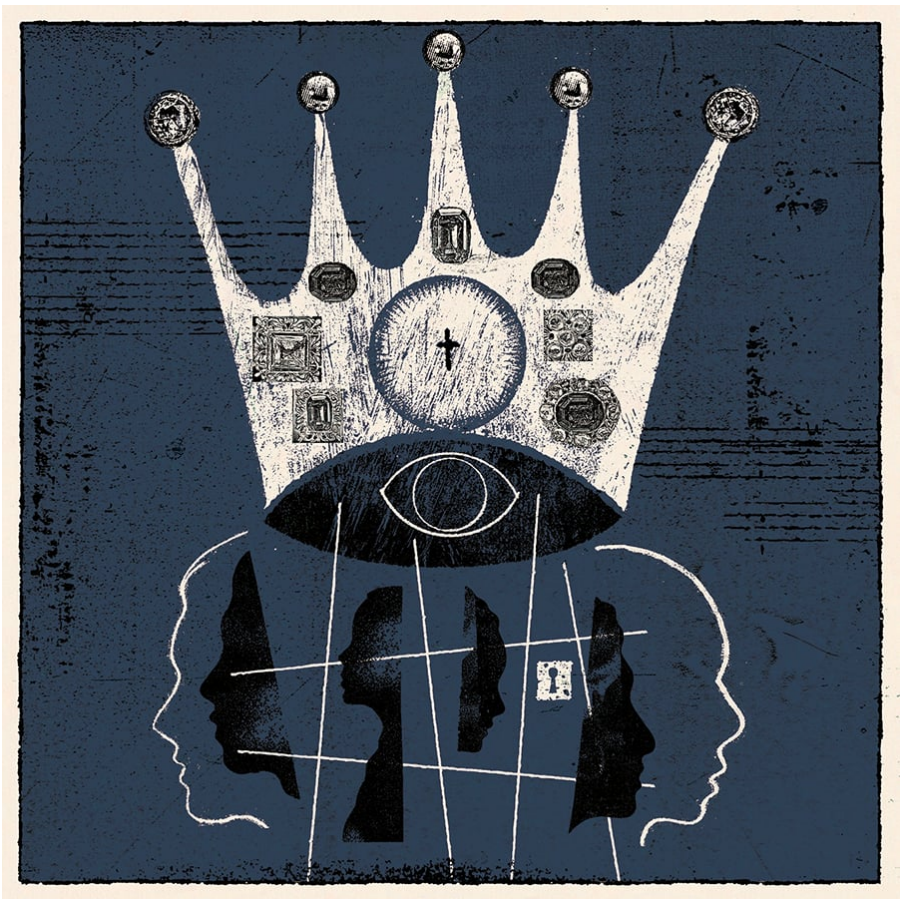

Illustrations by Ben Jones

[Forum]

Is Liberalism Worth Saving?

by Patrick J. Deneen, Francis Fukuyama, Deirdre Nansen McCloskey, Cornel West

The future of an ideal

In recent years, a long-standing global consensus about the value of liberalism as a political and economic order has begun to erode. Where once disagreements concerned differing interpretations of liberalism's demands or balancing liberalism's conflicting goals of freedom and equality, now populist movements on both the left and the right are challenging the legitimacy of liberalism itself. As the chorus of critics grows, political leaders and thinkers in the United States and abroad must weigh difficult questions about the future of an ideal whose allure was once viewed as universal. What steps should liberal societies take to safeguard human dignity in the twenty-first century? Do populist movements pose an existential threat to liberal values and institutions? Must a democratic society necessarily be a liberal one? Has liberalism failed in its promise to deliver stability and shared prosperity? If so, are there any viable alternatives?

The following forum is based on a conversation that took place at the Crosby Street Hotel, in New York City, on October 19, 2022. Harper's Magazine *editor Christopher Beha served as moderator.*

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I. ON THE SIDE OF THE DEMOS

CHRISTOPHER BEHA: We're here to talk about the crisis of liberalism. I'd like to begin with the general question of what the term means to each of you. Does it suggest a particular sort of economic relationship, a political regime, a bundle of rights or guarantees, a view of human nature or human flourishing? What is it?

FRANCIS FUKUYAMA: I would start by saying what I don't mean by liberalism. If you call someone liberal in the United States, you mean that person is left of center, prioritizes equality, and wants government to do more to promote it. If you call someone liberal in Europe, you mean that person is right of center, prioritizes liberty, wants free markets and less government intervention. I don't think these economic definitions are the essence of the thing. To me, liberalism revolves around a presumption of basic equality of dignity that applies to all of us as members of our species, and the idea that this dignity is ultimately based on our moral autonomy, our ability to make moral choices. You institutionalize liberalism through a rule of law that puts constraints on the use of political power such that the government does not interfere with this basic autonomy.

Since its beginnings in the seventeenth century, liberalism has also been closely associated with a certain cognitive mode—that of modern natural science, with its belief that there is an objective reality beyond our subjective consciousnesses, a reality that we can come to know through the scientific method. We can then use the resulting knowledge to manipulate that reality, moving from science to technology, and finally to the engineering of economic and social life.

If you use the term this way, Sweden, Denmark, and other big social democratic states qualify as liberal, but so do the United States, Japan, and other countries that have smaller welfare states. Liberalism has much more to do with this fundamental recognition of individual rights.

PATRICK DENEEN: I agree with Frank that these different instantiations don't define the essence of liberalism. As a political philosophy, liberalism is essentially a repudiation of a central tenet in the premodern tradition, which is that human beings have a telos, or an end, that we have a nature, and that the first is given to us by the second. You see this in Aristotle, in Aquinas, in many of the classical and Christian thinkers. It seems to me that the two definitions of liberalism that Frank rejected—European-style economic liberalism and American-style social liberalism—are two manifestations of this separation of telos from nature. In the classical liberal tradition that begins with thinkers like John Locke, the view is held in advance that human beings have no telos, but that we do have a fixed nature. We can discover our nature by imagining our pre-political condition. Human freedom is the essence of that state of nature, outside and beyond politics. So the political order comes into being to maximize this individual freedom, and to ensure conditions of relative peace and stability. But it's a freedom stripped of any sense of duty.

This is a fundamental departure from the pre-liberal tradition. The classical tradition had a sense of rights, but they were always linked to a strong sense of duty. Classical liberalism decouples rights from duties. The emphasis in this tradition is on economic liberty. And as Frank said, there is also a strong emphasis on science and technology. We take human nature as a given, but we treat the natural world as endlessly manipulatable.

Progressive liberalism, on the other hand, rests on the idea that there's a telos, but not a human nature. Human beings have a kind of developmental quality; we develop in and through historical time. To realize this potential, human beings need to be freed, not as economic animals, but as social animals. We need to be freed from constraints in the social sphere, the kind of informal constraints that limit our ability to become the creatures that we can become through this development. The scientific and technological project turns inward, to the development of human nature. Since our nature is not fixed, it can become subject to technological development. But humans need the assistance of the liberal state to achieve the conditions that allow for this development.

