

TUESDAY, DECEMBER 1, 2009

## Tyler Cowen Rips "Ron Paul-Lew Rockwell Libertarianism"

George Mason University economics professor, economics blogger at [Marginal Revolution](#) and "Economic Scene" columnist for NYT, Tyler Cowen, ripped into what he called "Ron Paul-Lew Rockwell Libertarianism," today in Washington D.C.

The venue for the attack was a Cato Institute [book forum](#) that featured Tom Palmer's new book [Realizing Freedom: Libertarian Theory, History, and Practice](#).

Cowen served as commenter on Palmer's book.

Following Palmer's comments, which I only caught the tail end of because of my late arrival, Cowen began his comments, and almost immediately differentiated between what he called "Ron Paul-Lew Rockwell libertarianism" and "realistic" libertarianism. He said that like Palmer, he fell into the "realistic" camp.

During the Q&A, I asked Cowen to amplify on the differences between what he deemed "Ron Paul-Lew Rockwell libertarianism" and "realistic" libertarianism. He pointed to a view on immigration and "too much" conspiracy theory that he claimed the "Ron Paul-Lew Rockwell libertarians" held. He said they were moving toward the extreme right wing Republican camp. He contrasted this with what he called realistic-secular libertarianism. He said he expected that a full split between the two camps will occur.

He then stated that he knew some of the Ron Paul-Lew Rockwell camp have been attacking Tom Palmer for sometime and that he did not understand that.

After the forum concluded, I was able to catch-up to Cowen.

I asked him if he thought there was such a thing as Austrian business cycle theory. He said yes but that there has been no original thinking done in the field since the 1930's.

I asked him if he agreed with [Tom Palmer's view](#) that ABCT was a religion. He said yes. I asked him how so, and he reverted back to saying that there wasn't any new thinking in the field, that there weren't any masters in the subject.

I asked if it could be said about most theories that most were followers and that there were few masters. "Even in Keynesianism," I continued. He agreed. I then asked if he, thus, was making a distinction without a difference.

I asked him how he thought ABCT needed updating. He said people had changed and that they now understood to be aware of inflation. That

they wouldn't just buy up things in the face of inflation. I asked him if the housing bubble didn't contradict his point. He said that the housing bubble could only be one-third attributed to inflation.

I asked him who he thought was writing economic "religion". He wimped out and told me he couldn't think of any names. He told me that he knew he had read some stuff on it but he couldn't remember the names.

I asked him if he thought anyone at the Mises Institute was writing economic religion. He said some, but again he couldn't remember any names.

I asked him if anyone at Mises was not practicing economic religion. He said [Roger Garrison](#). And then he added, "I haven't spoken to Garrison in a long time, so I'm not completely sure, but I hope he isn't. "

He then told me I could google, Austrian theory and financial crisis, and half the results would be "religious Austrians."

As for Palmer, I had hoped to catch up with him and ask him a few follow up questions, unfortunately he was busy autographing books.

Palmer actually made a couple of interesting points during his comments. He said that some of the most original economic thinking, today, was being written in Chinese. He named some Chinese writers. He also pointed out that many European countries had built up strong nation states because leaders were able to justify the necessity by using the fear of attack from neighboring countries. He further stated that in the past the United States was exempt from this type fear mongering because of the separation by two oceans and also the tranquil neighbors of Canada and the present Mexico. He continued by stating that in the present climate following 9-11, the oceans have shrunk and the nationalistic trend has picked up in the U.S. over the last 9 years. He also predicted a merging of the left wing and extreme right wing nationalism. He pointed out that if ObamaCare passes, the left wing will get what they want. (He noted that the "public option" is socialism, and it was as if different combinations of words were tested to find the one that sounded the least like socialism even though it was.) He predicted that ObamaCare will result in deficits within two years, at which point the right wing will start blaming the deficits on illegal Mexicans, and then the right wing will demand a national ID card.

Palmer also at one point during his opening remarks suggested that libertarians should be tolerant of those who have views different from their own, and find what is correct thinking in those that have different views.

This comment struck me in particular, since he doesn't seem to be very tolerant of those who espouse Austrian business cycle theory, although they appear to agree on many subjects. I found it kind of odd that he wants to make nice with commies, but is about as tolerant of the Austrians as most would be about a mosquito about to sting.

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I don't know what the history is between the Palmer camp and the anti-Palmer camp, and I like to see a good rumble as much as the next guy, maybe even more so than the next guy, but you have to have the facts when you rumble. And, when Palmer is throwing around accusations that a theory is religion it is a weak punch, especially when Hayek was awarded the Nobel Prize for the theory, and, most important, it is a logical theory based on strong premises. His claim also shows he does not practice what he preaches, since he is throwing hand grenades in the tent next to him.

That said, Palmer appears to be a bright guy. Based on his absurd charges that ABCT is a religion, I would have never gone out of my way to read anything else Palmer wrote. It struck me as very mediocre writing. From what I caught of his comments today at Cato, I am now intrigued enough to read his new book. Just how can a guy make such absurd statements and at the same time sound intelligent on other topics? Maybe the book will provide a clue.

As for Cowen, he's a bright guy, but I don't get how people fawn over his intelligence. At best, he is a sloppy phraser of his terms. Ron Paul and Lew Rockwell merging with the extreme Republican right? This would be the pro-government, pro-war right? Paul-Rockwell stand against 80% of what the pro-war, pro-corporatist big government Republican right stands for. Maybe Cowen is more Machiavellian than I give him credit for and he knows exactly what he is doing by attempting to paint Paul-Rockwell in a corner that they clearly don't belong.

It's the same with the discussion on ABCT, I was trying to get as much as I could out of Cowen, so I didn't challenge him on every point, but much of what he said to me about ABCT indicated he didn't understand it, or he was, again, being Machiavellian in building a straw theory.

Which really alarms me in a way, because he told me that some of his students at George Mason University had Austrian "religion". Which to you kids I say, if his comments to you are the same as they were to me, your prof either doesn't understand ABCT or he does and is building a strawman for other purposes. Study on your own, read everybody's views, and go with what is most logical.

All this said, Cowen did tell me his next book is on the decidedly non-Machiavellian topic: The Economics of Food. He tells me that the book will explain how to find good eating places around the world. I'm thinking he can't possibly have an agenda with this book other than to make a few \$\$\$, so this book may really show us what kind of economist Cowen really is and how creative he can be.

It's obviously the kind of stuff he should be writing.