

# The Libertarian

Published by **The Libertarian Foundation**, #115-444 Robson Street Vancouver • British Columbia • Canada • Phone 688-2308



Volume I, Number 7

October, 1978

## WATCHDOGS FOR THE STATE

The leaders of a totalitarian state must have total control over the private lives and businesses of citizens. As Canadian politicians continue their dash to destruction, we see an ever-increasing tendency to license everything. Licensing sets up the mechanism by which the licensed can be kept under surveillance by the state. But, as everything from dogs to marriages become licensed, the price of maintaining this surveillance becomes outlandish. The state must then demand that its citizens begin to spy on one another.

Recently James A. Taylor, Administrator of B.C. Lotteries, sent a letter to all B.C. printing establishments requesting they ensure that any customers ordering the printing of lottery tickets possess a valid B.C. license to run a lottery. They were forcefully reminded that printing lottery tickets for anyone not possessing a license is a crime, punishable by up to two years in jail. Lotteries must be licensed, theoretically, to prevent an unscrupulous operator from fleecing an unaware public. But doesn't it then follow that it should be the concerned purchaser of a ticket who would like to see some credentials? Why would a printer care whether or not the lottery is properly licensed? His only concern is whether or not he gets paid for his printing.

In reality, this type of "request" from the B.C. Government is just another step toward "requesting" that printers ensure that *all* customers requesting printing have valid licenses. Someday we can look forward to a society in which everyone checks everyone else for their appropriate license before doing the simplest business transaction. What a country to look forward to! A Canada reduced to a nation of incompetent, whining little tattletales, begging permission to live and ratting on anyone who dares to show the virtue of initiative.

Let us do as Peter Kersbergen of Burnaby did and take a stand. Peter runs his own print shop. He is in business to make money. He does not have the time to check whether or not the contents of each job received is on the government's no - no list. Neither does he have the inclination to become a censor. Upon receiving the form letter from the B.C. Lotteries, he promptly phoned Victoria and told Mr. Taylor what he could do with his request. If we refuse to submit to these petty infringements on our liberty, then we will prevent the necessity of having to face larger ones. And larger battles will not be resolved with mere telephone calls. They may take guns.

---

### THE bill bissett AFFAIR

by Marco den Ouden

One of the hotly debated items these days is the issue of bill bissett and the Canada Council. Some parties, such as MP Bob Wenman and columnist Doug Collins, oppose Canada Council grants to bissett. Others, such as columnists Christopher Dafoe and Allan Fotheringham, support such grants and denounce the detractors as Yahoos, Wool-hats and Neanderthals. Neither side, though, seems to understand the issue at stake, although the Woolhats are closer to the mark than the so-called Intellectuals, or "funknickels" as Doug Collins calls them.

The issue at stake is whether bissett or Talonbooks or indeed, any group or individual, should be subsidized by the taxpayer. The Funknickels enthusiastically say "yes". The Woolhats, unfortunately, say "yes but". They say, to quote Collins, "Don't mistake my meaning. Symphony orchestras, the ballet and the theatre *do* warrant help. Maybe some genuine writers need help". So the

Woolhats and the Funknickels agree on the basic idea that subsidies are justified. They merely disagree on who should get the handouts. They differ in details but they agree on the fundamentals.

This is where libertarians and Woolhats part company. Libertarians maintain that subsidies are wrong in principle. All subsidies, whether to bissett, the VSO or corporations.

Ed Murphy, who unwittingly started this bissett controversy by reprinting some of bissett's poetry in his book "Legacy of Spending", understands the issue quite well. What he points out in his book has been misunderstood by Fotheringham and like detractors. If they'll look at the book again I ask them to note that not only does Murphy criticize the grant to bissett, he criticizes grants to numerous other individuals and organizations. He criticizes \$119,299,279 worth of grants to such diverse companies as Noranda Metal Industries, Burroughs Business Machines and Weldwood. He criticizes LIP grants and DREE grants. And he lists ten pages of grants by the Canada Council to others than bissett. The bissett question has been blown up out of proportion and has served to obscure the issue.

