

The Immoral Equivalent of War

Deirdre Nansen McCloskey^{a,®}

^aUniversity of Illinois at Chicago
® Contacto: deirdre2@uic.edu

JEL Codes

A10 | E10 | E20 | F30 | G01 | H1

Artigo recebido em 01/06/2020. Aprovado em 03/07/2020.

We are in a war, say all the presidents, the thoughtful and quasi-liberal presidents such as Emmanuel Macron in France and Moon Jae-in in Korea, as well as the thoughtless and quasi-fascist ones such as Donald Trump in the US and Viktor Orbán in Hungary. A terrible war. But the worst part is not the war itself against the disease and, as collateral damage, the crushing of the economy, wretched though they are. The worst part is the post-War likelihood of a triumphant statism, and then the fascism to which triumphant statism regularly gives rise. The disease is for 2020. The fascism is forever.

The young historian Eliah Bures wrote six months ago a collective review in *Foreign Affairs* of books from left and right, books that all used prominently what he calls “the other F-word,” fascism. He notes that the word can be used foolishly, to mean “politics I don’t like.” Thus the “Anti-Fa,” that is, “Anti-Fascist,” movement of the loony left in the US. Bures is correct. But slipping into extremes of nationalism, socialism, racism, and the rest of the quicksand of the 1930s is not impossible. The 1930s, after all, happened. In the 1930s. Late in Bures’ essay, by way of a comforting conclusion from the apparent safety of November 2019, he pens a sentence that has acquired a terrifying salience: “Barring a crisis of capitalism and democratic representation on the scale of the 1920s and ’30s, there is no reason to expect today’s populism to revert to fascism.” Uh oh.

In the 1949 novel *Nineteen Eighty Four*, George Orwell has the Party man O’Brien explain what a future of fascism, left or right, means: “But always—do not forget this, Winston—always there will be the intoxication of power, constantly increasing and constantly growing subtler. . . . If you want a picture of the future, imagine a boot stamping on a human face—forever.” Some people nowadays, the literal or near fascists, Action Française or the US Alt-Right, seem to long for something like such an outcome. They reckon I suppose that they will be the Party people reveling in the intoxication of power. But other French and American people, quite without such loony longings, may get the boot on the face Forever.

By majority vote. The American journalist and litterateur H. L. Mencken of a century ago admired the dignity of participation in a democracy, what Benjamin Constant in 1819 called “ancient liberty.” But as to the decisions that come out of majority voting, such as the Athenian expedition to Syracuse or the stubborn but popular post-War defense of French imperialism, not so much. (Yet one could say the same about all those other systems of decisionmaking that have been tried from time to time. Life is difficult, and sensible collective decisions more so.) Mencken wrote of majority voting that it assumes that “the common people know what they want, and deserve to get it . . . good and hard.” Good and hard, the way the Italian people knowing they wanted Mussolini and the German people knowing they wanted Hitler got it good and hard.

Bures in his essay points out that fascist-leaning populism of the vote was invented by Juan Perón, viewing in 1945 the wreckage of militaristic fascism in Europe. Perón, though a military man, realized from far Argentina that getting elected with populist programs was safer for the future of authoritarian statism than invading Brazil. It’s why we can be pretty sure that Trump will not go the way of Mussolini in Libya and Hitler in Poland, and think to extend his régime by invading Canada. The result of Perón’s insight? Argentina, nearly half a century after his death, is haunted still by Peronism, and keeps leaping back into it. A new man, or woman, on a white horse. Forever.

§

The political issue in a time of covid 19, then, is grave. It may be a turning point in political history. We had better watch out.

European intellectuals from Voltaire to Lenin have had only three really big political ideas. One of them, the liberalism conceived in the 18th century by Voltaire and Adam Smith, and carried on by people like Mary Wollstonecraft and John Stuart Mill and Claude-Frédéric Basriat, has made the modern world. The other two, nationalism and socialism, conceived in the 19th century by Hegel and Marx, and carried into the 20th century by Lenin and Mussolini, have nearly unmade it. The modern plague is a threat to sweet liberalism, because it is an encouragement to nationalism and socialism, and, God help us, national socialism.

You may reply, “To liberalism, good riddance!” If you are on the right, you will be pleased if fear of the plague brings down the European Union and re-establishes national borders and national hatreds, with the Church. If you are on the left, you will be pleased if lockdowns against the plague bring down capitalism and re-establish a managed economy such as was enjoyed by our happy ancestors in walled town and plowed field, but now with science.

