THE MORAL CASE FOR THE FREE MARKET ECONOMY

A Philosophical Argument

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To John-Henri Holmberg

Preface

This book grew out of my AB Timbro Summer Seminar lectures in Stockholm, Sweden, during August 1986. I try to place on record a brief, accessible statement of the case for the free market system of economics, based on a view of human beings as moral agents and the legal system of a good community as designed to nurture this moral agency. A far more extensive discussion of the present thesis will be available in my forthcoming *Individuals and their Rights* (Open Court, 1989). I have also written more extensively about the shortcomings of the economic argument for the free society, in my *Capitalism and Individualism: Reframing the Argument for the Free Society* (Hemel Hampstead, U.K.: Harvester-Wheatsheaf, Ltd., 1989).

I wish to thank Douglas Rasmusen, Douglas J. Den Uyl, J. Roger Lee, James Chesher, Eric Mack and David L. Norton for the many good discussion that helped me get clear on some of the ideas discussed in this work.

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Tibor R. Machan

1.

The Human Essence is the Person's Individuality

The economic idea of human nature

There are significant differences between the moral and what has come to be known as the economic (or an economic) defense of certain political arrangements, especially that of capitalism or the free market economy. Characteristically, the economic defenses of capitalism have postulated a view of human nature whereby everyone is motivated to satisfy his or her desires. For example, Milton Friedman says,

> ...every individual serves his own private interest.... The great Saints of history have served their 'private interest' just as the most money grubbing miser has served his interest. The *private interest* is whatever it is that drives an individual. ["The Line We Dare Not Cross," *Encounter*, November, 1976, p.11]

George Stigler, another Nobel Prize winner, states,

> ...Man is essentially a utility–maximizer ––in his home, in his office (be it public or private), in his church, in his scientific work––in short, everywhere. [Lecture II, Tanner Lectures, Harvard

University, April 1980. In Richard McKenzie, *The Limits of Economic Sience*, p. 6.]

And lastly Gary Becker, the most explicit of the economic imperi- alists and reductionists, reaffirms the point:

> The combined assumptions of maximizing behavior, market equilibrium, and stable preferences, used relentlessly and unflinchingly, form the heart of the economic approach as I see it. [*The Economic approach to Human Behavior* (U. of Chicago Press, 1976).]

No room for Ethics

This outlook plainly leaves no room for morality, since it rules out one of the essential ingredients of any *bona fide*, genuine moral perspective: free will, that human beings have the capacity to choose between alternative courss of action, the idea that they could have chosen to do something different from what they did do.

If one ever morally blamed or praised someone, whether it were a roommate, a lover, a parent, a political leader, a lecturer—or even a philosopher for misguided thinking—one would hold them responsible for what they do. In these kinds of cases one regards what another does as either right or wrong, and one holds the person individually

responsible for the deed.

This is to be distinguished from the way we consider rocks or even dogs. If a dog bites the postman we might be upset. We do not take it to court and prosecute it for assault. We do not look upon the dog as having personal, moral responsibilities in life, mainly because we do not acknowledge that dogs possess the capacity for choosing what they will do.

We do not usually look upon animals that are killers—very often of each other or of other living things—in a way that would warrant the kind of statement that we apply to human beings, such as: "You ought not to have done it," or "You ought to have done this." This is exactly appropriate language where we attribute personal freedom, a kind of metaphysical capacity for choice. The economic outlook, however, fails to embrace the distinction we ordinarily draw between human conduct and the behavior of other entities in the world. Thus it excludes anything that gives credence to a moral perspective.

The value Free Defense of Free Markets

Thus the prominent defenses of capitalism have been amoral. They are often proudly called

value-free or Wertfrei defenses of the market economy. To admit that there might be a moral defense of the market economy is tantamount to saying—for those who still view classical mechanics as the paradigm of science—that the scientific is not the most appropriate approach to this area of human life. And that appears to many to be intellectual defeat.

I would like to argue, ultimately, that it is inappropriate to regard the mechanistic viewpoint as *the scientific way* of looking at human life. I propose that we reject this as our model of proper science which is, after all, extrapolated from one of the natural sciences, mechanics, and imported into the human social sciences. It is clearly possible to argue with this extrapolation, and maintain that there may be a scientific approach to human life which is non-mechanistic, which does not demand that human behavior be accounted for in the same way as the behavior of rocks or plants or even animals is accounted for. So we do not need to grant the current purely mechanistic (positivist or even evolutionist) economic model of understanding human affairs the status of being the only scientific account.

One of the difficulties of challenging this economic case for capitalism is precisely that the scientistic—to be distinguished from the scientific—approach to everything in nature,

including human nature, has had such a hold on the intellectual community. Consider Marx, for example. In almost the whole corpus of Marxism, at least the corpus that Marx himself allowed to be published— notably *Das Kapital*—he thrives to provide a scientific account for economic, historical, and social development.

Marxist dialectical science

Now, Marx is not an advocate of mechanistic science. He amends that framework by introducing what is known as the *dialectic*. But dialectical causal explanations have this in common with mechanistic causal explanation: they rule out basic choice. (And by "choice" I mean the capacity to initiate action, not merely the behavior associated with selecting one of many options, which is clearly something any animal can do and even inanimate objects such as computers are credited with.) Historical dialectical laws make it impossible for people e.g., to choose a different political, economical or legal system from what must follow the present one. Everything in the Marxism scheme must move forward. But if you allow genuine choice for human life, individual or collective, you have to accept the possibility that some societies would back-slide, that in some epochs of human history things could generally get worse.

(Marx allowed that some regression might occur here and there, but not in the system as a whole.)

Marx too was entirely enamored of the Enlightenment notion of the natural sciences, by the kind of conception of nature that requires ever so complicated but ultimately efficient causal account. Such a causal account of human behavior starts with certain motivating factors. From these the rest of human life is then understood. By itself scientific, legal, artistic, and other cultural considerations are impotent—least of all does it matter what people are thinking and believing. (It is interesting that George Stigler, whom we had occasion to meet already, holds exactly this view—ideas make no difference and the world moves like a clock and all is as well as it could be. Leibniz would be proud of this economist!)

Now, how could one hope in the face of this prominent preference for this causal, so-called scientific analysis, to introduce or re-introduce a moral outlook on human life? Certainly, in our daily personal lives we accept, at least partially, a moral outlook. If my book is boring, the reader or reviewer will blame me for it. We assume I could have been more entertaining, or at least more lively. We treat authors, movie directors, political leaders—especially those we dislike—as if they were free agents. We do this with friends, relatives, etc. But when we enter

an intellectual profession, such as social science and especially economics, this is often dropped. The official thesis is that such a viewpoint is, as the famous Harvard behaviorist psychologist B. F. Skinner calls it, "prescientific." We still take this approach to human life, but we of course pay for it by being false to that life, by being wrong about it, by failing to be scientific!

Is there Room for Morality?

How can one today hope to establish some legitimacy for the kind of outlook that affirms the propriety of the moral point of view? Well, without immediately getting into the details of metaphysics and ontology, let me recall what I already hinted earlier. The major challenge that one can offer to this so-called scientific approach to human affairs, and of course, therefore also to the exclusively economic defense of the market system, is that those who hold it look at nature in a reductionistic fashion. That is to say, they observe part of nature—the part controlled by the laws of classical mechanics, like most physical objects around us, with which high school physics concerns itself—and then decide to understand all of nature in terms of them, without making sure that the rest of nature actually conforms to these limited laws. That the move is

legitimate is highly questionable. All that is offered when one challenges the position is what in philosophical circles has been called a promisory note: It will be proven true *in the future.* We are told that soon we will be able to show that all of biology is really physics, we will be able to show that all psychology is really physiology, and we will be able to show that all of economics is really mathematics. This must be true, must it not, after all.

That is what a dogma is made of: when some outside notion is used to handle something instead of a process of careful study. It is a basic prejudice. It is based on the confidence we gained from having managed to handle much of physical nature in line with the laws of mechanics. Surely, with the success gained from the employment of this basic framework, we would do well to use this framework in all other dimensions of existence. It is a kind intellectual hopefulness: Once we have found the key to the one corner of the Universe, let us try to open all of its doors with that one key.

The problem is that there are many keys to the Universe, and the mechanistic model only offers one key for one facet of it. It may turn out that the reductionist picture—where everything in nature is reduced to one kind of thing, so that we deny all diffe- rences, and all things are matter in motion the way the mechanistic materialist have contended—is

false, a mistake. A more pluralistic approach to reality may then be warranted—whereby there are many kinds of reality, and many different kinds of laws govern this reality, and although there must be a self-consistency within all these laws, they cannot all be understood as simply a new version of a more basic law. This would open the doors for all kinds of possibilities that had not been thought possible within the framework of mechanistic analysis.

In particular, of course, we open the door to the possibility that human action can be explained in slightly different terms with different variables in play from the way we explain, say, an earthquake or planetary motion. Now, obviously, it would be a very large task for me to demonstrate the metaphysical truth of this pluralistic alternative, but let me give you some clues at least to why it is not at all unreasonable.

If you want to explain various things, you have to—like a detective—put forth different hypotheses and a hypothesis that most successfully explains most that you need to explain, is the one that wins. The detective who comes up with the most comprehensive and consistent explanation is the one who usually identifies the real culprit. That detective is the winner and he is credited with discovering who did the crime. This may not be an absolutely full-proof approach, but no such approach is possible

with human beings who can make mistakes. Still, a superior theory is what we can confidently call the truth of the matter, provided we have done what these standards in the field require of us.

A Unified but Diverse Reality

If we want to explain nature, human nature, if we want to explain the phenomena of this complex universe of ours, we have to begin by asking ourselves: Is it more reasonable to assume that everything is really the same thing? Just look around. One does not need to go into a laboratory, but only ask oneself about that plant, this man, that table, this contradiction here, that ring, his work of art, the musical sounds coming through the wall. Are all these more reasonably looked upon as just one thing fundamentally? Is it really a perverse misunderstanding on our part to have identified them as basically different, or is it perhaps more sensible to think that indeed nature comes in a highly varied form? Is it not most sensible to believe that, however it has emerged to end up this way, in nature we have very different kinds and types of things. When we look at airplanes, or a magazine or a magnifying lens or a plant, etc., we see genuinely different kinds of things here, we do not just imagine them, we are not just mistaken, we are not just confused, and

when we look at them, it is quite possible that in order to fully understand these things in their own right, we cannot just count on the laws that we have identified about one kind of thing, say sub-atomic matter, matter-in-motion, or some other fundamental stuff that everything really must be.

It is with this general pluralistic metaphysics that I am proposing that we unseat our very prominent and very influential reductionistic metaphysics that has given rise to an understanding of human affairs solely in terms of value free causal explanations. Later we'll explore in greater detail how this can be accomplished, how in fact a reconciliation between science and values is possible. But for now I am trying to provide the metaphysical possibility, for an alternative way of understanding human affairs. This is very fundamental and it does not yet show that there is in fact an alternative way of understanding it. The considerations here simply open the door for an alternative way.

Metaphysics—the branch of philosophy wherein we study the most basic facts, principles or beliefs about reality—does not set out to prove or establish much, outside of certain limits. Thus a materialist metaphysics would maintain that nothing that is not reducible to matter-in-motion could possibly exist.

But if the limits of metaphysics are broader

than what, say, reductive materialism asserts, then we have opened the possibility of new explanations where previously they have been fore-closed.

As hinted at before, a die-hard materialist would claim that on metaphysical grounds the existence of ghosts, of genuine ghosts, is impossible. If someone tells such a materialist of having seen a ghost last night, he or she will not say: "Perhaps you're mistaken this instance, but some other night you might be right." No, the response would be, instead, "That is impossible." Metaphysics delimits the range of possibilities. There cannot be any ghosts if materialists are correct in the field of metaphysics. A spiritualist list or idealist may disagree with the claim about ghosts in any particular instance, but it is not necessarily ruled out as a possibility.

Now if metaphysical pluralism, which I have been hinting at, is correct, then one of the possibilities that we might have to recognize- is that human beings can cause their own actions. In short, human beings do not have to have been driven to do something, something did not have to push or drive them. That is not the only way that we might account for their behavior. In a pluralistic metaphysics the efficient causal analysis of classical mechanics— whereby all action must be the result of some prior event, *ad finitum*—is not the only one

that can be introduced as an explanation of human action. What else might be introduced? That is a good question and requires research and investigation. But clearly it is not an *a priori* matter, so the research would be permissible and can get on its way.

Note here that for a materialist, ghost research is out of the question. It would be a futile waste of time. But, for a spiritualist, ghost research might ensue. Its methodology may have to be improved, etc., but it is not ruled out of existence by virtue of its impossibility.

Similarly, for a metaphysical pluralist if one believes that it is possible to have very different kinds and types of entities in nature, then an entity that might in some sense cause its own behavior —that might be self-determined rather than purely driven by other beings, especially other physical beings—is at least a possibility. So we can begin to ask if there might not be a methodology, a way of thinking about human beings that shows us how they are motivated, how they happen to act without these external or innate controls, but through inner self-determination.

I am saying here that this is at least not foreclosed by the metaphysical picture that I have suggested to be quite reasonable. For now I want turn away from these issues and focus on another

metaphysical concern. Soon I will return to some of these topics.

Individualism versus Collectivism

The other metaphysical topic is the primary concern of the present chapter. It is the controversy between collectivism and individualism. But I want to explore this controversy at the meta- physical rather than at the political or economic level.

Historically, the collectivist picture has been terribly influential. Since the time of Plato, the definition of "man," i.e., "human being," has been deemed as much more important than "individual human beings." In Platonic philosophy one vital point is the theory of forms. These are abstract entities—somewhat the way we tend to think of numbers or geometrical figures. They are permanent, unchanging, dependable, things in nature. Unlike you and I who die after a while, and other things that are perishable or corrosive, these universal yet concrete beings—human nature (or humanity), Love, Justice, Oak, Water, and any other definition of a general idea you could care to think of, are all fixed, reliable, perfect. And these permanent, unchanging, perfect things in the realm of ideas are all collective forms—they embody all the individuals that the idea means when invoked by us

to think.

In Plato's philosophy and in the philosophies of many subsequen thinkers such a universal idea or definition has a reality that is even more significant than the reality of you and me. In other words, for Platonic and subsequent Platonistically leaning philosophies, the overarching nature or definition of man has a greater—more significant, more important—reality than the individual human beings who "participate" in this overarching nature.

What does that mean? That means that before you and I are recognized as significant beings, the first and foremost significance lies with humanity, with the collective being which subsumes all of us within itself, of which we are just a part. According to this philosophy we are by no means individual entities, beings in our own right, we are only parts of a larger being, a larger individual, collective humanity.

