

Patrick Deneen insists that individualism and statism have combined to undermine classic virtues. But he's wrong to call that "liberalism."

# Why Liberalism's Critics Fail

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Deirdre Nansen McCloskey

Patrick Deneen might be classified as a Catholic and a communitarian. Such terms at least help grasp his scholarly and elegantly written, if maddeningly repetitive, book, one of four written and three edited by this energetic scholar since the turn of the century, in the course of teaching at Princeton, Georgetown, and now Notre Dame. *Why Liberalism Failed* is Catholic in celebrating a collective tradition, looking longingly back, though admitting that we can never go home again. And it is communitarian in distrusting individual choice, looking fearfully forward, and affirming that Plato's *Republic* and its coercive utopianism in the style of Sparta should be our model for method.

Deneen writes political theory and American political history, along the path of his heroes Alexis de Tocqueville and Wilson Carey McWilliams. His book is against "liberalism," as he calls it. He believes liberalism is the source of the rot in American life, in its

culture and education, such as the lamentable inability of undergraduates to articulate a purpose in life beyond acquisition. "Liberalism has failed not because it fell short, but because it was true to itself. It has failed because it has succeeded."

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With many other conservatives and communitarians—the right and the left of the usual critics of modern life—Deneen believes that what he calls liberalism has lost its way. Both conservative liberalism and progressive liberalism, he asserts, are statist and view the government as “the requisite setting in which the autonomous individual could come into being.” The autonomous being is, according to him, bad news. The dependence on God and community is lost, and the individual makes of herself an individualistic idol. “Through the increasingly massive and all-encompassing Leviathan, we are finally free of one another.” The liberal experiment failed, and now we need to get back to a good old society free of it.

Deneen makes numerous such declarations, though not providing enough fresh evidence or reasoning to persuade those who might doubt. His book is directed at people who already agree with him. The doubters of his Catholic social teaching and his communitarian economics would certainly include Deneen’s two declared enemies, “conservative liberals,” which is to say Republicans, and “progressive liberals,” which is to say Democrats. He curses both their houses.

Their literal houses, Deneen notes, shifted in the 1950s from city street to back patio, from the immigrant front stoop in the slums all the way out to the American barbecue pit in the suburbs. The shift expresses, he claims, the characteristically American love of autonomy. That’s *auto-nomos*, rule of self, self-determination. Some call it liberty. But Deneen would not. His liberty is the right to obey with good cheer the will of God and of Nature and of the local commune. You will be happy that way, he says. Notice how unhappy you are now.

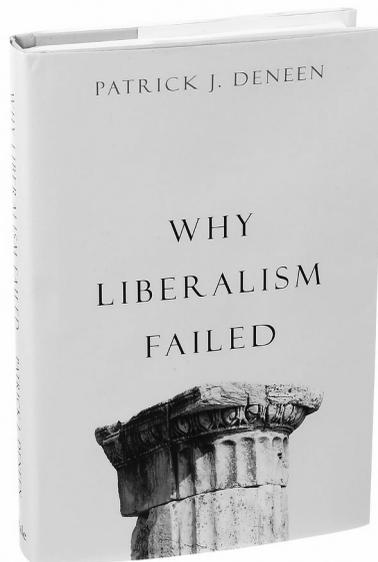
Deneen lines up “conservative liberalism” with free-market ideas, and “progressive liberalism” with social democracy. The lining up is designed to support his main thesis, that the tragic sin of modern life is the liberal

lust for autonomy. Both Republicans and Democrats lust to get away from communal beliefs; the political occasion for sin is that the two alleged “sides” in actuality unconsciously cooperate. You might think that the rugged individualism that members of the country club espouse, especially for others, and the nudging statism that the readers of the *New York Times* espouse, especially for others, are opposed. At any rate both sides say so, increasingly loudly. On the contrary, says Deneen: “Individualism and statism have powerfully combined.” The latent cooperation between the two sides of American political life is “a pincer movement to destroy the vestiges of the classical practices and virtues” characteristic of sweetly Catholic community practices and virtues that both parties are said to “despise.” “Individualism and statism advance together, always mutually supportive.”

