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on the prospects for libertarianism

Manifesto for a New American Liberalism, or How to Be a Humane Libertarian

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I make the case for a new and humane American “libertarianism.”

Outside the United States libertarianism is still called plain "liberalism," as in the usage of the president of France, Emmanuel Macron, with no “neo-” about it. That's the L-word I'll use here. The economist Daniel Klein calls it "Liberalism 1.0," or, channeling the old C. S. Lewis book *Mere Christianity* on the minimum commitments of faith (1942-44, 1952), "mere Liberalism."² David Boaz of the Cato Institute wrote a lucid guide, *Libertarianism – A Primer* (1997), reshaped in 2015 as *The Libertarian Mind*. I wish David had called it *The Liberal Mind*.

In desperate summary for you Americans, Liberalism 1.0 is Democratic in social policy and Republican in economic policy and non-interventionist in foreign policy. It is in fact mainly against "policy," which has to be performed, if there is to be a policy at all, through the government's monopoly of violence. (To confirm this experimentally, try not paying your taxes; then try to escape from prison.) Liberals 1.0 believe that having little or no policy is a good policy.

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2 See his lecture at <https://www.youtube.com/watch?v=f-wl4SFggM4&t=321> and <http://econfaculty.gmu.edu/klein/Assets/Liberalism%201.0%20version4.pptx>. David Boaz uses a similar locution at Boaz 2015, p. 145. On the US/UK definition as against the Continental definition, Schlesinger 1962.

That does not put the Liberals 1.0 anywhere along the conventional one-dimensional left-right line, stretching from a compelled right-conservative policy to a compelled left-“liberal” policy. The real liberals instead sit happily up on a second dimension, the non-policy apex of a triangle, so to speak, the base of which is the conventional axis of policy by violence. We Liberals 1.0 are neither conservatives nor socialists – both of whom believe, with the legal mind, as the liberal economist and political philosopher Friedrich Hayek put it in 1960, that "order [is] . . . the result of the continuous attention of authority."³ Both conservatives and socialists, in other words, "lack the faith in the spontaneous forces of adjustment which makes the liberal accept changes without apprehension, even though he does not know how the necessary adaptations will be brought about."⁴

Liberals 1.0 don't like violence. They are friends of the voluntary market order, as against the policy-heavy feudal order or bureaucratic order or military-industrial order. They are, as Hayek declared, "the party of life, the party that favors free growth and spontaneous evolution," against the various parties of left and right which wish "to impose [by violence] upon the world a preconceived rational pattern."⁵

At root, then, Liberals 1.0 believe that people should not push other people around. As Boaz says at the outset of *The Libertarian Mind*, "In a sense, there have always been but two political philosophies: liberty and power."⁶ Real, *humane* Liberals 1.0 – the political philosophers Jason Brennan and John Tomasi call themselves “neoclassical liberals,” and contribute to a lively website called “Bleeding Heart Libertarians” – believe that people should of course help and protect other people when we can. That is, humane liberals are very far from being against poor people. Nor are they ungenerous, or lacking in pity. Nor are they strictly pacifist, willing to surrender in the face of an invasion. But they believe that in achieving such goods as charity and security the polity should not turn carelessly to violence, at home or abroad, whether for leftish or rightish purposes, whether to help the poor or to police the world. We should depend chiefly on voluntary agreements, such as exchange-tested betterment, or treaties, or civil conversation, or the gift of grace, or a majority voting constrained by civil rights for the minority.

To use a surprising word, we liberals, whether plain 1.0 or humane, rely chiefly on a much-misunderstood "rhetoric," despised by the hard men of the seventeenth century such as Bacon and Hobbes and Spinoza, but a practice anciently fitted to a democratic society. Liberalism is deeply rhetorical, the exploration (as Aristotle said) of the available means of non-violent persuasion. For example, it's what I'm doing for you now. *For* you, understand, not *to* you. It's a gift, not an imposition. (You're welcome.)

Yes, I know: *some* imposition by violence is necessary. Got it. But a big, modern state depends too much on violence, by bombing foreigners, jailing people for smoking pot,

3 Hayek 1960 (2011), p. 523

4 Hayek 1960 (2011), p. 522

5 Hayek 1960 (2011), p. 531.

6 Boaz 2015, p. 1.

protecting favored occupations, breaking into homes in the middle of the night. A little, non-modern state depends on it, too. States, with their tempting monopolies of violence, tend to.

By contrast, the market for goods, like the markets for art and ideas, relies on persuasion, "sweet talk." "Here's \$3." "Thank you, ma'am. Here's your de-caf caramel macchiato grande." Or: "Let me make a painting by dripping colors on a big canvas and see if you like it." "Wow! A late Jackson Pollock!" Or: "Libertarianism is actually the original theory of liberalism." "Oh, I get it." No pushing around.

The Blessed Adam Smith (1723-1790) recommended in 1776 "the liberal plan of equality, liberty, and justice."⁷ Professor Smith's triad begins with a hoped-for equality in social standing, which he favored. Smith, contrary to the country club, was an egalitarian. A man's a man for a' that.⁸ The second item hoped for—equal *liberty*—is the economic right you should have, equal to anyone else's, to open a grocery store or enter an occupation when you want. Especially occupations: Smith was outraged by the restrictions on the right of a working man to use his powers, such as the fine-enforced rule in Oregon that you cannot publish remarks about engineering matters, such as the timing of traffic lights, without being a duly licensed engineer in the state, even if you are in fact trained as an engineer. The third item hoped for, justice, is another equality, your equal standing with any other individual before the executive powers of the state, and before the courts of the state when used by other people against you. What philosophers call "commutative" justice—a justice in the procedures for getting income as against justice in how income after it is gotten will be "distributed," as it were—is summarized in the modern idiom by Klein and Boaz as the just procedure of "not messing [without consent] with other people's stuff." We should all be so constrained, equally in justice.

The theme in liberalism, you see, is equality, derived from the equal natural rights of each.⁹ Though a commonplace now, the liberal idea that each person should have equal rights was in the eighteenth century highly original, and was to many people shocking. In earlier centuries of agriculture and its accompanying hierarchy a liberal equality was held in fact to be quite absurd. And dangerous. In 1381 the Lollard priest John Ball was drawn and quartered for asking "When Adam delved and Eve span / Who then was the gentleman?" In 1685 an English Leveler condemned to the scaffold under James II, Richard Rumbold, declared—to the amusement of the crowd standing by to mock him—"I am sure there was no man born marked of God above another, for none comes into the world with a saddle on his back, neither any boot and spurred to ride him." In 1685 such an egalitarian ideal was deemed to be madness.

In northwestern Europe a century or so later the idea that no man was marked of God above another was becoming a commonplace, at any rate among Old Whigs and radicals. Smith and his avant-garde allies of the eighteenth century from John Locke and Voltaire to

7 Smith 1776, V.9.3.

8 The phrase is of course from Burns in the 1790s, but Smith showed in all his writings that he was just such an egalitarian. Levy and Peart 2008 call his premise, carried forward in Liberalism 1.0, "analytic egalitarianism," and offer many examples.

9 It seems to me a fault in the book by Hayek I have quoted that he depends on instrumental reasons for liberty (such as economic productivity; for example, on pp. 84-85) rather than the natural and equal right we should all have to liberty, regardless of payoff.

Thomas Paine and Mary Wollstonecraft were recommending a voluntaristic egalitarianism. Liberals. They were persuaders, not enforcers. They recommended sweet talk, not guns. (Well, perhaps a *few* guns, at the Boyne and Saratoga and Valmy, in aid of equal liberty for free male citizens espousing the correct religious rhetoric.) Mainly, when they heard the word "guns" they reached for their rhetoric. Smith's first paid job was teaching rhetoric to Scottish boys, and he retained his conviction that "everyone is practicing oratory on others through the whole of his life."¹⁰ A liberal society practices oratory, not physical compulsion. Women and apprentices and servants and sailors in the eighteenth century were routinely beaten. Then not.