What drops out of course, if you take this line seriously—and almost all philosophers are taking it very seriously—is the signficance of your individuality. The collective we, the humanity that that Plato identifies, the more significant aspect of us, does not differentiate amongst us. You and I in the respect to our humanity are identical, we do not differ, in so far as we are human being we are all the same. Individual differences are of no significance. If one

is convinced that it is this humanity that is important, perfect, stable, fundamental, and you and I are these perishable, corruptible, negligible beings, then of course the thing that is equally negligible, corruptible about us is our individuality, whatever makes us unique. It is our individuality and whatever arises out of it that becomes the victim of such metaphysical collectivism.

The response to the legacy of Plato, one manifest in many philosophies, ethics and politics, both right and left (Hegel, Marx, T. H. Green, Lewis Thomas, B. F. Skinner), is that we are human, but we are essentially *individual* human beings. We are significantly different from other human beings, from all human beings. That is indeed part of our human nature, to be different from others, to create in ourselves a unique being, a self-made entity that is both in harmony with others but is also significantly independent of them. But this difference is completely obliterated in the view that holds that only our common nature is significant, that all that really counts is humanity as a whole—as if there really were some entity of which we all are the cells, the body parts. The influence of this has been considerable and I will get back to it but I want to provide just one glaring example of the collectivist outlook. While not many embrace it explicitly, in intellectual circles it is the most influential

idea these days, even in the West.

Marx's Collectivism vs. Hobbes's Individualism

In Marx we find a clear statement of the collectivist thesis about human nature, even though it was made centuries after Plato. Marx says, "The human essence is the true collectivity of man." [K. Marx, *Selected Writings*, ed., D. McLellan (Oxford UP, 1977), p. 126]. I want to demonstrate the contrary of this statement, namely, that the human essence is the true individuality of man.

What is difficult about this debate, is that of course there is a partial truth in the collectivist thesis, a partial truth that many have denied, and have suffered for having denied.

Perhaps the most significant philosopher of individualism—who advanced the view of human nature that guided later individualist thinking about politics and economics—is Thomas Hobbes. Of course, Hobbes was not a political individualist or liberal, but more importantly he did hold a metaphysical individualist view. He believed that there is no human nature at all. The individuals we identify as human beings have been so designated by convention, but not by necessity. What this means is this: If we look around ourselves, look at all the

people we are calling human beings, we notice that they are very different from us and from each other. Now according to Hobbes, that was a rock bottom, irreducible fact about us.

That we are also designated as human beings was, to Hobbes, merely a matter of convenience. It served some purposes quite well to call these things, with perhaps some attributes in common, human beings. But we might have called all the entities we now call human beings and some monkeys both by the same term "human being," or we might have called just some human beings, but not others, say, blacks or yellow people, human beings. In short, according to Hobbes, there is no necessity about our being human. The only necessity is that we are all individuals.

Now this is the flip side of the story of collectivism, what used to be called radical individualism, or in more polemical circles, rugged or even atomistic individualism This is the kind that is always ridiculed by both Leftist and Rightist social theorists who seem to wish, at all cost, to associate the system on capitalism or market economics with a bizarre and implausible thesis. This is that each of us is individually entirely unique and has nothing necessarily in common with anything else.

Now, if this were really what capitalism depended upon—as some both many defenders and

many critics maintain, capitalism would be very vulnerable indeed as a social, political, economic, philosophi- cal thesis. The Hobbesian idea simply runs counter to all common sense. We are human, by nature not merely by convention, and if individualism denies this it must be false. So I want to reject the radical, Hobbesian individualism. It is untenable, even though as a reaction to ancient and medieval collectivism (feudalism, nationalism, racism) it is quite understandable.

A Sound Individualism

In contrast to radical individualism it is accurate to say that human beings are a naturally distinct kind of entity. But, despite recognizing that human beings form a natural class, that they have a nature, this nature does not make them one collective thing, some super entity such as Humanity. It means, rather, that they have some attributes in common, while also recognizing that they do not have many attributes in common. Human beings are part of a certain, definite kind of species the individual members of which are, however, essentially or inescapably individuals. There is plain reason for that. We can each make our own lives be something unique, based on our own choices, decisions, convictions, and actions, and we are

individually, not collectively, responsible for how we carry on with a large measure of our lives.

Now the crucial question, for our purposes, is whether our individuality or our universal attributes are more important? Is the fact that we are human beings more important than the fact that we are individuals? Or are the two the same thing?

My thesis is basically that the human being by nature is an individual. In other words, although we do have some things in common, one such attribute is that we need to attend to our lives on our own initiative, by our own wits, not by some collective drive. This sounds like a paradox, but it does not have to be one. Assuming I am right and part of what distinguishes human beings is that they initiate much of their conduct—especially in the mental realm of their lives—what will make them different from one another is that this creative process is potentially very different in every individual's case. I will guide myself to develop very differently from the way someone else does and everyone else will also have a substantially singular path.

Now that path will have certain crucial ethical, political, and economic implications which I will explore later on. For now all I wish to call attention to here is the difference between this thesis and collectivism *at this metaphysical level.* The thesis that there is really just one universal man or

humanity, of which individual human beings we are the cells is clearly highly doubtful. But as noted before, it has had an enormous power in our intellectual history, attracting as different philosophers as Plato, Hegel and Marx. But this was probably the result of some eagerness to handle some problems that might not be manageable very simply—e.g., how do our general ideas (universals) manage to relate to the particular things, events, institutions, etc., we mean when we make use of them? What is it that makes us one kind of being and not another? The idea that we are small, imperfect versions of some ideal, perfect version of ourselves—and so are all particular beings such versions of their ideal and perfect versions—seems to be a hopeful idea. And such an idea also offers hope for the solution of other problems —e.g., how might we determine what is right and wrong in our con- duct, institutions, thoughts, speculations, etc. If there already is some ideal, perfect rendition of all of these somewhere—in the realm of universals—then we can consult those (as we consult the mathematical definition of a circle to judge whether something is circular enough) and learn how well things are doing.

The Fallacies of Collectivism

But this is a mistake. There is no concrete

universal, collective humanity. Human individuals think, decide, choose mates, regret their actions, aim at goals, solve problems, intend to murder, are culpable for having murdered. The collective humanity is a mere classification device, very useful but not to be confused with what it means, the individual persons who are human beings.

There is a shared human nature but this is not yet another entity, not some new being which is of a higher kind, with a superior quality to ours. It is having some attributes in common with each other, but having these attributes in common does not create yet another, more perfect being, with just those qualities.

It is a fundamental mistake of Marxism to have thought that there is this human being growing throughout history and reaching to its self-perfection. It is for that reason that very often one thinks it morally permissible, in the name of Marxism, to sacrifice some individual human beings—e.g., liquidate the Kulaks, lock up dissidents, incarcerate poets and subject them to "psychiatric" treatment—because that liquidation, in Marxism, is tantamount to our cutting off a finger to save a hand, taking skin from one part of our body to improve the health or even looks of another. Now that makes perfectly good sense when done by an individual, with his or her full consent.

A Horrible Mistake: Collectivism

If we take humanity to be a whole entity, the way we regard individuals, then we see that if we sacrifice the Kulaks so as to save the working class, eventually, it is a sound trade-off. If we look at human beings as pieces in a large collectivity, we can justify these trade-offs anytime. We can say, well, those tiresome and bothersome poets in the Soviet Union, they need to be sacrificed for the greater good of the whole. As individuals, with their projects and goals, they count for nothing. Indeed, they count for something damaging since they refuse to serve the revolutionary purpose.

The above horrid outlook is, nevertheless, perfectly sensible within the framework of a philosophical position that takes human individuals to be fundamentally cells in the body of humanity!

Those of us who complain about the Soviet Union doing such things fail to understand that in the general framework of Marxism- Leninism, which governs, more or less, the official thinking in that country, theirs is a perfectly justifiable procedure. There are no individuals of significance within that system, except humanity, the leadership of which the officials have taken on as a great noble mission. The entire picture is that of a beehive or ant colony, where there appear to be individuals but they are all

wholly attached tached to the collective goal of the group.

Objective Natures without Dualism

The classical individualism that I propose as a sound alternative to both radical individualism and holistic collectivism admits to the objective basis for classifying human individuals. They are members of the same species—with some difficult cases posed by crucially incapacitated persons (e.g., those in a coma, retarded persons, very smart higher animals, maybe some artificial intelligence machine ideals). But by virtue of the pluralism in nature— which makes it possible for many types and kinds of beings to exist— members of the human species are essentially individuals. They have the capacity to initiate their own conduct and this is an essentially differentiating attribute of human beings. [Perhaps the best exposition of this viewpoint is given in David L. Norton, *Personal Destinites*: *A Philosophy of Ethical Individualism* (Princeton University Press, 1976). See, also, the work of Ayn Rand, *Introduction to Objectivist Epistemology* (New American Library, 1979), *The Virtue of Selfishness, A New Concept of Egoism* (New American Library, 1961) and *Capitalism, The Unknown Ideal* (New American Library, 1967). See, also, Tibor R. Machan, *Human*

Rights and Human Liberties (Nelson-Hall, 1975).]

One can observe from the above that various metaphysical issues are vital for purposes of understanding matters of politics and economics. In subsequent chapters I will develop them further.

2.

The Moral Nature of the Person

Revising the Moral Viewpoint

The previous chapter opened the door—metaphysically—to considering human individuality in a new light. I also argued for the possibility of the moral nature of human beings. What I mean by the moral nature of human beings is that in some sense it is possible to say of people truly that they ought to do one thing, and they ought not to do another thing. This is not merely an expression of a feeling or of an emotional disposition or cultural attitude. It has truth value.

I wish now to argue that statments of the type that "Johnny ought to do X" or "Suzie ought not to do Y" are sometimes true. If that is so—if we should understand human life such that these kinds of statements are sometimes true—then the moral nature of human existence will have been established.

One of the assumptions underlying the notion that human beings ought to do this and that, or ought not to do this or that, is that they are genuinely free, that they determine their own conduct. It is an assumption of the moral perspective on

human life that human beings could, of their own volition, do one thing or another. They aren't *made* to do these things either by their genetic make-up or as a result of the impact of the environmental stimuli impinging upon their consciousness or brain.

Why would it be possible for human beings to have this kind of choice, this kind of power of self-determination? That is our first question. The second question that needs to be approached in connection with the issue of the moral nature of persons, is whether there is some standard in terms of which what they choose to do may be evaluated.

Invididual Moral Responsibility

We can express the point by noting again that "ought" implies "can" is a basic precept of morality. It means that if persons are responsible to choose to do the right thing, not the wrong thing, then (a) they must have the capacity to so choose and (b) there must be some standard by which the two can be distinguished.

One of these conditions is not sufficient to make sense of morality in human life. The Existentialist philosophers, who are of relatively recent European origin, say that human beings do have genuine free choice, but that there are no standards by which one can evaluate what they do. They say

human beings are free, but it is an absurd condition to be free, because what they do with this freedom is entirely impossible to assess morally. The reason there are no standards is that there is no human nature and there is no God that would provide us with guidelines. One cannot relate the standards either to God's will or to the nature of human beings. But this is not what interests us mostly. What I wanted to point out is that there are two crucial ingredients to a moral perspective. One is that human beings can, of their own volition, choose to do one thing or another and what they do is open to evaluation. But you can say it is better or worse what they have chosen.

On the other hand, many other philosophers, for example, Benedict (Baruch) Spinoza, Thomas Hobbes, and even John Stuart Mill, advance strict standards of proper conduct. But they deny the freedom of human beings to choose their conduct, to determine what they will do. Accordingly, these philosophers propose a value theory or theory of goodness but not of moral goodness.

If either moral standards or freedom of choice is denied we do not have a moral perspective on human life. If human beings cannot help what they do, then to say that they ought to do something is meaningless. We do not say, "Jupiter ought to go into that orbit," or "Halley's comet ought to come a

little earlier." It makes no sense. It either will or it won't come, independent of anyone's choices.

Notice that in the law, as soon as it is proven that a person could not help doing what he or she did, culpability is denied. If an accused person can demonstrate—or the defense can demonstrate about the accused person—that the alleged crime was committed because of, say, a brain tumor, or some inevitable childhood trauma, that may be adequate to excuse or exculpate the accused, and may require commitment to an insane asylum, rather than jail. That is because culpable conduct in most Western criminal legal systems assumes volition, assumes the power of the individual to choose.

On the other hand, if there is no law, then there cannot be an accusation of violation of the law. If there is no standard, one cannot say that the person ought not to have done something or ought to have done something. It makes no sense, because "ought" implies that one "can" tell what one should or should not do. And if there are no standards by which to say whether one person ought to do something or ought not to do that, then one cannot say that one ought to do it. If I say someone ought to be loyal to his parents but loyalty is indefinable, then the judgment makes no sense. Morality is impossible without standards of right and wrong and without human capacity for

freedom of choice.

Is Volition (Free Will) Real?

Now, we have to ask ourselves, is there a plausible case for volition in human life, and is there a plausible case for some objective standard by which to evaluate human conduct. And I have given myself a less difficult case than I might. I am simply asking is there a plausible case, partly because within most of the standard limits one cannot fully establish these sorts of claims. These are claims for which philosophers have been trying to give conclusive arguments for the last 3000 years. I do not promise to handle the whole issue here. But I will provide a few vital clues to how the argument might proceed in a reasonably successful fashion.

As to whether human beings have free choice let me offer several reasons why that is a plausible hypothesis. First, as I have already noted, the reductionist approach to how to understand the behavior of entities in nature, is highly implausible. There are too many differences evident to us and too little success with the reductionistic thesis to accept it. It is thus not precluded that there could be some things in nature which are indeed free.

Anti-Reductionism. One of the standard arguments against freedom of choice, or volition, is that

everything in nature can be explained in terms of a deterministic system. Would it not be absurd to look at this part of nature, human nature, and assume that this has escaped the deterministic scheme? Now, this sounds very plausible, and indeed many scholars in the social sciences propose this argument as a defense of the universality of determinism. But again, this *assumes* without proof that the difference between free will or volition, and its absence, is more drastic than any other recognized differences in nature.

But consider and compare the behaviors of a bird and of a frog. Then look at the behavior of a bird compared to an orangutan. In both cases the differences are as drastic as the difference between an orangutan and a human being.

In other words, even without the presence of human nature, there are such drastic differences in nature already that the further change from the very developed animals to human beings cannot sensibly be regarded as something arbitrary. Having freedom of choice and moral values introduced with the emergence of human life is no greater a difference in degree of development than is the emergence of organic existence after inorganic existence, plant life after that, animal life after that, and so forth. It is only if one accepts the reductionist thesis, and thinks that everything else is just one thing, that the

introduction of freedom of the will and moral values appears to be very different. It *appears*, then, that freedom of the will is an absurd supposition. But if you recognize that nature already comes with a great many varieties and that freedom of the will is just an addition to this popery of incredible variations, then you can say, well, at least it is not absurd, you do not have to think that it is impossible. This does not quite establish freedom, but it does make it seem less peculiar.

