Summary and Keywords

Liberalism in politics is associated with nonauthoritarianism, the rule of law, constitutional government with limited powers, and the guarantee of civil and political liberties. A liberal society is tolerant of different religious, philosophical, and ethical doctrines and allows individuals to freely form and express their conscientious convictions and opinions on all matters and live according to their chosen purposes and life paths. In economic terms, liberalism is associated with an unplanned economy with free and competitive markets, as well as private ownership and control of productive resources.

The basic institutions that are characteristic of a liberal society are constitutionalism and the rule of law; equal basic rights and liberties; formal equality of opportunity; free, competitive markets with private property in means of production; government’s obligation to provide public goods and a social minimum; and the fiduciary nature of political power to impartially provide for the public good. Liberals interpret these basic institutions differently. Classical liberalism regards extensive property rights and economic liberties as basic, while libertarians see all rights as property rights and as absolute. High liberalism regards economic liberties as subordinate to personal and political liberties and subject to regulation, with redistribution of income and wealth to mitigate gross inequalities and provide all citizens with adequate resources to guarantee the worth of their basic liberties and opportunities.

Keywords: Liberalism, constitutional democracy, basic liberties, freedom of conscience, freedom of expression, equality of opportunity, free markets, economic liberties, capitalism, distributive justice
Introduction: Liberalism’s Key Ideas

Liberalism is here understood as a group of related political, social, and economic doctrines and institutions. In political thought, it is associated with nonauthoritarianism, the rule of law, constitutional government with limited powers, and the guarantee of civil and political liberties. A liberal society one that is tolerant of different religious, philosophical, and ethical views and wherein individuals are free to entertain different doctrines, express their conflicting beliefs and opinions, and live their lives according to their chosen projects and life paths. In economic thought, liberalism is associated with an unplanned economy with free and competitive markets, as well as private ownership and control of productive resources. In international relations, liberalism extends its proclivity toward freedom and tolerance by advocating freedom of trade and cultural relations, idealism instead of realism, international cooperation and institutions rather than isolationism, and soft power instead of power politics. (This is not to say that liberal governments are consistent in realizing these ideas in practice.)

Certain values, principles, and ideals are connected with social, political, and economic liberalism: liberty, of course, but also equality—of basic liberties, opportunity, and the civic status of citizens. Also associated with liberalism are tolerance, impartiality, fairness, consensus, noninterference, nondiscrimination, free choice, entrepreneurship, and private property. To justify their position, liberals appeal to such abstract values and ideals as human dignity, equal respect, the moral equality of persons, autonomy, the public good, the general welfare, consent of the governed, diversity, human progress, and individuality.

Various interpretations and priorities are assigned to these values and ideals by those who define themselves as liberals. So naturally a wide array of different (and in many respects conflicting) political, social, and economic doctrines and positions can be called “liberal.” It has been said that liberalism is an essentially contested concept (Ryan, 2014, p. 23); and that liberalism is not so much a single doctrine as a set of debates about the interpretation of liberal values (Appiah, 2005, p. ix). Nonetheless, different “liberalisms” endorse in some manner most, if not all, of the values and ideals just mentioned.

Liberalism is also a debate about how to interpret and structure certain basic social and political institutions that all liberals normally endorse: constitutionalism and the rule of law, equal basic rights and liberties, equality of opportunity, free competitive markets and private property, public goods and a social minimum, and the public nature of political power and democracy. (See below, *HISTORICAL BACKGROUND TO LIBERAL POLITICAL PHILOSOPHY*.)

Liberalism is often contrasted with conservatism, but the two are not diametrically opposed. Liberalism’s emphasis on personal freedom contrasts with traditional conservatism, which supports a strong, if not authoritarian, state that enforces one or more religions, as well as customary norms regarding the family, sexual morality, the subordinate role of women, and traditional values of community. (Scruton, 2002). But the
contrast between liberalism and conservatism breaks down within modern conservatism, which is partly defined by the economic policies of 19th- and 20th-century “classical liberalism.” These policies mainly include government’s laissez-faire attitude toward economic markets and its enforcement of strong private property and contract rights. These measures largely define the official position (if not always the practice) of the contemporary Republican Party in the United States since Ronald Reagan’s presidency in the 1980s, and also of the Conservative Party in the United Kingdom during the Margaret Thatcher era.

This discussion begins with a brief history in ‘Historical Background to Liberal Political Philosophy’ of liberal political, and economic philosophy, focusing on the seminal works of John Locke, J. S. Mill, Adam Smith, and other formative figures. ‘Basic Liberal Institutions’ addresses the basic political institutions and practices that characterize a liberal society. ‘Three Liberalisms and Economic Justice’ discusses three main schools of liberal thought: classical liberalism, libertarianism, and the high liberal tradition, and their positions regarding economic justice. The primary differences among these positions center on their conceptions of the rights of private property, the scope of economic liberties, and the requirements of economic justice in the distribution of income and wealth. ‘Liberalism, Distributive Justice, and Arbitrary Contingencies’ addresses contingencies and the role of luck in the three liberalisms’ respective accounts of distributive justice. ‘Philosophical Background of the Three Liberal Traditions’ briefly discusses the main philosophical justifications offered for these three positions. ‘Political Liberalism’ focuses on political liberalism and the public justification of liberal institutions among citizens who hold different and conflicting religious, philosophical, and moral doctrines. Finally, ‘Critics of Liberalism’ briefly discusses some of the main criticisms of modern liberalism.
Historical Background to Liberal Political Philosophy

In politics, the term *liberal* was first applied in 1814 to the *liberales* members of the Cortes, or Spanish parliament, who advocated constitutional rule and restoring customary liberties. Similarly, in 1830s France, "*un libéral*" was anyone who opposed the restoration of the *ancien régime* and favored constitutional government (Fawcett, 2015, pp. 7–8). From the 1850s until the 1920s, the Liberal Party was one of two major parties in Britain, and the term now is used by dozens of political parties throughout the world that are center-left, center, and center-right in their policies. These parties generally share a political commitment to civil rights, representative democracy, and free economic markets with private ownership. Most major political parties in Western liberal democracies, including the United States and United Kingdom, are liberal in this broad sense, even if they seek to avoid the term. In American politics, for example, *liberal* is a term reserved for the center-left Democratic Party and its policies, or progressive parties farther left, like the Green Party, while Republicans insist that they are conservatives and use *liberal* as a term of abuse, even though they are the party of classical economic liberalism.

Although *liberal* and *liberalism* are relatively recent terms in politics, the family of ideas that define the liberal tradition in political thought originated in the 17th century with Dutch and English thinkers (Baruch Spinoza and John Locke, among others). These theorists not only rejected absolute monarchy (as others did), but also advocated the rule of law, a government limited to performing specific functions, the independence of religion and government from each other’s control, and the freedom of exercise and toleration of different religious persuasions. Religious toleration grew out of the Wars of Religion that waged over much of Europe for nearly 200 years, beginning with the Protestant Reformation in the early 16th century.

Locke is an especially important philosophical figure in the history of liberalism. He argued for at least three basic institutional arrangements that typify a liberal society: religious toleration and freedom of religion, the rule of law within a constitutional government with limited functions, and robust private property rights.