In its fitful development after 1776 such a "liberalism," from a *liberalitas* long understood by the slave-holding ancients as "the leading characteristic of a non-slavish person," came to mean the theory of a society consisting *entirely* of free people. No slaves at all. No pushing around. Humane. Sweet talking. Persuasive. Rhetorical. Voluntary. Minimally violent. Tolerant. No racism. No imperialism. No unnecessary taxes. No dominance of women by men. No messing with other people's stuff. It recommended a maximum liberty to pursue your own project, if your project does not employ physical violence to interfere with other people's projects.

The management theorist of the 1920s, Mary Parker Follett, defined democracy not merely as majority voting (and perhaps after the election a bit of violent messing with the stuff belonging to the minority). but as the program of discovering, in her coinage, "win-win." It is the best version of being an American, or being a liberal and pluralistic human. In 1935 the African-American poet Langston Hughes got it right: "O, let America be America again – / The land that never has been yet / – And yet must be – the land where *every* man is free."

Such a humane liberalism has for two centuries worked on the whole astonishingly well. For one thing it produced increasingly free people, which (we moderns think) is a great good in itself. Slaves, women, colonial people, gays, handicapped, and above all the poor, from which almost all of us come, have been increasingly allowed since 1776 to pursue their own projects consistent with not using physical violence to interfere with other people's projects. As someone put it: In the eighteenth century kings had rights and women had none. Now it's the other way around.

And – quite surprisingly – the new liberalism, by inspiring for the first time in history a great mass of ordinary people, produced a massive explosion of betterments. Steam, rail, universities, steel, sewers, plate glass, forward markets, universal literacy, running water, reinforced concrete, automobiles, airplanes, washing machines, antibiotics, the pill, containerization, free trade, computers, the cloud. It yielded in the end an increase in real income per head by a factor of *thirty*, and a startling rise in the associated ability to seek the transcendent in Art or Science or God or Baseball.¹¹

I said 30. It was a stunning Great Enrichment, material and cultural, well after the classic Industrial Revolution.

¹⁰ Smith 1762-66, (A) 6.56, p. 352.

¹¹ For the factual evidence for these remarks, and for much else, consult McCloskey 2006, 2010, 2016.

The Enrichment was, I say again in case you missed it, *three thousand* percent per person, near enough, utterly unprecedented. The goods and services available to even the poorest rose by that astounding figure, in a world in which mere doublings, increases of merely 100 percent, had been rare and temporary, as in the glory of fifth-century Greece or the vigor of the Song Dynasty. In every earlier case, the little industrial revolutions had reverted eventually to a real income per head in today's prices of about \$3 a day, which was the human condition since the caves. Consider trying to live on \$3 a day, as many people worldwide still do (though during the past forty years their number has fallen like a stone). After 1800 there was no reversion. On the contrary, in every one of the forty or so recessions since 1800 the real income per head after a recession exceeded what it had been at the previous peak. Up, up, up. Even including the \$3-a-day people in Chad and Zimbabwe, world real income per head has increased during the past two centuries by a factor of ten, and by a factor of thirty as I said, in the countries that were lucky, and liberally wise. Hong Kong. South Korea. Botswana. The material and cultural enrichment bids fair to spread now to the world.

And the enrichment has been equalizing. Nowadays in places like Japan and the United States the poorest make more, corrected for inflation, than did the top quarter or so two centuries ago. Jane Austen lived more modestly in material terms than the average resident of East Los Angeles. Equality of real comfort for the poor in adequate food, housing, clothing, education, health, and most other goods and services has steadily increased since 1800 peak to peak. In countries fully experiencing the enrichment the average (and with it the median and the comfort of the poorest) has increased from that \$3 a day in 1800 to over \$100 a day now. The poorest have been the greatest beneficiaries. As the Austrian-American economist Joseph Schumpeter (1883-1950) put it in 1942,

Queen Elizabeth owned silk stockings. The capitalist achievement does not typically consist in providing more silk stockings for queens but in bringing them within the reach of factory girls in return for steadily decreasing amounts of effort. [...] [T]he capitalist process, not by coincidence but by virtue of its mechanism, progressively raises the standard of life of the masses.

Schumpeter 1942, pp. 67-8

By 2018 the standard of life for the American masses was four times larger than in the early 1940s, when average American real income was about what it is now in Brazil. Washing machines. Antibiotics. Autos. A bedroom for every child. An education for most.

Recently in China and India an economic liberalism has succeeded in enriching the places in spectacular fashion. They are still poor, but wait. In the next century – and sooner if conservatives and socialists will abandon their schemes for pushing people around – everyone on the planet will be U.S.-rich. The museums and concert halls will be filled, the universities will boom, a full life will be open to the poorest.

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Yet alas during the late 1800s even in the Anglosphere a clerisy of artists and journalists and professors commenced rebelling against this splendidly productive liberalism. The Great

Enrichment didn't come fast enough, they declared. It was a project of our vulgar fathers. It was not governed by our preconceived rational patterns. By the time in the 1940s that Schumpeter wrote *Capitalism, Socialism, and Democracy* most of the clerisy expected comprehensive socialism in the future. Even Schumpeter did. And most of the clerisy had long welcomed the prospect. As early as 1919 the American journalist Lincoln Steffens, returning from the young and turbulent Soviet Union, declared, "I have seen the future, and it works."

By 1910 at the latest the New Liberals in Britain and the new Progressives in America had, for what they assured us were the best of motives, redefined the L-word to mean its opposite, a slow socialism. Slow socialism was supposed to raise up the working man, right now, by compulsion—yet without, to be sure, the sort of violence urged by the harder-left socialists in more of a hurry.

The liberal philosopher Jason Brennan among other observers adopts the terminology for the resulting version of slow socialism in the United States as "High Liberalism."¹² In High Liberalism the equal right I have to make voluntary arrangements with you was extended to a novel right of mine to seize with violence your goods in order to give me a set of "positive" liberties. I am to have a liberty from want, for example, regardless of my supply of goods to you. "Every man a king", said Huey Long in 1934, and his way of achieving it was that of both Bad King John or his enemy Robin Hood, characteristic of the feudal and the socialist order: "it is necessary to scale down the big fortunes," said Huey, "that we may scatter the wealth to be shared by all of the people."¹³ Scale down by violence one person to give to another, and all will be well. Zero sum.

And I am to have a liberty to regulate through the government's monopoly of violence your trade in ways beneficial to me, and a liberty to prevent your entry into my trade, forcibly backed by police, and a liberty to wage a war to end all wars financed by your goods appropriated for the purpose. In short, the New or High or Progressive "Liberal," however one names her, advocated a régime of pushing people around. As implemented in the twentieth century her régime had little of voluntary agreement about it, and a great deal of violent illiberal rhetoric, and a zero-sum economics, and not much of a search for win-win.

Our friends on the left would do well to reflect on the authoritarian cast of American Progressivism c. 1910 and High Liberalism c. 1960 and so-called Liberalism c. 2018.¹⁴ Then our friends on the right should reflect on the authoritarian cast of conservatism. The very word "liberty" in the rhetoric of both left and right reverted to its medieval and violent meaning, in the plural, "liberties" — "a liberty," such as "the liberty of the City of London," being a special and distinct privilege to this or that person or group, violently enforced against any who would claim it without the gracious permission of the government. It is government-enforced protection for tire companies in Ohio or relaxed policing of drugs in white suburbs. It

12 Brennan 2004.

13 <http://www.americanrhetoric.com/speeches/hueyplongking.htm>

14 When I use, as I will, the locution "our friends on the left" (or right) I am speaking sincerely. I have many good friends on the left (and the right), whom I love . . . but whom I believe are mistaken.

contradicts the liberal principle articulated by Thomas Paine, "Give to every other human being every right that you claim for yourself – that is my doctrine."

