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SLAVES OR MERCENARIES: MILTON FRIEDMAN AND THE
INSTITUTION OF THE ALL-VOLUNTEER MILITARY

BY JOHN D. SINGLETON

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Slaves or Mercenaries: Milton Friedman and the Institution of the All-Volunteer Military

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Abstract: Milton Friedman was the leading public proponent for an all-volunteer military. This chapter traces his influence upon the national debate over conscription, which culminated in Friedman's service on the Gates Commission. Friedman's argument relied on economic reasoning and appeal to cost-benefit analysis. Central was his conjecture that the social cost of the draft, which imposed an "implicit tax" on draftees, exceeded that of the all-volunteer military. This was supported by the work of Walter Oi. Friedman's position attracted support both within the conservative movement and from across the political landscape, allowing Friedman to form coalitions with prominent individuals otherwise in disagreement with his politics. With the social context ripened by the draft and the Vietnam War, Friedman's argument echoed in influential circles, reaching policymakers in Washington and Martin Anderson on the Nixon advising team. The successful institution of the all-volunteer armed force reflected Friedman's intellectual entrepreneurship.

Keywords: Military draft, conscription, all-volunteer armed force, Gates Commission, Vietnam War, implicit tax, Walter Oi, Martin Anderson

JEL Codes: B20, B31

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1. Introduction

At the end of the second chapter, titled “Government in a Free Society,” of *Capitalism and Freedom* (1962), Milton Friedman enumerated a series of “activities currently undertaken by the government in the U.S., that cannot, so far as I can see, validly be justified in terms of the principles outlined above” (Friedman 2002 [1962], p. 35). The classical liberal principles expressed assigned to government the role of “rule-maker” and “umpire.” Friedman’s list of targets included agricultural price supports, tariffs and quotas, rent control, minimum wage rates, occupational licensing, public housing, “detailed regulation of industries,” “implicit censorship and violation of free speech” arising from control of the airwaves, and compulsory social security. By the time of Friedman’s passing in 2006, however, only a single suggested policy change had been accomplished in the United States: the end of military conscription and institution of an all-volunteer military force.

The eleventh item of the list, Friedman gave his opposition to conscription the most explanation, although it did not receive attention in the remaining part of *Capitalism and Freedom*. He elaborated:

The appropriate free market arrangement is volunteer military forces; which is to say, hiring men to serve. There is no justification for not paying whatever price is necessary to attract the required number of men. Present arrangements are inequitable and arbitrary, seriously interfere with the freedom of young men to shape their lives, and probably are even more costly than the market alternative. (Friedman 2002 [1962], p. 36).

A position taken at a period when conscription barely registered in the public consciousness, Friedman would become the leading public proponent for an all-volunteer military over the ensuing eleven years. In 1970, at the height of the Vietnam War and amidst the activism on college campuses, Friedman served on President Nixon's Gates Commission that unanimously recommended the institution of all-volunteer armed force. This success, fulfilled by the end of conscription in 1973, was the culmination of a prolonged effort to establish the economic feasibility of an all-volunteer military and to generate its political viability.

When the Vietnam War's escalation initially launched the debate over draft reform, other alternatives, such as national service and universal military training, claimed substantial credibility. A December 1966 University of Chicago conference hosted a discussion of the alternatives by many of the debate's leading figures. Friedman's paper and presentation developed the line of reasoning present in his justification from *Capitalism and Freedom*. Buttressed by an underlying commitment to individual freedom, he relied on economic concepts and an appeal to cost-benefit analysis. Friedman's conjecture that the social cost of the draft exceeded that of the voluntary alternative was supported by Walter Oi's work. Oi joined the Pentagon's Military Manpower Study, formed at the instigation of the Johnson Administration in 1964, which considered the feasibility of the all-volunteer alternative. Although suppressed and overshadowed by the War, the study laid the groundwork for those subsequent, particularly in the Gates Commission, and engaged professional economists. Central to Friedman and Oi's analysis was understanding conscription as an "implicit tax" on draftees and fully accounting for the opportunity costs arising from the draft's perverse

incentives. This compelling logic would eventually be explicitly accepted by the Gates Commission report.

Friedman disseminated his case to a number of audiences, not the least of which included the public through multiple *Newsweek* articles and a *The New York Times Magazine* piece. Within the conservative movement, Friedman gained adherents from within the New Right. He shied away from the contentious discussions over draft resistance and opposition to the Vietnam War that fractured these student communities. From the other side of the political divide, Friedman formed coalitions with groups and individuals that otherwise disagreed with his political commitments, from the Students for a Democratic Society and Ripon Society to John K. Galbraith and Norman Thomas. To this end, after *Capitalism and Freedom*, Friedman never associated the all-volunteer force with the free market. Through these associations and with the social context ripened by the Vietnam War, Friedman's case was echoed and propagated, reaching policymakers in Washington and Martin Anderson on the Nixon advising team. Consequently, the successful institution of the all-volunteer military reflected not merely Friedman's public profile or his persuasive force, but also intellectual entrepreneurship.

2. The Quadrangle Club

At a dinner of symbolic importance at the University of Chicago's Quadrangle Club in the Spring of 1962, Milton Friedman gathered with student members of the university's Intercollegiate Society of Individualists chapter to honor Friedrich Hayek. Hayek would soon leave his appointment at the Committee on Social Thought to depart for the University of Freiburg (Ebenstein 2001, p. 213). *Capitalism and Freedom* appeared on shelves later the

same year and Friedman soon after assumed the role as the intellectual head of the Mont Pelerin Society, founded by Hayek in 1947. In Burgin's account, the dinner represents the transition from the defense of classical liberal ideas in the immediate postwar intellectual climate to advocacy on the offensive behind Friedman's lead (Burgin 2012). The occasion therefore marked not merely Hayek's physical relocation, but also Friedman's emergence as a public intellectual. Nevertheless, the context and setting of the occasion was richer still.

