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Toward a Theory of Strategy for Liberty

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[*This article is taken from the final chapter of The Ethics of Liberty (<http://mises.org/store/Ethics-of-Liberty-The-P238.aspx>) . Listen to this chapter in MP3 (<http://media.mises.org/mp3/audiobooks/rothbard/EthicsofLiberty/5-30.mp3>) , read by Jeff Riggerbach. The entire book has now been prepared for podcast and download (<http://blog.mises.org/archives/006135.asp>) .]*

The elaboration of a systematic theory of liberty has been rare enough, but exposition of a *theory of strategy* for liberty has been virtually nonexistent.

Indeed, not only for liberty, strategy toward reaching any sort of desired social goal has been generally held to be catch-as-catch-can, a matter of hit-or-miss experimentation, of trial and error.

Yet, if philosophy can set down any theoretical guidelines for a strategy for liberty it is certainly its responsibility to search for them. But the reader should be warned that we are setting out on an uncharted sea.

The responsibility of philosophy to deal with strategy — with the problem of how to move from the present (*any* present) mixed state of affairs to the goal of consistent liberty — is particularly important for a libertarianism grounded in natural law. For as the libertarian historian Lord Acton realized, natural law and natural-rights theory provide an iron benchmark with which to judge — and to find wanting — any existing brand of statism.

In contrast to legal positivism or to various brands of historicism, natural law provides a moral and political "higher law" with which to judge the edicts of the State. As we have seen above,[1] (#_ftn1) natural law, properly interpreted, is "radical" rather than conservative, an implicit questing after the reign of ideal principle.

As Acton wrote, "[Classical] Liberalism wishes for what ought to be, irrespective of



what is." Hence, as Himmelfarb writes of Acton, "the past was allowed no authority except as it happened to conform to morality."

Further, Acton proceeded to distinguish between Whiggism and Liberalism, between, in effect, conservative adherence to the status quo and radical libertarianism:

The Whig governed by compromise. The Liberal begins the reign of ideas.

How to distinguish the Whigs from the Liberal — One is practical, gradual, ready for compromise. The other works out a principle philosophically. One is a policy aiming at a philosophy. The other is a philosophy seeking a policy. [2] (#_ftn2)

Libertarianism, then, is a philosophy seeking a policy. But what else can a libertarian philosophy say about strategy, about "policy"? In the first place, surely — again in Acton's words — it must say that liberty is the "highest political end," the overriding goal of libertarian philosophy.

Highest *political* end, of course, does not mean "highest end" for man in general. Indeed, every individual has a variety of personal ends and differing hierarchies of importance for these goals on his personal scale of values. *Political* philosophy is that subset of ethical philosophy which deals specifically with *politics*, that is, the proper role of *violence* in human life (and hence the explication of such concepts as crime and property). Indeed, a libertarian world would be one in which every individual would at last be free to seek and pursue his own ends — to "pursue happiness," in the felicitous Jeffersonian phrase.

It might be thought that the *libertarian*, the person committed to the "natural system of liberty" (in Adam Smith's phrase), almost by definition holds the goal of liberty as his highest political end. But this is often not true; for many libertarians, the desire for self-expression, or for bearing witness to the truth of the excellence of liberty, frequently takes precedence over the goal of the triumph of liberty in the real world. Yet surely, as will be seen further below, the victory of liberty will never come to pass unless the goal of victory in the real world takes precedence over more aesthetic and passive considerations.

If liberty should be the highest political end, then what is the grounding for that goal? It should be clear from this work that, first and foremost, liberty is a *moral principle*, grounded in the nature of man. In particular, it is a principle of *justice*, of

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the abolition of aggressive violence in the affairs of men. Hence, to be grounded and pursued adequately, the libertarian goal must be sought in the spirit of an overriding devotion to justice. But to possess such devotion on what may well be a long and rocky road, the libertarian must be possessed of a passion for justice, an emotion derived from and channeled by his rational insight into what natural justice requires. [3] (#_ftn3) Justice, not the weak reed of mere utility, must be the motivating force if liberty is to be attained. [4] (#_ftn4)

If liberty is to be the highest political end, then this implies that liberty is to be pursued by the *most efficacious means*, i.e., those means which will most *speedily* and thoroughly arrive at the goal. This means that the libertarian must be an "abolitionist," i.e., he must wish to achieve the goal of liberty as rapidly as possible. If he balks at abolitionism, then he is no longer holding liberty as the highest political end. The libertarian, then, should be an abolitionist who would, if he could, abolish instantaneously all invasions of liberty.

Following the classical liberal Leonard Read, who advocated immediate and total abolition of price-and-wage controls after World War II, we might refer to this as the "button-pushing" criterion. Thus, Read declared that "If there were a button on this rostrum, the pressing of which would release all wage-and-price controls instantaneously I would put my finger on it and push!" The libertarian, then, should be a person who would push a button, if it existed, for the instantaneous abolition of all invasions of liberty — not something, by the way, that any utilitarian would ever be likely to do. [5] (#_ftn5)

Antilibertarians, and antiradicals generally, characteristically make the point that such abolitionism is "unrealistic"; by making such a charge they hopelessly confuse the desired goal with a strategic estimate of the probable path toward that goal. It is essential to make a clear-cut distinction between the ultimate goal itself, and the strategic estimate of how to reach that goal; in short, the goal must be formulated *before* questions of strategy or "realism" enter the scene. The fact that such a magic button does not and is not likely to exist has no relevance to the desirability of abolitionism itself. We might agree, for example, on the goal of liberty and the desirability of abolitionism in liberty's behalf. But this does not mean that we believe that abolition will *in fact* be attainable in the near or far future.

