

Review of: "Liberalism Caused the Great Enrichment"

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Potential competing interests: No potential competing interests to declare.

Reviewed by **Mark Thornton***

The subject of this paper is the most important issue in the history of humanity. Specifically, how did we escape from a life that is nasty, brutish, and short and establish an upward trajectory of prosperity, population, and life expectancy? The fortunes of humanity, including the development of social man 10,000 years ago, had previously risen and fallen based on the weather, but those types of twists, turns, and trends do not explain what the author dubs the "Great Enrichment."

Social scientists have brought forward every possible tool, material, natural condition, and technological development to try to discover the cause of enrichment. Indeed, each subperiod of this era of prosperity has its own star cause: the division of labor or the assembly line, large amounts of labor or capital, or new means of transportation, power, and communications, and of course technological shocks to everything from the genetic modification of seeds to the deployment of advanced computing devices.

With a canvas as large as the globe and as deep as human history, the author can dismiss all the usual suspects: factories, international trade, steam power, railroads, etc. as having insufficient independent impact on prosperity, to explain the vast improvements on the scale analyzed here. However, they are good candidates for shorter run economic, political, and institutional changes—the zigs and zags, or segments of the explosive upward trajectory to the trend that began a couple of hundred years ago.

The author's contention and argument is that the ideology of liberalism is the fundamental cause of the Great Enrichment, a sharp rise in the standard of living that makes all previous human history pale in comparison. Liberal ideology arose to crush aspects of class-based society, e.g., slavery and kings, and replaced them with liberal institutions. Liberal policies displaced government in favor of the market, e.g., free trade replacing protectionism.

Readers will find it difficult to believe that such a dramatic and unprecedented development in human history could boil down to a matter of our state of mind. However, this mind is unencumbered by the dictates of the ruling elites and has cast off the envy and jealousy of zero sum thinking. Therefore, this mind is free to think for itself, to be creative, develop plans, to perceive the potential rewards, and to attempt to fulfill them.

This bourgeois mindset begins with the individual's freedom, ownership of property, and entering the circulation of the market: buying and selling, reading newspapers, engaging in your community, such as your church or crime control. This breeds personal responsibility, thinking about others, and recognizing the importance of others to yourself.

Liberalism assigns the rights of the individual to the individual so that they can pursue their self-interest and maximize

their utility given the parameters of their environment. More importantly, it provides the incentives, wherewithal, and constructive environment in which the individual can be creative and change the world. The liberal mind tends to be open to change, fair minded, adaptable to opportunities, and creative. This is the author's "special sauce" in the recipe analogy or afterburners for the rocket analogy.

I find this paper acceptable for publication because of the monumental importance of the topic, its good method and execution, and the vitality of its results. It examines a historical global phenomenon that is little known or understood by the human population and is not even on the agenda of most academics who study economic phenomenon. Certainly, the cause of 'enrichment' is not well understood as a phenomenon that would otherwise be considered miraculous and supernatural if it had in fact not occurred. The author even includes a section attempting to translate the message of the paper for those trained and focused on the mainstream's perspective.

Because this phenomenon is not well understood, our attempts to nurture and protect it are prone to error, even catastrophic error. While Liberal ideas have existed throughout recorded history, it was only a few hundred years ago that liberal thinkers begin to cluster in places such as Spanish and Italian monasteries, the cities of Holland and Scotland, and the salons of Paris. Exploration of the globe, factories, science, and the arts were launched, achieving heights never seen before. Feudalism and Mercantilism faded and the government, with its wars, taxes, debts, and protectionism, were identified as the enemy of the people. Most importantly, it was first recognized that individuals could be independent of the class system and that the economy is well regulated, if not better regulated by market forces.

The one thing that I would note is that the author tends to limit the use of "capitalism" to utility and production maximization subject to existing constraints. This capitalism is simply part of liberalism, but liberalism also encompasses the cultural and philosophical aspects of the free, classless, and open society. The resulting ideology sees no personal loss from another's gain. It sees an ever-increasing scope of improvements and is eager to accept the resulting increase in workers and customers, as well as longer life expectancy.

While the author does not dismiss the importance of counting in economic history, the general argument indicates that number counting can be very misleading with respect to the bigger questions. The author also does not dismiss but embraces the role of ideology as a key component of liberalism and creativity. Finally, while the author is not constructing a natural rights argument, it is clear that the basic proposition of the paper can be easily derived from the nature of man.

I wish the author luck with this paper and a thousand more like it. The message of the paper needs an army of academic writers, popularizers, fiction writers, preachers, teachers, entrepreneurs, and parents to spread the message. While it's hard to imagine what sustained liberalism will bring about, turning our ignorant backs to its message can bring about war, calamity, primitivism, depopulation, and even extinction.

The author's quest is not a threatening competitor for the producers and purveyors of economic history or the history of economic ideas. It is a critique, but its also a huge clue! I for one have been digging for artifacts that are clues to the realization of ideas that are the building blocks of Liberalism.

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