Independence of the Knowing Agent. A second reason for why the free will hypothesis seems quite sensible may be inferred from the very idea that we can know and we can be mistaken about the world. We can make wrong judgments and know that this is what we have made. We we can tell the truth from falsehood. This very idea is essential for maintaining the determinist thesis because, after all, the determinist thesis is proposed by people who think it is true. They assume they can differentiate between truth and falsehood and such differentiating presupposes objective, independent judgment, not (the result of) outside influence and preconditioning. Science, philosophy, and all other disciplines of human inquiry require that human beings be capable of freely attending or not attending to the world of their own volition.

If it were the case that when one utters a

truth, that truth *had* to be uttered, and if one utters a falsehood, that falsehood *had* to be uttered, and one has no choice in the matter, then one could never determine what is true or false, because even the next step in the attempt to distinguish between truth and falsehood would be something that simply had to result as it does.

So by the very fact that determinists *advance* their own case, they are also accepting our power to choose between right and wrong, between the truth and falsehood. So here is another reason why the free-will thesis is plausible. It is necessary for the very pos- sibility of objective knowledge, for the power to identify truth unimpeded by any interference. (Whenever one is under the influence, as it were, one is judged incapable of telling what is the case, one's judgment is deemed impaired.)

Determinist's Dilemma. The third reason is more subtle. One objective of the determinist, who denies volition, is that one "ought" to believe him. Notice this "ought." One ought to believe and one is wrong not to believe determinism. But "ought" implies "can." So the determinist acts, in the very discussion of defending determinism, as if determinism were false and people could choose to abandon their beliefs and select different ones (and would be wrong not to do this if that is what they choose to do).

Self-Knowledge of Volition. The fourth consideration in favor of free will involves a dimension of understanding which has fallen on bad times in the last 60 or 100 years. This is introspective analysis. But the dominant—or the prominently hailed mode—in our era of science is publicly verifiable observational analysis. That is why behaviorism was so popular for so long among psychologists. It precludes anything as relevant information or data that is not publicly observable.

Many, especially in the sciences of psychology, sociology, and anthropology, fell under the influence of this empiricist approach. They claimed to rely on so-called pure empirical observation for substantiating claims. Thus introspection, which is not a publicly replicable way of observation, was shunned.

Yet the rejection could never be complete. If one says to a doctor that one has a stomach ache, it may be tough for the doctor to verify this empirically. I challenge anyone to verify whether someone has a stomach ache or not without accepting reports of introspection. We in fact rely widely on introspective evidence, testimony, self knowledge and similar so called "private" information. (It is not really private, since it can be acquired by gaining it from a reliable person.) How else would a doctor know one's symptoms unless one can be trusted when one says "It hurts here." The doctor does not

respond with, "I am sorry, I do not see it so it cannot be so."

So, contrary to the self-proclaimed epistemologists of the social sciences introspection is indeed a valid mode of inquiry. And introspection indicates plainly enough that we are free. Very often we know of ourselves that we have chosen to do that and not another thing; or in retrospect we say, "Damned, if only I had chosen to do that, I'd be better off now." And we blame ourselves for not having chosen well. If we really believed that we could not help doing it, we'd never blame ourself. If all we could say of our false steps that they were the result of the inevitable progress of history, then we would never feel ashamed or guilty about them. We'd never regret or feel remorse. But we do, because we know that we have chosen badly. (And the whole story might also be told about feeling pride, a sense of accomplishment, achievement—none of which would make any sense if it were impossible for persons to have a decisive hand in how they act, what they do.) Introspection testifies to the presence of free choice.

In summary, these are our reasons for accepting the free will hypothesis: Nature does not preclude its variations, but has room for the additional variation of self-determination. Independent, intellectual scientific judgment seems to require no less.

The very dialectic of arguing with the determinists seems to assume free choice and finally an introspection very often testifies to it. So here are four reasons which independently may not make the case, but together present us with a very plausible case for the contention that human beings do have volition. This, as I noted, will not quite clinch the point but it does make it credible.

Values in Reality

I will later discuss in detail the question whether free will is compatible with science. I will also discuss why there are *bona fide* scientific reasons, in the fields of psychophysiology and neurophysics, for the view that self-determinism is true, and mechanistic determinism of the mental process is false. For now let us turn to making the case for the possibility of moral judgments. We can begin by distinguishing between values and moral values.

Value (or goodness) is the broader category within which we find ethical (or moral), aesthetic, political and other values. To illustrate this, consider that if one checks on the tulips or tomatoes in one's garden, one may discover that these living things are doing very badly. Or, one may rejoice in how well they are doing. One does not scold tulips or tomatoes for not having done well, or praise

them for having done well. This shows we make value judgments but not yet moral judgments. This suggests that once life has emerged in nature, and the alternative of extinction or flourishing has come into being, the issue of good and bad intrudes on reality. Without this distinction there is no room for good and bad. If all you had in nature were inanimate matter and an earthquake occurred, there could be no good or bad about it. It would simply be a (neutral) happening, without any value or dis-value. If there were sunshine without flowers, plants, or animals, it would be neither good nor bad. It takes aesthetic, biological, psychological, plitical dimensions to regard these inanimate parts of nature as of value or of dis-value. All by themselves, they are value-neutral. As Karl Popper observes,

> ...values enter the world with life; and if there is life without consciousness (as I think there may well be, even in animals and man, for there appears to be such a thing as dreamless sleep) then, I suggest, there will also be objective values, even without consciousness. [Karl Popper, *Unending Quest* (Glasgow: Fontana/Collins, 1974), p. 194]

It is life that introduces value into nature, because life is capable of extinguishing, of being extinguished. It can stop, which is a bad thing for the living, and it can flourish, which is a good thing

for it. Clearly, most of us can find evidence of this in our own behavior, when we are prudent or reckless, respecitvely. Now, if there is no moral dimension in reality, then this would be the only room where we would find values with respect to living things. We would find values and indeed a lot of so-called moral philosophies are really just philosophies of values, not moral or ethical theories.

Moral Values in Reality

The moral dimension within the realm of values enters with the emergence of the specific kind of life that human beings have. This is because moral values involve volitional value-seeking and value-neglecting process. In morality we are no longer dealing with automatic, environmentally induced and sustained flourishing or destruction.

When human beings fail to flourish, through the neglect their responsibilities—career, family, community, health, liberty and peace—they can be responsible for it. People can also take credit for having managed their lives well, successfully. It is not all a matter of good or bad fortune, and even that is often an opportunity for doing well or badly at living one's human life. It is a matter of self-determination, or at least it can be (in a free society!). It is a matter of one having a direct hand in

whether one is flourishing or failing. The Russian born American novelist-philosopher Ayn Rand explained this as follows:

> Metaphysically, life is the only phenomenon that is an end in itself: a value gained and kept by a constant process of action. Epistemologically, the concept of "value" is genetically depend- ent upon and derived from the antecedent concept of "life." To speak of "value" as apart from "life" is worse than a contra- diction in terms. It is only the concept of 'Life' that makes the concept of 'Value' possible....In answer to those philosophers who claim that no relation can be established between ultimate ends or values and the facts of reality [i.e., who pose the "is/ought" gap problem], let me stress that the fact that living entities exist and function necessitates the existence of values and of an ultimate value which for any given living entity is its own life .... The fact that a living entity *is* determines what it *ought* to do. [*The Virtue of Selfishness* (New York: Signet Books, 1967), pp. 15-17]
>
> And this is where morality enters the picture. Because of the specific kind of life that human beings possess, they are subject not just to evaluation but also to moral

evaluation. Their kind of life, because of free will and a standard for judging whether they are doing well or badly at living their human lives, has moral significance, has a moral dimension.

So when we consider what is the moral nature of persons, it is not enough just to observe human freedom of choice, or again the presence of values in human life. We must add this further combination of the two: the values pertain to an agent who is capable of initiating action or can neglect to do so. That gives rise to the natural dimension of morality in human life.

Now, we can ask, is morality then a genuine, *bona fide* dimension of existence, does it have ontological validity? In other words, is this something that exists and for which there is concrete enough evidence and/or proof? Is it an actual part of nature, or is it just a fabrication of superstitious minds, such as witchcraft, astrology, or phrenology have been shown to be?

Human Life Implies Moral Standards

I have already noted that when life enters the picture there is perfectly natural

room for evaluation. A botanist, a biologist can tell flourishing from failing in all sorts of areas. Entire forests can die and one can say it is bad for the trees, it can also be bad for us, but it is first and foremost bad for the trees. Entire species can die, and one can say that it is bad for the species, it may also be bad for us, but that is of secondary significance now. We can evaluate any kind of life on its own terms. Dogs, deer, and oak trees can be diseased, not just become useless to us!

Now, if the above is sound—if indeed when a botanist evaluates the growth process manifest in a particular tree or forest or plant, or a biologist or zoologist in a particular animal life, that botanist or biologist or zoologist is speaking truly or could at least be speaking truly—then we have a genuine dimension of objective values in nature. It is no longer a matter of subjectivity, it is no longer just how we feel about it. There are processes in nature that are indeed good and there are some that are bad. Granted that they are good or bad for some things, but that does not make them any less objective than judging that some thing is so many feet from another, or that some thing has so many eyes, ears, or pints of

blood in its circulatory system, or that it is red, blue or pale.

Almost all of the behavior of students of living nature—botanical and biological scientists—testify to this objective value dimension in nature. There are objective standards that can be applied to the growth of trees, bushes, plants, grass, animals, etc. They can do badly or well or hover between somewhere on that continuum.

Since human life is yet another manifestation of life, the dimension of value includes human life no less than the rest. But it has the added feature that arises from the presence of volition or free choice in normal human life. We are self-determined, individually responsible beings whose conduct and life can be evaluated. As distinct from (but not in contradiction to) other living things, this evaluation will reflect either well or badly upon ourselves. We ourselves get blamed or praised for our doing well or badly at the human life that we have chosen to live.

We are considering human life in very general terms here. Clearly, if we go further into the particular human life of the twentieth century, of Sweden, of women, of students, of parents, of professors, of politicians, of

soldiers, of people in the tenth century B.C., then of course special dimensions arise. We are presently concerned with the very broadest dimension of human life that introduces values and moral values into reality.

Some Last Initial Words on Values

We could be concentrating on the additional myriads of special dimensions of human life, all of which make morality an extremely varied, pluralistic endeavor. But for now all I am observing is that it is very reasonable to believe that this moral dimension is objectively present. How it works itself out in the details of various individual and special groupings of human lives, nations, ethnic groups, races and cultures is a very difficult matter.

I have indicated now that it is at least reasonable to believe that an ethical dimension exists in reality, and that the part of reality in which it applies is human life. Its extent and dimension is something that we will explore later, but for the time being I have taken the very broad metaphysical outline of the previous chapter and applied it to a more special area, the area of morality.

I wanted to make clear that when one discusses the various aspects of human life, including economics and politics, it is not theoretically permissible to overlook or to rule out the moral dimension. If the moral dimension of human life in general is indeed a reality, then any preclusion of it, by any enterprise, whether it be sociology, psychology or economics, is theoretically erroneous.

One can, of course study economics without paying attention to morality, provided one does not, in the content of one's economics, imply the exclusion of morality. As long as one leaves room for it, that is fine. One can focus one's study on any special area of human life and not bear directly on the ethical area, but may not, without doing an injustice to one's subject of study, rule out the moral in the process.

So we now can go on and further explore whether or not the market economic system—what I have called either capitalism or laissez-faire economics, or the free market or free enterprise system—is indeed one in which the moral dimension of life, of human life, is most fully accommodated. I have set myself the task of making that hypothesis a plausible option for us. Though, as I said, I

cannot possibly prove the point in full, it can be made more of a live option than it is now recognized in our intellectual and political world community.

3.

Science and Morality: A Unified Viewpoint

Can our idea of Science change?

Let me now turn to a topic that I have already mentioned, namely, whether the orthodox concept of science is sound. What I want to argue is that just because science has been conceived as requiring certain modes of thinking, it does not necessarily follow that that is the only, or even the best conception of science.

"Science" is a concept which is within our power to formulate, modify, update, reject etc. It does not amount to a finished idea, conceived some 300 years ago, with which we have to live entirely uncritically. If it turns out that the concept of science, that has gained dominance in our intellectual community, is incompatible with other concepts which themselves are sound, then it is possible, indeed even required that we update this concept of science. It does not necessarily mean that everything about it has to be rejected, but perhaps certain aspects of it have to be rethought. The same indeed applies in all

areas where we are considering whether our ideas or concepts are as good as they could be. We are not endorsing by these considerations the Platonistic notion that there must be some final, perfect idea of science or anything else, for that matter, only that we are responsible to find the best rendition for the time being. The same point applies when we consider our idea of human nature or anything else of importance. As Philosopher Barry Stroud explains to us the thought of Ludwig Wittgenstein about this matter, a definition of some idea

> is not like rails that stretch to infinity and compel us always to go in one and only one way; but neither is it the case that we are not compelled at all. Rather, there are the rails we have already traveled, and we can extend them beyond the present point only by depending on those that already exist. In order for the rails to be navigable they must be extended in smooth and natural ways; how they are to be continued is to that extent determined by the route of those rails which are already there. [Barry Stroud, "Wittgenstein and Logical Necessity," in G. Pitcher, ed., *Wittgenstein* (Anchor Books, 1966), p. 496.]

Stroud adds that although "we are 'responsible' for the ways in which the rails are extended," this does not "destroy anything that could properly be called their objectivity"[ibid]. In short, our ideas can be changed, but only responsibly. And this applies to science as well.

Scientism in Historical Context

The orthodox, classical mechanistic or positivist conception of science has been very prominent up to about, I would say, the 1960s, before Karl Popper, Imre Lakatos, Thomas S. Kuhn, Stephen Toulmin, and, most radically, Paul Feyerabend, all of them philosophers and sociologists of science, had made their impact on the intellectual community. Astronomy, as one of the most promising areas where a mechanistic conception of the study of nature emerged, offered many results that were fruitful. Structural mechanics, out of which most of our pre-electronic technological advancements developed, was another such field. Having found that in certain areas of human investigations, systematization and orderly understanding could be achieved in certain a way, a certain model of what we ought to do— of proper method—in order to gain understanding of reality flourished. It was not unreasonable initially for intellectuals, philosophers, scientists,

students of society, to extend the scope of those methods to all areas of interest to them.

The Newtonian conception of the Universe as a machine emerged out of these initial successes. An entire metaphysics, not just proper scientific method, had been developed on the model that had been thought to be so promising. Yet the moment we extend the model to become universal—in other words the moment we expect it to provide universal understanding—it begins to exert enormous influence —including certain serious limitations—on further development in the discipline of all natural studies, including the human sciences.

One of the central ingredients of this initial conception of science (that forged the scientific revolution and the technological industrial revolutions) has been the idea that everything in nature is ultimately an event; that what science does, is establish order within the sphere of events. Events—bits-of-matter-in-motion—are the fundamental bricks of this edifice called the universe. This is the reductive materialistic conception of nature. Matter in motion is of course an event, and the ingredient of the event is the matter.