Friedman's preface to *Capitalism and Freedom* had already appeared in print in April 1961 as the lead article of the inaugural issue of *New Individualist Review*. The journal was edited and published by fellow attendees of the Quadrangle Club dinner: Ronald Hamowy and Ralph Raico, graduate students under Hayek at the Committee on Social Thought. Friedman, Hayek, and University of Chicago English professor Richard M. Weaver served as the editorial advisors. Early support for the venture came through the Intercollegiate Society of Individualists, which financed similar student publications, clubs, and seminars on campuses across the country. Founded "for the advancement of conservative thought on the campus" in 1953 by Frank Chodorov, the Intercollegiate Society's first President was William F. Buckley, Jr. The Society's sponsored campus lecturers in 1962-63 claimed a formidable cross section of American conservative and classically liberal thinkers: Armen Alchian, M. Stanton Evans, Russell Kirk, Frank S. Meyer, Hans F. Sennholz, Gordon Tullock, and W. Allen Wallis. A classmate at the University of Chicago and collaborator of Friedman's, Wallis had recently been named the president of the University of Rochester. In retrospect, Friedman pointed to the Mont Pelerin Society and the Intercollegiate Society of Individualists as the two organizations, along with the economics tradition of Frank H. Knight, Jacob Viner, Henry Simons, and Hayek at the University of Chicago, that "served to

channel and direct” the resurgence of “interest in the philosophy of classical liberalism” (Friedman 1981, p. ix).

At the time, *New Individualist Review* formed a feature of the landscape of the Cold War conservative movement and its fused elements of free market politics, traditionalism, and anti-communism. On the pages preceding the excerpt from *Capitalism and Freedom*, the first issue of *New Individualist Review* contained an editorial that laid out the intents of the editors. It read: “We believe in free, private enterprise, and in the imposition of the strictest limits to the power of government” (Raico 1961, p.). Invoking an older intellectual heritage, the editorial continued: “The philosophy which we advocate is that which was shared by some of the greatest and deepest political thinkers of modern times – by Adam Smith, Burke, Bentham, Herbert Spencer” (Raico 1961, p.). The statement concluded that “the viewpoints presented will generally be libertarian or conservative, but we will consider for publication any essay which includes a reasoned concern for freedom, and a thoughtful valuation of its importance” (Raico 1961, p.). Reflecting this diversity, the inaugural issue also contained an analysis of the prospects for a Barry Goldwater Presidency by John Weicher, a University of Chicago economics graduate student. The prior year, 1960, Weicher had attended the founding of the influential conservative campus activist group the Young Americans for Freedom at Buckley’s home in Sharon, Connecticut (Andrew 1997, p. 293).

Even in a room of sympathetic thinkers at the 1962 dinner, Friedman’s advocacy for an all-voluntary military in *Capitalism and Freedom* was significant. For instance, in the same *New Individualist Review* issue of April 1961, Ronald Hamowy had taken his mentor Hayek to task for leaving the door open to conscription in *The Constitution of Liberty*. Hamowy concluded, almost reluctantly:

Given that such situations as the voluntary contractualization of parties to a mutually beneficial agreement... can be classed under the heading of “coercion” within Hayek’s system, and that what appear to be clear cases of coercive governmental action, such as conscription, are deemed legitimate and in accordance with the Rule of Law, it would seem that Hayek’s position on the nature of coercion and freedom must, as it stands, be rejected. (Hamowy 1961a, p. 31)

As the coup de grace of his argument, Hamowy pointed out that Hayek’s conclusion accommodating conscription “differs radically from that once made by Mr. William F. Buckley, Jr., that ‘conscription is the most naked form which tyranny assumes in our society today...’” (Hamowy 1961a, p. 30). In his response the following issue, Hayek did not recant. Rather, he contended: “It is at least possible (to mention an extreme case which is the cause of one of Mr. Hamowy’s chief complaints) that the use of so severe a form of coercion as conscription may be necessary to ward off the danger of worse coercion by an external enemy” (Hayek 1961, p. 28). Revealing the gravity of his “worse than Buckley” charge against Hayek, Hamowy would set his sights on Buckley and the *National Review* in the third issue of *New Individualist Review* “for leading true believers in freedom and individual liberty down a disastrous path...” demonstrated by McCarthyism and for labelling “a Communist or Communist dupe” “anyone who dares to raise a principled voice against conscription” (Hamowy 1961b, p. 5). The Cold War political marriage of free market idealism and militant anti-communism on the American Right, present in the room at the Quadrangle Club that evening, formed a part of the intellectual context of Friedman’s inheritance of the Mont Pelerin Society’s leadership and his ascendancy as a public figure.

3. The Pentagon Manpower Study and the Vietnam War

In 1962, however, the draft and Friedman's support for eliminating it in *Capitalism and Freedom*, much less the internal debates of thinkers in broadly conservative circles, barely registered in the public consciousness. What may have placed it in Friedman's, however, was that his youngest child and only son, David, would be required to register with Selective Service the next year. Already a student at Harvard University in chemistry and physics, David, like all eighteen to twenty-five year olds, needed an annual educational deferment from the local draft board to avoid compulsory military service. Fortunately, obtaining this was unlikely to be a problem. Although conscription had remained in place since 1940, with the exception of a hiatus before the Korean War, draft calls in the early 60s were at all-time lows. Only 76,000 were called in 1962 and 119,000 in 1963. At the same time, educational and occupational deferments numbered over 430,000, while deferments for fathers topped 1.3 million in 1962 (Rostker 2006, p. 28). With the postwar boom in the population of draft eligible males – nearly two million turned eighteen every year – the Kennedy Administration even extended deferments to married, childless men. These demographic and policy changes compromised the notion of equitable and universal military service. Nonetheless, the reauthorization of the Universal Military Training and Service Act for four additional years sailed through both chambers of Congress in March of 1963 with scarcely an objection voiced.

One dissenter to military conscription, however, was Republican presidential hopeful Senator Barry Goldwater. In the speech announcing his candidacy in September of 1964, Goldwater vowed to end the draft if elected. He declared: "This Administration uses the

outmoded and unfair military draft system for social schemes as well as military objectives. Republicans will end the draft altogether, and as soon as possible! That I promise you!” (Witherspoon 1993, p. 178). As Schneider (1999) details, the effort and organization of the Young Americans for Freedom was instrumental for Goldwater eventually obtaining the Republican nomination. Inspired by the writings of Buckley, Hayek, Ayn Rand, and Goldwater’s *The Conscience of a Conservative*, the campaign cut the teeth of a generation of young conservative activists (Klatch 1999, p. 69). Rand publicly supported Goldwater through her newsletters, drawing a number of her followers into the campaign. One of Goldwater’s foremost speechwriters, Karl Hess, was a veteran of the Nathaniel Branden Institute – the Rand-controlled organization in New York City dedicated to elaborating her philosophy through seminar series and publishing. (Burns 2009, p. 205). Milton Friedman also joined the campaign as economic adviser and campaigned for Goldwater in New York during a visiting year at Columbia University (Friedman and Friedman 1998, p. 370). Following Goldwater’s defeat in the 1964 election, David Friedman was among those devastated by the outcome. In addition to serving as president of the Harvard Society of Individualists and writing for the *Harvard Conservative*, he had also worked on the Goldwater campaign. After graduating from Harvard in 1965, David would begin his doctorate in physics at the University of Chicago.

