



Episode 589: Milton Friedman: Assessment and Critique

Guest: Walter Block

WOODS: Walter, I can already hear people complaining. We haven't even started talking. I can already hear, and I can already read the comments on Facebook of people who didn't listen to us, who just saw the episode title and said, you libertarian purists, you can't satisfy you people, why don't you understand – blah, blah, blah, blah, blah, blah.

Yes, I understand Milton Friedman had his virtues. No one's denying that. I know he was a very skilled debater, he was a very smart guy, he was right about a lot of things, and he did a lot of good things. Nobody has to deny that. But for heaven's sake, we're intellectuals. This is what we do. We do intellectual exercises. And for people who think libertarians are just too nitpicky, they have no idea what academic life is like. That's what academic life is. It's writing journal articles against some other guy until one of you dies. That's academic life. We're not subjecting Friedman to any treatment we wouldn't subject anybody else to.

So having said that, those people can just leave us alone, listen to some other episode, because, Walter, you and I are going to talk about Milton Friedman, and we are going to talk about areas in which he was not as good as he might have been. Let's put it that way. So you're game for this.

BLOCK: Yes, but we could preface it by specifying a few areas that he was excellent in.

WOODS: And I would love to do that. Go ahead.

BLOCK: For example, he was magnificent on rent control, and he was great on minimum wage and good on unions and legalizing drugs and free trade, occupational licensure. Especially he took on the AMA in *Capitalism and Freedom*, which was magnificent. He was good on social security, racial discrimination, socialized medicine. The list goes on and on. Milton Friedman was really not just good these things, but excellent.

WOODS: All right, so we have said that. Now we're going to talk about some areas in which there are some difficulties with Friedman, and then at the end I am going to raise this very interesting issue, and we'll link to it on the show notes page. It's

TomWoods.com/589. We're on Episode 589, so I have done more episodes than Walter has done scholarly articles, but given that each of these episodes takes half an hour or whatever, an hour prep and whatever. But I want to talk about and link to your correspondence with Milton Friedman, because it is very interesting to read. You obviously really got under his skin, and not for your criticisms of him so much as it was for your criticisms of Hayek. So we'll have fun with that in a little while.

Let's start with the most obvious area. I think a lot of people understand that at some level, Milton Friedman obviously had a different monetary policy than the Austrians do and than we might say a libertarian ought to have. But then on the other hand, you can see later in his life he did say some kind things about gold. Are you able to sort it all out for us?

BLOCK: Well, I can make a hack at it. Yes, you're right. There were some slight differences between us Austro-libertarians and Milton Friedman on money. Milton Friedman used to excoriate gold bugs. I remember being at Mont Pelerin meetings with Murray Rothbard and Milton Friedman, and he was forever criticizing us as gold bugs, gold fetishists. He'd make it sound as if – you know, one of my favorite cartoon characters is Scrooge McDuck of the Donald Duck series, and what Scrooge McDuck would do is get into his money bin and sort of throw cash and coins up on his dead and let the money float down on him and sort of a gold pervert. And that was the way Milton Friedman made us sound. I mean, I think it was Keynes who called it a barbarous relic, but if Keynes hadn't come up with it first, Milton Friedman would have and certainly did agree with Keynes on that. A whole other issue, Milton Friedman saying that we're all Keynesians now, but that's a separate issue, although not unrelated to money.

Milton Friedman believed in fiat currency. He wanted to have a central bank. It's true he wanted to emasculate the central bank a little bit, and he later apologized for that as being unrealistic on public choice grounds. But he wanted – his fetish, if I could use that word, was to have a stable price level, and for Austrians there are even problems with price level. But his idea was that the GDP increases by roughly 2-3% a year, and therefore the Fed should increase the money supply by 2-3% a year, say 3%, and then that way prices would be level. Whereas Austrians don't have any fetish for level prices, assuming that there is any coherence in price indices, which there is not. For Austrians, we should just allow the market to work. We believe in free enterprise, and I should say libertarians not Austrians, because libertarians is normative, whereas Austrians are positive economics. But we all know what I mean in this context.

