



Re-Imagining Liberalism

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In [The Retreat of Western Liberalism](#), Edward Luce suggests belief in the inevitable triumph of the Western, classically liberal model of governance may be based more on faith than fact. (p. 7) For centuries we've taken an overly simplistic view of history, characterized by continuous progress toward a brighter future in which liberty and freedom prevail. Now, however, he says, "Belief in an authoritarian version of national destiny is staging a powerful come back." In short, classical liberalism is under attack. (pp. 8 & 9)

Aside from the question of whether anyone besides the political elite is burdened with thoughts about "national destiny," Luce references the importance of economic growth and notes humanity has become rapidly less poor in recent decades. Yet, he asserts, most people in the West have been trading water. (p. 11) Thus arises the risk that progress may be thwarted by a backlash among those who are far better off than most of the world's population. The insurgents are not only envious of the wealthier minority but also feel threatened by the vast majority who are poorer.

It is as if everyone privileged enough to live in developed nations may feel entitled to reside in a mythical village like [Lake Wobegon](#), where not only are all the children above average but so are the incomes of their parents. Such a fantastic view of reality may be supported by the sense of [relative deprivation](#) and the [curse of high expectations](#), fomented by ignorance of phenomenon of [regression to the mean](#) and the fact that [correlation and causation](#), while related, are distinct concepts. That is, in and of itself, correlation does not necessarily imply causation.

For example, Luce suggests, "when inequality is high, the rich fear the mob." (p. 121) Yet when equality is high, so too is poverty. Such was the case throughout all of human history prior to the Industrial Revolution, after which world [per capita GDP](#) has grown exponentially. While that does not necessarily imply inequality causes progress, it is an inevitable result of the fact that advancement cannot be achieved everywhere at once.

Moreover, simply because some people and countries have more wealth does not mean the creation of wealth somehow *causes* others to be poor. It is also highly plausible that perceptions of inequities, properly channeled, might motivate efforts to raise the standard of living of the downtrodden. In that sense, vive la différence. Moreover, more complete and presumably accurate data [have shown](#) that stagnation of middle-class incomes is an over-hyped myth, at least in the U.S.

Dramatic economic progress in recent decades has clearly shown that a rising tide does indeed hold the power to lift all boats, albeit more slowly in some places than others. It is also noteworthy that such progress comes not from foreign aid but, rather, transfer of knowledge and technology. In the age of the Internet and globalization of commerce, the timelines for such transfers may be greatly shortened but that too may raise the risk the curse of high expectations. Key factors include the readiness of the poor to accept the necessary cultural change and the power of the political elite to prevent them from doing so.

Despite worldwide progress, Luce suggest part of the blame for the backlash can be attributed to *identity liberalism* – “a politics that treats society as less than the sum of its parts.” Supporting that trend, he observes majority-white communities have begun to apply political tactics formerly the province of minorities. (p. 12) In politics it has been said that perception is reality and it is quite plausible the no-longer-silent majority may feel marginalized by condescension from the liberal elite. Having been called “deplorables” by a Presidential candidate, they have highly salient cause to feel persecuted. Moreover, in the face of blatant and even lauded violations of immigration laws, they also have cause to fear that illegal migrants may bring with them the very cultures whose problems they seek to escape.

Luce notes the World Values Survey shows people identify far more strongly with their nation than with a worldview of humanity. Thus, he suggests the more power ceded to global bodies, the more virulent the backlash against globalization may become. However, the same is true of the centralization of power *within* national boundaries. Not only do people identify more with their locality than with their nation but also with their political partisans (their “tribe”) than with the [body politic](#) as a whole. Polarization is the inevitable result of a win/lose, majoritarian form of government. The only question is the degree of separation. The greater the consolidation of power, the more that resentment and resistance are likely to grow.

Regarding the trade-off of winners and losers, Luce cites the global trilemma postulated by Dani Rodrik, who suggested democracy, national determination, and economic globalization are incompatible and cannot be simultaneously pursued. One of them must be sacrificed for the others to prevail. Thus, the space for national democracy is shrinking, as many issues that were formerly matters of national sovereignty are now being “ring-fenced by international law and global regulation.” (p. 70)

Being ring-fenced by national borders, within which elected officials can theoretically be held accountable by majoritarian voters, might be marginally better than being controlled by unelected international bureaucrats. However, neither should be taken as good. People should be free to collaborate with others who share their values, unconstrained by politics and geopolitical borders. Just because the scale of coercion is smaller does not transform a negative into a positive. Short of brainwashing, being shackled by politicians and bureaucrats is unlikely to generate trust, respect, or contentment regardless of the form or level of government.