On the draft issue, President Johnson was able to nullify any of his challenger’s momentum in the election by commissioning the Pentagon to study the costs of moving towards an all-voluntary military. To direct the Economic Analysis Division of the Pentagon’s Military Manpower Study, Deputy Assistant Secretary of Defense William Gorham contacted H. Gregg Lewis at the University of Chicago economics department, who

recommended his former student Walter Oi at the University of Washington (Rostker 2006, p. 29). Like all Chicago economics Ph.Ds, Oi had taken Friedman's formative first-year course that inculcated students in the Chicago price theory tradition (Hammond 2010). Economics professor Stuart H. Altman of Brown University and Alan E. Fetcher of the Institute for Defense Analyses joined Oi on the project charged with the task to "estimate the budgetary cost of shifting from the draft to a voluntary system procurement" (Oi 1996, p. 42). Doing so required making counterfactual predictions about military labor supply in the absence of a draft from limited data in which some enlistees did so voluntarily, others were drafted, and many – "reluctant volunteers" – preempted the draft by enlisting. The Manpower Study's final estimate put the budgetary cost at around five and a half billion dollars annually. In addition, as Oi was quick to add in his account of the study, the "report pointed out that this was an incremental *budget* cost that concealed the real *social* cost of allocating manpower to the nation's defense" (Oi 1996, p. 42). Although completed in 1965, the study's conclusions were not made available to the public or to Congress by the Johnson Administration for an entire year. The political situation had changed in the interim.

Early in 1965, President Johnson dramatically escalated the War in Vietnam, bringing the issue of draft reform into the national spotlight. In addition to bombing North Vietnam, the Administration ordered ground troops deployed to the South and the American commander, General William C. Westmoreland, asked Johnson for an additional 200,000 personnel. This significantly increased the burden on the Selective Service system to supply manpower (Witherspoon 1993, p. 184). The acceleration of the War increased opposition and ignited activism, particularly on college campuses. At the beginning of 1966, the Department of Defense announced a further increase in manpower demands of 340,000 more men. The

Selective Service director, General Lewis Hershey, then divulged to the media that a student draft would be necessary and “that examinations and class standings would be restored as criteria for the deferment of college students beginning in September...” (Witherspoon 1993, p. 193). The use of class rankings and grades to decide deferments required colleges’ and universities’ cooperation. In response, just before the first test around 350 students took control of the administration building at the University of Chicago for three days in May of 1966. Their activism gained national attention and precipitated larger demonstrations elsewhere. This unrest contributed to national pressure for reforming Selective Service’s authorization, due to expire the next year, leading Johnson to appoint a second commission to study the issue.

Meanwhile, the faculty at the University of Chicago asked Sol Tax, a dean and professor of anthropology, to hold and moderate a conference on the issue of conscription and the alternatives for reform. Slated for December of 1966 and funded by the Ford Foundation, the conference attracted an impressive roster of policymakers and academics engaged in the national debate. The participants included General Hershey, University of Chicago sociologist Morris Janowitz, anthropologist Margaret Mead, Chicago assistant professor of sociology and Students for a Democratic Society founder Richard Flacks, Republican Ripon Society founder Bruce K. Chapman, University of Michigan economics professor Kenneth Boulding, Congressman Donald Rumsfeld, Senator Edward Kennedy, Oi, and Friedman. In their presentations, Mead and Janowitz advocated for national service, supported publicly by Secretary of Defense Robert McNamara and Martin Luther King, while University of Illinois at Chicago sociologist Roger W. Little made the case for universal military training, favored by Hershey and former President Dwight D. Eisenhower. The quintet of Boulding, Flacks,

Chapman, Oi, and Friedman – then President of the American Economic Association – prepared papers supporting the all-volunteer alternative. According to Tax, the conference gathering was accompanied by “We won’t go!” student demonstrations outside (Tax 1967, p. ix).

4. The University of Chicago Conference on the Draft

Friedman’s contribution to the conference asked, “Why Not a Voluntary Army?” (Friedman 1967a). The paper presented a kind of utilitarian calculus of the costs and benefits. The main sections considered the “disadvantages of compulsion and advantages of a voluntary army,” the situation of a major war, the “possible disadvantages of a voluntary army,” and, finally, transition to a voluntary system. Under the advantages, Friedman argued that a voluntary army, having been drawn entirely from willing enlistees, would make a more effective fighting service and would end the draft’s arbitrary discrimination. Two other advantages Friedman added were removing the uncertainty faced by young men and the draft’s effects on the larger community. The former would allow those otherwise subject to the draft “to plan their schooling, their careers, their marriages, and their families in accordance with their own long-run interests” (Friedman 1967a, p. 202). On the community side, colleges and universities would benefit, being freed “from the incubus of young men – probably numbering in the hundreds of thousands – who would prefer to be at work rather than in a school but who now continue their schooling in the hope of avoiding the draft” (Friedman 1967a, p. 202). Likewise, Friedman expected a “reduction of unwise earlier marriages contracted at least partly under the whip of the draft and the probable associated reduction in the birth rate” (Friedman 1967a, p. 202). These prospective advantages embodied a familiar

economic logic. Alongside these material benefits, in principle measurable, of a voluntary army, Friedman included individual freedom. He wrote that a voluntary force “would avoid the arbitrary power that now resides in draft boards to decide how a young man shall spend several of the most important years of his life – let alone whether his life shall be risked in warfare” (Friedman 1967a, p. 201).