So Friedman had a 3% rule, that the Fed should increase the money supply or the money stock by 3% every year, and his hope and expectation would be that prices would be level. Whereas Murray Rothbard was forever saying, you know, what's so great about level prices. When TVs first came out they were very expensive, or cars were first produced they were very expensive. When computers first were manufactured they were tremendously expensive. I remember doing my PhD at Columbia in the late '60s, and a computer was like a whole building. And now a computer, you can hold a computer in your hand. It's as big as a pack of cigarettes.

And the prices per calculation have gone down even further. So what's wrong with gently falling prices? That just means that we can have more command over goods and services. So that would certainly be a stark difference between us and the Milton Friedmanites.

WOODS: I'm reading an article by Rothbard that I will also link on the show notes page: "Milton Friedman Unraveled." And boy, this is 100-octane Rothbard, absolutely. But I want to read a passage to you.

He says, "The single most disastrous influence of Milton Friedman has been a legacy from his old Chicagoite egalitarianism: the proposal for a guaranteed annual income to everyone through the income tax system." And then I'm skipping ahead – although Rothbard said that "President Nixon will undoubtedly be able to ram through the new Congress." Well, thankfully Rothbard was not infallible.

Then he says, "In this catastrophic scheme, Milton Friedman has once again been guided by his overwhelming desire not to remove the State from our lives, but to make the State more efficient. He looks around at the patchwork mess of local and state welfare systems, and concludes that all would be more efficient if the whole plan were placed under the federal income tax rubric and everyone were guaranteed a certain income floor. More efficient, perhaps, but also far more disastrous" – and I like this commentary by Rothbard – "for the only thing that makes our present welfare system even tolerable is precisely its inefficiency, precisely the fact that in order to get on the dole one has to push one's way through an unpleasant and chaotic tangle of welfare bureaucracy. The Friedman scheme would make the dole automatic, and thereby give everyone an automatic claim upon production."

Well, I think Rothbard's pretty much said it all, but do you have anything to add to this?

BLOCK: Oh yes, yes. I'm inspired by Murray. It's sort of like a cadenza in music. You know, Mozart puts down a few notes, and then the orchestra improvises and expands on that, and I think – I won't say my whole career has been doing this for Murray, namely, expanding on what he said, but a big part of my career has been that. To just give more examples and to say it in my own words, because that's sometimes helpful for me and other people, so yes, I certainly do want to comment on that.

Milton Friedman called this his negative income tax. In other words, if you make over a certain amount of money – let's say 20,000 to just pick a number; I'm not sure that's accurate, but roughly accurate – you pay a positive income tax. But if your income is below 20,000 and the further below it is, the more negative income tax you pay. That is, you get money. That's the scheme. It's called negative income tax. And this is nefarious and highly problematic, because everybody who makes less than a certain amount would be automatically enrolled in this, as Murray says, whereas right now, you have to go through a few hoops and hurdles to get to it. And also, although Milton Friedman wouldn't put it this way, it supports some of our friends on the Left who talk

about welfare rights, that people have a right to welfare, and this way everyone gets it, and you know, it's just a horrible thing.

Now, the Chicago-type reasoning behind this is that there's a diminishing marginal utility of money. That is, the more money you have, your total happiness increases, but it increases at a decreasing rate. So your marginal happiness or your marginal utility [inaudible] if you're Bill Gates and you have many, many millions, the last \$1,000 you might even use to light up your cigar, and therefore it's much less value to you. So if we take money from a rich person like Bill Gates, we hardly hurt him. We're taking dollars that are very, very invaluable or not valuable, and we give it to a poor person who really relishes this.

