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Fukuyama Was Correct: Liberalism Is the Telos of History

Deirdre Nansen McCloskey¹

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In 1989, as Eastern European communism was collapsing, the political scientist Francis Fukuyama penned a lucid defense of liberalism that inspired the true liberals and outraged the true statist worldwide. He declared that we were witnessing "not just . . . the passing of a particular period of post-war history, but the end of history as such: that is, the end point of mankind's ideological evolution and the universalization of Western liberal democracy as the final form of human government."²

Fukuyama and I use the L-word, of course, not to mean U.S. "liberalism," the distressingly anti-liberal, lawyer-driven politics of increasing governmental control, planning, regulation, and physical coercion. Nor do we use it in the Latin American sense, a "liberalism" recommending armies and murder gangs to suppress the population. Instead we use its meaning in the rest of

¹ Some of what appears here is contained in McCloskey 2019. Correspondence to deirdre2@uic.edu

² Fukuyama 1989, p. 1; and then Fukuyama 1002.

the world – economist-driven, “the liberal plan,” wrote old Adam Smith in 1776, “of [social] equality, [economic] liberty and [legal] justice,” with a modest, restrained government giving real help to the poor.³ It’s true modern liberalism.

Three decades on, Fukuyama remains correct about the prospects for liberalism – despite the recent noise, and violence, from populists of the left and the right, and the supposition on many sides that noise and violence are evidence of the long-term success of anti-liberal ideology. It doesn’t seem to occur to people that if anti-liberal régimes have to resort to riot police and poisoning and concentration camps the régimes might not have such a brilliant future.

He and I and a handful of other voices, such as George Will and David Brooks, are arguing for the continuing strength and desirability of a liberalism conceived in the 18th century (so original and up to date are we), an idea slowly implemented after 1776, with many hesitations and false turns. I myself began to realize a decade-and-a-half ago that a liberal “rhetoric” explains many of the good features of the modern world compared with earlier and illiberal régimes – the economic success of the modern world, its splendid arts and sciences, its kindness, its toleration, its inclusiveness, its cosmopolitanism, and especially its massive liberation of more and more people from violent hierarchies ancient and modern. Progressives and conservatives and populists retort that liberalism and its rhetoric also explain numerous alleged evils, such as the reduction of everything to money and markets or the loss of community and God or the

³ Smith 1776 (1976), IV.ix.3, p. 664.

calamity of immigration by non-whites and non-Christians.⁴ But they are mistaken.

From the Philippines to the Russian Federation, from Hungary to the United States, liberalism has been assaulted recently by brutal, scare-mongering populists. A worry. Yet for a century and a half the relevance of 18th-century liberalism to the good society has been denied in a longer, steadier challenge, by gentle or not-so-gentle progressives and conservatives. Time to speak up.

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The humane liberalism of Smith and Mill has for two centuries worked on the whole astonishingly well, though always contested by authoritarians of left and right (both of them inspired by the ur-anti-liberal Hegel).⁵

For one thing, liberalism yielded increasingly free people, an outcome which we moderns hold to be a great good in itself. We hold it most passionately if we are humane true liberals. Our friends the slow socialists, such as Amartya Sen and Martha Nussbaum, are liable to rush on to “development as freedom.” They use the word as it increasingly has been used over that century and a half not to mean freedom from physical coercion by other humans but “freedom” in the sense of wealth – a relaxing of restraint on your ability to acquire what you want.⁶ Thus the third of Roosevelt’s four freedoms, “freedom” from want. But we already have a word for wealth (namely, “wealth”). One

⁴ Sandel 2012, but McCloskey 2012a; and Deneen 2018, but McCloskey 2018a.

⁵ Tucker DDDD.

⁶ Sen 1999; Nussbaum and Sen 1993.

muddles the issue by cramming all desirable outcomes into “freedom.” One might as well include in the word “rain falling when we need it” or “the Chicago Cubs winning the World Series.” On the contrary we need a precise word for the opposite of tyranny, because we agree (at any rate liberals and the left agree; the right has another opinion) that tyranny is an ancient, persistent, and terrible problem, in itself – and indeed in its consequences for wealth, and it may be for the World Series.