Slow socialism recommended, and eventually achieved, an astonishingly high share of national income spent by the government out of coerced taxes, a higher and higher share taxed out of personal income – higher than in any historical instance but the most appalling tyrannies. It achieved medieval standards of regulations of one's stuff by experts imposed on more and more people, more governmental intervention in the wage bargain, more eugenic sterilization of undesirables, more economic protection offered to this or that group, more police-enforced licensing of occupations, more inspection of the residents, more armies and empires and aggressive alliances, more nationalizations of the means of production. It resulted in the stagnant growth of the 1970s in the United Kingdom and the arrogant policing of the world since 1945 by the United States. The slow socialist motto is, "I'm from the government, and I'm here to help you, by messing with your stuff." Or, "Don't tax him, / Don't tax me: / Tax that man / Behind the tree."

Such, then, is "liberalism" as defined in these latter days in parts of the Anglosphere. Boaz quotes Schumpeter's witticism about the theft of the word "liberal": "As a supreme, if unintended, compliment, the enemies of private enterprise have thought it wise to appropriate its label."¹⁵ The appropriation was not "mere" rhetoric. It vividly illustrates the non-mere-ness of how we talk to each other. The historian Kevin Schultz has written a dual biography of that odd couple, William Buckley the conservative (1925-2008) and Norman Mailer the radical (1923-2007), *Buckley and Mailer: The Difficult Friendship That Shaped the Sixties* (2013). Schultz documents how both men were in revolt against the High Liberalism of the 1950s and 1960s. In policy, High Liberalism won, and crowded out the adult projects of a free people, such as families as ethical schools or the self-provision for old age or a trade-union insurance against unemployment or a prudent wariness about foreign entanglements.

The quarrel between High Liberals and the conservatives they scorned as their enemies crowded out, too, fact-based discussion of liberty and government, discussions such were sought by both Mailer and Buckley, each in his flamboyant way. The left-right quarrel yielded at length the fact-free dogmatism of left and right we hear nowadays, even among otherwise adult and benevolent folk. One hears: "If there is *any* spillover, then the government of the United States should step in with police powers to stop it." Or: "If there are *any* bad people in the world, then the government of the United States should bomb them." When someone asked Michael Bloomberg, the brilliant businessman and three-time mayor of New York City, what he thought about legalizing marijuana, he brought out the fact-free line that marijuana is a "gateway drug." When someone challenged Lindsey Graham, the brilliant senior senator from South Carolina, about America's over-reach abroad, he brought out the fact-free line that "if we don't fight them in Syria, we'll have to fight them in Charleston."

The slow-socialist, New-High-Progressive "liberals" of the late nineteenth and early twentieth century such as Lloyd George and Woodrow Wilson, and then also their supposed

¹⁵ Boaz 2015, p. 34.

enemies the Burkean Conservatives such as Buckley and Graham, seized what they imagined to be the ethical high ground. It turned out to entail coercion by governmental violence. The New Liberals and Progressives have been declaring since around 1900, joining in this the Conservatives since Thomas Carlyle, who had long made a similar declaration, that "Our motives for extending the scope of governmental violence are pure and paternalistic. Our policy of physical coercion is designed to help the pathetic, childlike poor and women and minorities, so incapable of taking care of themselves. To leave their business to themselves and to their peaceful markets would be highly dangerous, unlike our proposals for coercion at home and wars abroad. You Humane Liberals criticize our splendid policies. You must hate the poor and women and minorities, and love only the rich. And you do not sufficiently love our king and country, the Land of Hope and Glory, the Land of the Free. For shame! Why should we listen to bad people like you?" Thus Senator Elizabeth Warren, bless her, or Senator John McCain, bless him.

Yet as the great (American-definition) liberal Lionel Trilling wrote in 1950, the danger is that "we who are liberal and progressive [or indeed Burkean and conservative] know that the poor are our equals in every sense except that of being equal to us."¹⁶ The "us" are the natural governors, graduates of Columbia University, New York, or of Trinity College, Dublin, or of Sciences Po, Paris. In 2016 such arrogance among the elite was detected and punished by the Trump voters, and worldwide by populists from Britain to the Philippines. The poor and the rest are supposed by the high-liberals and the conservatives to be incompetent to manage their own affairs. Therefore we of the clerisy – a regiment of which Boaz calls "court intellectuals" gathered in the District of Columbia, with a lively regiment of Eurocrats, too, stationed in Brussels – are supposed to manage the poor and the mere citizens remotely, so much better than the poor or the mere citizens can manage from their homes, from the royal courts of Washington or Brussels, or from Springfield or City Hall,

Beyond the surface implausibility of the supposition, its paternalism has dangers. Elsewhere Trilling wrote that "we must be aware of the dangers that lie in our most generous wishes," because "when once we have made our fellow men the object of our enlightened interest [we] go on to make them the objects of our pity, then of our wisdom, ultimately of our coercion."¹⁷ Every nurse or mother knows the dangers. And when she loves the beloved for the beloved's own sake, she resists them.

The progressives and the conservatives kindly left the word "libertarianism," a coinage becoming common in the 1950s, for the mere Liberals 1.0, loyal against a collectivist age to Smith and John Stuart Mill, Tocqueville and Bastiat, Lord Acton and Macaulay. The mere liberals of the last century were people like Hayek (1899-1892) and Milton Friedman (1912-2006) all their adult lives, the philosopher Robert Nozick (1938-2002) in his early middle age, and Deirdre McCloskey (1942-) in her maturity. Deirdre's father was an eminent political scientist (1915-1969), a New-Deal Democrat drifting rightward, and she vividly remembers him around

16 The late James Seaton (1996, p. 35) alerted me to Trilling's worry. The references are to Trilling's essay on Henry James, "Princess Casamassima," and "Manners, Morals, and the Novel," both reprinted by Trilling in 1950.

1960 using "libertarian" as a term of contempt. For a long time it kept her from taking humane liberalism seriously.

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I was in fact age 16 or 17 a Joan-Baez socialist, singing the labor songs. I dreamt I saw Joe Hill. Then in college in the early 1960s, the better to help the poor and disadvantaged – which remains my sole political object, as it is for all of us humane liberals (though we want to *actually* help, rather than resting at signaling how superior in pity we conceive ourselves to be) – I majored in economics and became a standard-issue Keynesian. I was making my fellows the object of my pity, then of my newly acquired wisdom, ultimately of my coercion.

One of us three college roommates, a brilliant electrical engineer, used to read the liberal Ludwig von Mises' *Human Action* (1949) in breaks from solving second order differential equations. I remember David leaning perilously back in his arm chair, his feet up on the desk, smoking Galoises cigarettes, Castro's speeches from Cuba via shortwave set at low volume to serve as a droning background, with the old tan-bound Yale-Press edition of Mises perched on his knees. The other roommate and I, both leftish Democrats, both studying economics à la Harvard College out of Paul Samuelson's elementary textbook in those happy days, scorned the engineer's non-orthodox, voluntaristic, and "conservative" economics. We favored instead a pity-driven coercion in the style of Keynes and Samuelson and Stiglitz. Yet in reading Mises during work breaks, David doubtless learned more of the economics of a free society than the two of us did in attending hundreds of hours of Keynesian and slow-socialist classes.

A couple of years later, beginning in graduate school still at Harvard, I intended to join the other proudly elite economists down in Washington as a *social* engineer, "fine tuning" the economy. At the time only a handful of graduate programs, such as those at UCLA, the University of Virginia, and above all the University of Chicago, doubted the Ivy-League and slow-socialist theory of expertise. Yet a year or two into my graduate studies it began to dawn on me what was the core of economics actually said – see *Human Action* and its Liberalism 1.0. The core denied the premise of social engineering, left and right, that the social engineer (as again the Blessed Smith put it) "can arrange the different members of a great society with as much ease as the hand arranges the different pieces upon a chess-board."¹⁷ And about then the most prominent piece of social engineering on display, the American invasion of Vietnam, didn't seem to be working out quite as planned. By the time in 1968 I got my first academic job, at that same University of Chicago, a version of humane liberalism, as against coercive social engineering, was beginning to make sense to me.