Now, leaving it just at this minimal characterization, it becomes quite easy to see how the excitement, with the possibilities of subsuming various areas of our investigating of reality under this

concept of science, would yield the presently dominant approach in the social sciences—especially in economics—positivism.

Mechanical motion is usually accounted for by that species of causality that had been dubbed and named: efficient causality. It is the way in which you explain how a train moves, how boxes are lifted—that is, how the mechanistic aspect of nature behaves. In that area one can see clearly enough that once we have mastered the principles of efficient causality we could make a lot of things happen in nature. Indeed, that's the source of much of modern technology: We master the principles of motion, of efficient causation and we can make the world yield to our will, to our intention and to our design, good or bad!

The Promises of Scientism

Now, it is not surprising—and I am not offering this as an entirely efficient explanation—that with the evidence of this control over nature by masters of the mechanistic model, we would be eager to apply the model to other areas where such mastery might be desirable.

The problem areas that human beings have always been very eager to solve are political disruptiveness, economic tragedy, personal mishaps,

unhappiness, depression, etc. It would be very welcome, would it not, to have all these solved, and if the model of mechanistic explanation and understanding offers so much positive results in the field of technology, it is not unreasonable that one would want to make use of it in what is called the social sciences.

We even have a term which signifies this development, namely, social engineering. Engineering is, after all, what gives rise to the fruits of natural science, so social engineering then would give rise to the fruits of social science.

Pitfalls of Scientism

One of the problems that has plagued this conception of science from the very beginning is that in studying human life the object being studied is the subject *per se*. Whereas applying the mechanical model to other than human nature involves a relationship of the subject to the object, applying the model to human beings makes any scientific result immediately self-referential. And this has its pitfalls. It is also impossible in this latter approach to remain in the position of a predictor of events. The social sciences are plagued by the fact that with any prediction, once publicized distorts the next development; people can defy the prediction. That

is, they could intend, in spite of the finding, to act contrary to the purported prediction. So predictability, even when there was no alternative model of science, was very difficult to sustain. Rather one comes closer to issuing promises or threats—as when, for example, a sociologist "predicts" that unless the inner cities are cleaned up, there will be riots. This sounds more like a threat than a prediction, partly because the very utterance of the idea could be the trigger to a riot.

When we come to actually engineering ourselves, it is not just a matter of controlling something outside of us, but it involves intruding on other people, of placing oneself in a command position. Social engineers are inevitably manipulating other persons, thus inviting rebuke, resistance, or even retaliation. As social scientists we also know the predictions or prophesies we make and we seem to be in a position to subvert those anytime. We are always in a position of offsetting our experiments or tests because, after all, these experiments and tests are performed by us on ourselves. Even before there was any contending model of science, the mechanistic model already gave rise to many difficulties.

Almost all of atomic physics has long since abandoned classical mechanics as the most fruitful framework of understanding. Yet the the people who extrapolated the mechanistic model into the social sciences have not readily yielded to recent developments, in fact it is sometimes an embarrassment how fervently social scientists clung to the Newtonian model even after Einstein and Bohr, and all of the development of quantum mechanics; the social sciences still pre- tended that physics was in the hands of classical mechanics, but of course this is quite understandable because most of the social scientists did not really understand much about the field from which they adopted their methodology and their model.

The orthodox conception of science is actually unscientific. Science is after all a concern with discoveries. It must not impose anything. If science becomes metaphysics, its integrity is damaged. One reason that I wrote my book, *The Pseudo-Science of B. F. Skinner* (1974), is that, in my estimation, the claim by Skinner that his psychological theories were the result of scientific analysis are false. In fact, Skinner was forging a metaphysics and accounting for everything in terms of his metaphysical model. Now, metaphysics has to be universal. Its subject matter is the fundamental, the most basic features of reality. But science has always been

understood as focusing on special areas of reality, not on *the* fundamental aspects of reality.

Scientism and Human Sensibilities

Then of course, quite apart from the philosophical aspects of all this, people always had, for better or worse, rightly or wrongly, certain sensitivities to some values, including experimenting on human subjects. One can run the rat through the maze, experiment with chemical compounds, blow things up for testing. But it is a little different dealing with an uncle, grandmother, neighbor, or even total stranger, a member of a tribe from Australia.

There are, in other words, objections to the orthodox scientific approach to the study of human life not entirely overcome by the promised or hoped for advantage of social engineering. Despite the fact that few people have actually embraced an alternative conception of science, most people objected to its applicability to human social, economic, and political affairs.

Now, maybe one could just argue that these stem from stubbornness. Proponents of total application have termed the resistance as superstition, prejudice. Maybe some of the resistance to the application of the orthodox model of science to human affairs could be explained on a basis other

than serious intellectual or even moral objections. But some objections are based on the claim that the whole project is misconceived. I want to discuss this now.

A Naturalist Alternative to Scientism

Good science does not tolerate *imposing* a certain picture on reality. Rather, it demands that we wait for *discoveries*. The discovery that human life makes room for morality cannot be ruled out by science. It could at most be argued that it has been found that morality is bogus, just as it is argued that astrology or witchcraft are bogus. As Roger Sperry, the Nobel Prize winning neurophysicist, notes, "in dealing with value questions the inner mental processes of the brain should regularly be forced to check and double-check with outside reality. This is the fundamental law underlying the scientific method—a point that seems simple but is sometimes overlooked in statements on the essence of science." Science itself seems to support a value-laden conception of human life, rather than the value-free approach favored by positivist social science and philosophy. As Sperry maintains, "the advances of the last half-century in our understanding of the neural mechanism of mind and conscious awareness clear the way for a rational approach in the realm

of values"[Roger W. Sperry, *Science and Moral Priority* (Columbia Univ. Press, 1983), p. 20.].

Sperry has argued that the human brain is so structured that self-consciousness and, thus, self-direction is possible within it. He begins by defending mentalism as a better explanatory scheme than reductionism:

> There exists within the cranium a whole world of diverse causal forces, as in no other cubic half-foot of universe that we know. At the lowermost levels in this system, we have local aggregates of some sixty or more types of subnuclear particles interacting with great energy, all within the neutrons and protons of their respective atomic nuclei....

Furthermore,

> flow and the timing of impulse traffic through any brain cell, or even a nucleus of cells in the brain, are governed largely by the overall encompassing properties of the whole cerebral circuit system, within which the given cells and fibers are incorporated, and also by the relationship of this circuit system to other circuit systems... [and] if one keeps climbing upward in the chain of command within the brain, one finds at the very top those overall organizational forces and dynamic properties of the large patterns of cerebral excitation

that are corre- lated with mental states or psychic activity.... To try to ex- plain the pain pattern or any other mental qualities only in terms of the spatiotemporal arrangement of nerve impulses, without reference to the mental properties and the mental qualities themselves, would be as formidable as trying to describe any of the endless variety of complex molecular reactions known to biochemistry wholly in terms of the properties of electrons, protons, and neutrons and their subnuclear particles, plus (and this, of course, is critical) their spatiotemporal relationships. [R. W. Sperry, "Changing Concepts of Consciousness and Free Will," *Perspectives in Biology and Medicine*, Vol. 20 (1976), 9-19].

Sperry goes on to defend the view that in terms of this hierarchical conception of the human organism, which is arranged so that the conscious faculty is the organizing principle, a conception of self-deterministic free will arises that is not only compatible with but clearly supported by science. Sperry explains that "the kind of determinism proposed is not that of the atomic, molecular, or cellular level, but rather the kind that prevails at the level of cerebral mentation, involving the interplay of ideas, reasoning processes, judgments, emotion, insight, and so forth." As Sperry develops the

point,

> The proposed brain model provides in large measure the mental forces and abilities to determine one's own actions. It provides a high degree of freedom from outside forces as well as mastery over the inner molecular and atomic forces of the body. In other words, it provides plenty of free will as long as we think of free will as self-determination. A person does indeed determine with his own mind what he is going to do and often from among a large series of alternative possibilities.[Ibid]

This presupposes that one of the types of causes in reality has to be be self-causation, a power that had originally been ascribed only to God! With the enormously complex structure and composition of the human organism, human beings appear to have the power to initiate their own conduct. This confirms a common sense idea about us, one at the center of moral individualism, the doctrine that we are all individually responsible to choose to do what is right.

For free will, morality and science

When we combine the data from science concerning the capacity of the human mind for

self-direction, and the conclusions of philosophical reasoning concerning the flaws of the kind of determinism that excludes self-determination, we find that the doctrine of free will lacks little that we must have in order to have an adequate theory concerning the nature of some entity in the universe. If we add to this the notion that the hypothesis that human beings can choose freely helps explain a great deal of what occurs in human life and distinguish such life from the rest of the animal world, we do not seem to be in any danger of running afoul of science with this humanistic perspective.

None of this need rob the world of order and rationality, as believed by those who hold that science and free choice are mutually exclusive of each other.

Values may be regarded as a different type of fact, period. This is hard to conceive in the familiar framework. Most of us think of facts as concrete, something we can check out by observation. This is the idea circulated for us by the philosophers who advocated the simple view of science. But by now we know well enough that facts range from the simple to the very complicated. Some facts, say in quantum mechanics or astrophysics, are far from observable but are highly inferential. Others, around our room or office, are simpler. But all need more than observation to be known.

Once it is accepted that many facts must be inferred—e.g., those not readily accessible to our forms of sensory awareness, and thus not on the surface of reality—it becomes easier to understand how values could be facts.

As we have discussed earlier in this work, life gives rise to values. The precise nature of the values are dependent on the kind of life in question. Biologists, botanists, etc., all deal with values. Ecologists are through and through involved with concerns about values. And the same is true about values relating to individual human life.

The situation has many complicated features, of course. When- ever the life in question is extremely complex and individualized, the values involved will match this complexity and individuality. It seems to me that all the puzzles about cultural relativism, the apparent subjectivity of value judgments, historical relativism, changes of values based on technological advances, etc., can be explained by reference to the incredible variety of human life that we witness around us. If we consider that even some slight variation could alter the way a fundamental ethical principle would be made applicable, then some glimpse of the direction of the solution to the relativist's appeal can already be gleaned. But the story can be told, with some risk, without entering such complications, just as most

stories can be.

As I suggested earlier, the presence of values does not yet introduce a basis for ethics or morality. What it does is secure a ground for standards of judging good and bad. The rest requires the addition of the idea of free choice. Only if the standards of good and bad can be freely adhered to or evaded, does there emerge room for ethical or moral standards of right and wrong. And if, as we argued briefly earlier, it makes sense to attribute to human beings the capacity for free choice, then with respect to their own living they can be free to adhere to or evade standards of good conduct, that is, moral standards.

Dogma in the name of Science

It seems, then, that what has always been necessary for a rational conceptualization of moral values is a different idea of science. Within this understanding of science the human being is free to motivate its own behavior, to govern its conduct. And because human life is open to evaluation—it can be a good or a bad human life—individuals can have personal responsibility for con- ducting themselves well or badly. They can be morally good or evil, choose between right and wrong conduct.

So we have here a somewhat unusual though

not wholly original suggestion that science and values are not in conflict, and that given the distinctive nature of human life, morality and politics involve principles which will enhance rather than defeat our lives. Thus values, including moral values, are a special sort of facts, not some myth or prescientific prejudice as presented by many people who are wedded to the rift between science and values. If this is ultimately a sound approach, we can rest assured that moral values are just as crucial to a successful treatment of our tasks in life as are other areas where we need to seek understanding and competence. The fact that in this area there is likely to be far more disagreement than in the rest does not prove that the area is inherently ambiguous, mysterious or bogus. All it proves is that when it comes to their own character, people will do a lot to avoid reality. Which is another fact that seems to make better sense within the present framework than within alternative ones.

Science was always committed in a most fundamental sense, in the sense in which we inherited the term from the ancient Greeks, to *seeking* any kind of knowledge. It has thus been more fundamentally committed to the process of discovery, to learning about things than to pre-judging what we are trying to learn about, even by the extrapolation of methods from certain other fruitful areas. Now,

if metaphysically the reductionist thesis is unwarranted, and if the variations of nature do not permit the explanation of nature in terms of some one key principle, then what is wanted in asking whether or not the extrapolation of so-called scientific methods resting on this reductionist system are themselves warranted? If, in other words, metaphysics allows a diverse approach for the purpose of scientific investigation, then we can ask, would it not be appropriate to withold imposing a certain methodology, say, in biology, or sociology, or economics, until we know enough about the subject matter, and know about its distinctive aspects, as well as those that it shares with other elements of nature? This, I would say, is the less prejudiced conception of science, where science waits for methodology rather than requiring a given methodology of anyone who claims to be a scientist.

Now if it is true, as I tried to show earlier, that life and correspondingly human life introduces significant departures from the rest of nature, objective facts about these realms of nature are significantly, fundamentally different from other objective facts about nature. It is then not unreasonable to ask whether the further study of these facts of nature, the questions we raise about them, and the means by which we try to answer those questions, should not adjust themselves to these new

and distinct facts rather than to other facts with which we have already become familiar in the past. If the answer to this question is yes, it requires that we wait for a development of new methodologies rather than impose older ones.

It then no longer seems to be required that to be scientific about human behavior, about social life, we conceive of the results of a scientific approach as social engineering, e.g., because this new science might give us the news that engineering is inappropriate in this realm of life, or this realm of existence. It is not inconceivable with this pluralistic outlook, that a science should reveal to us that this part of nature is not susceptible to the same technological manipulation and control as other parts of nature are. It could be the result of science itself that it offers conclusions which are contrary to the conclusions of the application of science in another area of reality.

Already, in the biological sciences, certain fundamental differences of methodology appear, differences from the so-called hard sciences of physics, chemistry. But let's focus our attention directly on area of the human life sciences. I want to indicate why it is perfectly unobjectionable from the point of view of this alternative conception of science, to talk about matters of value and morality.

I mentioned in the last chapter that we accept perfectly readily the legitimacy of evaluations in such areas as botany, and zoology. We can talk about animals doing well or badly, and plants doing well or badly, we have standards of their doing well, and standards of their doing badly. We can rank them in terms of qualitative differences on a dimension of how fully they realize their nature given the kind of things that they are. Now, in connection with animals and plants, it does not seem to offer that much of a complexity, even though it may not be the most familiar way in which we consider our academic, scholarly relationship to plants and animals to evaluate them. In fact, there is evidence to quite clearly show that most biologists, when they are not being philosophically conscious and restrained, engage in a discussion of the value of their subject matter. They even discussion things in terms of purposes and ends being served quite contrary to the mechanistic model. They talk about the heart as functioning in order to have the blood circulate: is this some sort of divine will acting in nature? No, not necessarily. That is not the only way to understand 'in order to.' You can have a teleological end-oriented characterization of biological movement without embracing divine will as well

as without reducing it unnaturally, artificially, to pure mechanistic motion.

