



LIBERTY LINES

LIBERTARIAN ALLIANCE OF MID-MICHIGAN
NEWSLETTER MARCH 1992, ISSUE # 1

PRIVATIZATION DEBATE AT MARCH MEETING

The guest speaker for the March 20 Supper Club meeting will be Professor Charles Van Eaton of Hillsdale College. At press time, a speaker to take the anti-privatization viewpoint had not been found despite the stated opposition of the mayor of Lansing and several members of the city council. Dr Van Eaton is a nationally recognized expert on the private sector contracting of government services.

Anyone considering a candidacy for local office is encouraged to attend the March meeting. This topic will be of great importance to those proposing a more fiscally responsible approach to city and county government.

With local business and personal income at low levels and a growing revolt over excessive property taxes, it will be necessary for local governments to adopt new approaches to providing services. The present Lansing system of per bag pricing appeared to be a first step toward adopting a market approach to high waste disposal costs, but this was completely undermined by the recent regulation surrounding the mandatory recycling program. This system is likely to do nothing besides creating ill will from the property owners of Lansing and forcing all private sector recyclers out of business before it is scrapped as a dismal failure.

MARROU WINS DIXVILLE NOTCH

Libertarian presidential candidate was the early leader in the New Hampshire Primary, capturing 11 of the 31 votes in the northern community of Dixville Notch. The local voters traditionally gather just after midnight to cast the nations first primary votes. The other vote getters in Dixville were: Bush 9, Buchanan 3, Clinton 3, Tsongas 2, Ralph Nader 3.

SPEAKER PREDICTS NEW DEPRESSION

Local activist Gary Bradley presented a collection of economically pessimistic viewpoints derived from several recent books forecasting a severe downturn in the 1990's. The purpose of the talk, however, was not to simply forecast gloom and doom but to give useful advice to those wishing to preserve their assets in an era of lower expectations and possible deflation. Bradley especially criticized the tendency of economic analysts to take a perspective of years rather than decades in viewing trends in economic indicators.

continued on page 2

LAMM CALENDAR OF EVENTS

Supper Club Meetings of the Libertarian Alliance Of Mid-Michigan will be held on the third Friday of the month through October at the Golden Gate Restaurant, 6435 South Cedar in Lansing: Cocktails and dining from 6:00 to 7:00, speakers and discussion from 7:00 to 8:00.

March 20: Dr Charles Van Eaton will speak on privatization of government services.

April 10-12: Libertarian Party Of Michigan Annual Convention in Ann Arbor. Party nominations for offices in the November election will be made.

April 24: Dr Mary Ruwart, Libertarian State Board of Education Candidate will speak of educational reform and parental choice in public education. Proponents of the present system will be invited to debate.

October 16: Candidates Night: Libertarian candidates for offices in the Lansing area will address the group. We hope to get a statewide or national candidate booked

THE DOBBERSTEIN DIATRIBE

A Message From The Chairman

WE ARE BACK. Liberty is alive and well in the heart of Michigan. It has been an exciting challenge reorganizing the supper club. Thirteen people attended the first meeting on January 24th to hear former Lansing mayor Gerald Graves speak on local issues and political organizing. Nineteen people attended the February 21st meeting to hear Gary Bradley's talk, described in this issue. Our third meeting on March 20th should prove both timely and interesting. The topic will be PRIVATIZATION: BETTER GOVERNMENT AT HALF THE PRICE by Professor Charles Van Eaton of Hillsdale College. I look forward to seeing many of you there.

WATCH "Lansing Insight" every Wednesday on Lansing Cable Channel 37. Host Dale Dobberstein presents ideas concerning the hot issues confronting the capital community. Subscribers of other cable systems with public access should inquire about rebroadcast of these productions.

ATTENTION We need to hear from you. If you would like to continue receiving this news-letter, please call or write. This issue is a one time only gift. To get further issues you must at least ask for them. A contribution would also be gratefully accepted.

FUND RAISING Our Goal is \$1000 by June 15. Our Objective is to buy Libertarian advertising on local television and cable systems in the month of October. These will be generic Libertarian "get out the vote" spots without mention of specific candidates, which requires reports to the elections bureau. Send checks to the Libertarian Alliance of Mid-Michigan with "campaign fund" in the memo space.

THE MANAGEMENT:

PUBLISHER: DALE DOBBERSTEIN 517-394-4479
916 W CAVANAUGH #8, LANSING 48910

EDITOR: GARY BRADLEY 517-224-4784
1001 EAST CASS, ST JOHNS 48879

NEW DEPRESSION

continued from page one

Bradley pointed out that experts are prone to the same perceptual deficiencies as everyone else. When trends continue for a long time, most people anticipate that continuation, even when events are building to a discontinuous situation, like the straw that breaks the camel's back. The present economic climate of negative productivity and speculative overvaluation of assets could be setting the stage for another deflationary period like the 1930's.

Some of the danger signs of a coming depression are: enormous debt levels, both public and private; a period of above normal return on investment followed by a period of abnormally low earnings return, compensated by price increase of the assets; an unrealistic portion of government and corporate income devoted to debt service; and a corporate sector where total tangible assets are less than the debt collateralized against them. This is a highly unstable condition for the national economy.

Bradley also discounted the experts' dismissal of depression because the market indicators are substantially different from the 1920's and 30's. He pointed out that by comparing the American markets to the British markets of the earlier period and the present Japanese markets to earlier American markets, the similarities are much more apparent. Bradley concluded his skepticism of the experts by citing James Davidson and Lord William Rees-Mogg's thirteen steps for a deflationary period, the second to last of which is the actual decline in prices and wages. This indicated that the US is well into a deflationary trend.

Bradley concluded with recommendations for coping with a deflationary period. Some of these were: Build a cash reserve of 6-12 months of normal income; If you have a business, establish a firm credit line in advance; If you live in an urban area, consider relocating or at least selling your house and renting if your equity is most of your savings; Put 5-10% of your assets in gold or silver, which will hedge against either inflation or deflation; Look for opportunities in foreclosed business where the assets retain substantial value.