Episode 956: Books Libertarians Should Read

Guest: David Gordon

WOODS: I don't know why I'm interviewing all of these Mises people when I'm going to see you all next week and I can do it in person, but anyway, here I am doing it. There's no rhyme or reason to what I do around here. But I had a request — I was asking people, I want to talk to David and I've got some possible ideas, but what would you like to hear me talk about with him? And they said, given that you have written so many book reviews and you're such a careful book reviewer and in general you've just read so widely, what if we asked him about some of his favorite books or the best books for us to read? And particularly, books that are not ridiculously academic. So I just asked you like an hour and a half ago, all right, scrap our original topic, and instead I want you to do this. And I know that David Gordon just rolls with the punches, that that's no problem for his brain. So let's dive in. I don't know how many you have in mind. Give me a sense of how many you have so I can pace us here.

GORDON: Oh, well, maybe about four or five.

WOODS: All right, so we'll have a good discussion about each one. And I don't know what they are and I don't even know if I've read them, so this will just be fun to see what happens. All right, now are these yoru most recommended books? Are you they your favorite books? How would you categorize them?

GORDON: Well, I would think they're books that I like a lot and also ones that I think would be fairly easy for most people to read and I think would give a very good understanding of what the subject is — they're important books on important subjects that I like. And they're also fairly straightforward, easy to read. I mean, they're not children's books, but I mean, certainly lay poeple could read them without any trouble.

WOODS: Okay, so go ahead and give me your first one.

GORDON: One I was thinking, you know, a lot of people find Hayek's book *Road to Serfdom* from 1944 very hard to read. They'll say, oh, this is supposed to be one of the great — and it is — one of the great classics attacking planning, but then they pick it up and they find it very, very difficult.

There was another book that came out in the same year, 1944, which I think is at least as insightful called *The Road Ahead* by John T. Flynn. And Flynn was a great American publicist, and he had been kind of an old-style liberal, became very upset with the

New Deal of Roosevelt, and he had an analysis fo the New Deal and similar legislation as leading to fascism in that it would be kind of a government control of the economy. And in order for the government to keep getting people to pay taxes and to support the program, they would embark on what he called military Keynesianism. They would have military projects and adventurism abroad in order to get people to acquiesce in having to pay for all these programs.

I think that the book is very insightful. If you read it, it gives not only an analysis of the American economy and political scene at the time and it foresees developments that took place many years later, but it also gives very good analysis of Italian fascism and discusses developments in Germany. So I think if you read that, it gives you a very good background understanding of a lot of the events that are taking place today. We can grasp the essentials of the economy and the political developments.

WOODS: Okay, so tell everybody the title again.

GORDON: It's *The Road Ahead*. It's written by John T. Flynn.

WOODS: Okay, so I'm just curious why would you choose that one over *The Roosevelt Myth*, more or less his biography of FDR?

GORDON: Well, I think *The Roosevelt Myth* is an extremely good book also. I'd certainly recommend that. But as you say, that's really a biography of Roosevelt, giving account — of course it goes into all the New Deal programs. But *The Road Ahead* is more of a theoretical book in that it's giving an analysis of fascism and showing the relation between New Deal programs and fascism. I mean, certainly why not read *The Roosevelt Myth* as well, but I think *The Road Ahead* gives you sort of a more picture — If you read *The Roosevelt Myth*, you'll know a lot about Roosevelt, but you might not be able to apply all the criticisms it makes of Roosevelt and contemporary development, but if you read *The Road Ahead*, I think will be able to do that. Also, it's shorter than *The Roosevelt Myth*.

WOODS: Right, yeah, it is. It is. But you know, I never actually got to it. I read *Roosevelt Myth* and I never got to *The Road Ahead*. Now, *The Road Ahead* is out of print, so I —

GORDON: Oh, it is?

WOODS: But you can read it at the Mises Institute.

GORDON: Oh yes.

WOODS: Because they have a PDF.

GORDON: Yes, they have so many of these things available. I certainly think that's one.

WOODS: Okay, so we're going to put that on the list. I'm going to put all these books at TomWoods.com/956 for Episode 956. So I'm going to link to, for anybody who

would like to get a physical copy, there are some used ones on Amazon that are quite inexpensive, but there's also a PDF from the Mises Institute to keep this thing alive. So you know what? Maybe when I'm there, maybe I'll read it myself. So let's see. This would have been — This is — Yeah, so when does this book come out?

GORDON: I think 1944 —

WOODS: Okay, yeah, so it is —

GORDON: — same year as Hayek.