Yet I take it you value human liberty and human flourishing. (If you do not, we have nothing to discuss, and can go straight to fighting it out in the streets.) You will know that the original idea of liberalism was that people should be free from human tyranny. But you will perhaps not know that the result—immense, world-making, startling, entirely unanticipated—was to liberate people from poverty to an astonishing degree. It has yielded by now for the poorest among us a vastly better chance at human flourishing. The liberalism of Smith and Wollstonecraft and Benjamin Constant, when embodied in actual policy such as the liberation of slaves, inspired millions of people to have a go at innovating, such as Joseph Monier in 1867 inventing reinforced concrete or Malcolm McLean in 1956 inventing containerization. The result was that real income per head exploded. Railroads. Stethoscopes. Sewing machines. Pencil sharpeners. Photography. Braille. Pasteurization. Batteries. Electric lights. Bicycles. The aqua lung. The pill, and a million other mutinies against routine. It was not the state in the service of either nationalism or socialism that did such things. It was people, liberated from human tyranny.

The real ability of the poorest to buy good and services rose 1800 to the present by 3,000 percent. Literally. A factor of thirty. The figure is shocking, hard to believe if one is not accustomed to the result of compound interest (something by the way that we have been instructed in by the rate of spread of the novel coronavirus). No competent authority would dispute its rough accuracy. The poor benefited the most in real comforts. Liliane Betancourt got another yacht. The poor got enough to eat. It is called the Great Enrichment, well beyond the more routine Industrial Revolution, 1750-1850, which left most people still very, very poor. In 1844 a French official reported of the vineyard men of Burgundy that over the winter “these vigorous men will now spend their days in bed, packing their bodies tightly together in order to stay warm and to eat less food.” In 1879 Hippolyte Taine wrote “The people are like a man walking through a pond with water up to his chin. . . . Old-fashioned charity and newfangled humanity try to help him out, but the water is too high. Until the level falls and the pond finds an outlet, the wretched man can only snatch an occasional gulp of air and at every instant he runs the risk of drowning.” The pond found an outlet, called modern economic growth. By now it has been a factor of 20 or 30 or 100 of improvement, depending on how one adjusts for improved quality of, say, medicine or housing or transport. It arose not from capital accumulation or the spoils of empire, but from innovation by free people.

Nationalism and socialism, meanwhile, reinvented tyrannies, one to the Nation, the other to the General Will. Ordinary people were to be re-enslaved to the ideas of intellectuals in the line of Rousseau and Hegel. Let's not.

§

The covid 19 disease and the necessary mass quarantines, that is, though now very nasty indeed, are not the most important threats we face. After all, at length, a very long length, covid 19 and its evil spawn

will pass, and become a memory, remembered it may be in works of art as immortal as Camus' *La Peste* or Daniel Defoe's *A Journal of the Plague Year*.

Still, one hopes that from the plague the governments of the world will at least take two permanent and practical lessons, one from epidemiology and the other from economics. They lead back to politics.

Epidemiology teaches that early and honest action by the state can stop a plague, and can stop it even faster if the state has already invested heavily in medical research and medical facilities. The lesson is mathematical and biological, the logic of contagion we have learned to call an “R-naught less than 1.0” and the recent promise of a microbiology armed with crisper and other new technologies. We do not *have* to stumble around like malicious children, as governments did in the “Spanish” influenza of a century ago, and as most governments have stumbled now in the face of covid 19.

But if governments do not take the epidemiological lesson to heart, if tyrannies like China continue to hide and then export their diseases, and if populists like Trump in the US and Jair Bolsonaro in Brazil continue to disdain science and then go about shaking hands and coughing on people, humanity is doomed. The next plague, or the one after that, or the one after that, may be a great deal worse. It may be the final act. Cue scary music in a dystopian film portraying the End Times.

Under conditions of trade and travel of the past few centuries, and especially now, we have in effect re-assembled all the world's lands into the ancient, single continent of Pangaea, as it was in 176,000,000 BCE. The epidemiological implications are immense. A top predator or a top bug can spread swiftly to every corner of the planet. A virus or a bacterium or for that matter an exotic plant like the Australian eucalyptus tree introduced into California or an exotic animal like the African python introduced into Florida takes command of the entire world's ecosystem.

It's happened before. The Colombian Exchange gave Europe maize, potatoes, chili peppers, chocolate, and tomatoes (for *sauce tomate* among Escoffier's mother sauces), for which the Europeans kindly gave native Americans smallpox, measles, bubonic plague, chickenpox, the common cold, diphtheria, influenza, malaria, scarlet fever, sexually transmitted diseases (except syphilis, which may have gone the other way), typhoid, typhus, tuberculosis, and pertussis. Little bands of Europeans under Cortes and Pizarro toppled great empires because the natives were mostly dead. When the English Pilgrims landed in Massachusetts they found whole villages already emptied by death. When the French ventured into Haiti or Canada, resistance was enfeebled by disease.