Religious Toleration, Constitutional Government, and the Basic Rights of Citizens

Locke argued in *A Letter Concerning Toleration* (1689) that it is not government’s business to concern itself with religious salvation and the condition of individuals’ souls. "The care of souls does not belong to the Magistrate [but] is to be left unto [every man’s]
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self” (Locke, 1983, p. 35). Government should be limited to performing certain functions: protecting individuals’ lives, liberties, and possessions and promoting the “Publick Good.”

Locke said, “the business of laws is not to provide for the truth of opinions,” but instead to provide “for the safety and security of the commonwealth and of every particular man’s goods and person” (Locke, 1983, p. 46). Individuals’ religious beliefs cannot be compelled; “they must be left to their own consciences” (Locke, 1983, p. 38). Religion should be a voluntary association, and different religious persuasions should be tolerated. “Neither Pagan, nor Mahometan, nor Jew ought to be excluded from the civil rights of the commonwealth because of his religion” (Locke, 1983, p. 54). Still, for Locke, atheists were not to be permitted to propagate their views, since in denying God’s existence, they also deny the bonds of human society and the bases for toleration itself. Liberal toleration, for Locke, has its origins in religious belief.

Equally influential in the history of liberal thought is Locke’s argument in the 2d Treatise on Government (1679) that “all men are naturally . . . in a State of Perfect Freedom, to order their actions, and dispose of their possessions” (Locke, 1988, p. 269). In this regard (though not in their claims to property), “all Men by Nature are equal”; they have “an equal right [to] Natural Freedom, without being subjected to the Will or Authority of any other Man” (Locke, 1988, p. 304). Locke also says that it is a “Law of Nature” that “being all equal and independent, no one ought to harm another in His Life, Health, Liberty, or Possessions,” and that, being God’s “Property,” all have a duty to preserve themselves and “the rest of Mankind” (Locke, 1988, p. 271, 375; see also Waldron, 2002). For Locke, like most other 17th- and 18th-century liberals, natural rights and duties are justified ultimately by theological premises, including our duty to comply with God’s natural laws because He created and continually sustains us.

Locke infers from the equal right to natural freedom that no one, including government, can gain political jurisdiction over us without our consent. This means, first, that to be legitimate, political power must be grounded in a figurative “social compact” among society’s members, which requires their elected governments to respect the natural rights of their members, to preserve “all the Members of Society,” and to make laws “only for the public good” (Locke, 1988, pp. 330–333, 375, 268, 342). Second, to be politically obligated to bear allegiance to a regime, we must individually give our “express consent” to join and become a member of its political society. Otherwise, insofar as we enjoy the benefits of a regime, we give our “tacit consent” to obey its laws and comply with the requirements that it imposes on residents (Locke, 1988, pp. 346–348). Moreover, in any case, our political obligation to bear allegiance is valid only so long as a regime remains legitimate, in that it could be contracted into starting from a position of natural freedom and equality in a state of nature (Rawls, 2007, pp. 122–137).

Locke’s consent thesis originated the liberal or natural rights theory of the social contract, later refined by Immanuel Kant and developed in a more democratic direction by Jean-Jacques Rousseau in the 18th century (Kant, 1999; Rousseau, 1987). The fundamental idea of the liberal social contract is that no government is just or legitimate
unless it could have been contracted into by free and equal persons who are rational and morally motivated, starting from an initial position of equal right and equal political jurisdiction. John Rawls’s liberal-democratic social contract theory in A Theory of Justice (Rawls, 1999A) is the culmination of this tradition. Social contract doctrine is one of the main philosophical justifications of liberalism.

David Hume criticized Locke’s ideas—that government derives its legitimacy from a social contract and that everyone subject to political power must give their express or tacit consent to it—as irrelevant, if not impossible, conditions to meet (Hume, 1985A). Our duties of allegiance to government and to obey its laws, Hume argued, are based not in consent or an actual or figurative social contract, but in their tendency to promote “public utility,” or the general happiness of members of society (Hume, 1902). Starting with Hume, utilitarianism has provided an alternative grounding for liberalism and liberal institutions. His argument that the “conventions of justice”—including property, transfers by consent, and contracts and agreements of all kinds—have their origins in public utility was especially influential in laying the basis for the justification of liberal free market capitalism (discussed later in this article) (Hume, 1902, ‘Of Justice’).

During the 18th-century Enlightenment, the liberal ideas of constitutionalism and inalienable rights against government were further developed and took hold, especially in the American colonies, together with Montesquieu’s arguments for the separation of powers to prevent despotism and Hume’s advocacy of a balance of powers to neutralize political factions (Montesquieu, 1989; Hume, 1985B). These ideas were taken up by the Declaration of Independence (1776), justifying the American Revolution, and by the U.S. Constitution (1789) and its Bill of Rights (1791). Arguments for toleration and freedom of conscience were also expanded during the Enlightenment in a more secular direction (by Kant, Rousseau, and many others) to defend not only freedom of religion, but also the freedom to endorse and express different philosophical and ethical worldviews, including antireligious views.

Another product of the Enlightenment was the seminal idea of autonomy and respect for persons as moral equals, which Kant developed as the foundation of his moral and political philosophy (Kant, 1999). He was inspired by Rousseau’s arguments for social equality and his claim in The Social Contract: “Moral liberty, which alone makes man master of himself [is] obedience to the law one has prescribed for oneself” (Rousseau, 1987, p. 151). The German liberal philosopher Wilhelm von Humboldt subsequently developed an idea of individual autonomy (Humboldt, 1993), which in turn strongly influenced J. S. Mill’s On Liberty, discussed next.

**Mill on Liberty and Individuality**

Mill’s On Liberty (1859) is widely regarded as the most significant testament of modern liberalism. Herein Mill sets forth his now famous “principle of liberty” (Mill, 1991A, p. 14):
The only purpose for which power can be rightfully exercised over any member of a civilized community, against his will, is to prevent harm to others. His own good, either physical or moral, is not a sufficient warrant.

Interpretations of Mill’s principle vary. What does he mean by “harm”? Later in On Liberty, Mill clarifies “harm” by saying that we ought not to engage in conduct “injuring the interests of one another; or rather certain interests, which . . . ought to be considered as rights” (Mill, 1991A, p. 83). But which rights and interests are these? Mill clearly thought that each person had interests in “the essentials of human well-being,” which he says are security of one’s person and possessions, and “freedom of pursuing his own good” (Mill, 1991D, pp. 195–196). Are there other important interests that individuals have, the protection of which would justify restrictions on conduct? What about the interests protected by zoning laws, or coercive taxation to provide for public goods such as infrastructure and public education, or social welfare measures that maintain everyone’s basic health and welfare? It seems that Mill thought these are legitimate interests, judging from remarks he makes elsewhere.