Under liberalism since 1776 in succession the slaves, lower-class voters, non-Conformists, women, Catholics, Jews, Irish, national minorities, religious minorities, trade unionists, African-Americans, immigrants, socialists, anarchists, pacifists, colonized people, first nations, women, linguistic minorities, gays, people with disabilities, transgendered, and above all the poor from whom all of us descend have been increasingly permitted a liberal freedom. It is the permission, free of human physical coercion, to pursue your projects, consistent with not using your own or the state’s physical coercion to forbid other people’s projects. As someone put it, in the 18th century kings had rights and women had none. Now it’s the other way around.

An ancient justice-as-unequal-hierarchy was replaced gradually by a shockingly new 18th-century notion of justice-as-equal-standing. Robert Burns sang in 1795, “A man’s a man, for a’ that.” The replacement reached philosophical maturity a couple of centuries later with two books by philosophers at Harvard. John Rawls declared in *A Theory of Justice* in 1971 that justice was fairness, that is, equality of outcome, such as a pizza coercively divided by the state equally among strangers. Robert Nozick

counter-declared in 1974 in *Anarchy, State, and Utopia* that justice was equality of permission, such as permitting friends, without coercive supervision by the state, to divide the pizza as they saw fit and then to trade a share or two for an extra beer – and permitting wandering strangers to offer to buy in, too. Both men were liberals, descended from 18th-century traditions against the old hierarchy. But Rawls descended from the French and statist tradition of Rousseau and Helvétius, leading at the worst to the Finland Station and Lenin’s Russia. Nozick descended from the Scottish and voluntarist tradition of Hume and Smith, leading at the best to the Midwest farm and Willa Cather’s Nebraska.

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Of course the simplest case for liberalism is the very vulgar one of enrichment of the poor.

Quite surprisingly, an unanticipated if very welcome consequence, the liberalism of the 18th century and especially the 19th century – by inspiring for the first time a great mass of ordinary people to have a go – produced a massive explosion of economic betterments for those same ordinary people.⁷ It was not so much a government as an economy of the people, by the people, and for the people. Moderns and especially liberals rate the Great Enrichment high, against the servicing of kings and gods, elevating the Nation or sustaining the Revolution. Under liberalism it turned out that the common people contained a multitude of gifts for us all, from mechanical harvesters to the modern novel.

⁷ The evidence for such an assertion is given in McCloskey 2010 and especially 2016.

How massive? How great? What multitudes? There is debate about its causes, but no economic historian disputes that the improvement was in real terms an unprecedented factor of increase in real income per person anywhere from 10 to 100, or as an average in the now-rich countries about 30, or about 3,000 percent per person over the miserable base in 1800. It was a stunning Great Enrichment, material and cultural, well beyond the classic Industrial Revolution of 1760–1860, which merely doubled income per person. Such doublings had been rare in history but not unheard of, as for example in the surge of northern Italian industrialization in the Quattrocento.⁸ In every earlier case, however, the industrial revolutions had eventually reverted to a real income per person in present prices of about \$2 or \$3 a day, the human condition since the caves. Now not. Now the average person, and among them the formerly wretched of the earth, consumes over \$80 or \$130 a day in the rich countries, and \$30 a day worldwide, doubling every generation or so. Huzzah.

The enriching case for liberalism always has been belittled on the right, as by Thomas Carlyle, and denied on the left, as by Karl Marx. An embarrassing modern instance of denial came from Jacques Derrida (whom, if you care, I admire in many ways). In attacking Fukuyama's essay and book he cried out:

at a time when some have the audacity to neo-evangelize in the name of the ideal of a liberal democracy that has finally realized itself as the ideal of human history: never have violence, inequality, exclusion, famine, and thus economic oppression affected as many human beings in

⁸ Goldstone 2002, abstract.

the history of the earth and of humanity. . . . no degree of progress allows one to ignore that never before, in absolute figures, have so many men, women and children been subjugated, starved or exterminated on the earth.⁹

In assessing the fruits of liberalism, Derrida is being strange indeed to focus on the absolute number still oppressed – considering that the Great Enrichment through liberalism is what enabled the rise of population from one billion to over seven billion, meanwhile enriching them per person by a factor of ten or thirty or one hundred, and meanwhile directly liberating billions of humans from physical coercion by others, the core promise of a liberal ideology.