Luce says, “The world’s elites have helped to provide what they feared: a populist uprising against the world economy.” Meanwhile, he sees the notion of digital democracy as an empty slogan and posits the other bleak

choice is autocracy. Thus, he suggests the only practical alternative is to abandon deep globalization and accept instead what Rodrik calls “thin globalisation” (p. 71)

Through their [framing](#) of the issues, however, both Luce and Rodrik present a [false choice](#). Economic globalization need not be either thick or thin but, rather, can be right-sized based upon self-directed interaction in an increasingly interconnected world. Just because interchange has historically been constrained by geopolitically motivated elites does not mean such restrictions are the only alternative and must be accepted in perpetuity ... unless one believes in the divinity of “national destiny.”

Indeed, *New York Times* analyst Katrin Bennhold [points out](#), “Before World War I, a Europe of empires has just become a Europe of nation states; there was no tried and tested tradition of liberal democracy.” Thus, even in the Old World, the primacy of nations is relatively new in historical terms. Moreover, in [The Welfare of Nations](#), James Bartholomew reveals that in the mid-eighteenth century the word “democracy” was negatively associated with the ancient world, as connoting instability, war, and tendency to mutate into despotism. (p. 324)

In more recent times, Luce notes “most Western democracies have ... enshrined the people as sovereign” – within national boundaries – with Britain being a notable exception that proves the rule. On the other hand, he suggests viewing the people as sovereign has been a “useful fiction” – what might be called a [“big lie”](#) – because “we have always known there is no such thing as the people.” (p. 85) Along that line of thought, Bartholomew points out a political [Catch-22](#): a kind of *democratic totalitarianism* results because citizens feel powerless to oppose ever-increasing governmental intrusion ostensibly based upon the will of the people. (p. 328)

Having belittled digital democracy, it comes as no surprise that Luce cannot foresee a time when We the People might really have the power to rule over our own lives, as envisioned by the framers of the Constitution prior its liberal reinterpretation by “progressively” activist judges. Flying in the face of such liberally practiced, self-serving blindness, however, the relatively simple technical standards undergirding the highly decentralized Internet and World Wide Web hold the potential to enable true *self-governance*. What remains is to build on those capabilities by implementing additional technical standards, like Strategy Markup Language (StratML), through open, non-proprietary business-oriented (as opposed to merely “social”) networking services.

Such services will leverage open, standardized, machine-readable data to enable individuals and groups to discover and engage each other directly to accomplish their objectives unconstrained by geopolitics. The salutary effect will be to obviate the need for politics and disintermediate politicians and bureaucrats from the process. All that may be left for government officials will be to ensure effective performance of the functions of maintaining peace, respect for the rule of law, and economic stability. Those are indispensable, nonpartisan public purposes from which the attention of politicians has been distracted by the siren call of cradle-to-grave collectivist welfarism.

Luce says fascism is based on group rights while liberal democracy is founded on individual rights. Yet, he argues, “by giving higher priority to the politics of ethnic identity than people’s common interests, the American left helped create what it feared.” (p. 95) So-called “liberals” in modern times have conveniently forgotten the meaning of classical liberalism and taken on the trappings of fascism, even as they try to pin that label upon anyone who disagrees with them. Thus, the question is whether they will push their self-righteously biased viewpoint to its logical end, which is an authoritarian form of government.

Luce says, “The populist right only began to do really well at the ballot box after they began to steal the left’s clothes.” (p. 99) However, since the competition is taking place on an uneven playing field, they are unlikely to be able to complete such a politically motivated theft. Unlike the left, conservatives will be unable to convince the mass of the population, much less the mass of the left-leaning media, of the righteousness of their play-it-safe (first, do no harm) cause. The only plausible way that might occur is if violence initiated by leftists were to prompt generalized disgust and an authoritarian crackdown, thereby validating the eighteenth century view of democracy.

By contrast, so-called “progressives” have little difficulty convincing both themselves and others of the righteousness of simplistic, emotionally satisfying causes. Left to their own devices, the threat of leftist authoritarianism seems far greater – particularly if it is aided and abetted by a decidedly biased news media and a political system which also thrives on short-sighted views of reality. There is little need for the government to impose discipline on the news media, as China does, if they are more than happy to hew the leftist partisan line of their own accord.

Although politicians in our majoritarian form of government cannot afford to look past the next election and expect to remain in office, they are commonly criticized for failure to do so. Meanwhile, however, as they strive to beat the competition with “breaking news,” the media are driven by a far shorter cycle – often matters of minutes rather than days, weeks, or months, much less years.

