



Did Economist James M. Buchanan Support "Massive Resistance" to School Desegregation?

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If one were to name an official Recently Deceased Nobel Laureate of the Age of Trump, the economist James M. Buchanan would be a good candidate. In 2017, Buchanan was the focus of two books and a key player in a third. Duke University historian Nancy MacLean put him at the center of a conspiracy to put *Democracy in Chains* in her award-winning book of that title, and his former student Richard Wagner evaluated Buchanan's ideas in his book *James M. Buchanan and Liberal Political Economy: A Rational Reconstruction*. Phillip W. Magness (of the American Institute for Economic Research) and I reviewed the former last in the Fall 2017 issue of *Regulation*, published by the Cato Institute, and I reviewed the latter in the Winter 2017/2018 issue. The third book, David M. Levy and Sandra Peart's *Escape from Democracy: The Role of Experts in Economic Policy*, considers, among other things, the circumstances under which Buchanan left the University of Virginia as well as his coauthor G. Warren Nutter's contrarian and maligned but ultimately vindicated assessment of the Soviet economy.

While Phil and I were exploring the main ideas in *Democracy in Chains* and looking into some of the evidence MacLean offers to make her case, we found a few things that didn't really add up. We joined up with the economist Vincent Geloso, now at Bates College in Maine, and studied the evidence in greater detail. Our paper has been published online by the *Southern Economic Journal* and will appear in print soon, and you can find an ungated version here.

MacLean argues that Buchanan, who was the chair of the Department of Economics at the University of Virginia in the late 1950s, and his coauthor G. Warren Nutter--who, incidentally, was born in Topeka, Kansas--were at the center of Virginia's "Massive Resistance" movement to oppose school desegregation in the wake of the *Brown v. Board of Education* decision. Massive Resistance failed, and in MacLean's story this taught Buchanan an important lesson about the need for stealth: if he wanted to get his anti-government program past an uncooperative majority, he had to make sure that the majority was constrained by constitutional rules. What's more, he realized that the clandestine Radical Right would have to be less than forthcoming about its motives. He would go on to teach his anti-government message to billionaire supervillain Charles Koch and advise Augusto Pinochet's brutal junta government on how to implement his vision in Chile.

We find that large parts of her story don't withstand scrutiny. In this, we are not alone: an exhaustive review essay on *Democracy in Chains* by Jean-Baptiste Fleury and Alain Marciano

appears in the new issue of the *Journal of Economic Literature*, and a study by Andrew Farrant and Vlad Tarko that appeared earlier this year in the *Review of Austrian Economics* show that Buchanan was not, in fact, a Pinochet advisor (Michael Munger emphasizes this in a review essay that appeared in *The Independent Review*).

Our unique contribution is a reassessment of Buchanan's role in Massive Resistance. Specifically, and as far as we can tell from the archival evidence, he didn't have one.

MacLean claims that Buchanan was likely working behind the scenes with segregationist newspaper editor James Jackson Kilpatrick of the *Richmond News Leader*. University of Virginia economists G. Warren Nutter and Buchanan wrote an essay titled "The Economics of Universal Education" during the early 1959 debates about efforts to close Virginia schools rather than integrate them. MacLean writes specifically that "The timing of [Nutter and Buchanan's] efforts strongly suggests coordination with Jack Kilpatrick in an eleventh-hour push to persuade the legislators to go further." On April 12 and 13, 1959, Nutter and Buchanan published their article in two parts in the *Richmond Times-Dispatch*.

This, we think, is where the historical story starts to unravel. First, MacLean cites no correspondence at all between Kilpatrick and Nutter or between Kilpatrick and Buchanan that would suggest any kind of coordination. Second, Kilpatrick was the editor of the *Richmond News Leader*, not the *Richmond Times-Dispatch*. The *Times-Dispatch* was edited by Virginius Dabney, with whom Buchanan's coauthor G. Warren Nutter maintained an interesting correspondence.

Where Kilpatrick was a hardline "Massive Resister" aligned with the state's political machine, Dabney was "a quintessential white southern moderate" who opposed Jim Crow, pushed for federal anti-lynching laws, criticized the Ku Klux Klan, and was awarded a Pulitzer Prize in 1948 as an advocate of city bus desegregation and an opponent of Virginia's poll tax. He also supported gradual, limited integration because he was wary of the political and social fallout. Dabney's *Times-Dispatch* editorialized in favor of segregation (largely at the insistence of the paper's owner, David Tennant Bryan, who also owned the *News Leader*), but earned a reputation for free and open exchange. As national NAACP leader Roy Wilkins put it in 1958, the *Times-Dispatch* opinion page "maintained free and extensive discussion of the issue in its letter column, perhaps more than in any daily newspaper in the entire south."

The clear paper trail linking Nutter and Buchanan to Dabney along with Dabney's far more moderate record combined with the lack of any correspondence between Nutter and Buchanan and Kilpatrick in 1958 and 1959 militates against the thesis that Nutter and Buchanan--and Nutter was the paper's lead author--were secret Massive Resisters. Indeed, Kilpatrick wrote that he had not yet seen the "Buchnan study" (sic) as of April 6, 1959. Again, we think this militates against the thesis that Kilpatrick was coordinating any collaboration between the economists and the Massive Resisters. Finally, Nutter and Buchanan are conspicuously absent from the Massive Resistance-era diary of David J. Mays, a Virginia lawyer, author, and segregationist who had worked on behalf of the Massive Resisters.

