

# Carlsbad 1819

## Like another Chouannerie

## How classical liberalism got pwned (in brief)

*June 5, 2017 by Nulle Terre Sans Seigneur*

Social equity today does not have to be so much fought for by young radicals as administered by managers of all ages.

— Jay M. Shafritz and E.W. Russell, *Introducing Public Administration*

A long-standing dilemma that disturbs the libertarians is the question of how classical liberalism was so badly butchered into the pinko social liberal ideology of Hobhouse, Green, Lloyd George, etc. which it is today. The straight answer is that no one butchered it and that liberalism outside of England and (sometimes) France was practically never laissez-fairist.

However, it is worth looking into the question for its own sake. After all, going from Herbert Spencer ranting against public sanitation legislation in his essay *The New Toryism* (<http://www.econlib.org/library/LFBooks/Spencer/spnMvS1.html>) (1884) to Lloyd George's "People's Budget" in a span of about a couple of decades is a rather striking saltationist event of social evolution, both in the case of English liberalism specifically, and of how a generally economically liberal consensus can rapidly spiral off into one of scientific management.

"Who now reads Spencer?," asked Talcott Parsons many years ago. No one. No one now reads Parsons either, might I add.

But in order to get a hint, perhaps we ought to sample the man. He was the biggest intellectual celebrity of the 19th century, after all. It's almost difficult to believe this today given his quick plunge into irrelevance simultaneously with the Victorian rugged liberalism he stood for, but at least the volume of his book sales corroborates this notion. And, contrary to stereotypes of him by his socialist opponents, his theory of evolution was quite sophisticated.

This isn't supposed to be an overview of Spencer. If you want that, go read Alberto Mingardi.

One of Spencer's main postulates was that social systems evolve from an indefinite homogeneity to concrete and definite heterogeneous networks, and per his First Principles, "that all sensible existences must, in some way or other and at some time or other, reach their concrete shapes through processes of concentration."

Thus, we read, under Chapter XIX ([http://oll.libertyfund.org/titles/2632#Spencer\\_1650-02\\_1443](http://oll.libertyfund.org/titles/2632#Spencer_1650-02_1443)), of vol. 2 of *The Principles of Sociology* (1898), that:

That under its primary aspect political development is a process of integration, is clear. By it individuals originally separate are united into a whole; and the union of them into a whole is variously shown. In the earliest stages the groups of men are small, they are loose, they are not unified by subordination to a centre. But with political progress comes the compounding, re-compounding, and re-re-compounding of groups until great nations are produced. Moreover, with that settled life and agricultural development accompanying political progress, there is not only a formation of societies covering wider areas, but an increasing density of their populations. Further, the loose aggregation of savages passes into the coherent connexion of citizens; at one stage coercively bound to one another and to their localities by family-ties and class-ties, and at a later stage voluntarily bound together by their mutually-dependent occupations. Once more, there is that merging of individual wills in a governmental will, which reduces a society, as it reduces an army, to a consolidated body.

An increase of heterogeneity at the same time goes on in many ways. Everywhere the horde, when its members cooperate for defence or offence, begins to differentiate into a predominant man, a superior few, and an inferior many. With that massing of groups which war effects, there grow out of these, head chief, subordinate chiefs, and warriors; and at higher stages of integration, kings, nobles, and people: each of the two great social strata presently becoming differentiated within itself. When small societies have been united, the respective triune governing agencies of them grow unlike: the local political assemblies falling into subordination to a central political assembly. Though, for a time, the central one continues to be constituted after the same manner as the local ones, it gradually diverges in character by loss of its popular element. While these local and central bodies are becoming contrasted in their powers and structures, they are severally becoming differentiated in another way. Originally each is at once military, political, and judicial; but by and by the assembly for judicial business, no longer armed, ceases to be like the politico-military assembly; and the politico-military assembly eventually gives origin to a consultative body, the members of which, when meeting for political deliberation, come unarmed. Within each of these divisions, again, kindred changes subsequently occur. While themselves assuming more specialized forms, local judicial agencies fall under the control of a central judicial agency; and the central judicial agency, which has separated from the original consultative body, subdivides into parts or courts which take unlike kinds of business. The central political body, too, where its powers do not disappear by absorption in those of the supreme head, tends to complicate; as in our own case by the differentiation of a privy council from the original consultative body, and again by the differentiation of a cabinet from the privy council: accompanied, in the other direction, by division of the consultative body into elective and non-elective parts. While these metamorphoses are going on, the separation of the three organizations, legislative, judicial, and executive, progresses. Moreover, with progress in these major political changes goes that progress in minor political changes which, out of family-governments and clan-governments, evolves such governments as those of the tything, the gild, and the municipality. Thus in all directions from primitive simplicity there is produced ultimate complexity, through modifications upon modifications.