Faced with such a hysterical cycle of “news” and politics, the minority who pay income taxes can never hope to become populists. Nor can the one-percenters. Still less might the taxpayers, savers, investors, and property owners *of the future*, who have *no vote* and no representation but will nonetheless be stuck with the bill. It has [long been said](#) that the only sure things are death and taxes. However, in contemporary times, it has become relatively easy to avoid the latter. All that is required is to avoid doing much of anything of value to others, thus earning little or nothing and becoming a ward of the state.

The circular self-justification for such a course of personal inaction is greatly facilitated by two factors: First, a sense of entitlement borne on victimhood over the unfairness of life in general and politics in particular and, second, populist governmental policies [taxing income to welfare recipients](#) at rates ranging from 66 to 95 percent.

Does such a governmentally enforced [twice-poverty trap](#) not seem highly inequitable? Should politicians be reelected for perpetuating it? Taking into account the opportunity cost of their time, should anyone be poorer because they work than if they choose not to do so? Does such governmental policy not constitute the unforgivable sin of stealing purpose and meaning from the lives of millions?

Populism is majoritarianism and, conversely, majoritarianism engenders populism. As emotionally gratifying as it may be in the present, it is hard to see how that dynamic can lead to a positive outcome over the long term. It may become a fool’s errand to excel, save, and invest in the face of knowledge the populists will be coming to confiscate any wealth you are able to preserve, in the name of fairness to those who have failed to do so.

Following Trump’s victory, Luce says, “an Ancient Greek term suddenly re-entered English usage: *demophobia* – literally, fear of the mob.” (p. 109) However, to those on the right, Luce’s observation is yet another symptom of how far out-of-touch with reality the liberal elite have fallen.

Conservatives have long feared economic decline at the hands of the populist, “progressive” mob. Indeed, they suspect the tipping point may have already been reached, from which there may be no turning back. That does not mean the end of the world. People have found ways to survive under the most oppressive forms of government, ostensibly designed to serve their best interests.

History has shown that human beings can even be brainwashed to cherish their “dear leader” for taking such wonderful care of them under such repressive regimes. A case might be made that is what has happened to the welfare classes in Western democracies. Although they may despise elected officials, they are not about to relinquish the “free” stuff endowed upon the masses, to which then now feel entitled. However, history has also clearly demonstrated the results of such misguided, mandated altruism. The tragedy is not only how poorly people fare under such paternalism but also how predictable is that result. It is as if our emotional nature may render us incapable of learning the lessons of history.

In terms of recent history, Luce notes the term *illiberal democracy* was coined by Fareed Zakaria to overcome the common misunderstanding of democracy as “a simple process in which people elect their representatives to carry out their instructions.” Scholars call that the “folk theory of democracy” and Luce describes it as a modern version of the faith medieval peasants placed in their monarchs. (p. 117) Again, however, the intelligentsia’s self-serving blind spot is showing. They cannot fathom how the masses might survive, much less thrive, without their expert, elite, paternalistic direction and control.

On that point, Luce suggests “the crux of the West’s crisis” is that “our societies are split between the will of the people and the rule of the experts – the tyranny of the majority versus the club of self-serving insiders ...” Thus, [quoting Cass Muddé](#), he says, Western populism is an “illiberal democratic response to undemocratic liberalism.” (p. 118)

In other words, the logic of the avowed support of the intelligentsia for self-governance is internally inconsistent, belying itself. It is a useful sham enabling elitists to acquire and apply power to impose their populist will upon the masses. Were that not so, they would be striving to *decentralize* power *away from themselves* and other politically motivated shamans, back to the people themselves. (One definition of the [role of leaders](#) is to work themselves out of a job.)

Moreover, blinded to prospects for a better alternative, Luce again posits a false choice: governance by self-serving, “expert” insiders versus tyranny of the majority. With respect to expertise, James Surowiecki [has asserted](#) it is “spectacularly narrow.” Yet under the tyranny of majoritarian politicians and progressive judges, governance has grown expansively broad. The far better alternative would be true self-governance by each and every one of us, in peer-based partnerships working to realize shared objectives, without attempting to impose our will or our “expertise” upon others without their truly [informed consent](#).

Luce asserts it is impractical to expect citizens to actively participate in a democracy of 100 million people, like the Philippines, much less a country of 324 million, like the U.S. – as if a few hundred million, here or there, might make a difference. (p. 136) Thus, he demonstrates his implicit disdain for self-governance, based upon the assumption that citizens must remain subservient to their elite “representatives” and are incapable of working directly together to achieve common objectives, unconstrained by geopolitics.