WOODS: Yeah, yeah, okay, so it is that year. Yeah, so it's also valuable because it gives you a sense of what some of the thinkers in our broad tradition were thinking and saying in those days and what they were expecting to happen. That's also just a useful historical document as a primary source, in a way, in and of itself.

All right, so let's go on to the next one. Oh, by the way. You know what? Given that we have a little time, can you say something about who John T. Flynn was? Because he began by writing for *The New Republic* magazine.

GORDON: Oh yes. Well, in his earlier time, he was considered someone on the left. He had done investigations about corruption in business, and he was considered a liberal by the standards of *The New Republic* — I'm saying by the time he wrote for *The New Republic*. But he was someone who was opposed to intervention in foreign wars. And when he was a leftist, what he was particularly interested in was corruption in business, but he didn't like — when the New Deal came into power, he didn't like that the government was assuming control. This wasn't the sort of liberalism he favored. He was someone who favored individual freedom, and he was very angry. He thought that the New Deal betrayed liberalism. He was interested in and supported — And Roosevelt took his criticism very personally. I think there was a letter that Roosevelt wrote to the editor of *Foreign Affairs* magazine urging them not to publish an article by Flynn that he thought that Flynn had criticized him.

And then Flynn became — he was a leader of the America First Committee, which was opposed to American intervention in World War II. I think he was the head of the New York chapter and he became very active in that activity. And then also during the war, he moved largely not the way the parties moved — it wasn't an altogether movement on his part, but simply the way the party was situated he was considered more conservative, and he wrote books on the communist infiltration of the State Department. He had one called *The Lattimore Story* on Owen Lattimore. So he was very interested in communist activities in the U.S. and he wrote on that.

And then after the war, he maintained his noninterventionist position. *The National Review*, which was established by William Buckley, wouldn't take his articles criticizing foreign intervention in the Cold War, even though he was by that time considered one of the leading conservatives in the U.S. He had a very popular radio show. But he was frozen out because of his continued support for nonintervention.

WOODS: All right, let's go onto whatever your next book is.

GORDON: Well, when we consider nonintervention, one book I like very much on origins of the First World War — you find a lot of historians, not just people who were libertarians, but mainstream historians who will say that the First World War was really the turning point, that things became very different after the First World War. It was really a disaster. And I think one of the best books on the First World War is *The Genesis of the World War* by Harry Elmer Barnes. And it came out originally in 1926, but I recommend the 1928 edition, is the revised edition, the best one.

And what Barnes did, he was part of a group who were called revisionists. He was the most prominent publicist. He was in a newspaper column and was a public speaker, as well. They challenged the view which was dominant in World War I during American entry into the war that Germany and Germany's allies bore exclusive responsibility for the coming of World War I. They were called revisionists because they wanted to revise Article 231 of the Treaty of Versailles, which blamed Germany exclusively for the war.

So what Barnes argued was that there was actually a divided responsibility for the war, and he was inclined to emphasize that both France and Russia were willing to risk war in order to secure different territorial changes in Europe. In the case of France, they wanted to regain the province of Alsace-Lorraine, which had been surrendered to Germany after the Franco-Prussian War, 1870 to 1871. And Russia wanted to gain control of the Strait of Constantinople. So Barnes — and it's a very well-written book — he wanted to stress sort of that the French President Raymond Poincaré and the Russian ambassador to France, Alexander Izvolsky, were very eager to risk war in order to promote French and Russian interests.

So I think the book has held up very well after all these years. There's been an enormous number of books on World War I. Some very recently that are good, like *The Sleepwalkers* by Christopher Clark, but this book is written in a very punchy style and it gives you a good sense of how people in the 1920s were reacting against American participation in the war, and I think it holds up pretty well. My friend Paul Gottfried, whom I know you know very well also, thinks very highly of the book. And I think this is one, if you read this, you'll understand a lot about World War I origins.

WOODS: Okay, all right, that's very good. Of course I'll also — even though it's not exclusively about origins, only partially — of course I know you and I are also partial to Hunt Tooley's book *The Western Front*, although — does it have a new title now?

GORDON: I don't know that. It probably does. Yeah, I think he did a revised edition. Yeah, I think that's right. I mean, he's up with all the — Hunt Tooley's very good to read because he's a specialist in this period of history and he knows all the latest stuff and he has a very revisionist point of view; he's very sympathetic to libertarians. In fact, I would certainly recommend him.

WOODS: And I just checked. His new edition, which I've interviewed him about and I've just forgotten, it's actually called now *The Great War*, which is actually a better title, because his other book was not just about the Western Front. So it's called *The Great War: Western Front and Home Front*, so I'll link to that as one of the ones that we just happened to mention in the episode.

All right, let's go on to book number three then.