*(continued on page 5)*

---

IN THIS ISSUE:

**"Marketing Boards" by Philip Mills**

**THE LIBERTARIAN FOUNDATION:****PROGRESS REPORT****HALT Update**

Regardless of the wishful thinking of our politicians, tax resistance is not just a 1978 summer fad. HALT continues to spark interest across Canada, attracting new members from Alberta, Saskatchewan and Ontario. President, Mike Little, will be meeting with Ontario tax resistance groups in November to unify activity under the HALT banner.

Meanwhile in Vancouver HALT will be holding its first Community Action Workshop on October 24. The purpose of the workshop will be to organize at the local level in order to have an impact during the Municipal Elections. HALT also announced the addition of CJOR radio personality, Ed Murphy, to the Board of Directors.

**The Universities**

Both SFU and UBC Libertarian Societies have started club activity on their campuses. Both clubs set up booths on Clubs Day, selling books, issue papers and newsletters as well as attracting new members and interested observers. Regular meetings are now being held, with the highest priority being to publicize the clubs' existence and increase membership. Starting in November, *The Libertarian* will be featuring articles from both clubs as part of the progress report.

**The High Schools**

Formal club activity started at Burnaby South Senior High. The club has a teacher-sponsor and is holding twice-weekly meetings at lunch hours. The Libertarian Foundation is now looking for other schools to make presentations in and can use your help. Anyone knowing a high school teacher willing to have a speaker talk to their class should get in touch with us. We need all the support we can get in making our school programme successful.

*The Libertarian* is published monthly by the Libertarian Foundation. Subscription, \$25 per year; Individual issues, \$2.

**Editor**  
**Assistant Editor**  
**Contributors**

**Production Manager**  
**Typesetting**  
**Graphics**

**Mike Little**  
**Rick Bolstler**  
**Bill Buckler, Jr.**  
**Philip Mills**  
**Marco den Ouden**  
**Karonne Tayler**  
**Dewey McTaggart**

**Media Coverage**

Paul St. - Pierre, regular columnist for *The Vancouver Sun*, devoted his October 5th column to the B.C. Libertarian movement. The article was fair and objective but perhaps making the movement sound a bit too much like a religious crusade. A few minor errors were in the article but the spirit of libertarianism came through well. Thank you Mr. St. Pierre for your generous coverage.

"The popularity of lotteries is easily understood. Winning a lottery isn't a matter of skill or intelligence or effort - beyond the effort of buying a ticket. The lazy or stupid fellow has the same dead-equal chance as anybody else. Furthermore, if he wins a million tax-free bucks, nobody will hate him or attack him in any way. On the other hand, if he makes a million taxed bucks by hard work or by good judgement, he's a speculator, a profiteer, an economic royalist, etc., etc."

Richard J. Needham

From columns in the Toronto Globe and Mail

**WE ARE MOVING**

On November 4th, The Libertarian Foundation and HALT will be moving to new headquarters. The address will be:

**909 Thurlow Street,**  
Vancouver, B.C.  
V6E 1W3

Our telephone numbers will remain unchanged.

Our new office will be much more spacious and has additional room to hold meetings and work sessions. Everyone is invited to drop in for a visit.

**ANNOUNCEMENT**

Helen Yeomans will no longer be editing the Libertarian. Helen is a free lance editor and her time spent on the Libertarian was completely voluntary with no financial return. The pressures of earning a living and the increase in her own business have forced her to resign.

Without Helen's professionalism and knowledge, our newsletter would not have reached the standard it has. The directors of the Foundation wish Helen good luck and many thanks for her invaluable contribution to our efforts.

**DULLARDS & SENSE**

by Bill Buckler, Jr.

Two actors are presently on trial in Cardiff, Wales. Their crime? Maltreating a goldfish! It seems that the two smashed the poor fish's bowl on the floor during the course of a play. The producer of the play is accused of "aiding and abetting" the actors. The trial continues.

\*\*\*\*

Quebec Immigration Minister, Jacques Couture, has changed the "designation" of new immigrants to the Province. Up to now, they have been known as "neo-Quebecers". M. Couture, in all his infinitesimal wisdom, has changed this to "Quebecers of new stock" as part of a program called "Operation Rapprochement". Stay tuned for the further adventures of Rene Levesque and friends.

