

Libertarians' reality problem: How an estrangement from history yields abject failure

The libertarian tradition fundamentally misunderstands human life. No wonder its adherents get politics so wrong

By Kim Messick

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It has long been customary to divide the Republican Party into three "camps": big business or "Wall Street" Republicans, the religious right and neoconservatives or "national security" Republicans. The third group, it must be admitted, somewhat unsteadily combines neoconservatives proper (such as William Kristol) with old-fashioned defense hawks (such as Donald Rumsfeld), but perhaps this is the Republican "big tent" we keep hearing about.

In any case, this neat three-part logic was roiled by two events in 2008: the "Great Recession" and the election of Barack Obama as president. The latter's decision to respond to the crisis with a fairly traditional mix of demand-side remedies — some tax cuts, some increased spending — ignited a fire storm on the right. CNBC's Rick Santelli is often fingered as the principal arsonist. On Feb. 19, 2009, outraged by Obama's plan to assist homeowners caught up in the collapse of the housing market, <u>Santelli</u> went on air to unburden himself of the following "ideas":

"Government is promoting bad behavior... Do we really want to subsidize the losers' mortgages? This is is America! How many of you people want to pay for your neighbor's mortgage? President Obama, are you listening? How about we all stop paying our mortgages?!"

The spark had been struck; the Tea Party roared to life. Five years later it has remade American politics, largely through its impact on the GOP. Profoundly alienated from the modern American state, which it regards as a bureaucratic embodiment of foreign social-democratic ideals, intensely ideological, intransigent and scornful of compromise, the Tea Party has used its electoral success in the South and Midwest — and its power in primaries and caucuses — to impose sharp limits on the policy options available to GOP politicians. Rick Santelli's wildfire consumed immigration reform and an extension of unemployment benefits; it flared into a government shutdown and crept perilously close to two debt defaults.

One consequence of the Tea Party ascendancy has been a new prominence for the term "libertarian." In many ways this is unfortunate. There is reason to believe that any connections between libertarianism and the Tea Party are tenuous at best. A recent <u>study</u> found that 60 percent of libertarians do not identify with the Tea Party, while only 26 percent of Tea Party supporters think of themselves as libertarians. (Fully twice as many affiliate with the religious right.) Still, an <u>impression</u> persists that the Republican Party is increasingly animated by the spirit of John Galt. I think there are mainly four reasons for this.

The first is that some conservative activists, quick to sense the electoral (and financial) potential of the Tea Party, moved quickly to associate its concerns with their own, often quite different, agendas. (The absurdist theater that swirled around Dick <u>Armey's</u> departure from FreedomWorks is apposite here.)

A second — more important — source of confusion is that "libertarian," as a rubric, offers Republicans certain rhetorical advantages. It suggests they're *for* something and not just against the Democrats, and that this something is related to "liberty." (And it performs this latter function while avoiding the hated epithet "liberal.") It also serves an irenic purpose insofar as it gestures at common ground for Tea Partyers, the religious right generally, and Wall Streeters. If these factions can agree on anything, it's that they want "less government" — meaning less *liberal* government — and this is easily elided into the claim that they want more liberty. As long as no one inspects the logic too closely, this "We're all libertarians now" line can seem helpfully plausible. Which brings us to the fourth reason, a national media always ready to exploit the helpfully plausible in its constant search for the appealingly (or is it appallingly?) simple.

So one increasingly hears certain prominent Republicans referred to as libertarians or as members of the party's "libertarian wing." <u>Ted Cruz</u> and <u>Paul Ryan</u> have been identified as such at one time or another, as have (with slightly more reason) both <u>Pauls</u>, Ron and Rand. This, again, is a mistake. As I've argued <u>elsewhere</u>, no important Republican politician is a libertarian. Still, perceptions are important in politics, and there is certainly no doubt that real libertarians belong — noisily, busily belong — to the Republican coalition.

Given this, all of us have an interest in understanding the nature of libertarian thought, and in knowing whether it forms the basis of a workable politics. Michael Lind has written brilliantly about these issues (here, for example) in the context of practical politics. I want to take them up in a more theoretical light. I will focus on the central concept of libertarian thought — the idea of personal freedom — and argue that it cannot be coherently explained on libertarian grounds. I will also argue that a libertarian society, if fully realized, would be actively hostile to the development of free selves. Libertarianism, in other words, cannot give a persuasive account of its own core concept. It's as close to self-refuting as a political theory can be.