The libertarian goals — including immediate abolition of invasions of liberty — are "realistic" in the sense that they *could* be achieved if enough people agreed on them, and that, *if* achieved, the resulting libertarian system would be viable. The goal of immediate liberty is not unrealistic or "Utopian" because — in contrast to such goals as the "elimination of poverty" — its achievement is entirely dependent on man's will. If, for example, everyone suddenly and immediately agreed on the overriding desirability of liberty, then total liberty *would be* immediately achieved. [6] (#_ftn6) The strategic estimate of *how* the path toward liberty is likely to be achieved is, of course, an entirely separate question. [7] (#_ftn7)

Thus, the libertarian abolitionist of slavery, William Lloyd Garrison, was not being "unrealistic" when, in the 1830s, he raised the standard of the goal of immediate emancipation of the slaves. His goal was the proper moral and libertarian one, and was unrelated to the "realism," or probability of its achievement.

Indeed, Garrison's strategic realism was expressed by the fact that he did not *expect* the end of slavery to arrive immediately or at a single blow. As Garrison carefully distinguished:

"Urge immediate abolition as earnestly as we may, it will, alas! be gradual abolition in the end. We have never said that slavery would be overthrown by a single blow; that it ought to be, we shall always contend." [8] (#_ftn8)

Otherwise, as Garrison trenchantly warned, "Gradualism in theory is perpetuity in practice."

Gradualism in theory, in fact, totally undercuts the overriding goal of liberty itself; its import, therefore, is not simply strategic but an opposition to the end itself and hence impermissible as any part of a strategy toward liberty. The reason is that once immediate abolitionism is abandoned, then the goal is conceded to take second or third place to other, antilibertarian considerations, for these considerations are now placed higher than liberty.

Thus, suppose that the abolitionist of slavery had said: "I advocate an end to slavery — but only after five years' time." But this would imply that abolition in four or three

years' time, or *a fortiori* immediately, would be *wrong*, and that therefore it is *better* for slavery to be continued a while longer. But this would mean that considerations of justice have been abandoned, and that the goal itself is no longer highest on the abolitionist's (or libertarian's) political value scale. In fact, it would mean that the libertarian advocated the *prolongation* of crime and injustice.

Hence, a strategy for liberty must not include any means which undercut or contradict the end itself — as gradualism-in-theory clearly does. Are we then saying that "the end justifies the means"? This

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is a common, but totally fallacious, charge often directed toward any group that advocates fundamental or radical social change. For *what else* but an *end* could possibly justify any means? The very concept of "means" implies that this action is merely an instrument toward arriving at an end. If someone is hungry, and eats a sandwich to alleviate his hunger, the act of eating a sandwich is merely a means to an end; its sole justification arises from its use as an end by the consumer. Why else eat the sandwich, or, further down the line, purchase it or its ingredients? Far from being a sinister doctrine, that the end justifies the means is a simple philosophic truth, implicit in the very relationship of "means" and "ends."

What then, do the critics of the "end justifies the means" truly mean when they say that "bad means" can or will lead to "bad ends"? What they are *really* saying is that the means in question will violate *other* ends which the critics deem to be more important or more valuable than the goal of the group being criticized. Thus, suppose that Communists hold that murder is justified if it leads to a dictatorship by the vanguard party of the proletariat. The critics of such murder (or of such advocacy of murder) are really asserting, *not* that the "ends do not justify the means," but rather that murder violates a *more* valuable end (to say the least), namely, the end of "not committing murder," or nonaggression against persons. And, of course, from the libertarian point of view, the critics would be correct.

Hence, the libertarian goal, the victory of liberty, justifies the speediest possible means towards reaching the goal, but those means *cannot* be such as to contradict, and thereby undercut, the goal itself. We have already seen that gradualism-in-theory is such a contradictory means. Another contradictory means would be to commit aggression (e.g., murder or theft) against persons or just property in order to reach the libertarian goal of nonaggression. But this too would be a self-defeating and impermissible means to pursue. For the employment of such aggression would directly violate the goal of nonaggression itself.

If, then, the libertarian must call for immediate abolition of the State as an organized engine of aggression, and if gradualism in theory is contradictory to the overriding end (and therefore impermissible), *what further* strategic stance should a libertarian take in a world in which States continue all too starkly to exist?

Must the libertarian necessarily *confine* himself to advocating immediate abolition? Are transitional demands, steps toward liberty in practice, therefore illegitimate? Surely not, since realistically there would then be no hope of achieving the final goal. It is therefore incumbent upon the libertarian, eager to achieve his goal as rapidly as possible, to push the polity ever further in the *direction* of that goal. Clearly, such a course is difficult, for the danger always exists of losing sight of, or even undercutting, the ultimate goal of liberty. But such a course, given the state of the world in the past, present, and foreseeable future, is vital if the victory of liberty is ever to be achieved.