\*\*\*\*

Mike Miller works too hard. Mr. Miller, an Englishman employed as a machine operator in Frome, Somerset, is being terrorized by his fellow "workers" for his energy - his wages through piecework average \$220 per week, his workmates \$160. Things got so bad that Mr. Miller collapsed from the mental pressure and had to be taken home in an ambulance. How's that for an example of "majority rule"?

\*\*\*\*

Jack Munro, International Woodworkers of America regional president, has branded those involved with movements such as "right to work" and the tax revolt as "lunatics from the far right". He is aghast at the prospect of having the power to *force* workers to join a union taken

away and at "the massive layoffs and dismissals of government workers" which would result from a successful tax revolt. Sounds to me like Jack's a lunatic from the far wrong.

\*\*\*\*

An item from Vancouver Sun columnist Paul St. Pierre - the report of the Canadian Law Reform Commission reveals that, at last count, there were 20,000 federal and another 20,000 provincial law offences. On top of this, "70% of all federal laws are strict liability and need no proof of fault . . . . In fact, the outcome often depends simply on whether or not there is prosecution."

\*\*\*\*

New American Library informs us that Ayn Rand's works in paperback are selling at a rate exceeding 25,000 per MONTH! There are now over 14,000,000 Signet editions in print. ATLAS SHRUGGED and THE FOUNTAIN-HEAD with 3.3 million and 3.2 million sold respectively are neck and neck for first place. Other sales include:

<b>The Virtue Of Selfishness</b>	<b>- 1.8 million</b>
<b>For The New Intellectual</b>	<b>- 1 million</b>
<b>Capitalism: The Unknown Ideal</b>	<b>- 575,000</b>

\*\*\*\*

QUOTE OF THE MONTH: Al Johnson, CBC president, to the CRTC — "We don't want to snow the public with details on finances".

**OUR READERS INQUIRE**

*Wouldn't a libertarian society lead to monopolies which would lead to price increases, thereby exploiting the consumer?*

Destroying or twisting the meaning of words in order to confuse has long been a technique of statist. Seldom has this technique been more blatantly used than in the destruction of the concept *monopoly*.

The great seventeenth century jurist, Lord Coke, defined monopoly as follows:

"A monopoly is an institution or allowance by the king, by his grant, commission or otherwise . . . to any person or persons, bodies politic or corporate, for the SOLE buying, selling, making, working, or using of anything, whereby any person or persons, bodies politic or corporate, are sought to be restrained of any freedom or liberty that they had before, or hindered in their lawful trade."

In other words,

"Monopoly is a grant of special privilege by the State, reserving a certain area of production to one particular individual or group." (Rothbard, *Man Economy and State*, p. 591)

( continued on page 8)

## MARKETING BOARDS by Philip Mills

Canadians annually pay millions of dollars more than necessary for basic food items because of the presence of marketing boards, according to the Consumers' Association of Canada. Egg, chicken, milk and, to a certain extent, vegetable marketing boards, have successfully cornered their respective markets to restrict competition and guarantee a good living for farmers - at the expense of consumers. The absence of these marketing boards would open up free trade, and promote competition for higher production, higher quality and lower prices for shoppers.

Free, uncontrolled farming in Canada would relieve overburdened public purses, already straining under the weight of massive taxation, high inflation and the falling value of the dollar. Farmers, naturally, would be obliged to compete for favour with retailers and consumers, instead of board inspectors and directors. It is a somewhat simplistic approach to the problem of marketing boards, but one that deserves further consideration, if for no other reason than to expose the real rogues hiding behind the issue - the politicians.

Recent controversy over marketing boards in B.C. started with so-called "horror" stories of tons of fruit and vegetables rotting in B.C. fields because marketing boards had already fulfilled their quotas. The fact that overproduction in any commercial venture must be expected sometimes never cropped up in the debate.<sup>1</sup> Instead, discussions centred around the "shame" of food going to waste.

