



A SPECIAL MEETING

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FROM THE PAST TO THE FUTURE:  
IDEAS AND ACTIONS FOR A FREE SOCIETY

CHAPTER EIGHTEEN

UNDERSTANDING THE LEFT

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## Understanding the left.

Comments for Mt Pelerin society meetings, “How to deal with the resurgence of socialism”  
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A new wave of government expansion is cresting. It poses a deep threat not just to our economic well being, but to our freedom — social, political and economic freedom, and even to the basic structure of our government. Our session is titled “how to deal” with it, but I think it’s better to understand what it is, first.

### 1. A will to power

Consider the economic agenda proposed by the Democratic presidential candidates:

- A government takeover of health care and abolition of the private market.
- Taxpayer bailout of student loans. Necessarily, after that, taxpayer funded college.
- An immense industrial-planning and regulation effort in the name of climate.
- Government jobs for all. “Basic income” transfers on top of social programs.
- Confiscatory wealth, income, estate and corporate taxation.
- Government and “stakeholder” control of corporate boards.
- Greatly expanded rent controls. The government pays all rent more than 30% of income. Public housing. Forcing builders to create much more government-allocated “affordable” housing.
- Government boards to set wages, hiring and firing. Restoring mandatory union membership, including support for union political activity.
- Extensive speech and content regulation on the internet.

And this is the *center*. I leave out the left wing of this movement, whose ideas seem quickly to migrate to the center.

Free-market economists, the few of us who remain, respond in the usual way. “I share your empathy, but consider all the disincentives and unintended consequences will doom these projects now, just as they have a hundred times before, and end up hurting the people you — we — want to help. Here is a set of free-market reforms that will actually achieve our common goals...”

But why say this for the 1001th time? Nobody’s listening. We’re making a big mistake: We are presuming a common goal to produce a free and prosperous society, full of opportunity for everyone, and somehow this crowd missed obvious lessons of history and logic. Let’s not be so patronizing. If their *answers* are so different, it must be that they have a different *question* in mind. What is the *question* to which all this is a sensible, inevitable answer?

Ask that, and only one question makes sense. Power. All these measures gives great power those who control the government.

But what should happen, once this power is gained, if those deplorable morons vote in a Trump junior who uses this power to different ends and to reward different people? We can’t

have that, can we. The most important power is the power to stay in power, and these measures are ideally designed to that end too.

Stakeholders on boards and a federal charter? The purpose is explicit: Power for those who run the government to tell large corporations who to hire, who to fire, what to make, what to buy, how much to charge and pay. And power to demand those businesses' political support.

What happens when you put billionaires, their lawyers and lobbyists, congresspeople, and the IRS together for a once-a-year discussion of just how hideously complex financial structures will be valued, and how many millions the billionaires will consequently fork over? The wealth tax is explicitly advocated as a device to reduce the political power of billionaires to oppose those proposing it. The trade of political support for keeping some money is inevitable.

Why address climate with extensive regulations and government-run companies rather than a simple and much more effective carbon tax? Well, then those who run the government get to give out the jobs and contracts. Legal and regulatory woe already already befalls the business who does not support the effort.

Regulating the internet? It's just too obvious. He or she who can define and regulate "hate speech" and "fact check" political speech, has enormous power to win elections.

Consider the associated political agenda

- Stacking the Supreme Court.
- Eliminating the electoral college.
- Eliminating the filibuster.
- Detailed federal control of elections.
- Even more government control of campaign finance.

Only grab-and-keep power makes sense of that.

## **2. The great awakening**

It's a mistake to call this movement "socialism." That old name elevates it as a set of ideas, and misses its central and novel character as a movement.

This ideological side of this movement marshals the social, cultural, and political force of religious fanaticism. Do not expect such an ideology to be any more coherent, fact-based, or amenable to logical argument than those of the missionaries who alternate with the local activists in interrupting your dinner.

It starts with an all-encompassing narrative of sin, and guilt; of a vast conflict between good and evil people.

Western civilization is nothing more than the expression of systemic racism, sexism, colonialism, homophobia, and genocide. Our economy and political system are dominated by huge monopolistic corporations and billionaires, enriching themselves by squeezing the little people dry. Swarms of unemployed roam the land as if the 1930s never ended.

Armageddon is coming, in exactly 11 years<sup>1</sup>. Climate is the world's "greatest problem," never mind war, pandemic, civilizational collapse or the mundane smoke and bugs that kill thousands. But speak not of nuclear power, energy- and land-conserving genetically modified foods, carbon capture, geoengineering or mild adaptation — only atonement for carbon sins will do. How should California bring the rains, or stop the fires? Of course, build a high speed train. Build no dam, clear no wood. That would not atone for our sins.

