

Anthony Comegna:

Welcome back everybody to another wonderful week of Ideas in Progress from the Institute for Humane Studies, where we're celebrating our 60th anniversary. This week, we have a very special guest, someone who goes back quite a long way in IHS history, Professor Larry White. Larry completed his PhD at UCLA in 1982. His wide experience with us dates back to the 1970s, but more on that from Larry in a second. He's a widely renowned expert in money and banking and the history of economic thought. He's held fellowships and visiting professorships just about everywhere it seems. And he's written books like *Free Banking in Britain* published by Cambridge and *The Theory of Monetary Institutions* from Oxford. The number of articles is practically endless so you'll just have to check out his CV for yourself. This weekend next everyone, it's professor Larry White.

Anthony Comegna:

Well, Larry, welcome to the show. We're really, really glad to have you here. And as you know from our interactions over the years on social media, your work has really been a huge influence on me personally and the things I've done in academia, in my short career so far here. But your influence on my work goes back well over a decade at this point. And we'll talk more about that later, probably in our next episode together, but I don't think to this point, I definitely don't think we've met in person nor do I think we've actually spoken together outside of Facebook and stuff like that. It really is just great to correct that, what I see is a grievous error here, at least in part, getting to speak with each other, but it's especially great for me because as you and many of our listeners by now know, this is the IHS' 60th anniversary.

Anthony Comegna:

We've covered a huge swath of time now in our existence as an institute and we're all really proud and excited for that fact to celebrate that over the course of the year here. But I wanted to ask you first and foremost, for your perspective on that long history of IHS, because you've been involved with us for quite a while. I'm hoping you can sort of start us out here by just introducing yourself to the audience, telling us, especially how you first came into contact with IHS.

Larry White:

Okay, well, I'm Larry White as it says in the program notes. I started to get in touch with IHS, I guess the first contact was a conference 1975. And over the next 20 years, I had a lot of contact with IHS. Not so much in the last 20 years, but that's appropriate given that IHS' mission was discovering and developing young talent. I'm not young anymore, but early on it was Austrian economics conferences mostly. We can talk about them in more detail, if you like. Then I got the opportunity to lecture at IHS summer seminars so that was great. That was important. And that's most of it. I was actually most of my contact in the early days, of course, IHS was in Menlo Park, California and I loved visiting the Institute there. I was actually kind of sad when it moved to Fairfax, Virginia, not knowing that someday I too would move to Fairfax, Virginia. It's a nice to be in the same town again.

Anthony Comegna:

We'll take us back to that 1975 Austrian economics conference because that as I understand it, at least, is really a major point of inflection for modern Austrian economics. And it's a major point in the growth of the school in the last 40, 50 years or so. An extension of it from the time of Mises and Hayek into the contemporary period. Take us back to that moment and tell us a little bit about what it was like.

Larry White:

There was an Austrian economics conference in the summer of 1974 in Vermont or was it New Hampshire? That I was not part of because I was just a little bit too young. I started college in the fall of 1973, but I did get to attend the 1975 conference, which was in Hartford, Connecticut, because I had gotten to know Walter Grinder about a year before that. And I guess he recommended me so that the conference in Hartford, Connecticut had FA Hayek in attendance, Israel Kirzner, Murray Rothbard, even a 90 year old Austrian economist named Emil Kauder. But probably more importantly for my career, I met some contemporary Austrian economists who were within my age. I was probably the youngest person there, but so they were less than five years older than I was, Jerry O'Driscoll, Mario Rizzo, John Blundell, Roger Garrison, Don Lavoie, Richard Ebeling, David Henderson, Jack High, Hugh McCulloch, Sudha Shenoy.

Larry White:

This was between my sophomore and junior years of college. This was kind of awesome to meet people doing this important work that really at the time, I didn't appreciate as much as I should have. Hayek's in attendance. Yeah, big deal. There was also a conference in the fall of 1975 in Hasbrouck Heights, New Jersey, which was just a weekend affair, but the Hartford conference was a week long. People were presenting papers and criticizing one another's papers. And so it gave me an idea of what academic life was like. And then the next really big event was the summer of 1977. I got to spend the entire summer in Menlo Park in what was called the Advanced Austrian Economics Seminar. And I was one of the younger participants in that too, since I had just graduated from college, but I was on my way to graduate school.

Anthony Comegna:

And now that was a research seminar that was co-sponsored with Liberty Fund, correct?

Larry White:

Right. There were about 25 budding young economists there Hayek was there in residence for about a month, I think. But again, people like Don Lavoie and Jerry O'Driscoll and Richard Ebeling and Joe Salerno were more or less my contemporaries and they were working on, O'Driscoll was a few years ahead. He had finished his graduate program. They were working on research and I was just sort of getting an idea of what it meant to do economics research.