Whatever Mill intended by his “harm principle,” he is explicit that the principle of liberty primarily protects three broadly defined classes of liberties. First is “the inward domain of consciousness,” which requires freedom of conscience, liberty of thought and feeling, and “absolute freedom of opinion and sentiment on all subjects.” Second is “liberty of tastes and pursuits,” the freedom to frame and pursue a “plan to life to suit our own character.” Third is freedom of association, the “freedom to unite for any purpose not involving harm to others” (Mill, 1991A, pp. 16–17). As for economic freedoms and the freedom to use one’s property as one chooses, he later says that the principle of liberty does not include the economic liberties that are part of “the doctrine of free trade,” since “trade is a social act” that affects the interests of others (Mill, 1991A, p. 105). He argues that free trade is justifiable on separate grounds (namely, public utility), but that public intervention in trade is necessary to prevent harms such as fraud and the adulteration of products, to maintain sanitary conditions, and to protect working people in dangerous occupations (Mill, 1991A, pp. 105–106). Here and elsewhere, Mill, though he generally supported free competitive markets and private ownership of means of production, departs from classical liberal and libertarian interpretations of the principle of liberty that would assign laissez-faire property rights and economic liberties the same fundamental status as the more basic liberties that he aims to protect.

How does Mill justify his principle of liberty? He says that he makes no appeal to “abstract right,” only to utility, but not utility narrowly construed in classical utilitarian terms of pleasure or the satisfaction of desires. Instead, it must be “utility in the largest sense, grounded on the permanent interests of man as a progressive being” (Mill, 1991A, p. 15). To clarify these “permanent interests,” Mill introduces the idea of “Individuality,” which is, he claims, the greater part of individual utility (Mill, 1991A, chap. 3). Individuality consists of “self-development,” especially in the exercise of our higher human capacities, together with “self-government” of our actions and pursuits according to requirements of justice (Mill, 1991A, pp. 69–70). As such, individuality presupposes the basic liberties that
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Mill claims are implicit in the principle of liberty: liberty of conscience, freedom of thought and expression, freedom of tastes and pursuits, and freedom of association. Also among the conditions of individuality and required by justice are representative democracy and the social equality of women (Mill, 1991B, 1991C). These and other basic institutions of a liberal society are instrumental to individuality and other “permanent interests” that we have, which constitute our good as “progressive beings” (Mill, 1991A, p. 15). Mill’s liberalism is ultimately grounded in a kind of ideal (or quasi-perfectionist) utilitarianism.

Property Rights, Economic Freedom, and Distributive Justice

Another central idea associated with liberalism is that individuals enjoy robust property rights against all the world (including their governments) in their homes, land, and other possessions, and have the freedom to use their property productively and freely exchange the product of their efforts with others. In the 17th century, Hugo Grotius, Samuel Pufendorf, and most notably John Locke argued that property rights are “natural,” in that they exist independent of governments, and even prior to them potentially, in a “state of nature” that is without political rule (Locke, 1988, chap. 5). The role of the fictional state of nature in Locke was to show the natural rights that all persons hold, independent of political society, and that are to be guaranteed and protected by it. These include property, both in our persons and also in land, its resources, and other material things. The 17th-century idea of natural property was later contested by David Hume, then by Jeremy Bentham, J. S. Mill, John Rawls, and many other liberals, all of whom regarded property as an “artificial” (Hume’s term) social and political convention. Even though most liberal philosophers no longer accept the idea of natural property, or even natural rights in the traditional sense, they generally do accept that government’s authority to regulate or restrict the productive use and exchange of property is limited to measures necessary to protect others’ rights and promote the public good, including economic efficiency. Natural property continues to play an important, if not defining, role in orthodox libertarian views, as defended by Robert Nozick, Eric Mack, and others (Nozick, 1974; Mack, 2010).

Even more influential than the idea of natural property was Adam Smith’s advocacy in The Wealth of Nations (1776) of “the system of natural liberty,” (Smith, 1976B, p. 687) including free competitive markets with careers open to talents, or free choice of occupation and the formal opportunity to compete for open positions (Rawls, 1999A, p. 57). These institutions, together with strong private property and contract rights, provide the core of classical liberalism, the 19th-century doctrine of laissez-faire economic rights and liberties, and self-regulating markets. Classical liberalism is associated with the economic liberalism of the classical economists, starting with Adam Smith in the 18th century and continuing with David Ricardo, Thomas Malthus, and others (including J. B. Say in France) in the 19th century, with J. S. Mill being a transitional figure who laid the foundation for the high liberal tradition. Friedrich Hayek and Milton Friedman are major
20th-century representatives of classical liberalism, along with James Buchanan and the Virginia School of public choice theory, Gary Becker and other members of the Chicago School, Ludwig von Mises of the Austrian School of economics, David Gauthier and Gerald Gaus among contemporary philosophers, and Richard Posner and Richard Epstein among legal scholars.

Most 19th-century classical liberals, especially in Great Britain, were utilitarian and justified laissez-faire capitalism by appealing to Smith’s idea of the “invisible hand” of the free market (Smith, 1976A, p. 304; Smith, 1976B, p. 456). This is the doctrine that the self-interested pursuit of economic advantage by individuals under competitive conditions of free economic exchange and strong property rights should result in economic outcomes that are beneficial to society as a whole, and presumably to everyone within it as well. This mutually beneficial order originates as if by an invisible hand, in that it appears to be the product of someone’s intentional design but in fact arises spontaneously without anyone planning it, as the unintended consequence of everyone pursuing their private interest for their own economic advantage. In the 19th century, Smith’s “system of natural liberty” came to be known as capitalism, partly as a result of Karl Marx’s well-known critique of the capitalist system.

Although they regarded markets as largely self-regulating, Smith and the classical utilitarian economists thought that government could regulate free market activity when necessary to guard against gross inefficiencies. Government should then restrict such practices as price fixing and collusion, monopolies, cartels, and other concentrations of market power that destroy economic competition. Moreover, Smith emphasized, government should provide for “public works,” or public goods that benefit everyone to some degree, but which markets are incapable of adequately providing: namely, national defense, police protection, the judicial system for resolving disputes, highways, dams, ports, canals, water and sewage systems, street lighting, public health measures, universal elementary education, and so on (Smith, 1976B, pp. 687–688, 723–814).

One of the major sources of disagreement among liberals is how to define the scope and extent of the public good. In the late 19th and early 20th centuries, especially during the Great Depression, a progressive wing of liberalism evolved, influenced by the high liberal tradition of political thought, and conjoined with capitalism an expansive conception of the public good and the general welfare. John Dewey was then the major American philosopher arguing along these lines (Dewey, 1999; Ryan, 1995). Progressive liberals argued that government has an obligation to provide not only for public health and basic education, but also social insurance that protects everyone against the accidental contingencies of market downturns and other misfortunes, and also the guarantee of a social minimum that meets their basic needs (for housing, nutrition, health, unemployment insurance, old age pensions, family allowances, etc.). Capitalism in the 20th century in the United States and Great Britain was then conjoined with the welfare state and the idea that society has a positive duty, not simply to protect personal and property rights, but to provide adequately for the welfare of all members of society.
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Welfare state capitalism was endorsed by most of the major political parties after the Great Depression in Western liberal democracies. (The exception was European socialists, who argued for public ownership of the means of production.) Even modern classical liberal theorists, such as Friedrich Hayek and Milton Friedman, accepted that a social “safety net” (Hayek, 1960, pp. 285), or “minimum income” (Hayek, 1979, p. 55), or “subsidy” in the form of a “negative income tax” that sets “a floor below which no man’s net income . . . could fall” (Friedman, 1962, pp. 191–192) are a part of the public good in a free society. Such public assistance for the sake of “providing a minimum level of welfare” is not to be confused with “egalitarian redistribution” (Hayek, 1960, p. 289) or “a just distribution of incomes” (Hayek, 1979, p. 55), which are ideas that classical liberals (and libertarians) generally reject. The social safety net and welfare state came under attack politically beginning in the 1980s, especially in the United States, where classical liberalism has increasingly given way in the Republican Party to the distinctly American doctrine of libertarianism.