GORDON: Oh, well, this one is one of my favorites by Murray Rothbard called *Power and Market*. And you can read this — it's included within the edition of *Man, Economy, and State* published by the Mises Institute, but you can get it separately. Many people don't feel like reading a thousand-page book, so — I mean, I think it's very good if you can do that, but if you read *Power and Market* separately, what Rothbard does in the book, he gives a brilliant criticism of all the major arguments for interference with the free economy. He goes through — he has a classification scheme, and he goes through them very systematically and comes through with all sorts of new arguments that you won't find anywhere else — or at least I'm not familiar with them.

For example, when he's talking about democracy, he mentions an argument that many people use in favor of democracy, which is something like this: if political regimes ultimately depend on popular support, if enough people don't like the government, are really angry, they don't want to obey the government anymore, then the government can't survive. So if we have a situation where most people don't like the government and want to revolt against it, then unless we have some peaceful means of changing government, there's going to be violent revolution, and that's undesirable. So the argument for democracy is if we can have elections where the government can be changed, then we can obviate the need for violent revolution because then people can just vote the government out in the next election.

So Murray Rothbard is very, very good at coming up with all sorts of counterarguments and counterexamples. So he said, if we take this argument seriously, then why shouldn't we restrict the vote to, say, people of military age who are able to fight? I mean, old people like me shouldn't have the vote because we couldn't do anything in a revolutionary struggle. Or disabled people shouldn't be able to vote. Why don't we restrict the vote just to those who are able to fight? It's a point I don't think anyone else has raised, but that would be the sort of thing he could just come up with, just have all sorts of new points and everything.

So I think if you read *Power and Market* also and get into the topics covered, you'll get a very good sense of what Murray Rothbard was like in conversation as a person. You'll see how he just had one argument after another and he knew all the relevant literature that he could bring to bear on the topic. So I think this book would give you a very good sense of Murray Rothbard.

WOODS: I read that book long before I read *Man, Economy, and State*, so I agree with you that it's good for people to read if they're not planning to read the whole thing. And of course, I don't know if everybody knows this, but the history of that book si that it was initially included in Rothbard's great treatise, *Man, Economy, and State,* and the publisher evidently thought it was a bit too radical and left it out. And so he later published it as *Power and Market*, I think in 1970. But then when the Mises Institute published a scholar's edition of *Man, Economy, and State*, they published it the way Rothbard intended it, which was to include *Power and Market*.

Now of course, the first chapter of *Power and Market* is called — it's cold water right in your face, because it's called "Defense Services on the Free Market." That is some cold water right in the face, but very, very interesting book. And Jeff Herbener, who's

the economics department chairman at Grove City College, tells me that he uses *Power and Market* for his public finance course. Imagine how great that course must be.

All right, we'll get back to books in just a minute after we thank our sponsor.

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All right, David, we've got two more books coming from you. Let's hear what the fourth one is.

GORDON: Well, one I very much recommend, it's a collection of essays by Ludwig von Mises called *Planning for Freedom*. Now, many people when they hear Mises was the greatest 20th century economist, the greatest in the Austrian school, they'll reach for his most important book, which is *Human Action*. And then they start reading it and they aren't able to follow it, the first 840 pages of *Human Action* have some rather complicated philosophical stuff, so then they put the book down and say, Oh, well, I can't read it. I'm personally glad that Mises wrote that chapter, because that's what keeps me in business. That's how they get me to lecture at the Mises Institute on that part of the book, so I'm glad he wrote it.

But people find that very hard, so if you look at *Planning for Freedom*, it includes some essays that would be of interest to professional economists, like "Profit and Loss," but what you have here is a collection of essays that Mises intended for popular audiences. For example, he has essays critical of Keynesianism. He has "Stones into Bread: The Keynesian Miracle," where he compares the Keynesian idea where you can spend your way into prosperity with the biblical miracle of someone turning stones into bread. He's saying that Keynesianism is really just something absurd; it's something that people are imagining you can have some kind of magic formula to promote prosperity.

But he emphasizes again and again the only way to promote prosperity is through increasing investment, because investment will raise productivity, and the wages, how much money people earn, depend on how much they're producing. What an employer will pay a worker will depend on the value of what the worker's product is to him, so the more tools, the better capital equipment the worker has available, the higher your value to his product. So if you have more investment, then this will promote wealth and prosperity, so the most important thing is to encourage investment. You don't want to put bars to investment by having interference with the free market.

You also get of course Mises' characteristic theme that the free market is a system of what he calls mass production for the masses. It will produce whatever it is that people want. In a sense, it's a system really based on popular control of production, because it's people's decisions that are determining what to produce.

