



LIBERTARIAN PENN

Newsletter Of The Libertarian Party of Pennsylvania

MAY-JUNE 1981

Reagan? Free Enterprise?

by Ed Clark

LOS ANGELES — It's been less than three months since President Reagan took office but already a pattern has been set.

The Japanese were pressured to restrict their auto exports to American consumers.

Nominees to regulatory agencies are unsympathetic to deregulation.

The minimum wage, scourge of the unskilled and young, is to be unchanged.

The Chrysler bailout continues.

The Federal Trade Commission is to retain its antitrust authority.

The trigger-price system for steel imports and "anti-dumping" measures for other goods remain in force.

The oil industry still labors under a (misnamed) windfall-profits tax.

Young men are still being registered for a future draft.

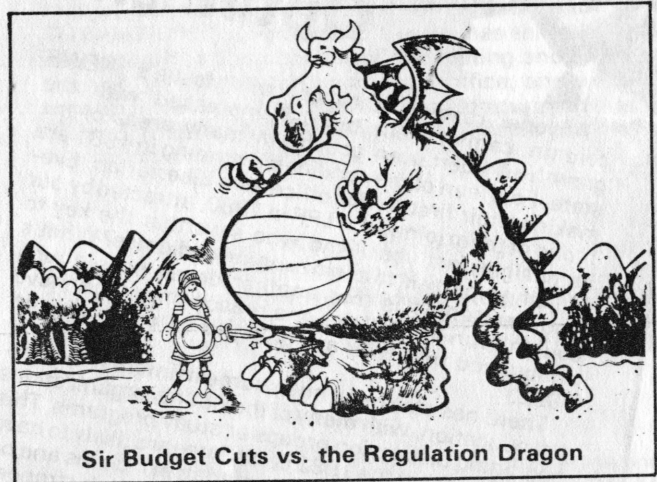
The odd thing is that the American people were under the impression that they elected a President who believes in free enterprise and individual liberty. But considering the record so far, they must have been mistaken.

President Reagan has, unfortunately, done some of the things he promised.

He and Secretary of State Alexander M. Haig, Jr. have heated up the cold war with bellicose rhetoric. Mr. Reagan has stepped up foreign intervention with money, weapons, and advisers to support a corrupt, dictatorial regime in El Salvador, and he wants to send 1,000 troops to the Sinai. Moreover, he has proposed a record \$222 billion Pentagon budget for fiscal 1982, incorporating the largest peacetime increase in military expenditures. The military is expected to spend \$1.3 trillion over the next five years. This will wreak havoc on the civilian economy, which Mr. Reagan says he wants to revitalize.

On the domestic side, he has performed an impressive magic trick by calling taxing and spending increases *cuts* and getting away with it. His fiscal 1982 budget will approach \$700 billion and will be 5.7 percent higher than projected 1981 spending. When you spend more from one year to the next, that is an increase. The proposed changes in the tax rates are no more genuine. First, they would be effective July 1, if passed, rather than retroactive to Jan. 1, as promised. Second, for most middle-income people, inflation and Social Security will see to it that the tax burden is no lighter.

President Reagan has made inflation his top domestic crusade. Yet his program has little to do with inflation. Even were he to balance the fiscal 1982 budget, he would not touch this hidden tax. That's because inflation is not the result of low productivity, budget deficits, or even higher taxes (bad as they are). It is the result of the Federal Reserve System's creation of money out of thin air. President Reagan says that he will induce Paul A. Volcker, chairman of the Federal Reserve Board, to restrain the growth of the money supply. That sounds good, but there is a fatal flaw to the plan: The Fed doesn't know what it's doing; it can't even define and measure the money stock, much less control it.



Sir Budget Cuts vs. the Regulation Dragon

The Fed's record since 1979 stands as incontrovertible evidence of that. The only way to end inflation is to end the Government monopoly over the monetary system, as has been suggested by the Nobel Prize-winning economist F.A. Hayek.