There are many, many problems with this. One of them is incentives. If you take money away from Rich Peter and give it to Poor Paul, you reduce the incentive of both of them to earn income. Rich Peter says, well, why should I earn income if they're going to take it away from me, and you have people like Gérard Depardieu, the French actor, who, when the marginal tax rate went up in France, he went to Belgium or Russia. You had Björn Borg, the tennis player; they had a marginal tax rate of 110%, so if in Sweden if you make an extra \$100,000, they tax you \$110,000. Well, Björn Borg went off to, I don't know, Monaco or some place like that. So not only do you reduce the incentive of Rich Peter to earn income, you reduce the incentive of Poor Paul to earn income, because the poorer he is, the more money gets from the government. And if he works hard and improves himself and now can earn income on his own, he doesn't get this money from Rich Peter via the government.

So it's just a disaster on all sorts of levels, and it assumes interpersonal comparisons of utility, namely we can compare how much Bill Gates valued an extra 1,000 with how much a poor person valued the extra 1,000, which is nonsense on stilts. So the whole idea is problematic from soup to nuts, from A to Z, from one end to the other. And Milton Friedman is, you know, sometimes called Mr. Libertarian, God forbid, or he's seen as free enterprise. And then you get people saying, well, even Milton Friedman, namely Mr. Free Enterprise supports this, so who are you? You must be a kook or a nut or a Rothbardian, which is synonymous, to oppose this wonderful view.

WOODS: I'm reading also in this piece about Friedman's acceptance of the perfect competition model.

BLOCK: Oh yes.

WOODS: All right, explain about that perfect competition model and what kind of mischief it can cause, because it might not be obvious.

BLOCK: Well, the perfectly competitive model is predicated on the fact that there are an inordinate number of firms, millions and millions of firms or an indefinitely large, infinite number of firms in the model, and all goods are homogeneous, and there are no profits. And this is a very unrealistic situation, and the real world isn't like this at all. And then what they have, this whole idea undergirds or underlies or defends anti-

trust legislation. And the idea here is that the real world isn't like that. You have concentration, namely an industry, a four-firm concentration ratio or a Herfindahl index, which is a sort of a complicated thing, wouldn't be like this at all with an infinite number of firms. Rather, there'd be one firm, and they would call them a monopoly or a duopoly with two firms or an oligopoly. And then they would come after you and sue you on anti-trust, because the industry didn't look like the perfectly competitive model.

So they had this perfectly competitive model – well, wait. To be fair to Milton Friedman and the Chicagoites, they were a little bit better than the Harvard-MIT group. See, what the Harvard-MIT group would say is, look, in the real world we have concentration ratios that are high, and therefore we want to have anti-trust. And anti-trust here means since the prices aren't going to be or the quantities produced, prices will be too high and quantities will be too low, and therefore we have to do one of three things. One, we have to break them up into many, many firms, so you take, I don't know, Microsoft and break it up into 35,000 firms, and you do the same thing for every other large firm. So one is break them up. The other is nationalize them, because the government wouldn't have this market failure. We can trust the government to run everything. And the third one is regulate them. You know, just make them produce more and charge a lower price. So the Harvard people would say that.

The Friedman people would say, well, well, anti-trust costs some money, and therefore if the deadweight loss of monopoly is less than the cost of operating the anti-trust scheme, which costs many millions of dollars, then don't have anti-trust or don't use it. On the other hand, if the deadweight loss, so-called – the deadweight loss triangle – is greater than the cost of doing it, well then, let's have anti-trust. Now, you can see that this would be a full employment law for economists trying to figure out what this mythical deadweight loss business is, difference between demand curve and the marginal cost curve in between what the perfectly competitive model would predict that you would produce and what the monopolistic or oligopolistic industry would produce.

If I had a blackboard I could illustrate this better, but let me just say this whole thing is an exercise in interpersonal comparison of utility. The whole thing is dead from the neck up. And yet, this is what they do. Let me tell you my anti-trust joke. I must tell you my anti-trust joke.

WOODS: Oh, Walter, don't (laughing). I know the anti-trust joke.

BLOCK: Okay, then I won't tell it.