Keep tabs on this, because now into the arena comes Lester Frank Ward. Referred to by Henry Steele Commager as “the philosophical architect of the welfare state,” he had quite an influence in, among other things, enshrining the Wisconsin Idea ([https://en.wikipedia.org/wiki/Wisconsin\\_Idea](https://en.wikipedia.org/wiki/Wisconsin_Idea)) of Charles van Hise.

He also dabbled in quite a bit of sociology himself, and had a bone to pick with Spencer all throughout, especially in his 1883 magnum opus *Dynamic Sociology*, which went through several editions.

Here, for instance, is Ward cunningly donning the face of Thrasymachus to promote the interests of the downtrodden:

It is here that the new science is destined to be strongly antagonized by the growth of erroneous ideas respecting liberty. The so-called “abstract rights” of mankind must be denied if society is ever to become the arbiter of its own destiny – in theory, that is, for it is impossible that the real enjoyment of liberty should be thereby in the least diminished, while the sum of human happiness must be greatly increased, and this is the only conceivable object of any right. All the prevailing theories of human rights are but ideal conceptions which not only have never yet been realized, but in the nature of things never can be. **In point of fact, all things are now and always have been governed by force, and all the attempts to disguise it under the color of abstract right have only served to make it easier for the unscrupulous to accomplish their personal aggrandizement.**

Government has always wielded an iron scepter, which the forms of law have only rendered the more inexorable. The most complete recognition of the right of force in human society – the only rule known to the rest of the sentient world, and the only one ever acted upon by mankind – could by no possibility render matters, worse than they are. **But this recognition would put it in the power of the controlling authorities in society to introduce progressive elements into government, and make the coercion which is now so fruitless a positive and increasing future benefit.** Under the negative system of government which has prevailed thus far, the world naturally looks round and asks what return it has received in exchange for all this sacrifice, and it is no wonder that many insist that the account is against government, and would gladly dissolve the partnership and annul the “social compact.”

Here we also have a neat illustration of the perils of absolutism: it conceals the March of Progress as actually being a “realist,” perhaps even reactionary, account of power.

However, it is this paragraph here that really kicks Spencer and the laissez-fairists in the nads:

Now, every one admits that the practical use of science is its application to art. The application of science to art is only another way of expressing the utilization of the materials and forces of nature. By a knowledge of natural laws man is enabled to harmonize natural forces with human advantage. This truth, of course, must be general. It would be illogical to pretend that it applies to some kinds of natural laws and forces and not to others. What becomes, then, of laissez faire? Yet some who would be the first to grant the above premises, who are strongest in the conviction that society is the domain of regular laws, who are most earnest in their search for these laws, nevertheless, strangely enough, deprecate all attempts on the part of the agents of society to control the social forces and harmonize them with the social welfare...

But why lay so much stress on these crude failures at invention, due to the absence of science? Why point to them as permanent warnings against all future attempts to regulate society? Why cry “Laissez faire!” as if society would ever work out its own progress? As well say to all inventors: Cease trying to control nature, let it alone and it will control itself; it will, if left undisturbed, work out, in its own good time, all the cotton-gins, reaping-machines, printing-presses, and sand-blasts that are needed. Why not, because the first telegraph line and the first ocean cable failed, cry down the Wheatstones and the Fields, and may, Let these matters alone, they will regulate themselves?

The Frederic Bastiats and the William Leggetts, working out their systems on the “harmony of nature,” and of natural laws governing production, nevertheless so stringently insist that this Nature can build miracles of social organization simply by its acting in space and time, with no human actor to direct it for a greater purpose. Alright, laissez-fairist, we agree that there are natural economic and sociological laws. Which is why we will use them to build social technology, as engineers to physicists.

*Pwned.*

This is not as bad as when the laissez-fairists shot themselves in the foot of their own accord, however.

Such was the case with the great 1834 revision of the Elizabethan Poor Law. An infamous parliamentary report authored by Nassau Senior and Edwin Chadwick, respectively a classical economist and a utilitarian social reformer. The scheme was best summarized thusly ([http://oll.libertyfund.org/titles/1461#PoorLaw\\_0169\\_1419](http://oll.libertyfund.org/titles/1461#PoorLaw_0169_1419)): “It is true, that nothing is necessary to arrest the progress of pauperism, except that all who receive relief from the parish should work for the parish exclusively, as hard and for less wages than independent labourers work for individual employers, and we believe that in most districts useful work, which will not interfere with the ordinary demand for labour, may be obtained in greater quantity than is usually conceived.”

