

THE FREE MARKET

THE MONTHLY PUBLICATION OF THE MISES INSTITUTE

The Mises Institute and the Future of Higher Education

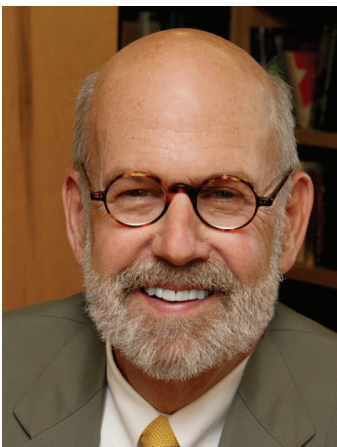
Mises Institute Senior Fellow Thomas Woods in October launched The Tom Woods Show, which quickly became a top-rated podcast on iTunes. Woods recently interviewed Mises Institute Chairman Lew Rockwell on the show, and toward the end of the interview, Woods asked Lew about his vision for the future of the Institute. The following is adapted from the interview:

Thomas Woods: What would you like to see the Institute doing that it isn't doing today?

Lew Rockwell: I think the Mises Institute represents the future of higher education. Thanks to federal subsidies, the price of an education at the brick-and-mortar universities has become prohibitive for so many people. Decades ago, Ron Paul worked his way through college but that sounds like science fiction today. Almost

no one can work his way through college anymore.

So what the state has done, as with medical care, is it has made it impossible for students to pay for college with the wages and savings that young people can muster.



So the students take on these horrendous debts to receive instruction at institutions that are, by and large, either teaching error, or they're teaching the usual boring views of official academia.

There has been so little innovation in the mainstream higher education industry. Peter Klein points out that colleges and universities still use the same production model that Aristotle used, with someone lecturing students from the front of the room while students sit quietly at their desks.

There are, of course, different ways to do this, and the Mises Institute is at the cutting edge of those different ways. Many young people are sick and tired of these long five- and six-year terms necessary to complete college. The universities and colleges so often make it difficult to get all the courses needed at times that work for the students, and of course, the longer it takes to get the degree, the bigger the student's debts will be.

But there's another way to do it, and as we see with the online courses of Mises Academy,



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and with our in-person programs such as Mises University and the Rothbard Graduate Seminar, there is much greater respect for the student and his or her time. Depending on the program, students can complete them quickly, often on a schedule tailored to the student's needs, and the Mises Institute then issues certificates to those who successfully finish the programs.

Meanwhile, we're finding that employers are often treating these certificates as something equivalent to college credit when considering employment for our alumni. This makes sense, of course, since the Mises Institute teaches students how to really engage in economic reasoning and to think like someone who truly understands economics—the type of real economics described by Mises.

But it's not just our online education that is paving the way for a new kind of education. Back in 2011, when Sebastian Thrun, then a tenured professor at Stanford, decided to begin offering online courses on robotics and artificial intelligence, 160,000 people enrolled in the first class. After that, Thrun decided to leave behind his tenured position and founded a new online education operation through which he believes he can reach half a million students with low-cost higher education taught by some of the world's best faculty.

The demand for these online educational programs illustrates just how useful they are in the marketplace, and the Mises Institute is already part of this new world of higher education. At the same time, many colleges and universities are trying to jump on the bandwagon, and for many of them, it is already too late. Many small colleges and universities will be going out of business in coming decades because the costs are high and the benefit to students is low at those institutions. It's true that the elite schools aren't going to go out of business, and the big state universities aren't going to go out of business, but much of the higher education world is feeling the ground moving under its feet, and they're worried. They should be worried.

So what I'd like to do is continue turning the Mises Institute into a private online and campus-based university of the future, for Austrian economics and libertarianism, history, and political science, and all the related areas. We can't give government-approved degrees because government control of the old system of higher education makes that impossible. But we can certainly provide certification to our successful students, and as the new world of online education shows, so many employers already regard this as a mark of true education, in contrast to so many traditional college programs that provide so little of value.

Naturally, I'd like to keep up what the Institute is doing right now in terms of educating students, publishing books, publishing journals, bringing back the classics that have been unavailable, and make sure that is all provided at either low cost or for free. And we will continue doing what we've always done with traditional academia and ensuring that our students who wish to pursue graduate degrees in economics and related fields will continue to benefit from our academic conferences, fellowships, and academic journals. But for so many more students who simply want to study and understand economics, history, and philosophy, as they truly should be studied, we will seek to provide a top-quality education. ■



Biographer, Scholar, Friend:

Mary Sennholz at 100

JEFFREY HERBENER AND SHAWN RITENOUR



Mary Sennholz, wife of Austrian economist Hans Sennholz and friend of Margit and Ludwig von Mises, recently spoke with Senior Fellow Jeffrey Herbener and Associated Scholar Shawn Ritenour about her long career as a writer and editor, and as a friend and colleague of many other giants of the Austrian School. The interview was recorded as part of the Mises Institute's Oral History Project for release in 2014.

