayek’s book was also a direct product of the deliberations of the Mont Pèlerin Society. Even Frank Chodorov, not one to expect quick results, detected cheerful portents by 1954:

There wasn’t much you could do with the merchandise of freedom, ten years ago. . . . Therefore, the very volume, if not the quality, of literature that arose from the arid desert of 1944 is something to be thankful for. Things *are* looking up. The Socialists . . . in the intellectual field . . . are meeting more and more opposition.¹⁶⁴

Old-style liberals could have no illusions, however, that their troubles were over; the response in many left-of-center quarters to *Capitalism and the Historians* was a case in point. One hostile reviewer accused Hayek of “whitewashing the Industrial

161. Hayek, “Rebirth of Liberalism,” pp. 729–731.

162. Erik von Kuehnelt-Leddihn, “Resurgence of Liberalism,” *The Freeman* 3 (February 9, 1953): 337–339.

163. Hayek, ed., *Capitalism and the Historians*, p. 10. This book was not simply a scholarly enterprise; it was quite consciously a declaration of war against the work of J. L. Hammond and Barbara Hammond and the ideological uses to which their “pessimistic” interpretation of the Industrial Revolution had been put. For a recent discussion of this controversy, see Brian Inglis, “The Poor Who Were with Us,” *Encounter* 37 (September 1971): 44–55.

164. Frank Chodorov, “Things *Are* Looking Up,” *The Freeman* 5 (October 1954): 117.

Revolution.”¹⁶⁵ Another disliked the book’s appeal for “unqualified affirmations of its viewpoint.”¹⁶⁶ Most critical of all was Professor Arthur Schlesinger Jr. Accusing Hayek of “fiery dogmatism,” Schlesinger denounced the book as “a summons to a witch-hunt,” adding: “Americans, one would think, have enough trouble with home-grown McCarthys without importing Viennese professors to add academic luster to the process.”¹⁶⁷ If “classical liberalism” had established itself as a viable and significant intellectual force by 1955, obviously it had not routed its opposition. It was still very much a minority among educated Americans.

Moreover, it was to some extent a divided movement. Despite their common opposition to socialism, Keynesian economics, and the welfare state, libertarian intellectuals disagreed about the extent to which government activity was compatible with individual freedom and the market system. Clearly there was a considerable gap between the passionate antistatism of Chodorov and Mises and the more moderate views of Hayek, who dissociated himself from pure laissez-faire and argued the need for vigorous government action to establish the “rule of law” and to maintain the “design” of a free market. The scope of government acceptable to the Foundation for Economic Education seemed much more narrow than that proposed by the Chicago School’s Henry Simons, whose “Positive Program for Laissez-Faire” in 1934 actually called for nationalization of enterprises deemed incapable of operating within a framework of competition.¹⁶⁸ How much government was needed simply to make capitalism function? Should we adhere to a rigid gold standard

165. Keith Hutchinson, “A Study in Whitewash,” *The Nation* 178 (June 12, 1954): 508.

166. Eric Lampard, in *American Historical Review* 60 (October 1954): 65.

167. Arthur Schlesinger Jr., in *Annals of the American Academy of Political and Social Science* 293 (May 1954): 177–78.

168. Simons, *Economic Policy for a Free Society*, p. 51.

or adopt flexible exchange rates?¹⁶⁹ To these questions libertarians gave divergent answers. Furthermore, while some were relatively indifferent to larger social and philosophical problems, others—led particularly by the increasingly influential German economist Wilhelm Röpke—insisted that “the ethics of freedom can only be derived from the religious values embodied in the Judaeo-Christian tradition.”¹⁷⁰ One observer, analyzing European developments, distinguished Röpke’s “Neo-Liberal” group from nineteenth-century “Paleo-Liberalism.”¹⁷¹ Similar tensions existed among the Americans, as disputes in the years ahead would reveal.

Nevertheless, for all the skepticism from the Left and for all its own internal differences, the movement of classical liberals, libertarians, and individualists was having a certain impact by the mid-1950s. The question becomes: Why was it having any impact at all? Why had not this alleged “survival,” this “obscurantism” (to borrow Charles Merriam’s words) simply disappeared in the postwar decade? Two factors seem most responsible. First, many circumstances in these years combined to give the creed continued relevance and respectability. At home, the New Deal era was “only yesterday,” and as the election returns suggested, a sizable bloc of Americans had not reconciled themselves to its permanence. The issues of government and the economy, of balanced budgets versus Keynesianism, continued to define political battle lines. In 1951, Senator Robert Taft could identify the choice for the nation as liberty or socialism;¹⁷² Hayek, Chodorov, or Buckley could not have said it more succinctly. The very success of such books as *The Road to Serfdom* and *God and*

169. Milton Friedman recalls that this issue repeatedly divided meetings of the Mont Pèlerin Society (interview, March 1972).

170. Erik von Kuehnelt-Leddihn, “Letter from the Continent,” *National Review* 1 (April 4, 1956): 19.

171. Ibid. See also Carl Friedrich, “The Political Thought of Neo-Liberalism,” *American Political Science Review* 49 (June 1955): 509–525.

172. See Robert Taft, *A Foreign Policy for Americans* (Garden City, NY, 1951), p. 117.

Man at Yale attested to the national uncertainty—and to the existence of an audience for right-wing publications.