If you think covid 19 is bad epidemiologically, try ebola. Imagine if President Obama and the WHO and others had not jumped on the outbreak. To fix ideas, suppose that in the US during the autumn of 2014 Donald Trump had been in charge, disdaining African countries as “shitholes” of no consequence, or for that matter if in France the president had been Marine Le Pen, disdaining all foreigners. Covid 19 is easy to get but does not have very high mortality, maybe 2 percent, higher for oldsters. Ebola is harder to get, but once you are infected it has 50 percent mortality, for everyone. If the ebola outbreak of 2014 had been met with the ignorance and insouciance of Trump and Le Pen instead of intelligent action by the state and by non-state entities, one can imagine deaths worldwide of, say, 1.8 billion. That's billion with a B. Thank God for Obama. And even now thank God for Macron, who at least is somewhat rational. And let us pause for payer.

§

Economics, likewise, should teach the governments that spill-overs justify intervention by the state, a justification admitted even if the politician or the economist is a “liberal” like Macron and me. The word “liberal” derives, you know, from Latin *liber*, meaning, reports the *Oxford Latin Dictionary*, “possessing the social and legal status of a free man (as opp. to slave)”, that is, as opposed to having a human overlord empowered with physical coercion. Under true liberalism, no adult is to be treated as a slave or a child, at any rate in theory, a theory slowly and unevenly implemented after 1789. A European traveler asked in the 19th century a free American man who his master was. The man replied, “He ain't been born yet.” In

1935 the African-American poet Langston Hughes put the core idea of liberalism well: “O, let America be America again— / The land that never has been yet— / And yet must be—the land where *every* man is free.”

The spill-over argument for the state to intervene in the lives of such *liberi* has been applied by economists with more and more enthusiasm since the idea was first articulated in the 1920s. But it is easy to misapply. Many anti-liberal economists do, more and more. The amiable but collectivist Nobel economist Joseph Stiglitz, who once had nice things to say about the Peronist socialism of Venezuela, says that any spill-over warrants intervention. Any. It says so right here in the mathematics.

But wait: No one is an island, entire of herself. Every person is a piece of the continent, a part of the main. If a clod be washed away by the sea, Europe is the less. We spill over each other daily, massively, all the time, directly or indirectly, even aside from giving *la bise* on the cheek in a time of respiratory plague. Suppose you are deeply offended, appalled, outraged by a hideous burnt-orange dress that I might wear. (I promise: I never would make such a fashion mistake. But in theory.) It’s surely a spill-over. Your utility, the economist will say, is reduced every time I come into view. Or whenever you see the dress in your mind’s eye. Yuk.

But equally surely we do not want therefore to implement a Saudi-Arabian-style ministry of dresses to keep me from wearing what I want. Yet the principle of spill-over is unstoppable, even in a market society. When you buy a baguette, another person cannot buy the very same one. Your action of buying raises the price for him and for millions of others, ever so slightly, which when summed arrives at exactly the price you paid for it. Should the state stop you from spilling the rises in opportunity cost on him and on them?

You see the problem. If the definition we choose for spill-overs is not severely limited, all human action would cease forthwith, because all of us are involved in humanity. Something is dramatically wrong with following the mathematics by itself. The correct economics acknowledges that what we decide is a “spillover” is a political decision. By voting, say. Comprehensive “correction” of every possible spillover leads directly to Xi Jinping’s version of fascism, in which the state sees all, governs all—not for equality, which is fraudulent in literal fascism and actual communism, but for the intoxication of power for the Party person, and its material rewards. The richest person in Cuba was Fidel Castro, and there is little doubt that Putin is the richest man in Russia. The historians will uncover the evidence later on Xi Jinping. Tyrants able to seize what they wish regardless of property or contract make Liliane Betancourt and Bill Gates look like peasants.

Yet sometimes, though in many fewer cases than my friend Joe Stiglitz or most of my dear French friends believe, what the state coerces us to do is a good idea, such as coercing parents to inoculate their children against measles. We liberals say, “Bring in the *Police Municipale*. Coerce them to do it. Break into their homes if necessary.” One measles case infects fully 12 to 18 others, and is often fatal for malnourished people. On this matter, ask the native Americans after 1492. The Amazon region, it has recently been discovered, was once heavily populated.

The corresponding R-naught number for the novel coronavirus, in the absence of social distancing and quarantine, is two or three, which is quite bad enough. For influenza it is lower, between one and two, which is why during the normal seasonal influenzas, for some of which we have inoculations, it doesn’t make a lot of sense to coerce people. People, especially old people like me, have plenty of incentive to self-protect by getting their shots, and when the protection by inoculation from the flu doesn’t work, as for many thousands annually it doesn’t, to the point of death, there isn’t actually anything more that either self-protection or an activist state can do about it.