Mary Sennholz has never been one to sit on the sidelines watching life pass her by. Although the decision to climb on board was not always in her hands. After being forced by a violent storm to land their private plane on a small, grass runway in the highlands of Colorado, her husband and pilot had made two unsuccessful attempts to take off in the heavy, wet grass. Before the third attempt, Hans had told Mary that if it failed, she and her luggage would have to be left behind to catch up with him and their young son, Robert, on the west coast where Hans, the important Austrian economist and student of Mises, was scheduled to deliver a lecture. As Mrs. Sennholz relates the story in her interview, the relief in her voice is palatable as she recounts the moment she felt the wheels become airborne.

Even before she met Hans, Mary Homan was living an interesting life. A few days after Pearl Harbor, she was hired to manage a pool of secretaries in the executive office of the president. She worked in that

capacity for the administrations of both Franklin Roosevelt and Harry Truman. After the war, she was part of Adlai Stevenson's committee of American officials in London working to establish the United Nations. She resigned in 1947 to join Leonard Read at the Foundation for Economic Education. Her admiration for the founder of FEE was clear. In the forward to her biography, *Leonard Read: Philosopher of Freedom*, published in 1993, she wrote, "Leonard Read, the offspring of New England pioneers, was to become the leader who, at a crucial moment in American history, rallied the demoralized and tired forces of individual freedom and the private property order. This book is dedicated to his memory, which will live as long as the Foundation for Economic Education or one of its offshoots carries his message to anyone willing to listen."

One of her duties at FEE was to organize the seminars at which Mises and other luminaries would

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Year in Review

Thanks to our Donors, 2013 was another big year at the Mises Institute with new events and classes, and new people.

A New President at the Mises Institute



JEFF DEIST

Jeff Deist has joined the Mises Institute as President, following many years as an advisor to Ron Paul and as a tax attorney specializing in mergers and acquisitions for private equity clients. Jeff was Congressman Paul's chief of staff during the 2012 election, and his press secretary in Congress from 2000 to 2006. He and his wife, Paula, have two children, 8 and 4.

"Jeff is a great fit as someone who knows Austrian economics, and he's a great speaker, leader, and fundraiser," said outgoing president Lew Rockwell, who remains actively engaged as the Institute's Chairman and CEO. "Our movement's amazing growth in recent years brings with it many new opportunities, and it also brought many new attacks from the friends of the regime. Jeff comes to us already equipped to handle all of that quite well."

Deist arrived at the Mises Institute campus in Auburn last month, and has already assumed the role of President. "Ron Paul's congressional staff viewed the Mises Institute as our intellectual home," Deist stated. "We applied Austrian principles and scholarship to virtually everything Ron did as a member of Congress. I'm honored to join an organization Ron has enthusiastically supported from the very beginning, and excited about dedicating myself to furthering the Austrian message."

The Judge Has Joined Us

Also joining the Mises Institute this year is Judge Andrew P. Napolitano who signed on as our Distinguished Scholar of Law and Jurisprudence in August. Judge Napolitano, of course, is best known as the Senior Judicial Analyst at Fox News, and this year he was a featured faculty member at Mises University where he taught Constitutional Law.



JUDGE ANDREW P. NAPOLITANO

Events and Seminars

From the Houston Mises Circle, to our Tax Day Seminar on April 15, to Mises University, the Mises Institute this year offered a wide variety of events, both live and online for scholars, students, and non-experts alike. Our breakfast event with David Stockman on May 21 in New York City brought Austrian economics to Wall Street while, as always, the Rothbard Graduate Seminar, Mises University, and the High School Seminar helped form a new generation of students and scholars working in the Austrian tradition. Thanks to Members, students may attend these amazing events free of charge.

Mises Academy

Our online course offerings available through Mises Academy continued to grow this year with new lecture courses and independent study classes. More than three new courses were offered in November alone, with 24 courses offered throughout the year in total. Courses on Obamacare, Imperialism, Keynesianism, and more connected hundreds of students across the globe with top scholars in the Austrian tradition.

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MARY SENNHOLZ
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speak. In her work, she rubbed shoulders with Frank Chodorov, Baldy Harper, Henry Hazlitt, Israel Kirzner, Edmund Opitz, Gary North, Benjamin Rogge, and Murray Rothbard among others. The only unpleasant encounter she mentions in the interview was with Milton Friedman.

Like Read, however, Mises was more than a casual acquaintance. She faithfully attended his NYU seminar with her friend Bettina Bien. The fruits of the seminar were not merely intellectual for Mary. It was there that she became acquainted with her future husband. Margit von Mises played matchmaker for Leonard Read's assistant and her husband's Ph.D. student. What began as a contractual relationship, Miss Homan editing the manuscript that would become Dr. Sennholz's dissertation, blossomed into a beautiful partnership.