In contemporary politics, economic and progressive liberals see themselves as deeply antagonistic. But in practice, the economic project and the social project have unfolded together. And these forms of liberalism reserve their deepest antagonism for the discarded tradition that linked telos and nature. This is what ultimately defines liberalism: its antagonism toward the classical tradition that saw telos and nature as fundamentally bound together.

CORNEL WEST: Any time you use a term like "liberalism," you want to historicize it and contextualize it and pluralize it. We have varieties of liberalisms. Some of these liberalisms are among the grand products of the age of Europe, from roughly 1492 to 1945. In the face of oppressive kings and queens, these traditions defended individual rights and liberties. They began by establishing property rights and freedom from arbitrary political power. As we moved into various republican and democratic experiments, we began to talk about basic rights that went far beyond these ones. The sunny side of liberalism is its defense of these indispensable rights and liberties. The dark side of liberalism is its blindness to the threats of oppressive economic power, its blindness to militarism and imperialism abroad. But it's very important that we never view liberalism in monolithic, homogenous terms. I hope we're able to have a kind of dialectical understanding, so we can tease out what we see as valuable in these various liberalisms, and at the same time keep track of faults and foibles.

DEIRDRE MCCLOSKEY: I see liberalism as the social and political and economic theory of an equality of permissions—not equality of opportunity, which I think is an incoherent concept, and certainly not the great socialist ideal of equality of outcome. It's an equality of permission to all humans. We're all conscious of the incomplete realization of liberalism. But the idea is very powerful.

Liberalism's first great accomplishment was the abolition of slavery. This was followed by the abolition of further slaveries. I regard slavery as being about the physical coercion of people, and liberalism is, ideally speaking, the end of hierarchy, the end of subordination of one human to another. There are people who say—implausibly, I think—that Roman Christianity was the source of liberalism. But I think it originates in the eighteenth century. Adam Smith [*McCloskey makes the sign of the cross*]—I always cross myself when I mention Smith [*laughter*]—is my main man. Yes, there are precursors, but certainly not Christian precursors. In this way, I would agree with Patrick that liberalism is a rebellion against—well, against the church.

St. Paul was very clear about this. He lived in a slave-holding society, and he said that we are all slaves in Christ Jesus. For more than a thousand years we lived with this idea that we're all slaves, so hey, slavery is no big deal. You're going to get eternal salvation. What does it matter if you spend your life by the Eastern Gate, blind and begging? That view ends with secularization. So, I believe that the great shift of liberalism is against Christianity, although I'm a Christian myself.

This change is not confined to the economy. I think liberty is liberty is liberty. And to be sharp about it with Patrick, the unity of nature and telos is, in my view, extremely dangerous. My identity as a trans woman—or, for that matter, my identity as a professor or an economist or whatever—is threatened by someone else imposing their idea of my nature and my telos. That's what liberalism denies.

WEST: I would not give liberalism credit for playing the vanguard role in the abolitionist movement. That was Christians. William Lloyd Garrison, Lydia Maria Child, Frederick Douglass, Harriet Tubman. There you've got much more community-oriented people, with a conception of a self that is thoroughly relational, tied to traditions. It's not atomistic. These were not liberals.

MCCLOSKEY: Hold on. Take 1848 and the beginning of the American women's movement. They'd all been active in antislavery agitations.

WEST: Absolutely, Seneca Falls.

MCCLOSKEY: And they said, Well, if them, why not us? And that's been the trope all along—*if them, why not us?* It's an equality of permission, extending, extending, extending, which does not accept our equal enslavement to Christ Jesus as the justification for the enslavement of one human over another. I think you'll agree that the arguments for slavery in America were religious.

BEHA: The context of this conversation is that there's now a widespread feeling that liberalism—more or less as we've just defined it—is under threat, coming after a period of unchallenged ascendency. The largest of these threats seems to be the rise of so-called illiberal democracy. What is the relationship of democracy to liberalism? Do the two require each other in some way?

MCCLOSKEY: Well, if you believe in equality of permission, then you believe in equality of what Benjamin Constant called "ancient liberty"—that is, the right to participate in the formation of society. So that's democracy.

FUKUYAMA: The two are mutually supportive in most cases, but they're not necessarily joined together. You can certainly have illiberal democracies. That's what Viktor Orbán is trying to construct in Hungary. That's basically where Narendra Modi is moving in India. And you can also have liberal autocracies. The classic case was late nineteenth-century Germany, which had a very strong rule of law, a lot of individual freedom, but no democratic accountability. Singapore is a contemporary example.

But they do tend to go together. Liberalism starts with this premise of universal human equality that says that no particular group is going to have privileges over any other group within a society, which is a fundamentally democratic premise. I don't think liberalism has any relationship to disagreements about human nature or human ends. It's a pragmatic way of limiting centralized power. One of the things you see, when democratically elected leaders start to erode the liberal constraints, is that they can keep themselves in power forever by gerrymandering or by manipulating electoral processes. This is exactly what is happening in our country. So you need the two working together. You need the rule of law to put constraints on power, but you also need democracy to support a belief in law and the need for constraints.

DENEEN: Liberalism has very little to do with preventing centralized power. We have an extremely centralized government today. Kings of old would be jealous of the military, economic, and executive power that's wielded by what we call liberal regimes. So I don't think it has much to do with whether or not power is centralized or authoritarian. Liberals use those terms when they happen to disapprove of how power is being wielded.

In my view, democracy is largely a legitimation mechanism for liberalism. If democracy—or, let's say, the will and view of the demos—can be sufficiently constrained within liberal forms, if it can be backstopped and qualified whenever necessary to achieve liberal ends, then liberalism and democracy can be seen to go together. But largely, the democratic component functions as an ongoing performance of consent. It's a performance that reenacts the fictional moment of consent when our forebears signed the social contract agreeing to a liberal regime. When that form of consent takes an illiberal turn, then it's no longer called democracy; it's called populism. But it's the same thing. It's the will of the people being expressed. Within a liberal order, one of those expressions is seen as legitimate, and one is seen as illegitimate.

WEST: Liberal defenses of rights and liberties are preconditions for any democratic experiment in heterogeneous populations. The problem, historically, was that early forms of liberalism were compatible with some very ugly forms of hierarchy—imperial, racist, sexist, and so on. You have to have counter-majoritarian institutions, and a rule of law in place to defend rights and liberties, so those rights and liberties themselves do not become an object of democratic deliberation. Because the demos can be xenophobic, narrow, parochial, and so forth. But the elites can be all of those things as well. So I resonate in some ways with my dear brother Patrick here, though we have our differences.