The IPCC tells us that as a *scientific fact*, climate projects must "increase gender and social inequality... [promote] sustainable development... [address] poverty eradication" and "reduce inequalities." Science, not politics, proclaims that "social justice and equity are core aspect... to limit global warming to 1.50°C."

If we are really in a civilization-ending ecological crisis, maybe some of the other agenda could wait? The Green New Deal offers an even more extreme linkage.

A new "eco-authoritarian" or "coercive green new deal" movement takes apocalyptic language to a far more logical conclusion. If indeed civilization is going to end in 11 years, we can't sit around and wait for democracy to wake up. "Dissenters" must be "silenced" and those unwilling to go along "thrown overboard." A "*distinctly non-Republican Congress*" must "coerce a range of powerful interests (coal companies, oil and gas corporations, auto manufacturers, the Pentagon, and so on) to fall into line." These are quotes.<sup>2</sup>

I'm no climate denier. I favor a carbon tax, nuclear, adaptation, lots of R&D, the standard market-based technocratic solutions to environmental problems. But by tying climate policy to this extreme power-grab, and its society-and economy-upending agenda, those who resist the rest of the agenda cannot help productively help the climate.

But you can be redeemed from sin through professions of faith, and participation in the great religious war.

To gain and signal virtue, one must master an ever-changing menagerie of nonsense words, repeated over and over until they gain meaning. Say no longer global warming, not even climate change, now say "climate catastrophe." Say not poor neighborhood, say "marginalized" and "underresourced" "community." Say not homeless, say "unhoused." Say not "minority," you must say "minoritized." All verbs are passivized, — use your imagination to fill in the dark subjects. "Violence," "trauma" and "racism" are thrown out like candies, trivializing centuries of suffering.

You can even buy indulgences. After you fly your private jet to the climate conference, buy carbon offsets. Don't look too hard, as they do not actually offset any carbon.

A politico-religious cult is a powerful force. It appeals to all the people in our secular society who once would have gone to do missionary work, who need the sense of meaning in their lives that such efforts gave. Now they activate for "social change," which means to demand government power. It usefully demonizes opposition, cutting off the usual civic, scientific, or scholarly debate. Opponents are not our fellow citizens, to be convinced or compromised with. They are evil, they must be squashed. This is the force of the protestant reformation, of Soviet communism, of Islamic Jihad.

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<sup>1</sup> I'm quoting Jane Fonda here, who in a recent NPR interview pointed out correctly that if the tipping point was 12 years in the future last year, it is 11 years out now.

<sup>2</sup> John Feffer <https://www.thenation.com/article/china-coercive-green-new-deal/>

This movement has taken over the institutions of our society. It pervades the schools and universities, nonprofits, the media, international organizations, and the Federal bureaucracy, what political scientists call the “elites.” Conservatives are social outcasts, and know to keep silent.

For this reason, I think we have the most to fear from this movement on the left. As a libertarian, representing a solid 3% of the electorate, I try to point out the shortcomings of both US political parties. And indeed the left has been nearly hysterical for three years about “autocracy,” “fascism,” “threats to democracy” “undermining the constitution,” and so on.

But it’s hard to see any comparable, durable threat on the right. Trumpism consists of the rambling impulses of one man - which, yes, often step over traditional norms and restraints. Trumpism has no reservoir of ideas, no organized ideology going back a century, no similar corraling of the forces of the state and private institutions to its cause. Trumps will blow away as soon as that one man is gone.

Indeed, the right has been fighting a slow retreat since Reagan, its ideas only “bring us progressivism, but not so fast,” its tactics largely tit for tat, and its successes, such as recent judicial appointments, measured only by its ability to slow progressivism down. The political right in America has no new ideas, organization, will to power, or representation in America’s elite institutions. (With the possible exception of the military, police, and firefighters!)

This movement still represents a minority of Americans. But small well-organized political-religious cults have taken over countries in the past, especially when the people in charge of a society’s central institutions have lost faith in their purpose. See Chile

The current election is not really about who will be President. It is really about how deeply the new progressives will take over the Democratic party. Either way, this is a movement so deeply rooted, and so all consuming to those in its grasp, that it will be with us for decades.

### **3. Partisanship and polarization**

This is all the more dangerous because of the steady erosion of our framework of government — formal checks and balances but more importantly informal norms, restraints, rules of behavior. Each issue is now a scorched-earth battle — never mind that sooner or later they will do unto you as you do now unto them, and worse.

Lots of commenters puzzle at this partisanship. Maybe it’s twitter. The parties usually answer as children in a playground, “Timmy did it first.” I prefer a little economics: Ask *why* people are *choosing* to violate norms, despite a half century’s experience of the destructive consequences?

Once asked, the answer to that question too is pretty obvious: The more you play a winner-take-all game, the more winning this battle is all important, and long-run consequences be damned.