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Some criticisms of libertarian thought are unwarranted. For example, it is <u>sometimes</u> alleged that libertarians lack concern for others, or are motivated only by greed, or embrace a crass, materialistic ethic. Libertarians think such charges are based on a simple confusion. Their intent

is to advocate for liberty, they say; what free people choose to do with their liberty is an entirely separate matter. I think this reply is conclusive if it is meant to rebut the claim that libertarians, because they value freedom, must also value the content of every free choice. (In other contexts, as I will argue below, it is much less conclusive.) That claim really is a confusion. I do not have to approve of pornography simply because I endorse the First Amendment. Similarly, I do not have to approve of choices to be selfish or shallow because I favor economic and political liberty. Liberals, who are often on the receiving end of this kind of attack from conservative critics, should think twice before directing it at libertarians.

Like any important political tradition, libertarianism is too complex to be caricatured in this way. But to consider it intelligently we need some sense of its theoretical core — a libertarian credo, as it were. The <u>platform</u> of the Libertarian Party, as adopted in 2012, is too declamatory for our purposes. (This isn't a criticism; any party platform would be.) The Cato Institute, which has roughly the same relationship to the libertarian movement as the Heritage Foundation once had to mainstream conservatism, features on its website a statement of the "<u>Key Concepts of</u> <u>Libertarianism</u>." Written by David Boaz, an officer of Cato and an important libertarian theorist, it includes the following claims:

Libertarians see the individual as the basic unit of social analysis. Only individuals make choices and are responsible for their actions. Libertarian thought emphasizes the dignity of each individual, which entails both rights and responsibility... Because individuals are moral agents, they have a right to be secure in their life, liberty, and property. These rights are... inherent in the nature of human beings.... [I]ndividuals are free to pursue their own lives so long as they respect the equal rights of others... To protect rights, individuals form governments. But government is a dangerous institution... Limited government is the basic *political* implication of libertarianism... To survive and to flourish, individuals need to engage in economic activity. The right to property entails the right to exchange property by mutual agreement. Free markets are the economic system of free individuals, and they are necessary to create wealth. Libertarians believe that people will be both freer and more prosperous if government intervention in people's economic choices is minimized...

If it is nothing else, the libertarian vision is (to say the least) sweeping. The above remarks move quickly from individual persons to government to market economics. A whole society unfolds in front of us in very short order. The engine of this movement — its impetus and rationale — appears to be the notion of freedom. That individual persons are "the basic unit of social analysis" seems to follow — in the libertarian mind, at least — from the fact that "[o]nly individuals make choices and are responsible for their actions." Our ability to choose is the wellspring of our dignity and the source of our rights. Nor does it seem unfair to say that rights, for libertarians, aren't just rooted in our capacity for choice but are meant to give it maximum expression: their ultimate function is to extend this capacity over as much of life as possible. (As the Libertarian Party platform puts it: "[I]ndividuals have the right to exercise *sole dominion* (italics mine) over their own lives".) This exclusive — or nearly exclusive — emphasis on personal freedom as the cornerstone of moral personality is, to my mind, the most striking aspect of libertarian thought.

It also provides an obvious connection with liberalism. Liberals, after all, also value freedom and in general want us to have more of it rather than less. In fact, it's not uncommon for libertarians to refer to their position as "classical liberalism" — the liberalism of John Locke and Adam Smith and of the two Thomases, Paine and Jefferson; a liberalism of pure principle, uncorrupted by the statist errors of modern (that is, post-Progressive Era) liberalism. This sense of themselves as defenders of an embattled faith, preserving its texts and truths against a heretical age, imparts an almost hermetic quality to the work of many libertarian writers. Reading them, I sometimes come away with the impression that the authors regard themselves as polemical versions of the grizzled knight who guards the Holy Grail in "Indiana Jones and the Last Crusade."

I think it's fair to say that liberals might often applaud the deep concern our libertarian friends have for personal freedom. We part company with them, however, over their insistence that government can only *threaten* freedom. (Government "is a dangerous institution.") It seems to many of us that some activities of the state — from civil rights laws to public schools to the Affordable Care Act — actually enhance freedom. The libertarian refusal to admit this strikes us as dogmatic and extreme, a bad case of monomania topped off with some serious myopia.