To complete the ostensible cost-benefit calculation, Friedman proceeded to address the possible disadvantages of a voluntary force, which included insufficient flexibility, the political danger of a professional army, and racial imbalance among servicemen. The most important objection, however, was that the all-voluntary alternative might not be feasible to maintain a force of adequate size. Friedman conceded the possibility, but argued that the labor shortage was “evidence rather that we are now grossly underpaying our armed forces” (Friedman 1967a, p. 203). He continued: “When the bulk of young men can command at least twice this sum in civilian jobs, it is little wonder that volunteers are so few” (Friedman 1967, p. 203). To staff the army with volunteers, Friedman argued that pay and benefits of military service needed to be made commensurate with private sector alternatives. This would incentivize individuals to enlist. However, doing so would also seem to greatly increase the budgetary cost of a voluntary army. In this regard, Friedman cited Oi’s work for numbers, presented in Oi’s own conference paper, but ultimately refused to grant the disadvantage: “Whatever may be the exact figure, it is a highly misleading indication of the cost incurred in shifting from compulsion to a voluntary army” (Friedman 1967a, p. 204). He elaborated on his meaning, which formed the core of his argument:

The real cost of conscripting a soldier who would not voluntarily serve on present terms is not his pay and the cost of his keep. It is the amount for which he would

be willing to serve. He is paying the difference. This is the extra cost to him that must be added to the cost borne by the rest of us... When he is forced to serve, we are in effect imposing on him a tax in kind equal in value to the difference between what it would take to attract him and the military pay he actually receives. This implicit tax in kind should be added to the explicit taxes imposed on the rest of us to get the real cost of our Armed Forces. (Friedman 1967a, p. 204).

The argument relied explicitly on economic concepts: the true cost of conscription had to account for the opportunity cost in addition to the budgetary cost. Though Friedman expanded upon the twin justifications for an all-volunteer force given in *Capitalism and Freedom* of freedom and cost, he had dropped the invocation of the free market.

Drawing on his Pentagon work, Oi's conference paper restated the logic of the "implicit tax" and supplied empirical measurement. Although the Chicago conference convened a year and half after the completion of the 1964 Pentagon manpower study, the findings had only been released that June as part of the Assistant Secretary of Defense's testimony before Congress. As a result, Oi's figures were new to most attendees. The analysis took military labor supply predictions, and calculated, given a desired force size, the "implicit tax" imposed on draftees from elasticity estimates as the difference between their reservation wage and military pay. To this was added the opportunity costs borne by current enlistees. All told, Oi put the economic cost of the draft at five billion dollars and predicted the budgetary cost of an all-voluntary military at eight to ten billion dollars during wartime and four to five billion in peacetime (Oi 1967a, p. 246). It followed that if the social cost of the

draft were accounted for, then the all-volunteer alternative was entirely feasible, just as Friedman had conjectured in *Capitalism and Freedom*.

If the all-volunteer alternative was not considered seriously prior to the conference, the lively discussions that ensued revealed that the presentations made a compelling case. Congressman Robert W. Kastenmeier commented that “I just wanted to express a general agreement with the three panel members [Chapman, Friedman, and Oi] supporting a voluntary army” (Tax 1967, p. 375). Likewise, Rumsfeld expressed his agreement, “which is interesting, since Mr. Kastenmeier is a Democrat and I’m Republican, and the presentation of the three gentleman was called politically naïve” (Tax 1967, p. 375). University of Chicago Divinity School professor Gibson Winter confessed that “I never thought the day would come when I would be in agreement with Mr. Friedman on any matter of public policy; yet I find myself much in agreement on this one” (Tax 1967, p. 382). Voluntarism even seeped into the discussions about the national service alternative and the all-volunteer force dominated the participants’ closing session comments. Conference attendees passed around resolutions on different positions for signing. Of the 120 participants, exactly half signed a resolution to support ending the draft and replacing it with an all-voluntary military (Witherspoon 1993, p. 237).

5. The New Right and the All-Volunteer Military

Friedman’s position paper for the University of Chicago conference on the voluntary option appeared essentially unchanged in two other outlets, both extensions of the New Right student movement. First, on the heels of the Chicago conference, *New Individualist Review* produced a symposium issue on the draft with Friedman’s statement as the lead article

(Friedman 1967c). The current editors were J.M. Cobb and James Powell, graduate students in economics and in history at the University of Chicago respectively. Since its 1961 debut, the journal had severed its relationship with the Intercollegiate Society of Individualists, rebranding as a “journal of classical liberal thought.” No longer merely a campus publication, it was attracting contributions from prominent intellectuals in the tradition, such as Tullock, Henry Hazlitt, Murray Rothbard, Israel Kirzner, Karl Brunner, and Sam Peltzmann. University of Chicago economics professors George J. Stigler and Yale Brozen and Wabash College economics professor Benjamin Rogge had also been added as editorial advisors. David Friedman served as the journal’s Harvard University representative until graduating and returning to Chicago, when he became an editorial assistant.

Richard Flacks’ statement from the Chicago conference was included as the second article of *New Individualist Review*’s draft symposium and Walter Oi’s analysis was reprinted in condensed form (Oi 1967c). Flacks contended that “conscription is by definition alien to a genuinely free society” and criticized the draft for enabling militarism and aggrandizement of power in the Presidency (Flacks 1967, p. 10). For Flacks, opposition to the draft could not be divorced from opposition to the Vietnam War and American foreign policy commitments, a point he tried to press Friedman on during the conference discussions: “I think that the reason that Mr. Friedman sounds unrealistic in his statement is because he’s ducking that...” “those military ends for which we need one-third of our youth are inappropriate...” (Tax 1967, p. 379). Editors Powell and Cobb contributed articles for the symposium too, the latter advocating emigration as a form of draft resistance (Cobb 1967). Finally, the issue contained three statements on the draft from American history in “the anti-militarist tradition:” an eve of war 1940 radio address from Senator Robert A. Taft at the

draft's institution, a 1916 *Nation* editorial from Oswald Garrison Villard at the outset of the United States' entrance to World War I, and a congressional speech from Daniel Webster at the height of the War of 1812 in December 1814.