Chicago was then notorious in the Ivy League for being "conservative." (We of the left did not distinguish conservatives, who admire old evolutions but fear new ones, from liberals, who welcome also future evolutions, if achieved by liberty and not by coercion.¹⁸ Back as a senior at college, in the fall of 1963, still a vaguely Keynesian leftie, I had not so much as considered applying to Chicago's large and distinguished graduate program. Why listen to

17 Smith 1759 (1790), Part VI, Section II, Chapter II, pp. 233-4, para 17.

18 Hayek 1960(2011), p. 322.

such bad people? My undergraduate essays in economics were denunciations of the Chicago School for its lack of pity, and for its idiotic misunderstanding of the theory of monopolistic competition devised by my teacher Edward Chamberlain. Yet a dozen years after spurning the Chicago School, I became its director of graduate studies. A textbook on Chicago-style microeconomics I subsequently wrote contains a showing that monopolistic competition is self-contradictory.⁹ As the Dutch say, *Van het concert des levens krijgt niemand een program*: In the concert of life no one gets a program. You're telling me.

By the late 1960s, then, I had become a Chicago-School economist, and in the uses of supply and demand I remain one. As a rough guide to the flourishing of ordinary people in market economies such as those of Sweden or Japan or the United States, the supply-and-demand argument has never been overturned scientifically, despite what you may have heard from Paul Krugman or Robert Reich.¹⁹ My earliest big paper in economic history, entitled "Did Victorian Britain Fail?" (1970), was an early "supply-side" rejection of using the Keynesian demand-side economics for the long run. Krugman might want to have a look at it. Another paper a few years later, "New Perspectives on the Old Poor Law" (1973), distinguished the effects of intervening in the wage bargain from the effects of giving a tax-supported cash subsidy to the poor to bring them up to a respectable standard. Reich might want to have a look at it. The cash subsidy as against intervention in the wage bargain is what the left and right in economics have been calling since the 1950s the "negative income tax," or nowadays the "earned income tax credit," such as the \$9 a month the Indian government proposed in 2016 in order to replace its hundreds of corrupt and cumbersome subsidies to this activity or that. It is Liberalism 1.0, made "Christian" (or Hindu or "bleeding heart") by a preferential option for the poor.

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The essence of real, humane liberalism, in short, is a small government, honest and effective in its modest realm. Otherwise, leave people alone to pursue their non-violent projects voluntarily, *laissez faire, laissez passer*. But do not ignore other people, or disdain them, or refuse to help them, issuing a country-club declaration of "I've got mine." Humane liberalism is not atomistic and selfish, contrary to what the High Liberals believe about it – and as some misled libertarians in fact talk in their boyish ways as if they believed about it, too. It is on the contrary an economy and polity and society of equal dignity.

The routine arguments against such a humane liberalism are, as I gradually came to realize after the 1960s, mostly feeble. For example, it's not true, as slow socialists argue, that the taxation and spending and regulation by big governments are innocent because, after all, they are voted on by "us" and anyway "give back services." The humane liberal will inquire mildly of the High Liberal: did you vote for the 81,640 pages of new regulations promulgated by the Federal government during 2016? Did your representatives in Congress or the White House know what was in them? Did you or they properly understand the economic consequences, as against what the lawyers claimed the regulations were "designed" to do? And do you actually want the fixed-price menu of national parks and state licensing requirements and local schools

¹⁹ McCloskey 2017.

that government now provides, or would you rather order à la carte, at a lower price and better quality?

Another feeble objection to laissez faire, even in some true-liberal theory after Locke, is the notion that the government is composed of highly ethical philosopher-monarchs, who can be trusted therefore to run a government kindly, giving us stuff out of taxes (on our stuff), a government that now spends and redistributes 30 percent and more of what we mere citizens make, and regulates much of the rest. In France the governmental share is higher, 55 percent, not 30 (Henry Kissinger joked that France was the only successful communist country).

When the Commissioner of the U.S. Food and Drug Administration, Margaret A. Hamburg, retired in 2015 she was said on National Public Radio to have had regulated fully a fifth of the American economy. The statistic is startling, but correct. Food. Drugs. Was Hamburg a wonder woman—a wholly ethical and wholly wise philosopher queen? It's unlikely, though I am sure she is very nice. Therefore the cancer treatment that works in Berlin, Germany is inaccessible to you in Boston, Massachusetts, awaiting a certified finding from the FDA, after many years of delay during which you will die in agony, about the drug's "efficacy," tested in unethical but "gold standard" double-blind experiments guided by meaningless tests of statistical significance, and going far beyond the original brief of the FDA to test merely for safety, not for an elusive efficacy.²⁰

A premise that government is in fact in the hands of philosopher kings and queens seems on its face naïve, which is what the economist the late James Buchanan's notion of "public-choice" avers. The naïveté is well illustrated by the perils of the U.S. Constitution, from the Alien and Sedition Acts of 1798 down to Donald Trump. The kings and queens and tsars and commissioners are regularly corrupted by governmental power, the tempting ability to compel by violence. Try using in Massachusetts that cancer therapy from Germany without the FDA's approval, and see what happens to you. And anyway the royal governor, whoever she is, does not have to be careful with other people's money, or with other people's lives. She waxes proud in her "program" to spend money and regulate lives, and proud, too, in her power to enforce her decisions concerning one third of the U.S. economy. Power, you might say, tends to corrupt.

As Paine wrote in the liberal birth year of 1776, "government even in its best state is but a necessary evil, in its worst state an intolerable one." Better keep the power to compel modest. By 1849, at the first maturation of liberalism 1.0, Thoreau could declare, "I heartily accept the motto, 'That government is best which governs least'; and I should like to see it acted upon more rapidly and systematically." In that same year in far Torino the liberal economist of Italy, Francesco Ferrara, wrote that "taxation is the great source of everything a corrupt government can devise to the detriment of the people. Taxation supports the spy, encourages the faction, dictates the content of newspapers."²¹ As the humane liberal Donald Boudreaux wrote

20 On the FDA see Bhidé 2017, p. 28. On the meaninglessness of tests of statistical significance see Ziliak and McCloskey (2008), and the report of the American Statistical Association 2016.

21 Ferrara 1849 in Mingardi 2017, p. 29.

recently, "The only sure means of keeping money out of politics is to keep politics out of money."²² The bumper sticker on my little Smart car reads, "Separation of Economy and State."

Even at this late hour, reducing the size and power of government, and letting free people have a go, is practical – achievable by parts whether or not a Painean or Thoreauesque or Ferrarite ideal is finally achieved. It's not true, to note another feeble argument against *laissez faire*, that the more complicated an economy is, the more regulatory attention it needs from the governors. No, quite the contrary. A complicated economy far exceeds the ability of any collection of human intellects to govern in detail. A person's own life or her little household or maybe even her big company might be so governed – though any adult knows that even small societies are hard to plan in detail, offering endless surprises. You get no program. But governing sensibly the trillions of shifting plans daily by the 324 million individuals in the American economy, much less nation-building abroad, is impossible – because, as Smith again put it, "in the great chess-board of human society, every single piece has a principle of motion of its own."²³ The principles of motion are idiosyncratic, because people are motivated in varying proportions by prudence and temperance and courage and justice and faith and hope and love. By way of such virtues, and less happily their corresponding vices, you and I pursue our endlessly varied projects. Such a liberal plan is appropriate to a society in which people are taken as free and equal – equal even to the Columbia/Trinity College/Sciences-Po graduates of the clerisy.

