

[19] Friedman Conversation—11-8-04

From: Milton Friedman
To: Gordon Brown
Subject: Re: Step 5 and Closing
Date: Monday, November 08, 2004 4:54 PM

Dear Claudia and Gordon:

Herewith a few comments on your successive e-mails. First, on your e-mail of 10/28/04, 1:02 PM, on Step 5: Individualism and the School Curriculum.

I believe the context which determines the content of what is presented in schools is fundamentally ownership. If the schools are owned and operated by the government, their content will reflect that phenomenon and they will teach socialist values and socialist methods. On the other hand, if they are privately owned, they must attract customers; the customers choose the school to go to, the schools will teach an individualist philosophy, a free market view.

That is a very different explanation for context. You make the philosophy come first. In my opinion, the philosophy which underlies the school is the result of the institutional organization, not the other way around. This is not to differ with you on the existence of the two very different kinds of curriculum objectives. However, I find it hard to agree fully with your description of the bad features of the collectivism curriculum objectives and the good features of the individualism curriculum objectives. This has to do I think with our difference about the concept of an external world. I do believe that we as individuals and as scientists make hypotheses about that external world and that our actions are affected by those hypotheses.

I believe it is a part of good teaching to say that some students in some subjects are superior to other students in those subjects, that there is such a thing as getting something right and wrong. It is a correct description that some students are superior to other students in respect of what they are being judged on. There is not a right and a wrong way to do everything but there is a right way and a wrong way to do some things. In other words, I believe that your first paragraph is much too one-sided. You need to introduce a little flexibility, and the same goes for the second; each system has something to bring to the other. The crucial driving force is a bottom line that applies to each system.

On another much broader issue, I do not disagree with you on the need for a philosophical underpinning of a free market system. Markets are present everywhere. Markets are a means not an end. Free markets are a particular set of means of using markets. The role of markets and of prices associated with markets is as a way of transmitting the information that is necessary to coordinate the activities of people who do not know one another, who may be of different religions, different value systems and the like. It is fundamentally a coordinating mechanism. As you quite properly say, when it is allowed to operate it does foster and promote the development of individualist

values. But there does need to be an individualist philosophy to begin with in order to validate the results of market transactions. About this we do not have any disagreement. In so far as we have any disagreement, it is whether that individualist value needs to be as closely related to the distinction that you draw between the empiricist and the external reality approaches.

I see the individualism and free market e-mail as simply an acknowledgment of the receipt of my letter and the only other letter I have to answer is the one of 10/30/04 on 1st Reply to Your Response. I have no objection to replacing the word "observation" by "experience" so I would say that personal experience enables them to formulate a hypothesis about the characteristics of that external reality. My personal experience as I look out of my window and I see the bay below me is that the bay is full of water, and I have a very strong feeling of confidence in the statement that if I went down to the waterside and put my hand in there, I would feel water there and it is water there that I feel and not some idea that I have of water.

So I have a hypothesis that that is water and I have a high degree of confidence in the correctness of that hypothesis. Is that somehow inconsistent with the empiricist view? I don't believe it is inconsistent at all. It is of course a social convention that we call the color of the water blue. It is a social convention also that we use the term "water" to refer to it. But I find it hard to see what language other than the direct language I have used to describe that experience you would want to use.

I hope that this helps clarify what I mean and will bring out if there really is or is not a difference between our views on these subjects.

Cordially yours,

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