FUKUYAMA: If you look at the Lincoln–Douglas debates, Douglas said, "It is none of my business which way the slavery cause is decided. I care not whether it is voted down or voted up." He thought that democratic will was supreme. And Lincoln thought there was a higher principle than democratic choice. It's in the Declaration of Independence that all men are created equal. We don't think of Lincoln as a leading liberal, but he's making basically a liberal argument, saying that democracy can be trumped by a higher principle—which is this principle of equality.

WEST: But there's a civic republican tradition that's important for Lincoln here. We can't allow liberalism to get credit for everything. And I do want to be clear, as we consider what we learn from these various forms of liberalism, that they come from social movements. The European movements in the name of rights and liberties in the face of kings and

queens were major social movements, taking place under certain historical circumstances. And America builds on that, but America has its own distinctive forms.

DENEEN: From liberalism's very beginning, there were twin fears about the demos. The first fear was an economic fear, fear of a demos that tended left. This was the fear of a left populism that would threaten property rights. Much of what we've experienced of populism in the modern world has been this left populism that attempts to use democratic mechanisms to enforce forms of redistribution or constraint upon powerful economic actors.

The other form of populism that liberalism fears is a kind of right populism, which we're seeing more of today. This is the demos that's conservative, that's traditional, that wants to continue its way of life. It seems to me that we have a constant fluctuation of the threat that the demos poses to liberalism. But from the outset of liberalism, the demos had to be sufficiently constrained. Sometimes by forms of government, such as judicial mechanisms in the United States. John Stuart Mill argued that people with more education should be given more votes. In the United States, only people with property were given the vote. There always had to be a mechanism to constrain the threat that the demos posed to liberalism. And to be clear, I'm on the side of the demos, in both its left and right forms.

II. JUST PEOPLE BUYING AND SELLING STUFF

BEHA: Deirdre, in one of your recent books, you wrote, liberalism "depends on and nourishes ethics." I suspect that you'd all more or less agree with the first of those claims. What about the second? Patrick has argued at some length that liberalism winds up being inimical to precisely the kinds of values that a liberal society needs to flourish.

MCCLOSKEY: There's a lot of evidence that a society of equal permissions and increasing equality makes for better people. Neither the left nor the right seems to understand this. The Marxists and the Chicago school are in complete agreement that markets are amoral, that the only virtue capitalism rewards is prudence—understood as ruthless self-interest. I come from the Chicago school, but I broke with this foolishness. Prudence is not the only virtue in the marketplace. Hope and faith and justice and courage: these are all fostered by bourgeois capitalism.

WEST: The danger here is that if we talk too much about values we're going to end up again with an atomistic conception of individuals who are choosing goods out of context, not in relation to traditions. I'm glad to hear you talking about virtues. You're talking about something that's embedded in dynamic traditions that shape and mold people. Civic virtue has to go hand in hand with any kind of democratic project.

MCCLOSKEY: I agree. And I think we all agree that virtues don't just spontaneously emerge from markets. You can't just say, "All we need is markets and everything's cool."

DENEEN: No one within the liberal fold would deny the importance of values, and maybe even of virtues, depending on how one defines them. But there's a structural issue. It turns out the liberal part of each side ends up undermining the corresponding virtues that they claim to rest their hopes on.

I come more from the world of the right. And the right, to be a bit reductive, is nostalgic for a kind of, let's say, Fifties or Eighties vision of a fairly wide-open capitalist market in which you have strong, traditional, communal, familial, and religious structures. Well, there's a problem we've seen unfolding, which is that a dynamic, open, transformative economic system tends to undermine the very institutions that this right-liberal order relies on.

The left has a similar blind spot. In response to the ravages of economic individualism, it calls for forms of solidarity, and it looks, for example, to the trade unions or to somewhere like Sweden as an exemplar of the kind of social solidarity that's necessary to restrain the utilitarian tendencies of markets.

But the social libertarianism of the progressive left undermines the very basis for this kind of solidarity. The effort to liberate yourself from family, from religion, from community, to make yourself into a free actor in the social realm, actually hollows out the kinds of spaces that develop a strong sense of solidarity.

MCCLOSKEY: I disagree. I don't think that markets, which after all are just people buying and selling stuff, going to work and finding a job, have this corrosive effect. We've exchanged commodities since the beginning of humanity, and markets have co-existed with ethical development.

WEST: You can't just say, my dear sister Deirdre, that markets are just about buying and selling. No. They manipulate, they dominate. You've got advertising industries in place to convince people to consume. The markets that Adam Smith was talking about are qualitatively different from twenty-first-century markets.

MCCLOSKEY: Well, they aren't the same in every respect. But large-scale capitalist markets have long existed—in Rome, for fish sauce, of all things, or in China, for silk. These were highly modern, sophisticated exchanges.

WEST: That's true, those were sophisticated organizations—but not in terms of penetrating every nook and cranny of the culture, not in terms of penetrating every nook and cranny of the psyche. Not in terms of penetrating every nook and cranny of the soul. We're dealing with commodification on steroids.

MCCLOSKEY: Amsterdam in the seventeenth century was a liberal paradise compared with other European cities—because it was an entrepot, because it was a market. I don't think the original sin of greed is causing all of the evil in society.

FUKUYAMA: But I also don't think this social breakdown that Patrick's talking about is inevitable. Culture is much stickier than he gives it credit for. There's a lot of progressive culture that I don't like, but I think overall, if you look around the world, cultures are quite stable, because human beings have an innate social side that wants to conform to norms. And the idea that once liberalism gets out into the world, it's going to eat away every existing social norm is just empirically false.

It does seem to me, though, that the particular form of globalization that we've experienced does pose challenges to the hegemony of certain traditional cultures, because you've got this very easy transfer of people and ideas and cultural means across borders.

WEST: Personally, I believe that greed and hatred and envy are hounds of hell. They are ideologically and politically promiscuous. They will lay down with any system—feudalism, capitalism, socialism, whatever. So the question is: What does that look like in our time?

BEHA: Cornel, in *Race Matters*, you write, "Most of our children—neglected by overburdened parents and bombarded by the market values of profit-hungry corporations—are ill-equipped to live lives of spiritual and cultural quality." We can argue over the extent to which, in fact, market forces are causing something like that. But I would like us to think about what it means to live lives of spiritual and cultural quality, and whether it is a failing of liberalism that it cannot articulate a particular vision of human flourishing, or whether it is one of the great values of liberalism, as many liberals think, that it does not articulate a singular vision of flourishing, that it rather allows individuals to have their own conceptions of human flourishing.

MCCLOSKEY: I really believe that if we're going to get along we can't have other people imposing ultimate ends on us.

WEST: One of the challenges is that, on the one hand, we need a larger framework that allows for a variety of different perspectives. Nobody's imposing one view on anybody. But on the other hand, you have to have enough glue in place: not just tolerance, but respect, not just respect, but humility. It's like a jazz artist, right, who learns and listens from others and knows that no one of us happens to own the truth.