WOODS: No, no, I'm only kidding. No, no, not everybody knows the joke, so go ahead.

BLOCK: There were three prisoners in the Soviet Union, and as prisoners do in the Gulag, they compare notes as to why you're there. And one guy said I got to work early, and they accused me of brown nosing. And the other guy said I got to work late,

and they accused me of cheating the state out of my labor services. And the third guy said I got to work every day exactly on time, and they accused me of owning a Western wristwatch. And I once told this to a bunch of anti-trust lawyers and economists, and I got uproarious laughter.

Then I told the second part of the joke, and I said there were three people in jail for anti-trust violations, and like prisoners do, they compared notes. And one guy said I charged too high a price, and they accused me of profiteering. The second guy said I charged too low a price, and they accused me of cutthroat competition. And the third guy said I charged the same price as everyone else – hard to see how he did, given these other two guys, but it's just a joke; you have to work with me – and they accused me of collusion. Dead silence. Nobody was laughing.

But the whole point is a legitimate law, like the law against murder, the law against rape, the law against theft is if you murder, rape, or steal you go to jail, and if you don't you don't go to jail. But here, when you come to work early, late, or on time, or whether you charge a higher price, a lower price, or the same price, you can be found guilty. This is what they did to poor Bill Gates and Microsoft. They had a lot of nerve sitting out there in the boonies in Seattle without paying off the boys in Washington, either the Democratic boys or the Republicans. They didn't pay anyone. So what they did is they had an anti-trust case against them. This is a way of using crony capitalism against honest businessmen.

And Milton Friedman saw no principled objection to it. It was based on this distinction between perfect and imperfect competition, and his only caveat was, well, it costs something to do this, and if the costs are greater than the gains in reducing the welfare loss triangle, well then you shouldn't do it. But this is hardly a principled objection. He had no principled objection to this at all.

WOODS: All right, I want to talk about – I've got one more thing, and then I want to talk about your infamous correspondence with Friedman, but first, a word from our sponsor.

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All right, so one more thing before we talk about your correspondence. He does have some sympathy for the neighborhood effects argument, the externality argument that, for negative externalities, for example, or even positive externalities, that there's a good thing that we all recognize to be good, but can get it for free so we won't chip in for it, like a public park or public education, which makes our fellow citizens smarter. That benefits us, but there's no way to collect money from us or we won't pay for it or we'll free ride off it or whatever. So apparently the ways in which Friedman himself was prepared to use this doctrine was in the form of urban parks and education, and so he was not willing to take it quite as far as a lot of people have taken it. But Rothbard's point is once you basically validate this argument, there's no way to keep it confined to just those two little areas that you want to apply it to.

BLOCK: Yes, this is a good *reductio ad absurdum* of Murray's, namely taking the logic of this and applying it to areas that Milton Friedman himself wouldn't like. But even apart from the *reductio*, we can still oppose the parks and the education. The idea here is that – take education first, and then we'll do parks. The idea here is that I, a student, am only concerned with my own welfare – selfish, narrow, greedy – and I go to school in order to get a better job, have a better class of friends, meet a better spouse, things like that, or for the pleasure of learning. But it's all internal.

However, when I learn more, I benefit you, Tom, you dirty rat, and you're not paying for this, because I become a better voter, and therefore I benefit you, even though you don't appreciate this. You're a beneficiary. You're a free rider. Or I will be less likely to be a criminal, and therefore I'll benefit you in that way, because you'll have a safer society. And therefore, we have either no education in the private sector, or more reasonably, we have less than we otherwise should have.

And what the government should do is support education, because the market, we have market failure here – and for Austro-libertarians, market failure is anathema. But we have market failure according to these guys, these Friedmanite types or Milton Friedman himself with his neighborhood effect, and we have to subsidize education by, I don't know, giving schools more money or giving kids more scholarships or, like Bernie Sanders, making it free for everybody, that sort of a thing.