On the opposite side of the liberal spectrum, the high liberal tradition in political philosophy has provided the philosophical justification for liberal progressivism and the welfare state. Its most distinctive feature is distributive justice, an idea that initially evolved out of the 19th-century socialist criticism of laissez-faire capitalism. The main idea behind high liberal conceptions of distributive justice is that there are standards by which to assess the just or fair distribution of income and wealth in any society, and that these are independent of the distributions that result from the exercise and consensual transfer of robust private property rights within an efficient free-market economy. These standards are often egalitarian to some degree, at least in the sense that they impose limits on permissible inequalities of income and wealth. Moreover, high liberal standards of distributive justice all require that societies have duties to at least adequately, if not fully, meet the “basic needs” (Rawls, 1993, p. 7), or “basic capabilities,” (Nussbaum, 2007, pp. 76–78) of all citizens (which liberals may interpret differently).

Liberalism and Constitutional Democracy

A central feature of liberalism is its commitment to abstract ideals of the dignity and moral equality of all persons. These and related ideas underlie the liberal commitment to social equality, in the sense of the equal basic rights and liberties of all citizens and the formal freedom of all to own property, contract with, and enter into economic relations with others (a kind of equal opportunity). But the relationship between liberalism and democratic government took much longer to evolve than did liberalism’s commitment to personal freedoms and formal economic rights and liberties. Although Locke held that the form of the constitution or government is to be determined by “the consent of the majority” (Locke, 1988, p. 98), he did not intend to endorse democratic government with a widespread franchise, but advocated instead for a constitutional monarchy with a representative parliament that is to be elected by a privileged minority of (white) propertied males. This was the Whig Party’s official position in Britain until their gradual
expansion of the franchise, beginning with the 1832 Reform Act to “male persons” owning a household worth 10 pounds. The franchise later was expanded under the Tory Disraeli in 1867 to part of the urban male working class in England, then to male agricultural workers under the Liberal Gladstone in 1884, and to most women and all men in 1918.

Further complicating liberals’ relationship with political democracy and rule by a majority of citizens was Jean-Jacques Rousseau’s advocacy of direct democracy in The Social Contract (Rousseau, 1987). Leaders of the French Revolution purportedly relied upon his Social Contract to justify government by a popular national assembly, which soon collapsed, and then circumstances degenerated into the Reign of Terror. This reinforced classical liberals’ suspicion of the dangers of the demos and democratic rule. For this and other reasons, the classical liberal utilitarian Jeremy Bentham opposed democracy along with natural rights early in his career, (Bentham, 2002) only coming to accept representative democracy late in life. “Of this constitution,” he says, “the all-comprehensive object, or end in view, is, from first to last, the greatest happiness of the greatest number.” (Bentham, 1983, p. 18). J. S. Mill famously argued for representative democracy and a universal franchise, largely on grounds that granting all citizens, male and female, the right to vote and participate in politics is the most effective form of government to protect individuals’ interests and their liberties (Mill, 1991B). But even he did not advocate equal voting rights (giving equal weight to everyone’s votes); instead, he suggested a plural voting system, where the votes of those with higher education (rather than greater wealth and property holdings) counted for more than those with little or no education (Mill, 1991B). It was not until the 20th century that all liberals came to endorse a universal franchise with the right of women to vote and a representative democracy that guarantees equal political rights, or “one person, one vote.”

As they do with respect to other basic social and political institutions, contemporary liberals also disagree about the scope and limits of democratic government, especially regarding the permissible regulation of economic freedom by legislative means (discussed next). Classical liberals generally regard constitutionally limited democratic rule as the least dangerous form of government since it divides and disseminates political power among citizens who have conflicting social, economic, and individual interests. But given their commitment to laissez-faire economic liberties and the “invisible hand,” many classical liberals, following Friedrich Hayek, would constitutionally limit the powers of democratic majorities to interfere with the workings and distributions of capitalist market relations. One of the tenets of classical liberalism is that political rights and liberties have less intrinsic importance than personal and economic liberties. As a means for preserving liberty and justice, a constitutional democracy is “probably the best form of limited government” Hayek says, (1960, p. 116), but only if the will of the majority is limited. Moreover, Hayek says, restrictions on the franchise, such as excluding all government servants and recipients of public charity from the right to vote, are not necessarily inconsistent with equality before the law (p. 105).
Progressive liberals, by contrast, regard democratic government with equal political rights of participation as a requirement of social equality and therefore as important as equality of basic personal liberties. Equality of political rights and preserving their “fair value” for each citizen is, Rawls argues, one of the primary conditions of maintaining each citizen’s sense of self-respect as an equal person. (Rawls, 1999A, pp. 477–478)

Moreover, a constitutional or parliamentary democracy is a positive good that educates citizens sense of justice and enables them to deliberate about and vote their conceptions of justice and the public good (Rawls, 1999A, pp. 194–206; Cohen, J., 2010, chap. 5). Other progressive liberals argue similarly that equal concern and respect for the dignity of persons require democratic government with equal suffrage, counting citizens’ votes equally, and minimizing the influence of wealth inequality on the democratic process. (Dworkin, 2006; Waldron, 1999)

### Basic Liberal Institutions

#### Constitutionalism and the Rule of Law

Liberals generally endorse a presumption of liberty of the person, which means that there must be good and sufficient reasons for limiting individuals’ liberty. (This ultimately seems to be the main point of Mill’s “harm principle.”) This presumption informs the liberal position that there are constitutional limits on the powers of government and that government is restricted to performing certain specific functions. The legitimate functions of government consist, above all, of securing and protecting individuals’ basic rights and liberties and establishing and maintaining the rule of laws sufficient to these ends. Government also has the role of securing the public good, enabling citizens to pursue their happiness and well-being. The public good is understood by liberal utilitarians and other welfarists primarily in terms of promoting the general welfare, including social stability and economic efficiency. Or the public good might be regarded primarily as establishing social and economic conditions needed for individuals to effectively exercise their rights and liberties and take advantage of equal opportunities (as Kantian views maintain). For libertarians, governments’ proper role is limited to protecting individuals’ personal and property rights against infringement by others and enforcing legally valid contracts and other consensual transactions (gifts, bequests and inheritances, etc.).

#### Basic Rights and Liberties

The liberal presumption of liberty requires that government have legitimate reasons for restricting individuals’ liberty. Mill’s principle of liberty says that “self-protection” and preventing “harm to others” are the only legitimate reasons to restrict individuals’ liberty.
But since Mill allows for restrictions on property rights and the regulation of commerce and free trade for reasons of efficiency and social utility, his definition of harm is rather broad when economic liberties are at issue.

This suggests that all liberties are not on a par for liberals; some are more important than others. Freedom of religion, for example, is generally regarded as more important than the right to commercially use one’s property however one pleases, the right to bear arms in public, to launch private drones or satellites, or the alleged right (endorsed only by the most unshakable libertarians) to go fully unclothed in public places. As Mill and Rawls held, there are certain personal rights and liberties that are more basic than others and are of fundamental political significance. These basic rights and liberties are the institutional preconditions for individuals to freely form their opinions and conscientious convictions, take advantage of existing opportunities, and pursue their most important values and life purposes. Basic rights and liberties impose institutional limits upon a society’s pursuit of other social values, including economic efficiency, the general welfare, the will of democratic majorities, and limiting inequalities of income and wealth.