The transitional demands, then, must be framed while

1. *always* holding up the ultimate goal of liberty as the desired end of the transitional process; and
2. never taking steps, or using means, which explicitly or implicitly contradict that goal.

Let us consider, for example, a transition demand set forth by various libertarians: namely, that the government budget be reduced by 10 percent each year for ten years, after which the government will have disappeared. Such a proposal might have heuristic or strategic value, *provided* that the proposers always make crystal clear that these are *minimal* demands, and that indeed there would be nothing wrong — in fact, it would be all to the good — to step up the pace to cutting the budget by 25 percent a year for four years, or, most desirably, by cutting it by 100 percent immediately. The danger arises in implying, directly or indirectly that any *faster* pace than 10 percent would be wrong or undesirable.

An even greater danger of a similar sort is posed by the idea of many libertarians of setting forth a comprehensive and planned program of transition to total liberty, e.g., that in Year 1 law A should be repealed, law B modified, tax C be cut by 20 percent, etc.; in Year 2 law D be repealed, tax C cut by a further 10 percent, etc. The comprehensive plan is far more misleading than the simple budget cut, because it strongly implies that, for example, law D should *not* be repealed *until* the second year of this planned program. Hence, the trap of philosophic gradualism, of gradualism-in-theory, would be fallen into on a massive scale. The would-be libertarian planners would be virtually falling into a position, or *seeming* to, of *opposing* a faster pace toward liberty.

There is, indeed, another grave flaw in the idea of a comprehensive planned program toward liberty.

For the very care and studied pace, the very all-embracing nature of the program, implies that the State is not really the enemy of mankind, that

it is possible and desirable to use the State in engineering a planned and measured pace toward liberty. The insight that the State *is* the permanent enemy of mankind, on the other hand, leads to a very different strategic outlook: namely that libertarians push for and accept with alacrity *any* reduction of State power or State activity on any front; any such reduction at any time is a reduction in crime and aggression, and is a reduction of the parasitic malignity with which State power rules over and confiscates social power.

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For example, libertarians may well push for drastic reduction, or repeal, of the income tax; but they should never do so while at the same time advocating its replacement by a sales or other form of tax. The reduction or, better, the abolition of a tax is always a noncontradictory reduction of State power and a step toward liberty; but its replacement by a new or increased tax elsewhere does just the opposite, for it signifies a new and additional imposition of the State on some other front. The imposition of a new tax is a means that contradicts the libertarian goal itself.

Similarly, in this age of permanent federal deficits, we are all faced with the problem: should we agree to a tax cut, even though it may well mean an increase in the deficit? Conservatives, from their particular perspective of holding budget-balancing as a higher end, invariably oppose, or vote against, a tax cut which is not strictly accompanied by an equivalent or greater cut in government expenditures. But since taxation is an evil act of aggression, any failure to welcome a tax cut with alacrity undercuts and contradicts the libertarian goal. The time to oppose

government expenditures is when the budget is being considered or voted upon, when the libertarian should call for drastic slashes in expenditures as well. Government activity must be reduced whenever and wherever it can; any opposition to a particular tax — or expenditure — cut is impermissible for it contradicts libertarian principles and the libertarian goal.

Does this mean that the libertarian may never set priorities, may not concentrate his energy on political issues which he deems of the greatest importance? Clearly not, for since everyone's time and energy is necessarily limited, no one can devote equal time to every particular aspect of the comprehensive libertarian creed. A speaker or writer on political issues must necessarily set priorities of importance, priorities which at least partially depend on the concrete issues and circumstances of the day. Thus, while a libertarian in today's world would certainly advocate the denationalization of lighthouses, it is highly doubtful that he would place a greater priority on the lighthouse question than on conscription or the repeal of the income tax. The libertarian must use his strategic intelligence and knowledge of the issues of the day to set his priorities of political importance. On the other hand, of course, if one were living on a small, highly fog-bound island, dependent on shipping for transportation, it could very well be that the lighthouse question would have a high priority on a libertarian political agenda. And, furthermore, if for some reason the opportunity arose for denationalizing lighthouses even in present-day America, it should certainly not be spurned by the libertarian.

We conclude this part of the strategy question, then, by affirming that the victory of total liberty is the highest political end; that the proper groundwork for this goal is a moral passion for justice; that the end should be pursued by the speediest and most efficacious possible means; that the end must always be kept in sight and sought as rapidly as possible; and that the means taken must never contradict the goal — whether by advocating gradualism, by employing or advocating any aggression against liberty, by advocating planned programs, or by failing to seize any opportunity to reduce State power or by ever increasing it in any area.

The world, at least in the long run, is governed by ideas; and it seems clear that libertarianism is only likely to triumph if the ideas spread to and are adopted by a significantly large number of people. And so "education" becomes a necessary condition for the victory of liberty — all sorts of education, from the most abstract systematic theories down to attention-catching devices that will attract the interest of potential converts. Education, indeed, is the characteristic strategic theory of classical liberalism.