§

So much for epidemiology and economics. Consider the implied politics. For Menckente reasons, most governments are not very good at making collective decisions with justice or rationality. As the US liberal economist Leland Yeager once noted, government is itself “the prototypical sector in which decision makers

do *not* take accurate account of all the costs as well as all the benefits of each activity.” Of course. It is the very point of state coercion, when it breaks bad, *not* to decide rationally for the public good, but to seize from Peter the money to pay Paul, or to regulate Peter out of business. During the brief American participation beside La France in World War I (“Lafayette, we are here”) the US governments both Federal and local decided to ban preaching in German, to stop all performances of Beethoven, and then after the War, to end beer, German or not. Mencken, who liked Beethoven and German beer, protested. He’s lucky he was not jailed, as the English philosopher Bertrand Russell was for protesting the War to End All Wars. In World War II the US Federal government decided to put all Japanese Americans from the West Coast into concentration camps. And so forth.

Our friends among the leftish or rightish statist imagine, in their 20th-century naïveté, that the government has the capacity to “regulate” markets with justice and common sense. Not. A few years ago it was a proposal in the Italian parliament to introduce strict governmental licensing, enforced by the police, for the men who literally hold the welfare of the nation in their skilled hands. Pizza cooks. In the end the proposal went nowhere, but UNESCO has included the art of handling and cooking pizza in “humanity’s intangible heritage.” As the American cowboy-humorist of the 1920s and 1930s, Will Rogers, used to say, “I don’t make jokes. I just watch the government and report the facts.”

And so, if the government has failed to do the epidemiologically and economically rational coercion early in a plague with a high R-naught—which is to jump on it early, as Korea and Singapore and even Hong Kong and Iceland and Vietnam did, and to test, test, test, and trace, trace, trace—then all that can be done even approximately rationally is mass quarantine. It’s the medieval technique. It works, with the horrible result of further impoverishing the poor. For it to work, if you are in the Middle Ages or if the testing has been mismanaged for two months running as it was under Skeptical Trump and his incompetent Centers for Disease Control, quarantine has to be imposed on everyone. In the absence of quick and cheap testing (let us again pray), everyone is suspect. The reasoning implies that the belated state apply the coercion as quickly as it can muster the political will, a reasoning which in April 2020 escaped the governors “opening the economies “of Florida, Georgia, Tennessee, Texas, and South Carolina (South Carolina “too small to be a nation, too large to be an insane asylum”). Even rationalist France was not quick enough.

It’s like a goalie handling a tough shot. The coaching advice is, “Cut off the angle. Don’t let the attacker play you.” That is, step towards the attacker, to limit him to a narrower angle for the shot. Don’t hang back on your line. The US and France hung back. Some fellow democracies such as South Korea did not, and therefore have not had to adopt the medieval coercion of mass quarantine.

Tyrannies like China and the Russian Federation tried early on to get away with suppressing the truth, as is their nature, and so did their friend Trump. (Vietnam, also a tyranny, did not.) It would be like the goalie claiming that the ball never came close to him. Hey, as Trump said, I don’t take any responsibility. Or that the shot is fake news, or a conspiracy by CNN or other enemies of the people. In 1954 on returning from the Soviet Union Jean-Paul Sartre declared, “Liberty of criticism in the USSR is total.” Ha, ha. Eventually China, as will Russia next month, reverted to comprehensive coercion, as tyrannies do, forever. But now even reasonably liberal democracies like the US and France have to coerce, “for the time being,” they say.

In other words, even we liberals believe that coercion is not all bad, no more than preventing your two-year old from running in front of a bus is bad. If you have foolishly let her get close to the bus in the first place, coercion is your only sensible, if second-best, policy. Sometimes we need, in a war of survival, say, to reach over and coerce people. Scuttling the French fleet at Toulon in 1942, bombing Belgrade in 1999, social distancing against covid 19 in 2020. The failures to exercise such rational coercion are disgraceful, as for example the Dutch Battalion in Srebrenica in 1995 not protecting the Muslims, as honorable soldiers are sworn to do, but retreating hastily to Schiphol, with cases of Heinekens and plaudits from the government on arrival: Our boys are safe. Or the year before, the failure of the Belgian, French, and US governments to coerce in Rwanda. Or Chamberlain in 1939, promising peace in our time. We liberals are not strict pacifists or anarchists.

We liberals for example approve of coercion by taxes to fund compulsory elementary education, though

we observe that there's no good reason for the institution of coercion itself to operate the schools. A few other items: but in the age of electronic transponders, not roads, which could be privatized tomorrow, the way Chicago in 2009 privatize street parking. And not "free" university, as in France, which is a massive subsidy taken from ordinary tax payers to give to rich people, whose children are already better prepared for university.