All poor relief was to be indoor relief (via workhouses), and a Poor Law Commission was started with the powers to amalgamate parishes into units called Poor Law Unions, for the purposes of building workhouses, and for administration under directives of the Commission. Bigger is better.

One eccentric Tory pamphleteer, Richard Oastler, began screaming bloody murder. And, oh, boy is it something to observe (<https://books.google.com/books?output=text&id=8IYIAAAAQAAJ&jtp=10>). From *Damnation! Eternal damnation to the fiend-begotten ‘coarser-food’, new Poor law* (1837):

Look here !—I hold in my hand an Invoice of a family of the name of Markwell, sold by the Guardians of Oxon Union, in Suffolk, to Mr. George Stanfield Wells, Factory Master, of Soyland, near Halifax; it states their number, ages, and sexes; and the prices are put down too; but they are not as faithfully paid, as they would be, were the ‘goods’ black Slaves. My friends, we paid £20,000 000 some time ago—was it, think you, to establish White Slavery in England —At all events, we Now have the Slave Trade in England!—The buying and selling of English men, women, and children!!—I hold the damning proof before you! This Gang, counts Ten; seven males, and three females! These Slaves are now in the adjoining parish of Halifax! They were kidnapped by the Officers of the King of England! This stain shall, however, soon be removed from England, let the price, in Blood or Gold, be what it may.

I do not ask you, my friends, whether it is right and just, that after English flesh, blood, and bones have been thus sold, invoiced, and delivered! Aye, delivered!! This gang of Slaves, ten in number, was actually delivered in this very Town, to the Slave Owner, who sent his cart here, to drag them to his Slaughterhouse in Soyland :—I do not ask, is it right after all this, that the Man-dealer, the Woman.buyer, the Child-butcher, should only pay half the bargained price? Neither do I enquire of you, were the Magistrates justified, (when poor Markwell found himself thus cheated, and gave notice, that as the bargain was not lull tilled. In; should leave Wells, in a fortnight), in sending him back again to his Owner, like so much “ Goods” —and also in making him pay for his temerity, in supposing that his Owner had not a right to cheat him? Look once more at this paper.—this Invoice —Mark it well !—It is the Invoice of Markwell—Mark it well, men I — blush when I see it;—but mark it well, men!! IT IS THE HAND-WRITING AGAINST THE WALL!!!

Workhouse scandals began erupting all over the place, sob stories galore. Most notable of which is probably the Andover workhouse scandal ([https://en.wikipedia.org/wiki/Andover\\_workhouse\\_scandal](https://en.wikipedia.org/wiki/Andover_workhouse_scandal)) of 1845, a cause celebre of the reaction against the new Poor Law “Bastilles.” Following that scandal, the Poor Law Commission was replaced with a Poor Law Board in 1847, now including the Chancellor of the Exchequer. Finally, as part of various reforms enacting local health boards to handle a wide variety of functions parallel to municipal corporations, and starting from 1871 the Local Government Board taking over, among other things, poor relief, thus led to officially centralizing inspection, judicial and executive authorities that were once within the purview of local government. From then on, the liberal welfare reforms were but a logical leap.

*Pwned.*

“That under its primary aspect political development is a process of integration, is clear,” wrote Spencer, and I concur. Clear as day.

So clear that Woodrow Wilson in his 1887 paper *The Study of Administration* wrote that “the idea of the state is the conscience of administration.” Moreover, that “seeing every day new things which the state ought to do, the next thing is to see clearly how it ought to do them. This is why there should be a science of administration which shall seek to straighten the paths of government, to make its business less unbusinesslike, to strengthen and purify its organization, and to crown its duties with dutifulness.”

It is very odd to read Wilson saying that the business of government ought to be made more businesslike. Was Wilson a neocameralist or something? Well, in the literal sense of being a latter-day cameralist, absolutely.

The utilitarian reformers, yelling “laissez faire, laissez passer,” had their rhetoric of efficiency mutate into what Martin J. Sklar dubbed the *corporate reconstruction of American capitalism*. Of course, this applied to just about all other capitalisms, too.

Telos Press has published excerpts (<http://www.telospress.com/sklar-capitalism-socialism-mix/>) from one of Sklar’s last papers in 2003, where he capably describes how the distribution of income in modern mixed economies transcends any capitalist-socialist dichotomy, dialectically fusing the two and leading to a thorough embourgeoisement of the proletariat:

More than this, we can identify, and quantitatively calculate and measure, in both absolute and relative terms, what I call (a) a Capitalist Investment Component (CIC), and (b) a Socialist Investment Component (SIC), in market, associational, and government spheres alike, and we can begin to track their intersecting and interweaving, so that we are able to see the U.S. political-economy, ca. 1900 and since, as an evolving mix of capitalism and socialism—not in abstract or utopian terms, but in real history. . . .

