FEE: A Slice of Libertarian History
Guest: Lawrence W. Reed
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WOODS: I want to do a little institutional history for the listeners today. We do a lot of history on this show, but sometimes we need to do the history of our own movement to know where we've been and where we're going. And the Foundation for Economic Education, of which you are the current president, played such a critical role in developing the libertarian movement and free-market economics. It really was the only game in town in the mid-'40s when it got started. What was the climate of opinion like? What was intellectual life like in America on the eve of the creation of FEE?

REED: Well, it was at a low point. There's no question about that. Although World War II was behind us, and victorious for the Western allies, there was a sense across the Western world that, hey, big government just saved us and central planning is a great idea, and wonderful things can be accomplished if we just put government in charge. So the defense of liberty was confined to a few people here and there who didn't have much voice, who didn't get much attention. And it was in that very negative climate that Leonard Reed, the founder of FEE, decided to mount an intellectual counteroffensive.

WOODS: Let's say something about Leonard Read. I think most of us know of Leonard Read as the man who founded the Foundation for Economic Education, but what had he been doing before that?

REED: Leonard was a businessman. He had run a produce company that he founded in Ann Arbor, Michigan. He was a Michiganian by birth. After that, he moved west to California and headed up several chambers of commerce until finally landing the job as the guy running the Los Angeles chamber of commerce. At first in that job he was not yet a libertarian by any means. He was sort of a mouthpiece for business, but it later nagged at him a great deal. He had a very interesting conversation with a very principled businessman by the name of W.C. Mullendore, who explained to him that his championship of government programs for business was intellectually unsound, and a far better position was one that advocated for liberty, free

markets, a fair field, and no favors. And Leonard took off from there and became a principled libertarian.

WOODS: What did FEE do in the early days? It published *The Freeman*, which it continues to publish, but what else did it do? Was it doing the kind of seminars and events that you do for students? What was the outreach? Were they reaching out to students, or the general public, or what?

REED: It was really the general public, because FEE was by itself at that time. It really spoke to anybody who would listen. It didn't really have a targeted audience. So it was speaking through its publication, not just *The Freeman*, but also a very hefty series of pamphlets that it distributed widely. It was speaking to academics, to students, to businesspeople and really to anybody who wanted an alternative to the prevailing intellectual wisdom, which was in favor of central planning and socialism of various kinds.

WOODS: Ralph Raico tells a funny story—perhaps you've heard it—about being a young man and being friends with George Reisman, who would go on to become another important free-market economist. They really wanted to meet Ludwig on Mises, and they knew where he lived in New York, but they couldn't think of any pretext for approaching him. So they knocked on his door and pretended they were selling subscriptions to *The Freeman*. And he said, "I already have *The Freeman*," and he closed the door, and that was the end of it. But eventually they got invited to FEE, to an event where Mises was speaking. The very fact that we associate Mises with FEE indicates that it was a tremendous intellectual powerhouse. It attracted a lot of big names that we associate with the free-market movement, who at one time or another spent time at FEE or wrote for *The Freeman* in the early years. Who are some of these people?

REED: Well, it's as you mentioned—Mises, I certainly should point out that one of the things that we are so proud of to this day that at a time when academia was shunning such luminaries as Ludwig von Mises, FEE was providing them shelter and giving them opportunities to publish. Ludwig von Mises was personally identified very early with Leonard Read. They were good friends, fellow members of the Mont Pelerin Society of free-market economists almost from the beginning. But there were other big names too associated with FEE. When Leonard Read acquired *The Freeman*, which had been published for a number of years before he took it over when he took it over as a FEE publication, he hired Frank Chodorov as its first editor under FEE sponsorship, and Chodorov, of course, was a very bright and articulate defender of individual liberty. Baldy Harper was another early associate of Leonard Read—Orval Watts and some long-time staff members got their start early on with Leonard—people like Reverend Edmund Opitz for all the years he was at FEE championed the notion that you can be a believer in Christ and be a libertarian at the same time—that there was no incompatibility there. So Leonard gathered some of the finest minds of the libertarian movement, which was quite small then, but there's no question over the years that he taught so many people that an awful lot today can say that they trace their origins in this movement for liberty to something that Leonard

Read said, something he wrote, or something that those associated with him early on said or wrote.

WOODS: Ron Paul makes semi-frequent reference to Leonard Read and the importance of Leonard Read and his life, and I think when people talk about Leonard Read, they are talking not just about his organizational genius and the sacrifices that he made to start FEE, but also the ideas that he had as a thinker in his own right. So what were some of those?

REED: Well, he had a very attractive personality, and it showed up in everything he wrote. Leonard was a practitioner of a kind of soft sell that is intended to attract people of a different persuasion. He was not a fire-breathing, run-them-down, blow-them-up libertarian, although there is certainly a role for that.

WOODS: Right. Yep.

