

Libertarian Socialism: The Future Of America

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### Abstract

In the book, *Government In The Future*, Noam Chomsky says that currently the government of the United States seems like that of a state capitalism. At first, the United States pursued the classical liberalistic government. As time passed, US government lost its directions, and ended up as state capitalism. However, Chomsky urges that the U.S. government should be changed toward libertarian socialism. After World War II, the United States has become the most powerful country in the world, but capitalists also have gained power. Chomsky warned this to the public in the United States, and suggests libertarian socialism as the right idea for the future of America. This paper reflects research using various books and articles regarding the pros and cons of four different political theories, as well as research on the result of political compass and its application in explaining the reasons for Chomsky's suggestion.

### **Political Compass**

According to the result of political compass test, my political personality is libertarian socialism (The Political Compass, 2015). Libertarian socialism is a combination of anarchism and socialism. When it comes to anarchism, since capitalism's early beginnings in Europe, and it's authoritarian trend of wage-slavery for the majority of people by elite capitalists, there was a libertarian movement in response to capitalism known as "Socialism". In every case, the socialist movement has been divided into authoritarian and libertarian. According to Chomsky, libertarian socialism combines the social equality and workers' rights goals of socialism with the classical liberalism and anti-utopianism of libertarianism; all of these ambitions are tempered by a resistance to nationalism and a tendency to assess domestic policy issues through the lens of international human rights (Chomsky, 1970, 4). In the libertarian socialism society, any authoritarian government and elite capitalist class cannot exist. Furthermore, Chomsky thought that the libertarian socialism is fundamentally right. Also, this theory is the natural extensions of classical liberalism into the current era of healthy advanced industrial society.

### **Classical Liberalism**

Classical liberalism is a philosophy committed to the ideals of limited government, constitutionalism, rule of law, due process, and liberty of individuals. These liberties include freedom of religion, speech, press, assembly, and free markets. In America, liberalism took a strong root because liberalism had little opposition to America's ideals, whereas in Europe many reactionary interests opposed liberalism. From the time of the Industrial Revolution through the Great Depression, liberalism in America saw its first ideological challenges. (Schelesinger, 1962). Classical liberalism tends to be based around the concept of negative freedom. Also, classical liberalists say that society should be constructed in a way to minimize restrictions on the liberty

of the individual, and law should limit the role of state. Furthermore, classical liberalism limited the power source to control authorities. So the high or royal classes of classical liberalism government choose to change the regulation itself to be pros to them. They interpret laws that become possibly beneficial to them, regardless of other ordinaries. It is often knowledge that family income is highly related with crime rates. People call it crime or social justice under the law that has been made with the subjective views of the corrupted ones.

The Executive Director of The Objectivist Center and libertarian, David Kelley, states that classical liberals had a concept of freedom that is entirely at odds with the modern liberal conception (1998). While classical liberals argued for free trade and limited central authority, modern liberals have broadened freedom and human rights to include expanded government authority over property, labor, and capital. Adam Smith argued that in order to best serve human welfare, individuals should be left free to follow their own interests, which were to "sustain life and to acquire goods" and that a government should abstain "from interference in free enterprise, putting checks only on undue strife and competition" (Epstein, 1998, 322). On the classical liberal concept of freedom the Edinburgh Review wrote in 1843: Be assured that freedom of trade, freedom of thought, freedom of speech, and freedom of action, are but modifications of one great fundamental truth, and that all must be maintained or all risked; they stand and fall together (Mill, 1895).

### **Libertarian Socialism**

Libertarian socialism operates on with the philosophy that there should be limited government intervention blended in with socialist values of common wealth. Nicholas Vrousalis describes this as there being two principles in libertarian socialism; "...the principle of effective

self-ownership (promising substantive autonomy), and the principle of joint ownership in the means of production (promising substantive equality of condition)” (219).

With the self-ownership, he is implying that there is limited government intervention when it comes to the private sector. By the joint ownership, Vrousalis wants the people to have equality in wealth. “These principles define the rights that people would have over their person and the external world in a just socialist society” (211). When one is able to conduct business as one pleases and the society is determined to share the wealth so that no one would have to deal with the staggering effects of poverty, libertarian socialism is in full effect and creates what would be a utopia. What it would effectively mean is that no person would have to sacrifice life or work for others no matter whether it was to be caused by circumstances or third parties? Hence, every person should be, required by the law, provided with living, food, shelter, and all basic necessities of life (Vrousalis, 2011, 213). The government would have to provide for each person’s standard of living and to do so, the people of the country would strive to work harder because they want to increase the standard of living in the country.