Because both traditions make freedom a central value, anyone looking for arguments against libertarian ideas might seek them in certain attacks on liberalism. An obvious source of these is the "communitarian" tradition. This school of anti-liberal thought gained fresh impetus in the 1980s from Michael Sandel's "Liberalism and the Limits of Justice" and Alasdair MacIntyre's "<u>After Virtue</u>." These books argued that liberal individualism was blind to the significance of everything in human life that could not be represented as an object of choice — from our birth families and national origins (Sandel) to the moral traditions that shape and inform our ethical lives (MacIntyre). Sandel, after indicting the liberal self as "thoroughly independent" of its own values, goes on to argue that:

[W]e cannot regard ourselves as independent in this way without great cost to those loyalties and convictions whose moral force... is inseparable... [from] the particular persons we are— members of this family or community or nation or people, bearers of this history, sons and daughters of that revolution, citizens of this republic.

The only remedy, he claims, is to reject the liberal self in favor of an older, earlier view that embeds each of us in the concrete realities of social and political life. Even liberals might be tempted to employ some of these arguments against libertarians, especially those on the socialdemocratic end of the liberal spectrum.

This temptation should be resisted. Not because the communitarians weren't on to something — they certainly were, as we will see — but because their arguments, as presented by Sandel and MacIntyre, suffer from a fatal flaw. Both men want to transform the moral judgments we make; they want us to stop thinking of our good in purely personal terms and start thinking of it as something we share with others. But their principal means of doing so is to attack the liberal view (as they see it) that persons can distance themselves from social norms and make independent choices about what is right and wrong, good and bad. In the jargon of ethical theory, they attack liberal ideas about *agency* in order to impugn the *normative judgments* liberal agents make.

But this strategy works only if the two things have been linked in the necessary way. We need an argument that when persons accept the moral vocabulary of their community, they will necessarily value social goods more than purely personal ones. Neither Sandel nor MacIntyre provides such an argument, however. If I find myself in a community of hedonists, for example, the Sandel-MacIntyre view implies only that I should share their interest in personal pleasure. This goal will be "social" in the attenuated sense that it is shared with others, but non-social — that is, individualistic — in its content. We can sharpen this point a bit further. From the fact that I acquiesce in the ends of my community (or family, or tradition, or church, etc.) all that follows is that I have not *chosen* my ends. The substance of these ends, and in particular whether they are self-regarding or other-regarding, remains completely up for grabs. Sandel and MacIntyre write as though any change in our beliefs about agency would automatically produce changes in our beliefs about right and wrong. But they give us no reason to believe this. Ultimately, their version of communitarian thought seems unclear about exactly what it's opposed to. Is it the nature of what people are choosing, or the idea that they're *choosing* it?

We have stumbled across an essential point in evaluating the political tradition we call "liberalism." The liberal theory of agency, which emphasizes the moral authority of individual persons — call it "autonomy" — is conceptually distinct from ideas about the ends such agents will (and should) pursue. (This point is related to, but importantly different from, the libertarian retort canvassed earlier.) Still, two concepts can be logically independent of each other but connected in other ways. Communitarians have tried and failed to link our agency and our judgments for anti-liberal purposes. But is there a way for liberals to link them in a critique of *libertarian* ideas — a critique that would endorse the value of autonomy but seek a pathway from it to substantively social ends?

I believe there is, and that the distinguished Canadian philosopher <u>Charles Taylor</u> has shown us how to find it. As already noted, David Boaz's remarks above seem to connect the claims "the individual [is] the basic unit of social analysis" and "[o]nly individuals make choices and are responsible for their actions." Specifically, he appears to think the first follows from the second. But this will be the case only if individual persons do not require any external resources in order to "make choices." If they do, it would seem reasonable to include these resources in any inventory of the basic units of "social analysis."