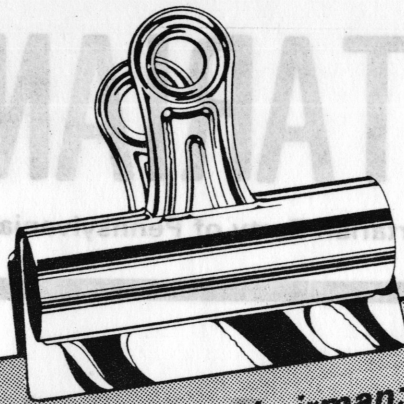
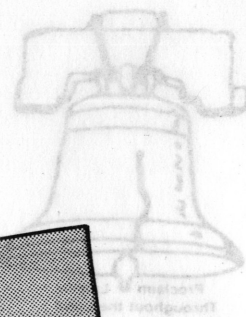
The American people gave Mr. Reagan an opportunity to reverse our dismal slide into statism. Mr. Reagan's response has been to give them more of the same.

Consider auto imports. What claim can the United States make to being a free country if one cannot do such a simple thing as buy a car without Government interference? Yet the Reagan Administration is pressuring the Japanese Government into forcing its automobile firms to cut exports. When the President told the Japanese Foreign Minister that he would find it difficult to veto a protectionist bill, he was in effect saying: "Use the coercive power of the Japanese state to cut exports, or we'll do it for you."

The list goes on. Mr. Reagan's nominee for the Federal Communications Commission chairmanship, Mark S. Fowler, was applauded by Broadcasting magazine, the industry's major trade publication, for his willingness to "adopt a more questioning attitude toward change — the kind (of attitude) broadcasters have been urging on it (the F.C.C.)." Mr. Reagan's reported choice for the Interstate Commerce Commission chairmanship, Reese H. Taylor, is being touted by the Teamsters Union and the American Trucking Associations, the most vociferous opponents of trucking deregulation.

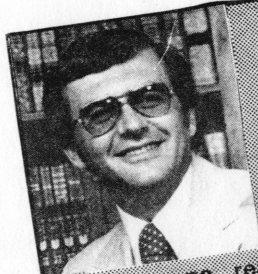
Those familiar with Ronald Reagan's gubernatorial record in California are not surprised by this appalling performance. But many people who thought they had voted for a champion of the free market are learning that what they got was a champion of business-as-usual.

Ed Clark received 921,188 votes as the Libertarian Party's Presidential candidate in 1980. This article appeared in the N.Y. Times on 4/16/81.



From the Chairman:

Optimism and Organization



Anyone reading through this issue's NEWS column cannot help but be impressed with the growth of libertarian activity in many areas of the state. Fourteen of the candidates running in 1981 are making their first try for office as a Libertarian. Everyone of them joined the LPP in 1980, attracted by our campaigns last year. And who says that the key to building a party is to avoid running candidates? What's also heartening is that another dozen people who couldn't run in 1981 for one reason or another have announced that they are going to be candidates in 1982.

There has also been an upsurge in interest in internal education, with many of the County organizations beginning discussion groups or study programs. This assures us that the 1982 candidates are likely to have a deep understanding of libertarian principles and be able to articulate those principles in a much stronger manner.

Lots of grounds for optimism, right? Lots more people involved, lots more candidates, lots more Pennsylvanians being exposed to the idea that government activities which involve coercion are immoral and should be replaced with voluntary, non-coercive, and cooperative activities. Grounds for further optimism is the fact that about 2/3 of the

libertarians in Pennsylvania are still not organized into County clubs!

This is the task for all LPP leadership: locate the libertarians who want to be active in the LPP, help them set up County and local organizations; aid them with programs, speakers, study programs, outreach activities, encourage them to develop candidates and campaigns, and involve them in statewide and nationwide activities to build acceptance of libertarian ideals.

The computer lists are available for each County. We can provide them to anyone interested in helping to set up a County organization. We'll help with inviting meeting, and with other training and support. Those who want to build the LPP are never left alone to "rediscover the wheel."

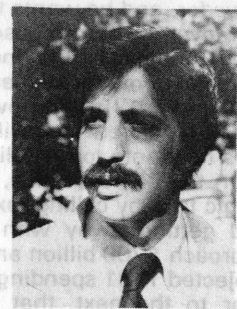
The best way to accomplish our goals in 1982, including a tough ballot drive for dozens and dozens of federal and state candidates, is to organize in 1981. The "Interest Verification" cards contained in this issue are a great way to let us know that you want to be a part of the growing LPP success story. Let us hear from you and we'll work together to get the ball rolling in your area.