Meanwhile, he says, “We delude ourselves that the frequency with which we post Facebook updates, tweet or communicate on Snapchat amounts to meaningful action.” (p. 37) In similar but more telling terms,

Bartholomew [suggests](#), “Some people appear to believe they have asserted their virtue merely by voting for a party that favors more state welfare.” What’s more, he argues, “One might even regard welfare states as a kind of self-harming drug that only the richest countries can afford.”

Ironically citing China’s deep-rooted desire to be treated with respect and dignity, Luce suggests an understanding of China’s worldview prompts fear of their domination of the world to be supplanted by worry about their collapse. (pp. 162 & 166) Were their leaders not thusly concerned, they would not feel the need to control their media and their people so strongly. On the other hand, Luce also asserts that China has two key advantages: First, more of its economy is online and, second, its private sector works hand-in-glove with government. (p. 214)

While still believing liberal democracy will prove more attractive to humanity than China’s authoritarian model, he acknowledges that is not assured. (p. 215) His doubt is well-justified by the [apparent fact](#) young people now think more highly of socialism than capitalism. The leftists seem to be winning the hearts and minds of our youth.

The irony is that both Luce and misguided young people are missing a somewhat obvious potential alternative, which is to capitalize (via capitalism) on the advantages of online interaction and working cooperatively together while *removing* politicians, bureaucrats, and government mandates (coercion) from the process. Might that not be “more attractive to humanity” than the “ringed-fence” alternatives he pessimistically posits?

Regardless of whether they are democratic and authoritarian, small states or superpowers, Luce suggests, in the face of rapid change, governments of all types are losing the capability to anticipate events. Lacking such foresight, national leaders are also losing the means to shape reality as they see fit. (p. 168)

With reference to the fallibility of authoritarians, Greg Satell [cites](#) physicist Richard Feynman’s remark, “Science is the belief in the ignorance of experts.” Often, we fail to solve problems not for lack of information but because we believe things that aren’t true. Thus, he says it’s important to question assumptions, even if they’re “draped in the guise of authority.”

Applying that principle to the realm of governance, would it not be a good thing for authoritarians to lose control over others? Might not the same also be true of majoritarian populists? Would it not be better if everyone were empowered to engage in collaborative self-control, with external control applied only to those who prove incapable of doing so, to the detriment of others? Advances in information technology and networking services now make true self-governance possible. Ought we not grasp the opportunity? Would that not be truly liberal and progressive?

Luce opines that trust is “the glue of a successful free society” while “fear is the currency of the autocrat.” (p. 169) However, fear also fuels the power of social welfare populists, who strive to become majoritarians to gain dictatorial power over minorities who disagree with them. As the saying goes, just because you’re paranoid doesn’t mean they’re not really after you. Those with differing views have every right to fear what others may be empowered to impose upon them. Why should anyone trust those who aim to overpower and run over them, politically speaking?

While observing that technology is commonly considered separately from globalization, Luce asserts they are really the same thing. (p. 53) Likewise, progress and technology are also essentially one and the same. Yet he

posits that nationalism is rising even as technology is tearing down the walls among nations, and he suggests those dynamics are fostering two “existential challenges for the world.” His use of the word “existential” is a bit melodramatic, when the real threat is not to “the world” per se but, rather, to the elitists who may be losing their grip on reality, literally (practically) as well as figuratively (psychologically) speaking.

However, the two challenges he cites are: the changing the nature of relations between nations and an upheaval in the internal character of states. Viewed from the perspective of individuals, the meaning of those challenges is similar. In both cases, self-serving institutions of all types are being challenged by change, if not necessarily being attacked by forces that have coalesced in support of clearly specified objectives to take them down and replace them with something better. The dynamics of change are not yet that well organized.

With reference to relations among nations, Luce points out the first duty is to protect against foreign enemies. (p. 172) Thus, it is noteworthy most of the NATO member states have been defaulting on their primary obligation, in favor of electing to outsource their national defenses to U.S. taxpayers and servicemen and women. It does not appear that’s the existential threat Luce had in mind, i.e., that European states may cease to exist due to failure to protect their people from being overpowered by superior foreign military forces.

However, with breath-taking ingratitude, both President Macron of France and German Chancellor Angela Merkel have now [begun to speak](#) of the need for a European army, not just for protection against Russia and China but also the United States and perhaps the United Kingdom as well. Presumably, just as the nations of Europe failed to prepare for the threats that engaged the rest of the world in two wars to save them from themselves, they don’t yet perceive a nuclear North Korea or Iran to be present threats to their sovereignty.

