

Why do intellectuals reject the virtues of capitalist markets?

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Why are intellectuals more hostile than other groups to capitalism? This question was raised in an essay by the late Robert Nozick, the American libertarian philosopher. Both the assumption on which Nozick's question is based and his answer, are relevant to what passes for intellectual life in Ireland.

Nozick doesn't pretend to establish the fact that intellectuals are more hostile than most to market solutions in any rigorous way. Presumably it was an observation based on his experience of being relatively isolated as a libertarian in the notoriously collectivist groves of academe.

Nevertheless, by 'intellectuals' he means a category wider than academics, to include all those who in their vocation deal with ideas expressed as words, shaping the word flow others receive mainly in the media, academia and the public sector. So 'intellectuals' might even include some journalists, a hypothesis yet to be confirmed.

I don't doubt that Nozick's basic assumption applies to Ireland; public discourse here rarely explicitly acknowledges the virtues of market order, and the political values which underpin it. Any grudging concession of the wealth-creating capacity of markets is inevitably followed by much stronger warnings as to their limits, dangers, and often immorality.

This, it should be emphasised, is not because of a lack of technical training in economics on the part of intellectuals, nor is it anything to do with evidence.

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As to the first point, the virtues of the market are fundamentally about ethics: the value of individual liberty in its own right, and the close connection between economic liberty and political liberty. These issues were understood long before the technical apparatus of modern economics appeared and we do not need that discourse to establish the ethical force of market order.

As for evidence, Nozick thinks that it is a mistake to ascribe the disproportionate hostility of intellectuals to capitalism to their unique critical capacity towards the world around us, in contrast to the dumb acquiescence of lesser mortals. Apart from the overwhelming evidence of the enormous contribution to human happiness which markets have made, in Ireland it is certainly the minority advocates of the market who stand out as contrarian and more critically aware in the face of an unthinking collectivist consensus.

More than this, it is striking when particular arguments about capitalism are dealt with factually, the intellectual opponent shifts the ground to some other imagined complaint, without end. For Nozick, this is a strong symptom of extremism, which betrays some underlying, deeper animus to capitalism, irrespective of the facts as we experience them.

This, by the way, is very reminiscent of some elements of the anti-Nice campaign: on the fringes of what is a broad church, there are clearly some who are not persuadable by any reasonable account of the Treaty or its impact, but who have an underlying agenda of hostility to the internationalist and progressive values which it embodies.

But back to those intellectuals who are not sound on the market question. Nozick speculates that this boils down to a hostility born of the school system, in the following ways. The reward structure in schooling is one which privileges intellectual merit. Intellectuals have typically excelled in this environment, and all is well, until schooling ends, and the world outside is encountered.

The world outside operates other rewards systems, and in particular accords success to those who satisfy the demands of their fellow citizens for goods and services in the market. In general, this will have nothing to do with intellectual merit.

To the dealer in ideas, this is a profound disappointment, and a source of resentment and even fear. The school standards may have been challenging, but they were predictable, and achievable, but the mere demands of other people are unpredictable. They appear to be arbitrary whims: thus the com-

mon identification of market systems with anarchy, with chaos, or with the 'law of the jungle. The ordered liberty of markets is no mystery to consumers and producers, but it is another country to our disorientated intellectual.

Nozick speculates further that intellectuals have also made the psychological connection between justice and a benevolent central planning authority, which was the school system and its hierarchy of teachers and exam boards. They contrast this with the more market-like and unjust arena of the playground, which rarely applauds the apparently objective merit of grades. One might extend the argument in that the existence of a minority of pro-market intellectuals is explicable in terms of those lucky few blessed with both academic adequacy and the social graces.

What is especially wonderful about Nozick's argument is that he makes no attempt to test it empirically. He has the philosophers licence to consider only the internal logic of the argument, and leave the facts to others. One imagines that the offence which the argument might naturally engender amongst well-read lefties is part of a desired therapeutic effect.

But what, as Lenin said, is to be done? To abolish schools, or at least exams, might seem a bit extreme. On the other hand, our economic future is clearly in peril. The option of blacklists, witch-hunts and show trials would be endlessly entertaining, but perhaps a bit expensive, at least until we deregulate the legal profession.

What is always a good bet in social science is to call for more research on the topic in question. It might be appropriate to select a sample of unduly bright children to tag and perhaps barcode, so that we might track both their intellectual development and attitudes to capitalism.

Danger signals would include an aversion to Ryanair, over-use of words like 'partnership', 'solidarity' and 'we', and an unhealthy need to engage in sporting activities merely for the sake of taking part, as opposed to winning at all costs. Appropriate therapy for children at risk of going pink might then include day trips to the Competition Authority and Moore Street, to inculcate the virtues of the market, or compulsory viewing of RTE output, as irrefutable evidence of the downside of socialism.

Above all, we need to be calm about this: while some intellectuals may hate the market, the market cannot hate them back: it just wont pay them.

http://www.aidankane.net/writingsetc/2002_kane_markets.html