

Libertarianism

A modern extension of the classical liberal tradition, libertarianism is the political ideology of voluntarism, a commitment to voluntary action in a social context, the rule of law, and the free exchange of goods, services, and ideas. Most libertarians tend to reject the left-right divisions of conventional politics; it is typical to find libertarian thinkers and sympathizers opposing government intervention in both the economic and social spheres. For example, Chicago school economist Milton Friedman was a strong free market advocate, a position often identified as right-wing, but he was also in favor of legalizing prostitution and the sale of illicit drugs and was among the foremost critics of military conscription—positions often identified with the left-wing.

Despite its unique challenge to the left-right political spectrum, libertarianism includes a diverse array of thinkers: old right critics of the New Deal such as John T. Flynn, H. L. Mencken, Albert Jay Nock, and Isabel Paterson; Austrian-school economists such as Friedrich A. Hayek, Ludwig von Mises, and Murray Rothbard; objectivist philosopher Ayn Rand and those neo-Aristotelians who were influenced by her, including Douglas J. Den Uyl, Tibor R. Machan, and Douglas B. Rasmussen, among others.

Many contemporary libertarians draw inspiration from the classical liberalism of John Locke and the American founders, and their stress on the individual's rights to life, liberty, private property, and the pursuit of happiness. Others, such as Hayek, draw from the evolutionary insights of Scottish Enlightenment thinkers, such as Adam Smith, Adam Ferguson, and David Hume, conservative thinkers such as Edmund Burke, Austrian theorists such as Carl Menger, and systems theorists such as Herbert Spencer, all of whom saw the free society as a spontaneous order, the emergent product of social interaction but not of deliberate human design.

Hayek argued further that free markets were necessary to rational economic calculation. He indicted socialism and central planning as constructivist rationalist systems dependent on a pretense of knowledge. In such books as *The Road to Serfdom* (1944), Hayek maintained that state intervention undermines individual choice and personal responsibility. When the state exerts a decisive influence over the direction of social life, state power becomes the only power worth having, and this must necessarily lead to the dominance of those who are most adept at wielding such power.

Mises was even more adamant in his opposition to state interventionism. An Austrian-school economist, Mises advocated laissez-faire capitalism, viewing private property and free markets as indispensable to the rational assessment of relative scarcities and to the flourishing of entrepreneurial innovation. He saw government intervention in the economy as destabilizing the market price system and the delicate, interwoven structure of production. His theory of business cycles rooted the phenomena of inflation and unemployment in government manipulation of the money supply.

The profoundly influential libertarian Murray N. Rothbard, a student of Mises, further developed the Misesian business cycle theory, focusing on its class dynamics. For Rothbard, central banking creates a structure of class privilege, in which systematic inflation of the money supply causes not only the boom-bust cycle but also a fundamental redistribution of wealth to some groups at the expense of others.

Rothbard sought to construct a science of liberty. He integrated Austrian economics with a neo-Aristotelian view of human nature and a neo-Lockean perspective on individual rights, grounded in the right of self-ownership. On the basis of a nonaggression axiom that no one has a right to initiate the use of force against others, Rothbard argued that the state was a fundamentally aggressive institution, opposed to individual rights as such. He advocated an anarchocapitalist alternative in which even judicial and defense services were provided by market forces, regulated only by an overarching libertarian law code barring the use of initiatory force from social relations. (An alternative form of anarchocapitalism is endorsed by David Friedman, son of Milton Friedman, whose 1973 book *Machinery of Freedom* advocates anarchism on consequentialist, rather than natural law, grounds.)

Rothbard's anarchism was influenced by a nineteenth century strain of individualist anarchist thought, which includes theorists such as Lysander Spooner and Benjamin Tucker. Spooner, a lawyer and abolitionist, argued that the U.S. Constitution had no authority; Tucker opposed state-sanctioned monopolies and was an advocate of unabridged free trade. Rothbard also integrated insights from an array of old right critics of Franklin Delano Roosevelt's New Deal, all of whom have had various degrees of influence on contemporary libertarianism. The old right thinkers (including John T. Flynn, Rose Wilder Lane, Albert Jay Nock, H. L. Mencken, and Isabel Paterson) repudiated the New Deal's massive intervention into American economic life. Nock's distinction between state power and social power, in particular, influenced Rothbardian and other libertarian perspectives on the essential polarity between state and market. The old right thinkers were also typically antiwar and anti-imperialist, crafting an opposition to the welfare-warfare state that was echoed in later years by certain new left revisionist thinkers, who also exerted a certain degree of influence on modern libertarianism.

Rothbardian libertarianism had a crucial impact on Robert Nozick, whose 1974 book *Anarchy, State, and Utopia* was written partly as a response to anarchocapitalist arguments. In this book, which won the National Book Award in 1975, Nozick defended not only the libertarian minimal state but also all capitalist acts between consenting adults.

Another important influence on contemporary libertarianism is novelist and philosopher Ayn Rand. Author of *The Fountainhead* (1943) and *Atlas Shrugged* (1957), Rand formally rejected the libertarian label, not only because she was a critic of anarchocapitalists, but also because she believed that libertarians failed to appreciate the larger philosophic and cultural context necessary to the achievement of human freedom. Her

defense of capitalism as an unknown ideal views freedom as an intellectual, political, cultural, and economic achievement. Her antipathy to libertarianism notwithstanding, Rand still had a decisive impact on a whole school of neo-Aristotelian libertarian writers, such as Den Uyl, Machan, Rasmussen, and others, who have carried on her legacy as advocates of both free minds and free markets.

See also Hayek, *Freidrich August von; Liberalism, Classical; Nozick, Robert; Rand, Ayn; Rothbard, Murray.*

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