But, yes, certainly public health in a plague.

§

Yet the disease and the economic pain will go away. Many will die in countries not already stocked with hospitals and nurses in bulk, who are so poor that lockdown causes actual starvation. India, for example. But we will at last develop a vaccine. Maybe next year. The shutters on the economy will be opened, and light will pour in. Crowds will gather in Marseilles for rugby. The Café de Flore and the Café aux Deux Magots will thrive once more.

What may not go away, I repeat, is the triumph of statism. Statism is the ideology, long dominant in France, that coercion by the state is always better than ordinary deals. The bakers of baguettes in Paris have been regulated since the Middle Ages, Parisian rents have been controlled since World War I, and so forth. On the whole the Parisians, and other French people, have approved. When Colbert in 1681 asked French businessmen what the state could do for them, they replied, "Laissez-nous faire." Colbert did not take the hint. And so France has become thoroughly statist, down to present. As Tocqueville wrote in 1856, "The French nation is prepared to tolerate in a government, that favors and flatters its desire for equality, practices and principles that are, in fact, the tools of despotism." The French "would insist upon equality of rights in the midst of slavery. They respect neither contracts nor private rights; indeed, they hardly recognize individual rights at all in their absorbing devotion to the public good."

It is rather like the praise showered by the left on the "Chinese Model." A popular view on the left is that China proves that the reliance on economic liberalism is misplaced—that in China the State Did It. "Observe," some will say, "all that platting and sewerage and road building." Their mistake arises from a lawyer's way of thinking, as against an economist's. The economist points out that if in, say, the Pudong district of Shanghai the private developers had not gotten sewerage or roads from the state, the developers would have built them without state help. Sometimes better. A Chicago architect friend of mine who has worked on such projects in both China and India tells me that self-building of roads and sewers by the private contractor is in fact what happens in India, where local government is still especially corrupt and incompetent. Yet real per capita income of poor people in India since its shift to economic liberalism in 1991 (India already had of course a slight crazy form of political liberalism) has grown almost as fast as China's, and recently, coronavirus excepted, faster.

And, after all, Shanghai and wider China once had a highly interventionist state, certainly capable of doing the lovely statist planning and correcting of the horrible market imperfections that Joe Stiglitz, Mariana Mazzucato, and most modern economists dream of, without actually showing factually that the imperfections are important. But the Maoist state achieved nothing like the results that private development has produced in the Pudong district, and everywhere in China, and now in India. If planning is such a fine thing, then pre-1978 communism would have been a paradise.

Yet in fact when at last the Party adopted economic liberalism, and ceased killing growth by killing businesspeople, real income for the poorest started doubling every seven to ten years. India has the same story after 1991, following forty-four wretched years of Gandhian socialism and egalitarianism that resulted in poor-people-neglecting rates of growth of 1 percent per year per capita in real terms, at which it would take seven decades, not one, to double. No Great Enrichment in history—not Britain's or Sweden's or Japan's or Hong Kong's or Ireland's or Chile's or China's, or even India's (though still so poor that the economic pain of lockdown may kill more people than the virus)—has occurred until economic liberalism arrived.

Not all of what the Chinese government did after its tentative permitting of commercially tested betterment after 1978 has been a good idea. Fancy that: a state, lacking a market test, does unprofitable things, which reduce rather than raise national income, though pleasing to the Party in charge. I am astonished. The true-liberal economist Jeffrey Tucker remarks with similar, if gentler, sarcasm, “If your whole ideology boils down to trusting government to do glorious things, that’s a problem.”

For example, the Chinese system of high-speed railroads is a glorious state project, which now stretches through the entire immense country—all of the railroads raised twenty meters above grade on viaducts. Stunning. But was it a good idea? China, still with an income per head despite its successes after economic liberalism only one-fourth that of France, has more of such two-hundred-mph trains than the rest of the world combined. Like the TGV, the trains are nice for affluent people, and are massively subsidized for their benefit. But they reduce income for the rest of the nation. Bastiat wrote in 1845 a brilliant essay called “The Negative Railroad,” in which he made fun of the political pressures from intermediate cities like Bordeaux demanding that the proposed Pairs to Madrid line stop there at a Gare du Nord and require freight and passengers to switch to a Gare du Sud, spending money on taxis, cartage, hotels, and the like for the benefit of Bordeaux. Bastiat proposed that, to follow the logic strictly, *every* city and town on the route have such an arrangement, Poitiers, Tours, Orléans, and, for that matter, Ruffec, Châtellerault, and on and on, as much as Bordeaux. The logic is unstoppable, once its idiocy has been accepted. The result would be that the entire economic capacity of France and Spain would be devoted to the one railroad, with nothing for food. It would be negative “infrastructure,” to use the word people favor in commending state projects. Thus the Chinese high-speed railroads.