Whilst people would argue against this theory that no society would be able to sustain this due to the selfish nature of people and thus there needs to be a strong central government that regulates, G.A. Cohen states, “All he asserts, and brilliantly demonstrates, is that self-ownership need not be in itself inegalitarian: it only becomes inegalitarian when conjoined with some inegalitarian premise about world ownership” (Vrousalis, 2011, 214). Inegalitarian means inequality between the people, and Cohen states that the people would not turn selfish and ruin the perfect balance created by libertarian socialism because, “In circumstances of joint ownership, libertarian self-ownership would ... be rendered virtually worthless, since one would be permitted to consume any bit of food or water or move, stand, or rest on any bit of land only

with the collective permission of all” (Vrousalis, 2011, 214). Since the people have the power, and not the government, and the people get to decide what happens, the scenario where selfishness ends the balance can be ruled out.

Another faction could argue that libertarian socialism would not work because the people would not be encouraged to work and strive for greatness since there is joint wealth. This would effectively destroy the society because no one would strive to accomplish anything. However, Vrousalis states that, “libertarian socialism may actually incorporate incentives for individuals to actively participate in common life and produce jointly with others—and for others—without recourse to strong altruistic assumptions” (219). It is difficult to imagine a society where people work coherently to better the life of all in the society. It is easy to imagine, however, that an individual would strive harder to accomplish more if it meant it would better the living condition of the individual. Since the people living in libertarian socialism would work together in order to better the life of themselves and the people that are less fortunate would, of course want to reimburse the kindness given by the society, there would be more than enough incentive for one to work harder in order to better the society.

Libertarian socialism would also bring equality to the state. Libertarian socialism rejects the idea that every person had the equal opportunity to realize one’s full potential. The capitalists view that one is successful because one tried harder, and the other did not simply try. However, people are brought up in different backgrounds and more times than not it is difficult to jump an economic status quo. Cohen states that, “that we cannot enjoy full community, you and I, if you make, and keep, say, ten times as much money as I do, because my life will then labor under challenges that you will never face, challenges that you could help me to cope with, but do not, because you keep your money” (Vrousalis, 2011, 224). With equality in opportunities and the

society, therefore, getting more people with potential to accomplish greatness, it would in turn create a society that would accomplish more than a society that does not practice libertarian socialism.

A perfect example of a society that functions well under libertarian socialism is Sweden. Socialism in Sweden began in the 1840s with, “The 'socialism' promoted by this journal consisted in low rates of interest and an ample supply of capital that would increase demand for work and thereby lead to increased wages” (Hansson, 1995, 37). When hearing of the word, socialism, people generally tend to think of its synonym, communism, and, therefore, consider it a failing economic policy. However, the libertarian socialism set up by the Swedish government proves that the ideals behind libertarian socialism are solid and if performed well, are foolproof. Sweden has yet to experience economic sufferings, and the citizens are willing to contribute towards the common good.

### **State Socialism**

State Socialism is an economic policy where the government takes control of the production and distributes it as the government pleases, usually amongst the high-ranked officials. However, as was the Soviet Union, the people lost incentive and desire and the whole system failed to be effective. What happened in the Soviet Union is that the people were motivated to work for their own interests yet, there is no room for individual interest in state socialism and thus the amount of production fell. When the people realized that their hard work was not being distributed back to the community but rather the government divvies it amongst them, it ended up in a revolt and the USSR was dissolved.

Mill and Spencer were one of the main proponents of a fight against socialism. Their viewpoint was that the liberty of an individual would be curtailed, or reduced greatly, in

socialism. The reason why Mill and Spencer viewed as such was that since the individual would not have the power to pursuit of personal happiness. Mellock was also in the same viewpoint in the sense that he believed when the people did not have individual interest of collecting personal property, the people would have to be forced to work, not be willing to work. Mellock believed that this would be the reasoning behind the downfall of individuals and the system altogether. Another person that agrees with the above viewpoints is Sir Irkson, stating that the natural influence of socialistic theory has resulted in the suppression of the powers of human beings. Since the government and not the people hold the power and get to decide what to do with the production of the people, the society would have many conflicts within and most certainly would crumble over time (Pooja, 2014).