What to do, then, in leashing the power to coerce? The practical proposals are legion, because illiberal policies are by now legion, as they also were during the feudalism that the early liberals overturned. Cut the multiple levels of corrupt government in Illinois. Kill off, as the much-maligned Liberal 1.0 and billionaire Charles Koch wishes, the vast programs of corporate welfare, federal and state and local. Close the agricultural programs, which allow rich farmers to farm the government instead of the land. Sell off "public" assets such as roads and bridges and street parking, which in an age of electronic transponders can be better priced by private enterprise. Close the American empire. Welcome immigrants. Abandon the War on Drugs. Give up eminent domain and civil forfeiture and military tanks for police departments. Implement the notion of Catholic social teaching of "subsidiarity," placing modest responsibilities such as trash collection or fire protection down at the lowest level of government that can handle them properly. Then outsource the trash collection and the fire protection. To finance K-12 education – socially desirable but sometimes out of reach of the poor – give families vouchers to cash in at private schools, such as Sweden has done since the 1990s and as Orleans parish has done for poor families since 2008. To achieve universal K-12 education, and a select few of other noble and otherwise privately unfundable purposes, such as a war of survival, by all means tax you and me, not only the man behind the tree. But eliminate the inquisitorial income tax, replacing it with a tax on personal consumption declared on a one-page form, as economists such as Robert Hall and Arthur Laffer propose. Still better, use only an equally simple purchase tax on businesses, to reduce the present depth of personal

22 *Cafe Hayek*, 3/6/17, <http://cafehayek.com/2017/03/quotation-of-the-day-2005.html>

23 Smith 1759 (1790), Part VI, Section II, Chapter II, pp. 233-4, para 17.

inquisition. Eliminate the so-called "corporate" income tax, because it is double taxation and because economists have in fact little idea which people actually end up paying it. (The old bumper sticker saying "Tax corporations, not people," when you think about it, doesn't make a lot of sense.) Give a poor person cash in emergencies, from those modest taxes on you and me. Quit inquiring into whether she spends it on booze or her children's clothing. Leave her and her family alone. No pushing around.

A government does of course "have a role" – as in indignant reply to such proposals my progressive and conservative friends put it to me daily, predictably, relentlessly. George Romney, the automaker and conventional 1950s Republican, opposing the Liberal 1.0 and conservative Barry Goldwater in 1964, declared, "Markets don't just *happen*. There must be some role for government."²⁴ Well, yes, of course, government has "some role," though contrary to Romney most markets do in fact "just happen," because people find them mutually beneficial, with or without governmental action. There are markets inside jails and prisoner-of-war camps, for example, as there were among Australian aborigines buying their boomerangs from better-skilled bands hundreds of miles distant.²⁵

Anyway, only briefly, at age 15 or so, did I think of myself as a literal "anarchist," *an-archos*, Greek "no ruler, at all." Government has an essential role in those wars of survival, for example, in which a singular purpose is exactly what we need, and can achieve with justified coercion for the duration. Then after the victory we can hope that we can get rid of the coercion – without a great deal of hope, actually, as the economist Robert Higgs has shown.²⁶ Do arm the little government, therefore, to protect us from invasion by, say, those toque-wearing Canadians and, rather more urgently, from nuclear threats by Russian neo-tsars.

And yes, by all means let us have a government, a small one, to protect us from force and fraud by fellow Americans – though of course such private arrangements as door locks and high-reputation suppliers and competition in markets accomplish the protections in most cases much better, to speak quantitatively, than their alleged "ultimate" backing by governmental courts and police. Protect us especially from government itself, from its habit of abridging the right to vote or spying on civil-rights leaders or enforcing bedroom or bathroom norms or suspending the right to habeas corpus or beating up on sassy citizens.

But the government should leave off giving *economic* "protection," such as President Trump promised against the nefarious plot by Chinese and Mexicans to sell us at low prices very long ties for men and very good parts for cars. Let us have separation of economy and state. As in Mafia usage, governmental "protection" is regularly corrupted for the benefit of the rich. It is a tax on enterprise and violates the equal liberty of other people, whether Americans or foreigners or non-Mafiosi, to compete without violence in offering good deals to us American consumers. Such taxation is of course the very purpose of the Mafia, extracting protection money by making an offer you can't refuse. And it is the purpose, too, of the Chicago City

24 Quoted in Schultz 2015, p. 77.

25 Radford 1945 and Berndt and Berndt 1964, p. 302-305.

26 Higgs 1987.

Council, encouraged by well-placed bribes . . . uh . . . campaign contributions to prevent by ordinance the poor-person-supplying Ikea or Wal-Mart from opening in town. Extortion and protection and rent seeking by elites exercising the monopoly of violence puts a fatal drag on betterment, stopping people with new ideas from competing for our voluntary purchases. In the extreme it stops economic growth cold, as it did during the grinding millennia of poverty before 1800, and before liberalism.

Would you want governmental "protection" from new ideas in science or music or cooking? Probably not. Would you always "buy American" in music or spices or medical innovations? No. Consider this: if you really do think buying American is a good idea, to be enforced by governmental tariffs, why not still better buy Illinoisan or Chicagoan or Printers' Rowian? Or for that matter why not make everything you want yourself in your own home, achieving thereby plenty of "jobs"? Grow your own wheat. Make your own accordion. Invent your own internet. Bravo.

Or ask this: do you so fear the multinational corporation, which is trying in its evil way to sweet-talk you into buying its running shoes, that you are willing to erect a comprehensive socialist monopoly backed by guns to prevent you from getting any shoes but government-issue? Witness the quarter of the world ruled once by communism, or the recent history of Venezuela. As another Italian liberal, and anti-fascist, Benedetto Croce, put it in 1928, "Ethical liberalism abhors authoritarian regulation of the economic process, because it considers it a humbling of the inventive faculties of man."²⁷ In order to protect the Postal Service's monopoly, inspectors in trench coats used to go around in December putting the arm on little children distributing Christmas cards for free in neighborhood mailboxes. In Tennessee by law nowadays, to open a new company for moving furniture you must get permission from. . . wait for it. . . the existing companies.

Economic protection as actually implemented – contrary to the sweet if naïve theory that the implementers are wise and ethical philosopher kings and queens, such as those imagined on the blackboards of Cambridge or New Haven or Princeton, or (without the lovely mathematics) on the political stump nationwide – regularly hurts the helpless more than it helps them. But it always favors the few protected, who are easy to see up on the stage, to be favored over the unseen multitudes damaged off stage. Usually the protected have made that nice contribution to a congressperson's welfare. Thus we get useless tanks and planes to stop the Canadian invasion, built with parts made in every congressional district.

Tariff protection, for example, pushing up profits and wages in American-made steel, will at the same time, of course, hurt American consumers of steel off-stage. Obviously. That is what it designed to do, and, unusually for "designed" policies, what it actually achieves. (Let us set aside the hurt to foreigners. Yet since when is a cosmopolitan concern for foreigners not to be recommended ethically? And what sort of childish nationalism thinks that hurting Mexicans is good for Americans?) Regularly in dollar terms such off-stage damage to unprotected Americans is many times larger than the on-stage favor granted to the protected Americans. When in 2017 the American government agreed with Mexican sugar producers to restrict

²⁷ Quoted in Mingardi 2017, p. 25.

imports of Mexican sugar and keep it anyway at the high, protected American prices (nice for the monopoly of sugar producers in Mexico), the jobs saved in U.S. sugar production were a tiny fraction of those destroyed in sugar-using production. Funny that when it comes to protecting sugar, the four senators from Florida and Louisiana are very, very interested, with the six from Texas, Hawaii, and North Dakota, too, expressing an equally strong opinion on the matter.

When in the 1970s the American government imposed quotas on Japanese automobiles, the additional cost every year to American consumers of autos outweighed the annual wages in Detroit thus protected by a ratio of ten to one. The net beneficiaries were United Auto Workers accustomed to receiving a share of the monopoly profit extracted from Americans buying their cars from the lonely and protected Big Three. The other beneficiaries were of course the stockholders of the Big Three, and, less obviously, a Toyota Company in far Japan enabled – by restricting its supply to the U. S. and thereby pushing the U. S. price above the world price of Toyotas, like the Mexican sugar producers – to capture still more of its very own monopoly profit. Swell.