It seems already to be present in the biological sciences and zoological sciences, even in sociology sometimes and in anthropology, that there are teleological concepts that sneak in despite the fact that the official philosophy of science, at least until 20 years ago, has been predominantly mechanistic; the promise had been that all of these things could be explained in terms of physics and chemistry. But, as I say, that had been a philosophical prejudice, not a scientific finding. The imposition of the language of positivism, of mechanism was not the result of scientific discoveries, it was not the result of the natural evolution of scientific method within these fields, but was more the result of the philosophical mis-education of the practitioners. When they dropped this philosophical mis-education, they proceeded to talk about things in a more natural and, it turns out, teleological vein.

Is there any warrant for their doing so, or is that as the reductionists claim, again, merely a pre-scientific, primitive approach to reality? Well, if it is true, as I have suggested that life introduces value into reality, it is because life, unlike the absence of life, introduces the possibility of death.

The possibility of extinction of a being, may at least from the point of view of that being, be a bad

not a good, a dis-value and not a value. If this is an objectively warranted new category of reality, in other words, if when thinking about the world, it is rationally warranted that we introduce this dimension to it, upon having noted the emergence of life in reality, we notice that, as a matter of epistemological parsimony, of economy of concepts, you do best by introducing the notion of value and dis-value. If this is warranted, then science must conform to it rather oppose it. Science cannot, if it is to remain faithful to its fundamental requirements, declare this as somehow illegitimate, somehow out of the domain of genuine human inquiry.

Ethics as an Irreducible Science

There can be a science of ethics, and a science of politics, even if those sciences do not look very much like the science of chemistry, or the science of physics. So, what I am suggesting here, is that only if we require that science mimic in all respects, the earliest sciences will we find that matters of value, morality, and indeed politics would conflict with science. Once we have re-thought what science must be and removed some of these artificial restrictions on it, it is possible that we have to apply the term science to these fields, morality, ethics, politics, even esthetics perhaps; we need to re-think what science

is as well as to admit that there might be some new developments or new scientific methods, methods that do not e.g., require predictability as necessary consideration of something being a science.

Not every field of inquiry is one in which one can aim for predictability. Under my proposal, that would not necessarily rule out the scientific nature of that field of inquiry. Current thought has it that when a field of inquiry rules out predictability, it no longer qualifies as a genuine, bona fide science. I would have to reject this move. Now why is this important? It has epistemological, theoretical significance, and it has some public relations import as well.

I think it is fair to say that for the last 300 years, the dominant mode of gaining an understanding of reality has been science. There are still, of course, many, many segments of the world, regions of the world which regard revelation, intuition, palm-reading, etc., as methods of learning about the world. But it is not an accident that even the Maharishi Mahesh Yogi calls his religion the "Science" of Creative Intelligence. Science has become the major influence in the intellectual domain and to allow it to be dominated by one artificial model is to give those who control that model, those who command it, unfair and unwise advantage.

If one can only divide the world theoretically, conceptually, in such a way that some elements of it are regarded as science, but other elements are regarded as somehow myth or religion or mysticism or something of that nature, then one has bought into a dualistic metaphysics, a dualistic world-view. We have thus basically denied the unifiability of the disciplines that study nature. We have basically endorsed the view that parts of nature are subject to systematic examination, and parts of nature are not subject to systematic examination and basically given that up to some other dimension. Indeed, that was the theme of British author C. P. Snow's famous article about the "two cultures": the arts, the humanities, the human sciences are left to one dimension of inquiry. The others, the hard sciences, natural sciences, are the most organized and orderly fields, are left to another dimension.

Secular Ethics Revived

The idea that the field of ethics and politics should be considered as unapproachable in a systematic, organized fashion is nonsense. They are part of nature, so they can be studied. On the other hand, if in approaching it, we employ features of a scientific outlook that are appropriate in some areas but not to the subject of our concern, that is equally

fallacious.

Clearly, human behavior is not subject to the kind of predictability e.g., that Halley's Comet is subject to. And if one insists that, in order to have a scientific understanding of human nature, we must have something on the order of the predictability that we have in astronomy, we are going to have to do some epicycling —work up some strange tautological system as indeed economic empiricism sometimes does—in order to create a pseudo-scientific field, one without actual content, but only a kind of a formal apparatus which only accidentally yields substantive knowledge.

I will not outline a scientific view of ethics here. I will go into that in the next chapter a little more deeply.

Let me just recap now what I have said thus far. It is not at all unreasonable that the conception of human life which includes a moral value dimension within that life is entirely compatible with a conception of science—science unplagued by certain misconceived restrictions. Assuming that this is at least a sensible outlook, I'll proceed.

4.

From Classical Individualism to Natural Rights

"Classical" versus "Atomistic" Individualism

The significance of the term "classical" needs some explanation. The prominence of individualism in Western intellectual history begins with Thomas Hobbes. There are Christian origins of individualism as well. The Christian doctrine of individual or personal salvation emphasizes individuality over and against tribalism and other forms of collectivism. There are hints even in ancient Greek thought that the person and his or her life of excellence is of primary importance, although many dispute this point.

In secular philosophical terms, the most formidable modern presentation of individualism comes to us from Thomas Hobbes. But as I indicated before, this form of individualism could later be regarded as atomistic. This involves the untenable view that each person is a unique being, ultimately not capable of being characterized, with any kind of justification, as a member of a class, a member of a species, or a member of a natural kind.

In contrast to this, I want to stress that the individualism I have in mind accords more closely to classical philosophy, although it differs from it as

well in some respects. The reason I call it classical is that in Plato and in Aristotle, there is a clear defense of the notion of the nature of things.

I have already mentioned Plato's characterization of nature as in some respects separate from the individuals who participate in that nature, thus giving rise to a form of dualism and collectivism. There is also Aristotle's less dualistic conception whereby the nature of anything, whether a chair, a tree, or a human being, is its basic structure or form.

The actual entity or whatever has a structure, form, or principle that it shares with others of is kind. All that share this principle are classified as members of the same species—they are the same kind of being. They all are classed in this "universe" because each is governed by the same principle, although some may be a bit removed—e.g., if defective but still close to a normal or standard class. (Borderline cases do not destroy objective classification!)

This, of course, is the topic of whether universals are founded on objective facts or invented by fiat. What is the nature of some being, event, or institution that justifies our characterizing it as a certain kind—a given object as a tree, a given individual as a human being, a given elephant as definite kind of being, anything as a definite kind of

being? Or are these classifications mere habitual, customary, conventionally agreed to, etc., with no solid footing in reality itself?

I dub the view I am discussing "classical individualism" since it is compatible with—although not fully accountable by reference to—Aristotelian classical naturalism, the idea that the nature of something is well grounded in reality. I do not fully invoke the Aristotelian view. But it is closer to Aristotle's than to Thomas Hobbes's, which is the main theme in contemporary epistemology and understanding of human individuality by most of those who champion individualism. The present is clearly an Aristotelian, though not necessarily Aristotle's, position. But really the crucial issue is whether it is sound, not who inspired it.

Rejecting Dualism about Natures

Although in Aristotle we no longer have the *separation* of the particular and the universal, so that the particular is here in material nature as in Plato, they are in some respects ultimately separ*able*. In other words, the individual is in some ultimate respects capable of disunity with its nature. This is the prominent rendition of Aristotle. Some interpreters disagree—e.g., Emerson Buchanan, in his *Aristotle's Theory of Being* [Cambridge, MA: Greek,

Roman, and Byzantine Monographs, 1962], said that Aristotle thought every entity or being as such (in existence) is essentially individual since that is how it must *actually* exist, individually.

I think the only plausible view is where the individual and his nature are two aspects of the same being; where you and I and every other being is both an individual and a member of a class, by virtue of sharing certain features with other individuals which are not separable.

Here is an example of the difference between separable and distinguishable: the shape of any chair is distinctive—can be distinguished in thought, writing, reference—from its color. But it cannot be separated from it as a different object could be.

Similarly, the way I can conceive of the nature of something without running into serious trouble—e.g., having to explain how it might be that the essence and the actuality could be separate (what would be separate anyway?)—is by regarding the nature of a being as a distinctive (set of) aspect(s) of every individual.

Thus, e.g., you and I and millions of others are all human beings, all with various attributes that the rest also possess. By virtue of these it is warranted to classify us all as *human* beings. But what we share is not separable from us. It is a certain aspect of our individual selves. These attributes or

capacities or features—depending on what we are talking about—can be found in each member of the class (except for the crucially incapacitated or damaged or crippled ones).

The Human Individual is Supremely Important

The idea that our nature is more important than our individuality is very closely connected with the separability thesis. One of the reasons that existentialism gained prominence is that it had rejected the superiority of the essence or nature of things and advocated the view that it is the being's individuality that is of primary importance. But this again is a dualization: my nature comes last, my actual existence first. In Plato and the prominent version of Aristotle, my nature comes first, my actual or individual self second.

In the kind of individualism that I think makes good sense, both the individuality of something and its membership in a class are of equal significance. There is no dualism and thus no basic, reasonable conflict between the two. My human nature cannot be prior to my existence, but neither can my existence be in some sense prior to my human nature. I am realized in both modes at the same time—in different respects, but at the same time.

One reason this is important is that certain features of ethical and political life, which in many other philosophical systems are kept separate, cannot be separated in classical individualism. Thus in many doctrines—starting with Plato and throughout Christianity as well as Marxism (for the pre-communist period)—the individual is put in opposition to his own general nature. In the viewpoint that I am presenting, this opposition cannot be found; my nature and I cannot be in conflict within me because they are not in fact separate things but aspects of the same thing. However, in the Platonic, existentialist, and Hobbesian pictures, these two parts of ourselves will possibly conflict, the general first, the individual second—or vice versa. This means that in principle we could always, in the life of any individual, witness some kind of dichotomy. And then we can ask, should one be more loyal to one's human nature (i.e., humanity), or to one's individuality (i.e., interests)?

We find this egoism-altruism conflict throughout the history of modern ethics, pitting our loyalty to humanity against our loyalty to our individuality. One is either a humanitarian or an egoist, one is either anti-social or sacrifices oneself to humanity. That is a very important and destructive dichotomy both metaphysically and, thus, ethically and politically.

This dichotomy is full of difficulties, and most of the enemies of market economics and classical liberalism, have been concentrating on a vulnerability stemming from the dichotomization of one's nature with one's existence. Some are maintaining that our nature is more important and thus we must give up our personal individual interest for the sake of the whole. Others, like many economists, maintain that it is the individual that is more important, and the social is an entire myth. Well, neither of these views seems to me to be either metaphysically or normatively tenable.

Legacies of Hobbesian Individualism

Let me give a little clue as to how Hobbes's individualism has been very influential. Hobbes saw every individual as a striving being, striving to sustain itself in motion. This was, as I said earlier, an extrapolation of the principle of motion to human social life. When he denied the idea of an objective, real human nature, he secured the alternative idea that everything is a unique individual, including every human being. So then when Hobbes introduced the concept of individual rights into social political discourse, all he really meant is that it is to be expected that every person strive to gain power in life.

This was not the conception of natural rights which eventually became prominent in the West. It was a somewhat different conception one that was, however, more in accord with the general philosophical trends of the period. (Spinoza also accepted it.) John Locke tried to reformulate it and succeeded only partially. Hobbes's conception of rights is not really normative, not really a value-oriented concept of rights. This conception of rights is more descriptive, it is more akin to what many contemporary economics property rights theorists call rights, namely, legal powers gained from the government. The Hobbesian concept of an individual's rights is really best explicated as an individual power to be whatever nature impels one to be. For Hobbes, rights only obtain within the state of nature and only because no bounds make sense to individual aggrandizement.

In the Lockean picture we do not amount to just animals striving to locate ourselves successfully in the world. In this scheme we have dignity, we have moral conscience, etc. But unfortunately the Lockean assertion that we have dignity and moral conscience is not substantiated with adequate philosophical apparatus. Locke has not got a metaphysics to support this.

In Locke there is also a very uneasy connection between politics and other elements of

philosophy. Locke's general epistemology is more Hobbesian, but then his politics tends to stem from a classical natural law position in which persons are seen as free and morally responsible. This does not easily square with the pure empiricist epistemology and the resulting reductionism. Still, Locke's politics may be treated somewhat independently of his general philosophy.

One of the consequences of the Hobbesian view, which many people in the economics profession can testify to, is a kind of moral subjectivism. There is no free will in Hobbes, so the condition of morality that we can choose our conduct is absent. There is no morality, only values, and our values, in turn, are whatever we want, whatever we desire. Desires or preferences create values. The individual is the only one who knows what is "right" for—i.e., preferred by—him or her. There is no one else who could know it, because the individual creates what is right. The individual's will, desire, or revealed preferences put on record our values. That is the only sense of the concept of values in the Hobbesian framework.

That is one of the reasons that in both classical and especially neo-classical economics, this individualism, this rugged or atomistic individualism, so readily accommodates a subjectivist theory of economic value. If I want heroin, then heroin is right

for me, if I want pet rocks, then pet rocks are right for me. There is no objective right and wrong, there is no objective good or bad, we create them through the exercise of our will, our striving. It is an automatic product of our lives, you cannot be wrong about what is right for you. You are the final and only authority, there is not anything to be wrong about; you create the values. This is somewhat like how the economists explain values. If within the framework of economics one were to ask whether the demand which is evident in the free marketplace *ought* to manifest itself in the market place, the question would be deemed entirely inappropriate. Only the individual can know what he or she ought to do or buy or sell, since this means nothing more than that the values of the individual are whatever he or she in fact selects.

Demand is demand: people wanting, wishing, desiring things given their budgetary constraints. That is the end of the story: one cannot go in there and challenge someone who buys a pet rock because it is a waste. That is not an economically intelligible comment, nor intelligible within Thomas Hobbes's philosophy. You determine your values, they are not independently identifiable. Nor can one ever be wrong about them.

But perhaps some individuals are selecting badly, perhaps they are morally wrong in what they spend their money on, how they spend their time, what they produce? But this is all nonsense from the Hobbesian and neo-classical economic perspective. And it is also nonsense to ask what kind of rights we should have protected—we have those rights exactly that happen to be protected, since it is legal protection that gives us rights.

This quickly runs into trouble with common sense. Though common sense may sometimes be wrong, it is not necessarily always wrong. You can see that at least it is difficult to sell the notion. Suppose I am interested in constantly eating fats and you are a good friend who tells me "My friend you know that this is really a bad deal, you are being very imprudent about your well being, so straighten yourself out, learn how to treat yourself better." The Hobbesian way of looking at this cannot make sense of this kind of comment from a friend. Common sense, however, makes perfectly good sense of this scenario. We may sometimes criticize our friends for misconduct, for carelessness, even cruelty, lack of generosity, lack of foresight and prudence.

There is no basis for this common sense view with the kind of philosophical background that we

find supporting capitalism and rights theory within the last 400 years. The only background that gives some measure of plausibility to this non-subjectivist approach to what is good for you and what is bad for you, is a religious perspective. If we are seeking a secular naturalist perspective, it is very difficult to find. Indeed, that is one of the reasons that Marx was so successful in his criticism of capitalism—the system had no respectable defense for its underlying moral thesis. It could sustain the preference for freedom and free markets mainly on grounds that all would benefit from it, but it could not repel attacks when some persons did not benefit. Prevailing morality held that the poor, the economic losers, had to be guaranteed help, even if this undermines economic freedom and makes the state once again the master of the individual.