Special Election For Congress in Phila. Features Libertarian

Governor Thornburgh has called a Special Election for July 21st to fill the 3rd Congressional District seat vacant due to the resignation from Congress of ABSCAM-convicted Ray Lederer.

The Libertarian Party will be fielding a candidate in this race (along with possibly four or five other parties). Our candidate is David Dorn, 30, a resident of the Fairmount section of Philadelphia. The district covers a cross-section of voter types: blue collar and ethnic whites, ghetto blacks, young professionals and executives, the gay enclave.

Dorn is a successful local independent insurance agent with a strong background in business and economics. An amateur actor, he also was totally non-political until he read Robert Ringer's book, "Restoring the American



David Dorn

Dream", and discovered the Libertarian Party espoused all the beliefs he held already.

Dorn, who is married and has a two-year-old daughter, will kick off his campaign on Saturday, June 13th at the Liberty Bell in Phila. He says that his hard-hitting campaign will be based on the clear logic of libertarian principles and that he hopes to appeal to a broad cross section of voters.

Campaign manager will be Jim Panyard, and treasurer is Ralph Mullinger. The LPP will do a special fund appeal mailing to help Mr. Dorn raise funds for this important, and visible, race. The LPP in Phila., under County chair Geoff Steinberg, expects to become a vital and respected opponent of the establishment through Dorn's race.



News From Around the Commonwealth

The LPP's Board of Directors has named Toni Black, Montgomery County chair, as Pennsylvania's representative to the Platform Committee which will meet in Denver at the National Convention to consider a platform for 1981. Toni would like to hear from last year's candidates to learn what they felt needed improvement in the platform, and from anyone who believes changes are necessary. You can reach her at 409 Dorothy Drive, King of Prussia 19406.

The York County Libertarian Club featured a speech by Don Ernsberger on the topic "Economic and Personal Freedom" on Sunday, May 17th. The meeting, held in New Cumberland, Pa. at the Sheraton, also featured the film, "Incredible Bread Machine". Don is Internal Education Director of the LPP and Director of the Warminster-based Society for Individual Liberty, the original nationwide libertarian organization. The film, by the way, is owned by the LPP and is available — FREE OF CHARGE — to any organization in Penna. that wishes to screen it.

As we go to press, the petitioning period is not yet over (May 29th is the last day). There are 18 candidates petitioning to represent the Libertarian Party this year, which is really quite good considering the fact that there is no statewide race to add more enthusiasm to the 1981 effort. The petitioning candidates are:

Dave Dorn; U.S. Congress, 3rd District
Russ Moon; Mayor, Pittsburgh
Walt Karwicki II; Mayor, York City
Hans Schroeder; Township Supervisor, Buckingham
Phil Batdorf; Township Supervisor, Mechanicsburg
Dan Davies; Township Supervisor, Heidelberg
Wade Lehman; City Council, York
Nick Flowers II; City Council, York
Carl Shelly; City Council, Pittsburgh
Keith Dudley; City Council, Pittsburgh
Nurith Alman; City Council, Pittsburgh
Charles Stutler; City Council, Pittsburgh
Dave Walter; Township Auditor, Warminster
Bill Barshinger; Dallastown Boro Supervisor
Ron Gerbrick; County Controller, York County
Janice Lehman; School Board, York
Jeff Brubaker; School Board, York
Barbara Hess; School Board, Mechanicsburg

A new LPP membership brochure will be available for use by clubs and members on July 1st. A print run of 5,000 of the sharp looking brochure will be made. It will be printed on coated paper, legal size, and contain information on libertarian principles and positions to inform interested people. A less-expensive piece will be developed for mass distribution, too. Write to the LPP State Chair and ask for the number of brochures you'll need to begin recruiting.