Yes, one can and should note that more is to be done, especially in taking from the backs of the still-oppressed worldwide the extractions and prohibitions of tyrannical states. Consider North Korea or Saudi Arabia, Trump's immigration policies or Chicago's police. There is still a grave problem of the subordination of women – though it would be strange indeed to deny that there has been significant liberal progress. And after two centuries of a uniquely liberal history of bringing people out of poverty, there are poor people still to be enriched. But people still die in hospitals, though fewer and fewer. The deaths are not arguments for throwing away modern medicine, and handing treatment over to witch doctors. The evidence is strong that what Derrida vaunts as “the great emancipatory discourse” of socialism, the top-down witchcraft of statist politics, has repeatedly blocked solutions. It is not “capitalism” that keeps

⁹ Derrida 1994.

Blacks in South Africa huddled in huts in northern KwaZulu Natal, but the regulatory state and the Congress of South African Trade Unions crippling the enterprise that would employ them. The liberation of women that has taken place has come from, not in spite of, liberal markets.¹⁰ As to famine, the last nationwide one and among the largest absolutely in world history (speaking of absolute numbers still oppressed) came directly in China from the emancipatory discourse of communism. Worldwide late in the age of liberalism, famine has essentially ended, except in civil wars over state power, and in workers' paradises such as North Korea and Venezuela in which the civil war has been settled in favor of the Party.¹¹

The real emancipatory discourse since the 18th century has been liberalism, from Latin *liber*, long understood by the slave-holding ancients as “possessing the social and legal status of a free man (as opp. to slave),” and then *libertas* as “the civil status of a free man, freedom.” It is the theory of a society consisting entirely, if ideally, of free people. In its economic version it raised a tyrannical China and a democratic India out of \$1-a-day misery sponsored by Mao’s socialism of the Great Leap Forward and the Nehru-Gandhi Congress-Party socialism of the License Raj.

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And the Great Enrichment has been massively equalizing. It is a myth, though a hardy one, that “capitalism” especially entails the pursuit of riches at the expense of equality. Max Weber railed against the notion: “the impulse to acquisition,

¹⁰ McCloskey 2000.

¹¹ Ó Gráda 2009.

pursuit of gain, of money, of the greatest possible amount of money, has in itself nothing to do with innovation. This [greedy] impulse exists and has existed among waiters, physicians, coachmen, artists, prostitutes, dishonest officials, soldiers, nobles, crusaders, gamblers, and beggars.”¹² The hardness of the myth probably comes from the man-in-the-street’s theory that wages and prices are determined by power, not by demand and productivity in meeting it, and from his peasant suspicion anyway of all exchange. “The wretch cheated me,” he mutters, though accepting the exchange.

The truly unequal societies have been those in which land and the sword ruled, or in recent times those in which a violent gang has seized state power, such as the Russian Federation under Putin, for example, or Malaysia under Najib Razak. A market system, when allowed to operate without politically arranged “protection,” is in fact egalitarian. Entry erodes the profits from innovation, for the benefit of the poorest, who get running water and electric lights.

Every betterment – from bicycles, automobiles, and telephones to air travel, air conditioning, and smart phones – has aroused fears of the equivalent of a “digital gap.” Yet because of entry at the smell of profit, the gap in roughly liberal economies has never persisted. In the third act the poor get Model Ts and smartphones, cheaply – every time, to the extent of the 3,000 percent increase in real income per person.

12 Weber 1904–1905, p. 17.

The poorest since 1800 have been the substantive beneficiaries of commercially tested betterment – or, shall we say “innovism” (instead of the misleading “capitalism”). The rich got more diamond bracelets. All right. Meanwhile the poor got for the first time enough to eat.

