

**Gary North**  
**former FEE Staff Member**  
**former FEE Board Member**

[date]

Dear Mr. [     ]:

Welcome!

As the new president of the venerable Foundation of Economic Education, you are in the position of someone who has recently married the equally venerable Elizabeth Taylor. Enjoy it while you can.

FEE is a tax-exempt, non-profit organization. That is to say, it is owned by a committee. Committee members receive no salary. So, their financial futures are in no way tied to the success or failure of FEE. They donate their time. You would be wise to find out what motivates each of them to donate his or her time. This should be your first order of business -- or non-business, as the case may be.

In the good old days -- R.I.P. -- Leonard Read made sure that the Board was made up of his friends. He made the Board quite large, because he knew that a large Board of unpaid buddies would never get organized well enough to tell him what to do. He was correct. It never did.

Ask yourself: What can a committee do? Committees at best can veto bad ideas. They cannot come up with good ideas and then implement them, one by one. This has to do with people's personal motivations: (1) to make money; (2) to exercise power; (3) to avoid personal responsibility for programs gone sour. Committees of tax-exempt organizations cannot make any money. They can exercise power: hire and fire. They can avoid responsibility.

Conclusion: You have been hired. You will be fired. How soon, no one can say. You have time to unpack your bags and get a New York state driver's license. But don't push it.

You must now ask yourself the three fundamental career questions:

What do I want to accomplish?  
What am I willing to pay?  
How long do I have?

The answer to #3 is simple: not long. How do I know? Because I have watched them come and go since 1983. There is a pattern here.

Here is what you aren't: someone age 40 who has written for *The Freeman* for a decade,

who is a gifted motivational speaker, and who has been a successful fund-raiser. (If someone is a successful fund-raiser, why would he leave his present employer? Think: "If you're married to Selma Hayek, why would you leave her for Elizabeth Taylor?")

So, you must decide what you want to accomplish, given your time limits -- very tight -- and the resources available to FEE for you to put to effective use.

I can't tell you what you want to accomplish. I can tell you the resources FEE has.

1. *The Freeman* (past and present)
2. A bank account with a pile of money
3. A valuable but decrepit building in a high-cost town and county
4. An incomplete web site that hardly anyone visits (Alexa rank: 348,000)
5. Vaguely pleasant memories by aged conservatives
6. A snail mail mailing list

From 1946 to about 1960, FEE enjoyed a monopoly. It was the only libertarian think-tank, before the phrase, think-tank. It brought in speakers like Ludwig von Mises and Henry Hazlitt, who were associated with FEE, not just one-time speakers. Those days are long gone.

There was a time when FEE had identifiable audiences and few competitors: lonely college students, high school teachers, conservative activists, libertarian activists, and businessmen who appreciated FEE's unique message of liberty. By 1980, other non-profit organizations, far better funded, had targeted and captured these audiences.

Read used to say, "FEE is my bicycle. I intend to ride it until I fall off." He did exactly that. He rode it into a brick wall no later than 1975. Then he died. It has had a bent front wheel ever since.

FEE has long since lost its USP, its **unique service proposition**. What is it that FEE provides that is unique? What makes FEE unique and indispensable to a specific audience? Its USP was lost by Read at least a decade before he died in 1983. This is the heart of FEE's problem. It has been for three decades.

FEE's place was taken by the Ludwig von Mises Institute. There is no way that FEE can replace LVMI now. LVMI has the following:

1. The name Mises
2. A popular website
3. An even more popular feeder website (LewRockwell.com)
4. A web-savvy and scholarly webmaster (Jeff Tucker)
5. A very nice facility in a low-cost college town
6. The commitment of Austrian scholars who speak for free

7. Multiple mailing lists: snail mail and Internet
8. Mises University seminars and Austrian scholar seminars
9. The well-deserved reputation of being *the* Austrian economics think-tank.

If you try to beat LVMI in any areas, you had better not try to do so in more than one or two. I recommend #4. You will play catch-up forever, but at least the public would be well-served.

There is one obvious market that LVMI has ignored: the home school market. This is mostly Christian fundamentalist. To meet it, you would have to abandon all traces of atheism and especially Randianism. This seems unlikely.

This leaves FEE with . . . what?

You must do what FEE has not done ever since I left in 1973: find a way to attract young, Ph.D.-holding scholars who can speak effectively to high schoolers and housewives, who are the most likely readers of *The Freeman*. Why would anyone age 30 move to Irvington, where a nice 3-bedroom, 2-bath home costs \$750,000? I left in 1973 in part because I could not afford to buy a home. It's much worse now.

There are lovely homes for \$150,000 in Auburn, where the Mises Institute is. That is where a young scholar would like to live.

FEE had priced itself out of the market no later than 1965. By giving the president free housing, FEE has systematically cut off each president from mortgage reality in Irvington.

Back in 1995, I sent Hans Sennholz a plan for FEE. It was a letter for him to mail out. He never replied. It's posted here:

[http://www.garynorth.com/FEE\\_GradCenter.pdf](http://www.garynorth.com/FEE_GradCenter.pdf)

You can always dream.

If you can find out who reads *The Freeman* and why, this would be a major contribution. Your successor will be greatly aided.

If you can persuade the Board to adopt a USP for FEE, you will have accomplished a great deal.

If you can persuade the Board to sell that 1890's era 20,000 square foot tinderbox mansion that serves as FEE's headquarters, which is sitting on such valuable land, and move FEE close to a campus like Grove City College or Texas A&M, you may be able to restore FEE to public visibility.

The odds against your success in even one of these projects are large. But I wish you the best. You deserve all the support you can get. You won't get much, and it won't last long

Enjoy it while you can.

Sincerely,

Gary North