Boards and farmers could have avoided criticism and embarrassment on this front had they donated the food to charitable organizations. Instead, they caught considerable flak and allowed old doubts as to the value of marketing boards in general to raise their heads.

Farmers promptly purchased advertising space in newspapers proclaiming what they see as the virtues and benefits of their B.C. Coast Vegetable Marketing Board for all concerned, farmers and consumers alike. The board rightly pointed out that it does not monopolize potato or cauliflower prices in B.C. because home grown produce is in direct competition with imported produce. Egg and milk marketing boards cannot boast of such a situation, having no direct competitors. These are true monopolies, pricing goods at what the producer thinks is fair, not what a free market would demand.

Marketing boards give producers no incentive to excel. Minimum standards are all the farmer needs to reach. Why bother trying harder? Why bother looking for ways to improve products or expand their individual production quotas to undercut rivals? Farmers, in their advertisement, insist that they are the original free traders: "Our growers are free enterprise farm operators who can plant as much acreage as they believe the market place can consume. The

Board guarantees only each member his fair share of the market demand at any given time." The fact of the matter is that the board's function of organizing farmer co-operation in the distribution and marketing of produce is a cost-saving operation.

Things start going wrong - mainly for consumers - when politicians, the very people supposedly protecting the interests of the public at large, poke their disruptive noses into the arrangement. They are the people responsible for granting certain groups of farmers the franchise that prohibits any farmer from working outside the marketing board arena.

Marketing co-operatives, as has already been stated, are cost beneficial. But emphasis must be on the word voluntary. Farmers are free to contract themselves to co-operatives and those in breach of the contracts (i.e., those who might sell their goods to outlets or persons restricted under the contract) should suffer the normal judicial consequences. Those, however, free from co-operative arrangements should be at liberty to trade where and how they see fit. This is something prohibited by the politicians. The politicians, in an attempt to win favour and votes from special interest groups, including farmers, have allowed professional and trade associations to restrict market operations to those who belong (or are contracted) to the relative governing association.

Shoppers and consumer groups have become increasingly aware of the detrimental aspects of a closed market. And the politicians, ever anxious for another supporting vote, have responded with suggestions that consumers be represented on marketing boards. B.C.'s Agriculture Minister, Jim Hewitt, has hinted that this may be considered later this year. A stop-gap move for expediency, of course. One that alters the exterior but allows the heart of the problem to continue to fester. Shuffling farmers or consumers around will not solve the problem. Giving politicians the boot will.

Without the club of political power behind marketing boards and professional and trade associations, lawyers, doctors, hairdressers and farmers, who do not wish to contract themselves voluntarily to the rules of their respective association are free to challenge the market place. They are free to fight for the hand of the consumer. And to win, they must improve quality and undercut competitors.

Egg, milk, chicken and vegetable monopolies are not possible without the power of government. We can thank politicians for creating today's coercive marketing boards that operate to the detriment of consumers by rewarding mediocrity and confounding excellence. An open market will not permit inefficiency or stagnation. It permits any farmer who can surpass competitors to do so. In this way, the free market rewards ability and works for the benefit of everyone — except those who seek the undeserved.

*Philip Mills is a professional journalist.*

<sup>1</sup> Overproduction is here used in a very limited sense, strictly from the farmers' and marketing boards perspective. There can not be "overproduction" in a general sense since all that would happen in a free market is that the price would come down until the produce cleared the market. This always works to the consumers' benefit. — EDITOR —

**bissett AFFAIR** (from page 1)

And that issue is the question of whether subsidies of any sort are justified.

Libertarians maintain that all subsidies are wrong, evil, immoral in principle. Subsidies are based on the idea that some individuals have the right to live off others; on the idea that individuals do not have a right to the fruits of their labour, to decide for themselves how to spend their money. Subsidies are based on the idea that some people (government bureaucrats) are better able to decide how you should spend your money than you are.

Libertarians emphatically reject these notions. Individuals have the right to their lives, liberty and property. They have a right to pursue their own goals (whatever they may be) in peaceful voluntary co-operation and interaction with their fellow men. They have a right to be free, unfettered by the tastes and idiosyncracies of fellow men who would force them into a mold. They have a right to support activities, individuals and organizations they enjoy and approve of and an equal right to withhold support from activities, individuals and organizations they don't enjoy or don't approve of.