DENEEN: There's a book by a Jesuit priest named Jean Daniélou called *Prayer as a Political Problem*. Father Daniélou suggests that prayer is important in all of our lives. In a secular context we might talk about the functional equivalent of prayer—the possibility of having time to contemplate. In our civilization, it's always been important to have at least a day when the market wasn't in charge, when the hurriedness of the marketplace and all of its various distractions wasn't in the driver's seat. The Bible calls that the day of rest; the Sabbath.

Now, in an effort to avoid designating exactly which day that would be—because that would favor one tradition over another; it wouldn't accord with liberalism—we've done away with it altogether. We don't even want to talk about whether there should be a day of rest, because we can't designate the day, because that would be a form of authority and oppression. But notice what we have instead: a society in which the professional managerial class is much more likely to

be able to find the time for the functional equivalent of prayer—to be able to go to Vail and hang out in the mountains, or whatever. Whereas more and more aspects of working-class lives are dominated by the market. They lack the social forms that might point them to something higher, outside of the base distractions provided by the market.

In many ways, I think this represents a deep betrayal by elites. It was always the responsibility of elites to assure a kind of spiritual equality. As Christ said, the poor will always be with us. But there is the possibility of spiritual equality that allows for people, no matter their economic status, to have moments of nobility, to experience something transcendent.

MCCLOSKEY: There are a whole bunch of problems with that statement. One is that it's not true that the working class has less time for the transcendent than it once did. It has more time, vastly more time.

DENEEN: I'm not simply talking about free time. I was having a conversation just the other day with my mail carrier, and I said, "Why are you delivering mail on a Sunday?" And she said, "Because if we don't do it, Amazon will start using UPS and stop using the post office." So in order to continue working with Amazon, my postal carrier has to deliver mail every day of the week. We should really think about what it would mean to have at least one day of rest for every person in our society. I'm talking about the decline of communal norms that allowed for more elevated forms of leisure.

MCCLOSKEY: And you don't regard watching professional football as an expression of the transcendent, I'm guessing?

DENEEN: No.

MCCLOSKEY: Why not? As you said, the transcendent is necessary—we all agree. But the transcendent comes in forms other than Catholicism. There are people who depend on the transcendence of their family or their friends. To say that modern people don't have enough access to transcendence, so we need someone to say, you're not allowed to go to the shopping mall on Sunday, I just don't think that's empirically correct.

DENEEN: If you want to make it an empirical question, I would begin with this: Is our society succeeding or failing in terms of empirical measurements of relationality? For example, how is our society doing when it comes to the formation and flourishing of families? We can define families in many ways, but on any measure, we're not doing very well. How is our society doing when it comes to the development and flourishing of friendships, of communities, of a sense of duty? In other words, how much and how well is our society flourishing?

I come from the social science world, so I can tell you that in nearly every one of these areas, we are doing rather poorly. We're flourishing in terms of autonomy, disconnection, the sense of being liberated from one another. But it turns out that the more free, autonomous, and disconnected we are, the more miserable we become. We've overshot the mark.

MCCLOSKEY: I don't want to be interpreted as saying that all that matters is national income. We all agree there are other things that matter to ordinary people. But it matters more to them that their income is about twenty-five times higher in real terms compared to 1800. And their free time for the transcendent has vastly increased. People are working forty-hour weeks instead of eighty-hour weeks, as some farmers did then. They have an extended childhood, and a long retirement.

It's an enormous change. It's the second most important secular event in human history. The invention of agriculture is the first, and the great enrichment since 1800 is the second. And there's no reason why it can't become everyone's gift in the next fifty or one hundred years. But if we go down Patrick's path, we'll stop economic growth, and it won't be the case. If we throw away this chance for a full human fulfillment, that would be tragic.

BEHA: I take you to be saying that the economic returns that liberalism has delivered over the past few hundred years can continue indefinitely at more or less the same rate?

MCCLOSKEY: I'll make you a bet. By the year 2100, income per head worldwide will be two or three times higher than what it is now in the United States.

WEST: But the one thing that our dear sister is presupposing is that there's still a planet.

MCCLOSKEY: That's true. We're still able to shoot ourselves in the foot.

DENEEN: It may not be up to us. The natural world is giving us feedback. This explosion of prosperity coincided with the age of fossil fuels. And the consequence of our binge is that now we have to confront the limits of the world and we need to begin to think about how we can live in a world in which we're respectful of the natural order. And that may

entail a kind of dialing back on travel and forms of transportation that might seem cheap but turn out to be extremely expensive.

MCCLOSKEY: Global warming is already on the way to being solved by technological innovation, by the very capitalism that you think is so bad.

DENEEN: There is always a feeling that the solution to liberalism's ills is more liberalism. I think instead we're likely to see a reduction of what we might call hyper-liberalism in the marketplace, the end of globalization at some level, the reincorporation of industrial policy, a recognition that this country needs industries that guarantee security, and as we've seen with COVID, that we need access to pharmaceuticals, we need access to military goods, we need access to basic goods and services that can't be guaranteed in a world in which conflict between nations hasn't gone away and isn't likely to go away.

MCCLOSKEY: That sounds like going back to 1950.

DENEEN: I'm not talking about going back. I'm talking about going forward, having learned things from where we are now.

BEHA: Patrick, do you see yourself as proposing a kind of tradeoff where we aren't going to maximize economic efficiency? Are we going to have to suffer some losses in economic output to achieve this vision?

DENEEN: We have to start by recognizing that the conversation we're having wouldn't have happened twenty-five or thirty years ago. We're having this conversation because we're responding to blowback. The working class is saying, "We no longer want to have this hyper-liberal economic order. We don't want to have this hyper-liberal social order. We are responding from both the position of left populism and the position of right populism." And liberals are now running to the barricades and saying, "This threat from illiberalism is a form of populism that imperils the good thing." But the good thing has, in fact, put us in the situation that has caused this blowback.

Untrammeled liberty in economic and social spheres results in deep social and political cleavages that give rise to all of these conditions and pathologies. Much of liberalism's success arose from a pre-liberal inheritance—the kinds of traditions, institutions, and practices that, in some senses, limited liberals' worst tendencies. It's an inheritance that liberalism was not able to replenish. Liberalism has not proven itself capable of limiting itself. Instead, it has proven very good at extending itself and making itself more extreme.

Can liberalism recognize that it needs to limit itself in order to preserve what good it generates? If it cannot, then it is surely doomed.

MCCLOSKEY: My fear is precisely that we'll put limits on ourselves. We'll kill the golden goose in a sort of celebration of envy and hatred.

