There is a fundamental concept that you need to understand to be able to deal with health care issues, with energy issues, with housing, with financial issues—anything you want to deal with politically or journalistically and if you understand this you can comprehend the issues and if not you don’t.

The difficulty is that journalists by and large do not understand this or anything else about economics. Most journalists, and I was one myself for many many years, have no training in economics. They don’t want to have any training in economics, they became English majors or journalism majors to get away from things like economics, and so it’s all a big mystery to them; it’s just they’re totally clueless as to what’s going on. This book was written to deal with that kind of problem and I might say again, the same observations apply to our friends across the street [on Capitol Hill].

The one thing that you need to understand, all of us need to understand, to solve some of these riddles is prices, the function of prices.

Back in the day, as we say, we had price controls on gasoline because “energy is too important to be left to the market.” And they did so that you then had a crisis. There was no gas and our offices then at the National Journalism Center were over on the other side of the Hill, over Roland’s. And, our offices were right over Roland’s grocery store and there’s a gas station there at the corner of Fourth and Penn Southeast, and so I remember hold-
WHEN THE PRICE IS WRONG

Continued from front page

ing a seminar there and looking [out] the window and the gas station had only so much gas and the lines went all the way around the block, all the way up to Third Street and God knows how far back from there and that night I went home and turned on my TV news and there was a report about these gas lines that were built up. It’s 1979, mind you, and a reporter was there interviewing a motorist in the gas line and interviewed several of them and said, the interview went like this:

“Well how long have you been sitting in this gas line?”

“I’ve been here about an hour and a half.”

“Okay. How do you feel about this?”

“I’m mad as hell.”

“Okay. And what do you think’s going on here? Why is this gas line here?”

“Well my brother-in-law talked to somebody who said that the oil companies are conspiring against us and these tankers are sitting offshore withholding gas from Americans and that’s what’s going on here.’

“Well, thank you very much, sir. Back to you, Dan.’

That’s the report. Clueless! That’s just not only not accurate, this is disinformation.

The reason the gas lines were there was because the government held the price of petroleum and gasoline at the pump below its market level. When you do that you do two things, with any product: you encourage the demand for it because people will take more of it at the low price, and you discourage the production of it because people can’t make any money producing it. Duh!

And so, there’s a shortage. And any time you see the word shortage, and we used to teach this to our students in the NJC [National Journalism Center], take a look at the pricing mechanism and you will invariably see that where there’s a shortage somebody, some government—federal, generally—has held the price of the product below its market level. That’s where shortages come from—more demand, less supply.

Turn that around. Raise prices way above their market level and require a certain minimum price to be charged for something, such as farm commodities, and you pay the producer of it to produce it. If the price doesn’t reach that in the market you give them a subsidy. When you do that you discourage consumption because the price is inordinately high and you encourage more production. When you do that you get a surplus—the exact opposite of the prices below the market level.

That’s the way it works. This is not rocket science. Anybody—it’s common sense.
At Accuracy in Academia’s June 21st author’s night Ken Blackwell and Ken Klukowski discussed the premises of their book *The Blueprint: Obama’s Plan to Subvert the Constitution and Build an Imperial Presidency.*

“That is a very provocative title,” noted Blackwell, the former Ohio Secretary of State. The book does not, he cautioned, say that President Barack Obama is a “tyrant” or “evil,” but that his actions have undermined the principles of the U.S. Constitution and that “…Team Obama is determined to change the balance of power achieved through the separations of power and our American federalism.”

“He is attempting to concentrate power in the executive branch, giving him the power of a monarch,” argued Blackwell.

One method is through the appointment of czars, argued the two Kens. They outlined three different types of “czars,” in their book. The first two types have some connections with Congressional authority but “the third—and most dangerous—are officials named by President Obama to certain posts that Obama fashions out of thin air,” they write in *The Blueprint.*

“Almost all are White House staff officials exercising the sort of power found in Cabinet secretaries or undersecretaries (which are Senate-confirmed positions), but were simply named to the brand new positions by President Obama,” they wrote. “These officials, and even the offices they fill, were simply created by executive fiat.”

“This president has over two dozen czars,” said Klukowski, who is a senior legal analyst for the American Civil Rights Union (ACRU), at the event.

Blackwell maintained that, as outlined in the Declaration of Independence, all persons are endowed with rights by their creator, not by government. In contrast, czars like former University of Chicago law professor Cass Sunstein argues that citizens’ rights come from the government apparatus.

Other czars mentioned in *The Blueprint* include “energy czar” Carol Browner, “terrorism czar” John Brennan, “climate czar” Todd Stern, “economic czar” Paul Volcker, and the former “green jobs czar” Van Jones.

“The president believes in the power of positive law,” said Blackwell. “We, in fact, happen to be in this tug-of-war on the other side,” namely, the side of natural law.

“What we felt the need to say, because not enough other people were, is what this president is doing is not just wrong policy, it’s illegal,” said Klukowski. “It’s unconstitutional.”

Klukowski explained that under the U.S. Constitution the federal government, unlike state governments, is one of “limited jurisdiction” with specifically enumerated powers. Therefore, he argued, “…every single action of the federal government—legislative, executive, or judicial—anything that any organ of the national government does, must be traceable [to] and authorized by a specific provision of the U.S. Constitution.”

Klukowski said that he is one of the lawyers involved in the lawsuits against Obama Care; he argued that the individual mandate is not only “bad policy” but “illegal.” He questioned whether such laws would necessarily be ruled unconstitutional by the Supreme Court, however.