And of course persons do require such resources. In his essay "Atomism," Taylor points out that we "only develop [our] characteristically human capacities in society" — including our capacity for choice. "Living in a society," Taylor goes on, "is a necessary condition of the development of rationality … or of becoming a moral agent in the full sense of the term … or of becoming a fully responsible, autonomous being." Given this, those who value personal autonomy must also affirm the value of its social sources: "[I]f we assert the right to one's own independent moral convictions, we cannot… claim that we are not under any obligation 'by nature' to belong to and sustain a society of the relevant type":

"[T]he free individual or autonomous moral agent can only achieve and maintain his identity in a certain type of culture... But these... do not come into existence spontaneously each successive instant. They are carried on in institutions and associations which require stability and continuity and frequently also support from the community as a whole... The crucial point here is this:

since the free individual can only maintain his identity within a society/culture of a certain kind, he has to be concerned about the shape of this society/culture as a whole. He cannot... be concerned purely with his individual choices and the associations formed from such choices".

Taylor shows us how to link the liberal concept of agency — the ideal of personal autonomy — with normative conclusions about what people should value. The connective tissue is the pattern of external resources on which our capacity for choice depends: the institutions, practices, and associations within which we develop and cultivate this capacity. For Taylor, it makes no sense to affirm the value of autonomy while denigrating (or simply ignoring) the social goods without which autonomy is impossible. Like communitarians, he thinks we should affirm these goods and not just our purely personal ends. Unlike them, he does not regard this as grounds for a wholesale rejection of liberal autonomy. Quite the contrary — he argues for a social element in ethical life precisely because he values autonomy and wants to sustain the cultural conditions upon which it rests.

In its practical effects, Taylor's position describes something very similar to the social democracies of Europe and the progressive liberalism of the United States — regimes that uphold individual rights but require citizens to support certain public goods through taxation, regulatory observance, etc. The obvious inference is that we should see progressive liberalism as a kind of middle ground between communitarianism on the one hand and libertarianism on the other. It acknowledges the social dimensions of ethical life but accepts personal autonomy as a genuine ideal.

Its principal theoretical effect is to suggest that libertarianism cannot provide a coherent account of our capacity for choice. It presents freedom as its central concern, conceptually and normatively, but is indifferent to the conditions that nurture and sustain it. Actually, this is too weak. It is not just indifferent to these conditions: It is actively hostile to them. It cannot accept a constructive role for the social and the public; it conceives of them only as obstructions. For this very reason, a libertarian regime would be a very unreliable source of autonomous agents. Libertarianism, in other words, can neither account for nor sustain its own core value. That is reason enough for thoughtful persons to reject it.

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There is an answer to this line of thought. Some libertarians modify the individualism of earlier writers; they accept that autonomy, like most distinctively human capabilities, requires a social context if it is to develop fully (or at all). But, they will continue, this does not show that *government* has to be part of that context — particularly the bloated, distended government so beloved by liberals. Other forms of association can serve this purpose just as well, if not better — the family, neighborhoods, clubs and guilds, work-related affiliations, churches. And all of these, with the partial exception of the family, have the advantage of being purely voluntary. They can nurture and cultivate our capacity for choice without the coercion inherent in governmental action. This emphasis on voluntary associations ("civil society") as an essential middle ground between individual persons on the one hand and government on the other is one of the few genuine points of contact between libertarianism, which is often (mis)described in

America as a "conservative" doctrine, and the authentic conservatism of Burke, Oakeshott, and Kirk.

But civil society is important to liberal thought too. It has no interest in denying the value of voluntary affiliations. What it finds odd is the libertarian notion that these can never give rise to questions of coercion, or — to put this point a bit differently — questions of *power*. Let's pursue this issue in the context of the mother of all voluntary associations, the market. (Or "the free market" as libertarians would doubtless style it.)

Economic power occasions few qualms in libertarian circles. They sound alarms about "big government" and the growth of federal ambitions, but seem untroubled by big business and the growth of multinational corporations. On its face this is puzzling. Power, after all, is power, and offhand there seems no reason why my freedom isn't just as threatened by the enormous material resources of Exxon as it is by the depredations of the NSA or the ATF.

David Boaz helps us resolve this puzzle. In the passage quoted above, he notes a right "to exchange property by mutual agreement" and connects this with "free markets," which are, he writes, "the economic system of free individuals." Later in the same piece he goes on to say that:

Libertarians believe that there is a natural harmony of interests among peaceful, productive people in a just society... and there are no necessary conflicts between farmers and merchants, manufacturers and importers. Only when government begins to hand out rewards on the basis of political pressure do we find ourselves involved in group conflict

This astonishing statement — in a world of finite resources, how could government ever be the only source of "group conflict"? — provides a critical insight into the libertarian mind. As it sees things, economic life is inherently a matter of freedom — of "peaceful, productive" persons exercising their right "to exchange property by mutual agreement" — while political life is inherently coercive, a world of "pressure" and "conflict" in which government seeks to reward some groups at the expense of others. Economics is about asserting our rights; politics is about violating our rights. Libertarians are not bothered by (much less suspicious of) economic power — even in its most concentrated forms — because they think of it as, at bottom, an expression of freedom. Like any form of voluntary association, the market simply reflects the autonomous choices of its various participants.