REED: But in the case of Leonard, he advocated the soft sell, which was, you know, you don't beat down somebody's door. You drop a few hints that might appeal to someone and cause them to want to know more about your views. I think that's very much a part of Leonard going way back to the very beginning. He often said that when he goes to the golf course, nobody comes up to him to ask, how do you play golf? Instead they flock around people like the great golfers of his day—Sam Snead and Arnold Palmer, and his point was you've got to be the best you can be and develop an appealing persona. And the kind of person you want to come to you is not one in anger, but one who says, wow, I'm impressed; tell me more.

WOODS: That is good advice, and as you say, although there is a role for the firebreather—and sometimes I've stepped into that role; I've also played the role of the Leonard Read type once in a while, and that does work, too. In a way, it kind of depends on the temperament of the person you're appealing to, because some people, myself included, won't be reached unless they are basically grabbed by the collar: look, man, listen to me! But other people do go for the soft sell. You have to get a sense of who your audience is at a given time.

Now today, 2014, here we are—I guess FEE—was it founded in 1946?

REED: Yes.

WOODS: Okay, so here we are 68 years on. What's different about FEE today apart from the geographical location difference? What's different about the mission and the projects of FEE now?

REED: Well, let me start by saying there is one thing that is not different in any way, shape, or form, and that is the fundamental message. We are very proud of the fact we've stayed true to those principles to the letter over the years. But we have become in recent years more strategic in our approach. And this is not to knock anything Leonard did, because as you pointed out, he was almost alone in the early years, willing to speak to anybody. But now that a whole movement with lots of organizations and people focusing on where they have their greatest

strength, it's been important for FEE to take another look at our role in the movement. Where's the niche to be filled? What's the demographic where we have the greatest unmet needs? We've decided in recent years to focus on the 16-to-24-year-old demographic. It doesn't mean that we don't speak to those in their 60s or 70s, but our focus overwhelmingly is on young people, high school and college students and homeschool students, but basically that young person demographic. So we have been working to make everything that we do—our publication and our events—comport with that demographic, and more specifically, not just 16-to-24-year-olds, but those within that age group who are relative newcomers to liberty. So if you're someone who says, hey, I've already read Mises and Hayek and so forth, we always say, hey, that's fantastic: we need to connect you with places like the Mises Institute or the Institute for Humane Studies, but our focus is on students who have yet to make up their minds, who are hearing ideas of liberty for the first time, and of course, we're using technology today in ways that Leonard could not dream of, simply because it wasn't available at the time.

WOODS: Well, how do you get their attention in the first place? Maybe once you have it you might be able to persuade them, but how do you grab them to begin with?

REED: We're still experimenting and learning as we go along as to the best way to find, identify, and reach these young people who are yet to make up their minds, but one thing we're doing is at our summer seminars, which we have greatly expanded—we did 12 this year in many places across the country with a record number of students—we've tailored each one to a particular theme. For example, one was focused on science, environment, and technology, and the idea there was to attract students who have that background and intend to go into those areas for their future careers, but maybe have not heard of liberty, and then you talk to them about science, and technology, and environmental issues but from a market-friendly perspective with a heavy dose of Austrian economic analysis, and as a result I think we're taking a lot of students who simply plan to be maybe a scientist or a physicist, but we're now making them educated on ideas of liberty so that they are pro-liberty scientists or a pro-liberty physicist sometime in the future. We've done similar things with art-minded students, with sports-minded students. We think it's important that a free society have advocates for freedom across all professions, not just within, say, academia or business or the media.

WOODS: Larry, let's switch gears a bit. You do more public speaking than just about anybody I know, and you speak to a wide array of audiences. Where do you think we have the most work still to go? In other words, what are the fallacies that you see cropping up again and again and again—no matter how much work we seem to put into them, apparently we're not doing quite enough?

REED: I think probably the leading one at the moment is the issue of economic inequality, because there are a lot of people out there who say, okay, I can see what you mean when you make the case that capitalism produces the greatest amount of stuff, but I'm bothered by the fact that some people end up with more of it. So we have a lot of work to do to explain to people that a free people and a free society are not going to generate equalness in incomes,

and we should not lament that fact; we should rejoice in it. Because it's evidence that people are being the unique individuals that they were created to be. But there's a lot of work there on that issue. Also, I think that—and this is an increasing emphasis at FEE—it's important for us to reach people on the issue of character. I think character and liberty are two sides of the same coin—that liberty is the only social, political, economic arrangement that requires that we live to high standards of personal character, and that says a lot for it. You can be a dirtbag and fit into a socialized arrangement because all that—really, think of it. All that socialism really demand of you or asks of you is that you cough up your taxes, keep quiet, and go off and give your life on behalf of some cause whenever the state so directs. But liberty requires that we be honest, that we be patient, courageous, responsible, intellectually humble, recognizing that as much as we know, there's still a universe of knowledge out there that we don't know, and that it's folly to pretend that you can plan an economy for anyone else, let alone a country of 315 million people. So we have to reach people on the character and moral level as well as the economic level in dealing with these issues from economic inequality to you name it.