The Dutch economist Arjo Klamer, who taught for a long time in the United States, observes that Europe is a “citadel” society, ensconced in its communities run by the regents, whereas America is a “caravan” society, on the move in search of self-rule. In the words of an early nineteenth-century folk song about taking off for the Territory, “What was your name in the States? / Was it Jackson or Johnson or Bates? / Did you murder your wife / And flee for your life? / What was your name in the States?” The sociological facts have perhaps caught up with this old idea: Canada and Denmark now enjoy greater social if not physical mobility than the United States. But in any event, Deneen’s curse on American politics amounts to a recommendation for Klamer’s citadels. He claims we once had them, and if not all of us fitted comfortably into them in olden days, we should have. Many readers of this magazine would agree. I believe they, and Deneen, are quite mistaken.

Deneen is correct to assert that left and right have a “deeper cooperation.” Republi-

## Why Liberalism's Critics Fail



*Patrick Deneen's denunciation of liberalism ignores the "spontaneous order" of the free market. Is his critique, then, fair?*

cans and Democrats, after all, do cooperate in recommending statism. The usual left-right spectrum is merely a quarrel about how to use the state's massive monopoly of violence, whether for imperial warfare or for class warfare, and often enough for both. It is not about whether the state should be large or small, which is to say how much capacity for violence it should have. Deneen says that the rich countries have become "more statist...vested in central authority." He's right. What is less obviously right is Deneen's claim, conventional though it is, that rich moderns have become also "more individualistic...less associated."

The main connection between actual individualism and actual statism is that welfare programs such as Social Security and Medicare give people independence from the traditional and often ragged safety nets of neighbor, church, and family. As early as 1871, Bismarck articulated the trick he intended to play on the left by offering a vote and a pension to the working class: "The action of the state is the only means of arresting the Socialist movement. We must carry out what seems justified in the Socialist pro-

gram and can be realized within the present framework of state and society," which is to say the German Empire and the kaiser.

What is factually correct, then, in Deneen's argument is that the elevation of the state did crowd out dependence on self and family and church in favor of an imperial state—"if not by force," as Deneen puts it, "then by constantly lowering the barriers to exit" from the traditional institutions he so admires. The total expenditure in GDP of all levels of American government—local, state, and federal—in 1913 was about 7.5 percent. By 1996 the share of American governmental expenditure had risen to 32 percent, as it is about now, and governments regulate a good deal of the rest, through what the economic historian Robert Higgs labels the increasing "scope" of government.

**B**ut Deneen defines "liberalism" largely the way other Americans do, which is to say as welfare-state slow socialism (in which the Republicans, to say it again, and as he wisely notes, participate). The Trump administration has revealed the older claim of conservatives like Paul Ryan to support

small government and the marketplace to be the con game it pretty much always has been. In line with the usual American definition of “liberalism,” Deneen sees “social cooperation”—which I agree we all need very much indeed—as coming only two ways, from either the traditional village and church or from “an ever-expanding state.”

He reveals thereby that along with most of the left and right critics of the modern world, he has no understanding of a market economy, the gigantic third instrument of cooperation for which Friedrich Hayek coined the phrase the “spontaneous order”—old Adam Smith’s “invisible hand.” Spontaneous order as a source of social cooperation, seen in natural languages and in most social customs and above all in biological evolution, is an idea Deneen mentions once in a dismissive phrase, and then moves on.

True liberalism by itself is, as Adam Smith said, “the liberal plan of [social] equality, [economic] liberty, and [legal] justice,” then leaving people alone, with a little help in the form of a modest national defense and some subsidies to elementary education. By contrast, more *intentional* practices are exactly what we do not need. We’ve tried them, in Brook Farm and in Russian central planning. Believing that we need to “intend” an economic result in order for it to be just and good exhibits the ignorance of economics found in many political theorists, and now in Pope Francis and his economic advisers. (In departments of political science, the ignorance is paired strangely by a group of ardent econo-wannabes reducing politics to game theory.)