III. YOU END UP WITH A DISASTER

BEHA: In your most recent book, Frank, you attempt to distinguish—as many people do, though some people disagree with this distinction—between liberalism and neoliberalism. You say that what many people on the left and the right claim not to like about liberalism as such is really the aberrant form liberalism has taken roughly since the Seventies. They disagree with present-day liberalism, not because of some fundamental weakness of the doctrine, but because they are unhappy with the way liberalism has evolved.

But then the question becomes: How does a liberal system regulate itself? What is it about neoliberalism that is inconsistent with liberalism? What is it that allows you to draw that distinction and say liberalism is good, and neoliberalism is not?

FUKUYAMA: It just seems to me that states are necessary to regulate markets. They're much more crucial in some sectors than in others. For example, with an unregulated market in the financial sector, whose foundations were laid in the Eighties and Nineties, you end up with a disaster. We didn't have big financial crises prior to the sterling crisis in the early Nineties—not since the Great Depression. What changed was the view that markets could ultimately be self-regulating. In the financial sector, this was total nonsense. Because of the systemic nature of finance and the damage it

can do to the real economy, you've got to regulate it very strongly. So deregulation laid the groundwork for a series of financial crises culminating in 2008, which I think was directly tied to the rise of populism, both Bernie Sanders's version and Donald Trump's version.

There's that famous Milton Friedman article about how the duty of any corporation is basically to its shareholders, maximizing profits—there's a purely economic argument that you can make in favor of that. But I don't think we appreciate the degree to which that view took hold in business schools and then started to erode precisely the kind of virtues that players in capitalist markets previously held, that they actually do have social responsibilities—to workers, to customers, to suppliers. Basically, they were told, "Just maximize your profits. Do what Wall Street wants you to do, and that's all you need to do. You don't have to worry about society as a whole."

But I think we're already seeing a correction in terms of the state's role in regulating global finance. It probably needs to be strengthened even further, but it has begun to happen.

MCCLOSKEY: Can I make a small comment about Milton's article? The famous line from that essay is half of the sentence—the social responsibility of a corporate executive is to make as much money as possible. But the second half of the sentence goes: while conforming to the ethical and legal rules of society. That part always gets left out.

On the other hand, I think you're right. It metastasized in business schools. Business schools went from trying to make managers into professionals—like lawyers, professors, and doctors, who acknowledge a deep ethical commitment to their clients, their students, their patients—into making people with a kind of "screw you" attitude.

FUKUYAMA: Actually, I might take this in a slightly different direction. In 1999, I published *The Great Disruption*, a book about the kinds of apparent social breakdown that Patrick has been discussing: the massive increase in divorce and in single-parent families, the rise in crime rates across the United States beginning in the Sixties. The causes of all this, in my view, were technological changes brought about by the development of capitalism, but not by neoliberalism or any particular ideological doctrine.

We moved from an industrial society to a postindustrial society in which sitting in front of a computer screen became a more valuable skill than lifting a pickaxe. For obvious reasons, this development coincided with a massive increase in female participation in the labor force. Developing countries still relied on physical labor. But every country that was transitioning into a knowledge economy gave women a bigger role. At the same time, the pill allowed for a division between sex and reproduction.

The traditional family, where the man is the breadwinner, begins to be replaced in a society in which women have much more economic clout. It even becomes financially possible for a woman to raise a child on her own. China is going through something similar right now, and it's not just down to market forces. It's really technology changing the nature of labor, and therefore the nature of gender roles, which then changes the nature of social structures and so forth. This produces a lot of things that people interpret as moral decline.

But the point I tried to make in that book is that we're never going to be in a permanent social decline. We're going to come up with new norms.

BEHA: But liberalism is itself a set of norms, right? If there is necessarily going to be a change of norms in order to address these technologically driven social changes, are those norms going to be consistent with liberalism? Or are the liberal norms among the very things that are up for grabs as we figure out what is going to make a stable society under these new conditions?

FUKUYAMA: I mean, globalization, what's that driven by? Well, partly liberal ideology. But also the reduction of transportation costs. It's just a lot easier to build an iPhone in Shenzhen and ship it to the United States than it would have been fifty years ago.

What system is going to put a stop to that or reduce the social impact of that kind of mobility? I don't know. But I'm pretty confident that, given that human beings are inherently social, they will come up with new norms to deal with this kind of fluidity. But I don't think you can simply dictate from the top, "Yeah, okay, this is how we're going to deal with this changing set of technological conditions."

WEST: Even in personal terms, Frank, your own shift from being one of the grand intellects of neoconservatism to embracing a certain kind of highly progressive liberalism in the last few years—you're seeing something that's about more than just technology. It's really a class war. It's the mobilization of resources against vulnerable populations. Profits are going way up and wages are stagnant. Technology can't account for that. The attacks on the trade union movement, that's not technological, that's political. The attempt to keep wages low, that's not just technological.

FUKUYAMA: That's true. Part of what I'm saying is that we're now kind of out of that neoliberal period, and a lot of those policies will be reversed.

WEST: Well, we hope. It could bounce back.

FUKUYAMA: Yeah, it could. But I think there are deeper sources of social change that you can't really address with policy.

MCCLOSKEY: Social and economic change is so unpredictable—it's like trying to steer a car through fog. Maybe you'd better stop driving. But I don't agree with your economic history. It's not true that real incomes have not continued to grow for ordinary people.

WEST: At the same rate as CEOs?

MCCLOSKEY: No. But I don't think envy is a good basis for a society.

DENEEN: Part of what we're acknowledging is that whether you want to call it neoliberalism, or liberalism on steroids, or just liberalism, as it becomes more realized, it becomes unbearable to a lot of people. And it particularly becomes unbearable to those who, whether or not they're twenty-five times wealthier than in the past, know they're a hundred times less wealthy or a thousand times less wealthy than the wealthiest people in their society.

MCCLOSKEY: Why should they care?

DENEEN: Of course they care. It's an offense to their sense of dignity and equality, knowing that their fellow citizens have access to many more opportunities, in terms of educating their children, influencing political outcomes, charting the course of the nation and so forth.

WEST: And then we come back to our Christian perspective, which is: How do we generate contexts in which we can relate to one another as human beings regardless of what our circumstances are, and then tilt toward sharing the wealth? Jesus runs the money changers out of the temple and he's crucified. Why? Not because he hates rich people. He hates *greed.* He loves the poor.

MCCLOSKEY: Yes, he certainly loves the poor and hates greed. But the problem with that vision of sharing resources is that it results in shared poverty. Business is not robbery. Business is inventing stuff that makes customers want to buy it.

IV. THERE'S ALWAYS GOING TO BE AUTHORITY

DENEEN: We have to think about how we construct a market embedded within a political and communal order which allows for the flourishing of human beings, one which doesn't assume that generating wealth for the sake of wealth is its sole purpose, which recognizes that an economy exists to serve human goods and human ends. How do we generate a sense of solidarity that, short of turning us into fortresses, recognizes that the ability of people to recognize who we are probably requires a certain boundedness and respect for cultures and traditions that tend to be eviscerated or undermined or attacked in a liberal order?