Robert Nozick, the Harvard philosopher whose 1974 book "<u>Anarchy, State, and Utopia</u>" spurred much of the contemporary academic debate over libertarianism, distinguished between "justice in acquisition" and "justice in transfer." The former concerns how property is originally gained, the latter how it's passed from one party to another. (This is somewhat oversimple; Nozick also discusses two other forms of justice — "justice in rectification" and "justice in holdings" — but we can ignore them for our present purposes without serious distortion of his argument.) What does it mean for an acquisition or a transfer to be just? For Nozick, it means simply that no one's rights have been violated — that no one has been coerced, or stolen from, or defrauded. Economic distributions that satisfy these conditions are necessarily just, and just distributions cannot give rise to legitimate complaints. Any attempt to rearrange these

distributions — to alter the outcome produced by the "mutual agreement" of "free individuals" — is necessarily coercive and therefore unjust.

One obvious reply here is that Nozick's list of rights is short a page or two. Yes, people have rights not to be coerced or defrauded. They have a right not to be victims of theft. But is this all? In addition to these negative rights, mightn't they also have some positive rights — say, to a certain minimum amount of the necessities of life? Can we really say that a society in which people sleep under bridges and routinely go hungry doesn't raise any questions of *justice* – even if we can't relate these outcomes to any involuntary exchanges or non-mutual "agreements"?

The idea that we cannot is simply outlandish. But right now I want to explore a different question. Specifically, how do these visions of market utopia look if we accept the argument made earlier about the social bases of autonomy?

For purposes of argument, let's accept Nozick's restrictive conception of our rights. Let's stipulate that markets, left to their own devices, will observe and enforce these. (Let's also stipulate that government, in this world, performs no function a full-fledged libertarian couldn't endorse.) Now suppose these markets produce, over time, a significantly unequal distribution of basic necessities — wealth, income, healthcare, education, etc. (That is, suppose they operate like the markets we're actually familiar with.) No one's Nozickian "rights" have been violated, but some people — large numbers of them, probably — have little (if any) access to the cultural resources that would nurture and sustain their capacity for choice. They never develop habits of reflection and self-criticism, or the ability to shape and carry out long-term plans, or the fund of empirical knowledge needed to escape the cruder forms of credulity and naiveté. If they do acquire these abilities to some degree, they may be too hard-pressed by poverty or illness to exercise them very effectively. Now make one other supposition: that we, observing all this, are libertarians whose highest value is personal autonomy. How should we judge the moral quality of our society? Personally, I don't see how we can avoid describing it as a horrible failure — or, at the least, as grotesquely compromised. How could we not?

Libertarians will likely regard this as a sentimental non sequitur. A society can only "fail" in morally important ways if it doesn't do the things it's supposed to do, or does them badly. But the society in our example hasn't done that. No one's rights were violated, by our own admission; as far as we can tell, the society did exactly what it's supposed to do: It respected the personal freedom of its members. It may be regrettable that some people ended up disadvantaged, and we may hope that charitable action will ameliorate this; but we cannot say that anyone is without anything they have a right to. Justice in acquisition and in transfer has been preserved. No one has been *coerced*.

Given the restrictive contours of our thought experiment, I would agree that no one has been "coerced" in the literal sense. But now consider the situation we're in. As libertarians, we cherish personal autonomy above all other things — but we've just presided over a society in which large numbers of people are without the means to develop and exercise their autonomy. And the best we can do is to offer our "regrets" and gesture vaguely at charity? If we really value autonomy as much as we say we do, shouldn't we be able to muster a more full-throated response?

The culprit here is the libertarian fixation on coercion. More specifically, it's their assumption that coercion — the overt use of force (or threats of force) to compel my behavior — is the only morally problematic way in which my freedom can be curtailed. We can all agree that coercion is a bad thing — even a paradigmatically bad thing — while also believing that freedom can be importantly abridged in other ways. In particular, we might believe that imbalances in the allocation of resources amount to imbalances of power, and that these can constrain my freedom when they reach a certain intensity – *especially when they concern resources directly relevant to my autonomy*.

