

Why I'm Optimistic about Freedom and Progress

David Boaz is the executive vice president of the Cato Institute and has written and edited numerous books on libertarianism, including *The Libertarian Mind: A Manifesto for Freedom*. In February, he spoke at a Cato seminar in Ft. Lauderdale, Florida, about recent trends and the role of libertarians in the world.

I'm going to start with a question that you probably don't hear very often. Do libertarians run the world?

Believe it or not, people have been saying that lately. In its obituary for our late board member David Koch, the venerable *New Republic* magazine blamed him for the "libertarian radicalization" that he had brought upon America. And another left-wing magazine, *Salon*, blamed him for the "libertarian dystopia" we all live in. Meanwhile, there's a new group of big-government conservatives who held a whole conference and have now created a new organization devoted to saving America from the fiery pits of libertarianism.

And when we see these lamentations about libertarians running the world, most of my colleagues roll their eyes and ask, "What are they smoking?"

Because what we see is trillion-dollar deficits, two trillion dollars in regulatory costs, endless wars, and criminal injustice. How can anyone think libertarians are running the world?

But I've decided on a different response. And that is: you bet libertarians run the world—I mean, we don't run the world because no one can do that. But we did invent the basic operating system that the modern world runs on. And that's a darn good thing.

More than libertarians often acknowledge, we live in a world of freedom and progress. We have extended the promises of the Declaration of Independence—life,

liberty, and the pursuit of happiness—to people to whom they had long been denied around the world. More people in more countries than ever before in history enjoy religious freedom, personal freedom, democratic governance, the freedom to own and trade property, the chance to start a business, equal rights, civility, respect, and a longer life expectancy.

War, disease, violence, slavery, and inhumanity have been dramatically reduced.

And it is libertarian ideas and liberty-minded people that have made that happen.

With few exceptions, for millennia the world was marked by despotism, slavery, hierarchy, rigid class privilege, and literally no increase in the standard of living.

And then libertarian ideas came into the world. Of course, they weren't called that at the time. They went by different names in different countries but came to be known as liberalism. But by whatever name, they were the ideas of human rights, markets, property rights, religious toleration, the value of commerce, the dignity of the individual—life, liberty, and the pursuit of happiness—peace, and human flourishing.

That change in ideas brought about what the great economic historian Deirdre McCloskey calls the "Great Fact" of human history.

And she capitalized "Great Fact," or sometimes "Great Enrichment," because she says that this is the greatest fact in human history since we stopped being nomads and settled down and started farm-

ing about 7,000 years ago. And the great fact of human history then is the enormous and unprecedented growth in living standards that started in northwestern Europe around the year 1800. If you look at the chart of gross domestic product (GDP) per capita, or any other measure of economic growth, it looks like a hockey stick: flat for almost all of human history, and then it rockets upwards in just the last couple of centuries. It's flat for thousands of years, and then around 1800 it shows this incredible growth in the Netherlands and England and also on the eastern seaboard of North America. Unfortunately, that flat line continued well past 1800 in much of the world. For example, in China it didn't turn upward until around 1980, but it's gone up a lot since then.

That growth in living standards had never been seen before in history, and certainly not sustained growth. There were moments in classical Greece, Rome, and a few other places where you saw some growth. But sustained, year-after-year, decade-after-decade improvement in quality of life was unprecedented.

The ideas that gave birth to that transformation spread to more aspects of life and more parts of the world. They gave Europe a century of peace and progress, often defined as the era from the defeat of Napoleon in 1815 to the outbreak of World War I in 1914. The Great Fact spread from northwestern Europe and America to the rest of Europe, to Latin America, and to parts of Asia.

Of course, those libertarian ideas were never perfectly realized. They began to fade in the late 19th century, and that turn away from liberal ideas led to many of the horrors of the first half of the 20th century: World

War I, the Great Depression, and World War II. Many countries endured the horrors of national socialism and communism.

Mercantilism, cronyism, bigotry and discrimination, political murders, and authoritarianism have plagued parts of the world. And even in our own country, in my own lifetime, we lived with 90 percent income tax rates, wage and price controls, restricted entry to numerous industries, indecency laws, Jim Crow, and military conscription. Once in a while, a Cato intern who's about 19 years old will say to me, "We're losing all our freedoms." And many of you can anticipate my response: "When I was 19, I was worried about being drafted and sent to Vietnam. You're not." That's a huge increase in freedom, an example of how things really are better today in some ways. Not all the trend lines are negative. Progress has been happening.

We're still working on some of the progress that began after World War II. A renewed commitment to free trade, the international rule of law, and constitutional liberal democracy brought about another long period of great-power peace. The spread of property rights and market institutions to China, India, Latin America, and lately Africa has helped to bring more than 1.25 billion people out of poverty in the past 25 years. That's the radical progress that we're seeing in the world today. That's what we mean by globalization. That's what has brought a billion people out of extreme poverty. Deirdre McCloskey estimates that per capita GDP has increased by 30 times over two centuries. Now, it's a hard thing to imagine a 3,000 percent increase in the standard of living. How do you measure that? You can't measure it by bigger televisions. They didn't have television. You can't measure it even by things we now consider basic necessities.

Think about our greatest Americans, Benjamin Franklin and John Adams, going on a diplomatic mission to Canada

during the war. How did they get to Canada? They either rode horses or rode in a bumpy carriage. And where did they stay along the way? They stopped wherever there was some rustic inn. These days we think a rustic inn sounds nice. If you could see an actual rustic inn, you wouldn't want to stay there. They often slept in the same bed, probably a bed that had one or two



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other men in it as well. It's not that they weren't well off; that was the level of wealth in the world at the time.