FUKUYAMA: There's a living example of a country that does exactly what you are talking about. In Germany, you have an education system in which by the fifth grade you either go into a vocational track or a university-bound track. And it's supplemented by an apprenticeship system that does exactly what you're talking about.

I admire that system a great deal, because it gives dignity to working-class skills. If you want to become a retail clerk in the United States, you go to Walmart, you get two days of training, and then they put you out on the floor. In Germany, you have to take two or three years of classes, and then you get a certificate recognizing that you have completed this apprenticeship. It doesn't necessarily make you a better clerk, but it gives you a certain sense of dignity, right? I think that what you're criticizing is not liberalism; it's a particular American version of liberalism that's always been much more cutthroat and much less respectful.

Take labor-management relations. In northern Europe, you have these broad, cooperative negotiations over wages that apply throughout the economy. It's a relationship built on trust between workers and managers, as opposed to the American system, which is completely adversarial. It's like a zero-sum struggle between capital and labor. You have a zero-sum struggle in southern Europe too. In Italy and France, labor wins, and in our country, management wins. But I think that there are varieties of capitalism and varieties of approaches to these different policy problems that could mitigate some of the problems you're talking about.

DENEEN: But, Frank, you know the tradition from which those arrangements arose. It was Christian democracy, not liberalism.

FUKUYAMA: Of course. Democracy itself has Christian roots, I think. But you don't need actually observant Christians to keep that tradition alive. It's a matter of public policy. Any society is free to dignify labor by implementing policies like that.

At the same time, we're not going to go back to an earlier world in which everybody was a manual worker.

WEST: The danger, though, is how intense the backlash is at the moment, especially against the elites and the technocrats. The backlash is deeply white supremacist, deeply male supremacist, deeply xenophobic, with a deep hatred of us sitting around this table—the professional-managerial class, the elites who will betray them. We might not have that much time. American neofascism may kick in so quickly that we don't have time to deal with these subtle issues.

And that's why we have to ask: How do we attenuate the neofascist backlash? Look at Charlottesville. "Jews will not replace us, blacks will not replace us, women will not replace us." This is the lunatic fringe, but it's moving to the center. That was 2017. Five years later, it's been normalized.

DENEEN: This is not just a problem with American capitalism, and the political blowback that we're talking about is not limited to the United States. Conditions here are maybe particularly fertile for it, but it's happening all over the developed Western world. We're seeing the advance of right-wing populism in Italy, and elsewhere in Europe. We've certainly seen it in parts of Eastern Europe. It's not a uniquely American phenomenon.

And I think it does arise from what Christopher Lasch called the betrayal of democracy by the elites. As Lasch described it, we have a managerial class that sees itself as detached from and no longer bearing responsibilities to those who have not been successful—because it's their fault, they didn't work hard enough.

WEST: Part of our problem, especially in this country, is that we've got some very precious fellow citizens who are thoroughly convinced that the professional-managerial class is dominated by greed and arrogance and condescension and haughtiness and has given up on respecting them as human beings.

All the talk about *plurality* and *diversity* and *equity* and all these bureaucratic categories trying to deal with difference—when it really comes down to it, this class doesn't respect ordinary people. So this multiculturalism within the professional-managerial class, what does it do? It just makes the empire more colorful. It just makes class hierarchy more colorful. And yet the damage is still done—people still feel as if they're pushed to the margins, as if their dignity is being crushed.

DENEEN: This is a sentiment that's expressed on both the left and the right. In *National Review*, Kevin Williamson condemns the people who didn't get out of these backward, broken-down, nowhere places—Steubenville, South Bend, Gary—because they just didn't have the gumption to get up and rent a U-Haul. We're talking about people whose families may have lived there for generations. But he says it was their fault for not renting a U-Haul.

There's a sense that it's your fault if you're a loser in this system, and it's no comfort to say, "Well, you're twenty-five times richer than people two hundred years ago." It's no comfort to these people if they're being condescended to and regarded as objects of contempt by their betters. If you don't want the ugliest form of rebellion that I think we are increasingly likely to see, there had better be a genuine sense of duty and responsibility to these people that doesn't presume that you have to go to Harvard or Yale or Princeton to succeed.

And to be frank, I think this is just liberalism, once again, identifying those who haven't accepted or embraced the ideal of the autonomous individual that has always allowed liberals to define a certain part of the population as existing outside of the liberal circle. It has been Native Americans. It has been African Americans. It has been unborn children.

And now it's increasingly those members, especially of the white working class—though it's not just the white working class—who haven't pulled themselves up by their bootstraps and gotten out of Steubenville.

MCCLOSKEY: Well, I've got tons of suggestions about what to do about that problem. For one thing, help people get out of the areas that are economically unprofitable. And I'm willing to be taxed to do that. What do you think we should do?

DENEEN: We don't abandon these places. We build them back up again. We support people who want to live in their places. We don't say, "Let's raise our taxes so everyone can move." People have a sense of home and belonging, and that's what liberalism can't recognize. That's part of the managerial mindset.

Frank already mentioned some examples from Germany. My father-in-law is a German butcher. His father was a butcher, his grandfather was a butcher. They lived in the same town for generations.

I think often about the state of many German cities right after World War II. They were completely destroyed. Compare those cities in 1945 to some of the American cities I mentioned. These were thriving communities, beautiful places. And look at them now: They look like they lost the war.

Now look at the German cities that were destroyed in the war. Berlin is beautiful. Dresden is beautiful, at least the parts not built by the Soviets. The little towns whose names we don't even know, they've all been beautifully restored. And why is that? Well, it was the Marshall Plan, it was investment in those places. But it was also simply that the Germans cared about those places. They didn't give up on them.

MCCLOSKEY: But we shouldn't give subsidies to places. Here's an example: high streets in Britain have the power to prevent the strip malls that are so characteristic of our country. Now you say, "Oh, isn't that wonderful?" Central Salisbury, it's a beautiful place with a marvelous cathedral. And in the days when they were all Sabbatarians, as you'd like them to be, you didn't shop on Sunday, so what was the result?

Working women, taking care of their families, had to shop on Saturday morning. The owners of high street real estate profited because they could prevent competition. It sounds very nice: "Oh, we have this wonderful home, and this is our home, and we've always lived there." But if you do that, you don't necessarily help the people you're talking about. You don't help the women. You don't help the poor people who would prefer to shop at Walmart.

All your proposals about what to do about this alleged virus called liberalism, all of them without exception are from the Fifties—high tariffs, high transport costs. Putting women back in the kitchen—

DENEEN: Did I say that?