Assuming the modern money-market, capital-wage-labor type of political-economy, the CIC refers to that part of investment, which itself or the returns of which go to investors' private gain. The SIC refers to that part of investment, which itself or the returns of which go to social funding, or funding of social goals and programs. As the interplay of CIC and SIC has matured in history, returns on SIC and returns and gains from CIC increasingly go to individual ("private") income of working-class and other non-capitalist people (think of pension funds, IRAs, social security, medicare, etc.). This, in turn, has involved the blurring or dissolving of older capital-labor class lines, as Marx anticipated, although not exactly in the way he anticipated. That is, workers share in economic growth, not only via nominal wage gains and SIC, but also via CIC returns and capital gains, which in the past accrued only, or overwhelmingly, to capitalists. . . .

In the period, 1890s to 1920s, the SIC in the U.S. was inchoate and far exceeded by the CIC, but the trend of its growth became established, and from this time forward, and especially from the 1930s on, the SIC continually grew, and more than this, increasingly became the condition of CIC markets themselves, that is, in the investment and price systems, as well as growing in government programs and activity, and those of nonprofit or civic or educational or philanthropic or social service organizations and associations of all sorts, religious and secular. Another way of putting this is that socialism became integral to the investment-price system—the market and business system (the "private sector"), just as capitalism has been integral to government programs and activities (the "public sector").

Very well. Now, how do we find cameralists to sustain this?

The much-maligned teachers' unions come to the rescue. The Commission on the Reorganization of Secondary Education, part of the National Education Association, had this tip in their landmark 1918 report (<https://archive.org/stream/cardinalprincip100natirich#page/16/mode/2up>) detailing the *Cardinal Principles of Secondary Education*: "Furthermore, it is only as the pupil sees his vocation in relation to his citizenship and his citizenship in the light of his vocation that he will be prepared for effective membership in an industrial democracy. Consequently, this commission enters its protest against any and all plans, however well intended, which are in danger of divorcing vocation and social-civic education. It stands squarely for the infusion of vocation with the spirit of service and for the vitalization of culture by genuine contact with the world's work."

Roll over, Montesquieu and Burlamaqui, your separation of powers is getting in the way of our new substance of politics, the body representing the popular will, and the structure executing the popular will. Everyone must contribute their fair share into what must become their eventual merging as the faceless agents of the administrative law. Only then will the people be whole once more.

In closure, we ought to recall Ramiro de Maeztu's warning about the functional nature of liberty (<https://archive.org/stream/authorityliberty00maez#page/192/mode/2up>):

By that we only declare that all laws must take into account the fact that man is not a machine but a free agent. But it is necessary to be clear on one point, and equally necessary to emphasize it: that when we defend liberty of thought we are really defending thought itself and not liberty; for, if we were defending only the principle of liberty, we might find ourselves upholding the cause of not thinking at all. Liberty is not in itself a positive principle of social organization. To speak of a society whose members are at liberty to do as they please is a contradiction in terms. Liberty in this sense would constitute no society at all. The rules of all kinds of societies prescribe that members shall do certain things and shall refrain from doing others. The good that has sometimes been attained in the name of liberty, such as the restriction of authority or the promotion of thought, trade, etc., would have been better attained had we fought straightway for the restriction of authority and for the promotion of thought and trade as such ; and we should have avoided this strange superstition that makes so many men believe that liberty gives them a legitimate right to refuse to fulfill any function necessary to the society to which they belong.

*This entry was posted in [Political philosophy](#). Bookmark the [permalink](#).*

## 4 thoughts on “How classical liberalism got pwned (in brief)”

1. fjwawak says:

[June 5, 2017 at 9:24 pm](#)

Excellent post and excellent blog.

The problem with laissez-faire philosophy is that it is too reductionist. It tries to reduce complex reality to a single principle. Give people liberty and the wealth of society will naturally grow. Perhaps, I just miss the “under certain conditions and circumstances”. But then it would no longer be laissez-faire.

[Reply](#)

2. Michael Rothblatt says:

[June 5, 2017 at 11:10 pm](#)

>A long-standing dilemma that disturbs the libertarians is the question of how classical liberalism was so badly butchered into the pinko social liberal ideology of Hobhouse, Green, Lloyd George, etc. which it is today.