If Buchanan had been working to maintain the supremacy of the white power elite--whether out of racial antipathy himself or out of an alliance of convenience with racists that he thought could advance his anti-government agenda--he made some very strange moves as director of the Thomas Jefferson Center for Political Economy at the University of Virginia. The Center's first

visiting scholar was Buchanan's University of Chicago mentor Frank H. Knight in 1958. In his lectures, which were compiled and published in 1960, Knight criticized segregation:

“Equality before the law means that there is equal opportunity for everyone to find or make his own place in society. This ideal was dishonored in the breach rather than honored in the observance for some time into the age of liberalism, notably by this country in the matter of racial discrimination. We were from a generation to a century behind the main civilized world in getting rid of slavery nominally based on race, but actually a caste distinction, and then had to do it by one of the most terrible wars in history. We still do not allow equal legal treatment, but discriminate on the fictitious ground of any supposed trace of alien racial blood.”-Frank Knight, *Intelligence in Democratic Action*, pp. 136-37

In 1960, he brought in Milton Friedman, who had first ventured into the economics of school choice with a 1955 article proposing a voucher system, to deliver a lecture titled "Free Choice in Schools: the Economic Case." We have been unable to find a copy of the lecture, but it seems reasonable that the arguments he made were very similar to those he made in his 1962 book *Capitalism and Freedom*. As for his racial views, Virginia voucher advocate and retired newspaper editor Leon Dure described Friedman as an "ardent integrationist" at the time of his visit.

One of the most interesting visitors to come through the Jefferson Center was William Harold Hutt, who had just retired from his position at the University of Cape Town in South Africa and who joined the Jefferson Center in December of 1965. MacLean mentions Hutt's opposition to labor unions but is silent on Hutt's reputation as an outspoken critic of apartheid. Hutt had published *The Economics of the Colour Bar*, a strident criticism and condemnation of South African apartheid, in 1964. During his time at Virginia, Hutt would work on integrating his arguments about apartheid with the arguments Buchanan and Gordon Tullock had made in their 1962 book *The Calculus of Consent* and lectured on "Apartheid in America" at the Universities of Virginia and North Carolina. He taught a seminar at the University of Virginia on "Economic Problems of South Africa" and published an article on the parallels between South African apartheid and the southern segregationist regime in the conservative journal *Modern Age*. If maintaining Virginia's racial hierarchy were an important part of Buchanan's normative vision or even a convenient horse to which he could hitch his anti-government wagon, Hutt was a very strange choice for a visiting scholar, especially in the mid-1960s.

None of this, of course, means that Buchanan had especially progressive racial views--his longtime coauthor Geoffrey Brennan suggests that this wasn't the case in a review of *Democracy in Chains* that appeared in *History of Political Economy*--or that he was *actually* a covert agent of the Civil Rights movement working behind the scenes on behalf of integration and equality.

It does, we think, provide pretty convincing evidence that Buchanan did not "forge...his ideas about government in a last gasp attempt to preserve the white elite's power in the wake of *Brown v. Board of Education*." We have to look elsewhere--like to the University of Chicago tradition of Frank Knight or the Italian public finance theorists that Buchanan studied during his stay in Italy on a Fulbright Grant.

I'll finish with one more thing that has come to light since the paper went through the review process. MacLean writes of Nutter and Buchanan that "When they [put forth their proposed solution to the school crisis], it was as if they had pulled down the shades on every window,

cancelled their subscriptions to all the newspapers, and plugged their ears to a new set of voices in Harry Byrd's Virginia". This "new set of voices" "came from white, middle-class Virginians, from parents, in particular, who were shocked at the actions of their state officials and determined to resist" (*Democracy in Chains*, p. 61). She points to the work of

"ten elementary school PTA mothers [who] had formed the Parents' Committee for Emergency Schooling, cobbling together temporary schooling in church basements, home family rooms, and clubhouses, so as to avoid a mass rush to private schooling. The mothers differed on some questions, one explained, 'but the one point on which we all agree is balking at the idea of doing away with the public school system.'" (*Democracy in Chains*, p. 63)

My coauthor Phil Magness managed to unearth some information about one of the families that opened its home. He posted an old newspaper photo of one of the emergency schools on Twitter, and he explains further on his blog.

Where are the kids meeting? Warren Nutter's house.

That, I think, is pretty decisive evidence that Nutter and Buchanan were not funneling intellectual ammunition to the Massive Resistance movement.

Democracy in Chains has gotten a lot of people thinking about Buchanan's work, and it has inspired me to think more critically and carefully about the role of race--or rather, the apparent lack thereof--in public choice economics. It doesn't present Buchanan's ideas correctly, however, and it seems pretty clear that it posits a role for Buchanan in the Massive Resistance movement that he simply didn't fill.