WOODS: On this character subject, I think it's synergistic in that it works the other way too that the market in turn can build up moral character because it encourages you to try to prosper by thinking about other people instead of just sitting around and thinking how you can game the system or how you can earn a living on the back of somebody else. You have to think of new and original ways to serve other people—and that, of course, is what the best kind of person does. The best kind of person is focused on: how can I take what knowledge I have, what talents I have and make sure that the whole world is able to benefit from them even in some small way?

REED: You're absolutely right. It does work in both directions. In fact, without freedom and free markets, how can you possibly exercise you character? How do we know, in fact, that you are a person of character if you've been denied freedom of choice? So it does work in both directions. They are mutually synergistic.

WOODS: You are the President of the Foundation for Economic Education, which people can visit at fee.org. So you are the perfect person to ask a question like this. I am concerned about the following scenario. We all know that Ron Paul's presidential campaigns brought a lot of young people into these ideas for the first time and generated a lot of enthusiasm for them, and that's great, but Ron's retired now, and my concern is: we have this enthusiasm, and then every year, little by little, it gets whittled away until we're back right where we were before. How do we stop that from happening?

REED: Well, we've got to make ideas of liberty something that people find positively exciting, motivating, animating, something far bigger than the personality of one figure. We're very proud of the fact that Ron Paul has long been associated with us and was a member of our board of trustees, but he would be the first person to say that this is not a battle of personalities. This is not a battle that depends upon personalities. This is a battle of ideas, and that's what should motivate us. So I think all of us in the liberty movement could probably

benefit from thinking about how to more effectively, well, we need to get people more excited about these ideas. These are permanent, eternal, lofty ideals and not dependent upon any particular person who is out there championing them.

WOODS: Well, listen, I want to get people over to fee.org to look around for themselves. What should they look at when they get there? Where would you want to direct them? What's the best step forward that you can take when you're introducing FEE to somebody who's new to it?

REED: Well, if you go to fee.org, you'll see a series of tabs. If you want to see where we have some forthcoming events where FEE people, FEE staff members, are speaking. You pull down the events page, and hopefully we'll see some of your listeners at some of those events. If you're a student, high school or college, then in December start watching for our list of summer seminars because we post them all in December and take applications through late winter, and that's an important place to go, but every weekday on fee.org, both in *The Freeman*, and in the blog called Anything Peaceful we have new entries every weekday, and they tend to be commentary on current issues or the philosophical underpinnings of freedom, and then we're also very active in social media too on Facebook just you are on, Tom, on Facebook with your page. I have one. FEE has one. One of my goals, Tom, is to someday get close to your count on Facebook.

WOODS: Well, thanks. Then I watch people. Lew Rockwell has a huge one because he has a blog, of course, with many contributors, and I am way too much of a control freak to let other people contribute to my blog, but he posts them all on Facebook, and it brings still more people over there, and I probably should hire somebody to do my Facebook, but again, I talk about the division of labor, but I don't actually live it. I try to do—

REED: I still do all of my own posts every day.

WOODS: Now, just for my own sake, and maybe those who are libertarian historians out there, historians of the liberty movement, let's close saying at least something about the property. Irvington on Hudson was the place where FEE had its famous mansion where so many events took place over the years, and now that's been closed, and you guys have moved down south. Can you say a little something about that?

REED: Yes, in fact, it's been only this week that we have finalized that process, and it came about as a result of many years of study and of thought, because the property has always meant a great deal to us. It always will. And we'll recreate in Atlanta, Georgia, some of the atmospherics over time once we select our final, permanent new headquarters. We'll recreate some of the atmospherics of the old Irvington mansion. But the economics of the move really compelled that decision. Just as hardly anybody could tell you that they are still living in the same home in which they were born 70 years ago; they moved on because of opportunities, and we had to do the same. Over the years in Irvington the village has instructed us that certain uses of the property can't be undertaken anymore because they are not up to certain codes. We could have spent a fortune trying to keep up with those codes and keep up with the

maintenance of a 140-year-old building, but then we thought: just think of all of that money you could put to better use for programs and publications. So we're cutting our costs dramatically by moving to Atlanta. But we will not forget the heritage of our long-time Irvington ancestral headquarters. It's always meant a lot to us, and the decision to move was not made lightly, but it's one that almost everybody themselves on a personal level sooner or later makes.

WOODS: Well, it is in a way sad to see that come to an end, but you're right. It does make sense to move forward, and we have to do these things from time to time, but the importance is that the message stays the same, which it indeed appears to have done under the leadership of Larry Reed, and you know, when I introduced you, I correctly—I was telling people about what you'd done before, and one of the things I had mentioned was your work in Michigan, and I correctly pronounced Mackinac Center, so I am also a student of Larry Reed.

REED: Hey, that's great, and I am student of Tom Woods, and thank you so much, Tom, for all that you do for liberty. Every book you put out, I am one of the first people to order it on Amazon or wherever it's available.