WOODS: I think I'm going to add to this one, if I may. *The Mises Reader*, edited by Shaun Ritenour, that came out I think early last year that I like very much because it's a great collection of Mises' writings, and it's not overwhelming like some of Mises' work, and it's not too simple like a few of his essays might be. Like what is it called —

? What is that book called? It's a little book of essays and it's something *for Today and Tomorrow*? Do you know the book I'm talking about?

GORDON: Yes, I think it's something like *Economic Policy Thoughts for Today and Tomorrow*.

WOODS: Yeah, I thought that was way, way too simple, so I think he really maintains a nice balance in *The Mises Reader*. So we'll link to *Planning for Freedom* and *The Mises Reader* also at TomWoods.com/956. All right, so what is book number five?

GORDON: Let me see. Well, I think one I like, it's a bit more difficult than the ones we've talked about so far, but I think it's within the range of most people. It's called *The New Science of Politics* by Eric Voegelin. It may be a bit — it is a little bit more difficult, but I don't think it's too bad. Now, Voegelin had been a student of Mises. He was in the famous Mises seminar. And what Voegelin does is give an analysis of modern political movements, including fascism and communism, as forms of a Christian heresy called Gnosticism, where the Gnostics were people who claimed that they had a secret knowledge of how the world was going and that the world was going to end and the people who had had this superior knowledge would then establish a better world. It would be kind of an apocalyptic struggle and a new world would come in.

You might think, what do these religious categories have to do with contemporary politics? And I think Voegelin shows very well that by treating fascism and communism as religious movements, you can understand what they're doing. He applies this also not just fascism and communism, but to certain types of liberalism in the 19th century, and he gives you — Voegelin was an extremely learned person. I remember when I was working on my PhD dissertation at UCLA, which was on the 16th century French political philosopher Jean Bodin, I visited Voegelin at Hoover Library at Stanford, and he showed me — he had a copy of the 1598 edition of a book that Bodin had written. He just took it off the shelf and showed it to me.

So I think he did do a very good account of political movements at the time, and he really shows you how to do intellectual history in a very good way. And he wasn't completely a classical liberal himself, but he had been, as I say, a student of Mises and he and Hayek were friends, so I think he was quite familiar with the free market.

But what he really does in the book, which I think would supplement the John T. Flynn book that I mentioned, he gives you more of the non-economic background of the 20th century political movements. If you read that book, you will understand how certain political movements really applied secularized religious categories. You understand if you read that why many people who support, say communism or socialism, will find they're really immune to argument. If somebody says, "Wow, look" — you show them the socialist calculation argument and say, "Socialism can't work, so how can you still support it?" they'll just ignore that because they're really dominated by religion. Just as when someone holds a religious belief, it's unlikely you'll be able to get them to acknowledge counterarguments to their religion. It becomes for these people a religion. Of course, there's nothing wrong with religion as long as it is something really coming from God. But if you try to secularize religious categories and apply them to something that's completely mundane, then you're going to get into big trouble. Of

course people used to make jokes — Voegelin used the phrase "immanentize the eschaton."

WOODS: I was about to use that phrase myself.

GORDON: Yeah, meaning, the eschaton is sort of the last thing, and immanentize is to put into the world. So you wouldn't be considering transcendent what's above the world or supernatural, as you'd just be taking it as something within the world. So there used to be funny slogans like "Don't let them immanentize the eschaton." I think somebody had a T-shirt.

WOODS: Yeah, and Buckley used to just — in fact, I think Young Americans for Freedom back in Buckley's day even used that temporarily as a slogan. "Don't immanentize the eschaton" — which is just great [laughing]. I mean, no one even knows what they're talking about, but I would love to be in a group that used that as a phrase. So basically, don't take concepts that are supposed to apply to another world and try to secularize them and make them organizing principles for the world that we live in, because it's going to be catastrophic and because we can't have conversations with you because everything is religious and therefore nonnegotiable.

GORDON: Yes, yes, that's it. That's it exactly.

WOODS: Now let me ask you a totally unrelated question before we wrap up for today. Given that you included a Rothbard book on this list, I feel at liberty to ask you this. I've been hearing for years, people who maybe had falling outs with Rothbard or just never liked him to begin with, what they say is, Yeah, yeah, he may have done some good scholarly work, but man, was he mean. If he didn't like your position on a scholarly question, he would just be vicious and brutal, and he made alliances and then switched them and then dropped people and added people. He was a mean guy.

And you knew him personally for a long time, and he was extremely fond of you and had tremendous respect for you. So I know you knew him as well as anybody knew him. What is your reaction to that claim?

