

elite—he believed strongly in the presumptive legitimacy of legislative enactments. Occasion to give wide effect to this principle presented itself when Cardozo was appointed to the Supreme Court in 1932.

Franklin D. Roosevelt's New Deal had come under constitutional challenge, and the Court was deeply divided. On one side was a powerful bloc of four Justices who believed that the President's social-welfare and regulatory legislation, for all its popularity, lacked constitutional authority and should be overturned. Cardozo vigorously disagreed. As he concluded in a series of key cases upholding the Social Security system, it was not the Court's role to stand in the way of the urgently felt needs of the nation, especially in light of the Constitution's declared purpose to promote the "general welfare."

Through these rulings and others, Cardozo did as much as any other Justice to give legitimacy to the legal regime brought forth by the New Deal, and, especially, to widen the scope of federal power at the expense of the states. This aspect of his career explains, no doubt, the affection in which he is held by those in the legal profession who still look to the federal government, and to the federal courts, to heal all our ills. Yet, as Kaufman's analysis demonstrates, that is a consequence very much at odds with the complex integrity of Cardozo's position.

At a time when many judges think nothing of overturning democratic majorities in the name of newly-invented rights, it is, in fact, very useful to recall a creative jurist who took the limits of judicial power with great seriousness. And at a time when our law schools are beset by free-wheeling feminists, deconstructionists, and critical-race theorists, it is no less instructive to read about one whose understanding of the law as a social institution was tempered by a bedrock respect for established standards. This fine

book cogently reminds us of what we once had in our jurists, and have yet fully to regain.

### Withholding

Two Lucky People  
by Milton and Rose Friedman

Chicago. 660 pp. \$35.00

Reviewed by  
David Frum

**O**N THE evidence of this joint autobiography, it is little wonder that Milton and Rose Friedman are advocates of a free society. Their own lives are a testimonial to what freedom is about and what it offers.

At the age of two, not long be-

DAVID FRUM is the author of *Dead Right*.

fore the eruption of World War I, Rose Director emigrated from Russia to the United States with her family. Coming of age in Portland, Oregon, she attended Reed College and then the University of Chicago, where her older brother Aaron was already teaching and where she herself studied economics. Milton Friedman was a native-born American, the son of a struggling shopkeeper in Rahway, New Jersey. He won a scholarship to Rutgers, continued on to Chicago where he met and married Rose, and ended up a Nobel laureate and one of the world's more influential citizens.

Milton Friedman's insights into modern economic life have earned him a place of honor alongside such giants of his field as David Ricardo, Alfred Marshall, and John Maynard Keynes. He helped to design the income-tax withholding system that enabled the United States to finance the cost of wag-

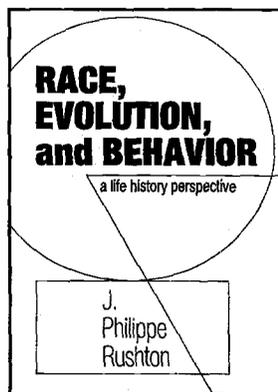
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ing World War II. He has advised American Presidents and numerous foreign governments. In his book *Capitalism and Freedom* (1962), his innumerable *Newsweek* columns, and the television program *Free to Choose*, he has brought his expansive vision of economic and personal liberty to a mass audience around the globe.

As IT tells their individual stories under alternating headings—"Milton," then "Rose," then "Milton" again—*Two Lucky People* sometimes makes for jumpy and confusing reading, and the book is in no sense a systematic account of their lives. Still, it is rich with details and incidents, of both a personal and a professional nature: the Friedmans' extended six-year courtship; their joy in children and grandchildren; and their association with various polit-

ical figures. Thus, we learn that Senator Robert Taft was the most intelligent elected official Milton ever met; Richard Nixon was a major disappointment; and with Ronald Reagan, Milton found himself in agreement on almost all matters save the choice of George Bush as Vice Presidential nominee—"the worst decision not only of [Reagan's] campaign, but of his presidency."

Most engaging of all is the running commentary Friedman offers on the development of his own thought. In particular, he provides a fascinating glimpse of how he and his fellow students at the University of Chicago in the 1930's grappled with the challenge to economic theory posed by the Great Depression.

Classical economists in England were then propounding the mes-

sage that the Depression was the necessary and inevitable consequence of the "unreal" prosperity of the 1920's. It should be dealt with, they recommended, by means of harsh medicine, allowing the economy to contract as far as necessary and only then resuming expansion at a slow and sustainable pace. The Keynesians offered a much more radical analysis; capitalism, they maintained, was inherently unstable, but catastrophes could be averted by better government fiscal policies.