It is these freedoms that both Fotheringham (who supports subsidies to just about anyone) and Collins (who supports subsidies to only the "finer" accepted arts) deny. What each of them is saying, in effect, is that you, the citizen, must support their favorite cultural activities or else armed men will come beating on your door to extract money from you, or incarcerate you, or even to shoot you down mercilessly if you have the gall to resist.

Neither Fotheringham nor Collins would be so crude as to personally knock on your door, point a gun at you and say "Donate \$10.00 to bissett" or "Donate \$10.00 to this 'genuine writer' who needs help". But they have no qualms about someone else (the government) doing the dirty work for them, doing things they would not dare to take upon themselves to do.

Fotheringham called Talonbooks a gutsy little company. There is nothing gutsy about dipping your hand in someone else's pocket. It is immoral. And it's even worse when you get a third party to do it for you. It is a cowardly evasion, not a gutsy act, to endorse theft masked in the cloak of legality.

It is interesting that Fotheringham calls opponents of subsidies "Yahoos" and Dafoe calls them "Neanderthals". Yahoos and Neanderthals are wild savage men, men to whom brute force and violence are a way of life. Libertarians, who oppose subsidies, do so because we oppose violence. We oppose coercion as a principle of social interaction. Coercion is wrong when undertaken by individuals and equally wrong when undertaken by a collectivity of men. Might does not make right and the fact that a group may be the majority does not place it above the moral laws governing human interaction. It is those who

advocate and support subsidies who are the Yahoos and Neanderthals for it is they who support the principle of coercion and violence.

I recommend that Collins check his premises and recognize the inconsistency in opposing subsidies to bissett but not to certain other groups. He merely wants to substitute his choices for the choices of the bureaucrats presently making the decision. But he is, in principle, no different than Fotheringham.

And I would suggest that Fotheringham and Dafoe both check their premises and ask themselves how they can, in good conscience, support activities by the government which they would consider immoral if undertaken by individuals. Isn't this hypocrisy?

The notion that we need subsidies is a sacred cow that must be quickly slaughtered and buried. It is the notion of short-sighted men who have insufficient imagination to see beyond the present to a world without subsidy. Projects, enterprises and endeavours have to be paid for regardless of whether they are subsidized or not. Libertarians advocate a world in which currently subsidized endeavours will be paid for directly; a world where you, the individual, have the choice of whether to support such endeavours or not. It is the only moral course for society to take.



## rumblings

by Richard Bolstler

### Walter Boytinck — What One Person Can Do

"LAWYER SUES GOVERNMENT FOR INFLATION AND MONETARY FRAUD" So ran the headline in an article in *The Province*, Vancouver's morning daily, on September 21, 1978. And so started the latest battle in Walter Boytinck's ongoing conflict with the state.

Walter does not have the image of a rebel. A successful Vancouver lawyer, Walter lives in well-to-do Shaughnessy with his wife and four children. He is a member of the very conservative Vancouver Board of Trade and is, for all appearances, Mr. Average, Middle-Class Canadian. But appearances are deceiving, for the characteristic that most distinguishes Walter from Mr. Average is his uncompromising commitment to his principles. Walter believes that men are born with the right to be free. He cannot understand how other men can claim to hold this belief yet do nothing as this right is being eroded. Recognizing that governments are the greatest threat to a person's right to life, Walter is presently involved in numerous skirmishes with the state. Walter confronts the enemy head on and challenges them on principle. In particular:

January 25, 1977. The Canadian Radio-television and Telecommunications Commission (CRTC) holding a public hearing in Vancouver is presented with a brief by Boytinck calling for an end to the concept of public ownership of the airwaves and for the immediate resignation of all commissioners in the CRTC. His advice was not heeded, however his brief was printed as a feature article in *The Vancouver Sun*.