What made China better off was not glorious infrastructure, and certainly not the wretchedly managed Chinese state-owned enterprises, now busy under Xi Jinping buying up the private firms in order for the Party to control them for the benefit of its members, but its massive experiment in commercially tested betterment left in private hands. The betterment was allowed by the Communist Party behaving itself moderately well since 1978 (for a change), at any rate in private economic matters, by comparison with the absurd standard under Mao.

§

The outcome of statism can be fascism, such as Xi’s. The outcome is not inevitable, but common enough in history to be worrisome, such as during the 1930s, and whenever “a crisis of capitalism and democratic representation” occurs, even in France. Fascism was well-named by the Germans as Nationalsozialistische Deutsche Arbeiterpartei, “*national socialist* German worker party.” Its core idea was of course that people serve the State, not the other way around, and therefore we should subordinate the economy to “social” purposes. Breaking the windows of shops owned by Jews, say. The Nation tells you what to buy and how to work and then what to think and what books to burn and which phrases like “Tiananmen square” or “Hong Kong Protests” are to be blocked on the internet. Thus “sozialistische.”

And the state does so for understandable if not always admirable reasons. The state is coercive, necessarily and by definition. Max Weber in 1919 succinctly defined it as the monopoly, in a certain territory, of the legitimate use of physical constraint/ force/ violence/ coercion (“das Monopol legitimen physischen Zwanges”). It is, and should be. The coercive power in societies should be a monopoly, not a polypoly. The “force of law,” as we say, crowds out other groups wishing to provide the protective and other services of the state, such as quarantines against covid 19. We liberals accept that even an imperfect state is better than multiple criminal gangs running around leaning on people—if not the private guards and other alternatives that arise when the state is, for good or bad reasons, ineffective. (The Mafia came from armed guards in the late 19th century hired, in view of the incompetence of the Italian state and the narrow time-window for an optimal harvest, to protect, and then “protect,” the lemon groves of Palermo).

A monopolization, even if at first legitimate and useful, is a tempting tool, and is easily diverted to illegitimate protection for favored groups—such as in the US for the standard doctors against competitors

providing health care, the midwives and pharmacists, who lost their independence long ago. Power is the ability by physical coercion to force someone to do something she does not want to do. It is not sweet persuasion, not the invisible hand that develops language, art, most science, social customs, and so forth. The statist impulse in French life is well illustrated by the attempt by the Académie française since 1632 to govern the very language. Its battles against “le computer” (though of course in English derived from a French word) and “le weekend” serve merely to show Les Immortels to be centralizing fools.

Against spontaneous and voluntary arrangements such as language and the economy, stands a little fascism and a big fascism. Little fascism plays out whenever a functionary of the state uses his little share of the state’s power to coerce you to make himself into a little, arbitrary lord. You are for the time being his slave. We’ve all encountered it. Try dealing, even before Trump, with the US immigration bureaucrats. The American anthropologist Laurence Wylie did his field work in the Vaucluse, and quoted the local postman articulating a theory of the relation between the state and the public: “If the public does not like my methods, I serenely shit on it. The more the public is shat upon, the more the state is served.”

There’s not much we can do about little fascism. Some people are like that, alas, and all of us are tempted when the power to coerce is put into our hands. It makes for wife beating, which has horribly risen in prevalence under the lockdown. “She insulted me,” he says, that is, she used mere words, if nasty. “So I hit her,” that is, used physical coercion, power.

But big fascism is the result of an ideology taking hold. It’s not exclusively, I have noted, right wing. Raymond Aron, that rarest of things in the 20th century, a genuine French liberal, expressed in *The Opium of the Intellectuals* in 1955 his devotion to skeptical temperance in politics: “Because he likes individual human beings, participates in communities, and respects the truth, . . . [the liberal] refuses to surrender his soul to an abstract ideal of humanity, a tyrannical party, and an absurd scholasticism.” The opiate of the intellectuals was for long a communism, in which economic liberty is utterly disdained in favor of the “total liberty of criticism in the USSR.” On the contrary, Vasily Grossman (1905-1964, in his portrait in his last, suppressed novel of life under Stalin and his successors (he was that rarest of things, a successful Soviet writer who became a liberal) says what “liberty” is for most people, not high-flown liberty of the intellectuals to write what they want in literary journals, but liberty of ordinary people to make deals. “I used to think liberty was liberty of speech, liberty of the press, liberty of conscience. Here is what it amounts to: you have to have the right to sow what you wish to, to make shoes or coats, to bake into bread the flour ground from the grain you have sown, and to sell it or not sell it as you wish; for the lathe-operator, the steelworker, and the artist it’s a matter of being able to live as you wish and work as you wish and not as they order you.”