The Libertarians in the Lehigh Valley are going to have a Libertarian Party booth at the Allentown State Fair in August. This fun event attracts people from all over the Mid Atlantic states. Those of you located in areas where other fairs are held this summer may want to consider similar booths. LPP can help supply you with literature on libertarianism.

The LPP State Chairman, Dave Walter, has been elected to fill a vacancy on the Libertarian National Committee. The LNC is the governing board of the Party and consists of 30 people. The entire LNC will be elected by the delegates at the Denver Convention in August. Dave is expected to seek the Region 16 seat.

The Cumberland County LP (Phil Batdorf, Chairman) has set up a telephone line over which Central Pa. voters can receive the latest Libertarian News. The Libertarian Information Center is listed in both white and yellow pages (717-697-0960). Cumberland County has three meetings each month: a Saturday morning meeting and a Monday evening meeting in the chairman's office, and a Sunday outdoor meeting when they man a literature table at the Silver Spring Flea Market. Over 10,000 people visit the Flea Market on an average summer Sunday.

All libertarians in the North Central region are urged to attend an organizational meeting for the Region on June 15th at 7:30 p.m. at the Big Wrangler Steak House in State College, Pa. For information, contact: Ira Spivak, 606 Market St., Lewisburg, Pa. 17837; (717) 523-1654 or 523-3278.

The Delaware County LP is meeting monthly at the home of the County Chair, Dave Hoffman, in Wayne. The May 19th meeting featured a discussion on "Zoning and Planning". Each of the meetings revolves around the application of libertarian principles to local problems and reading materials are given out. The June 16th meeting will discuss "Education and Transportation". For information, call Debby Williams at 215-532-1471 or David Hoffman at 215-293-9418.

Pete Eastwood is the discussion leader for meetings of the Bucks County Libertarians. Every Tuesday night they meet in a member's home to discuss another of the seven issue groups in the S.I.L. Principles of Liberty program. County Chair, Hans Schroeder, will provide information: 215-794-3386. Schroeder, and members Walter, Ernsberger and Ewbank manned a table at the Bucks County Peace Fair in April (co-sponsoring the table with S.I.L.). Walter and Ernsberger managed to divert one workshop from attacking Reagan's budget cuts to a more positive vein — that of discussing ways to take government services out of the hands of bureaucrats and putting services into the hands of non-coercive volunteer and community organizations.

Russ Moon, Chair in Allegheny County, reports that their new address is Box 123, Pgh. 15230. The five-man ticket they are fielding this year represents a diverse group of interests: blacks, whites, men, women, professionals, white collar, blue collar, housewives, Catholics, Protestants and Jews. Russ' platform for Mayor, by the way, states "No government program will be abolished". Before anyone faints dead away, let's hasten to add the remainder

continued on page 4

Libertarian Testimony

by Toni Black

"It's a matter of principle."

That may well be the theme of most of what we do as LPP members now.

Our organization and our candidacies are directed toward the statement of ideas, ideas which were fundamental to the establishment of our republic, but which seem to have vanished from public life today. We seek to reintroduce policy to politics.

Prior issues of this newsletter have suggested some ways of exposing the ideas of individual liberty to public scrutiny once again. Certainly Libertarian candidacies have done that and will continue to do so.

The print newsmedia provide another forum. In the Jan.-Feb. issue of *LIBERTARIAN PENN* we got good advice on how to use "Letters to the Editor" sections for this purpose.

Another way to get our principles into the newspapers is to use the public meeting and public hearing requirements imposed upon local governments — whose proceedings are covered by the local press.

Attend these meetings prepared to find Libertarian issues and to speak out on them.

Support someone's request for a special exception or variance at the Zoning Hearing Board, citing the principal that everyone ought to be able to use his property as he sees fit as the basis of your testimony.

Or challenge adoption of a regional land use plan with the same argument.

Or when the local politicians debate endlessly over how to fund some service or other, rise to ask, "Why? Why do it at all? Why not let the citizens, in voluntary associations or as individuals, do whatever it is for themselves?"

When some special interest group presents a petition crying for government to provide for its "thing", rise and point out how any residents did *not* sign the petition and probably do not want to pay for the other guy's want-need.

