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Two Models of Growth

By Carl S. Milsted, Jr.

The Libertarian Party (or any new political party) faces a catch-22 situation. In order to win campaigns and implement its program it needs a very large base of supporters – members, donors, activists, and regular voters. However, to attract this base of supporters, the case needs to be made that the LP can in fact win elections or by some other means be an *effective* force for liberty. Otherwise, most libertarians will work within the legacy parties or simply be apolitical, and the LP is left with a small die-hard group of people with long time horizons.

One way to achieve credibility as an effective force for liberty before achieving electoral victory is to demonstrate that electoral victory is just on the horizon. In the 1970s the LP could sell itself on its exponential growth. As long as the LP followed an exponential growth curve, the LP could state to potential supporters and the press with some credibility that it was a force to be reckoned with.

Alas, once the initial growth stalled, this story inverted, and many people jumped off of the bandwagon, including much of the leadership [see the Ed Crane interview in the November 1990 issue of *Liberty*]. Attempts to revive the excitement by hyping new growth plans have been tried since with varying degrees of success. The most notable was Project Archimedes, which promised restoring exponential growth by more effective direct mail recruiting. This did prove to be an efficient method of recruiting new members, but nowhere near as effective as it was hyped. This over hyping left a bitter taste in the mouths of many core activists. Unfortunately, hype is a necessary part of this strategy, at least as long as the LP is to be sold to potential members as an organization that fields better presidential candidates than the RP or DP.

The approach of achieving growth by hyping growth is analogous to a pyramid scheme. It can produce spectacular results in the beginning but is subject to collapse. Another analog is the stock price of a startup company with a great blue-sky story behind it but no product and insufficient capital to actually produce and market the product.

Following the business analogy further, there is another way to achieve growth – run a profit using existing resources. For a startup company whose stock price has collapsed, this is the only avenue available. This may mean shutting down some divisions and focusing on some sideline products. These side products may be less sexy than the main product in the original business plan, but require less capital to produce and market at a profit.

I believe the LP is in the position of a speculative startup company whose initial hype has run out. We have failed to raise the speculative support necessary to

run presidential campaigns above the joke level. However, we have *already* achieved the resource base necessary to win at a few steps lower down the ticket – less sexy, but a boon for liberty nonetheless. I personally think that demonstrations of success in winnable races, and providing other services of value to freedom lovers is the key to bringing in small-l libertarians.

To summarize, we have two strategies before us:

1. To achieve success, we must focus existing resources on growth.
2. To achieve growth, we must achieve success with existing resources.

If you believe in Strategy 1, vote for Eli Israel for national chair, and send your dollars to the Watergate. Eli made it abundantly clear while on the Strategic Planning Team that membership recruitment is *the* key to achieving all other goals, and I believe he would bring a great deal of energy, dedication and professionalism toward implementing this strategy.

However, I also believe that this strategy will fail, no matter how well carried out.

If you believe in Strategy 2, vote for one of the other national chair candidates (I will vote for Geoffrey Neale) and write your biggest checks to bottom of the ticket campaigns and to county affiliates.

While I am a sour pessimist on Strategy 1, I am a bubbly optimist on Strategy 2. When I look at the current operations of the Libertarian Party, I see aspects whose effectiveness could be increased by factors of 2 to 5 using *current* levels of effort and money. There are other operations that are ineffective or even counter-productive to the cause of liberty whose resources could be redirected to productive efforts. There are under-funded overhead efforts that should be postponed until after we achieve growth through our more “profitable” operations.

In future columns I will document:

- How a single Libertarian within a county can not only get press coverage, but actually increase liberty, without spending any money.
- Multiple ways to avoid the “lesser of two evils” dilemma.
- How to dramatically improve the Libertarian brand building potential of cardboard campaigns.
- Overlooked ways to increase the number of activists.
- Communications techniques that work even for nerdy physicists.
- And more, all using *existing* resources.

The Libertarian Party can be a useful tool for increasing liberty *right now* – as opposed to some blue-sky future that never seems to arrive. And once we make it into such a tool, small-l libertarians will jump on the bandwagon.