None of the basic liberties that liberals endorse are absolute, but they are fundamental, in that the reasons for limiting their exercise must be to protect other basic liberties and maintain essential background conditions for their effective exercise. For example, freedom of speech and expression can be limited when it imminently endangers others’ safety or falsely destroys their reputation, but not simply because the ideas expressed are found to be offensive by large majorities of people. Or freedom of association can be restricted if two or more persons are engaged in criminal conspiracy, but not because the majority disapproves of their radical political opinions or consensual sexual practices.

Liberal basic liberties are also generally regarded as inalienable: they cannot be given up voluntarily or legally transferred permanently to anyone else. This does not mean that certain basic liberties, such as freedom of association and of movement or the right to vote, cannot be forfeited during imprisonment for serious crimes. But no genuinely liberal government would enforce a legal contract in which a person sold himself into permanent servitude, alienated his freedom to change religions, or sold his right to vote. Liberalism assumes that equality of basic rights and liberties is the institutional expression of the dignity and moral equality of persons. For the liberal state to enforce individuals’ attempts to alienate their basic liberties is to deny not only their equal civic status, but also their dignity and moral equality as persons.

Which rights and liberties do liberals generally agree have this special status? The personal liberties that J. S. Mill sets forth as part of his principle of liberty are accepted as basic by all liberals. These consist of the liberties necessary to protect “the inward domain of consciousness,” including liberty of conscience, with the free exercise (or disavowal) of religion and conscientious ethical beliefs; and freedom of thought, expression, inquiry, and discussion regarding all subjects. Freedom of association is also a liberal basic liberty: it is necessary to freedom of conscience that people be able to unite and share ideas with others of similar conviction. Moreover, freedom to associate is
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a condition of establishing valuable human relationships of love, friendship, fellowship, and social cooperation. Freedom of the person is the freedom to form and implement one’s tastes and engage in the activities that one enjoys and the pursuits that make up one’s life projects. It includes freedom of occupation and choice of careers, freedom of movement, and the right of privacy against government and others’ intrusions. The right to hold personal property exclusively is also part of freedom of the person, since control over personal belongings and of one’s living spaces and possessions is essential for individuals’ independence and their self-respect (Rawls, 1993, p. 298). Added to these personal liberties are the basic rights of security and integrity of the person and the rights and liberties protected by the rule of law (due process, right to fair trial, etc.). Finally, though not seen as a basic liberty by classical liberals until well into the 20th century, liberals today accept a representative democratic government with universal franchise. All citizens should enjoy equal political rights and liberties, including the right to vote, hold office, and participate in political life.

Liberals generally accept these personal and political liberties as basic, though they may disagree regarding the relative importance of personal liberties versus political liberties. For example, many socially conservative liberals hold that guaranteeing the value of religious freedoms or freedom of expression should take priority over the effective exercise and maintaining the value for each citizen of their equal political liberties. Thus, any political imposition on religious beliefs is seen by social conservatives as a restriction of freedom of religion; for example, the “Obamacare” requirement that employers provide their employees with health insurance (including contraception) was held by the conservative majority on the U.S. Supreme Court to be an unlawful burden on religious employers’ spiritual beliefs. Also, limitations on campaign finance contributions and expenditures that are designed to maintain the “fair value” of citizens’ equal political liberties (as per Rawls, Dworkin, and others) are regarded by classical liberals as a restriction on freedom of speech (as held in the U.S. Supreme Court cases Buckley v Valeo and Citizens United v. FEC).

But where liberals primarily disagree is with respect to the nature and status of economic rights and liberties, including the extent of freedom of contract and of rights to accumulate and control private property in land, raw materials, and other productive resources, both tangible and intangible. Classical liberals and liberal libertarians regard robust economic liberties as being on a par with the basic personal liberties listed here, and of greater importance than political liberties. I discuss this major source of disagreement below in \textit{Free Competitive Markets} and at greater length in \textit{Three Liberalisms and Economic Justice} and in \textit{Liberalism, Distributive Justice, and Arbitrary Contingencies}.
Equality of Opportunity

Liberals generally endorse some idea of social equality, at least in that they reject a rigid inherited class structure and a politically effective aristocracy with inherited titles of nobility. Moreover, all liberals now hold that occupations, offices, and social positions should be at least formally open to all individuals who meet the qualifications. The classical liberal idea of “careers open to talents” requires at a minimum an absence of legal restrictions that prohibit individuals from qualifying for educational and employment positions because of their race, religion, ethnicity, gender, and other irrelevant characteristics. An absence of such legal restrictions on offices and positions is known as formal equality of opportunity (Rawls, 1999A, p. 62), and exhausts the requirements of equal opportunity for many, though not all, classical liberals. More progressive liberals contend that more than simply an absence of legal prohibitions on groups’ access to positions is required for equality of opportunity. Society should provide all its members, regardless of the economic class they are born into, with sufficient educational resources and training opportunities that they are able to compete for positions at all levels. Moreover, on some accounts, access to health care is also a condition of equality of opportunity. Rawls (1993, p. 184) regards rights to education and health care as necessary if a society is to achieve fair equality of opportunity among all its members. The idea that society has a duty to seek to realize, as closely as possible, equal chances of success for all its members—perfect equality of opportunity—is generally rejected by liberals, since, among other reasons, it would require restricting freedom of association within, if not eliminating altogether, the institution of the family in order to neutralize the unequal advantages and disadvantages that families bestow.

Free Competitive Markets

A free and competitive market economy is characteristic of liberalism. The allocation of factors of production, including labor, is largely to be settled by competitive markets, not by government planning, except in cases of government provision of public goods (which can be quite substantial, given the costs of national defense, police protection, infrastructure, and public education). Markets and the price system are important for liberals generally since they normally provide the effective allocation of productive resources and so promote the efficient production of goods better than nonmarket schemes. They also provide further protection for freedom of occupation and choice of career and freedom to decide where and for whom one may (apply for) work, which are already basic liberties on any account. But in addition, the liberal commitment to free markets supports to a large degree freedom of economic contract and free enterprise and entrepreneurship, including the freedom to start one’s own business and pursue economic opportunities. These economic liberties, though generally accepted by high liberals, may not be considered basic by them, which means that the economic liberties
can be regulated for reasons other than protecting others’ basic liberties; on the other hand, classical liberals assign these and other economic liberties a near-basic status, restricting them only occasionally to avoid gross economic inefficiencies (e.g., price collusion or certain monopolies on supply).

The central role of markets in allocating productive resources and labor is a basic precept of all liberal views. Characteristic of classical liberalism is the further idea that markets also play a **distributive role**: market distributions of income and wealth realized under competitive conditions provide the basic standard for just distributions. This assumes that individuals have a fundamental right to their property holdings, which includes a right to whatever income they can gain by market exchange or by gift and bequest, subject to paying their proportionate share of taxes to maintain the legal system and pay for public goods.