As with letters, brevity and clarity count in public statements for the record. An articulate, quotable minute is worth more than an hour of gobbledy gook. Ask any reporter.

Be prepared for the press to ask for an elaboration afterward. Glory in the opportunity to be feature material, in addition to news. Clear thought and principles are rare enough today that they will attract attention.

Mechanics will vary from body to body and question to question. In some circumstances you have to sign up in advance to testify. In others you'll only have to raise your hand or stand. Watch a bit and it will be clear what you must do.

The right to be heard is there. Shame on us if we don't use it.

Toni Black is chair of Montgomery County LP, Director of the LPP Research Committee, and a member of the 1981 Platform Committee.

News From Around the Commonwealth

continued from page 3

of his proposals: "Instead, all government agencies except the police and court system, should be transferred, payrolls intact, to non-governmental organizations. There will be no changes in the programs other than the requirement that each organization will be funded solely by voluntarily contributed funds. This will give the people the opportunity to *abstain* from funding those programs with which they disagree; e.g. programs related to abortion. The only people required to pay the school tax will be the parents of current public school students. The property tax, business privilege tax, and the mercantile tax will be abolished. Victimless crime laws will not be enforced."

In addition to the Dorn candidacy, Phila. County Libertarians are anticipating another special election for State Senator later this year. Seven members have indicated they will run in 1982. Monthly meetings are held around the city and the group has its own newsletter, *INDEPENDENCE*. Several ward leaders have been appointed and even 10 committee persons. Jim Panyard and Gerry Morris are going to begin a study group based on the S.I.L. Principles of Liberty program. For more information about Phila. LP, contact Geoff Steinberg at 215-568-3130.

Bill Krayer has organized "The Libertarian Lunch" at the Downtown YMCA in Pittsburgh. Everyone in the area is invited to join the group for informal discussions and lunch every Wednesday afternoon any time from 11:30 to 1:30 p.m. Sounds like a good idea, and Libertarians who work in center city Phila. are scouting around for a restaurant where they can get together regularly.

Libertarian Resources

A better understanding of the principles of libertarianism is a goal each LPP member should strive for: whether you are a person who has been in the "movement" for years, or a person who was just attracted through the Clark for President ads. The better we understand, the better we can teach others through our candidacies, platforms, and outreach efforts. It is easy for the general public to misunderstand our ideas; let's make certain that each Libertarian fully understands them!

Here is a list of resources that you might wish to use in increasing your own understanding of our philosophy, and libertarian positions on current issues.

MAGAZINES:

Reason Magazine
Box 40105
Santa Barbara, CA 93103
\$19.50

Libertarian Review
1320 G Street, S.E.
Washington, D.C. 20003

The Freeman

Irvington on Hudson, NY
10533
64 pgs. each month — Free

NEWSLETTERS:

Individual Liberty
P.O. Box 1147
Warminster, PA 18974
\$5 per year

Frontlines
1129 State Street
Santa Barbara, CA 93101
\$15 per year

ISSUE PAPERS:

Society for Individual Liberty
P.O. Box 1147
Warminster, PA 18974

45 different issues bound in one packet — \$4 post-paid Study Program — \$5

BOOKS:

Laissez Faire Books
206 Mercer Street
New York, NY 10012

This bookstore has the biggest selection at reasonable prices. Write for a catalog.



Nuclear Industry Should Play By the Rules

By Frank Bubba

"The minute we cannot get Price-Anderson, it is the end of the nuclear industry in this country." So said Sen. Pastore, chairman of the Joint Atomic Energy Committee, in the 1977 debate over a ten-year extension of a little known law, the Price-Anderson Act.

Even now, with virulently pro- and anti-nuclear groups proselytizing across the land, there appears to be little understanding of Price-Anderson or its effects.

Ordinarily, one who conducts a hazardous activity is liable by any resulting damages suffered by others. But Price-Anderson allows the nuclear industry to play by a different set of rules.

It all started in 1954, when Congress decided to foster a private nuclear power industry. Private companies eager to build nuclear power plants were soon stopped cold by an unexpected obstacle: no insurance company would insure them. The insurance companies considered the risk and potential size of a nuclear accident too great to insure at affordable rates.