A worse case, still deemed sacred on the left, is the worldwide assault through job protections on young or unskilled seekers of any job at all. Job protections in slow-socialist régimes have created in Greece and South Africa and the slums of the U.S. a dangerously large class of unemployed youths. A quarter of French people under 25 years of age and out of school are unemployed, and the rest mainly on monthly temp contracts, because regular jobs in France are fiercely protected. The bosses therefore are terrified to hire in the first place, because they cannot dismiss workers who steal or are in other ways unproductive. And even the honest and productive workers cling in terror to the wrong jobs, because they are unlikely to get the right one. The protection-caused unemployment is higher still in Greece, and is appalling in South Africa.

In the U.S. the protections cause the ghettos to require armed occupation. The south and west sides of Chicago should be hives of industrial activity, employing at low starter-wages the unemployed youths now instead standing on street corners and joining gangs to enforce local monopolies of drug distribution. Interventions in the wage bargain in Chicago such as the governmentally enforced minimum wage, and interventions in the location of economic activity such as zoning, and interventions in consumption such as the war on drugs itself, make such places economic deserts. No factories, no grocery stores, no incomes.

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Yet we are speaking of a *humane* liberalism. Helping people in a crisis, surely, or raising them up from some grave disadvantage, such as social or physical or mental handicap, by giving help in the form of money to be spent in unprotected markets, is a just role for the government, and is still more justly admirable for individuals doing it voluntarily. Give the poor in Orleans parish the vouchers for private schools. Give money to the very poor of Chicago to rent a home privately. Turn over your book royalties from *Capitalism in the Twenty-First Century* to an effective charity.

Yet do not, ever, supply schooling or housing directly from the government, because governmental ownership of the means of production, a literal socialism, is regularly a bad way to produce anything but national defense (and that's pretty bad itself), and anyway makes the poor into serfs of the government, or of its good friends the teachers' union in the public schools and the bureaucrats in the public housing authority. The Swedes, whom Americans think are socialists, gave up their state monopoly of local pharmacies, which any Swede can tell you were maddeningly arrogant and inefficient.

Libertarians have a reputation for not being charitable, as being mere apologists for rich people. Not so. Look at the numbers. And anyway the indictment from the left depends on an implausible psychological theory. It supposes that a whole class of political thinkers claim disingenuously that they *do* have the poor in mind, but secretly want to make the rich even richer. Why would anyone want such an outcome? What would be his motive? Corrupting pay from the corporations? Fellowships from the humane-liberal billionaire Charles Koch? If that's how psychology works, consider the pay from the government to teachers in state schools and universities, or fellowships from the slow socialist George Soros, which might be supposed on such a psychological theory to be equally corrupting. Surely not.

Admittedly, a certain strain of conservatives and the more brotherly libertarians exhibit just such a lack of sympathy for the disadvantaged. It is too often the attitude of the country club. William Buckley's startling defense back in the 1960s of tyranny directed at the poor among African-Americans exhibited one version of it. But a lack of concern for the less fortunate of our brethren is by no means intrinsic to humane liberalism. On the contrary. Dr. Adam Smith was much given to acts of secret charity. Charles Koch, bizarrely demonized by Jane Mayer in *The New Yorker* and in her book *Dark Money* (which lets George Soros off the hook), has given for half a century many billions to causes such as the United Negro College Fund. Check it out. On a somewhat smaller scale, I myself supported two homeless people for many years in my own apartment. A lack of concern for others is not at all implied by humane liberalism, or by Christian libertarianism, or neoclassical libertarianism, or a liberalism of the bleeding heart.

Ayn Rand had here a bad effect, with her masculinist doctrine of selfishness, and her uniformly male and self-absorbed and reckless heroes in her novels, ever-popular with college freshmen. Especially fresh-men. Senator *Rand* Paul in his run for the Republican presidential nomination in 2016 got disproportionately fewer votes from women than from men. Yet his policies of stopping the drug war against Black families and reducing the flow of body bags from foreign wars, like most of his proposals, were the most family-friendly on offer from any candidate, including (in their actual as against their "designed" effects) those from the frankly socialist Bernie Sanders. As for charity, Dr. Paul regularly contributes his skill as an eye surgeon to sight-saving operations in poor countries. I urge Dr./Senator Paul, for the good of our shared humane liberalism, to ditch that misleading "Rand," and change his first name to, say, Adam.

Mainly let people create by themselves a growing economy, as they did spectacularly well from 1800 to the present, when liberalism inspired the masses to devise betterments and

open new enterprises and move to new jobs. The stunning Great Enrichment of a fully 3,000 percent increase since 1800 in real wages, which was especially important for the poorest, happened not because of the nudging and protecting and regulating and subsidizing and prohibiting and unionizing and drafting and enslaving by politicians and organizers and bureaucrats and thugs armed with a monopoly of violence. Mostly it happened despite them, by way of an increasingly free people. The government's rare good deeds in the story were the passing of laws to make people free, as in the Civil Rights Acts of 1866 and of 1964 – passed in the interludes between the government's enslaving or re-enslaving or manhandling people in the Dred Scott decision or Plessy v. Ferguson or the Palmer Raids or Bull Connor's dogs or the deportation of Dreamers.

The Enrichment and its associated Liberation, that is, did not arise chiefly from government, beyond its modest role of the prevention of a small share of force and fraud and the few cases of genuine defense from foreign aggression, such as the unsuccessful War of 1812-14 and the successful Pacific War of 1941-45. Yet strangely the economists since around 1848 have mainly made their scientific reputations by proposing this or that pro-governmental "imperfection in the market," to the number of over one hundred imagined, almost all of them proposed without evidence that they matter much to the economy.²⁸ Monopoly. Spillovers. Ignorant consumers. To all of these the economists have instead proposed again and again, that a brilliant government of philosopher-monarchs, advised by the very economists, can offer simple solutions. Anti-trust. The FDA. Industrial policy. And yet the most important fact about modern economic history, occurring at the very time the ranks of economists were bemoaning our "disgrace with fortune and men's eyes/ Alone beweeeping our outcast state" from those horrible imperfections in the market, was that the wretchedly distorted and imperfect exchange-tested betterment was delivering a Great Enrichment to the poorest among us of thousands of percent. Some imperfections.

For instance, the governmental choosing of winners in the economy, an industrial policy, is designed to repair the horrible imperfection of foresight in private investment, so obvious to the economists, without the bother of measuring whether the imperfection is actually large or the industrial policy actually works. Industrial policy in fact seldom works. Why, actually, would such choosing of winners work? Why would an official high up in the government, stipulating even that she is motivated correctly and is thoroughly ethical, and is an extremely bright if recent graduate of Harvard, know better what would be a good idea to make and sell and buy than some ignorant hillbilly out in the market facing the prices registering the value ordinary people place on goods and services and facing the opportunity cost that producers face, and going bankrupt if he chooses badly? Why would it be a good idea to subsidize wind power in advance of a showing that spending on it in fact makes us better off, net of opportunity costs? As the economist Don Lavoie concluded from a detailed study of such governmental planning in 1985, "any attempt by a single agency to steer an economy constitutes a case of the blind leading the sighted."²⁹

28 McCloskey 2017, again.

29 Lavoie 1985, p. 4.

The hubris of industrial planning is a very old story. An instance was the Europe-wide mercantilism that Adam Smith deprecated. In Sweden the Göta Canal was built 1810-1832 by military conscripts, before Sweden adopted liberalism. It was a singularly ill-advised project, immensely expensive in real costs, eventually used chiefly for a bit of pleasure boating. In the United States in the nineteenth century the "internal improvements" financed by the government were mostly bad ideas (such as canals in Pennsylvania and Indiana during the 1830s, built like Sweden's on the eve of railways making most canals unprofitable) and were of course corrupted into favors for the few. Under the Obama administration the Solyndra fiasco gave away a \$535 million "loan" from the government to subsidize U.S.-made solar panels, promptly undersold by the Chinese. Both big political parties do it. A humane liberal party would not.