Friedman's paper was also published in the May 1967 issue of *The New Guard*, the Young Americans for Freedom's national magazine (Friedman 1967d). Accompanying Friedman's piece were articles from Barry Goldwater – “End the Draft!” – and Russell Kirk – “Our Archaic Draft.” Goldwater commented that:

I can hear the liberals and radicals screaming that this would mean an army of mercenaries. So? Isn't a doctor a mercenary? Isn't a welder who is hired for a special job? Isn't the heart of a free society the “mercenary” notion that men may hire one another to do jobs in a free exchange? And isn't that the direct opposite of an authoritarian society? Just think about it. (Goldwater 1967, p. 10)

For his part, Kirk argued that transitioning to “a more compact army of volunteers” would provide a more reliable, efficient, and superior force to prosecute the Cold War “in several parts of the world simultaneously” (Kirk 1967, p. 11). *The New Guard* editorial board also contributed a statement on the draft titled “Involuntary Servitude in America,” and the issue contained a quote page of “prominent conservatives” and some “enlightened liberals” on the draft – Taft, Governor Ronald Reagan, Buckley, Adlai Stevenson, and John K. Galbraith among others. At the back of the issue, the classifieds advertised Young Americans for Freedom sweatshirts, “Reagan in '68” buttons, and “End the Selective Slavery System” bumper stickers to “help liberate America's youth from bondage to the State” (*The New Guard*, May 1967, p. 27). This moral-laden language opposing the draft in *The New Guard*

accompanied a fervent commitment to anti-communist activism and support for the war effort in Vietnam. Local chapters touted their debates with and counter-demonstrations of the Students for a Democratic Society in the “Around the Nation” report, while the “Report on the Left” column lambasted Americans, including the Quaker Action Group, for illegally visiting North Vietnam. Despite a common adoption of Friedman’s intellectual position and arguments, the contrast on Vietnam between the editorial stances of *The New Guard* and *New Individualist Review* highlighted a conspicuous fault line within the New Right movement.

6. Building Coalitions

While their arguments gained the attention of the student communities on the American Right, Friedman and Oi further sought out coalitions among the economics profession, the lay public, and on Capitol Hill. Later the same December of the Chicago conference, Oi presented his analysis to a joint American Economic Association and Industrial Relations Research Organization session at the annual meetings of the Allied Social Science Associations on “Military Manpower Procurement” in San Francisco. Compared to the Chicago conference paper, Oi focused specifically on the economic costs of the draft (Oi 1967b). Harold Wool, a Department of Defense official and fellow veteran of the 1964 Pentagon manpower study who was an active participant in the Chicago conference discussions, chaired the session. Stuart Altman and Alan Fechter likewise presented their Pentagon work on labor supply in the absence of a draft (Altman and Fechter 1967), while Franklin Fisher and Anton Morton contributed a paper studying the cost effectiveness of Navy re-enlistments and retention (Fisher and Morton 1967). The session encouraged the

application of tools developed to analyze what was, in Friedman's characteristic framing, fundamentally an economic problem.

Meanwhile, Friedman had begun his regular column for *Newsweek* in September of 1966. A matter of mere days after the Chicago conference and just his fifth editorial overall for the weekly, Friedman addressed the draft and all-volunteer alternative. The article hit upon points covered in his conference paper and employed the same arguments, sometimes almost verbatim. He declared the status quo to be "inequitable, wasteful, and inconsistent with a free society," before noting that "on this point there is wide agreement. John K. Galbraith and Barry Goldwater, the New Left and Republican Ripon Society have all urged that conscription be abolished" (Friedman 1966, p. 100). On the feasibility of the all-volunteer military, Friedman again emphasized the hidden "tax in kind" of conscripted service, the opportunity cost paid by servicemen, and the externalities imposed on families and institutions of higher learning from conscription.

In the early part of 1967, national attention turned to Congressional debate over the extension of the expiring Selective Service Act. At a February gathering in Washington, the Young Americans for Freedom joined with the Student for a Democratic Society and thirteen other student organizations to call "for the abolition of the draft and the encouragement of humanitarian pursuits" (*The New York Times*, 6 February 1967). In the House Armed Services Committee hearings, Rumsfeld pressed for a fresh study of the all-volunteer force. He had Friedman's conference paper and *The New York Times Magazine* article along with Oi's analysis added to the Congressional Record (Rostker 2006, pp. 31-32). Senator Kennedy's subcommittee of the Armed Services Committee, where Friedman was invited to testify, held hearings in March (Witherspoon 1993, p. 246). Kennedy's questions to

Friedman were directed at the relative equity of the lottery and the voluntary alternative (Witherspoon 1993, p. 256). In the full committee, Senator Mark O. Hatfield produced a “Proposal for a Military Manpower Procurement Bill,” authored by Oi at Rumsfeld’s instigation, and submitted Oi’s conference paper (Witherspoon 1993, p. 263). Representing the Young Americans for Freedom, *The New Guard* editor David Franke also presented a statement before the Senate Armed Services Committee. Franke elaborated the group’s position for both an all-volunteer force and victory in Vietnam, asking “let us not confuse the issue of military conscription with the opposition to the war in Vietnam” (Franke 1967, pp. 4-5). The statement opposed national service as “slave labor” and referenced each of Goldwater, Buckley, Reagan, Kirk, Oi, and Friedman (Franke 1967, pp. 4-5).

In the midst of the debate on Capitol Hill, Sanford Gottlieb, the director of the National Committee for a Sane Nuclear Policy, joined Friedman to publicly announce the creation of the Council for a Voluntary Military on May 17. Based in Chicago, the founding members of the group included Norman Thomas, Chapman, and Karl Hess. Moreover, the Council’s director was James Powell – the University of Chicago graduate student and associate editor of *New Individualist Review* (Witherspoon 1993, p. 265). *The New Guard* announced the formation of the Council, while an advertisement ran in *New Individualist Review* for the “non-partisan organization” whose stated aim was “to elevate public debate on the merits of voluntarism.” The same month, Friedman made his case in the pages of the *The New York Times Magazine* (Friedman 1967b). The piece, which also drew heavily from the Chicago conference paper, touted the Congressional momentum and support for ending the draft from influential individuals with otherwise conflicting commitments: “Fortunately, belief in personal freedom is a monopoly of neither Republican nor Democrats, of neither

conservatives nor liberals” (Friedman 1967, pp. 114). Regardless, though they laid the necessary groundwork for the long term, these efforts were unsuccessful in the immediate term. Clear majorities in both chambers passed the four-year draft reauthorization in June of 1967, which Johnson promptly signed.