Anthony Comegna:

According to my records, Jeff Hummel was there too. And you probably know or at least can assume he's one of my favorite scholars out there and has been for a while. It's just kind of astonishing to me to look back at some of the names of people who attended these events and to see what became of all these different careers. It's pretty amazing.

Larry White:

I got to know Jeff really after that conference when we did some weekend lecturing on behalf of a high school debate program. We gave the students a case, I forget what the issues were. One of them was consumer product safety, I remember, but I guess the theory was it was better to have, we were both graduate students at the time, better to have young people lecturing to high school students, than old people. But yeah, Jeff and I have been in touch since then and worked on some similar topics. And he's one of the few people who adopted my book, *The Theory of Monetary Institutions* as a textbook for his money and banking course so I appreciate that.

Anthony Comegna:

And I also have you attending a 1978 Austrian economics seminar at NYU and participating in another summer fellowship in 1980. Do you have any memories of those two events?

Larry White:

The NYU conference, I was just a spectator basically. Whereas in the 77 program, I was a more of an active participant, but yeah, the NYU conference included, Sir John Hicks and Harold Demsetz, who would later be my professor at UCLA. And I think it's the first time I met Ludwig Lachmann and Leland Yeager. No, I'd met Yeager earlier at a libertarian scholars conference come to think of it. The 1980 summer fellowship enabled me to work on my dissertation so that was very helpful. And a few years later I came back and was the so-called research director of the summer fellowship program. I cracked the whip over people writing their dissertations and I very much enjoyed the Menlo Park Palo Alto area so that was always great fun.

Anthony Comegna:

See, maybe that's why I momentarily thought that you worked at IHS for a little bit because you were the research director. Tell us about that role a little bit. How did you sort of transition?

Larry White:

I worked for IHS, but I wasn't an employee. I think I was a hired hand or whatever the legal status was, 1099 income, not W2 income. Well some of the graduate students included George Selgin and Roger Copple, Mark Brady. My job was basically to keep them on track. They had all promised, I'm going to finish this chapter or these chapters while I'm there. We had seminar meetings where people presented the work they were working on. That was good for getting to know people who were a few years younger than me and what they were working on. I think all these programs were important for fostering a sort of generation of, I don't know what term you want to use, classical liberal academics.

Anthony Comegna:

Yeah, yeah. I think, when I look back on it, that's certainly what I see. Is the unfolding of the modern canon, if you will, through the different people who come through IHS and connect together and produce work together over the next few decades. I really love gathering up these kinds of stories and this sort of history here. I'm wondering not to put you or anybody else too much on the spot, but I'm curious to know about people's different superlatives through their time at IHS. for example, I think the best lecturer I've ever seen is Marcus Rediker, who was on my committee at the University of Pittsburgh. I got the chance to teach with him, but I've seen some amazing lecturers in my days at IHS too. Probably Steve Davies is my favorite, mainly because I just, I love the depth of his knowledge and the kinds of topics that he can cover, really speak to me. Who was the best lecturer you think you ever saw at an IHS event?

Larry White:

Well, I want to mention my years lecturing at IHS summer seminars. I'm not exactly sure which years, but roughly 1985 to 1995. There was a seminar each summer at the College of Notre Dame in Belmont, California and my co-lecturers were Randy Barnett, George H. Smith and Ralph Raico most years. And I think those three are the best lecturers I was privileged to hear at IHS summer seminars. And I began to get a better idea of my own research by hearing what they were up to and the way they looked at

things. In particular Ralph's perspective on history, but somewhat surprisingly Randy Barnett's perspective on jurisprudence.

Larry White:

We talked about the parallelism between courts and banks. It's easier to start with banks. Banks issue pieces of paper, which they want people to accept so they cooperate with other banks while still competing with them. But you get mutual par acceptance arrangements among banks and that creates a stable institutional environment. Likewise, courts issue pieces of paper called judgments, not bank notes, but judgments, which they want people to accept. They want it to resolve a conflict, so that's what acceptance means in that case. But courts have an incentive to cooperate with one another and that brings about a more stable, legal framework. And that's what you should expect in a system where the courts are more market oriented than a system of state run courts.

Anthony Comegna:

Well, I do love those. I do love those choices. Oh my God. Ralph Raico, he's another one who would be my favorite, the late Ralph Raico, just fantastic. And George H. Smith was a former colleague of mine when I worked at the Cato Institute so of course I love George too. Great choices there. Now let's see. Let's also cover, do you have any particularly memorable stories from the social hours? Because a huge component of back, oh my gosh, in normal days, social hours are a huge component of life at IHS. Do you have any good stories of people you met and fun things that happened at IHS socials?

Larry White:

The stories that I can repeat.

Anthony Comegna:

Yeah, no incrimination of yourself or others, but yeah. Give us something good here.