Now, the argument against this is – or one of the arguments, and there are several against this – is, look, when you buy a shirt for \$25, you demonstrate, you reveal that you value that shirt more than \$25; otherwise, you wouldn't have bought it, in the *ex-ante* sense. And the guy who sold you that shirt also benefits, because he values that shirt less than \$25. You each make a profit off of each other. In the Marxist sense, you each exploit each other, but in the real, common sense, reasonable sense, you each benefit by voluntary trade.

But in this case, it's sort of airy fairy. How do we know that you benefit? How do we know that there are any spillover effects? Maybe I won't become a better voter. I mean, anyone can say – talk is cheap. Anyone can say anything he wants. And the point is there is some evidence to indicate the very opposite. For example, where has minimum wage and rent control been most popular? And let's stipulate that minimum wage and rent control are not very helpful, economically speaking. Where is it most popular? Well, in the People's Republic of Cambridge, Mass., and the People's Republic of Ann Arbor, Michigan, and the People's Republic of, I don't know, San Francisco or LA, or People's Republic of Manhattan. And what's true of all these People's Republics, apart from the fact that they're very liberal? You've got many universities. You've got universities up the wazoo. Massachusetts is just chock-full of universities, and they're all a bunch of Taxachusetts socialists. Well, I'm exaggerating a little bit.

The point is that what higher education consists of is, all too often, queer studies and feminist studies and black studies and whining studies and sociology and anthropology and other history and political science and other philosophy subjects where they inculcate the wrong views to their students. And what they're doing is miseducating

them. So instead of an external economy or a positive externality, a case could equally be made that we ought to tax – God forbid; I'm not advocating this. Instead of a benefit where there are free riders, this is a negative, and we ought to tax it or get rid of education. Namely, anyone can say anything he damn well pleases.

Now let's take the park, a private park. I live right near Audubon Park in New Orleans, and in New York City there's Central Park, and suppose that when I put in a park, what I'm going to do is increase the real estate values of all the surrounding areas because of the amenities of the park. But only I know where I'm going to put the park. You don't know. Only I know. So what I do is I buy, say, a square mile, and I'm only going to put the park in a quarter-mile square, and then I will benefit from the surrounding increase in property values, because only I know where it's going to be. So I will internalize the externalities. That would be the argument against the government supporting parks or libraries or anything else like that.

Now, negative externalities are the very opposite thing, and here you get the usual case is pollution. But Murray Rothbard would say it's not a negative externality; it's, what do you call it, trespass. Only instead of trespassing a person on someone else's property, you're trespassing smoke particles or dust particles or whatever is crapped through the air, garbage. And Murray's answer to that – I strongly agree with Murray on this, as on most things – is to stop the trespass. And yet the government, which sets itself up as the monopoly of law and order, for many years in the progressive period wouldn't do it. It would say it's not actionable.

And Murray Rothbard wrote one of the best pieces on environmental economics ever – I'll change that. Not one of the best, *the* best thing ever written on environmental economics. It's a thing called "Air Pollution"; it was originally in *The Cato Journal* in 1982, and I use it in all my environmental economics classes. And Murray makes the case that pollution is not an externality; it's just a good old trespass. And if we had law and order worthy of the name, they would stop it, but the government didn't, and they call it a market failure. It's not a market failure. It's a government failure to uphold the law of private property rights after setting themselves as a monopolist of this.

WOODS: All right, now I want to talk about that correspondence that you had with Milton Friedman.

BLOCK: Tom, let me interrupt you. Before we go there, I just want to list the other things where Milton Friedman is weak on things.

WOODS: Oh yeah, sure. I would never want to interrupt that.

BLOCK: Just briefly list these, because you and I have now covered four or five, but I've got a list of about 15.

WOODS: Yeah, yeah, go ahead. Yeah.