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As Fukuyama argued, there is really no alternative to liberalism. If the sad experiments of the 20th century are to be credited, there seems to be no magic alternative of top-down nationalism or socialism or national socialism that pays off better in human flourishing than 3,000 percent and liberation since 1800. The liberal David Boaz noted that “in a sense, there have always been but two political philosophies: liberty and power.”¹³ As O’Brien put it in 1984, “But always – do not forget this, Winston – always there will be the intoxication of power, constantly increasing and constantly growing subtler. . . . If you want a picture of the future, imagine a boot stamping on a human face – forever.”¹⁴

Xi Jinping’s China is an example of the boot – and yet an economic success. So is there an illiberal “Chinese model” that keeps the boot in place but enriches the populace stamped under it? No. It is the liberal *parts* of the Chinese economy that have raised income per person by a factor of 20 or 30 since the Maoist miseries of the early 1970s. What made China better off was not glorious infrastructure ordered up by an illiberal Party, such as the uneconomical Belt and Road Initiative, and certainly not the

¹³ Boaz 2015, p. 1.

¹⁴ Orwell 1949, Book 3, Chp. 2.

mostly wretchedly managed state enterprises (which Xi is now encouraging to buy up private firms). What made modern China was its massive experiment in commercially tested betterment in private hands. India, too, now growing faster than China.

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Yet all this depends on ethical convictions learned at our mothers' knees, or at the movies. The economist Nimish Adhia has shown that the leading Bollywood films changed their heroes from the 1950s to the 1980s from bureaucrats to businesspeople, and their villains from factory owners to policemen, in parallel with a similar shift in the percentage of praise for commercially tested betterment and supply in the editorial pages of *The Times of India*.¹⁵ And so the place commenced, after the allies of the economist Manmohan Singh began in 1991 to guide economic policy, to multiply the production of goods and services at rates shockingly higher than in the days of five-year plans and corrupt regulation and socialist governments led by students of Harold Laski.¹⁶

It is not a matter of institutions, which did not change much in China or India, or in Holland and England three centuries earlier, but of the changing ethics underlying them. The institutional rules about crossing the street with the traffic light are doubtless the same in Berlin and Rome. But the ethic supporting actual behavior differs. The neo-institutionalism of the economic historian Douglass North or of the economist Daron

¹⁵ Adhia 2013.

¹⁶ From World Bank statistics at

<https://data.worldbank.org/indicator/NY.GDP.PCAP.KD.ZG?locations=IN>

Acemoglu or of the political scientist James Robinson is not the way forward to a liberal society – or for that matter backward to an explanation of history.¹⁷ It treats creative adults as a flock of little children, terrible twos to be pushed around with incentives. It looks down from a height of fatherly expertise in institutional design on mere free adults.

Little-children illiberalism is much admired nowadays left, right, and center. Adam Smith railed against infantilization by economic policy, stressing instead the raising of an adult with a conscience, the impartial spectator. Smith put forward, as Sandra Peart and David Levy have argued, a modest “analytical egalitarianism,” characteristic of 18th-century social thought in Scotland.¹⁸ Such egalitarianism is what Huck Finn gradually discovered on the raft about Jim, for whom he was willing then to suffer Hell’s fire.

What is required for *any* ideology, in other words, is the upbringing of a conscientious moral agent, a person virtuous in terms of Socialist Man or Fascist Cadre or Progressive Child or Liberal Adult. Among these, only liberal ideology works to improve ethics and to create free adults.

The oldest claim along such lines is that of Montesquieu and Smith, the claim of a *doux commerce* sweetening the otherwise sour manners of people raised outside of commerce. A little later Tocqueville observed and Thoreau enacted the character of a self-respecting free man in a liberal democracy. This, too, was growing up.

¹⁷ North 1990 and 2005; Acemoglu and Robinson 2006 and 2012.

¹⁸ Levy and Peart 2005.

The Great Enrichment itself proved scientifically that the infantilizing theories of both social Darwinism and economic Marxism were mistaken. The genetically inferior races and classes and ethnicities, contrary to Ernst Haeckel then and Donald Trump now, proved not to be so. They proved to be creative. The exploited proletariat, contrary to Marx then and Derrida now, was not immiserized. It was enriched. The main, and the one scientifically proven social discovery of the 19th century, is that ordinary men and women do not need to be directed from above. When honored and left alone as autonomous adults they become immensely creative. “I contain multitudes,” sang the liberal and democratic American poet Walt Whitman. And he, and we, did.