But it should be stressed that ideas do not float by themselves in a vacuum; they are influential only insofar as they are adopted and put forward by *people*. For the idea of liberty to triumph, then, there must be an active group of dedicated libertarians, people who are knowledgeable in liberty and are willing to spread the message to others. In short, there must be an active and self-conscious libertarian *movement*. This may seem self-evident, but there has been a curious reluctance on the part of many libertarians to think of themselves as part of a conscious and ongoing movement, or to become involved in movement activity. Yet consider: has any discipline, or set of ideas in the past, whether it be Buddhism or modern physics, been able to advance itself and win acceptance without the existence of a dedicated "cadre" of Buddhists or physicists?

The mention of physicists points up another requirement of a successful movement: the existence of professionals, of persons making their full-time career in the movement or discipline in

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question. In the 17th and 18th centuries, as modern physics emerged as a new science, there were indeed scientific societies which mainly included interested amateurs, "Friends of Physics" as we might call them, who established an atmosphere of encouragement and support of the new discipline. But surely physics would not have advanced very far if there had been no *professional* physicists, people who made a full-time career of physics, and therefore could devote all their energies to engaging in and advancing the discipline. Physics would surely still be a mere amusement for amateurs if the *profession* of physics had not developed. Yet there are few libertarians, despite the spectacular growth of the ideas and of the movement in recent years, who recognize the enormous need for the development of liberty as a profession, as a central core for the advancement of both the theory and the condition of liberty in the real world.

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Every new idea and every new discipline necessarily begins with one or a few people, and diffuses outward toward a larger core of converts and adherents. Even at full tide, given the wide variety of interests and abilities among men, there is bound to be only a minority among the professional core or cadre of libertarians. There is nothing sinister or "undemocratic," then, in postulating a "vanguard" group of libertarians any more than there is in talking of a vanguard of Buddhists or of physicists. Hopefully this vanguard will help to bring about a majority or a large and influential minority of people adhering to (if not centrally devoted to) libertarian ideology. The existence of a libertarian majority among the American Revolutionaries and in 19th-century England demonstrates that the feat is not impossible.

In the meanwhile, on the path to that goal, we might conceive of the adoption of libertarianism as a ladder or pyramid, with various individuals and groups on different rungs of the ladder, ranging upward from total collectivism or statism to pure liberty. If the libertarian cannot "raise people's consciousness" fully to the top rung of pure liberty, then he can achieve the lesser but still important goal of helping them advance a few rungs up the ladder.

For this purpose, the libertarian may well find it fruitful to engage in coalitions with non-libertarians around the advancement of some single, *ad hoc* activity. Thus, the libertarian, depending on his priorities of importance at any given condition of society, may engage in such "united front" activities with some conservatives to repeal the income tax or with civil libertarians to repeal conscription or the outlawry of pornography or of "subversive" speech. By engaging in such united fronts on *ad hoc* issues, the libertarian can accomplish a twofold purpose:

1. greatly multiplying his own leverage or influence in working toward a specific libertarian goal — since many non-libertarians are mobilized to cooperate in such actions; and
2. to "raise the consciousness" of his coalition colleagues, to show them that libertarianism is a single interconnected system, and that *a full* pursuit of their particular goal requires the adoption of the entire libertarian schema.

Thus, the libertarian can point out to the conservative that property rights or the free market can only be maximized and truly safeguarded if civil liberties are defended or restored; and he can show the opposite to the civil libertarian. Hopefully this demonstration will raise some of these *ad hoc* allies significantly up the libertarian ladder.

In the progress of any movement dedicated to radical social change, i. e., to transforming social reality toward an ideal system, there are bound to arise, as the Marxists have discovered, two contrasting types of "deviations" from the proper strategic line: what the Marxists have called "right opportunism" and "left

sectarianism."

So fundamental are these often superficially attractive deviations that we might call it a theoretical rule that one or both will arise to plague a movement at various times in its development. *Which* tendency will triumph in a movement cannot, however, be determined by our theory; the outcome will depend on the subjective strategic understanding of the people constituting the movement. The outcome, then, is a matter of free will and persuasion.

Right opportunism, in its pursuit of instant gains, is willing to abandon the ultimate social goal, and to immerse itself in minor and short-run gains, sometimes in actual contradiction to the ultimate goal itself. In the libertarian movement, the opportunist is willing to join the State establishment rather than to struggle against it, and is willing to deny the ultimate goal on behalf of short-run gains: e.g., to declaim that "while everyone knows we must have taxation, the state of the economy requires a 2 percent tax cut."

The left sectarian, on the other hand, scents "immorality" and "betrayal of principle" in every use of strategic intelligence to pursue transitional demands on the path to liberty, even ones that uphold the ultimate goal and do not contradict it. The sectarian discovers "moral principle" and "libertarian principle" everywhere, even in purely strategic, tactical, or organizational concerns. Indeed, the sectarian is likely to attack as an abandonment of principle *any* attempt to go beyond mere reiteration of the ideal social goal, and to select and analyze more specifically political issues of the most urgent priority.