Abroad, too, certain political developments were giving resonance to libertarian arguments. By the early 1950s, it was evident to nearly everyone that Stalinist Russia was a “god that failed.” In the tense cold war against this totalitarian state, it was not surprising that many Americans felt the need to reassert national ideals. In such an environment, old American traditions—including individualism—no longer seemed obsolete.¹⁷³ Also instructive, right-wingers believed, was the example of socialist Britain. There the Labour Party victory of 1945 had turned, they contended, into a dreary failure by the time of Churchill’s return to power in 1951. To Friedrich Hayek, writing in 1956, the British “experiment” had only “strengthened my concern” about totalitarian pressures inherent in socialism.¹⁷⁴ Other libertarians echoed him. Had not rationalistic, coercive statism failed? Was not the “invisible hand” preferable to the all too visible hand of the bureaucrat and the secret police? In both Europe and America, the early 1950s were, for many intellectuals, years of what Max Eastman called “reflections on the failure of socialism.”¹⁷⁵ Compared to tarnished utopias abroad, “capitalist” America did not look so bad or so backward anymore.

In glittering contrast to the Soviet Union and Britain, American libertarians triumphantly cited the astonishing economic recovery of West Germany. The German “miracle” was especially welcome to them, for they regarded it as directly attributable to the theories of one of their European mentors, Wilhelm Röpke. As one of the first German professors to be dismissed by the Nazis in 1933, Röpke had endured years of exile in Turkey

173. For an example of this more positive assessment of America, see the symposium “Our Country and Its Culture,” *Partisan Review* 19 (1952): 282–326, 419–450, 562–597. Another clue to the new mood was the changing trend in historiography; attacks on “robber barons” were giving way to more sympathetic treatments of “free enterprise” and its heroes.

174. Hayek, *Road to Serfdom*, p. xiii.

175. Max Eastman, *Reflections on the Failure of Socialism* (New York, 1955).

and Switzerland. Upon his return to his homeland after World War II, Röpke quickly became one of the founders of the neo-liberal school of economists, a prominent member of the Mont Pèlerin Society, and an influential adviser to the West German government.¹⁷⁶ So immense, in fact, was his impact on Ludwig Erhard's economic policies that Röpke was acclaimed by the American Right as the intellectual father of the German recovery. Erhard himself agreed: "My own services toward the attainment of a free society are scarcely enough to express my gratitude to him who, to such a high degree, influenced my position and conduct."¹⁷⁷ Not surprisingly, Röpke's influence on the American Right increased during the early 1950s; by 1954 he had contributed several articles to *The Freeman*.¹⁷⁸ Libertarians claimed to find proof in Germany of the superiority of the free market and the validity of their views. Gleefully they pointed out that the Germans were again prosperous precisely because they had ignored the advice of Keynesians from the United States and had instead adopted Röpke's "neo-liberal" recommendations.

Yet external events and trends alone cannot fully explain the resurgence of classical liberalism as an intellectual force in America in the first decade after 1945. What seems, in retrospect,

176. See Karl Brandt, "A Life for Freedom and Human Dignity—Wilhelm Röpke (1899–1966)," *Modern Age* 10 (Summer 1966): 246–250. For an autobiographical essay, see Wilhelm Röpke, "The Economic Necessity of Freedom," *Modern Age* 3 (Summer 1959): 227–236. In 1953 the West German government awarded Röpke the Grand Cross of Merit for his contribution to the German economic recovery. One example of conservative esteem for Röpke is Karl Brandt's statement: "The remarkable prosperity of the German economy during the fifties and sixties would have been impossible without the 'Working Party for the Socially Responsible Market Economy,' of which Wilhelm Röpke was a founding member" (p. 249).

177. Quoted in *Modern Age* 10 (Spring 1966): 221. A more extensive laudatory statement by Erhard is quoted in Brandt, "Life for Freedom," p. 249.

178. For example, see Wilhelm Röpke, "The Malady of Progressivism," *The Freeman* 1 (July 30, 1951): 687–691, and "Economic 'Miracle' in Germany," *The Freeman* 3 (August 24, 1953): 843–846.

most remarkable about the leaders of this movement in these early years was their tenacity in the face of an often hostile environment. The Olympian Nock, Hayek in war-torn London, Chodorov living on a meal a day, Read in a “monastery” outside New York City, Buckley seemingly alone at Yale—these and the others seem especially noteworthy for their refusal to abandon what frequently appeared to be a doomed position. In their contempt for the cult of easy security, passive conformity, and acceptance by the “lonely crowd,” they exhibited an “inner-directedness” that many of their contemporaries believed was dying. If Disraeli was correct—that “men are not the creatures of circumstances; circumstances are the creatures of men”—his aphorism should be applied to these libertarian conservatives during their years in intellectual exile.

In 1954, Professor H. Stuart Hughes of Harvard reflected on their altered circumstances:

The publication ten years ago of F. A. Hayek’s *The Road to Serfdom* was a major event in the intellectual history of the United States. . . . [I]t marked the beginning of that slow reorientation of sentiment—both in academic circles and among the general public—toward a more positive evaluation of the capitalist system which has marked the past decade.¹⁷⁹

Years later Milton Friedman, casting a backward glance, agreed. *The Road to Serfdom*, he remarked, was “an extraordinarily insightful and prescient” book which had decisively affected many, many people. Above all, it had demolished the “stereotype” that defenders of the free market were necessarily “tools of the interests” and that all decent men had to be socialists.¹⁸⁰ Libertarianism and capitalism had become intellectually defensible again.

179. H. Stuart Hughes, “Capitalism and History,” *Commentary* 17 (April 1954): 407.

180. Interview with Friedman, March 1972.

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“That slow reorientation of sentiment”—how obscure and unpretentious were most of its origins, how incomplete its victories. Still, by 1955, classical liberals—one branch of American conservatism—had considerable reason to think that T. S. Eliot was right. There was indeed no such thing as a lost cause.