The libertarian refusal to grapple with relations of power outside overt coercion has many consequences. The most important of these, for our purposes, is their inability to appreciate how genuinely voluntary associations produce outcomes incompatible with my autonomy. In the case of the market, we all know that voluntary decisions, aggregated over time and distilled into structural forces, have resulted in a society where large numbers of people have significantly fewer resources — that is, *power* – than others. We also know that these inequalities are pervasive, and invade even their capacity for choice — the very thing we place at the center of moral life. But what can it mean to trumpet the inviolability of personal autonomy if we are prepared to affirm a society with these kinds of constraints and inequalities?

This question surely gives rise to an evaluation of the market far removed from the blithe affirmation of most libertarians. Their inability to see power at work in the transactions of "free individuals," to detect it in the structural inequalities that accrete around these transactions, to imagine how such inequalities blight and constrain the lives – *and the autonomy* – of those who suffer them: These are profound failures on the part of libertarian thinkers. Because of them, they adopt a churlish view of government and a reverent attitude toward the market (and voluntary affiliations generally). Their minds are closed to the possibility that government action may be needed to rectify the imbalances of power voluntary associations can produce. Their utopia is, inevitably, a caste society.

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Given these flaws, it remains to ask why so many people embrace libertarian ideas so fervently. I think there are three principal reasons.

The first, and most obvious, is simply the enormous appeal of the concept of freedom. Because freedom is a great good thing, it's natural (for a certain kind of mind, anyway) to think the loudest voice proclaiming it must also be the most reliable, the best. And no one proclaims it more loudly than libertarians.

Shrillness is not the same thing as sense, however. You don't have to be a Hegelian to recognize in the libertarian rhetoric of freedom one of humankind's oldest fantasies — the dream of an unconditioned life, one without restraints, in which everything can be represented as an object of our will. Nor do you have to be a communitarian to find this relentless — not to say, *obsessive* – focus on freedom a bit, well, unbalanced. It's one thing to say that autonomy is an essential part of any dignified human life; it's quite another to say that autonomy alone guarantees our dignity. Freedom matters a lot, but other things matter too. These are important points, but my guess is that most liberals aren't anxious to press them. After all, we value autonomy too. What we want is a deeper, more realistic account of its sources and of the conditions that enhance or thwart it. We know it has limits, but we think our attention is better directed to the artificial limits imposed by human ignorance and malfeasance. When these are remedied there will be lots of time to worry about the limits derived from human finitude.

The second and third reasons have a more recent origin; they point us toward ideological structures specific to the modern age. Libertarian market-worship, for example, is simply a heightened expression of one of the defining features of modernity.

When something recognizable as modern liberalism arose in the 18th century, a common response from defenders of the *ancien regime* was that it must be resisted because it threatened the social order. The dissolution of traditional forms of authority and their replacement by liberal institutions would lead only to anarchy and confusion. To European reactionaries and conservatives, "liberty" was synonymous with "chaos."

To counter this rhetoric, liberals had to show that freedom and order were compatible. The solution they hit upon was ingenious: to demonstrate their compatibility, liberals would show that free action *creates* its own forms of order. When human beings freely cooperate with one another, liberals argued, they engender patterns of behavior more rational and efficient than those imposed by the state. The heavy hand of authoritarian institutions isn't just morally problematic, then; it's unnecessary and counterproductive.

The idea of the market as a self-regulating mechanism of uncoerced cooperative activity is the most familiar example of this solution, but there are others. (David Boaz refers to them as "spontaneous forms of order.") Modern constitutionalism, its American variant especially, was much taken with the notion of a "<u>machine that would go of itself</u>" — of political structures so finely calibrated they would bring even the most contentious political forces into a benign balance. We might also note here the modern idea of voting as a way of surmising and ordering public preferences. Voting shares many features with the concept of a market; in both cases, an array of options is placed before a collection of persons with various interests and concerns. Their choices among these, made completely independently, are believed to generate an ordering of public preferences when aggregated. (Economists refer to these as "preference structures.") This ordering, in turn, provides important information to rational actors in both the economic and political "markets."