In the Marxist movement, the Socialist Labor Party, which meets every political issue with *only* a reiteration of the view that "socialism and only socialism will solve the problem," is a classical example of ultra-sectarianism at work. Thus, the sectarian libertarian might decry a television speaker or a political candidate who, in the necessity to choose priority issues, stresses repeal of the income tax or abolition of the draft, while "neglecting" the goal of denationalizing lighthouses.

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It should be clear that both right opportunism and left sectarianism are equally destructive of the task of achieving the ultimate social goal: for the right opportunist abandons the goal while achieving short-run gains, and thereby renders those gains ineffectual; while the left sectarian, in wrapping himself in the mantle of "purity," defeats his own ultimate goal by denouncing any necessary strategic steps in its behalf.

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Sometimes, curiously enough, the same individual will undergo alternations from one deviation to the other, in each case scorning the correct, plumb-line path. Thus, despairing after years of futile reiteration of his purity while making no advances in the real world, the left sectarian may leap into the heady thickets of right opportunism, in the quest for *some* short-run advance, even at the cost of the ultimate goal. Or, the right opportunist, growing disgusted at his own or his colleagues' compromise of their intellectual integrity and their ultimate goals, may leap into left sectarianism and decry *any* setting of strategic priorities toward those goals. In this way, the two opposing deviations feed on and reinforce each other, and are both destructive of the major task of effectively reaching the libertarian goal.

The Marxists have correctly perceived that two sets of conditions are necessary for the victory of any program of radical social change: what they call the "objective"

and the "subjective" conditions. The subjective conditions are the existence of a self-conscious movement dedicated to the triumph of the particular social ideal — conditions which we have been discussing above. The objective conditions are the objective fact of a "crisis situation" in the existing system, a crisis stark enough to be generally perceived, *and* to be perceived as the fault of the system itself. For people are so constituted that they are not *interested* in exploring the defects of an existing system so long as it seems to be working tolerably well. And even if a few become interested, they will tend to regard the entire problem as an abstract one irrelevant to their daily lives and therefore not an imperative for action — *until* the perceived crisis breakdown.

It is such a breakdown that stimulates a sudden search for new social alternatives — and it is then that the cadres of the alternative movement (the "subjective conditions") must be available to supply that alternative, to relate the crisis to the inherent defects of the system itself, and to point out how the alternative system would solve the existing crisis and prevent similar breakdowns in the future. Hopefully, the alternative cadre would have provided a track record of predicting and warning against the existing crisis.

Indeed, if we examine the revolutions in the modern world, we will find that every single one of them

1. was utilized by an existing cadre of seemingly prophetic ideologists of the alternative system, and
2. was precipitated by a breakdown of the system itself.

During the American Revolution, a broad cadre and mass of dedicated libertarians were prepared to resist the encroachments of Great Britain in its attempt to end the system of "salutary neglect" of the colonies and to reimpose the chains of the British Empire; in the French Revolution, *libertarian philosophes* had prepared the ideology with which to meet a sharp increase of absolutist burdens on the country caused by the government's fiscal crisis; in Russia, in 1917, a losing war led to the collapse of the Czarist system from within, which radical ideologists were prepared for; in post-World War I Italy and Germany, postwar economic crises and wartime defeats created the conditions for the triumph of the fascist and national socialist alternatives; in China, in 1949, the combination of a lengthy and crippling war and economic crisis caused by runaway inflation and price controls allowed the victory of the Communist rebels.

Both Marxists and libertarians, in their very different and contrasting ways, believe that the inner contradictions of the existing system (in the former case of "capitalism," in the latter of statism and state intervention) will lead inevitably to its long-run collapse. In contrast to conservatism,

"The existence of a libertarian majority among the American Revolutionaries and in 19th-century England demonstrates that the feat is not impossible."

which can see nothing but long-run despair attendant upon the steady decline of "western values" from some past century, Marxism and libertarianism are both therefore highly optimistic creeds, at least in the long run.

The problem, of course, for any living beings, is how long they will have to wait for the long run to arrive. The Marxists, at least in the western world, have had to face the indefinite postponement of their hoped-for long run. Libertarians have had to confront a 20th century which has shifted from the quasilibertarian system of the 19th century to a far more statist and collectivist one — in many ways returning to the despotic world as it existed before the classical liberal revolutions of the 17th and 18th centuries.

There are good and sufficient reasons, however, for libertarians to be optimistic in the short run as well as the long run, indeed for a belief that victory for liberty might be near.

But, in the first place, why should libertarians be optimistic *even in the long run*? After all, the annals of recorded history are a chronicle, in one civilization after another, of centuries of varying forms of despotism, stagnation, and totalitarianism. May it not be possible that the great post-17th-century thrust toward liberty was only a mighty flash in the pan, to be replaced by sinking back into a gray and permanent despotism?