The classical liberal idea that people have a vested right to whatever income and wealth they can acquire by market exchange is rejected by the high liberal tradition. A basic tenet of high liberalism is that all citizens, as a matter of justice, have a right to an adequate share of material means to cover their basic needs so that they are suitably independent and capable of governing and controlling their lives and taking advantage of their basic liberties and fair opportunities. The high liberal tradition thus envisions a right to a **social minimum** that goes beyond the charitable classical liberal safety net and that is to be guaranteed and determined by democratic political institutions.

### Public Goods and the Social Minimum

Liberals generally envision a prominent role for government in the provision of **public goods**—such things as national defense, public health and sanitation, police and fire protection, highways, street lighting, ports and canals, waterworks and waste disposal, education, and so on. Public goods in the economic sense are goods that normally benefit (most) everyone, but are not adequately provided by free markets, if they are provided at all. Markets break down with respect to the provision of certain goods because of their indivisibility, which means that individuals can enjoy the benefits of these goods whether they pay for them or not. Liberals generally accept that one of government’s primary roles is to exercise its powers of taxation to provide public goods or to pay for their provision through private means. The provision of public goods is one standard argument that liberals give for political authority and the need for government. Even were everyone predisposed to respect others’ moral rights and obey their requirements, there is still a need for political authority to coordinate people’s activities so that public goods are provided. This argument goes back to Hume and is given prominence by Smith. (See Smith, 1976B, on “public works,” pp. 135ff., 651, 681ff.)

Classical liberalism is associated with the doctrine of **laissez-faire**. But to the classical economists, **laissez-faire** did not mean the complete rejection of government’s redistributive powers and acceptance of the so-called “night-watchman state” (Nozick,
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1974, p. 26). Instead, laissez-faire mainly implied an absence of government intervention on the side of allocation of productive factors, as well as noninterference with markets except to maintain their fluidity (Gray, 1986, p. 27). The role of government in providing public goods, and even in alleviating dire economic distress, was affirmed by Adam Smith and subsequent classical liberals, and also by Kant (1965, p. 93). Milton Friedman and Friedrich Hayek regarded alleviation of the effects of dire poverty by a social “safety net” (Hayek, 1960, p. 285) as a kind of public good, so long as the safety net was not so generous as to discourage people from paid employment (Friedman, 1962, p. 191). Still the classical liberal safety net is not regarded as a requirement of justice, but rather as a duty of public charity or as a matter of public prudence. Hayek, for example, argued for a “minimum income” on essentially Hobbesian grounds, in order to avoid “great discontent and violent reaction” by the destitute, who otherwise would have to take any measures necessary to obtain the means of subsistence (Hayek, 1979, p. 55).

By contrast, high liberals regard an adequate social minimum to be a matter of right required by justice. As such, its level is not to be balanced or traded off against other public goods or determined by considerations of economic efficiency. Instead the social minimum is to be decided by reference to what individuals must have to live a life in which they can not only meet their basic needs, but also effectively exercise their basic liberties, and take advantage of social opportunities.
The Public Nature of Political Power and Political Democracy

The final primary feature of a liberal society is not captured by any single institution, but characterizes liberal institutions generally. It is the principle that political power is the exercise of a public power, to impartially issue and uniformly enforce general rules that apply to everyone and that benefit the public and all its members. To say that political power is a **public power** means that political power is foremost a **fiduciary** power, held in trust by those who exercise it, and which is to be impartially exercised on behalf of and for the benefit of the body of citizens ("the people"), and only for their common good.

Contrast the doctrine of divine right, argued for in support of absolute monarchy. According to Sir Robert Filmer’s *Patriarcha* (1680), political power is the private property of the Crown. It applies within the territory governed and also owned by the Crown and extends over all the inhabitants within it. Political power is exercised according to its sovereign owner’s will, without impediments or regulation by worldly authority (even if the Crown has duties to God to exercise power judiciously) (Filmer, 1991). The liberal idea of the rule of law evolved to reject this claim that anyone’s conduct can be beyond legal restriction. The rule of law, representative assemblies (elected and nonelected), separation of powers, and the convention that government acts solely as representative of the people are all institutional expressions of the public nature of political power. Democracy, or a universal franchise with equal rights of political participation, is a natural extension of this idea. For if what affects all concerns all, and assuming that adults are normally best situated to understand and advance their own interests, then it is reasonable to conclude that each person ought to have a share of political authority, to better ensure that no one’s rights are undermined or interests are neglected in political procedures. Characteristic of contemporary liberalism, then, as we’ve seen, is open democratic rule, a natural extension of the public nature of political power. The combination of liberalism with democracy gave rise to **constitutional democracy**, which is largely a 19th- and early-20th-century accomplishment.

Three Liberalisms and Economic Justice: Classical Liberalism, Libertarianism, and the High Liberal Tradition

Liberals primarily disagree regarding the nature and extent of economic rights and liberties, including property rights, especially in productive resources. These differences govern liberals’ interpretations of the other basic institutions of a liberal society just discussed, including equality of opportunity, the scope of democratic rule, the social minimum, what counts as a public good, and the size of the social minimum.
Progressive liberals, or advocates of the high liberal tradition, generally accept a presumption of economic liberty in the allocation and use of productive resources, primarily to achieve freedom of occupation and choice of workplace, and also economic efficiency so that labor and capital can be productively employed. Their greater confidence in the role of free markets in allocating factors of production distinguishes high liberalism from the social democratic positions typical of northern Europe, which are more inclined to resort to greater government supervision and planning of economic development and investment in major industries. But like social democracy, high liberalism is also inclined to (a) limit economic freedoms of contract and property rights in order to protect workers’ against occupational hazards and maintain their prerogatives (e.g., protection of labor union rights, support for codetermination rights of labor); (b) mitigate concentrations of wealth and market power to neutralize the effects of wealth on politics and promote effective if not equal political influence of all citizens; and (c) redistribute market income and wealth to provide more public goods (education, infrastructure, public health, etc.), as well as a robust social minimum that goes well beyond meeting the subsistence needs of the poor. High liberals are prepared to provide fully adequate, if not equal, health care, educational, and retraining opportunities for citizens throughout their lifetimes, as well as income or wage supplements, unemployment insurance, child care allowances, mandatory parental leave, social security pensions, and other social insurance measures typical of the modern liberal-democratic welfare state. These and other public benefits are regarded, not as public charity, but as requirements of justice.

By contrast, classical liberals see most if not all of these benefits as private rather than public goods and hence individuals’ own responsibility, at least once secondary schooling is complete and basic subsistence needs are met. Moreover, provisions for public education, subsistence needs, and old-age pensions that classical liberals such as Hayek and Friedman recognize are not regarded as political rights that are guaranteed by social justice, but rather as public goods at best, similar to public health and security measures, or as public charity. Many classical liberals, following Hayek, reject the ideas of social and distributive justice as a “mirage,” an illusion that is cultivated by leftists who purport to be liberals but who in fact are more inclined toward socialist redistribution and social planning than toward a “free society” (Hayek, 1976; Scruton, 2015; contrast Tomasi, 2012, claiming that capitalism realizes “social justice.”)