All this is by now obvious, if one attends to the evidence instead of going on and on asserting that the news from liberalism is fake.¹⁹ It is obvious, as it was obvious to Fukuyama in 1989, that liberating people from personal or state servitude encourages them to become self-respecting adults. Tocqueville and Mill, in the first generation of liberals who had to take seriously the expansion of majority voting, worried about the tyranny of the majority, what the ancients called mob rule. The envious and insatiable impulse to redistribution, enabled by majority voting (“Tax the 1 percent”) is surely corrupting, and like other corruptions needs to be preached against. But the masterful experts in illiberal regimes are also corrupt and corrupting, as public-choice economics avers.

¹⁹ Some of the evidence is gathered in McCloskey 2006.

The case for democracy in voting is not, as is so often ruminated on by democratic theorists, a dubious claim that democracy results in good decisions. It often does not. But so does the rule of experts and aristocrats. No, the good encouraged by democratic liberalism is its affirmation in the right to a vote that each person is owed respect – as a free adult, to venture out or to live quietly. Democratic liberalism makes grownups, and if operating in a restrained liberal state gives all of them permission to grow.

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A liberal ideology came from a startling ethical shift in parts of Europe and its offshoots in the early 19th century, leaving an ethic of a naturalized hierarchy of aristocrats and priests and adopting instead an ethic of a man's a man for a' that. Contrary to the theory prevalent on the left that liberals say what they say because they are hirelings of the Koch brothers (while the leftists are not hirelings of George Soros), liberal ideology was and is not a reflex of the relations of production, or a necessary outcome of some self-interested social contract, or speech bought for pay. As Antonio Gramsci argued, ideologies seldom are, the vulgar Marxists to the contrary. Ethical ideas underlie ideologies, independent to a considerable degree from formal institutions or incentives to self-interest or the relations of production. Ideas and ideologies matter on their own.

Yet the ethic of liberalism, as the Colloque Walter Lippmann lamented in looking back from 1938, began in the late 19th century to recede. Modern illiberalism took hold, and its varied theories devised in the 19th century bore fruit in the 20th.

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Why then does an infantilizing illiberalism persist?

And an identity as a leftist is acquired early and seems then to be hard to shed – although of course it is a notable fact of 20th-century biography that very many thoughtful people shed their youthful leftism, moving from socialism or regulation to conservatism or liberalism, and none the other way. Not one. Leszek Kołakowski, for example, was once in Poland an ardent young communist, as Robert Nozick was once a socialist. I myself am a case in point of the usual story of movement from socialism to liberalism.

It is a matter of how we grow up (as is always the case in ideology). The mechanism of acquiring a left-wing identity starts when a sensitive adolescent in a non-slave society first notices that some people are much poorer than her family. She is likely to conclude, not being at such an age and in such a class a worker herself, that the best remedy is to open worker-Daddy's wallet. It is not an efficacious plan, and depends on coercion, and regularly corrupts its recipients, or is stolen on the way to the poor. But it is why the left wings of the Democratic and Labour parties toy perennially with a bankrupt socialism. Consider at the Democratic primaries in 2019–2020.

The problem, in other words, is that we grow up in socialist communities called “families.” From each according to her ability and to each according to his need is lovely in a family or among friends. It does not work out in what Hayek called the great society of, say, 330 million souls.

My friend the economist Laurence Iannaccone, in a letter to me in 2018, put forward a persuasive set of points about why we persist in thinking redistribution is easy and desirable. Like me, he disagrees with “the assumption that wealth in equality derives from exploitation, and the notion that equal outcomes are ‘natural.’” The redistributive schemes of socialism, he argues, “all come more readily to those who’ve had less experience or exposure to the actual creation of wealth. . . . Manna [from heaven] is exactly how many of the left view wealth and income.” But if we are going to redistribute income, why not redistribute other things? It seems entailed. And yet “scarcely anyone supports redistribution of household production beyond the limits of the family, nor the redistribution of grade production beyond the limits of the individual student, or the redistribution of achievement or earnings in sports and entertainment.”

