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## Big Business's Role in Creating Interstate Highway System

Kevin Carson

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A couple of commenters on yesterday's Wal-Mart post, Adam Ricketson and quasibill, raised valid questions about the moral culpability of big business in taking advantage of available externalities. There's a difference, they rightly said, between taking advantage of a situation that exists anyway (hey, I go to the Post Office, after all), and collusion in *creating* the situation. The distinction is entirely correct.

Now, obviously, Wal-Mart couldn't have had a role in the initial creation of the Interstate Highway System, since it didn't exist until the early sixties. (I know from personal experience that they play a much more active role, at least at the local level, in lobbying for highway and airport pork).

But some of the biggest corporate apologists at the Mises Blog thread I linked to went a lot further, and asserted that big business was always an entirely passive beneficiary *in all circumstances*, and that the state *alone*—narrowly defined—could be blamed for creating subsidies. Even when a corporation is holding the bag and collect-

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ing the loot, only the guy actually holding the gun can be blamed for the stickup.

In the same comment thread, Sheldon Richman blasted me with this bit of utterly mind-roasting information which had somehow escaped me so far:

Kevin, for what it's worth, the secretary of defense during the initial construction of the interstate highway system, which was justified as a cold-war defense measure, was Charles Wilson, former chief of GM, the guy who said that what's good for GM is good for the country and vice versa.

Shazam!! Well, that's a smoking gun, if I ever saw one.

Just to avoid the off chance of embarrassment from sloppy fact-checking, I did a bit of web searching. Googling "Charles Wilson" and "Interstate," I quickly found an excellent Counterpunch article by Mike Ferner. I quote:

The "most powerful pressure group in Washington," began in June, 1932, when GM President, Alfred P. Sloan, created the National Highway Users Conference, inviting oil and rubber firms to help GM bankroll a propaganda and lobbying effort that continues to this day...

In 1953, President Eisenhower appointed then-GM President Charles Wilson as his Secretary of Defense, who pushed relentlessly for a system of interstate highways. Francis DuPont, whose family owned the largest share of GM stock, was appointed chief administrator of federal highways...

Helping to keep the driving spirit alive, Dow Chemical, producer of asphalt, entered the PR campaign with a film featuring a staged testimonial from a

grade school teacher standing up to her anti-highway neighbors with quiet indignation. "Can't you see this highway means a whole new way of life for the children?"

Actually, I think the system of federally designated state highways started all the way back in the 1920s, and I don't know what lobbying efforts went into that (although I've sure as hell got some good ideas). But 1932 is still a pretty long lineage for the automobile-highway complex, dontcha think?

So much for all the hand-wringing big business bukakkists over at Mises Blog, whining that them pore ol' corporations just *couldn't help* using the Interstates that that mean ol' government created, but that they (John Galts, every one) would probably have built themselves an *even better* Interstate all by themselves, with their own money, if it wasn't for the baaaad ol' government with it's nasty ol' gun pointed at their heads. Horseshit. Complete and utter horseshit.