“Elena Kagan, Sonia Sotomayor—these are the people that the President is putting on the bench to rubber stamp his [President Obama’s] agenda,” said...
CZARIST AMERICA

Continued from page 3

Klukowski.

“Can you make law like card check or cap-and-trade through executive regulation?” he asked later. “Absolutely not, unless you have a Supreme Court who says ‘no, that’s okay.’”

“Look, I’m not sure what we can do to stop the Kagan nomination except nothing succeeds like good information,” Blackwell argued, describing the former Harvard Law Dean as “a very bright political operative with very, very little bench experience.”

Bethany Stotts is a staff writer at Accuracy in Academia.
At Accuracy in Academia’s June 14th author’s night, Heritage Foundation scholar, author and historian Lee Edwards described the late William F. Buckley Jr. as the St. Paul of the conservative movement.

The founder of National Review, Buckley Jr. was a devout Catholic.

Buckley “could almost be called in some sense the patron saint of the Tea Party movement,” which supports limited government, is anti-establishment, and “love[s] to stick a finger in the eye of the Republican party, and the Democratic party…and all organized parties,” argued Edwards, author of William F. Buckley, Jr.: The Maker of a Movement. He described Buckley’s natural generosity:

“He [Buckley] was in Texas one day and…was introduced and went to a, to a young veteran of the Vietnam war who was blind and [they] said, well, we’re sorry but you’ll never see again. And it so happened that Bill Buckley knew a very prominent eye surgeon in New York City [and] got this young man on a plane to New York. The surgeon looked at him, said ‘I think we can do something here’ and after several operations, successful, the young man recovered his sight.”

For Edwards, Buckley’s life and actions strike a personal note. He said that he knew Buckley for almost 50 years and that Buckley had published his first article in National Review.

Buckley also once called Edwards’ wife, then single, about an editorial she wrote in the Young Women’s Republican Club of New York newsletter, he said. Not believing it was really the conservative writer, she initially hung up on him after dismissing the call as a spoof, he noted.

Edwards recounted how, in June 2007, during the last full year of Buckley’s life, the elder statesman of the conservative movement took an 8-hour train ride from Stamford, Connecticut to Washington, D.C. in order to speak at the dedication of the Victims of Communism Memorial.

Edwards is the Chairman of the Victims of Communism Memorial Foundation (VOCMF).

“Once asked to define conservatism, Buckley responded that what National Review had striven to do from the beginning was to achieve ‘a consensus on the proper balance between freedom, order, justice and tradition,’” said Edwards. “As Buckley might have put it: ‘fusionism, anyone?’”

According to Edwards, Buckley was influenced by four major authors:
1. Albert J. Nock, libertarian author of *Memoirs of a Superfluous Man*;
2. Yale professor Willmoore Kendall, an expert on John Locke;
3. Whittaker Chambers, a former communist spy; and

“By instinct and upbringing Buck-ley was an idealist but he learned to be a realist except in matters dealing with communism under the influence of Chambers and that of the fourth and last political mentor in his life, James Burnham,” commented Edwards.

“It’s been called to my attention,” he said. “I didn’t go into this in this particular book, and this is important—that Friedrich Hayek did have a great deal of influence on Bill Buckley, that he read *The Road to Serfdom* when it first came out in 1944-45 and referred to it and to Hayek frequently.”

In *The Road to Serfdom*, Hayek argues that government intervention leads to declining civil liberties. “He [Hayek] recognized that, as a practical matter, the largely Catholic parties of the center—the Christian Democrats—would be the chief political force countering the new totalitarianism of the left,” argued Cato Institute Fellow Gerald O’Driscoll Jr. in the mid-90s.

William Buckley was a mentor to many young conservatives, said Edwards. “So he would say, give young people lots of responsibility but at the same time mentor them,” he added.

Edwards suggested that young people today “…go into academia, to get advanced degrees, think about teaching, because the professors, the liberal professors of the 1960s are dying or dead or gone and there’s some—there are openings now in colleges and universities across the country for young professors…”

Edwards recommended several books by Buckley, including *God and Man at Yale*, *Nearer My God*, and *Miles Gone By*.

Bethany Stotts is a staff writer at Accuracy in Academia.
Dear Reader,

Be glad that you can read this newsletter, both in the physical sense of being able to and the practical sense of having no impediments to doing so. For openers, colleges have a 50 percent remediation rate so be grateful if you are in the other half of that equation.

Further, the American Council of Trustees and Alumni (ACTA) found, in two separate surveys, that half the undergraduates surveyed felt compelled to give their professors opinions back to them as answers on tests in order to get better grades. You can bet that we don’t get included in that source material.

Author and educator M. Stanton Evans told a group of collegiate interns at our summer seminar five years ago that education had become so sorry that students needed to find alternative sources of information. Specifically, he recommended Accuracy in Academia as one such source of news.

We do our level best to provide this service, through the publication which you are holding in your hands, our website, our textbook, *Voodoo Anyone? How to Understand Economics Without Really Trying*, and the authors’ nights we have recapped for you in this issue of the magazine.

As we noted in our last dispatch, all of our speakers addressed capacity, even standing-room-only crowds, giving our guests exposure to authors they might well otherwise not encounter. Giving the story not available anywhere else is what we do, for you.

All the best,

Mal Kline
Executive Director