In line with ignoring how markets actually work for cooperation, Deneen characterizes liberalism’s idea of liberty—autonomy or “modern” liberty in Benjamin Constant’s phrase of 1819 (Deneen does not refer to him, strangely for such a learned man)—as “ideally the agent’s ability to do whatever he likes” and “the capacity to satisfy our

appetites” and “the capacity of humans to expand their mastery over [natural] circumstances” or “liberating individuals from any limiting conditions” or “the liberation from natural limitation on the achievement of our desires.” He has reduced this idea to license, not liberty. Deneen’s definition of liberty is what Constant called “ancient” liberty, the right to be loyal to a polis and to have some voice in it, the ability to participate loyally in a lovely community. Sparta, say. Because he has confused the two definitions that Constant distinguished, Deneen is able to make implausible assertions such as that liberty was an “essential concept from a preliberal age . . . present in the Western tradition since antiquity.” He speaks of “liberty and self-governance,” in other words, as if they were the same.

No. Constant’s modern liberty was among the ancients *libertas*, meaning freedom from human constraint, not being a slave. “Life, liberty, and the pursuit of happiness” has three terms, not one, and only the last has to do with income—though no Founding Brother, and certainly not Jefferson, nor for that matter any political economist at the time, predicted the enormous fruit in economic growth of modern liberty. The first two are liberties from human oppression. Deneen by contrast recommends oppression, so long as it takes place in a traditional community.

Likewise his reiterated charge that liberals from Smith to Nozick “rejected the classical and Christian understanding of human beings as fundamentally relational creatures” or that their program “had the predictable effect of liberating [people] from the reality of relational life” startles when you stop to think about it. After all, liberal economics since the Blessed Smith, with certain exceptions in modern Beckerian and behavioral economics, is entirely and exclusively about relational creatures. So for that matter is liberal political theory, for example in John Stuart Mill.

The confusion of “liberation from the constraints of the natural world,” which Deneen attributes to Locke, and liberation from “customs and even laws that *can be thought to* limit individual freedom [my italics]” from human coercion is fundamental to his system, and that of many generations of reactionary communitarians. Note the “can be thought to,” as though it would be a mistake to suppose that his favored institutions of customs and laws embodied in church and community could actually put humans in a condition of servitude—this despite millennia of agricultural societies in which customs and laws enforced by priests and village elders did precisely that.

Deneen claims, as is commonly claimed on left and right but not in liberal thought properly so called, that “the expansion of markets and infrastructure... [does] not result from ‘spontaneous order’”—take that, Hayek!—but from “an extensive and growing state structure.” Whenever you encounter the word *infrastructure* you can be sure the writer believes that the state underlies property and trade and innovation. The evidence is slender. The economist Mariana Mazzucato, for example, has claimed recently that the government is an important source of innovation but offers only tendentious anecdotes in support of an “entrepreneurial” state. Deneen is no better. “The market... in fact depends on constant state energy, intervention, and support.” Please.

How could he be so misled? I believe it is because he is not curious about the alternatives to his convictions. The failing shows in his contempt for his opponents, whose arguments he does not pause to grasp. He repeatedly says, indeed, that classical liberals like me are guilty of “enormous reservoirs of self-interest.” It is a charge one hears routinely on the left, that real liberals or even real conservatives say the stupid and evil things they say because it is in their self-interest. They are paid by Charles Koch, say—though being

paid by George Soros is of course entirely innocent.

In raising the alarm against his so-called liberalism, Deneen handles like worry beads most of the clichés of thought that modern anti-market intellectuals favor. Thus environmentalism, inequality-fearing, localism, anti-urbanism, anti-globalism, small-is-beautiful, anti-consumerism, anti-imperialism—all play their parts at one point or another in his argument, often repeatedly. None of them is criticized or thought through.

