



The ideas of this 'Uncle Miltie' were no laughing matter

By Jim Waters

When young, most of us think we can change the world. And we set out to do that in whatever field we choose. Then somewhere along the line, we lower our expectations after discovering the magnitude of actually changing the entire world.

But one man really did it.

The late Milton Friedman, born 96 years ago July 31, really changed his – and our – world.

“There are very few people over the generations who have ideas that are sufficiently original to materially alter the direction of civilization,” said Alan Greenspan, former Federal Reserve chairman. “Milton is one of those very few people.”

Friedman’s ideas were so powerful that they helped fully one-third of the world’s citizens improve their standard of living.

Economist Gary Becker, who, like Friedman, won the Nobel Prize for economics, said the one person Indians and Chinese “were more indebted to than anybody else for their great improvement in their situation, in my judgment . . . is Milton Friedman.”

India and China alone contribute 37 percent to the world’s population. As Becker said, hundreds of millions of residents in these two countries previously lived on \$1 or \$2 a day, but “now are able to live at a much more decent standard of living as a result of the reform of their economic policies toward more free-market policies, less regulation, less government and the like.”

Economics used to bore me to tears, until I understood: Ideas – especially economic ones – have tremendous consequences.

Critics of Friedman prefer the philosophy of economist John Maynard Keynes, who vehemently believed that more government created strong economies and best provided for the neediest. But Friedman held faith in individual choice, largely free of government involvement.

Friedman’s ideas, not those of Keynes, helped the former Soviet Republic of Estonia rise from the dustheap of communism to become one of the most prosperous economies in the world. When taking office, Mart Laar, Estonia’s first prime minister after it declared independence from the Soviets in 1991, said the only economics book he had read was Friedman’s “Free to Choose.”

While other former Soviet satellites faltered, Estonia flourished. It developed into a magnet for foreign investment by eliminating corporate taxes on profits reinvested in the country and, according to the Wall Street Journal, became one of the freest economies in the world.

The ideas of Lenin and Marx resulted in the enslavement and a life sentence of poverty for millions. But these ideas, thank God, no longer rule the day.

I believe Friedman's focus on less government and more liberty— the same ideas that won Estonia its freedom and prosperity — someday will also prevail in Frankfort and city halls throughout Kentucky.

But those battles remain.

For example, many bureaucrats and their political pals in Frankfort think government knows better than parents how and where to educate children. Fortunately, a growing number of legislators argue eloquently in favor of letting parents choose the schools best suited for their kids.

During the last decade of his long and fruitful life, Friedman worked tirelessly to promote school choice. Ironically, his boundless optimism on behalf of achieving the re-empowerment of parents through competition in education could end up having a bigger impact than his economic ideas.

Friedman predicted that allowing parents to choose schools would someday "revolutionize schooling" in the United States, and, may I add, this commonwealth.

Western Kentucky University Professor Robert Pulsinelli, who wrote his doctoral dissertation on Friedman's "Permanent Income Hypothesis," remains a big admirer of the affable Friedman because of his winsome demeanor — and his winning arguments.

"He was just a tireless advocate for freedom," Pulsinelli told me. "He really believed that people's best interests were rooted in freedom and liberty. In academia, that's fairly rare."

Of course, it's rare for one man to change the world, too.

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