But such superficially plausible despair overlooks a crucial point: the new and irreversible conditions introduced by the Industrial Revolution of the late 18th and 19th centuries, a revolution itself a consequence of the classical-liberal political revolutions. For agricultural countries, in a preindustrial era, can indeed peg along indefinitely on a subsistence level; despotic kings, nobles, and states can tax the peasantry above subsistence level, and live elegantly off the surplus, while the peasants continue to toil for centuries at the bare minimum. Such a system is profoundly immoral and exploitative, but it "works" in the sense of being able to continue indefinitely (provided that the state does not get too greedy and actually kill the goose that lays the golden eggs).

But fortunately for the cause of liberty, economic science has shown that a modern industrial economy *cannot* survive indefinitely under such draconian conditions. A modern industrial economy requires a vast network of free-market exchanges and a division of labor, a network that can only flourish under freedom. Given the commitment of the mass of men to an industrial economy and the modern standard of living that requires such industry, then the triumph of a free-market economy and an end to statism becomes inevitable in the long run.

The late 19th and especially the 20th centuries have seen many forms of reversion to the statism of the preindustrial era. These forms (notably socialism and various brands of "state capitalism"), in contrast to the frankly anti-industrial and reactionary Conservatism of early 19th-century Europe, have tried to preserve and even extend the industrial economy while scuttling the very political requirements (freedom and the free-market) which are in the long run necessary for its survival. [9] (#_ftn9) State planning, operation, controls, high and crippling taxation, and paper-money inflation must all inevitably lead to the collapse of the statist economic system.

If then, the world is irreversibly committed to industrialism and its attendant living standards, and if industrialism requires freedom, then the libertarian must indeed be a long-run optimist, for the libertarian triumph must eventually occur.

But why short-run optimism for the present day? Because it fortunately happens to be true that the various forms of statism imposed on the western world during the first half of the 20th century are now in process of imminent breakdown. The long run is now at hand. For half a century, statist intervention could wreak its depredations and not cause clear and *evident* crises and dislocations, because the quasi-laissez-faire industrialization of the 19th century had created a vast cushion against such depredations. The government could impose taxes or inflation upon the system and not reap evidently bad effects. But now statism has advanced so far and been in power so long that the cushion, or fat, has been exhausted. As economist Ludwig von Mises pointed out, the "reserve fund" created by laissez faire has now been "exhausted"; *whatever* the government does now leads to an instantaneous negative feedback that is evident to the formerly indifferent and even to many of

the most ardent apologists for statism.

In the Communist countries of Eastern Europe, the Communists themselves have increasingly perceived that socialist central planning simply does not work, particularly for an industrial economy. Hence the rapid retreat, in recent years, away from central planning and toward free markets throughout Eastern Europe, especially in Yugoslavia. In the western world, too, state capitalism is everywhere in a period of crisis, as it becomes perceived that, in the most profound way, the government has run out of money: that increasing taxes will cripple industry and incentives beyond repair, while increased printing of new money (either directly or through the government-controlled banking system) will lead to a disastrous runaway inflation.

And so we hear more and more about the "necessity of lowered expectations from government" even among the State's once most ardent champions. In West Germany, the Social Democratic Party has long abandoned the call for socialism. In Great Britain, suffering from a tax-crippled economy and aggravated inflation, the Tory Party, for years in the hands of dedicated statist, has now been taken over by its free-market oriented faction, while even the Labour Party has begun to draw back from the planned chaos of galloping statism.

In the United States, conditions are particularly hopeful; for here, in the last few years, there has coincidentally occurred

1. a systemic breakdown of statism across the board, in economic, foreign, social, and moral policies; and
2. a great and growing rise of a libertarian movement and the diffusion of libertarian ideas throughout the population, among opinion moulders and average citizens alike.

Let us examine in turn both sets of necessary conditions for a libertarian triumph.

Surprisingly enough, the systemic breakdown of statism in the United States can be given a virtually precise date: the years 1973-74. The breakdown has been particularly glaring in the economic sphere. From the fall of 1973 through 1975, America experienced an inflationary depression, in which the worst recession of the postwar world coincided with an aggravated inflation of prices. After forty years of Keynesian policies which were supposed to "fine tune" the economy so as to eliminate the boom-bust cycle of inflation and depression, the United States managed to experience both at the same time — an event that cannot be explained by orthodox economic theory. Orthodox economics has been thrown into disarray, and economists and laymen alike are increasingly ready to turn to the "Austrian," free-market alternative, both in the realms of theoretical paradigms and of political policy. The award of the Nobel prize in economics during 1974 to F.A. Hayek for his long-forgotten Austrian business-cycle theory is but one indication of the new currents coming to the surface after decades of neglect. And even though the economy recovered from the depression, the economic crisis is not ended, since inflation only accelerated still further, while unemployment remained high. Only a free-market program of abandoning monetary inflation and slashing government expenditures will solve the crisis.

The partial financial default of the New York City government during 1975 and the victory of Proposition 13 in California in 1978 have highlighted for the entire country the fact that local and state reserve funds have been exhausted, and that government must at last begin a drastic cutback in its operations and expenditures. For higher taxes will drive businesses and middle-class citizens out of any given area, and therefore the only way to avoid default will be radical cuts in expenditure. (If default arrives, the result will be the same and more drastically, since access to

bond markets in the future by state and local governments will prove impossible.)