The friendship between the Miseses and the Sennholzes lasted a lifetime. Margit became a devoted godmother to Mary and Hans's son, Robert. The couples traveled together to Guatemala and Mexico. As Mary tells it, the calm, cerebral Lu found his complement on the lecture circuit in the passionate, inspiring Hans. Margit and Lu visited Grove City several times over the years. The most memorable was in June of 1957 when Hans arranged for Grove City College to award Mises an honorary doctorate degree at commencement. Hans and Mary hosted a post-commencement reception for Mises at their home.

In 1956, the fruits of Mary's labor in soliciting the 19 contributions for, and editing the resulting *Festschrift* volume for Mises, *On Freedom and Free Enterprise*, were born. After all the hard work, she took delight in playing host to Mises in March 1956 at a banquet in his honor held at the University Club in NYC.

In addition to Leonard Read and Ludwig von Mises, another luminary of the liberty movement whose life intertwined with that of the Sennholzes was J. Howard Pew. He was a trustee of FEE and chairman of the board of trustees at Grove City College. Pew was responsible for Hans being hired as chairman of the department of economics at GCC. Mary entertained

him as a guest at the Sennholzes's reception for Mises in June 1957. As with Leonard Read, her admiration led her to write a biography of Pew from material gathered by the Pew family, *Faith and Freedom: The Journal of a Great American*, published in 1975. In the acknowledgements, she wrote that writing the book,

“has been much more than an enjoyable experience. For almost a year it has meant living with the thoughts and actions of a great man who, as was said of Saul, son of Kish, ‘From his shoulders and upward he was higher than any of the people.’”

FEE served as bookends for Mrs. Sennholz's professional activity in the liberty movement: starting just after its founding in 1946 working with Read for nearly a decade and returning to work with her husband who served as president from 1992 to 1997. Her last book to date is a collection of *The Freeman* articles she edited, *Faith of Our Fathers*, published in 1997.

Mrs. Sennholz reached her 100th birthday on November 2, and it is the hope of many that for a third time she will be driven by her admiration to write a biography: one of her husband, Hans. ■



Jeffrey Herbener is a professor and chairman of the economics department at Grove City College and a Senior Fellow at the Mises Institute.

Shawn Ritenour is a professor of economics at Grove City College and an Associated Scholar at the Mises Institute.

New Books and eBooks

This year marked the release of the new scholarly book *Theory of Money and Fiduciary Media*, edited by Mises Institute Senior Fellow Jörg Guido Hülsmann and featuring essays examining the 100-year legacy of Mises's *Theory of Money and Credit*. We've also added a wide variety of new ebooks to the Mises Store, including classic works by Mises, Hayek, Leonard E. Read, and Hans-Hermann Hoppe. Also in the store are two new books by the 2012 AERC Henry Hazlitt Lecturer Hunter Lewis, who has arranged for copies of his books on crony capitalism, price controls, and Keynes to be made available to students free of charge at our events and seminars in 2013 and 2014.

New translations of books by our scholars continue to proliferate, with just a few examples being new Chinese translations for Robert Murphy's *Lessons for the Young Economist* and Philipp Bagus's *The Tragedy of the Euro*. Jörg Guido Hülsmann's biography, *Mises: The Last Knight of Liberalism*, is now available in Russian, and numerous works by Rothbard and Mises were translated into Japanese this year.

New books will be coming soon, as well, including *Toward a Libertarian Society*, by Walter Block, and Butler Shaffer's new monograph on intellectual property.



Social Media and Mises.org

The Mises Institute's web site, launched in 1996, was one of the first of its kind on the internet. We continue to expand our online presence today through social media sites such as Facebook, YouTube, and Twitter, where we have a combined 150,000 followers and subscribers. Next year, look for more information about how you can help create a new, expanded, and improved Mises.org for the future.

Thank you for making 2013 a great year!

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COMING EVENTS

Register online at mises.org or by phone at 800.636.4737.

- January 18, 2014 SOUTHWEST REGIONAL MISES CIRCLE IN HOUSTON (Sponsored by Christopher P. Condon, Terence Murphree, and T.J. & Ida Goss)
- March 20–22, 2014 AUSTRIAN ECONOMICS RESEARCH CONFERENCE • Mises Institute
- June 9–14, 2014 ROTHBARD GRADUATE SEMINAR (Sponsored by Alice J. Lillie) • Mises Institute
- July 20–26, 2014 MISES UNIVERSITY • Mises Institute

Upcoming Mises Academy Online Courses. Register at <http://academy.mises.org>

- Dec. 1–22, 2013 Santa Claus Economics: An Austrian Analysis of the Welfare State
4 Lectures. Instructor: Thomas J. DiLorenzo
- Jan. 9–Feb. 27, 2014 Basics of Economics: The Free Market
8 Lectures. Instructor: Robert P. Murphy
- Jan. 14–Feb. 18, 2014 The Economic Rise of the West
6 Lectures. Instructor: David Gordon

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