Modern liberalism, and modern civilization generally, have made an enormous investment in this concept of freely created, self-ordering structures. They are essential pieces in the ideological toolkit of modernity, and fundamental to our confidence that liberty and efficiency can be combined. (They are especially important to libertarians because they represent the possibility of a world in which voluntary cooperation is maximal and the need for political remedies — that is, coercion — is therefore minimal. A world of contracts, not politics.) The problem, of course, is that history has shown us they cannot be combined if we insist on a strict interpretation of the "self" in "self-ordering." The market, left to its own devices, is liable to booms and busts, recessions and depressions, bubbles and "irrational exuberance." Our Constitution, with its elaborate checks and balances and its electoral separation of executive and legislature, resembles

anything but an efficient engine of political progress. And the work of Nobel Prize-winning economist <u>Kenneth Arrow</u> has exposed the problems inherent in believing that voting always provides clear rules of social choice.

We do not respond to these difficulties by abandoning markets, of course — or the Constitution, or voting. We respond by rethinking them. We use our historical experience, and our practical judgment, to try to change them for the better. In the case of the market, for instance, we realize that a prudent regulatory regime, imposed by the state, can help it avoid its own worst excesses. We regard this departure from liberal theory as a necessary (and salutary) concession to an empirically alert realism. The libertarian refusal to accept the necessity of this departure, and cling instead to theoretically pure but historically discredited concepts, is one index of the powerful hold these notions have on our culture.

But their grip is so tenacious because ultimately it goes deeper than freedom, deeper, even, than the civilizational commitments of liberal society. Below the libertarian insistence that markets get everything right, that non-market — that is, political — mechanisms are unnecessary at best and destructive at worst, we reach the final dogma of libertarian faith, one that belies its suave attempt to give sociality its due: the belief that each person, considered in isolation, contains all the elements of a fully functional moral agent. Libertarians do not believe that we require others to enter into ethical life, not really. As David Boaz says above, being able to "make choices and to be responsible for [our] actions" is "inherent in the nature of human beings." That we live out our lives in society is, at best, a contingent fact about us; it does not touch the essence of our humanity or our agency.

The profound unrealism of the libertarian view of human life has its deepest, truest roots in this reductive individualism. It was, to be sure, an important part of early liberalism, where it provided support for the tradition's insistence on human equality; we may conjecture that it reflects the Protestant sources of one strain of liberal thought. It burrowed energetically into American soil, where a continental frontier made for thin populations and an emphasis on self-sufficiency. The state was weak; society was weak. But America changed. The Industrial Revolution unleashed technologies — the railroad, the telegraph, etc. — that began to knit together the country's disparate spaces, and urbanism boomed along with the economy. The modern corporation arose, transforming the scale on which most Americans experienced economic life; society and the state grew in density and complexity.

As the nation moved into the late 19th and early 20th century, some liberals responded to these developments by giving up the rigid individualism of their creed. They looked at the facts of their evolving society and decided to evolve along with it. In other words, they changed their minds— especially about the role of social conditions in shaping the lives of their fellow citizens. Rejecting the laissez faire orthodoxy of their tradition, they began to insist that these conditions were a proper, even a necessary, concern for politics. Markets alone weren't enough.

The split this produced in the liberal tradition is still with us today. Irving Kristol famously defined a neoconservative as "a liberal who has been mugged by reality." If the argument given here is correct, we might describe a liberal as a libertarian who has been mugged by history. Libertarians, on this view, are liberals who cannot, or will not, accept the changes in American

life that have occurred since the Civil War. In the face of all available evidence to the contrary, they continue to insist that an 18th century state is the only proper response to our 21st century economy and society.

If we think of libertarianism as a series of stringent reminders about the importance of freedom, we can rescue it from irrelevance. But if we think of it as an attempt to provide a coherent, plausible narrative about morality and politics *as human beings have actually experienced them*, we must describe it as an abject failure. This estrangement from history lends an air of unreality to libertarian arguments. The movement undoubtedly attracts large numbers of intelligent people, and many libertarian writers defend it with great subtlety and ability. Robert Nozick, to take just one example, was clearly among the most brilliant members of his generation. But a persistent refusal to engage with the facts of history ultimately subverts the seriousness of any thinker. When all is said and done, it's hard to avoid the suspicion that Atlas isn't shrugging — he's smirking.