MCCLOSKEY: But Patrick, what's your alternative? There's a wind blowing that gives people hope and gives people a richly spiritual future. As you know, I've written a rather harsh review of one of your books. But I deeply respect your scholarship. I seriously want to know, what's your alternative?

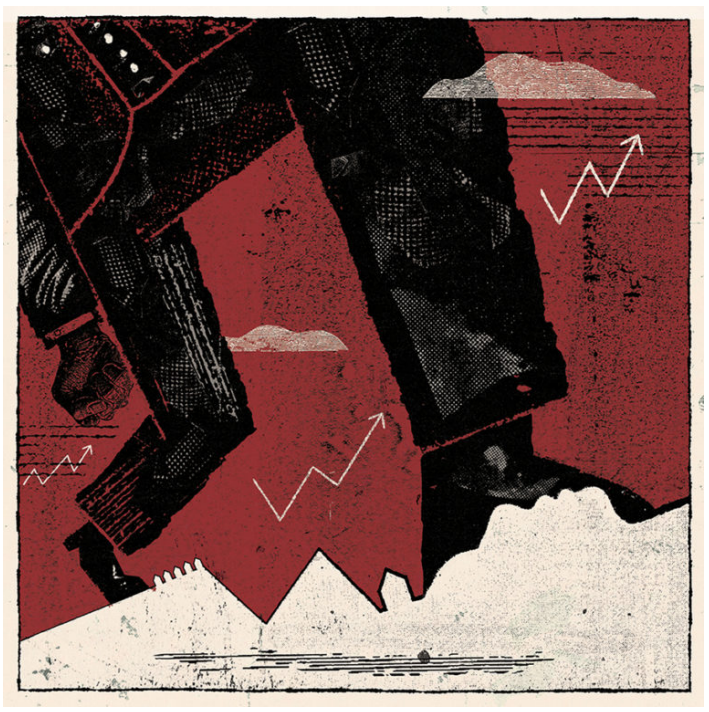
DENEEN: I'll invoke John Dewey here. In a wonderful essay called "Liberty and Social Control," Dewey argues that whenever someone is claiming liberty, power is being exercised on behalf of that liberty. In other words, there is no political system, including liberalism, that does not exercise authority. So then the question isn't, "Is there authority in your system?" It's "What is the purpose for which authority is exercised?" How would we prioritize, say, families, as a matter of public policy, as a matter of national emergency?

MCCLOSKEY: So let's not allow abortion, let's not allow queers, let's not allow—

DENEEN: I didn't say any of that. I said, what would we do to prioritize the formation and strengthening of families in the United States? And the first response from a liberal is always, "Oh, you want to ban queers and abortion." This is the sort of liberal move which claims that if you seek to promote and foster strong families, then you must be an authoritarian. I just began by saying that there's always going to be some exercise of authority.

MCCLOSKEY: Well, I'm appealing to you all. As Lenin said, "What is to be done?"

WEST: You don't begin by laying out policy. You've got to have a broader vision. We've got to look to tradition, and we've got to do so with an attitude of serious critique. Because tradition can suffocate, and tradition can emancipate. Tradition is something you've got to hold at arm's length, but there's no alternative to it. You've got to come out of some set of traditions no matter what.



DENEEN: I keep being challenged about what I want to see. Am I simply appealing to the past? I am appealing to something *in* the past, but it's more philosophical than any particular period of time. And I think you do the same, Deirdre. You invoke Adam Smith; I invoke Aristotle. Not because I think we should live in the fourth century BC, any more than you think we should live in the eighteenth century AD. We find in those resources lessons that we need to relearn today. In the Bible, when St. Paul uses the word "freedom," this doesn't mean freedom from external constraint, the liberty to do as I wish. It means the capacity for self-control and discipline. And I think that's a tradition that we need to reconnect with. This isn't going back; it's going forward. We need to consciously think about living in a world of limits in which we learn to be self-limiting.

MCCLOSKEY: Imagine a world in the last two centuries without liberalism. What kind of a world would we have? We would have frozen hierarchies.

WEST: But liberalism is not the only opposition to hierarchy.

MCCLOSKEY: Come on. As you said before, it was the force that overthrew kings and queens. And that hereditary power was the main sustaining force of hierarchy. Without liberalism there would not have been economic growth, I would argue, of any sort. There would still have been overseas empires—consider Spain and Portugal, which were not great, successful, capitalist empires but ancient ones. We would have a terrible world without liberalism.

V. WHY DID THEY KEEP AT IT?

BEHA: This might be the time to talk about the relationship of liberalism to imperialism. We know that the earliest flourishing liberal societies, the Dutch Republic and the United Kingdom, had vast colonial holdings in which the rules of liberalism did not apply. And to some extent, the economic promise that is at the heart of liberalism, as you've described it, that promise was made good for those people, in part, by way of illiberalism outside of their borders.

MCCLOSKEY: What do you mean? That the exploitation of non-European people made liberal societies rich?

BEHA: Yes, or that it certainly helped.

MCCLOSKEY: Absolutely not. As Mark Twain said, "It ain't what you don't know that gets you in trouble; it's what you know for sure that just ain't so." Everyone knows that imperialism was a big economic advantage for Europe. But it just ain't so.

And the idea that you see in the new histories of slavery, that slavery was what made the United States rich, which is expressed in a glorious and wonderful form in Lincoln's second inaugural, is baloney. It's just not true. If it were true, then the Canadians, who never had slavery, would be poor, and we'd be rich. It doesn't make any sense.

FUKUYAMA: But there is a separate issue from this empirical one about whether imperialism was beneficial or not. It has to do with dignity. Two things have been going on. You have a liberal idea that says that all people have rights and should be treated equally under the law. But then you also have a very restricted understanding of who is a rights-bearing human being. So the big social change has been an expansion of who that is.

Men without property were added in the 1820s. The Fourteenth Amendment theoretically extends this to African Americans, but then it's taken away for another century. Women don't get it until the Nineteenth Amendment. And so forth. That has a counterpart in foreign policy, where this big change comes about because, thanks to Hitler and the defeat of fascism, it becomes impossible for any liberal in Europe or the United States to say, "Yes, we have a right to rule over these non-white people due to their race." If all men are equal, how can you possibly justify, for example, keeping the Philippines as a colonial possession? You can't. So, it is true that liberal societies engaged in essentially racist colonialism. Non-liberal societies did that also. But if you didn't have the liberal idea of human equality, you couldn't have dismantled colonialism.

Liberalism at least planted the seed by stating the aspiration that all people should have equal rights.

WEST: Well, two things. One, we have deep empirical disagreements with our dear sister here in terms of the economics of imperialism. But imperialism is not just about economic exploitation; it's about the expropriation of other people's land. It's about killing them and their children. That's an issue of dignity, and I think we all agree on that.