J.S. Mill, I think, more than anyone, set the theoretical foundations for subversion of liberalism into liberationism. Of course liberalism itself was a piece of [bad theology](#), a perversion of earlier [Scholastic insights](#) (at least in the British tradition, the French laissez-fairist tradition was more a perversion of [Confucianism](#)).

>The straight answer is that no one butchered it and that liberalism outside of England and (sometimes) France was practically never laissez-fairist.

Yeah, Continental liberalism was always nothing but full pozz. It had never called for limited government, or cared much for laissez-faire economy. It always loved state power and the growth of the government. All that it has achieved is putting an end to the biggest check on the state Power. Can anyone imagine the rise of Hitler if Kulturkampf hadn't happened?

Of course, the chief error of classical liberalism is individualism. Thomas Aquinas anticipates it: "To be sure, the light of reason is placed by nature in every man, to guide him in his acts towards his end. Wherefore, if man were intended to live alone, as many animals do, he would require no other guide to his end. Each man would be a king unto himself, under God, the highest King, inasmuch as he would direct himself in his acts by the light of reason given him from on high."

However he rejects it on the grounds that man is a social animal:

"Yet it is natural for man, more than for any other animal, to be a social and political animal, to live in a group.

[...]

If, then, it is natural for man to live in the society of many, it is necessary that there exist among men some means by which the group may be governed. For where there are many men together and each one is looking after his own interest, the multitude would be broken up and scattered unless there were also an agency to take care of what appertains to the commonweal."

and that men are assembled into multitude for a specific purpose:

"Indeed it is reasonable that this should happen, for what is proper and what is common are not identical. Things differ by what is proper to each: they are united by what they have in common. But diversity of effects is due to diversity of causes. Consequently, there must exist something which impels towards the common good of the many, over and above that which impels towards the particular good of each individual. Wherefore also in all things that are ordained towards one end, one thing is found to rule the rest.

[...]

Now the same judgment is to be formed about the end of society as a whole as about the end of one man. If, therefore, the ultimate end of man were some good that existed in himself, then the ultimate end of the multitude to be governed would likewise be for the multitude to acquire such good, and persevere in its possession. If such an ultimate end either of an individual man or a multitude were a corporeal one, namely, life and health of body, to govern would then be a physician's charge. If that ultimate end were an abundance of wealth, then knowledge of economics would have the last word in the community's government. If the good of the knowledge of truth were of such a kind that the multitude might attain to it, the king would have to be a teacher. It is, however, clear that the end of a multitude gathered together is to live virtuously. For men form a group for the purpose of living well together, a thing which the individual man living alone could not attain, and good life is virtuous life. Therefore, virtuous life is the end for which men gather together."

IOW, while laissez-faire, laissez-passer works wonderfully for the economy (under a set of necessary conditions), it doesn't work for society. There cannot be a society without the commonweal, and there cannot be a commonweal unless all in society have the ultimate end, well, in common. No one is therefore at liberty to work against the common end, nor to deny the very purpose of a given society. Hence pluralism, secularism and freedom of religion, as well as freedom of speech/press/expression cannot exist. Thus to have a secular, pluralistic state is to entrench liberalism as the official religion, the ultimate end of society, which is inherently self-pwning, because liberty cannot be the end, it can only ever be a means to an end. Also, different individuals cannot be treated equally by the law, Just law must arrange for every thing to act towards the end which it is ordered toward, and since things are unequal, they must be unequal before the law, if law is to be just. Men must be men, women be women, fathers be fathers, sons be sons.

Nor can justice and morality be separated as libertarians try to do. Legal and moral order cannot be separated neither metaphysically, nor psychologically. Such a divorce is a failure to acknowledge the human nature (left-libertarianism is the unintended consequence of this separation of justice from morality; because in human psyche justice and morality cannot be easily divorced, left-libertarians conclude that any action not unjust according to libertarian first principles, is therefore moral). And this is not to mention the fact that tolerance of immorality causes social externalities which they recognize, but don't think suppression thereof is just except under special conditions, which is even inconsistent with their own supposed principles.

Libertarianism is a loser among ideologies. It's self-defeating, literally incapable of winning.

Reply.

3. Michael Rothblatt says:

July 22, 2017 at 4:43 pm

A brief overview of liberalism, or how liberalism was pwned from the very start. Very interesting essay, because despite being written by a libertarian, it criticizes ancap belief that markets can provide liberty or guarantee social order, and instead hints at the church as the possible guarantee of social order absent the modern state. The essays also contains parallels to your objections to Moldbug (pseudo-Roman notions, etc.).

Reply.

4. Pingback: "Reform, therefore, means rule of the mob." | Carlsbad 1819

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