In any event, Luce points out the European Union is not a democracy. Its anonymous committees set the rules and are “virtually impervious to democratic control.” (p. 116) So at least as far as the EU is concerned, the issue is not so much a matter of the defense of nations per se but, rather, a farce in support of the protection of bureaucrats and *undemocratic* institutions empowering un-elected elitists.

If Macron and Merkel were to get their wish for an EU-controlled military, the implications are unclear and, in light of the history of warfare in Europe, potentially ominous. Macron has become highly unpopular in his own country and Merkel has announced she will not seek reelection. Faced with multi-partisan differences within European nations as well as across them, might there be a temptation to turn a EU-controlled army against its own people and nation states for the sake of the “common good” – as determined by a nameless, faceless bureaucracy? Conversely, might those differences make such an army a toothless tiger, further straining the welfare states’ financial resources while precluding the projection of power for any good cause?

Regardless of the mode of governmental control, Luce says, “There is a thin line between convincing people of the merits of a case and suggesting they are moral outcasts if they fail to see it.” Moreover, he asserts, “Liberal America crossed that line ...” (p. 186) As a broad generality, one difference between partisans is that liberals consider conservatives to be immoral, whereas conservatives think liberals are merely misguided and short-sighted.

For example, “Since the late 1970s,” Luce observes, “Western governments of right and left have been privatising risk [as] societies are creeping back to the days before social insurance. What was once underwritten by government and employers has been shifted back to the individual.” (p. 189)

Modern-day liberals believe that to be immoral and mean spirited. However, they ignore the [moral hazard](#) associated with shifting risk to others. Nor do they consider the point at which too much of an ostensibly good thing may become a drag on the economy and render society poorer over time. Or the fact that mutual aid societies existed long before politicians decided to *absolve* individuals, families, and communities from responsibility for each other's well-being.

Goods do not appear out of thin air to be distributed by politicians merely because government-controlled presses print money. To create value, somebody must produce something and no one can consume that which does not exist. No law of nature dictates that good intentions must produce good outcomes and there is plenty of evidence to the contrary.

Taking into account one costly aspect of welfare politics, Luce notes Universal Basic Income would obviate the need for the massive bureaucracy required to determine who qualifies for benefits. However, as appealing as UBI may be from an efficiency standpoint, he argues the concept has two fundamental flaws. Not only would it create a powerful attraction for illegal migrants but it would also remove the connection between effort and reward. Moreover, effort is about more than economic reward. While work establishes purpose and engenders self-respect, UBI ignores those important factors and assumes modern socioeconomic dynamics can endure unlimited degrees of sloth. (pp. 194 & 195)

Even to the extent that artificially intelligent agents and robots may render human labor unnecessary, boundless opportunities will still exist for human-to-human interaction and service. Moreover, although we were shaped by evolutionary forces favoring the survival of the fittest, it is now commonly accepted that the true measure of society is how it treats its least fortunate, as [Gandhi suggested](#).

If poorer people are free to work for others who have managed to save money via market exchange, perhaps they may feel less compelled to illegally skirt the geopolitical "ring-fences" devised by elitists. Morally and practically speaking, what gives politicians and outmoded institutions the right to stand in the way, based upon national and bureaucratic boundaries? By their actions, are they not demonstrating they are the very "nationalists" they decry?

Pursuit of progress requires acceptance of some risk, but just as insurance is designed to distribute the cost of risk, so should governance structures distribute the risk of counterproductive policies. No lesser authority than U.S. Supreme Court Justice [Louis Brandeis](#) suggested U.S. States can serve as [laboratories of democracy](#), without imposing needless risk on the nation as a whole.

Why should that principle not be further extended down to [communities](#)? The relevant issue seems to be whether the elitists, given the opportunity that current political structures afford them, can resist the temptation to apply the power of populism to overwhelm their opponents and pummel them into submission on a national scale.

Notwithstanding the logical flaws in his argument, Luce comes to the right conclusion: *the nature of representative democracy should be reimagined*. (p. 196)

To that, let us say amen. Those with religious fervor for [#gopfau](#) (good, old-fashioned politics as usual) ought to consider the possibility their passion might be a bigger part of the problem than the solution. Enabled by

modern information technology and business networking services, there is a far better alternative than continuing to project and extend coercive power from the cloistered halls of the state.

That more visionary alternative is to openly apply comprehension, compassion, cooperation, and coordination in communities based not only upon locality but also common interests, practices, and personal values. Individuals should be free to [include themselves](#) in virtuous cycles of service and productivity in myriad communities of results (CoRs), on a worldwide scale.

Were that to occur, unbounded by geopolitical constraints, the classical meaning of liberalism could finally be realized and the results would speak clearly and progressively for themselves.