Deneen recommends, for example, in line with back-to-the-land environmentalism, a “household economics” pushing us back to subsistence, standing against trade and specialization. Deneen waxes eloquent about the charms of “building, fixing, cooking, planting, preserving, and composting,” which should be “prized above consumption and waste.” Composting. We’re to go back to preliberal societies, which implies preliberal incomes making our lives poor, nasty, brutish, and short (though nothing like solitary), with the church triumphant, closed corporate communities of lovely peasants and lords, hierarchies laid out in all directions, gays back in the closet, women in the kitchen, and so forth. Why? Because “liberalism posits that freeing women from the household is tantamount to liberation, but it effectively puts women and men alike into a far more encompassing bondage.” To which one might respond: Ask your wife.

Deneen swallows whole Karl Polanyi’s “classic study” of economic history *The Great Transformation* (1944). Polanyi’s claim, on which Deneen’s history rests, is that the evil “liberal” market is a Western novelty of the nineteenth century. That way we can set aside modern liberalism as a lamentable aberration and get back to God or community and be truly happy. Though conservatives and socialists believe the tale and accept

its moral, historians have since the 1950s shown over and over that it is entirely, even embarrassingly, wrong. Markets of supply and demand have existed since the caves and were the very reason for the cities originating the civilization, as the name implies, that Deneen sees himself as defending. Ask any competent archeologist and most ancient or medieval historians. Yet it has been hard to get the news of the past seventy years of research on the matter into the minds of other intellectuals. The same might be said for the reliance on Marx's version of history that flits in and out of the argument Deneen is making, though he is certainly no Marxist. He relies, as many do, on antique historiography, often before the professionalization of history, which is to say before we knew what we were talking about.

The historical expansion of Leviathan was supported by a belief, which Deneen, alas, shares, that the market and its cooperation and competition are in fact highly imperfect. It is a Robert Reich axiom and is asserted even among many conventional economists. Yet there is surprisingly little evidence that the imperfections discerned on the blackboard are economically important. On the contrary, the evidence of sharply rising income since 1800 or 1900 or 1973 or whatever date one wishes suggests that an inclusive liberalism in the economy made markets work better, not worse, making them enriching, not impoverishing.

The belief in imperfections was made concrete in twentieth-century economics by a steadily expanding scope of state-enforced policies alleged to correct spillovers and monopoly and the rest. It is Deneen's statism, which he joins me in deprecating. In political fact, of course, most of the policies were responses to demands from this or that interest for protection from the rest of us: Disney extending copyright to protect Mickey Mouse or Whirlpool demanding a tariff to protect its incompetence in the face

of LG and Samsung. On the blackboard and at the lectern, the corrective policies were justified in academic economics by a high-minded belief that government can quite easily fix the imperfections, a belief that Deneen, again to his credit, does not share. The result in France, for example, is that the government's proportion of national expenditure is 55 percent, and regulations for the remainder of the economy proliferated until Emmanuel Macron. Henry Kissinger joked once that France was the only successful communist country. A liberal in the mold of Macron can join a communitarian Catholic in deprecating the metastasizing state.

But the evidence of gigantically rising percentages of people with refined tastes in literature and painting, and in the more or less sophisticated religious beliefs that Deneen and I share, suggests that even by an exclusive and inegalitarian definition, the pursuit of the transcendent (which leaves out worship of, say, the Chicago Cubs, with apologies to George Will) has been enabled, not crippled, by modern economic growth. Deneen emphatically does not agree. But Deneen's ancestors and mine, his from the south of Ireland and mine from the north, were illiterate peasants, whose cozy communities enforced violence against women and landlords, and which were very willing to toss away Irish traditional high culture and low, the bards and fiddlers. As argued by the economist Tyler Cowen, another Irish-American, markets save traditional culture. Irish music was saved from dissipation by emigration and later from the spread of pop music on the radio by the song collections of an Irish police chief in capitalist Chicago of the early 1900s. Inuit soapstone sculpture became a fashionable item from capitalist Canada. Every prosperous Norwegian woman can and does buy a *bunad*, the (invented) traditional Norwegian wedding dress distinct for every fjord and valley. Highly commercial and "individualistic"

societies from fifth-century B.C. Athens through *quattrocento* Tuscany and postwar Manhattan were hives of artistic creativity exploring tradition and selling its extensions.