Iannaccone adds an historical explanation of why redistribution of at least income continues to seem desirable, namely, “how hard it’s become for almost anyone to see the link between their own work/inputs and their income/outputs. . . . The link was clear for 19th-century farmers and . . . for almost everyone before the 19th century. But the path from inputs to output became vastly more complex in even the simplest 19th-century factory.” And so we keep reverting to a faux-emancipatory discourse that treats specialization and betterment as easy. “The man of system,” said Smith, imagines he “can arrange the different members of a great society with as much

ease as the hand arranges the different pieces upon a chess-board.”²⁰

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It may be that a liberal ideology is in fact unnatural for humans. That is what the traditional conservatives claimed, until challenged by 18th-century liberals. And it is what the new conservatives and then the socialists have claimed since then. It was Karl Polanyi’s hypothesis in 1944 (still popular on the left despite evidence that his economic history is historical fiction), namely, that liberalism bred a (good) reaction towards his beloved socialism, a “double movement.”²¹

But, no, despite snorting indignation from right and left, liberalism *is* natural, and especially so in the 21st century towards which Fukuyama pointed. Liberalism now and especially in the near future should objectively be in the best of times.

For one thing, an egalitarianism of respect for individual autonomy comes naturally with our genes, selected over millions of years of wandering in small groups. The scientific consensus is that “a core characteristic of documented nomadic foragers is their political egalitarianism. Nomadic foragers have no hierarchical social stratification. . . . Leaders (if they exist) have little authority over group members; rotation of roles and functions occur regularly; people come and go as they please; and no person can command or subject group members to act

²⁰ Smith 1790 (1976), VI.ii.2.17, p. 234.

²¹ Polanyi 1944.

according to one's political aspirations."²² Contrast such a liberal picture with the massive hierarchical pushing around characteristic of traditional agriculture, and now of modern states.

For another, the trade and markets characteristic of a liberal economy date back tens of thousands of years. If the phrase "modern capitalism" is to mean "credit, saving, profit, accumulation, specialization, and trade," it is not in fact modern at all, but ancient. The earliest signs of long-distance trade are shells used for a necklace in the Blombos cave in South Africa, c. 70,000 BCE. Trade is human, not unnatural.²³ Historical and archaeological researchers over the past century have overturned the myths of the "English" market's recency created in the 19th century by anti-liberal Romantics of left and right. The German pioneers of scientific history got it all wrong: the primitive communism of Engels (though he and Marx were not far off for hunter-gatherers), the communal agriculture of Cheyanov, the Mesopotamian temple socialism (*Tempelwirtschaft*) asserted by Anna Schneider and Anton Deimel in the 1920s and 1930s, the un-"capitalist" reciprocity or redistribution, or house holding asserted by Polanyi in the 1940s and 1950s.²⁴

For still another, universal education and communication are especially suitable to a liberal world order. The modern liberal economist Donald Boudreaux writes that "many people believe that we human beings left undirected by a sovereign power are either inert blobs, capable of achieving nothing, or unintelligent

²² Shultziner and others DDDD, pp. 123-124.

²³ Wilson 2020 cite.

²⁴ See the Works Cited on each, about which McCloskey 2016, Chp. 57.

and brutal barbarians destined only to rob, rape, plunder, and kill each other until and unless a sovereign power restrains us and directs our energies onto more productive avenues.”²⁵ That’s why statist of the left or right think we need massive coercion, to compel the barbarians and blockheads to get organized. A century or two ago the picture had some plausibility, enough in the minds of its painters for example to justify slavery as helping the darkies to do something useful, or to hold Indonesians in Dutch apprenticeship for another century or two. When the Irish were illiterate and the Italians superstitious, a masterful state seemed to make sense. I don’t actually think so, but you can at least see why the masters would favor a picture of inert blobs or brutal barbarians. But the theories look a good deal less plausible in an age in which the Irish and the Irish Americans have among the highest educational attainments in the world, and the Italians, despite some strange voting recently, are far from barbaric and superstitious. If ever there was a time to let my people go, for them to have a go, it is now, when they are so obviously ready for liberal autonomy. Yesterday, one might put it, was the time for the aristocracy or the state. Now is the time for free people.