GORDON: Well, you see, it's not true at all. He was very, very friendly to people. What I think those people tend to be upset with is that Murray had very strong views of his own, and if they wanted Murray to adopt — in many cases they wanted Murray to adopt their positions, and he wouldn't do it, so they'd get upset about it. Now, it is true that you had a few that Murray didn't like and he gave you what he thought was wrong with it. He wouldn't like it if you kept insisting — especially in political things if you kept insisting on what you wanted, he would tell you what he thought was right.

He liked academic debates, but I mean, when it was matters of political strategy, he had his views on things, and you can understand he wouldn't like it if you just kept going on and on. I mean, say if someone said to you, "I just" — knowing your views, something like, "Oh, I think the way Pope Francis is running the Church is really great." And you would have said no, you don't think so, and the person just kept going on and on about how great Pope Francis was, you probably would get sick of it after a while. So I think it's just like that with him. He wouldn't like it if people just kept insisting on

something he opposed. And unfortunately, many libertarians are just like that, that they think they know the truth and they're going to instruct Rothbard on what's right, and they didn't realize he was much smarter than they were and he'd heard all the objections they had.

But if you were willing to learn from him, he was extremely friendly. If you talked to him, he'd be laughing a lot of the time. He'd always have funny remarks and jokes about things, and he kept up with a tremendous range of subjects that he liked to talk about. So people who say that are not ones who knew him well, in many cases — As you know, there was a big split with Rothbard and Charles Koch at the Cato Institute, and as you know, the Koch Foundation, various foundations have invested an enormous amount of money in supporting various libertarian scholars and others. So a lot of people who get money from Koch will be very critical of Rothbard, I think, because Koch is still very anti-Rothbard in his view, so I think — I suppose this is imputing bad motives. I think in many cases there are people who criticize Rothbard or want to stay on the Koch payroll, so they want to keep criticizing Rothbard.

I can tell you — and I know other people who know Rothbard well, Joe Salerno, who will tell you — extremely nice person, easy to get along with. I mean, he was very much an old-style professor who just knew everything. People would say similar things — people said that about Mises, that he was dogmatic, hard to get along with, but then people who know Mises will say no, no, that's not right at all. He was very friendly.

WOODS: All right, well, I wanted to get your thoughts on that. I know of course what Lew has to say on it, and I've talked to Joe about it. And I have my suspicions as to why people spread this idea about Rothbard, and I don't think it's because they're after the truth; I think — Well, anyway. I don't want to speculate out loud, but I have my theories.

Anyway, this has been great, actually, because I would not have guessed — I actually wouldn't have guessed any of these books, not that they're not good. They're all good and they should be read. But I just wouldn't have guessed them, which is great, because people are sick and tired of hearing the same five books I recommend, so I got the master's recommendations, the Mr. Book Review, really. Because a lot of these books, books that you review you could have written yourself [laughing]. And I remember the first major book that I wrote that was published by Columbia University Press, I still owe you — maybe I sent you a gift at the time, but if — I probably owe you another gift by now. But I sent the manuscript to you because I was afraid that if i didn't, it would come out and you'd find 27 errors in it. And i thought, you know what? Better just send it to David right off the bat, get his thoughts. And you were so detailed. You pointed out to me that *Encyclopaedia Britannica* spelled encyclopedia with a "pae" and I needed to correct that when I referred to it in my text.

GORDON: Oh yes, I recall you — it was a very good book, too, that you wrote. I mean, you know your stuff very well, but I mean, people do misspell *Encycloopaedia Britannica* —

WOODS: [laughing]

GORDON: You see that all the time.

WOODS: But it's so funny to read your reviews and to see the level of detail you go into when you find errors, and I just thought, oh my gosh, there's no hope for Woods then if — I looked at the way you would decimate people, so my first thought was always, Send the manuscript to David [laughing]. So anyway —

GORDON: Yeah, I'm always glad to get your manuscripts. I mean, there are people who followed your strategy. Of course then I could always had a counter — you know, I'd send the comment and the book would come out — and now I'll give the real comment [laughing].

WOODS: Yeah, exactly, right, right. Well, I'm grateful for that. And you know, I mean, really, it's been so long since that book, I can't even remember if I sent you a fruit basket or anything, but — I don't know. When I see you next, I'll give you something. You're going to get something of some sort for all your good work.

GORDON: Oh, well, that's very kind of you, Tom. I don't deserve it, but I'll certainly take it.

WOODS: Yeah, there you go [laughing]. That is the correct attitude. All right, well, thanks so much for today. These are great, and I know there's going to be a run on these books as a result of this episode. So remember, everybody, check out TomWoods.com/956, and David, thanks again.

GORDON: Thanks, Tom.