7. Recommendations and Reverberations

According to Martin Anderson’s recollection, it was in December 1966, the same month as the University of Chicago conference, that it was suggested he join an informal group of policy advisors to Nixon, then weighing a 1968 Presidential run (Anderson 1991, p. 172). A professor of finance at Columbia University’s Graduate School of Business at the time, Anderson was also a regular attendee of seminars at the Nathaniel Branden Institute and frequent guest at Rand’s living room gatherings (Burns 2009, p. 270). Although increasingly isolated intellectually from the circles she emerged from and politically inactive since Goldwater’s defeat, Rand’s influence was still formidable. In April 1967, she delivered a lecture at the Ford Hall Forum in Boston opposing conscription exclusively on moral principle: “Of all the statist violations of individual rights in a mixed economy, the military draft is the worst. It is an abrogation of rights” (Rand 1967, p. 226). Rand maintained that conscription represented unconstitutional involuntary servitude and further placed the blame for the draft’s continuance on “conservatives,” “the alleged defenders of freedom and capitalism, who should be opposing the draft” (Rand 1967, p. 232). As an insult, Rand asked: “Who brought the issue of the draft into public focus and debate, demanding its repeal? The extreme *left* – the Vietniks and Peaceniks” (Rand 1967, p. 232).

In March of 1967, during a meeting of Nixon’s advisor team, Anderson raised the suggestion that Nixon should support an all-voluntary military. As Anderson recounted the conversation later:

“I have an idea,” I said, thinking about the powerful arguments in Friedman’s article. “What if I could show you how we could end the draft and increase our military strength at the same time? Let me put together a paper on this.”

(Anderson 1991, p. 173).

The April 1st memo that Anderson sent to Nixon began with a quote from Taft’s 1940 radio address in the header – the same quote also excerpted in the May issue of *The New Guard* and from the speech reproduced in full in the Spring *New Individualist Review*. Anderson’s introduction began with the declaration: “Drafting the youth of our country constitutes two years of involuntary servitude to the State. It is inimicable to the basic principles of freedom that are the moral foundations of our Republic” (Anderson 1967a, p. 1). The outline, lifting the structure, if not the content, of Friedman’s argument, listed the advantages of an all-volunteer force before considering objections in turn. Under the economic benefits, Anderson quoted the cost at five to seven billion dollars and emphasized to Nixon the “hidden tax” borne by enlisted men. Likewise displaying Rand’s influence, Anderson noted as a moral “advantage” that “...involuntary servitude to the State, even for military service, is an abrogation of men’s rights and establishes the principle that man’s life is at the disposal of the State” (Anderson 1967a, p. 1). Anderson expanded the points covered by the memo into a thirty page position paper by July that considered in further detail the analyses of Oi and Altman and Fetcher and also cited the Friedman and Kirk *The New Guard* articles (Anderson 1967b). Furnished by Anderson with Friedman’s article and Oi’s work, Nixon and the

advising team weighed the decision. Thomas W. Evans, Nixon's law partner, reported "selected reactions" to Nixon of potentially supporting an all-volunteer military. Friedman's *The New York Times Magazine* article was circulated to the campaign's military advisory group and Evans noted the support of "accredited liberals" Adlai Stevenson, Galbraith, Norman Thomas, and James Farmer, and of "well-known conservatives" Goldwater, Kirk, and Friedman (Evans 1967, p. 1). In November 1967, taking Anderson's and Evans' recommendations, Nixon announced to a reporter from *The New York Times* that he supported moving to an all-volunteer force.

The following March, Friedman reminded *Newsweek* readers of the arguments for the all-volunteer military and pointed them to three recent books on the topic: the 1966 University of Chicago conference papers and proceedings (Tax 1967), an independent study from U.S. Congressmen (Stafford et al. 1967), and a book by former and present University of Virginia economics graduate students published by Penguin (Miller 1968a) (Friedman 1968a). Although *How to End the Draft: The Case for An All-Volunteer Army* listed five Congressmen as authors, the introduction was co-signed by seventeen additional members of Congress, including House Members Rumsfeld and Thomas B. Curtis. One of the research assistants credited for the book was a Georgetown law student named Stephen E. Herbits. The introduction clarified that their conclusion did "not call for the abolition of the draft. It concludes that to do so is impossible and undesirable today, but that there are steps which can be taken now to lead to the eventual creation of an all-volunteer Armed Forces" (Stafford et al. 1976, p. ix). The steps were generally military pay raises. The authors lamented that it was "unfortunate" that "the first public study" of the all-volunteer army had to be undertaken by a Congressional Study Group. They pointed to the Johnson Administration's sealing of

the 1964 Pentagon manpower study: “Why has not this study, and supportive data, been released for consideration by Congress and the public? Why has it been suppressed?”

(Stafford et al. 1976, p. viii).

Edited by James C. Miller III, *Why the Draft? The Case for A Volunteer Army* presented a comprehensive analysis in a series of chapters that covered the inequities of the draft, the other alternatives, the history, comparative case studies, and the counter-arguments. In many ways, the tract was simply an elaboration of the arguments made by Friedman, who along with Galbraith supplied a blurb. Miller even commented in the preface that “if the ideas in this book can be traced to a single individual, that person is Professor Milton Friedman, of the University of Chicago, to whom we are much indebted. There are places in this book where we have unabashedly adapted his original ideas” (Miller 1968b, p. 5). In the third chapter for instance, Mark V. Pauly and Thomas D. Willett, Northwestern and Harvard professors respectively, emphasized that “conscription is an implicit tax” that is “really represented by the difference between what the individual would receive as a military conscript and that wage necessary to induce him to volunteer for the same job” (Pauly and Willett 1968, p. 54). They quoted Oi’s calculations as to the magnitude of the tax. Like Anderson’s influence upon the Nixon campaign, the popular books represented a propagation of arguments Friedman had disseminated to sympathetic communities and popular audiences. Initially questioned as economically feasible, the all-volunteer military alternative was becoming politically feasible.

8. The 1968 Presidential Election

A month or so from the general election on October 17, 1968, Nixon elaborated his position on the draft in a national radio address. The speech combined commitment to the war effort with moral condemnation of the draft and the economic content of Friedman's argument. Nixon began by quoting from Senator Taft's speech that the draft "is absolutely opposed to the principles of individual liberty which have always been considered a part of American Democracy" (Nixon 1968, p. 3). Nixon continued: "I feel this way: A system of compulsory service that arbitrarily selects some and not others simply cannot be squared with our whole concept of liberty, justice and equality under the law" (Nixon 1968, p. 3). He argued that the demands of "modern war" required a "highly professional, highly motivated force of men..." with a higher level of technical and professional skill that voluntary enlistments would be sufficient to supply under the right incentives:

The principal incentives are the most obvious: higher pay and increased benefits.