Even as relatively recently as the 1920s, President Calvin Coolidge's teenage son was playing tennis on the White House tennis court and got a blister on his foot. The blister got infected, and the health care available to the president of the United States and his family was not sufficient to keep the president's son from dying from an infection. That was a great

tragedy for Coolidge. He wrote about it in his autobiography. He said that if he had not been president, his son wouldn't have been playing tennis that day on that court and wouldn't have died. That's certainly true, but the other way to look at it for our purposes is that that's how much poorer even the most well off were a hundred years ago.

That's what we mean when we say that our standard of living is 30 times what it was for our ancestors in 1800. And currently, yes, there are plenty of problems in the world. Poverty still exists. There was a financial crash in 2008, and there may be another one beginning right now. Environmental issues and hate and public health crises—those things are real. But our *Economic Freedom of the World* report shows economic freedom increasing globally since 1980, which is as far back as we have data to measure it. And partly as a result of that, we've had great increases in world trade, women's rights, gay rights, and lots of other freedoms.

And it was libertarian ideas and libertarian policies that brought that about. So I'm happy to say: yes, libertarians have been running the world, and we're happy to take credit for that progress.

But nothing is guaranteed. As T. S. Eliot said, "There is no such thing as a Lost Cause because there is no such thing as a Gained Cause." Nothing is ever sure. Ideas we thought were dead are back. Socialism, protectionism, ethnic nationalism, anti-semitism, even—for God's sake—industrial policy, the idea that bureaucrats in Washington would have a better sense of where money should be invested in which industries and which companies than thousands and millions of individual investors, each one trying to find the winning strategy for himself, his business, his family. Some conservatives are now embracing this kind of industrial policy.

And that's why our job is not done. We're seeing a rise of illiberalism on both

the left and the right, with threats to liberty, democracy, trade, growth, and peace.

And so it remains to us to defend the constitutional order of our republic, to remind people over and over of the wonders that America has produced, how rare freedom and abundance have been in the world.

That also means defending the rules that are essential to the continuance of this progress. I remember an article Milton Friedman wrote in 1984 when *National Review* asked him to respond to a conservative case for tariffs. And as you read this article, you can just feel the subtext of Friedman's exasperation, that tone that says, "I can't believe we have to go over this again." We have known theoretically and scientifically since 1776 that tariffs hurt people and they hurt the economy, and that free trade is what makes societies wealthy. We now have empirical evidence to back up Adam Smith's insight. We can look at countries that were closed to trade and at countries that had open trade, and we can see which ones did well. After all, the most closed economy in the world is North Korea. There have been others that tried that strategy. The countries that have open trade are the ones people want to live in. They're the ones that people prosper in.

But here we are. All the bad new ideas are actually bad old ideas. Libertarians and classical liberals have been fighting them off for more than 200 years, and we will keep doing so.

And as both the right and the left here and abroad seem to be moving in the wrong directions, maybe we can play a role in strengthening a libertarian center. People rarely think of libertarians as moderates or centrists. But we've written a few times about a libertarian center in American politics. You might say it includes people who would call themselves fiscally conservative and socially tolerant, or peo-

ple who would say that taxes are too high and who don't care who you marry or what you smoke. I think that this really is the center of American politics, and I think such beliefs are even a plurality in American politics. Yet in both political parties, these sensible views seem to lose out to the extremes of people on one side or another who want to regulate who you can marry and what you can smoke, who want to raise your taxes, and who want to regulate your business.

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And as the two parties become more polarized, usually in the wrong ways—Democrats becoming more tax-and-transfer and even more socialist, and Republican politicians, I fear, becoming more nationalist and more protectionist—libertarians may well find themselves in the real center of people who believe in an open society and an open economy.

Around the world, with left-wing autocrats and ethnic-nationalist autocrats vying for power, classical liberals defend the broad center of peaceful and productive people in a society of liberty under law.

Libertarians are needed now more than ever. We've been fighting ignorance, superstition, privilege, and power for centuries. And what we sometimes forget is that when you look at the big picture, we've been winning that fight. We have reduced ignorance, superstition, privilege, and power.

I was asked once by some skeptics what

has been the most important libertarian accomplishment ever.

I thought for a moment and said, "the abolition of slavery." They said, "OK, name another." I thought the abolition of slavery was pretty good! I thought if you had the abolition of slavery on your resume, you were prepared to meet your maker! But they said, "name another." So I thought about it a little more carefully, and I said, "bringing power under the rule of law." That's what all these things are really about. In every society there are people who want power, who strive for it, who want to use that power to run other people's lives. We can't ever completely eliminate power, but isn't limiting it what the Constitution was about? It was about constraining men who desire power. They had seen monarchies; they had seen autocrats in their history books about Greece and Rome.

The Framers knew what they didn't want, and they also worried about mob rule. So they weren't for pure democracy. They were for constraining the power of the mob, of the people; constraining the power of the president; constraining the power of the new Congress that they were creating; and constraining the power of the federal government. They wanted to give the federal government very limited powers to protect freedom. And if you take out your Cato Pocket Constitution and look at Article I, Section 8, you'll see that they list the powers they were giving the federal government. They're pretty limited. Bringing power under the rule of law is what libertarian friends of ours are fighting for in China, Saudi Arabia, Turkey, Hungary, and Mexico—and here in the United States.

We've been winning that battle, but there's more to be done. The battle is never over. And that's why we're still doing what we're doing at Cato, and we appreciate the fact that you are supporting what we're doing. ■