People always wanted to find some basis for judgments of right and wrong, but without God they had a very difficult time of finding it. Since the ancient Aristotelian-Platonic cosmology had fallen apart, in the light of modern science, it pulled out the philosophical rug from underneath an idea that there is an objective justification of right and wrong in human behavior and institutions.

Yet the main problem with resting the market system and natural rights on the economist's neo-Hobbesian foundation, is that it runs counter to

moral sensibility. So, what is a more promising normative, morally sensitive argument for the market economy, for the rights which are assumed as part of such an economy? Well, this classical individualistic idea where an individual is a definite kind of being but a necessarily unique version of that kind offers the best hope for a normatively potent defense of the market economy. The reasons follow.

Normative Individualism?

For one thing, this individualism makes good sense. It is metaphysically more plausible than either radical individualism or universalist collectivism. Furthermore, it provides a basis for making least some, if not all, objective judgments about what is good for you and me, since it includes as one of its theses a firm or a relatively stable human nature.

We have a firm human nature. Observing people warrants our being considered a definite species designated by the term "human." It is not just a convention, it is not just a nominal feature of our lives. We are justifiably classified as human beings *by nature.* The evidence and its rational organization warrant this!

Invoking a definite human nature provides

guidelines—independently of our wishes, preferences, desires—for what is good for us and thus for how we ought to conduct ourselves. If there is a reasonably stable, firm human nature—albeit not some fixed, timeless geometrical ideal form—and if human nature consists of crucial capacities, then the actualization of them in our individual lives is good. This follows from our earlier characterization of goodness or value as the full realization of the nature of the kind of being something is. And if we are free to choose what we will do, seeking our full actualization of our human nature—say, our nature as rational animals—this is morally proper to do.

If one destroys oneself by neglecting to realize one's essential capacities, one is still a human being. But this can be regarded as objectively harmful, wrong, mistaken, erroneous, in short, immoral. It is not merely a matter of someone disapproving of it, not liking it, or having been brought up not to like it. It is about what a person really is and how the conduct of the person and the institutions which the person promotes, further or hinder the individual's development.

So the objectivity of moral and political standards becomes available if we do have a human nature with rationality, freedom and our individuality in this world as indispensable features of it. Being human beings we must be individuals as well

as members of many sub-groups: students, professors, women, men, Swedes, Hungarians, Norwegians, Americans, tall, short, businessmen, dentists, whatever. Each of these sub-groups furthers the objectivity of the framework from which value judgments can be made.

Suppose one is a parent. One's nature (or role) as a parent, in addition to one's nature as a human being, produces requirements for good conduct. Parenting is something specific, distinguishable from non-parenting. One can be a parent in a right sort of way or in a wrong sort of way. It does not necessarily mean that every parent has to behave identically, but there are certain standards.

I can only give somewhat drastic examples of mis-(or proper) behavior, because normal cases or examples are even more individuated, specific to the individual person one is. Being a parent in Sweden may require one to behave somewhat differently from being a parent in Africa—e.g., because of the weather. If one does not clothe one's children warmly in Africa, one is not neglecting them, but if one does not do this in Sweden, one is. So negligence will be contextually identified, but not subjectively identified. This is a major difference between subjectivism and classical individualism. In this last context must be considered but this does not render judgments arbitrary, conventional, expedient,

unprincipled, or subjective.

It is noteworthy here that many classical liberals thought we need subjectivism to block intrusions on our personal autonomy. But with the classical individualist normative thesis, we do not have to maintain the implausible thesis about the subjectivity of morality.

Yet we are able to block authoritarianism even more firmly than with moral subjectivism. The subjectivist thinks that by rendering all moral knowledge subjective, the judgments of others that it is right to impose their will on people can be repelled. But they cannot, because the claim that others ought not to thwart one's autonomy or liberty will turn out to be no less subjective than that someone ought to buy apple juice rather than beer. Why should respect for liberty not be just another bias, prejudice, personal preference? No reason is given.

But if an objective ethical theory is indeed sound, it follows that everyone must be in the position of *choosing* to do the right thing. It is destructive of morality if one's choice in moral matters is thwarted. One's dignity as a moral agent evaporates. One cannot be a good human being if one is a regimented puppet—even if one is behaving just the sort of way one ought to have chosen to behave. As long as it is not a matter of choice, but of coercion by someone else, it is not morally creditable.

Someone might go into a shop with a friend and criticize her for wasting money on trivial wares, but unless the decision to change her ways is the friend's own, she cannot be given credit for change of behavior. If he forces her not to waste her money, nothing of moral significance has happened other than the evil of having interfered with another's moral independence.

Morality, Coercion and Natural Rights

The fear that any objective values, even objectively qualified to allow for enormous but important, individual variations, introduces coercion, is unjustified. Coercion is not justified precisely because objectively everyone ought to choose to do the right thing.

This is where we arrive at natural rights. First, they are not mere legal powers but the basic principles by which a society can respect the requirements of morality for human community life. These are the fact of the moral nature of individuals and of every individual's moral responsibility to be as good as possible at living his or her human life. That kind of flourishing, that kind of chosen morally good conduct, requires certain political dimensions in the company of other people. These are spelled out by our natural rights rather than

positive or legal rights. These are rights that are brought into existence by the fact that everyone in society must have what philosopher Robert Nozick calls "moral space." That means that if the rights to life, liberty and property (the absence of others' coercion of or aggression upon us) is not secured within society, this society clearly cannot claim to do justice to the nature of human beings. Respect for such rights makes a society just. It does not, however, guarantee that it will be populated by morally good members. What it does is enable those members to be morally good—respecting the basic rights of persons preserves their moral independence.

In other words, natural rights are necessary, though not sufficient, conditions for the realization of the moral life in society. That is what natural rights are. Even in Locke, we already get a clear hint of this idea when we learn from him that it is because we are free and equal by nature that we have natural rights that block our enslavement and the theft of our property by others. Indeed we get a hint of it in Aristotle, in his argument with the sophist Lykophron; we get a hint of it in William of Ockham, in his discussion of property rights as means to protect our power of right reason. Of course, the most full-blown treatment comes from Locke, who claims that securing our rights to life,

liberty and property, assures the individual *sovereignty* of everyone. It makes possible our choosing to live by the dictates of our own reason.

So from the identification of human beings as such, as well as unique individuals, and from the recognition that in order to become morally successful they must choose to fulfill their human nature, we can now see that a just society must secure for its members the moral space of personal authority. Only then may it claim moral legitimacy, because only then does it treat every individual person, however different, as a morally responsible agent.

Private Property Rights and Morality

The sphere of personal moral authority is secured for us by the system of private property rights that are derived from the principle of the right to life. That system is the practical, concrete implementation of the general doctrine of natural individual human rights. In this natural world such property rights serve to give concrete expression to the requirement of every person for a realm of individual, personal, private domain—where one has sole authority to decide what one does. Morality requires this since to choose between right and wrong is impossible if one has no practical sphere of choice. Respect for the fact of human moral agency

in a human community depends on the recognition and protection of private property rights, a morally locate 2090ust system. It is not only that this system is productive, though that is a obviously a worthwhile aspect of it; it is not just that it allows knowledge to flourish, although that too is a very good thing; nor is it that science can prosper in its midst more than it can in alternative systems, yet that too is a great benefit of this polity. What counts the most, what is centrally significant about this political-economic system, is that it enables individuals to live a morally dignified life, to be in maximum command of their own existence in whatever conditions of existence they happen to be born into.

Capitalism, the economic system made possible by the constitutional protection of the rights to life, liberty and property, is fully in accord with the requirements of justice. It accords most with the nature of human life, and it is for this reason the best system we can choose to strive for in our own communities. Those who argue against this tend to build into their idea of political justice all the feature of human morality—just as those who find capitalism's idea of liberty inadequate tend to build into political liberty all of what one might mean by the term "human liberty or freedom," namely, a completely fulfilled life, one with no obstacles, with all problems solved, wholly free (in this postive sense)!

5.

The Moral Case for the Free Market Economy

Natural to Private Property Rights: Capitalism

The distinction between the topic here and that of the previous chapter needs to be made clear. Does not natural rights theory in the liberal tradition include the right to private property—which is the foundation of a free market system? Presumably, then, if one were to have justified the our basic natural rights, one would already have gone a long way toward justifying a free market economy.

But, what I tried to do in the previous chapter was to provide a mere formal justification of natural rights. Natural rights, we should recall, are those principles in society that provide one with the moral space—the sphere of individual authority or jurisdiction —within which one then has his or her authority to exercise moral agency fully respected. Natural rights are the means by which an organized human community has a place for everyone to make decisions that may be right or wrong.

What I have not done is spell out in some more detail how a natural right to private property contributes to this task of securing moral space for human beings in a social context.

The natural right to private property is a further specification of the natural right to one's life. If life was a purely supernatural phenomenon, say a purely spiritual phenomenon, then private property rights might not be necessary—they might not have to be specified as the extension of one's natural right to life. The reason for the existence of private property rights is that human beings are complex natural beings and in their efforts to make moral choices in their lives they must act on the natural world around them. Indeed that is what they do as natural entities, and the right to property is simply to indicate that in order to have moral space, they must have "room" in which to operate, a sphere of jurisdiction in which to move about. They must have their own sphere of authority within the natural world. Other persons must be able to learn the extent of this sphere so they can take care not to intrude on their fellows' sovereignty, however limited or extensive it might be. And this sphere of personal authority can change as one's conduct is successfully directed toward expanding it. Property rights secure one's authority to engage in this expansion—or, alternatively, squander. Property rights do not provide one with values one might wish to own, only with the authority to own values! It is a common mistake to protest that property rights mean nothing to those who own nothing or

very little. They do, since they can fruitfully embark on obtaining, producing, creating valued things for themselves.

The right to private property is not some distinctive right but simply the explication of the right to life in more specific terms to apply explicitly to the natural world. One's choices, one's decisions to do this or that, take place in the natural world. Private property rights are the first attempt to delimit the sphere of authority one has in this natural world of ours. Historically it was necessary to spell this out, since so much attention had been paid to the presumed spiritual realm, one wherein ordinary concerns about mine and thine were irrelevant.

Property Beyond Material Objects

What would be the implication of the view that to have a basic, or natural private right to property must include the positive right to have goods and services provided for one by others? That would make others one's servants or slaves, whereas in fact others have the task in life to embark upon a moral life of their own.

What this means is that everyone has the right to take those actions which could eventually result in securing for oneself values that would make one's life a moral success. The property involved does

not involve only land or physical space. E. g., if a poet or a computer programmer has created a product it may be specifiable in terms of intellectual property. A musical arrangement can constitute private property. So can a musical notation, a logo, a design, or anything that is of value to human beings. And moral success for a natural being such as human beings are must involve making choices about various elements of nature—e.g., land, trees, fish, cattle, cars, mineral deposits, printing presses, electric generators, songs, novels, computer software, money, shares of corporate enterprises, etc.

What I am indicating here is that what we call private property can range from pure space-time (e.g., land) to something as complicated and illusive as a jingle. One need not give some physicalist or materialist specification of what the right to private property means, although it also includes such specification as applies to physical reality.

The reason for this is that a human being is indeed a complex being with his feet planted, so to speak, in physical reality first and foremost; everything else in some sense will relate to this fact of his feet being planted in physical reality. Thus to begin with specifying a sphere of personal authority within nature is a very useful way to carve out his moral space in society.

The right to private property is the foundation

of a market economy, which secures for oneself the authority to set terms of trade. One has the authority to say "This is mine, and I have a say over what will happen to it and others must ask my permission con- cerning their interaction with what is mine." The right to private property is a practical, potentially elaborate specification (once developed into property law) of one's general right to life, the right to life that derives from one's moral responsibility to make the most of one's human life. Life is a natural phenomenon and the right to it requires expression that can be applied to living in the natural world—vis-a-vis natural processes, objects, concerns, aims, goals, needs, wants, etc.

Unfair Criticism of Property Rights

Now, a couple of things need to be said about some of the criticisms of the right to private property, and of course the most forceful criticism has been that of Karl Marx. Marx raises a rather odd point against the right to private property. He says at one point that "the right of man to property, is the right to enjoy his possessions and dispose of the same arbitrarily without regard for other men, independently from society, the right of selfishness."

Actually this is a substantially correct analysis of the right to private property as applied to natural

living, living within the confines of natural reality. What it does, however, is focuses on only some of the more bizarre ways of using property for possessions in terms of having this right.

If one has the right to private property, say to some glasses, one has the authority to—and within a system of just government would be protected against interference if I chose to—take the glasses and break them. That is one of the consequences of ascribing to someone a right to private property. If this is a person's property, that person could take and jump on it, break it, burn it, whatever. This is what Marx is essentially focusing on in his remark. If we have a right to private property, we could dispose of this property arbitrarily, for no good reason whatsoever, just destroy it, just make nothing of it, if you choose. Clearly people sometimes do that.

But is that really a fair characterization of the general rationale for and impact of the right to private property? Now, it is true that one of the consequences of having rights, the right to life, e.g., is that you can do the wrong thing. For example, having the right to speak without intrusion on your speech by some outside party without sensors includes: being able to say very bad things, naughty things, yelling profanities, writing pornographic literature etc., yellow journalism, all various kinds of bad, lamentable conduct These are all protected if

free speech rights are protected. The right to act often includes the right to act wrongly, badly.

But is it fair when one focuses on the nature of rights, to concentrate only on the lamentable exercise of one's rights? It would be just like saying, as Marx proposes, that having the right to these glasses entitles me to destroy them. Having the right to life entitles you, of course, also to be a vicious person as long as you do not intrude on other peoples' rights. You can make a complete botched-up job of living, you can be a misfit, you can be a lazy, loathsome, intemperate, ungenerous, evil person. You can be someone who just mis-spends his or her life.

The Benign Function of Private Property Rights

But human beings are not only capable of mis-spending their lives; they are also capable of spending it fruitfully, virtuously, creatively, or imaginatively, and Marx evades this in in his characterization of the implications of having the right to property. In other words, having the right to property entails one to do is to dispose of one's possessions not arbitrarily but sensibly, carefully prudently, and productively. He does not make mention of that. He does not make mention of the fact that the right to life and the right to

property—a logical extension of the right to life—entitles a person to do well, to make good judgments.

The central function of the principles we call natural individual human rights is that they protect us from the impact of other people whom we want to stay away from. If Marx and his followers think no such people can be found, they are fooling themselves. But it is true, also, that such rights enable us to selectively share our lives with others.