BLOCK: Probably don't have time to cover them all, but if ever you want to do another show on Milton, we can do some of these other things. The volunteer military, which I oppose. It's a little convoluted reasoning, but he favored the volunteer military for the wrong reasons, namely it'd make the U.S. military more efficient, and they were doing bad things in Vietnam. Tax withholding, road socialism – he favored government roads. He favored free to choose. He even had a free to choose series, and yet when people were free to choose, they chose gold, and yet he rejects that. He also favored flexible exchange rates in international trade. He supported Ronald Coase on social cost, and that was wrong. And he also said we're all Keynesians now, and he meant it, and he really was a Keynesian, although a lot of people distinguish monetarism from Keynesianism, but it's all Keynesianism. He favored educational vouchers, which is something that stuck in Murray's craw. And he opposed justice. I once had a little debate with him, and I asked him what's your passion for justice, where does it emanate from. And he said the search for justice will ruin the world. So these are maybe six or seven other things that we could elaborate on if we had more time, but since you want to go to my correspondence over Hayek, let's do that.

WOODS: Oh, I really do, because when I read it – first of all, I couldn't get over how nasty he was. Just a nasty guy came through in this correspondence. And you were sweet throughout.

BLOCK: (laughing) I'm a sweetie pie.

WOODS: So anyway, you I think handled yourself really well in it. But I mean, the gist of it was you were very critical of Hayek for some of the things that he had said in *The Road to Serfdom* and maybe also *Constitution of Liberty*, I don't know, but in which he clearly is saying things that are at odds with, you know, libertarianism as we understand it, so you were taking him to task for that. Now, you obviously respect Hayek's work in other areas, but just because you respect somebody's work in some place doesn't give them a free pass in everything else they write. So that was your point.

And Friedman just couldn't believe. He called it a diatribe. He couldn't get over what you had written, and didn't you understand that realistic and reasonable people like Milton Friedman and F.A. Hayek are always pondering how the practical means of getting from here to there will work, and you just have misread Hayek, because he wasn't saying any of those interventions were ideal; he was thinking terms of transitions, and a fanatic like you, Walter, can't ever think in that way. Before we critique that, did he just write to you out of the blue?

BLOCK: Yes.

WOODS: Really?

BLOCK: He started it. I wrote an essay, I think it was in *The Journal of Libertarian Studies*, saying that I revere Hayek as an Austrian economist; he made wonderful contributions to Austrian business cycle theory, and he was a very good Austrian, a

follower of Mises, a good student of Mises. But as a libertarian, he was a little wanting. I mean, he was giving away the store in *The Road to Serfdom*. I mean, there were some good chapters in *The Road to Serfdom*, "Why the Worst Get on Top," and all.

But he was sort of saying, well, yeah, we should get rid of rent control, but we should phase it out. And you know, it seems to me that if we have the power to get rid of rent control and we keep it for 10 years and phase it out one 10% every year, we're guilty of keeping rent control in. And I think I used the example of slavery. Obviously we're against slavery, even though *The New York Times* doesn't think I favor that, but if we have the power to eliminate slavery right now and instead we phase it out over 10 years, we would be responsible for slavery for nine years or for 90% of the people for nine years or whatever the numbers work out to be.

WOODS: Right, but what if he said we only have the political strength to phase it out over 10 years? Isn't that better than doing nothing?

BLOCK: Oh absolutely, yes, but Hayek didn't say that. He didn't say, you know, in our heart of hearts we really want to get rid of it right now. Minimum wage, the same thing; free trade, we really want to have full free trade right now, but we don't have the power, and therefore we want to phase it out over 10 years. I would have no objection to that. Murray would have no objection to that.

Murray really contradicted himself. He once favored the — I'm kidding here — he once favored the budget of George Washington. He said he would be happy with the budget of George Washington, you know, \$35,000 a year or something like that. But even Murray there said, as a first step. So you know, if — look, when Ron Paul was a congressman, he was Dr. No, and he would always vote against any complicated bill as long as it had one bad thing in it. But if the bill was unambiguously good, namely, reducing tax rates or reducing jail sentences for marijuana people or victimless crimes, he would vote in favor of that.