The military services are the only employers today who don't have to compete in the job market. Supplied by the draft with the manpower they want when they want it, they've been able to ignore the laws of supply and demand. (Nixon 1968, p. 5)

Nixon further noted that an enlisted private was paid a third of the civilian minimum wage, which highlighted "another inequity of the draft system" (Nixon 1968, p. 5):

Our servicemen are singled out for a huge hidden tax, the difference between their military pay and what they could otherwise earn. The draftee has been forced by his country not only to defend his neighbors but to subsidize them as well. (Nixon 1968, p. 5)

He also quoted the expected cost of the all-volunteer military at five to seven billion dollars, Oi's estimate. Nixon concluded the remarkable speech:

Today all across our country we face a crisis of confidence. Nowhere is it more acute than among young people. They recognize the draft as an infringement on their liberty, which it is. To them, it represents a government insensitive to their rights, a government callous to their status as free men. They ask for justice, and they deserve it. (Nixon 1968, p. 8)

While the political momentum for the all-volunteer force had been gained, on the eve of the 1968 Presidential election, results of a poll of the Young Americans for Freedom's national membership taken earlier in the Spring revealed a curiosity. *The New Guard* staff – which then included David Friedman who authored a regular column, “The Radical” – reported that 82% of the respondents expressed agreement with the group's paper on minimum wage laws, while nearly 88% supported their position for voluntary social security, and 75% opposed any trade with Communist countries. By contrast, although the Young Americans for Freedom's official platform and *The New Guard* editorial stance supported an all-volunteer army, just 60% of the membership supported it. On the other hand, commitment to the war effort remained steadfast: 90% of members “favored a policy of victory in Vietnam; 5 percent favored de-escalation and negotiation; 3 percent for withdrawal; and 2 percent for continuing the war at the present pace” (*The New Guard*, October 1968, p. 3). Finally, the issue reported the member poll results for prospective Presidential candidates: 48% for Reagan, 46% for Nixon, 4% for George Wallace, and 2% for other. Regardless, in the November general election Nixon defeated Herbert Humphrey, who had gained the Democratic nomination amidst the chaos of the 1968 Democratic National Convention and

campaigning supporting the maintenance of the draft. Shortly after Nixon's win, Milton Friedman took to the pages of *Newsweek* to encourage the incoming Administration to stop sending draftees to Vietnam as an intermediate step towards a voluntary force (Friedman 1968b).

The Mont Pelerin Society, although an international organization, had not been insulated from the debate in American politics on military conscription and the all-volunteer alternative. In particular, younger invitees to the Society's meetings brought the issue with them. The November 1968 issue of *The New Guard* contained a "Special Report" from the 1968 Mont Pelerin Society Conference in Aviemore, Scotland. The lede ran:

On September 7th, in the churchyard of Edinburgh's Canongate Kirk, about sixty members of the Mont Pelerin Society's 1968 conference laid a wreath on the grave of Adam Smith. Prof. F.A. von Hayek, author of *The Road to Serfdom* and *The Constitution of Liberty* and founder of the society, speaking at the simple ceremony, said of Smith that "he was one of the chief founders of the liberal tradition..." (Mason 1968, p. 3)

Among notable Society members, the article included Crawford Greenewalt, the president of du Pont. In addition to papers from Brozen, Tullock, and one on monetary policy from Gottfried Haberler that initiated a debate with Friedman, *The New Guard* noted a paper by Cotton Lindsay arguing in favor of an all-voluntary military. Lindsay, a University of Virginia graduate student in economics, was a contributor to the third of Friedman's recommended reads from his March 1968 *Newsweek* column. He was also one of "nine young guests invited on the recommendation of several of the members" (Mason 1968, p. 5).

Another of the students invitees listed in the article was Cobb, the editor-in-chief of *New Individualist Review*. Like the Young Americans for Freedom, though, the Mont Pelerin Society membership was divided in its opposition to conscription in the Cold War context. In the 1966 release of the third edition of his *Human Action*, even Ludwig von Mises had revised the text to declare that “he who in our age opposes armaments and conscription is, perhaps unbeknown to himself, an abettor of those aiming at the enslavement of all” (Mises 1966, p. 282). The sole photograph accompanying the article depicted a number of attendees seated around a table. At the center of the picture sat Hayek’s former student and *New Individualist Review* editor Ronald Hamowy.

9. The Formation of the Gates Commission

On Armistice Day 1968, six days after Nixon became President-elect, Friedman’s longtime friend, W. Allen Wallis, delivered a speech to the Rochester chapter of the American Legion. Wallis’ speech, adapted into an editorial for *Science* magazine the following January, declared that “nothing is more opposed to our ethical, religious, and political principles than taking bodily control of a person and forcing him to submit totally to the will of others” (Wallis 1969, p. 1). In a condensation of the arguments first made publicly by Friedman, Wallis stated that the all-volunteer alternative “would not increase the economic cost of the war” (Wallis 1969, p. 1). Rather, it would shift the costs “which now fall on draftees” onto the taxpayers (Wallis 1969, p. 1). By the recollection of Oi, who had joined the University of Rochester Graduate School of Management in 1967, a month later Wallis met with Nixon’s transition team domestic adviser, Columbia University economist Arthur Burns, and urged him to push Nixon on the all-volunteer military: “After a long conversation, Burns said that if

Wallis could show how the draft could be abolished at an extra cost of no more than \$1 billion,” he would bring it to Nixon (Oi 1993, pp. 44-45). In response, Wallis and the Graduate School of Management dean William H. Meckling assembled a research team to prepare a report that they sent to Burns before the end of the year (Olkin 1991, p. 127). The team consisted of 1964 Pentagon manpower study veterans and Rochester professors all: Martin J. Bailey, Harry J. Gilman, and Oi. In the meantime, Anderson, Burns’ assistant on the transition team, wrote to incoming Secretary of Defense Melvin Laird to remind him of Nixon’s campaign promise (Rostker 2006, p. 62).