If I use my glasses wisely, but you prefer to break yours, I do not necessarily have to suffer from you foolishness, I can benefit from my wisdom. Whereas if these rights do not exist, if rights are denied, if we do not have a sphere of personal authority, then your conduct within a common reality, a common sphere of mutual authority, must necessarily impinge on my life. The fact that some property extends far beyond the immediate body of the owner does not make it any less personal than property within one's immediate vicinity. The doctrine of personal versus private property rights is an artificial one, based more on appearance and felt attachments than on the actual relevance that certain kinds of ownership have to people's lives. (Some want to defend rent-control, etc., on grounds that when lower income persons rent an apartment or house, this has become virtually unalienable—or personal—property for them. Thus the actual

owners ought not to be accorded the respect for their rights to the property, never mind their concerns. See, Margaret Jane Radin, "Residential Rent Control," *Philosophy & Public Affairs*, Fall 1986)

One of the functions of rights, natural rights, which would issue in a system of legal rights under a political regime, is to locate borders around people, not just as Marx suggests, because people want to act crazy, arbitrarily, recklessly, but because of the much more sensible fact that people act very differently. Some of them do act recklessly and it is important to keep a distance between these and those who act productively. But most of us simply have our own unique or at least not widely shared but perfectly valid projects. This makes it very important that we don't mix them up with the projects of others who may be doing different things. We each need the "space" or jurisdiction to know where our own projects may extend to.

Diversity & Competition in Peace

What the right to life and to private property—thus the corresponding free market system—make possible is for people to lead very different lives in peace with oneanother. Most of these lives can be equally good but different. Some of them are bad, some mediocre, and some a mixed bag. In

a system of law that obscures the borders around people, then one's misconduct can be dumped on another. My achievements can simply be benefit you without any acknowledgment from you, since you have no way of distinguishing my conduct from yours. But that leads to indecision, imposition of one person's life style, personality, tastes, interests, foibles, fears, convictions, etc., on other people who have not been asked for their permission.

Of course, in a collectivist world this makes perfectly good sense. If human beings were, as Marx and others believe, simply parts of a larger whole, then the abolition of private property would make good sense. All the differences among us would be insignificant and could be overridden by the common features we share. This is why the metaphysical issue is vital, contrary to what so many contemporary thinkers claim. We cannot dispense with epistemology and metaphysics, something advocated by the most famous American political philosopher in our time, John Rawls, in his presidential address to the American Philosophical Association in 1976. Unless we know whether we are essentially individuals or essentially parts of a larger collective, we cannot determine what kind of political and economic order is right for us! Marx was far more astute about this than Rawls. Marx new that if the human essences is the true collec-

tivity of us all, then communism is the right system for us. But he was wrong to think that that is the human essence. (He actually thought it would become the human essence in the future!)

A rights-oriented society with its economic capitalism, makes possible the recognition of minor or major individual achievements. Here again the economist is wrong to claim that the market system is a value-free institution.

Justice of the Free Market System

For instance, F. A. Hayek says that there is no room for justice in a market economy, because justice means doing for people what they deserve and very often in the market you obviously do not do for people what they deserve. For example, if a heroin seller gets rich, she may not deserve this wealth because, after all, selling heroin is most likely immoral. This is so even if it is done in a free market system. It is immoral to knowingly contribute to the fatal drug addition of people. Yet the pusher is being rewarded, at least economically. Clearly market transactions are not necessarily just. They could be, but need not be.

But what if we are to judge the free market as a system—a kind of institution—and ask whether it promotes human morality and other values

adequately or better than alternatives do, here the answer would have to be yes, despite the above illustrated possibilities.

Now if you recognize that there is a certain amount of trust- worthiness to peoples' judgments of each others' creative activities, granted that there are mistakes and errors—and some of them can be gross errors—you can still maintain that on the whole the market rewards very selectively and sometimes infallibly those activities that constitute a significant contribution and production, not destruction. Such market confined justice may not be sufficient to recognize a person's life-worth. If I am a baker, and I make some very good rolls and you buy those rolls from me, and I become reasonably well off, yet I am also a wife-beater at the same time, or a negligent parent, yes, I am being rewarded for only a small portion of my life and this reward does not recognize my failings in life.

It is nonsense to claim that a market economy accomplishes all facets of justice. Nonetheless it reasonably approximates some aspects of social justice. Some of our conduct is indeed being justly appraised—rewarded or punished, more or less—even though the bulk of it may be ignored in the market place, just as it should be!

It should be noted that most of the people who criticize the market for maintaining borders around individuals tend to think that the sole purpose of maintaining these borders is to secure for people some kind of a destructive authority in life. This fails to take into account the fact that protection of property rights also supports our authority to do productive, useful, virtuous acts. The performance of bad deeds will not intrude upon others—that is, no dumping is permitted in such a system, unless permissiong is gained from those who will be burdened by it.

If you make a mistake in your life, if there is private property, you can be reasonably isolated in the enjoyment of the negative consequences of those mistakes. You are not entitled without someone else's explicit permission to dump those negative consequences on his life or her life. This is a fact clearly illustrated in the more explicit manifestation of property. When you have land and a border around it and create a lot of waste in the management, you have no right to take that waste and shove it over the fence and dump it on to someone else's land. No, because he was not responsible. In a just system of law, in a free society, he is also protected by law and he can take the matter to court, or there might be general laws identifying that as

criminal conduct. This kind of dumping activity is not sanctioned in a system of private property which is of course the foundation of a market economy.

Adding the Moral Element to Anti-Collectivism

To further strengthen the case for the free market economy as an economic system—rather than a system of natural rights the economic implications of which are left vague—I will consider four different criticisms of centrally planned systems in which moral considerations are absent. It will be clear that without the moral component those criticisms of planned, unfree economies do not succeed.

The four criticisms are: the famous "calculation problem" objection to central planning; Kenneth J. Arrow's "social choice paradox"; the famous "tragedy of the commons," and finally "the public choice" argument for limited public administration.

The calculation problem argument, advanced by Ludwig von Mises, F. A. Hayek, and most recently Don Lavoie, maintains, in essence, that in a planned economy, which lacks a free market driven price mechanism, economic calculations are hopelessly inefficient—centrally made decisions, even where more or less democratic, inevitably misdirect

resources and fail to meet the needs and wants of the public. Arrow's social choice paradox counts more specifically against any full scale liberal democratic system of government, including democratic socialism or economic democracy, because it seems to show that in such a system inevitable contradictory decisions will arise. The tragedy of the commons—first noted by Aristotle against Plato's limited communism and more recently by biologist Garrett Hardin—holds that when people do not have borders indicating clearly enough what is theirs and what is someone else's, and make use of the commons, an overuse or depletion of resources of the commons occurs beyond that likely in a system of private property; and finally the public choice argument, advanced by Nobel Prize winner James Buchanan and his colleague Gordon Tullock, aim to show that in the management of public affairs the influence of vested interest behavior virtually guarantees mismanagement.

Calculation and Individualism. Why the calculation problem isn't a sufficient argument against central planning? Because the idea of the efficient allocation of resources begs a basic question.

The unanswered question in this criticism is, "Efficient for what purpose?" The claim that there is a calculation problem assumes without any justification the importance of coming at least

reasonably close to the satisfaction of individual demand in an economic system. But many of those who advocate a centrally planned economy very often deny the importance of individual demand. A Marxist does not regard the exchange economy as an efficient system because it suits trivial, arbitrary, whimsical individual desires.

People can want trivial items such as pet rocks, Michael Jackson gloves, pornography, hot tubs, finger nail polish, diamond rings, and other similarly frivolous goods. Massive productive activities can ensue solely for the purpose of satisfying these kinds of demands. When central planners regard these demands as harmful, bad for the people who are demanding them, and thus wish to redirect the productive activity that goes into satisfying these demands, they are not working with a concept of efficiency of those who identify the calculation problem. Rather they defend their centrally planned approach on grounds that some theory—e.g., dialectical materialism or the Ten Commandments—inform them what society must be provided with so that it will flourish! These advocates of planning are far from being implicit individualists. They are explicit collectivists! Individualism cannot simply be assumed to be correct when arguing against them.

Those who identify the calculation problem think that unless you satisfy individual demand

reasonably closely with admitted occasional market failures, you have a bad economic system. But those who criticize the free market place would say it is a bad economic system because it satisfies so much individual demand. So they both agree with the importance of efficiency, but they disagree with what purpose is supposed to be served in terms of which efficiency is to be identified. If, for example, you are a Marxist and you believe that the furthering of the revolutionary progress of the proletariat is the most important thing in a society, they you will measure efficiency in terms of whatever most rapidly produces this revolutionary progress of the proletariat, not in terms of how neo-classical economists measure efficiency, in terms of how well marginal demand is satisfied. As E. J. Mishan observes, the critique

> would be more compelling ... if the declared aim of [e.g.,] a Communist regime were that of simulating the free market in order to produce much the same assortment of goods. We should bear in mind, however, that the economic objectives of a Communist government include that of deliberately reducing the amounts of consumer goods which would have been produced in a market economy so as to release resources for a more rapid build-up of basic industries. [*Encounter*, Nov. 1986,

p. 66]

The calculation problem argument assumes something that is very much in dispute between free market and planned economy advocates. It assumes that there is merit, worth, moral or political superiority in satisfying individual desires.

Now, one main point clearly implicit throughout this work is that to remedy this failing of the calculation problem one must justify the system of free exchange. And to do this it is necessary to demonstrate that there is great value in serving individual demand. It is vital for a political economic system to serve the extremely diverse and change choices of the individual living under that system. Having shown that individuality is essential about being a human being, having argued that from metaphysical beginnings it is the entire person, including what is shared with others and what identifies that person as an individual, is significant, this assumption underlying the Hayekian charge against central planning gets completed into a decisive critique. Without that normative component it is a question-begging protest!

Let us briefly look at one appealing aspect of the planners' objection to free exchange. This is that the market trades in so much trivia. Let us admit that it often does. But is that easy to spot?

If it is important to satisfy individual

demands, then it may be vital to have a system that can very likely meet the demand for a pet rock by an 85-year-old rock miner who, if you buy him a gift of a pet rock, will have a most pleasant nostalgic experience. No one in a centrally planned economy will appreciate this. The bureaucrat is looking at universal human characteristics—"basic needs" as the neo-Marxists call it—that should to be satisfied. The joy from a unique gift is dismissed as a quirk of individual, idiosyncratic desires.

A market system manages to satisfy these quirks, these individual desires, and the satisfaction of them is justified if you recognize individuals as being important in their individuality, not only as members of the species, in their "species being" alone.

The major difference between capitalists and, especially, Marxist- socialists is that the former implicitly—but in my defense very explicitly—acknowledge the significance of satisfying individual goals and purposes as a vital ingredient of everyone's *moral* life. They thus affirm the ethical importance of human happiness! Even when the presence of many misjudgments in a free market are admitted by individualists, they implicitly recognize that these are part of the life of a moral agent who must be left on his or her own to make such judgments as are of moral significance. Freedom implies

risks!

A Marxist-socialist idea of human life ignores many individual concerns as irrelevant or trivial and concentrates on some overarching human conditions alone, matters relating to us as part of a species. Unfortunately, the scientistic, value-free approach to political economy taken by neo-classical and even Austrian economists who defend the market dismisses the needed normative component of the critique of central planning. If one can justify, from a very deep philosophical level, the taking seriously of the individual as an individual, then calculation problem critique is telling, indeed.

Democracy vs. Individualism. Turning now to the social choice paradox, it implies that a a wholly democratic society with a very large public sector—e.g., a kind of a democratic socialist society—will not be conducive to consistent public administration. Since such administration relies on the votes of all the people who are part of that society to reach a ranking of priorities, it will end up with results that mutually exclude one another as policy guidelines.

With, say, three alternatives A, B, and C, when all of the votes from the commune or democratic socialist society, the results will be such that the first choice is A and the first choice is also C; or the first choice is B, and the first choice is also C, so

you cannot have a consistent public policy. This is the social choice paradox. It makes forging consistent public policy hopeless.

Of course this is a very good picture of the kind of bloated democracies we have all over the West now. Every group is out there influencing the setting of priorities. Lobbyists, special interest groups, cohesive groups of constituents, farmers, auto workers, unwed mothers, artists, scientists, broadcasters, and hundreds of others such groups claim that their projects and concerns are the most important. Every distress of every such groups puts the society into a state of crisis! And the democratic process affords no resolution at all. The public administrators are certainly not omniscient beings who are able to resolve the paradoxes, so the welfare state degenerates a Hobbesian state of nature, a war of every special interest group against every other, fighting to reach the public treasury first!

One of the problems with this criticism of welfare state democracies—that particular form of collectivist society—known well to Professor Arrow, is that it can be answered with the institution of a dictatorship. With only one person to set "public" policy, the social choice paradox is avoided because that individual person's ranking of priorities will avoid producing the conflicting priorities in "public"

choice.

One reason that Marx felt that feudal societies were kinder to people than market systems is that there was a kind of stability to them. This stability came from having just one royal family, in the main, set the priorities for the society. And many of these families were tradition bound enough not to cause constant upheavals. The ideal monarchy, at least, offered a vision of harmony. The market is clearly is constantly changing, although contrary to Marx, this need not destabilize public administration in a free system.

Of course dictatorship or monarchy does not actually produce stable public administration. It will merely by the private choices of the king or tyrant that will be honored in such a system. There is nothing in the formal, economic or public-administration criticism of democratic socialism, however, that excludes as a legitimate alternative a dictatorship. It is simply ruled out as a matter of fiat. There is no justification for the exclusion of this alternative outside of a traditional desire to remain democratic about public matters. However, if everyone has a right to life, liberty, and private property—i.e., everyone's life ought to be led by that person and not by others—this rules out the legitimacy of tyranny.

And then the next question is, what follows

from the Arrow type criticism? Well, it follows that democracy must be limited in its scope. Ranking of private, social, regional, professional, and other non-governmental, non-public preferences or choices is no problem if the right to private property is protected. Based on voluntary association agreements can be reached among property owners what needs to be done. Public administration, in turn, would be confined to those areas that are in fact necessarily of universal concern in a society—justice, police and defense. In these areas priorities can be set without internal conflict because the ruling principle is: protect and preserve the rights of individuals in society. Whatever is required for this aim is to be public policy and whatever is not is left for the rest of society—all the people individual and in voluntary cooperation—to achieve. Indeed, the very point of having public policy at all is to make those achievement possible on the part of individuals. But once again this presupposes that individual projects are vital, morally significant, not to be overridden by some alleged superior collective project!

No Need for Tragedy. The next point is something that is very familiar to us in this period of time of widespread privatization, namely the tragedy of the commons. It consists in the presence of overuse of common resources because there are no guidelines of what is yours and mine, what I have

the authority to use, and what you have the authority to use. Since we do not have these guidelines, we tend to use things indiscriminately. We tend to overestimate what is our share, and underestimate what is other peoples' share, not necessarily because we are greedy or evil or whatever, but rather because there are no sensible standards to guide us.

