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## How the Light Really Gets In: The Liberal and Bourgeois Deal

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We're rich. Even the very poor in Britain are astoundingly rich by historical standards, some three *thousand* percent better off in food and housing and clothing and health care than the British poor two centuries ago. Economic historians can tell you.

Yes, I agree: the poor, even if much better off, are still poor by our elevated standards, and you and I want to raise them up. But schemes of redistribution, or the impossible goals of equality (What? Equality of height? Equality of intelligence? Of fast-twitch muscles?), don't do it. The Liberal Lady Glencora Palliser (née M'Cluskie) in Anthony Trollope's political novel *Phineas Finn* (1867–1868) declares, "Making men and women all equal. That I take to be the gist of our political theory," as against the Conservative delight in rank and privilege. But one of the novel's radicals in the Cobden-Bright-Mill mold ("Joshua Monk") sees the ethical point more clearly, and replies to her: "Equality is an ugly word, and frightens." The motive of the true Liberal, Monk continues, should not be equality but "the wish of every honest [that is, honorable] man . . . to assist in lifting up those below him."

How? Not by Oxfam calculations of billionaires expropriated to lift up the poor. True, Liliane Bettencourt, the richest woman in the world, the heiress to the L'Oréal fortune, is a jerk to own six yachts and a bunch of chateaux, and to give a mere one half of one percent of her wealth to her so-called charitable foundation. But it turns out that righteous anger, and not so righteous envy, grabbing the wealth of the rich and doling it out, would not much help the poor of the world. One or two percent. One year. Do the arithmetic

What really raised up the poor, and will keep doing so as places like China and India adopt liberal economics, was and is the Great Enrichment, 1800 to the present, that three thousand percent. It was a factor on average

of thirty: ten times better food, thirty times better health care, a hundred times better lighting.

Why, then? The usual explanations follow ideology. On the left, from Marx onward, the key is said to be exploitation. Capitalists after 1800 seized surplus value from the workers and invested it in dark, satanic mills. On the right, from the blessed Adam Smith onward, the trick was saving. The wild Highlanders could become as rich as the Dutch – “the highest degree of opulence,” as Smith put it in 1776 – if they would merely save enough to accumulate enough capital, and stop stealing cattle from one another.

No.

What enriched the modern world was not capital stolen from workers or virtuously saved, nor was it institutions for routinely accumulating it, and it was certainly not government or unions redistributing capital’s income by compulsion. Capital and the rule of law were necessary, of course. But so was a labor force and liquid water and the arrow of time.

What made the capital productive was this or that idea for betterment, proposed by a country carpenter or a boy telegrapher or a teenage Seattle computer whiz. As Matt Ridley puts it, after 1800 “ideas started having sex.” The idea of a railroad was a coupling of high-pressure steam engines with cars running on coal-mining rails. The idea for your lawn mower couples a miniature gasoline engine with a miniature mechanical reaper. Coupling of ideas in the heads of the common people yielded a population explosion of betterments.

Look round your room at the hundreds of post-1800 ideas embedded in it. Carpet woven by machine. Windows larger than any achievable until the float-glass process. Electric lights. Central heating and cooling. Dropped ceilings. Cheap wood screws. Your own human capital formed at college. Your dog’s health from visits to the vet.

The ideas sufficed. Once you have ideas for a screen on the window or for the modern research university, getting the wherewithal to do them is comparatively simple, because they are so obviously profitable.

Why did ideas there and then so suddenly start having sex? Why did it all start at first in Holland about 1600 and then England about 1700 and then the north American colonies and England's impoverished neighbor, Scotland, and then Belgium and northern France and the Rhineland?

The answer, in a word, is "liberty." Liberated people, it turns out, are ingenious. Slaves, serfs, subordinated women, people frozen in a hierarchy of lords or bureaucrats are not. By certain accidents of European politics 1517 to 1789, having nothing to do with deep European virtue, more and more Europeans were liberated. Europeans came to believe that common people should be liberated to have a go. Life, liberty, and the pursuit of happiness, you could say. To put it another way, people gradually came to accept the Bourgeois Deal: Let me have a go, and I'll make *you* rich.

To use another and somewhat surprising word, what came, slowly, imperfectly, was equality. It was not an equality of outcome, which might be labeled "French" in honor of Jean-Jacques Rousseau and Thomas Piketty. It was so to speak "Scottish," in honor of David Hume and Adam Smith, equality before the law and equality of social dignity. It made people bold to pursue trade-tested betterments on their own account. It was, as Smith put it, "allowing every man to pursue his own interest his own way, upon the liberal plan of equality, liberty and justice."

And that's the other surprising word explaining our riches: "liberalism," a word we can now take back from our friends on the American left, who prefer to be called progressives, and restore it to its original meaning, "worthy of a free person." Liberalism was a new idea. The English Leveller Richard Rumbold, facing the hangman in 1685, declared, "I am sure there was no man born marked of God above another; for none comes into the world with a saddle on his back, neither any booted and spurred to ride him." Few in the crowd gathered to mock him would have agreed. A century later, many advanced thinkers like Tom Paine or Mary Wollstonecraft, did. By 1985 virtually everyone did. And so the Great Enrichment came.

The materialist but erroneous discoveries of the nineteenth century were nationalism, socialism, and if you like those, national socialism, all to be applied in the twentieth century with unhappy results. They bore fruit

in Malthusianism, scientific racism, theorized imperialism, eugenics, tests of statistical significance, geographic determinism, slum clearance, Progressive regulation, and a cynicism about the force of ethical ideas. Much of the clerisy mislaid its earlier commitment to a free and dignified common people. It forgot the main, and the one scientifically proven, social discovery of the nineteenth century – which was itself also in accord with a Romanticism so mischievous in other ways – that ordinary men and women do not need to be directed from above, and when honored and left alone become immensely creative. “I contain multitudes,” sang the democratic, American poet. And he did.

The Enrichment proved scientifically that both the social Darwinism of the right and the economic Marxism of the left are mistaken. The genetically inferior races and classes and ethnicities proved not to be so. They proved to be creative. The exploited proletariat was not driven to misery. It was enriched.

New ideas from bourgeois commoners supported by a new liberty and dignity made the Great Enrichment, the most important secular event since we first domesticated wheat and horses. The Enrichment has been and will continue to be more important historically than the rise and fall of empires or the class struggle in all hitherto existing societies. Empire did not enrich Britain. America’s success did not depend on slavery. Power did not lead to plenty, and exploitation was not plenty’s engine. French equality had nothing to do with it. The real engine was the expanding ideology of the liberal plan of equality, liberty and justice.

Economists and historians from left, right, and center can’t explain the Great Enrichment. Perhaps their sciences need revision, toward a “humanomics” that takes ideas seriously.

And policy? As little as is prudent. As Smith said, “it is the highest impertinence . . . in kings and ministers to pretend to watch over the economy of private people.” We can tax ourselves to give a hand up to the poor, certainly. Smith himself gave to the poor with a liberal hand. The liberalism of a Christian, or for that matter of a Muslim or Jew or Hindu, recommends it, yet notes, too, that 95 percent of the enrichment of the poor since 1800 has not come from charity but from a more productive economy.

The leviathan state with its industrial policy or agricultural policy or foreign policy is the highest impertinence. It is not what made us rich in goods and spirit. Words, ethics, ideology did.