Friedman's teachers at Chicago—foremost among them Frank Knight, the founder of what came to be known as the Chicago school—agreed with the Keynesians that the Great Depression could have been avoided, but they saw the culprit differently: not broad-based market instability but a specific set of bad decisions by monetary authorities. Just as a more intelligent monetary policy could have staved off this man-made debacle, so a more intelligent policy could still cure it. Friedman contends that Knight's ideas, which amounted to a middle way between passive suffering and government meddling, inoculated the Chicago students against Keynes's far more sweeping and statist brand of intervention.

*Two Lucky People* moves with vitality across many of the major issues of our century. But in the end, it remains a tantalizingly elusive book. It would have been fascinating, for example, to learn more about how two people, growing up in an era when confidence in markets had reached a nadir, and laissez faire appeared utterly discredited, should have turned with such burning zeal against the grain. Was it just the influence of the Chicago economics department, or were other factors at play?

But the subjects that it would have been most interesting to hear the Friedmans speak about are those they tiptoe around. After praising, for example, the vast increase in

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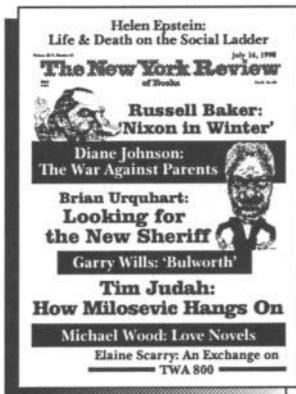
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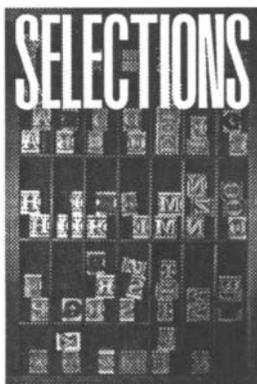
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wealth and the explosion of technology in the modern world, they hint that the changes they have lived through over the course of their lives may not have all been for the best:

Perhaps it is simply nostalgia, but we recall our youth as a period when there was far less concern for personal safety and safety of property. It was not unusual to leave home without locking doors; people worried less about walking in the streets at night. . . . Physicians and hospitals did not have the amazing array of medications, tests, techniques, and equipment that they have now, but there is little doubt that there was a healthier relation among patient, physician, and hospital. The first question a patient faced was not, "What insurance do you have?" but "What is wrong?"

For two economists devoted to unfettered markets, this is a remarkable statement—penned, apparently, without any further thought as to its implications for a general view of the world. Might the advances in wealth and the improvement in technology the Friedmans extol have

anything to do with the social trends they deplore? This question, which lies at the heart of both radical and conservative critiques of capitalism, does not seem to interest them.

Indeed, on the evidence of this book, neither Friedman has ever entertained a second thought. Milton Friedman originated the idea of the guaranteed annual income as a substitute for welfare. Seven years later, the Nixon administration conducted a prolonged experiment with this concept in, coincidentally, Rose's home town of Portland, Oregon, and discovered that it had shockingly ill effects, discouraging participation in the labor force and encouraging out-of-wedlock births. Although Friedman mentions that he came to oppose the version of the plan adopted by the Nixon administration, he offers not a word as to whether evidence of its dangers caused him to rethink his original idea—and if not, why not.

Finally, the Friedmans go to some lengths in *Two Lucky People* to present themselves as in almost every respect far less interesting than they really are: just two disinterested sci-

entists, doting parents, and grandparents. One would not learn from this book that they rank among the most radical critics of the American status quo, favoring the decriminalization of drugs, privatization of Social Security, and a wholesale recasting of the public-school system. But then, the outward-directed temperament that enabled the Friedmans to live such full and rich lives may be fundamentally at odds with the kind of introspection we expect in autobiographies.

A more intimate acquaintance with these two remarkable individuals, and a fuller picture of the impact they have had on our times, will have to await a full-length study. It is a curious and sad fact that none of the figures behind the revival of free-market thought in the late 20th century—not Friedrich von Hayek, not Ludwig von Mises, and not Milton Friedman—has been adequately treated in a biography. Why the market has not filled that gap is a mystery; until it does, this charming if finally unsatisfying dual memoir must suffice.