Bien pensant folk think they are willing to sacrifice actual riches, at any rate those earned by other people, for imagined equality. The normal result is that they get neither. In quoting the passage from Grossman, the Bulgarian-French critic Tzvetan Todorov noted that Grossman’s cousin in the gulag dissembled that the prison régime varied by how high up in the Party one was. It was better to be a disgraced commissar than a disgraced worker. It is surprising how quickly some have forgotten what even naïve people outside it discovered after the fall of communism. An all-encompassing state, regardless of an official ideology of equality, yielded, says Todorov, “a reign of unrestrained personal interests. . . . [which] corrupted political institutions, . . . ravaged the environment, the economy, and human souls.”

§

In view of such well known facts, then, why the tendency to statism, whence fascism? The American economist and historian Robert Higgs argued some decades ago that wars in the 20th century have led regularly to permanent expansions of governments. There has to be a reason that all levels governments in a typical country spend now about 40 percent of GDP, whereas in 1910 worldwide it spent about 10. In France it is now 56 percent, and large parts of the economy are rigorously regulated and monopolized, as also of course in the US and Germany to a somewhat lesser degree. The war criminal, Nobel peace laureate,

and wit Henry Kissinger used to say that France was “the only successful communist country.”

Is it war, then, such as Kissinger’s War? In earlier centuries war was seen as a hobby of kings. Consult the early scenes of Shakespeare’s patriotic play about the English invasion of France in 1315, *Henry V*. But in 1815, after Britain had spent a century crushing France in war, from King-Queen William-and-Mary to King George III, sometimes appropriating startlingly large portions of private British GDP to do so, it stopped. The weight in the economy of governmental expenditure and supervisions and coercions declined instantly. In a few decades the British government was able to pay off its funded debt, which like the US in 1945 had risen by 1815 to twice GDP. In the US the ratio later did fall some, bumping up in Korea and in each of its other non-declared wars. The ratio was never within hailing distance of zero, and with covid 19 has leapt up.

Something, that is, has been strangely statist about the 20th century, a strangeness revived in the 21st century in the writings of those nostalgic for socialism, such as Thomas Piketty. After all, war is always with us, so it can hardly be the central cause. The strangeness was in the realm of ideas, in particular the flourishing idea of coercion in the economy, socialism. J. M. Keynes, who contributed mightily to its flourishing even in free countries among sensible people of good will, and whose ideas of miraculous free lunches have recently been revived in New Monetary Theory, said wisely in 1936 that “Madmen in authority, who hear voices in the air, are distilling their frenzy from some academic scribbler of a few years back. I am sure that the power of vested interests is vastly exaggerated compared with the gradual encroachment of ideas.”

The wars, as in the war against the novel coronavirus, that is, have been used merely as excuses to implement the bizarre ideas of European professors in the 19th century and their revolutionary students in the 20th and 21st. Even in countries without many wars, such as Latin America, socialist ideas hitched to nationalism made their way, and pumped up the size of the state. Majority voting surely also contributed, good and hard. If you voted for socialism and nationalism in their up-to-date 20th century forms, it was easy to vote for populism, Peronism, national socialism, and the regulatory state. Thus US President Wilson’s sharp extension of state control of the economy in 1917-18, all the while using his propaganda machine run by the brilliant George Creel to suppress news of the “Spanish” Influenza. (It started, you need to know, on a pig farm in Kansas. My grand-aunt Tillie from Illinois died of it.)

If we’re going to run a war, though, socialist countries such as China or the Third Reich of course are better at its early stages than are capitalist countries such as Sweden or the United States. Naturally. A war, especially under modern conditions of totality, unlike the hobby wars of earlier times, has a single, clear purpose for the nation, like a football game. A system of coercion directing given resources, which is what socialism is, and what the US governors are demanding from Trump (but not getting) in the allocation of personal protective equipment, will obviously be better at achieving the single purpose than a system of mutual agreements expanding the very meaning of resources, which is what capitalism is. National socialism is not the way forward.

But you should know that the very words Socialism and Capitalism are deeply misleading. They were both of them coinages by the enemies of liberty. Like the Nation or the General Will or the Balance of International Trade, using them leads us astray. Capitalism should be called rather “innovism,” which is what it also is, the system of liberated innovation that has made the poor so much better off. To call it “capitalism” is to fall in with the historically and economically erroneous notion that sheer accumulation is what did it. No. Innovation, new ideas from window screens to inoculations, did it. Capital accumulation is necessary, but so is a labor force and the absence of an active civil war and the existence of liquid water at summer temperatures and the arrow of time and existence of the universe. Innovism was more than necessary. Under widely available conditions of reasonable property rights and so forth it was sufficient for our riches. “Capitalism,” a scientific error compressed into a single word, sounds nasty and selfish, which is why it appealed to the enemies of liberty. “Innovism,” by contrast, is scientifically accurate and politically sweet. Let us innovate, and save the wretched of the earth.