April 2, 1978. Judge W.G. Craig dismisses Boytinck's application for a trial by jury. Walter had been charged for failing to fill out his 1976 federal census form and demanded a trial by jury as his right under Canadian constitutional law dating back to the Magna Carta of 1215. Judge Craig declared that Canada's B.N.A. Act allows Parliament to do as it likes. The decision is now being appealed.

August 18, 1978. Boytinck issues a Statement of Claim against the Federal Government. Walter had been reassessed by the Department of National Revenue for a 1973

capital gain he supposedly enjoyed. He countered by claiming damages of \$17,743.00 for the "inflation tax" over the period in question. He is awaiting the date of the trial.

To date Walter has undertaken this battle with little assistance from anyone. Although the legal technicalities may be grey and confusing to most, the principles involved are black and white. Is government the servant of the people or is it the master? And if governments experience conflicts with the people, should the outcome be determined by a judge, i.e. a government employee, or by some impartial jury? To free men the answers are obvious. Why then do we allow ourselves to be treated otherwise?

Walter does not limit his actions to confronting the government head-on. In his "spare time", he helped found Human Action to Limit Taxes (HALT), a Canadian tax resistance group, authored the *Canadian Charter of Liberties*, and is a director of the Libertarian Foundation. In his business and personal contacts with others he never fails to promote the idea of human liberty. He has corresponded with everyone from local businessmen to the past Prime Minister of Canada, John Diefenbaker, over issues such as the Canadian constitution and libertarian ideals.

To the great credit of the Vancouver media, Walter's actions have received extensive publicity. Doug Collins, Ed Murphy and Pat Burns are the most prominent Vancouver personalities that have furthered Walter's cause. Others have proven equally sympathetic but with less vigour. Walter has a low-key approach to protesting. He states his position in such a matter-of-fact, no nonsense manner that one is compelled to listen. His convictions and his sincerity compliment his soft-spoken manner. Walter is deeply concerned about the future — his, his family's, his nation's. He doesn't sit by wringing his hands as his freedoms slip away; he acts. His actions are reminiscent of a favourite quote: "He who plants an avenue of trees cannot, in the nature of things, see them in their glory. He plants them for posterity. Much of what we have today comes of that spirit of our forebears." Perhaps Walter will never properly see the fruits of his labour. But his children and grandchildren will. And perhaps, if more people would follow Walter's lead, the achievement of the creation of a free society could come about in our time and not our children's'.

THE LIBERTARIAN'S BOOK REVIEW

Capitalism: The Unknown Ideal by Ayn Rand (\$1.50)

An idealist, according to the Random House dictionary, is "someone who represents things as they might be or should be, rather than as they are." An ideal, from the same source, is "a conception of something in its perfection". When the greatest idealist of the twentieth century, Ayn Rand, writes about "the only moral politico-economic system in history", capitalism, the result is Capitalism: The Unknown Ideal.

This book is a compilation of essays, most of which originally appeared in the Objectivist Newsletter, along with several lectures and papers. They were written in the mid 60's, the majority by Ayn Rand, with contributions from Nathaniel Brandon, Alan Greenspan and Robert Hessen.

Miss Rand's central thesis is that the concept of capitalism has been buried under an avalanche of "misrepresentations, distortions and outright falsehood". The obliteration of capitalism has been caused, not by its enemies, but by its so-called friends. Those people who understood the greatness of what was being destroyed but did not speak out in protest, who did not dispute the misrepresentations but condoned them by their silence.

Ayn Rand defines capitalism as follows: "Capitalism is a social system based on the recognition of individual rights, including property rights, in which all property is privately owned". She goes on to say: "There are only two questions which need to be asked in order to determine the nature of a social system: Does it recognize individual rights? - and: Does it ban physical force from human relationships? in all of history, capitalism is the only system that has answered YES to these questions". It recognizes that a man is an end in himself, not the means to any "higher end" (such as the "good of society"), and that the

only way that individual rights can be upheld is through the banishment of force from relations between men. It also recognizes that, since a man must work and produce in order to live, the violation of his right to his product, his property, makes the concept of the right to his life meaningless.