Larry White:

Well, at the 1977 Menlo Park's summer seminar, I had a hobby of a silk screening. I had a little silk screen with which I could make t-shirts and so I made an official, well not official, an unofficial t-shirt for the Austrian economics research seminar and gave a copy to every participant. About a year ago, Gary Short, who was one of the participants, sent me back his t-shirt from 1977. He said that he hadn't worn it, it had just been hanging in a closet. I don't know what happened to my own shirt. I think I wore it out, but so now I have a memento of that, but I have a kind of side story about that t-shirt.

Larry White:

Jack High was one of the participants in that summer seminar who later became my classmate at UCLA while he was in the fourth year when I was in the first year. But we lived in the same apartment complex, which was very close to UCLA. And Jack told me he was wearing that t-shirt, he went into campus and was talking to Axel Leijonhufvud, who later became my dissertation advisor and another member of the faculty who was I won't name, who was not so friendly to Austrian economics, saw Jack wearing this t-shirt that had a picture of the structure of production from high X prices in production. And he says to Jack, "What's with the diagram? I thought you Austrians didn't believe in math." And reportedly Axel Leijonhufvud turned to this other faculty member and said, "Come on, don't you know

any history of thought? You should be able to look at this diagram and tell me what the average period of production is."

Anthony Comegna:

You just got to love econ nerd jokes.

Larry White:

[inaudible 00:18:21].

Anthony Comegna:

Oh man. I love the t-shirt because Tony Gill, shout out to Tony Gill. He likes to make concert style posters for the different events that where he's faculty for us, which is always fun. And he shares them around with people kind of continuing that sort of a tradition. And kind of along those lines, I'm also curious to know, who do you think has been the best friend you've made, personal friend along the years with your IHS connections? And what do you think has been the most productive academic relationship you've established along the way?

Larry White:

Well, best friend might be Randy Barnett. Might be for a long time until we kind of lost touch, Jack High.

Anthony Comegna:

That can be a tough question because first of all, there are always a lot of options, right?

Larry White:

Yeah, but maybe Mario Rizzo, Jerry O'Driscoll. I've been in touch with both of them since we were all at NYU, which wasn't due to, well and I guess in an indirect way, was due to IHS that I got to meet them for the first time. That was the 75 Hartford conference. And we all shared an interest in Austrian economics, but I got to NYU as a post-doc during the last year of Jerry O'Driscoll's assistant professorship at NYU and sort of moved into his slot after he left. And then Pete Boettke later occupied that position. None of us got tenure at NYU because although the department was happy to have an Austrian economics program, they figured having given tenure to Mario that they didn't need another tenured Austrian, I guess. We referred to it as the ejection chair, but I've been in touch with them for and collaborated on various things with them for some 40 years now.

Anthony Comegna:

Well, now time for another potentially very touchy question to close us out of our first episode here. Try to assess IHS' impact after 60 years now. And you were involved at the tail end, sort of, of that first generation of its life. Over the next two generations, what kind of impact have you seen? What changes do you think have come directly out of IHS' existence and what do you foresee may be coming in the next few years here that we should be especially aware of or sensitive to?

Larry White:

Gee, I like to think I was early in the IHS lifespan because there weren't yet IHS scholarships to attend graduate school when I was in graduate school, I had the fund it some other way. But after that, the fellowship programs came online and I think that's helped a lot of people get through graduate school or

get a leg up on their career by enabling them to go to a better school than they could otherwise have gone to if they'd gone to the best school that offered them money, which is the usual advice. But if you have money from outside, that works too. And I've seen people benefit from that.

Larry White:

I think keeping classical liberal topics alive as research topics has been the most important contribution. Even other classical liberals told me that free banking was a crazy dissertation topic. I was never going to get anywhere publishing on that topic, but thanks to IHS, there was a nucleus of people who encouraged me who said, "This is," and I would single out especially Walter Grinder, who we'll also talk about after the break, when we talk about the William Leggett and the Locofocos. And so having an audience is important. If you're working on a topic, you want it to have more readers than just your dissertation committee. Knowing that there are a few dozen people who will be interested is important. Otherwise you end up writing your dissertation on the elasticity of demand for bananas and it's not going to be very interesting to you, let alone to your readers, even though it checks a box and gets you a degree. I think it's helped people venture out a little in their research beyond the what you might call safe topics or the latest fad topics.

Anthony Comegna:

Thank you all so much for joining us and our greatest thanks of course, to Professor Larry White for taking the time to come on the show. Next week, we'll be back with part two of our interview where we'll shift course from personal and institutional history to research content. Larry and I have some obscure and little known, but really important intellectual connections, important to me at least and I hope interesting to you all too. Join us next week for Larry and I talking about the wild Jacksonian radicals who helped jumpstart the industrial revolution, abolished slavery and transformed American culture, my Locofocos. Till then everyone, subscribe, rate, review, share the show far and wide and keep the progress coming.