It is also becoming increasingly clear that the combination of decades of high and crippling taxes on income, savings, and investment, combined with inflationary distortions of business calculation, has led to an increasing scarcity of capital, and to an imminent danger of consuming America's vital stock of capital equipment. Hence, lower taxes are rapidly perceived to be an economic necessity. Lower government expenditures are also evidently necessary to avoid the "crowding out" of private loans and investments from the capital markets by wasteful federal government deficits.

"Given the commitment of the mass of men to an industrial economy and the modern standard of living that requires such industry, then the triumph of a free-market economy and an end to statism becomes inevitable in the long run."

There is a particularly hopeful reason for expecting the public and the opinion molders to grasp at the proper libertarian solution to this grave and continuing economic crisis: the fact that everyone knows that the State has controlled and manipulated the economy for the last forty years. When government credit and interventionary policies brought about the Great Depression of the 1930s, the myth that the 1920s had been an era of laissez faire was prevalent, and so it seemed plausible to assert that "capitalism had failed," and that economic prosperity and progress required a giant leap toward statism and state control. But the current crisis comes after many decades of statism, and its nature is such that the public can now correctly perceive Big Government to be at fault.

Furthermore, all the various forms of statism have now been tried, and have failed. At the turn of the 20th century, businessmen, politicians, and intellectuals throughout the western world began to turn to a "new" system of mixed economy of State rule, to replace the relative laissez faire of the previous century. Such new and seemingly exciting panaceas as socialism, the corporate state, the Welfare-Warfare State, etc., have all been tried and have manifestly failed. The call for socialism or state planning is now a call for an old, tired, and failed system. What is there left to try but freedom?

On the social front, a similar crisis has occurred in recent years. The public school system, once a sacrosanct part of the American heritage, is now under severe and accelerated criticism from people across the ideological spectrum.

It is now becoming clear

1. that public schools do not properly educate their charges;
2. that they are costly, wasteful, and require high taxes; and
3. that the uniformity of the public school system creates deep and unresolvable social conflicts over vital educational issues — over such matters as integration vs. segregation, progressive vs. traditional methods, religion or secularism, sex education, and the ideological content of learning.

Whatever decision the public school makes in any of these areas, either a majority or a substantial minority of parents and children are irreparably injured. Furthermore, compulsory attendance laws are being increasingly perceived as dragooning unhappy or uninterested children into a prison not of their or their parents' making.

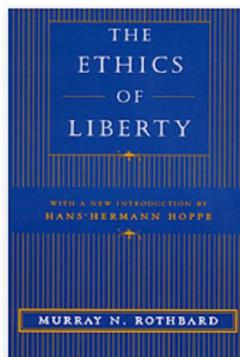
In the field of moral policies, there is a growing realization that the rampant prohibitionism of government policy — not simply in the field of alcohol, but also in such matters as pornography, prostitution, sexual practices between "consenting adults," drugs, and abortion — are both an immoral and unjustified invasion of the right of each individual to make his or her *own* moral choices, and also cannot *practically* be enforced. Attempts at enforcement only bring about hardship and a

virtual police state. The time is approaching when prohibitionism in these areas of personal morality will be recognized to be fully as unjust and ineffective as in the case of alcohol.

In the wake of Watergate, there is also an increased awareness of the dangers to individual liberty and privacy, to the freedom to dissent from government, in habitual actions and activities of government. Here, too, we may expect public pressure to keep government from fulfilling its age-old desire to invade privacy and repress dissent.

Perhaps the best sign of all, the most favorable indication of the breakdown of the mystique of the State, was the Watergate exposures of 1973-74. For Watergate instigated a radical shift in the attitude of *everyone* — regardless of their explicit ideology — toward government itself. Watergate indeed awakened the public to the invasions of personal liberty by government. More important, by bringing about the impeachment of the President, it permanently *desanctified* an office that had almost been considered sovereign by the American public. But most importantly government *itself* has been to a large extent desanctified. No one trusts any politician or government official anymore; all government is viewed with abiding hostility and distrust, thus returning to that healthy distrust of government that marked the American public and the American Revolutionaries of the 18th century. In the wake of Watergate, no one would dare today to intone that "we are the government," and therefore that anything elected officials may do is legitimate and proper. For the success of liberty, the most vital condition is the desanctification, the delegitimation of government in the eyes of the public; and that Watergate has managed to accomplish.

Thus, the objective conditions for the triumph of liberty have now, in the past few years, begun to appear, at least in the United States. Furthermore, the nature of this systemic crisis is such that government is now perceived as the culprit; it cannot be relieved except through a sharp turn toward liberty. What is basically needed now, therefore, is the growth of the "subjective conditions," of libertarian ideas and particularly of a dedicated libertarian movement to advance those ideas in the public forum.



(<http://mises.org/store/Ethics-of-Liberty-The-P238.aspx>)

"There are good and sufficient reasons, however, for libertarians to be optimistic in the short run as well as the long run..."