Classical liberals like Hayek reject the idea of social or distributive justice because it suggests (to them) an independent standard or pattern of distribution by which to assess and reallocate distributions of income and wealth reached by consensual transfers of property via market transactions or by gifts, bequests, and other means. Individuals have property rights to any income, wealth, or other possessions that they acquire by consensual transfers from others who rightfully own them, with the qualification that they have paid their debt to the state for all legally recognized taxes that they owe and that
are needed to pay for necessary government services and legitimate public goods (Hayek, 1976). This is the classical liberal standard for the just distribution of income and wealth.

Classical liberals’ parsimony in redistributing market outcomes arises from their robust conception of private property rights and economic liberties. Classical liberals normally hold that the economic liberties either are or resemble basic liberties in that they can be restricted only for extraordinary reasons. Unlike other basic liberties, classical liberals normally allow that freedom of contract and rights of property can be limited in special cases to maintain economic efficiency and competitive markets. But classical liberals reject the high liberal presumption that market or other consensual distributions of income and wealth can be reallocated to mitigate gross inequalities or otherwise meet some pattern or end-state of distribution (such as equality, rewarding each according to effort, promoting maximum average utility, or maximal welfare or resources for the disadvantaged). (Hayek, 1976; Gaus, 2011)

Differences regarding the nature and extent of economic freedoms affect liberals’ understanding of the other basic institutions of a liberal society. Classical liberals, for example, have a more restricted conception of the public good, and hence of government’s role in the provision of public goods. For example, there is greater resistance among classical liberals to public support for postsecondary education, public housing, investment in medical and scientific research, national parks, and so on. There is also greater confidence in free markets and private exchange to address social problems and issues than in government’s capacity to do so. Moreover, classical liberals regard the safety net as a social burden—a kind of necessary evil designed to quell the demands of the poorest unable to provide for themselves. By contrast, high liberals see the less advantaged—whether impoverished or not—as entitled to a social minimum that is fully adequate to meet their basic needs and enable them to effectively exercise their basic liberties and take advantage of society’s diverse opportunities.

Orthodox libertarians, by contrast, deny that government has any role to play in providing for basic human needs, or even public goods. They argue for a minimal state (if any state at all) limited to protecting personal and property rights, enforcing contracts, and resolving disputes. Libertarianism, as used here, means primarily the doctrine argued for by Robert Nozick, as well as accounts by Jan Narveson, Murray Rothbard, John Hospers, Eric Mack, and others (including perhaps Ayn Rand, though she rejected being categorized as a libertarian). Libertarianism is often regarded as a form of (classical) liberalism, and some who are in effect classical liberals call themselves ‘libertarians’ and vice versa (see Brennan, 2012). Classical liberals who adopt the term libertarian liberal are usually nonutilitarians and nonwelfarists, regarding individual freedom or autonomy as the fundamental political value.

The term classical liberal libertarian may be applied to these philosophers, but it is important to distinguish them from orthodox libertarianism, which is a distinct and unique view. In its purest form, orthodox libertarianism regards economic liberties, especially property rights in the broadest sense, as being not simply on a par with other
basic liberties, but even prior to them and the original source of all other rights and liberties. For orthodox libertarians, all rights and liberties, whether in one’s person or in other things, are regarded as property rights (Rothbard, 1977; Narveson, 2001). This follows from self-ownership, the most fundamental right that individuals have according to most libertarians. All persons are born with absolute rights in their own person and are not subject to the will of anyone else except by their own consent. “The idea of libertarianism is to maximize individual freedom by accounting each person’s person as that person’s own property.” (Narveson, 2001, p. 175) Absolute ownership of oneself purportedly extends to absolute ownership of unowned things that one either creates by one’s labor or initially appropriates by first possession (Nozick, 1974, pp. 174–178).

Moreover, for pure libertarians, any and all rights and liberties that we own are morally on a par and may be used, transferred, and disposed of however one chooses, so long as others’ rights are not violated. This means in effect that no rights or liberties are more basic or morally important than any other. Also, if property in one’s person is absolute, then the exercise of one’s rights and liberties are not to be restricted for any reason except to protect others’ rights (as libertarians define them). Liberty and the exercise of one’s absolute property rights cannot then be restricted or regulated for the general welfare or the public good, nor to pay for the provision of public goods, nor to prevent or compensate harm to others (such as environmental harm or paying for disaster relief) that does not include violation of their rights. It goes without saying that income and wealth cannot be legally redistributed to fund a safety net or social minimum that alleviates others’ poverty, distress, misfortune, or ill health.

Perhaps most notably, unlike classical and high liberals, orthodox libertarians regard freedom of coercively enforceable contracts as being so fundamentally important that it overrides the liberal restriction on the inalienability of basic liberties, thereby allowing a person to alienate some or even all of his basic liberties, including freedom of the person and of conscientious beliefs. There is nothing about orthodox libertarianism that would prohibit the institution of legalized slavery or serfdom (Nozick, 1974, p. 331). It is in order to carry through the idea of absolute ownership of oneself that libertarians reject the inalienability of basic liberties that liberals see as a condition of the moral equality of persons.

In this and other respects, and despite its rhetoric about maximizing individual freedom, it is arguable whether orthodox libertarianism is accurately characterized as a liberal view at all. This is especially evident when libertarians depict political protection and enforcement of rights as an economic good to be sold to individuals in different protection packages. Such positions, found in Nozick, Rothbard, and others, regard political power not as public power to be impartially administered, but as private power grounded in economic contracts and to be distributed like any other private good in varying degrees according to people’s willingness and ability to pay. In this regard, orthodox libertarianism resembles the doctrine of private political power that is feudalism.
far more than it resembles the liberal idea that political power is public and is to be exercised impartially and only for the public good (Freeman, 2001).

Finally, the high liberal tradition conjoins the liberal emphasis on individual freedom of conscience, expression, and of the person together with social and political egalitarianism and with social-democratic ideas of economic and distributive justice. The high liberal tradition, though it evolved out of classical liberalism, has more recent origins in three main sources: first, in Rousseauian ideas of social equality and democracy; second, in Mill’s and related accounts of individuality or autonomy; and third, in the 19th-century socialist criticism of laissez-faire capitalism and of the dismal conditions of workers that purportedly resulted.

This is the criticism that J. S. Mill confronted in his discussion of the relative merits of capitalism and socialism. He sought to reconcile the classical liberal emphasis on free markets and a private economy with the economic rights of workers and a more equitable distribution of income and wealth. He argued for a private economy that distributed income and wealth primarily according to effort rather than ownership of capital and that provided for greater worker ownership of economic wealth, as well as worker-managed cooperative firms that gave workers more control of the productive resources that they work with (Mill, 1985, Book IV, chap. 7; Rawls, 2001, pp. 178).

Since World War II, rather than focusing on increasing workers’ powers and control of production, greater emphasis has been placed by liberal philosophers on questions of distributive justice, in the narrow sense of the fair distribution of income and wealth within a capitalist economy. The increased focus on distributive justice parallels the rise and prevalence of the welfare state in Western liberal democracies. Various principles have been set forth that aim at mitigating, if not minimizing, the substantial inequalities that a liberal market economy inevitably creates (Rawls, 1999A; Dworkin, 2002; Ackerman, 1980; van Parijs, 1995, among others). These positions specify standards to determine the permissible range of legitimate inequalities of income and wealth produced within a market economy.