What is actually novel about the history of a correctly defined liberalism is not the market, which is ancient and pervasive, or the vulgarity of human consumption, which is sadly universal. What is unique is the assertion of equality against the hierarchies that subordinated slaves, women, immigrants, and sexual and other minorities. Liberalism was novel in 1776, successful at least ideologically in the nineteenth century, detoured in the twentieth into the slow socialism called "liberalism" by Americans (though by nobody else), and is nowadays under attack worldwide by populist tyrants. The tyrants, embarrassingly for a man of good will like Deneen, repeat the conservative formulas such as he uses. It's a worry.

The main body of thought overlooked by anti-liberalism of all sorts, then, from Deneen's gentle communitarianism to fascism and communism, is economics after the 1860s and an economic history after the 1940s that uses economics. Deneen, like most of our deep social thinkers, has not opened a book of economics since Marx or of economic history since Polanyi. Like most intellectuals, therefore, he does not understand how a market economy works and what its actual history has been. The facts and logic adduced from the elderly or tertiary books on which he relies are regularly nonfacts, nonlogic, fake news.

Deneen believes, on the contrary, that the poor have become immiserated. But, like Marx, he is mistaken. "Inequality" is the fashionable cry, which of course Deneen echoes. But according to careful statistical studies, world inequality among individuals has declined radically in the past thirty years. And even in rich countries, the inequality we hear so much about has been

grossly mismeasured. For example, measures of inequality of wealth, such as Thomas Piketty's, ignore the largest source of modern wealth: human capital. For another example, the alleged decline of the middle class in the U.S. turns out to be mostly a rise into the upper middle class, not a fall into social classes C, D, and E. For still another—the examples are legion—the quality of goods has risen sharply, making "stagnant" money earnings more valuable. Think, to take a plebian example, of modern auto tires or, of course, the amazing power of the modern smartphone, owned now even by the plebes.

During all the millennia before 1800, income per person in today's prices for the average human bumped along at about \$2 or \$3 a day. It was tough, at the present level of Mali and Afghanistan or of the hard-socialist regimes. Furthermore, hierarchy prevailed. Born a milkmaid, you died a milkmaid. Doubly tough. Your smart option therefore was to look inside, following Stoic and Christian and Buddhist teaching, to take up your cross, or prayer wheel, and quit whining. You'll get pie in the sky when you die, and anyway you might acquire along the way true enlightenment.

By now, however, income per person in the same prices is about \$33 a day worldwide, the condition of Brazil. And the liberalism invented in the eighteenth century has partly eroded hierarchy, the condition of Australia. This amazing fact is unknown by most intellectuals damning capitalism and is unappreciated by them even when by some chance they catch wind of it.

One is led to wonder if the two events are connected, the Great Enrichment and the inclusive liberalism Deneen dislikes. They are. In a country like Japan or Sweden or the U.S. that has embraced liberalism most warmly, incomes per person as a whole-population average have risen from the old and ancient \$2 or \$3 a day to anything from \$90 to \$120, and much more if the person is

highly skilled—sufficient, say, for a condo on Printer’s Row in Chicago and a trip to watch birds in Antarctica. The increase is 3,000 percent in the median or average. And the poorest have gained the most. The very rich get another diamond bracelet. Splendid. But the poor get food, housing, antibiotics, and education denied to most people during all of history but the liberal era. By now, descendants by the billions of illiterate slaves and milkmaids have acquired the instruments for full human flourishing. They may not all take it. But that merely suggests that we join Deneen in preaching to them to leave off reality TV and Fritos and get to work on their Greek and Beethoven piano sonatas.

Yet the fact that liberalism resulted in billions of people having full lives does not move Deneen, or other right conservatives and left environmentalists, who fiercely attack a “consumerism” that has in truth characterized human life always. Deneen will have none of it. He wants us to go back to Brook Farm.