So we radical libertarians do not oppose teeny, tiny steps in the right direction, as long as they're unambiguous teeny tiny steps in the right direction. But we always say that this is a second best policy. The ideal is to say eliminate all laws against marijuana, not just medical marijuana, but recreational marijuana, sort of like they did in Colorado and Washington State I think and maybe Oregon and a few others. But if we could phase it out over 5 or 10 years, that's okay, but that's not what Hayek said. What Hayek said is it's bad — we should oppose getting rid of rent control, because it would be too disruptive or something like that.

WOODS: But actually, Walter, I think your case is even stronger and Hayek's is even weaker than you're giving him credit for, because in *The Road to Serfdom*, he just clearly says that there is no reason that in our advanced societies we can't make provision for some kind of basic income or basic floor beneath which no one should fall. He was not saying, well, this would be an interesting transition move between here and no welfare state at all. He clearly was not saying that. So I liked how you

responded to Friedman when you said, look, I went back and reread *The Road to Serfdom*, and you say I'm misreading him, but I in no way and in no place in this book do I find anything in which he claims he's talking about second best measures or transitional measures. He's clearly talking about what he thinks is the right thing to do, including having a basic income.

BLOCK: Well, I think you're right there on the basic income. I was talking about minimum wage and —

WOODS: Right, but it's basic income where it's just so clear that he's not thinking about any transition. That's his policy.

BLOCK: That's right; it's right. A more efficient welfare system instead of — Milton Friedman called it "rags in a bag," and we should have the negative income tax or something like that. Well, Hayek was a Friedmanian on this issue — or Friedman was a Hayekian on this issue. I think Hayek was a little older than Friedman. But you're right. I was only talking about transition on rent control and minimum wage and things like that and maybe free trade. But on the welfare system, Hayek never said that our ultimate goal is to get rid of the welfare system, but we can only get rid of a little bit, so let's phase it out. He never said that. He said that in a decent society, government will have a girding under income, such that no one falls below this social safety net, or whatever he put it in terms of. So you're absolutely right that on certain things, Hayek is not phasing out anything. He was supporting it.

WOODS: So how did you guys leave it in your correspondence? Because this went on. I mean, he kept responding to you when you would write to him.

BLOCK: Yes, yes, and this occurred many years ago when I was a young pup, so I was sort of honored that the great Milton Friedman was condescending to argue with me. So I kept it up, and we had, oh, four or five or six interchanges. And I think the way it ended is he said, you I know, you're an extremist or a rabid person or something like that.

WOODS: A fanatic, I think it was a fanatic.

BLOCK: That was the word he used. And I said, your son, David Friedman, is also an anarchist. Would you consider him a fanatic? And he never replied (laughing).

WOODS: Is that the (laughing) — I was going to say, was that where the correspondence broke off (laughing)?

BLOCK: Yes, I hit below the belt (laughing).

WOODS: Oh my gosh. I've had David Friedman on the show a couple times, as a matter of fact, and if I'm remembering correctly, I don't think I once asked him — well, I might have mentioned his father, but he must get — you know, I'm sure he's proud of his father and everything, but he is his own person. It must get a little tiresome to always

be introduced as the son of Milton Friedman, so I think I tried to avoid that. Well anyway, I'm going to link to your stuff. I know of several of your articles on Friedman. We'll link to that; we'll link to the Rothbard article on Friedman. I will also link to Roger Garrison's article on whether Friedman could be considered a Keynesian, because that's also very interesting. This'll all be at TomWoods.com/589, and if you'd like to learn more about Walter Block, you can just go to WalterBlock.com. Any final words?

BLOCK: Tom, thanks for having me on your show. It's always a pleasure, and I'm looking forward to seeing you at the Mises University and Austrian Economics Research Conference if you'll be there. It'll be great to see you again, old friend.

WOODS: It's always a pleasure to see you too, Walter. Thanks for your time.

BLOCK: My pleasure.