You're talking about how colonialism gave no benefit. Why did these elites stay in it for so long? If it wasn't in some way in their interest—economic, psychic, spiritual, political, cultural, civilizational interest—why did they keep at it? I think we would all agree that there was an interest there, and then we could debate about the economic dimension of it.

But we can't look at this solely through a European gaze or a white gaze. Black people didn't need white abolitionists to tell them that they wanted to be free. The Japanese didn't need Europeans to tell them that they did not want to be subordinated. People in Africa, indigenous people in other parts of the world, they didn't need Europeans to tell them, "You are worthy rights-bearers; you are human beings." They already knew it. It's the folks with the guns that didn't get the memo.

The same is true for women. Women didn't need the example of other social movements. They didn't have to wait for men to tell them, "You're really human beings. You can get out of these patriarchal households." You had voices saying the same thing forever, but these voices had been crushed. The same is true with gay brothers, lesbian sisters, non-binary and trans people. They've been trying to raise their voices for a long time.

BEHA: One thing we have not yet heard in this conversation, which I expected to hear at some point, is an articulation of the idea of liberal values as universal values. It seems like everyone here is committed to some sense of tradition and cultural embeddedness. But this is the other question that gets back to some things that Frank has dealt with—the view that sees part of liberal progress as exporting this system to other places, with the desire for every society in the world to be structured along liberal lines.

MCCLOSKEY: I want them to be. I think the whole world would be much better off. I think it is the end of history, even if Frank wouldn't use that term anymore.

FUKUYAMA: My view of this these days is completely pragmatic. The United States has gotten into a lot of trouble trying to export these values. We had this period between 1989 or 1991 and 2008 where the United States was just totally hegemonic—military power, economic power, cultural power. And we didn't use that power very responsibly or prudently. The reason I moved to the left is that the two big things that happened in that period, as far as I was concerned, were the invasion of Iraq and the financial crisis, both of which came out of excessive American self-confidence—first, that we could reshape the world along liberal lines using military power, and second, that global financial markets would be self-regulating and make everybody better off. Both of these projects turned out to be big failures.

So I am in favor of being cautious about this export of ideas, because I don't think it worked. There are places where it did work. You bomb Germany and Japan to rubble, you give them a lot of money to rebuild, and you present them with a big enemy in the Soviet Union, and what do you know? Germany and Japan want to adopt your values, and they're very successful in doing that. But you go into Iraq and Afghanistan, different cultures with different levels of development, and it doesn't work so well.

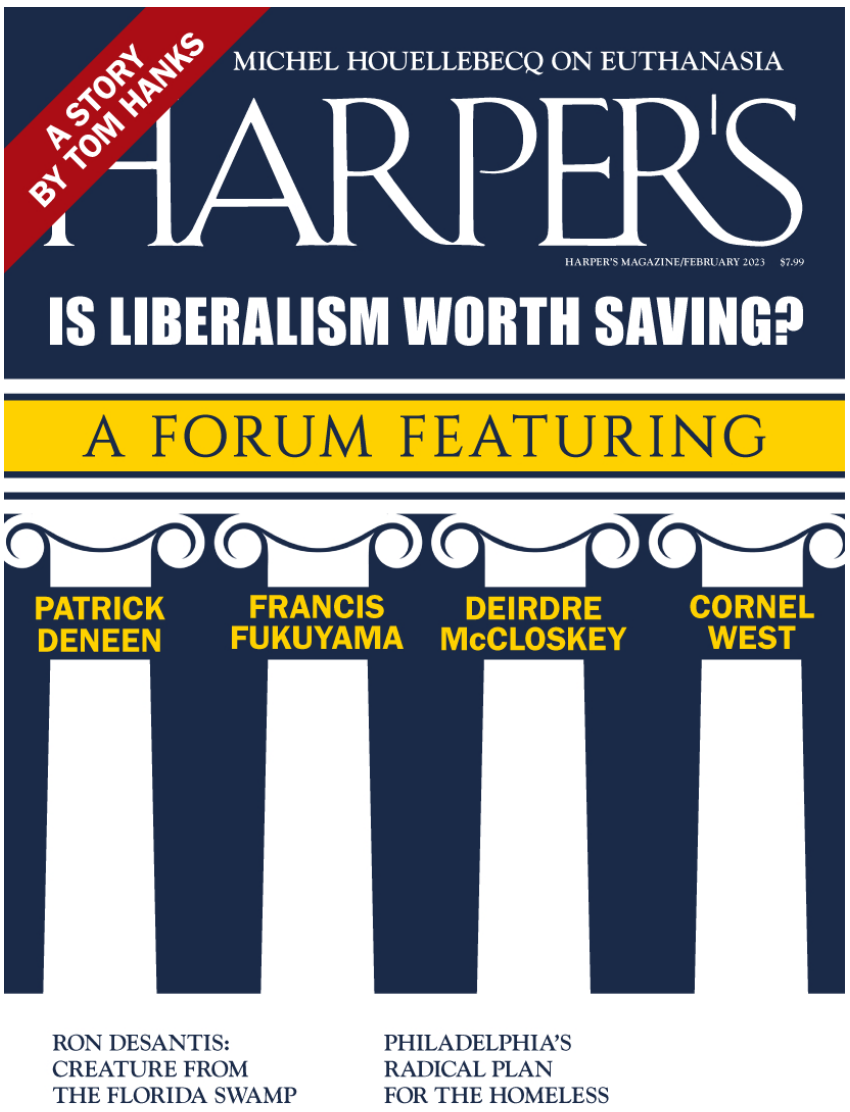
I don't approach this from an ideological point of view. I agree with Dierdre that if everybody respected human rights and thought like liberals, we'd probably have a better world. But that's not the world we live in, and we don't have the power to create it. So we need to be careful.

DENEEN: I don't think the imperial question is off the table. America is a kind of bellwether of the liberal order. We have the most extreme form of market liberalism and the most extreme form of social liberalism, and we're exporting both of those. It's a different form of imperialism. It's a more efficient form of imperialism: a soft, cultural imperialism as well as a financial imperialism, market imperialism. And now we're seeing the political consequences of these extremes—the populist response—becoming increasingly global as well.

WEST: In *Democracy Matters*, I wrote a chapter on the deep democratic tradition. The backdrop of this tradition is the dignity of ordinary people. Each one of them has an equal status in the eyes of something more powerful. They have to undergo education, they have to undergo spiritual formation, they have to develop a sense of civic virtue, but it's their voice. That's a democratic voice, with a liberal dimension. We started this dialogue saying what? Without liberalism as a

prerequisite in terms of rights and liberties, fascism is the alternative; that's it. Let's just be honest about it. But then the question becomes: Are we sensitive enough, and do we have the patience to tease out the resources in our own tradition that can serve as a launching pad for alternatives?

MCCLOSKEY: We Americans can be a light unto the nations—but boy are we far from it.



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