Our government is not designed as a democracy. We are designed as a republic, with rights and protections for electoral minorities. A 51% majority cannot take power, shove anything down the opponent’s throats, and rewrite the election rules to stay in power.

Why not? Because if we become that, then the 49% will use any means to avoid losing. America must remain a country in which a politician, a party, an interest group, can afford to lose an election; surrender power, regroup and try again.

But the expansion of Federal power, the expansion of executive power, the unintended consequences of “democratic” (small D) reforms, the greater political role of the judiciary, and each side’s inability to trust the opponents to follow usual norms and restraints are all turning American government to a winner-take all game.

And, one of the many strategies in a winner-take all battle is to ally with a religious cult. We see that throughout the war-torn rest of the world.

What do I mean by norms? Consider a few increasingly quaint rules of political etiquette that are quickly vanishing.

- Presidents should do not routinely use executive orders, regulations far beyond statutory authority, or dear colleague letters to advance a policy agenda. Presidents don’t declare national emergencies to get their way on small policy issues like tariffs and border wall funding.

Tit will lead to tat. Bernie Sanders and Alexandria Ocasio-Cortez have already called for declaring climate a national emergency. “National emergency” has an appropriately chilling tone, as it means suspension of the normal democratic process.

- We don’t decide major issues by one-vote margin, party-line votes, by executive orders, or by 5-4 Supreme Court cases.

Social security, medicare, and medicaid passed with large Republican cooperation. The 1986 tax reform passed nearly unanimously. That a process of long discussion and negotiation produced buy-in also gave both sides reassurance that decisions of this magnitude do not depend on squeaking by the next election, or appointing one justice.

- Presidents get their nominees approved in most cases. Confirmation centers on policy and action, not on personal destruction.

Supreme Court nominations have descended into madness. Lower level appointments are beginning to inherit the same passion.

Why? The courts are deciding big policy and political issues, and allow winner-take-all, shove-it-down-their-throats policy-making. The specter that a 5-4 decision can decide abortion law for the whole country is a huge part of the norm-breaking in court appointments.

- You don’t question the legitimacy of elections. Get over it, win the next one, don’t tear the country apart.
- You don’t use impeachment as a regular part of the political process.

Be sure a Republican House will start impeachment investigations the minute President Warren is elected, and will start by subpoenaing her Harvard job application and every other private record of her life to try to embarrass her. Impeachment of Supreme court Justices is already on the table.

- You don’t use the criminal justice system or investigations to take down political opponents.

- Don't persecute losers.

In many countries, losing an election means that the “justice” system quickly closes in, and you lose your property, your business, your liberty, and sometimes your life.

When you can't afford to lose an election, politicians in power make darn sure not to lose elections. Norms of losing gracefully, of refraining from using the full powers of the police, justice, tax, regulatory authorities to stay in power, of not declaring national emergencies, of not challenging elections, and, in the inevitable end, not resorting to force, will not survive.

President Trump's “Lock her up” chant, deserved or not, was immensely destructive. Trump may reap abundantly. After Trump leaves power, the endless investigations into his finances and business dealings, will dog him and likely impoverish him.

#### **4. What to do?**

To get out of this we must solve the winner-take-all rules of our political game. Despite its dysfunction, it strikes me that pulling power back to congress from the administration, its agencies, and the judiciary is a useful step.

In foreign conflicts, in marriage counseling, and in kindergartens, we recommend small “trust building” steps. Alas, trust is hard to rebuild and easily destroyed. It will take a long time.

I get the sense that in previous eras, our forebears, while equally if not more acrimonious on policies, by and large put continuation of the system at a higher priority — with one immense tragic exception. I also sense they thought it more fragile than we do. Perhaps Americans are too lulled in confidence that our exquisite constitutional order will survive, no matter how many norms are broken. Perhaps a greater fear that one more egregious violation of norms will lead to the collapse of the whole system might be useful. Perhaps, however the woke cult's disparagement of our system of government leads too many not to think it worth saving.

And hope for the renaissance of freedom, of the desired by most in this room? Well, that's a long way off. Let's make sure we're here to discuss it first.

#### **5. Conclusion**

Our session is titled “how to deal with socialism,” My talk has mostly been about how to understand the modern movement on the left. You have to understand something before dealing with it. Bottom line:

This isn't your grumpy uncle's socialism, singing Pete Seeger union songs from the 1930s. What is the question to which its goals are an answer? Only one makes sense, a political will to grab, expand, and keep the power of the federal government.

That political program is married to a new secular cult. That movement has already taken over most of the “elite” institutions of our country, and disarmed the rest, who now feel guilt rather than pride of and hope for the American project.

Politicians have chosen partisanship, and chosen to ally with this jihadist cult, because the expansion of government power has made our system much more winner-take-all and shove-it-down-throats of electoral minorities.

Fix that, I think, and our society survives. Misunderstand this at our peril



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