**W**hy *Liberalism Failed* depends on the Master Mistake of modern social science, namely, that we are sorely alienated—Deneen refers to Marx for support and brings out the usual claims of bowling alone and “the depletion of moral self-command and the depletion of natural resources.” He follows *The Quest for Community*, Robert Nisbet’s book of 1953, among scores of others in a similar vein since the Romantic movement, in believing that there has been “an active dissolution of traditional human communities.”

But the “arts of association,” as Deneen’s teacher McWilliams called them, are not in fact atrophied in modern life. True, association is not bundled into one package, as in the village of Great Durnford in Wiltshire in 1540 or St. Ignatius parish in Chicago in 1940. The conservative strain in communitarianism praises, in Deneen’s words, “the traditional places of support and sustenance,”

claiming that modern life has “shorn people’s ties to the vast web of intermediating institutions.” The metaphor of a “vast web” fits, I must admit, a spider’s web. People who do not live in such quaint be-webbed communities, which is of course most of us nowadays, delight in imagining the people trapped in quaintness as happy creatures, morris dancing and drinking cider and marching into the common fields, arms linked, singing socialist anthems. Though intensified by the anti-urban theme in Romanticism, at a time in which Europe was frantically urbanizing, it was and is a version of the pastoral, such as Virgil’s *Georgics* or Gray’s “Elegy Written in a Country Churchyard.” Notably, medieval literature in Europe, when most people were in fact villagers, and stuck thereby in their web, celebrates instead the city, whose air makes one free.

The claim of alienation, though asserted in scores of fashionable books every publishing season, is comprehensively false. It is not true that modern history “replaces the ancient commendation of virtue and aspiration to the common good with self-interest, the unleashed ambition of individuals, an emphasis of private pursuits over a concern for the commonweal, and acquired ability to reconsider relationships that limit our [individual] liberty.” Moderns are just as embedded in community as humans have always been, because humans can’t help it. Masses of experimental evidence, not to speak of the testimony of the humanities since the Epic of Gilgamesh, exhibit humans, unlike other great apes, as cooperators on a large scale. There’s been no recent change. Contrary to many fine scholars depending on nineteenth-century German Romantic scholarship for their grand narrative of history, individualism did not “rise.” Cities did not yield a “feeling of atomization” or “deracinated humans.” Modern life does not render “place fungible and bereft of definitional meaning.” There was no transition from

*Gemeinschaft* to *Gesellschaft*. The Middle Ages, or ancient China, or all human societies since the beginning, had both. To use a category proposed by Henry Maine in 1861, there was indeed in the nineteenth century especially, praise the Lord, a transition from a society largely of status to one much more of contract. But the historical anthropologist Alan Macfarlane showed long ago that the English were already individualist in matters such as family formation a thousand years ago. Any medievalist can tell you more.

The growth of the liberal market, I would argue, promotes virtue, not vice. Most of the clerisy—themselves, as Bismarck described them with disdain, having “no property, no trade, no industry”—think the opposite: that it erodes virtue. And yet we all take happily what the market gives—polite, accommodating, energetic, enterprising, risk-taking, trustworthy people with property, trade,

and industry; not bad people. Sir William Temple attributed the honesty of Dutch merchants in the seventeenth century “not so much [to] . . . a principle of conscience or morality, as from a custom or habit introduced by the necessity of trade among them, which depends as much upon common-honesty, as war does upon discipline.” In the Bulgaria of socialism, the department stores had a policeman on every floor—not to prevent theft but to stop the customers from attacking the arrogant and incompetent staff charged with selling shoddy goods that fell apart instantly. The way a salesperson in an American store greets customers makes the point: “How can I help you?” The phrase startles some foreigners. It is an instance in miniature of the bourgeois virtues. Or of the liberalism that Deneen rejects in favor of hierarchy and reaction. †

## Shed Archeology

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William Logan

Everything stored  
had married rust: my father's  
red gas-mower, the scythe he swung

against the tall grass  
before it went to scrub,  
tools inherited from his father—

bent rake, chipped hoe, blunted ax.  
In a corner squatted a rotten bucket  
of ten-pennies, democratically

fused. That final spring, it looked  
like a porcupine hibernating—  
or the dog curled up at Pompeii.