And was there any time, one might ask, in which language, painting, sport, cookery, science, music were better run by experts in Edo or Berlin or Washington than out among the people self-organizing? Like liberty unsupervised in the arts and sciences, or in music and journalism, modern liberty unsupervised in the economy worked wonders. The old hierarchies began to retreat, though often replaced by new government hierarchies of experts

²⁵ Boudreaux 2018.

and Party cadres. Mainly, the ordinary people, when freed ventured out, and showed their un-ordinariness. In the 1790s Haydn, absenting himself from his decades-long subordination in livery to the aristocratic house of Esterházy, took two long visits to London, selling music to the enlarging bourgeoisie there and becoming rich by providing his commercially tested betterments, his innovations. He liked it, and so did his paying audiences. The son of a wheelwright and a cook contained multitudes.

The abilities of ordinary people are routinely undervalued by conservatives and progressives, by right Tories and left Labourites. Our friends on both the right and on the left wish to use state power to judge people or to nudge them. If the judgers and nudgers are economists of an illiberal tendency, they believe that the ordinary economy of supply and demand and the ordinary psychology of common sense are overwhelmed by scores of appalling imperfections grievously obstructing the social good, which the economists can discern so much more accurately than the mere consumers and businesspeople. The conservatives and progressives, in other words, view ordinary people as barbarians or blockheads, as children unruly or ignorant, to be tightly governed. Liberals don't.

Above all liberalism calls for, and calls out, free adults. The regulatory state, not to speak of full-blown communism, may suit children and less probably peasants and proletarians, but not adult moderns. A loving mother wants her child to become an adult, yet our illiberal masters in their theories and policies favor infantilization or a boot stamping – forever. An infantilizing behaviorism, open to boot-stamping applications such as

electronic surveillance by Big Brother Xi, has ruled economics and many other fields of the human sciences since the 1930s. In opposing it for the human species, the etymologist E. O. Wilson, when asked about top-down, behaviorist idea for treating humans like ants, is said to have replied, “Great idea. Wrong species.”

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The Colloque in the ominous year for liberalism of 1938 asked, “What are the remedies, what further action?” Obviously, the remedy is reining in an increasingly powerful state. But as Lincoln said in the first of the Lincoln-Douglas debates of 1858, and practiced as president, “With public sentiment, nothing can fail; without it nothing can succeed. Consequently he who molds public sentiment goes deeper than he who enacts statutes or pronounces decisions. He makes statutes and decisions possible or impossible to be executed.”²⁶ If liberal ideology is an ethic it needs to be taught. Its egalitarianism is natural, I have noted, and so teaching it need not be difficult. We learned it once, and can again.

We need ethical raising up, not more ruminations on the slam-bang formulas of behaviorism. As the political philosopher Martha Nussbaum put it – in a phrase contradicting her own Rawlsian attempts to derive a just society from self-interest – we need to have a full ethics of free people inserted “from the start.”²⁷ We can’t depend on tricky behavioral nudges and

²⁶ Lincoln 1858 (1894), p. 298.

²⁷ Nussbaum 2006, p. 57; and for “contradicting her own Rawlsian attempts,” McCloskey 2006b, patilly published in McCloskey 2011.

incentives laid on too late, on people badly raised. The “start” is called “childhood.” A political/economic philosophy needs to focus on how we get in the first place the people who are prudent, just, courageous, temperate, faithful, hopeful, and loving, and who therefore would *care* about a goof society.

It is what feminist economics has been saying now for decades, and what also comes out of some development (note the word) economics, and even, reluctantly but persistently and embarrassingly, out of such unpromising-looking fields (often officially hostile to the slightest concern for ethics) as game theory, experimental economics, behavioral economics, realist international relations, neo-institutionalism in economic history, and constitutional political economy.

Admit it, you economists and calculators, you populists and tyrants: as Fukuyama said, liberalism, not masterful “policy” from above, is our future.

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Fukuyama endorses the view, that the goal towards which history is oriented is rationality and freedom, and that human societies progress towards it dialectically, through the clash of ideologies. Fukuyama endorses economic liberalism, without examining the extent to which the 'free market' constrains democratic processes, by generating and sustaining systematic inequalities of wealth that involve systematic inequalities of power. It is my view that this hypothesis remains correct, despite the events since September 11: modernity, as represented by the United States and other developed democracies, will remain the dominant force in world politics, and the institutions embodying the West's underlying principles of freedom and equality will continue to spread around the world.