Advocates of nuclear power were not deterred. They persuaded Congress to "solve" the problem by passing the Price-Anderson Act in 1957. Price-Anderson gave birth to the nuclear industry by limiting liability for a nuclear accident to \$560 million, and by exempting the manufacturers of nuclear plants from liability altogether. Most of the \$560 million liability for a nuclear accident would be covered by mandatory contributions from all nuclear power plants regardless of their own safety, and by — you guessed it — the taxpayers. An individual nuclear plant only needs to buy enough insurance to cover \$60 million in claims.

Suppose there was a "core meltdown" at PE's Limerick plant after startup which caused, say, \$30 billion in damage. Under Price-Anderson, each injured party could collect two cents on the dollar. Even assuming that money could make the dead and injured whole again, area resident would be flat out of luck on 98 per cent of their losses. That's what the somewhat cold-sounding phrases "limitation of liability" means.

Advocates of nuclear power rightly argue that the chance of a core meltdown or other serious nuclear accident is very, very small. But that's not the point. If the chance of a nuclear accident is so small, then insurance companies would be eager to insure against it at affordable rates.

I'll take the judgement of the insurance companies over that of all the "experts," both pro and con, because the insurance companies are the only ones who have to put their money where their mouths are. They are in the business of trying to make money by betting that accident damages won't rise above a certain level. And if the risk of an accident is really as low as advocates of nuclear power claim, the potential size of the damages should not deter insurance. After all, insurance companies routinely form huge "pools" to spread the risk of a large accident.

In fact, insurance companies avoid the nuclear industry like the proverbial plague, and the industry knows it. In 1977, a Federal judge in North Carolina ruled Price-Anderson unconstitutional. The nuclear industry immediately swung into action. It submitted ten appeal briefs when the case went to the Supreme Court, which reversed the judge's decision. Lawyers for the Atomic Industrial forum, the industry trade group, wrote: "Removing the limitation on liability could cause utilities to refrain from completing pending projects or undertaking new projects and, conceivably, lead to the shutdown of existing reactors."

Advocates of nuclear power can't have it both ways. If nuclear plants can't get insurance, then they're not safe.

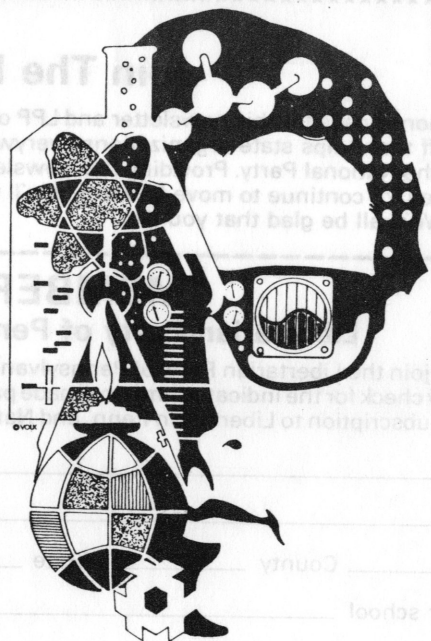
Ironically, things didn't have to be this way. If Price-Anderson had never been enacted, the nuclear industry probably would have developed along safer lines — albeit several years later.

In every other industry across the country, safety experts from insurance companies continually inspect facilities and suggest improvements. Insurance underwriters conduct safety research and a vast literature on industrial safety has developed. And it is applied. Why? Because companies have a strong incentive to reduce their insurance premiums, among other things.

Price-Anderson has reduced that natural economic incentive in the nuclear power industry. And, of course, the void has been filled by government regulation, with its attendant incompetence. As recently as 1979, the Nuclear Regulatory Commission's safety standards were based on safety research from 1954. And the NRC receives boxloads of reports from nuclear plants across the country... reports that sit unused because the NRC can't figure out what to do with them.