The examples of state socialism can found throughout history. State socialism is what would be associated closely with Communism as it is derived from the scientific principles of Marxism. This means that socialism cannot be held together by constitutional means. Some countries that have practiced this economical policy were the Soviet Russia, China, and North Korea. As it was with the countries previously mentioned, socialism is never peacefully enforced, rather socialism is brought in by a regime after a revolution of sort. The reasoning behind a why a peaceful resolution and socialism cannot coexist is because the private sector and the people would be unhappy. The cause would be simple, not only would it be difficult to nationalize the industries by payment of compensation, but the people would see their work benefit only the ruling party of the regime. Thus, it would ultimately result in the functions of the state marginally increasing, which would bring about inefficiency within the state (Pooja, 2014).



### State Capitalism

State capitalism can be loosely defined as having a strong central government and having the individual be able to accumulate all the wealth that one has earned. Ian Bremmer, the author of, *The End of the Free Market*, says that “economies in which the state is the principal actor and judge, and uses the markets for political gains” (The Rise...2010). In free-market economies, such as that of the United States, multinational corporations would be the main actor.

Bremmer describes the start of state capitalism as, “...the collapse of Eastern European and Soviet Communism drove a stake through the heart of the argument that governments could generate national prosperity through direct and active management of national economies.” (Bremmer, 2010). By having the government backing up the conglomerates in the private sector, these powerful companies could grow in power as they emerge in a hostile takeover over the small competitors. The government would gain profits as well through tax and regulating these companies. As the “Washington Consensus”, or liberal economic theories, caught on in Europe, the world trade blossomed. “Between 1980 and 2002, world trade more than tripled. The costs of doing business—especially in transportation and communications—fell sharply.” (Bremmer, 2010).

However government intervention can of course cause problems in the economy. Bremmer points out, “...state control can create inefficiencies, such as in Venezuela, where the state oil company is now much less productive than it was before the government took it over” (The Rise...2010). It is due to the taxes and the regulations that a strong central government would enforce to the private sectors that would lead to these demises. Although the Washington Consensus was once efficient in bringing world economy to new heights, Bremmer suggests that, “However in the next five to 10 years, Bremmer says, the U.S., Japan and Europe will be too

busy climbing out of economic holes — created by high unemployment and government debt to formulate a strategy to confront the growing power of state capitalism” (The Rise...2010). This would be due to the elite one percent getting richer and the middle class and the lower class suffering due to it. State capitalism brings to the table what is known as “elitists”. What happens is that the huge corporations and their lobby works to the government make regulations and sanctions that would benefit them. The government of course would benefit from these large corporations and thus creating an unfair structure for the small businesses in the society. Lastly, Bremmer points out that, “When your principal actors are multinational corporations in the private sector and they rely for their growth on unfettered access to global markets, and state capitalist systems don't do that, you are going to have a problem. And we are just at the beginning of that problem” (The Rise...2010). Bremmer points out the reasons why state capitalism would bring problems to the table and how it would bring to an end of an effective economical policy for the country.

### **Conclusion**

Currently, in the process of making left libertarianism from right libertarianism, it's not difficult to notice rampant factionalism and sectarianism in United States' Politics. As Chomsky said, the United States have not developed the cultural and moral resources, or the democratic forms of social organization that make possible the humane and rational use of our material wealth and power (Chomsky, 1970, 13). Not that I want to go back to old times when our ancestors weren't able to do lots of things what we are doing right now, but I consider that current technology is making us to rely on it too much, much more than we need to. There are some fruits and rewards that we can get only from the sweat of the labor works and these are

hidden by the blue-collar curtain. Highly comforted life leads us to the society that we have to fight to say “no” but looks so easy to say just “yes” to the common opinions.

Considering the pros and cons of the four political theories, only that of the libertarian socialism could guide the United States to a brighter future. Limited government intervention blended in with socialist values of the commonwealth will create a better America. However, it would also take an excruciating effort to reach libertarian socialism. The U.S's future depends on the choices great citizens that will soon have to be made.

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