An idea of the substance of this book can be gained from a brief description of a few of the essays. In Extremism, or the Art of Smearing, Miss Rand points out that the epithet "extremist" is hurled at anyone who holds an uncompromising belief in freedom by those who would have us believe that we must find a "moderate" "middle ground between freedom and slavery. The Roots of War points out that statism, being in essence a society of looters, needs war in order to exist. When there is no more loot to be stolen from the productive citizens of such a society, then its leaders must attack their neighbours in order to survive. In Is Atlas Shrugging?, Miss Rand presents "the relationship between the events presented in Atlas Shrugged and the actual events of today's world". From the "brain drain" suffered by England in the mid 60's to the New York City blackout, the similarities are scary, to say the least!

Ayn Rand has never been silent about her moral values, she has always spoken out passionately in defence of freedom and free men. In this work she holds capitalism Lip to the light of logic and reason and, in her powerful style, sweeps away the mound of collectivist compromise which had threatened to bury it. Capitalism: The Unknown Ideal is an inspirational book and is must reading for Libertarians.

A personal footnote: The Recommended Bibliography at the back of the book is where I first became aware of such great free market thinkers as Ludwig von Mises, Frederic Bastiat and Henry Hazlitt.

CONTRIBUTION FORM

NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

CITY/PROVINCE: \_\_\_\_\_

POSTAL CODE: \_\_\_\_\_ PHONE NO : \_\_\_\_\_

Please accept this donation to assist the Foundation in its activities.

\$25.00 I wish to receive The Libertarian for one year plus notices of special events.

\$100.00 I wish to give further support to the activities of the Foundation. I will receive The Libertarian for one year plus a hardcover copy of Dr. John Hospers' Libertarianism.

Send to: The Libertarian Foundation, 909 Thurlow St., Vancouver, B.C. WE 1W3

**Our Readers Inquire ( from page 3 )**

The key point to note here is that the concept of monopoly includes the idea that a special privilege must be granted by a governing body. A government's method of granting a privilege is to pass a law or laws restricting or eliminating competition. A law does not mean much unless it is enforced. In other words, the idea that competition must be eliminated by force is integral to the concept of monopoly.

This is the true meaning of monopoly. Even today dictionaries still define the word as a granting of privilege or power to some group or person, by some authority.

Since a free market *with* government intervention is a contradiction (a free market ceases to exist when the government intervenes) it therefore follows that a monopoly, using this definition, cannot exist on the free market.

Today, most people do not understand this concept; most can no longer define it. This was largely brought about by our academics who very neatly severed the relationship between government force and monopoly in peoples' minds. Today monopoly has become another floating abstraction, one that conjures up the image of some greedy capitalist cornering the market for some product and then raising the price to exploit the consumer. When asked, (a) how does he corner the market and, (b) how can he eliminate competition after raising the price, you invariably get no well-thought out answer. Indeed there is no logical answer possible unless you include government force.

There are only two ways that one corporation or a group of corporations (a cartel or trust) can "corner" the market.

The first is by using government power to inhibit or outlaw competition. The second is by being so efficient that they can offer a product at a low enough price, such that nobody wishes to, or can, compete. There is no question in this second case of harming the consumer. On the contrary this company is providing a great benefit to consumers. For the more efficient it is the lower its price will tend to be, thereby enabling poorer people in our society to purchase and have the benefit of its product. If such a company were to raise the price of its product, such that its return on investment were higher than the average throughout the economy, then investment capital would flow into that industry and competition would appear. It is a general principle of the market that capital tends to flow from the least profitable industry into the most profitable. This comes about because each investor is pursuing his own self interest and attempting to gain the highest return on his money.

Let us pause for a moment and contemplate the monopolies which do exist in our economy - such as the post office - and ask ourselves if they could survive without government legislation and/or subsidies. The inescapable conclusion is no. In fact no monopoly has ever existed without government backing. Monopolies are inventions of the state; not the free market.

- Mike Little

(For an indepth analysis of monopoly theory read *Man Economy and State*, by Murray N. Rothbard, p. 560 - 660, available through the Foundation.)

*THE LIBERTARIAN FOUNDATION*

909 Thurlow St.,

Vancouver, B.C. V6E 1W3

(604) 688 - 2308