“Socialism” by contrast sounds sweet and collaborative. It charmed me as a folk-singing leftie in high

school. Bernie Sanders, Jeremy Corbyn, Marie-George Buffet, and I are all in our 70s. In the early 1960s we had the same opinion about “capitalism”. Overthrow it. Ah, Paris in May of 1968. Since then I have learned a little. Socialism after all is literally and admittedly the use of the government’s monopoly of physical coercion to force people to do what they would not otherwise choose to do. It’s coercion in the economy. Of course. If your sweetly socialist friend doesn’t think so, and balks at the word “coercion”, buy her a copy Grossman’s novel, and help her to learn how life under socialism actually is. Power tends to corrupt, and absolute power over the economy corrupts absolutely. Socialism should be called therefore “economic coercionism”.

In a society of free adults it turns out that treating people like, uh, free adults works pretty well. Even French readers of this magazine will perhaps not disagree, although some of them, the real conservatives in the mold of Joseph de Maistre and Thomas Carlyle, will have doubts that most other people are suitably accorded the status of “adults”. Carlyle, a personal friend and political enemy of the liberal John Stuart Mill, originated the description of classical liberal economics as “the dismal science”. How so? Not because its conclusions were pessimistic, though they were, but because Mill and his liberal allies approved of the liberation in 1833 of all slaves in the British Empire. Carlyle reckoned that the slaves, like medieval serfs, needed sweet supervision by their masters. Oh, joy. Therefore, denying the sweet supervision was “dismal”. It was like bureaucrats in a régime of economic coercionism supervising the merely childlike citizens. Oh joy. After all, it is so dismal to imagine that US Federal bureaucrats and their present master in the White House might have their own motives unrelated to the public good, such as getting re-elected and re-appointed by means of underestimating the novel coronavirus. Surely they are our lovely and loving parents.

Thus in 1999 a French economist caused a national outcry by the mere mention of the common sense of the so-called public-choice school of economics in the United States pioneered by the true liberal economist James Buchanan (Nobel 1986)—that politicians and economic and legal officials might sometimes after all have also their own interests in mind, interests sometimes imperfectly correlated with the public good. I mean, maybe. As Geoffrey Brennan and James Buchanan put it, “In all practically relevant cases, governments—or more accurately the individuals involved in governmental process—do possess the power to coerce. They do exercise genuinely discretionary power, and it is both empirically reasonable and analytically necessary to assume that over some range they will exploit that power for their own purposes, whatever these may be”. The French clerisy was outraged by the mere mention of such a crazy, liberal, Anglo-Saxon idea. So dismal.

So another good name for the system favored by the true liberals—the non-conservatives and the non-socialists among us—would be “adulthood”. The Dutch defended very late their Indonesian Empire by claiming that the childlike Indonesians needed a long apprenticeship to their masters before they were ready for independence. How long? Oh, another century or two.

Innovism and adulthood, even aside from their intrinsic merit of raising up a people with the dignity of self-fashioning, have the extrinsic merit of making ordinary people like you and me very rich by comparison with our ancestors. Perhaps you are descended from the Bourbons. But my ancestors were Irish and Norwegian peasants, unspeakably poor. The Great Enrichment, 1800 to the present, that factor of thirty in goods and services, was not caused by coercion, which is ancient, but by liberty, which was new. Its magnitude was further multiplied by the free trade and free migration and free press that Trump and his advisors Peter Navarro and Stephen Miller so disdain.

Such riches make even the distinctly second-best of social distancing less than disastrous. We will recover, of course, and do not have to sacrifice our liberties forever to do so. Let’s not. Let’s keep a true liberalism supporting innovism and adulthood. Let’s not fall back into the arms of an ignoramus Daddy with authoritarian tastes. Let’s not suppose that an occasionally necessary coercion justifies a future of coercionism, the fascist boot on the face, forever.

Deirdre Nansen McCloskey latest books are *Why Liberalism Works: How True Liberal Values Produce a Freer, More Equal, Prosperous World for All* (Yale University Press, 2019) and

Historical Impromptus: Notes, Reviews, and Responses on the British Experience and the Great Enrichment (American Institute for Economic Research, 2020). Later in 2020 her book with Art Craden will appear, *Leave Me Alone and I'll Make You Rich: How the Bourgeois Deal Enriched the World* (University of Chicago Press).