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Worry not at all about inequality if it is achieved by smart betterment. Such inequality pretty much dissipates within a couple of generations, and often within a couple of years, through the entry of imitating betterments. Meanwhile we poor slobs get the betterments. The imitation of Henry Ford's assembly line or Steve Jobs' smart phone spreads the benefit to us all, soon, in lower prices and higher quality and frenetic, on-going improvements. Such a result of entry is not hypothetical. It has been the economic history of the world since the beginning, when not blocked – as until 1800 it commonly was blocked – by monopolies supported by the ur-monopolies of governmental violence, and now again increasingly under High Liberalism. The economist William Nordhaus reckons that inventors in the U.S. since World War II have kept only 2 percent of the social value of the betterment they produce.³⁰ Look at your computer. Two percent of the social gain arising from Wal-Mart's early mastery of bar codes and mass purchasing, betterments compared with the older and worse models of retailing, left a great deal of money for the children of Sam and Bud Walton. But the rest of us were left with the 98 percent.

Local fortunes a century ago were built on local banking and local department stores. Their business models were soon imitated, and at length bettered, and anyway eroded from the beginning by rapidly falling transport costs. Sears Roebuck and Montgomery Ward eroded the brick-and-mortar general store charging high prices with the new mail orders at lower prices, as Amazon is doing again a century on. The market share of United States Steel attained its highest level, fully two thirds of the steel made in America, on the day it was founded in 1901. Its share of steel consumption fell steadily thereafter, with Bethlehem and other companies entering. Look at the thirty companies in the Dow-Jones industrial average. Only five date from before the 1970s. The twenty-five others have been replaced by such "industrials" as Visa and Verizon and Coca Cola.

The sheer passage of human generations works, too. How many rich Carnegies have you heard of? Andrew could have made his daughter and her four children and their children, or for that matter his cousins back in Scotland, fabulously wealthy, down to the fourth generation and beyond. But he didn't. Instead he built the library in Wakefield, Massachusetts

30 Nordhaus 2004.

in which I found and devoured at age fifteen Prince Peter Kropotkin's sweet anti-capitalist anarchist classic, *Mutual Aid* (1902). If you want to see how the dissipation of wealth through families works, look at the Wikipedia entry for "Vanderbilt Family," noting that old Cornelius (1794-1877), the richest American at the time, had thirteen children (pity Mrs. Sophia Johnson Vanderbilt). His great-great-granddaughter, Gloria Vanderbilt (born 1924), made her own money, by providing goods and services that people were willing to pay for. Her son Anderson Cooper of CNN does, too.

But do worry about inequality if it is achieved by using the government to get protection for favored groups. It is what a large government, worth capturing to get the protection, is mainly used for, to the detriment of most of the people off-stage. We humane liberals, such as Charles Koch, who puts his money where his mouth is, agree with the slow socialists about the evil of an inequality caused by what economists call "rent seeking," that is, using the powers of the government to extract profitable favors for, say, big oil companies. But we are startled that our friends the slow socialists advocate. . . well . . . still more power of extraction to the same government. Put the fox in charge of the hen house, they cry. Surely the fox is a good and honest civil servant.

Guilds with governmental protection such as the American Medical Association, and government regulations in building codes to favor plumbers, protect the well-off, who in turn fund the politicians enforcing the guilds and regulations. Neat. How many Huey and Earl and other Longs have dominated Louisiana politics since the 1920s? Look at Wikipedia for that one, too. Such inherited political power allied to corruption is ancient. Political candidates in the late Roman Republic routinely bought votes, and anyway the rich of Rome had more power in the system of voting itself. There is nothing new about politicians and businesspeople and billionaires buying Congress for special protection, and gerrymandering the voting system to boot. Mark Twain said "It could probably be shown by facts and figures that there is no distinctly American criminal class except Congress." Better keep it under parole.

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Understand that the greatest challenges facing humankind are *not* terrorism or inequality or crime or population growth or climate change or slowing productivity or recreational drugs or the breakdown of family values or whatever new pessimism our friends on the left or right will come up with next, about which they will write urgent editorials until the next "challenge" justifying more governmental coercion swims into their ken.

The greatest challenges have always been poverty and tyranny, having the effect through governmental violence of not allowing ordinary people to have a go. The use of "liberal" is a language game, but not therefore "mere."³¹ It has consequences, in allowing or not allowing people to have a go. If you eliminate poverty through liberal economic growth, as China and India are doing nowadays, and as did the pioneering instances of liberalism back to Holland during the seventeenth century, you will get equality of real comfort, the educating of engineers to control flooding, and latterly to lessen global warming, and the educating of us all

31 Skinner 1969, esp. p. 37

for lives of flourishing. If you eliminate tyranny, replacing it with liberalism 1.0, you will get the rise of liberty for slaves and women and the handicapped, and then still more of the Great Enrichment, when more and more people are liberated to seek out exchange-tested betterments. You will get stunning cultural enrichments, the end of terrorism, the fall of the remaining tyrants, and riches for all.

How do I know? Because it happened in northwestern Europe gradually from the seventeenth century on, and now at a quickening pace in large parts of the rest of the world. It can happen soon everywhere.

By contrast, keep on with various versions of old fashioned kingship, or with slow or fast socialism, with their betterment-killing policies protecting the favored classes, especially the rich or the Party or the cousins, Bad King John or Robin Hood – in its worst forms a military socialism or a tribal tyranny, and in its best a stifling regulation of new cancer drugs by the Food and Drug Administration – and you get the grinding routine of human tyranny and poverty. The agenda of humane liberalism, ranged against tyranny and poverty, is achieving human flourishing, in the way it has always been achieved. Let my people go. Let ordinary people have a go. Stop pushing people around.

I realize that you will find some of the items we humane liberals propose hard to swallow. You've been told by our progressive friends that we need to have policies and programs and regulations or the sky will fall. Or by the conservative side you've been told that we need anyway to occupy and govern by the gun all sorts of communities of poor people, among them the lesser breeds without the law east and west of Suez, from the 800 American military bases worldwide. You may view as shocking the contrary proposals to let people be wholly free to flourish in a liberal economy – right-wing madness, you will say, enriching the rich; or left-wing madness, leading to chaos. You will say from the left that liberalism has allowed monopoly to increase. (It has not. Illiberalism has, when it could get away with it, though monopoly in truth has been dramatically reduced since 1800 by liberty of movement and by free trade, by the railway and the telephone and the internet.) You will say from the right that liberalism has allowed terrorism to increase. (It has not. Illiberalism has. Though in fact terrorism in the West has *declined* rapidly in the past few decades.³²) If you cannot actually think of any fact-based arguments against a humane liberalism, you will assert anyway with a sneer that it is impractical, out of date, old-fashioned, nineteenth-century, a dead parrot. (It is not. The illiberal national socialism practiced by most governments is.)

But you owe it to the seriousness of your political ideas, my dear misled friends, to listen a little, and to consider. Lavoie noted "the impossibility of refuting a theory without first trying to see the world through its lenses."³³ Try out the lenses, too.

§

I am optimistic, and want to dispel the sky-is-falling gloom which seems always to command a ready market and which is routinely re-used by populists and other tyrants to

32 Mueller 2006.

33 Lavoie 1985, p. 8.

justify their tyrannies, and anyway is used even by good-hearted slow socialists and moderate authoritarians to push people around. . . by first absolutely terrifying them. Terrorism works with more than guns and bombs.

On the contrary, we are *not* doomed by the New Challenges. If we can avoid shooting ourselves in the feet – such shooting is a lively possibility, because we have done it before, by way of traditionalism and nationalism and socialism and national socialism, and now again populism – we will rejoice over the next fifty or a hundred years in the enrichment through humane liberalism of the now-poor, a permanent liberation of the wretched of the earth, and a cultural explosion in arts and sciences and crafts and entertainments beyond compare.