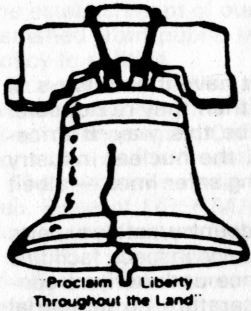
Price-Anderson should be repealed. The nuclear industry should be made to face the natural incentives of the marketplace. Some nuclear plants may have to shut down, as they should if they're too unsafe to get insurance. Others may never be completed, especially those near large population centers where the potential damages are largest. But the nuclear industry that ultimately emerges from this shakeout will be much the safer for it.

(A Swarthmore resident, Frank is vice chairman of the Libertarian Party of Pennsylvania.) This column appeared on the opinion page of the News of Delaware County on 4/16/81.



The Libertarian Party of Pennsylvania
P.O. Box 1984
Warminster, PA 18974

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WHO'S WHO IN THE LPP

- Chairman and Newsletter Editor:** Dave Walter, 894 Pine Road, Warminster, Pa. 18975 215-672-3892
- Vice Chairmen:** Frank Bubb, 97 Dartmouth Ave., Swarthmore, Pa. 19081 215-544-1866
Richard Caligiuri, 1006 S. Trenton Ave., Wilksburg, Pa. 15221 412-731-1338
- Secretary:** Barbara Karkutt, Box 942, Easton, Pa. 18042 215-252-1684
- Treasurer:** William Snyder, 823 Falcon Lane, West Chester, Pa. 19380 215-436-8693
- Southeastern Regional Coordinator:** Geoff Steinberg, 1131 S. 46th St., Phila., Pa. 19143 215-387-6952
- Northeastern Regional Coordinator:** Michael Chermack, 1038 8th Ave., Berwick, Pa. 18603 717-759-8255
- Southeast Central Regional Coordinator:** Janice Lehman, 736 McKenzie St., York, Pa. 17403 717-843-3691
- Northcentral Regional Coordinator:** Ira Spivak, 606 Market St., Lewisburg, Pa. 17837
- Southwest Regional Coordinator:** Contact Richard Caligiuri, 1006 S. Trenton Ave., Wilksburg, Pa. 15221 412-731-1338
- Southwest Central and Northwest:** Contact Richard Caligiuri, 1006 S. Trenton Ave., Wilksburg, Pa. 15221 412-731-1338
- Campus Coordinator:** Lee-Anne Poynter, 425 N. Pine St., Lancaster, Pa. 17601
- Finance Committee Director:** Joe Sabatina, 1126 Englewood St., Phila., Pa. 19111
- Internal Education Director:** Don Ernsberger, 865 Meadowood, Warminster, Pa. 18974
- Outreach and Speakers Bureau:** Frank Bubb
- Research Committee:** Toni Black, 409 Dorothy Dr., King of Prussia, Pa. 19406

Contact your local coordinator about setting up a County organizational meeting. County chairs have been named in these counties: Lehigh, Bucks, Monroe, Erie, Phila., Delaware, Montgomery, Chester, York, Cumberland, Allegheny.

Join The Libertarian Party Now

Your dues money pays for this newsletter and LPP outreach activities. Your national LP dues keep the National office running and provides a staff that helps state organizations everywhere. It also ensures that you receive a subscription to *Libertarian News*, the newsletter of the National Party. Providing this newsletter is not inexpensive; therefore, if you believe it to be worthwhile, and if you want to see the LPP continue to move forward, you'll want to JOIN at this time. Use the application below to join both the LPP and National LP. We'll all be glad that you did.

MEMBERSHIP APPLICATION

Libertarian Party of Pennsylvania, Box 942, Easton, PA 18042

YES! I want to join the Libertarian Party of Pennsylvania/National Libertarian Party in the membership category I've checked below. Enclosed is my check for the indicated amount, made payable to "Libertarian Party of Pennsylvania". I understand that this entitles me to a one year subscription to *Libertarian Penn*, and National membership includes a one year subscription to *Libertarian Party News*.

Name _____ Phone _____ National & LP Membership \$20

Address _____

City _____ County _____ State _____ Zip _____

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Signature _____ Date _____

LPP Memberships Only:
 Student \$6
 Regular \$12
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 Patron \$50
 Lifetime \$100
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} Add \$8 for National Membership

Member's Pledge: "I hereby certify that I do not believe in or advocate the initiation of force as a means of achieving political or social goals."