What does "tragedy" mean? Tragedy in the context of Greek drama involves a morally flawed situation in which it is not clear whom to blame. Everybody kind of recognizes that something has gone wrong—in a moral sense—things ought to have been done differently in some sense, but on one knows specifically how that could have been done. This is what a tragedy is. (A catastrophe, which is often mislabeled a tragedy—e.g., an airline crash, an earthquake— is something that has hurt people, but no moral blame is associated with it. With a tragedy there is some sort of a moral wrong, yet too ambiguous to be clearly identifiable.

Indeed this comes close to characterizing the tragedy of the commons. Something has gone culpably, morally wrong that might have gone right but nobody quite knows how. Privatization advocates, of course, suggest that one way that it could have gone right is by never allowing the prevalence of the public realm.

What is inadequate about the tragedy of the

commons argument against a large centrally or collectively governed economy, for example? Of course, such a commons system will deplete resources. Rationing will have to be instituted, which quickly leads to bureaucratic regimentation, abuse of power, and arbitrary rule. In most Western style democracies this is well summarized in the budgets of the governments. The unbearable national debts testifies to the tragedy of the commons. Everyone is grabbing the public wealth for some project deemed vital, but the overall resources do not exist to permit this—so the day of reckoning is postponed and our children, grandchildren and their children are made hostages. (This certainly does not square with the democratic principle of "no taxation without representation." After all, those children and grand children have no chance to vote on the projects financed now from their wealth!)

Well, the problem is that if all we point out that there is a tragedy here but do not identify and defend an alternative, the conclusion is drawn—as it was by the person who recently spelled out the tragedy of the commons biologist Garrett Hardin at the University of California, Santa Barbara—that lamentably life is tragic. In other words, instead of saying that there is a way to avoid the tragedy of the commons, the conclusion drawn is that there is

a tragic aspect to life, it is unavoidable, we must live with it, we have to put up with it. There is, in other words, a contention that life is somehow inherently and morally absurd.

This is not the view that people have mismanaged life, that they are often crazy in how they act and treat things, but that unavoidably life is permeated with moral absurdities.

This view holds that we all have moral responsibilities but we *cannot* fulfill them. We have moral conflicts, but we cannot resolve them. The tragedy of the commons argument leaves us merely perplexed and gloomy without the further specification of why a privatized property system—one that gets established after government is place in its proper role as bona fide public administrator of bona fide public issues—is morally justified.

If there is a moral justification of the institutionalization of the system of private property, and this system is extended as best as possible to all realms where individual conduct has an impact, then at least eventually the "tragedy" can be avoided. Can it be argued that lakes, by some means or other, could be privatized? Or private property rights identified even in the air mass? This may be difficult to think through now, but certainly no one has proved it impossible and since in other areas (say the electromagnatic spectrum) it is

possible—then one of the ways in which to approach the tragedy of the commons is to do what one can to reduce the pervasiveness of the commons. (I myself have made an attempt to discuss this privatization solution as a general approach even to difficult areas, in my "Pollution and Political Theory," in Tom Regan, *Erthbound: New Introductory Essays in Environmental Ethics* [Random House, 1984]. See, also, several essays in Robert W. Poole, Jr., ed., *Instead of Regulation* [Lexington Books, 1982].)

What is Public, what is Not? Let me now turn to the public choice theory critique of the bloated public sector involved in rejecting the free, private sector of society. What do public choice theorists claim? Essentially they hold that when people enter government and become "public" servants, they act on the same motives they would if they were agents in the market place. As Professor James Buchanan puts it,

> Politicians and bureaucrats are seen as ordinary persons, and "politics" is viewed as a set of arrangements, a game if you will, in which many players with quite disparate objectives interact so as to generate a set of outcomes that may not be either internally consistent or efficient. ["Why Governments 'Got Out of Hand'," *The New York Times*, October 26,

1986]

Public choice theory implies, in Buchanan's words, that "The bureaucracy can play off one set of constituents against others, insuring that budgets rise much beyond plausibly efficient limits" [ibid].

Public choice theorists take the economic man view of human behavior—which we discussed in Chapter 1—into the special area of understanding the behavior of government officials. They assert, as a corollary of general economic analysis, that not only do we maximize our utilities as shoppers, bankers, merchants, corporate executives, brokers, and the like, but also as public servants.

There would be little interest in public choice analysis if it did not serve to modify our nontechnical understanding of how public servants behave. Ordinarily we take it that these people should be devoted to the public interest, not to what they privately desire. A public servant is not supposed to be a profit maximizer, one who wants to fully satisfy himself in a competitive market place. Such a person, we take it, pursues the public interest.

Yet public choice theorists deny this common assumption. What their economic analysis implies may be put in more familiar terms.

Governments get involved in all sorts of activities where the objective is to achieve particular goals that various individuals or small and large groups

seek to achieve. They further the arts (via the various arts councils and endowments), the lot of farmers (via subsidies and price support programs), the goals of various profession (via licensing requirements), etc. It is not surprising then that "public servants" who serve these special interests would not be able to keep their mind on what the public interest proper happens to be.

Furthermore, what is left of the public interest when government supports the special or vested and often conflicting interests of anyone with a sufficient voting bloc? Virtually no meaningful distinction between the public and the private interest is possible when government promotes the very same kind of ends that are promoted in the private sector. Indeed, just as soon as some come to the conclusion that the private sector does not sufficiently enhance some such private purpose, governments are now approached with the aim of taking over or supplementing the task of promoting these ends. A very apt recent example is day care centers. Although hundreds of private companies and other agencies fulfill the task of serving single or working parents with child care facilities, there is constant support from various segments of the public for government expanding its involvement in this activity.

There seems to be no public interest distinct from the varied private or special interests the

government now also serves.

Here is a case that is particularly familiar to me. A recently started program of the U. S. federal government is to support undergraduate college students with scholarships. As in other such programs, various people from within various branches of the U. S. educational profession are appointed to oversee and administer this program. Colleges and various groups devoted to undergraduate education appeal to these people for a good program, one that really does help deserving undergraduates, at the same time when others are asking government to fulfill different and competing goals.

In this case the public choice theorist would find a clear application of the assumptions of his view. Indeed, there is clearly one way of describing what happens in cases such as the above that conforms perfectly to what public choice theory would predict. To whit, those on the overseeing board eagerly promote the efficient administration and ample funding of the program in question. They select the appropriate panels and panel chiefs, they encourage the supporting staff, in this case from the Department of Education, and they report back to Congress with requests of further and more abundant support for the program.

But there is another way to describe what is going on here, a way that may be compatible with

public choice theory yet does not cast the situation in the same conceptual light. Nor does it leave us without a solution again, as public choice theory does, in terms of which, after all, matters will merely proceed as they do, with everyone clamoring for private advantage, in or outside the public realm. (Recall the statement from Milton Friedman, that "every individual serves his own private interest .... The great Saints of history have served their 'private interest' just as the most money grubbing miser has served his interest.")

In a particular case such as I described above, the appointed overseers and administrators are hired to do a good job. And they are asked to report back to the politicians about how well they are managing to do what they were hired to do. And in most of these cases these people see that the money they have to administer the program is not enough to do the job as well as they can easily conceive of doing it. After all, if the program is to be carried out, it should be done right, shouldn't it?

This does not really seem to be a case of politicians and bureaucrats wishing to fulfill their desires, nor of being driven by private interest. It may be part of it, especially when we focus on the staff hired to administer the programs in question, that is, "those persons," using Buchanan's language, "who actually *supply* the goods and services that are

provided via governmental auspices."

There are critics who now make a point against public choice theory that seems to take into account the above understanding of what goes on in public administration. They seem to be aware that referring merely to the vested interest of those involved in carrying out the project fails to give full justice to the situation. They contend that in order for public choice theory to be an adequate explanation of how politicians and bureaucrats behave one must also consider the belief system that motivates them—e.g., whether they are conservatives, liberals, libertarians, socialists, whatnot, or whether they have a bona fide commitment to the programs involved or are merely advancing their private role in the administration of such a program. They may even have a bona fide public service orientation, albeit somewhat unorthodox in what this means.

Douglas North, Joseph P. Kalt and Mark Zupan argue that an "ideology" variable must be added to the public choice or "economic man" model so as to explain what members of the U.S. Congress and other bureaucrats do as they approach their various projects. In particular Kalt and Zupan studied what the U. S. Senate did in the case of coal strip mining. Their statistical analysis shows that the "ideology" variable explains the voting patterns of the Senate on the Surface Mining

Control and Reclamation Act (passed in 1977) better than does the public choice model. In short, in addition to considering the desires of the legislators to be re-elected, the bureaucrats to continue on and expand their jobs, etc., we need also consider the broader political ideals of public agents.

Indeed, Professor Buchanan himself has focused his attention on some of the broader, philosophical issues concerning public choice, finding the pure economic explanation of human behavior insufficient. The following passage from Buchanan will shed light on just how his thinking differs from the pure economic man approach to understanding political behavior:

> the body politic begins to get overly concerned about the distribution of the pie under existing property-rights assignments and legal rules, once we begin to think either about the personal gains from law-breaking, privately or publicly, or about the disparities between existing imputations and those estimated to be forthcoming under some idealized anarchy, we are necessarily precluding and forestalling the achievement of potential structural changes that might increase the size of the pie for *all*. Too much concern for [distributive] "justice" acts to insure that "growth" will not take place, and for reasons much more basic

than *the familiar economic incentives arguments*. [*Reason Papers*, 1975; my emphasis in last sentence]

In other words, focusing on the behavior of public servants within the current political and legal framework is not sufficient for understanding what alternatives face us in understanding and conducting public affairs. It can serve to block basic reform which is itself not impossible despite the motivations of public servants.

There is reason to think that while economic analysis is crucial for understanding virtually any area of human behavior, it is not sufficient for such an understanding. There are, for example, politicians who buck trends, who see that their fulfillment of their responsibilities lie with remedying, as best as possible, the effects of the special interest hustling that dominates the politics of the welfare state. Some of these support—incidentally, with the advice of Professor Buchanan—the Balanced Budget Amendment movement. Others support appointments to various government bodies knowing that those whom they will appoint are not going to ask for more support for these programs. They will, instead, urge greater and greater restraint so as to solve the broader problem of creeping statism, holding that the special problem the program had been established to solve should be handled by people

outside the scope of politics.

The concept of a public interest when there is a large unspecified public realm seems to include everything within it. Anyone can claim that what he or she is proposing is in the public interest. If tobacco farmers want a subsidy, they usually go to Congress and maintain that the reason this subsidy is justified is that it is in the public interest. If somebody wants to have a monument created to his grandfather—at public expense—he usually includes it as an instance of the public interest. There is no clear conception of the public.

What constitutes the public is unspecified in a system which does not include the concept of private property rights. But with a system that includes a concept of private property rights there is a good reason to think it is possible to distinguish between what is genuinely public and what is genuinely private.

For example, the administration of the borders between people upholding property law, e.g., implementing the system of natural rights in a functional, evolving, legal framework, is be a public concern because it pertains to every human being as a member of a public, not viz. his or her private idiosyncratic goals. Your wishing to have a monument to your grandfather could not only be legitimately argued to be a public concern.

However, having the court system improve its efficiency of adjudicating disputes within the community could be construed to be a legitimate public concern. Now, if this delineation is accomplished then people who become bureaucrats, administrators of the legal system, servants of the public, could be said to have to this task as their professional responsibility. This would lay down their professional ethics—it could be identified just as easily as the professional ethics of a doctor or teacher or gardener can be identified. So long as there is a specific public realm, a public servant could be held countable to perform the duty of a public servant.

Similarly, if we have no clear conception of the nature of education, then the notion of pedagogical ethics is nonsense. It cannot be spelled out what are the requirements of a pedagogue as distinct from, say, a propagandist, an indoctrinator or a trainer. To the contrary, we basically think we have a clear enough understanding of education so that we can distinguish it from, say, indoctrination, propaganda, training, whatever.

We do not have that clear an understanding of what "public" means. I propose that within the framework that I have been outlining in the last few chapters, that clear understanding can be secured. A distinction between private and public is possible.

Then we can examine the behavior of public

servants and we can criticize those who concentrate on serving their vested interest—e.g., seeking only job security or gaining special favors by serving special groups—and we can distinguish this kind of behavior from a conscientious performance of their jobs as public servants. Instead of analyzing their jobs in the way in which public choice theorists do, as a manifestation of vested-interested behavior, we can this way spell out their professionally required behavior because now we have an idea of what their profession is.

As it now stands, with our entirely ambiguous conception of "public"—does it mean everyone, does it mean those of importance to society, does it mean those that some theory designates as the majority?—virtually anything can be construed as a public works. So any delineation of professional responsibility in public administration is impossible. All we can complain about is that there is too much and that people are constantly increasing their power within and their share of the public realm.

Epilogue

At the heart of the justification of the market economy is what I started off with, namely, the importance of the life of an individual as an individual, not just as a member of a species. What the market economy does, in common sense terms, is make it possible for a social system to pay attention as best as it is possible to the importance of individuals.

Free market systems do not always do this perfectly. There are indeed some market failures, misallocations of resources, trivial pursuits, even some morally odious trade. But without such a free economy—mainly the institution of the right to private property which of course implies a free trade system of commerce—the morally all important task of individuals living their lives successfully, albeit in extremely diverse fashion, would not be possible.

Rather, what we would have is what we actually see throughout the world, the obliteration of individual differences, the regimentation of individuals to conform by law or by regulation to certain narrow ways of life very often drawn from select individuals and arbitrarily imposed upon other individuals—in the name of humanity!

The market economy makes it possible for us to rid ourselves of these constraints, to refuse to be

regulated, to refuse to succumb to the pressure, to conform by law, by force, to models of life which do not suit us as individuals and which, most importantly, we should not tolerate, however well suited they may be for others. Unless we have a philosophical, moral justification that living this individual life or ours is good and right, no powerful case for the market economy going to be possible.

No doubt, a free society and a free market are but necessary requirements for a good human community. Much more is needed, from the individuals, families, neighborhoods, corporations, clubs, churches, and other human beings who make up such a culture. My own concern has been only with the defense of the political ingredients of a good human community. And the primary such ingredient is indeed the individual human right to life, liberty and property.

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Machan wrote *The Pseudo-Science of B. F. Skinner* (1974), *Human Rights and Human Liberties* (1975), and *The Moral Philosophy of Individual Liberty* (1987, in Sweden), edited *The Libertarian Alternative* (1974) and *The Libertarian Reader* (1982), among other works. He co-edited *Rights and Regulation* (1983) and *Recent Work in Philosophy* (1983). He has contributed to numerous scholarly journals. He has also written columns for *The New York Times, The Los Angeles Times, The Wall Street Journal*, and *The Orange County Register*. His essays have been published in *National Review, The Humanist, This World, Chronicles of Culture, The American Spectator, Policy Review, Economic Affairs, The Freeman* and *Reason*.

Machan is co-founder and a Senior Editor of *Reason* Magazine, and editor of *Reason Papers*. He co-hosted, with Sidney Hook, the NEH supported political philosophy program For the Love of Work, on the ideas of Karl Marx.