I urge you to reconsider. I want you to become less self-satisfied in your progressivism or your conservatism or even your amiable middle-of-the-road-ism. I want you to realize that they all depend to a greater or lesser degree on an exercise of the monopoly of violence. I want you to admire sweet talk, liberal rhetoric, peaceful exchange. I want you above all to become much less certain than you are now that The Problem is "capitalism" or the Enlightenment, or that liberty can be Taken Too Far, or that government programs, protections, regulations, and prohibitions are usually innocent exercises by wise bureaucrats to better the lives of Americans.

With an open mind and a generous heart, my dears, you will tilt towards a humane real liberalism, 1.0. Welcome, then, to a society held together by sweet talk rather than by violence.

§

What, then, are the prospects for such a new American liberalism? What steps can we take to encourage a society of sweet talk?

Well, for one thing we can keep on talking, making the intellectual case, such as sketched here, and explored 2006, 2010, 2016 in some depth in the trilogy *The Bourgeois Era*. From that experience I draw a couple of Rules for Humane Liberal Rhetoric, if we are to succeed in changing people's minds.

Rule 1: We *must* declare in a prominent position in everything we write or say that we are for the poor and disadvantaged, because it is true and because it is routinely misunderstood. The "preferential option for the poor" is Catholic social teaching, which unhappily is largely slow socialist. But I take it that every humane liberal in fact also wants to help the poor and disadvantaged – though as I noted *our* help is efficacious, unlike the corrupting handouts or the violent police actions on offer from the left or the right. We need to say, and say again, that we are for opportunity, in order to lean against the strange assumption of the High Liberals that low liberals 1.0 are against it. We aren't. The journalists classify us as "pro-business," and classify our leftward opponents as "pro-labor." The classification comes from the rule of journalistic balance and from an unexamined belief in the one-dimension, left-right spectrum that most people have taken to be political reality ever since the French Assembly initiated it. If humane liberals keep being characterized as pro-business, understood as favoring the rich, it will be little wonder that we will have little influence. It's hard to get across to journalists

innocent of economics that, for example, abandoning rent controls on apartments will in fact increase the supply of housing for the poor.

Rule 2: We *must* criticize conservatives, not merely progressives. At the end of *The Constitution of Liberty* Hayek added a Postscript I have quoted here often, “Why I am Not a Conservative.” If we are going to change anyone’s mind we must extract ourselves from our automatic characterization as “conservative.” The left-right axis, which most people believe is a wonderfully true and simple way to classify all politics, puts us on the right side. We need to emphasize instead the triangle, or in the other visualization, the *two* dimensions, of economic liberty (high for conservatives, sometimes, and always for liberals) and of personal liberty (high for progressives, sometimes, and always for liberals). Liberalism lives in the northeast corner of such axes, high in economic liberty and high in personal liberty.

Rule 3, which is something of a theorem derivable from 1 and 2: We should make common cause with radicals. Liberalism 1.0 was the original radicalism, from the Levelers in England to the Hippies in America. Do your own thing. For example, we should make common cause with gender minorities, such as the brilliant job by Sarah Rose of interviewing me for Freedom Works.³⁴ We should make common cause with the young, because they are the victims of High Liberalism and Old Conservatism, blocked out of jobs. We should make common cause with the oppressed. If you don’t think that women and blacks and poor people worldwide are oppressed by the slow socialists and the conservatives, you must not be acquainted with many women or blacks or poor people. We *are* the radicals.

The intellectual case needs to be made, and is being made at think tanks such as Cato or the Charles Koch Institute or the American Enterprise Institute, and elsewhere at the Fraser Institute in Canada or the Institute for Economic Affairs in Britain. The Atlas Foundation is spreading the word, salting the globe with liberal think tanks, the head salters being people like the inimitable Tom Palmer, smuggling through the old Iron Curtain in his luggage disguised copies of *Capitalism and Freedom*.

And thinking about the form of words, it would be good to focus on journalists, providing plenty of fellowships to give them the leisure to read Hayek or Smith (Vernon as much as Adam). Very few journalists are humane liberals in the mold of Steve Chapman at the *Chicago Tribune*. Neither the *Times* or the *Washington Post* has a humane liberal columnist, though David Brooks sometimes talks like one, and on those occasions we applaud him. And George Will, once a Buckleyite conservative, reads more and more like a humane liberal. *Reason* magazine is now a serious force, though tending a bit to the harsh, brotherly sort of libertarianism, unlike the sisterly version of humane liberalism. Yet the magazine is not yet an outlet like *Harpers* or *The New Yorker* that gets quoted for its authority. It should be.

The truth of course will set you free. Yet writing or talking the truth has limits in changing hearts. One might suppose that a careful reading of *The Wealth of Nations* or *On Liberty* or *Free to Choose* or *Anarchy, State, and Utopia* would convert anyone instantly to humane

³⁴ Freedomworks, *Transgender Rights*, Episodes 1, 2, and 3.

liberalism 1.0. It doesn't. The reason is that people acquire their politics early, too early, late in adolescence. Then they never think about it again, and resist kind offers from humane liberals to set them straight. (The same is true, by the way, about religious ideas, which is why one hears adolescent attacks on theology coming out of the mouths of 50-year old men, who have not reconsidered since they were 14.)

Most adolescents in a rich economy come from loving non-farm, non-small-business families, and therefore have no idea where meat comes from, or how its price will change how much Dad makes. Mom in the little economy that most of us nowadays come from is a benevolent and all-wise central planner of meals, the materials for which fell from the sky like manna. A loving family, that is, is a nice little socialist society. No wonder that young people imagine that it is easy and virtuous to extend it to what Hayek called, in advance of President Lyndon Johnson, the Great Society, of 324 million Americans. No wonder that each new generation since we stopped living mainly on farms has flirted with socialism, as I did age 16, and as did the younger of the British electorate in the May 2017 general election, or the Bernie Sanders' voters in the U.S. primaries in 2016. The natural socialism of bourgeois youth is a problem in spreading humane liberal ideas.

Therefore I thank my Anglican God for the energy of Students for Liberty in spreading the new ideology. Ideology does after all change, so it must not be hopeless to try to push it along. It changed from 1700 to 1848 in a liberal direction, and from 1848 to 1970 in a socialist direction. Ideology depends on enthusiasm. The point I'm making is that energy, enthusiasm, emotion are as important for lasting ideological change as are rational findings that rent-seeking is hard to stop, or that Great Societies have a problem of free riding. A certain kind of libertarian (I use the term precisely) believes that Logic Alone suffices. It has never been true.

We need of course at least somewhat free institutions to advance a free society. I have met with Russian liberals a little, and know who the real heroes of Putin's Russia are. By comparison, Americans have little to fear in espousing humane liberal ideas, aside from the stunned incomprehension of friends and relatives under the spell of High Liberalism or standard-issue conservatism.

But to get beyond the wholly intellectual appeal of humane liberalism—the intellectual stuff is all I myself can do as an academic with no artistic gifts—we need to enlist the artists, especially the storytellers in the movies and novels and country music lyrics. It's what Fred L. Smith, the founding director of the Competitive Enterprise Institute, advocates these days. I know well, as a former Joan-Baez socialist, that the left has all the best ballads. And the right has all the best marching tunes. I think we can do liberalism with stories, as Fred says. I've recently seen two Hollywood movies praising enterprise, *Joy* (2015) about Joy Mangano's business success with a self-wringing mop, and *The Founder* about Ray Kroc making McDonald's into a national and international chain. Neither is uncritical about business, but both are less hostile than the productions by corporate executives in Hollywood assaulting corporate executives elsewhere, such as in the two *Wall Street* movies, and in *The Man in the Grey Flannel Suit*.

Maybe the tide is turning. Ideologies do change, and ideas in statistics and in stories do it. Or so we liberals believe. As Hayek said, "liberalism [has a] fundamental belief in the long-range power of ideas."³⁵ Surely.

Young and women and poor of all countries unite. You have nothing to lose but your governmental chains.

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35 Hayek 1960 (2011), p. 526.

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