Despite reluctance on Laird’s part, Nixon accepted Burns’ proposal for a special Presidential commission to study the issue of an all-voluntary military (Rostker 2006, p. 65). Nixon asked Laird for suggestions for commission members. Laird’s list included eventual member Wallis, but also listed Meckling, Albert Rees, Peter Drucker, Thomas Schelling, and Wabash College professor and *New Individualist Review* editorial advisor Benjamin Rogge as candidates. He recommended former Secretary of Defense Thomas Gates, who had previously served on Johnson’s Marshall Commission, to serve as the Chair. Laird’s suggestions did not include Friedman (Laird 1969, pp. 1-3). Anderson, as liaison to the new commission, was also charged with the task of “compiling a list of candidates from which Nixon could select members” (Anderson 1991, p. 174). An initial draft of Nixon’s statement to the Commissioners likewise named as prospective members Drucker and Schelling, though it included Friedman, Oi, and economic consultant Alan Greenspan, who Anderson had met at the Nathaniel Branden Institute and was also in Rand’s inner circle. Gates was Chairman (Mack 1969, p. 1). Anderson recalled Nixon’s preference for Gates in the role as follows:

“But Mr. President, I’m opposed to the whole idea of a volunteer force. You don’t want me as the chairmen.”

“Yes, I do Tom,” the president replied, “that’s exactly why I want you as the chairman. You have experience and integrity. If you change your mind and think we should end the draft, then I’ll know it’s a good idea.” (Anderson 1991, p. 175)

In the end, fifteen Commissioners including Gates were settled upon, supposedly divided evenly between those publicly committed to the all-volunteer military, those opposed, and neutrals. At the recommendation of the Congressmen he provided the research assistance for on *How to End the Draft*, Stephen Herbits was selected for the Commission for “youthful representation” (Stafford et al. 1969, p. 1). Thomas Curtis, who had spearheaded early momentum towards an all-volunteer military in the House but lost his Congressional seat, was likewise named to the Gates Commission. Friedman, Wallis, Greenspan, and Mont Pelerin Society member Crawford Greenewalt were also selected as members of the Commission. The balance of the remaining Commissioners were chosen to represent the military, industry, academy, and African Americans. In terms of the Gates Commission’s research staff, Meckling was named the Executive Director over four Research Directors: Stuart Altman, Harry Gilman, David Kassing, and Oi. Like the others, Kassing had been a member of the 1964 Pentagon manpower study (Witherspoon 1993, p. 341). Meckling later commented: “While the Commission was divided on the merits of voluntarism, the staff was of one mind, conscription was ‘bad’” (Meckling 1990, p. 7). Nixon’s charter specified the Commission’s job as “to develop a comprehensive plan for eliminating conscription and moving toward an all-volunteer armed force” (Gates et al. 1970, p. vii).

10. Conclusion

On February 20th 1970, just shy of a year since its creation, the Gates Commission returned its recommendations to President Nixon. Their statement read: “We unanimously believe that the nation’s interests will be better served by an all-volunteer force, supported by an effective stand-by draft, than by a mixed force of volunteers and conscripts...” (Gates 1970, iii). The first part of the report addressed the feasibility and desirability of the all-volunteer force, while the second part contained the analyses behind their conclusions. These analyses dealt with the major concerns raised in the national debate, from racial imbalance in military service to flexibility in crises. In line with Oi’s prior estimates, the Commissioners placed the budgetary cost at \$4.6 billion a year, but were quick to add: “Although the *budgetary expense* of a volunteer armed force will be higher than the present mixed force of volunteers and conscripts, the *actual cost* will be lower” (Gates et al. 1970, p. 8). The statement continued:

Men who are forced to serve in the military at artificially low pay are actually paying a form of tax which subsidizes those in the society who do not serve. Furthermore, the output of the civilian economy is reduced... This cost does not show up in the budget. Neither does the loss in output resulting from the disruption in the lives of young men who do not serve. Neither do the costs borne by those men who do not serve, but who rearrange their lives in response to the possibility of being drafted. Taking these hidden and neglected costs into account, the actual cost to the nation of an all-volunteer force will be lower than the cost of the present force. (Gates et al. 1970, p. 9)

The third chapter, titled “Conscription is a Tax,” developed the first point fully, particularly the discriminatory and regressive nature of the in-kind tax. Oi later commented that the “implicit tax,” the core of he and Friedman’s argument going back to the 1966 University of Chicago conference, “was drummed into the heads of the commissioners” (Oi 1996, p. 45). The Gates Commission recommended immediate pay increases in the interim and the cessation of the draft by July 1971. In March, Friedman announced the Commission’s conclusions to the readers of *Newsweek*, where he reflected:

As a member of the President’s commission, I was impressed by the emergence of unanimity out of initial disagreement. As our deliberations proceeded, and especially as our knowledgeable staff developed a growing body of factual evidence, it became ever clearer to all of us how superficial are most arguments in favor conscription and how inefficient conscription is both as a method of taxation and as a method of recruiting manpower (Friedman 1970, p. 90)

After Congressional wrangling, military conscription came to an end and the all-volunteer armed force instituted on January 27th, 1973.

In his memoirs over twenty-five years later, Milton Friedman reflected that “the most dramatic episode” for him of the Gates Commission work was when General Westmoreland, then Chief of Staff of the Army, testified before the Commission:

In the course of his testimony, he made the statement that he did not want to command an army of mercenaries. I stopped him and said, “General, would you rather command an army of slaves?” He drew himself up and said, “I don’t like to hear our patriotic volunteers referred to as slaves.” I replied, “I don’t like to hear

our patriotic volunteers referred to as mercenaries.” (Friedman and Friedman 1998, p. 380)

While the exchange captures Friedman’s sharp wit effectively, it only hints at the substance of the national debate and magnitude of the effort behind the adoption of the all-volunteer armed force. At its core, Friedman’s argument, articulated as early as 1962 in *Capitalism and Freedom*, relied on elementary economic reasoning and the appeal of cost-benefit analysis, bolstered by a commitment to individual freedom. The logic of the “implicit tax” and its measurement by Oi provided a powerful element. At the same time, Friedman shied away from the contentious discussions over draft resistance or opposition to the Vietnam War. Within the New Right, this allowed Friedman’s intellectual position to gain adherents, although fissures would eventually fracture the movement. Across the intellectual and political landscape, Friedman also built coalitions with diverse groups and individuals that otherwise disagreed with his political commitments, from the Students for a Democratic Society and Ripon Society to John K. Galbraith and Norman Thomas. This succeeded in preventing the position or his argument from being co-opted by or popularly identified with any single political group or identity. With the social context ripened by the draft debate and the Vietnam War, Friedman’s argument travelled to influential circles, reaching policymakers in Washington and Martin Anderson on the Nixon advising team. The Gates Commission’s unanimous verdict was a fitting tribute to Friedman’s efforts. In this way, the successful institution of the all-volunteer military reflected not merely Friedman’s public profile or his persuasive force, but also intellectual entrepreneurship.

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