Surely it is no coincidence that it is precisely in these years — since 1971 and particularly since 1973, that these subjective conditions have made their greatest strides in this century. For the breakdown of statism has undoubtedly spurred many more people into becoming partial or full libertarians, and hence the objective conditions help to generate the subjective. Furthermore, in the United States at least, the splendid heritage of freedom and of libertarian ideas, going back beyond revolutionary times, has never been fully lost. Present-day libertarians, therefore, have solid historical ground on which to build.

The rapid growth in these last years of libertarian ideas and movements has pervaded many fields of scholarship, especially among younger scholars, and in the areas of journalism, the media, business, and politics. Because of the continuing objective conditions, it seems clear that this eruption of libertarianism in many new and unexpected places is not a mere media-concocted fad, but an inevitably growing response to the perceived conditions of objective reality. Given free will, no one can

predict with certainty that the growing libertarian mood in America will solidify in a brief period of time and press forward without faltering to the success of the entire libertarian program. But certainly, both theory and analysis of current historical conditions lead to the conclusion that the current prospects of liberty, even in the short run, are highly encouraging.

This article is taken from chapter 30 of The Ethics of Liberty (<http://mises.org/store/Ethics-of-Liberty-The-P238.aspx>) . Listen to this chapter in MP3 (<http://media.mises.org/mp3/audiobooks/rothbard/EthicsofLiberty/5-30.mp3>) , read by Jeff Rigenbach. The entire book has been prepared for podcast and download (<http://blog.mises.org/archives/006135.asp>) .

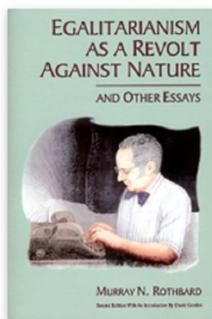


(<http://blog.mises.org/archives/006135.asp>) Murray N. Rothbard (<http://mises.org/content/mnr.asp>) (1926–1995) was dean of the Austrian School. See his archive (<http://mises.org/articles.aspx?author=Rothbard>) . Comment on the blog (<http://blog.mises.org/archives/007518.asp>) .

Notes

- [1] (#_ftnref1) See Chapter 3 "Natural Law versus Positive Law" above (<http://mises.org/daily/2426#3>) .
- [2] (#_ftnref2) Gertrude Himmelfarb, *Lord Acton* (Chicago: University of Chicago Press, 1962), pp. 204, 205, 209.
- [3] (#_ftnref3) In an illuminating essay the natural-law philosopher John Wild points out that our subjective feeling of *obligation*, of an oughtness which raises subjective emotional desire to a higher, binding plane, stems from our rational apprehension of what our human nature requires. John Wild, "Natural Law and Modern Ethical Theory," *Ethics* (October 1952): 5-10.
- [4] (#_ftnref4) On libertarianism being grounded on a passion for justice, see Murray N. Rothbard, "Why Be Libertarian?" in idem, *Egalitarianism as a Revolt Against Nature, and Other Essays* (Washington, D.C.: Libertarian Review Press, 1974), pp. 147-48.
- [5] (#_ftnref5) Leonard E. Read, *I'd Push the Button* (New York: Joseph D. McGuire, 1946), p. 3.
- [6] (#_ftnref6) Elsewhere I have written:

(<http://mises.org/store/Egalitarianism-as-a-Revolt-Against-Nature-and-Other-Essays-P103.aspx>) Other traditional radical goals — such as the "abolition of poverty" — are, in contrast to this one [liberty], truly utopian; for man, simply by exerting his will, cannot abolish poverty. Poverty can only be abolished through the operation of certain economic factors ... which can only operate by transforming nature over a long period of time.... But *injustices* are deeds that are inflicted by one set of men on another, they are precisely the actions of men, and, hence, they and their elimination *are* subject to man's instantaneous will.... The fact that, of course, such decisions do not take place instantaneously is not the point; the point is that the very failure is an injustice that has been decided upon and imposed by the perpetrators of injustice.... In the field of justice, man's will is all; men *can* move mountains, if only men so decide. A passion for instantaneous justice — in short, a radical passion — is therefore *not* utopian, as would be a desire for the instant elimination of poverty or



the instant transformation of everyone into a concert pianist. For instant justice could be achieved if enough people so willed.

Rothbard, *Egalitarianism as a Revolt Against Nature* (<http://mises.org/store/Egalitarianism-as-a-Revolt-Against-Nature-and-Other-Essays-P103.aspx>) , pp. 148-49.

[7] (#_ftnref7) At the conclusion of a brilliant philosophical critique of the charge of "unrealism" and its confusion of the good and the *currently probable*, Clarence Philbrook declares, "Only one type of serious defense of a policy is open to an economist or anyone else; he must maintain that the policy is good. True 'realism' is the same thing men have always meant by wisdom: to decide the immediate in the light of the ultimate." Clarence Philbrook, "Realism in Policy Espousal," *American Economic Review* (December 1953): 859.

[8] (#_ftnref8) Quoted in William H. and Jane H. Pease, eds., *The Antislavery Argument* (Indianapolis, Ind.: Bobbs-Merrill, 1965), p. xxxv.

[9] (#_ftnref9) For a more extended historical analysis of this problem, see Murray N. Rothbard, *Left and Right: The Prospects for Liberty* (<http://mises.org/daily/910>)