None of these liberal positions, even those styled as egalitarian, argue for strict equality of income and wealth. John Rawls’s difference principle says that inequalities are permissible so long as they are necessary to maximize the share of income and wealth going to the least advantaged members of society (Rawls, 1999A). Restricted utilitarians or prioritarians contend that the welfare of the least advantaged should be, if not maximized, then given greater weight in promoting the sum of utilities produced by a market system. And liberal luck egalitarians, such as Ronald Dworkin, say that the consequences of “brute luck” ideally should be equalized via economic redistributions, and individuals should be rewarded according to their free choices and the risks that they freely assume (“option luck”) within a free-market economy. (Dworkin, 2002).
Liberalism, Distributive Justice, and Arbitrary Contingencies

A significant difference between high liberalism on the one hand, and classical liberalism and libertarianism on the other, lies in their attitudes toward the effects of the arbitrary contingencies that happen to individuals during their lifetimes: individuals’ place in the distribution of natural endowments, the wealth and social class they are born to, and the accidents of good and bad fortune that befall people. Classical liberals, high liberals, and liberal libertarians all agree that these three arbitrary contingencies are not relevant to deciding questions regarding the just distribution of basic liberties, civil rights, and formal opportunities that all individuals are due as a matter of justice—these formal rights and liberties should be equal according to all three positions, regardless of one’s natural talents, social class, or accidents of fortune. But with respect to questions of economic justice, these same arbitrary contingencies play a central role for classical liberals and libertarians in justifying inequalities of income and wealth: Inequalities that are the direct or indirect result of these contingencies do not raise any problems of justice. The fact that a person is born to poor, uneducated parents or with a disability and below average intelligence, and as a result suffers economic misfortune and poverty throughout his or her lifetime, may be unfortunate, but there is nothing unjust or unfair about this person’s relative position compared with others. There is no injustice in being born with physical disabilities, below average intelligence, or to poor parents; these are just facts, however unfortunate they may be. So too, it is argued, there cannot be anything unjust about a society’s failure to address the economic consequences for individuals of these misfortunes; these consequences, including gross inequality, poverty, and chronic ill health, are also unfortunate but are not society’s fault or responsibility (Hayek, 1960; Hayek, 1976; Schmidtz, 2006).

This position is an extension of the classical liberal/libertarian attitude toward good and bad luck in market activity. Market or “option” luck, including managing risks and other arbitrary contingencies of market activity, is a given and is integral to the fairness of market distributions of income and wealth. Likewise, “brute luck,” or the arbitrary natural and social contingencies that individuals are born to and that determine their life prospects, are a moral given, of no more consequence than option luck itself to the fair distribution of income and wealth by market and other consensual transfers. In matters of economic justice, we must play the hands that we are dealt, whether by good or bad market luck, by natural or social disadvantages one is born to, or by arbitrary misfortunes that befall during one’s lifetime.

For the high liberal tradition, by contrast, the social consequences of accidental misfortune and other arbitrary contingencies raise complex issues of distributive justice. Even if no one, including society, is responsible for the accidental misfortune that besets individuals, society is responsible for the social and economic consequences that it attaches to misfortune. Dworkin’s account of distributive justice, “equality of resources,”
defends a form of welfare-state capitalism that compensates individuals via social insurance programs for lifetime contingencies and misfortunes that are not their fault. The ideal is to equalize, so far as possible, the effects of undeserved advantages and disadvantages that just happen to individuals as a result of “brute luck,” both good and bad. Inequalities of income and wealth are justifiable, however, if they result either from individuals’ efforts and other legitimate contributions, or from their “option luck” in a market system—the consequences of their free economic choices regarding employment, investments, and economic risks (Dworkin, 2002).

Rawls’s criterion of distributive justice, the “difference principle,” goes still further in holding that not only the consequences of brute luck, but also market distributions that are the product of “option luck” are subject to redistribution. Instead of trying to equalize the consequences of brute good and bad luck and then letting market transactions distribute the rest, as Dworkin advocates, Rawls’s difference principle says that income, wealth, and economic power should be distributed to benefit everyone, starting with the least advantaged members of society. The economic circumstances of the least advantaged members of society are to be “maximized,” in the sense of making them better off (in terms of each member’s share of income, wealth, and economic powers) than would be the least advantaged class in any other feasible economic system.

Rawls contends that the income and wealth generated within a market economy constitute a cooperative social product for which members of society are jointly responsible. A fair distribution of the social product among free and equal persons who all do their fair share requires “reciprocity at the deepest level,” which means that the position of the least advantaged is to be maximized. Rawls argues that the economic system that best realizes the difference principle is not capitalist in the traditional sense, not even the capitalist welfare state. It is instead a “property-owning democracy,” wherein private ownership and control of capital is widespread among all members of society (Rawls, 1999A, pp. xiv–xvi; Rawls, 2001, pp. 135–140).

What does the difference principle’s focus on democratic reciprocity have to do with liberal values of individual freedom? Clearly, Rawls’s conception of freedom does not include the laissez-faire economic liberties so central to classical liberal and libertarian views. This might seem antiliberal, since it denies what some regard as certain crucial freedoms: unconstrained economic contracts and unlimited accumulation and control of wealth. But maximizing such formal economic liberties that especially benefit the most advantaged does not promise to increase the value of the basic liberties for the less advantaged members of society. On the contrary, laissez-faire is more likely to diminish their value because of the consequences of gross inequalities for the less advantaged, including their diminished share of income and wealth. The liberal justification of the difference principle for Rawls is that it maximizes the worth, or the effective exercise of the equal basic liberties for the least advantaged members (Rawls, 1999A, p. 179). Rawls contends that, starting from a baseline of equality, no one’s effective exercise of the basic liberties comes at the expense of anyone else.
Classical liberals and libertarians such as Nozick respond that equality is the wrong basis for comparison and that maximizing the worth of the basic liberties for the least advantaged comes at the expense of laissez-faire property rights and economic freedom for everyone else, including their unfettered freedoms of contract, wealth accumulation, and ownership and control of capital resources (Nozick, 1974, chap. 7). For high liberals, even though qualified economic rights and liberties are important, laissez-faire rights and liberties are not basic, or even among the nonbasic liberties to be guaranteed in a liberal-democratic society. They contend, while classical and libertarian liberals deny, that the economic liberties predominantly enjoyed by the more advantaged in laissez-faire societies come at the expense of the effective exercise of the basic liberties for a society’s less advantaged members.

Philosophical Background of the Three Liberal Traditions

Each of the three liberalisms discussed in this article is historically associated with a seminal philosophical tradition, though in recent times, philosophers have argued for these positions from within other philosophical frameworks. Beginning with Adam Smith’s arguments from the “invisible hand” (see "PROPERTY RIGHTS, ECONOMIC FREEDOM, AND DISTRIBUTIVE JUSTICE*"), classical liberalism has long been defended by classical and neoclassical economists, in both direct and indirect utilitarian terms. It is assumed that that market allocations and distributions of income and wealth normally maximize aggregate economic wealth, and therewith aggregate (preference or desire) satisfactions of individuals.

More recently, Hobbesian social contract theorists, such as David Gauthier, have argued for classical liberal positions on welfarist grounds—arguing that it is economically efficient to reward individuals proportionate to their contributions, measured by the marginal product of the labor, capital, and natural resources that they own (Gauthier, 1987). Still more recently, Gerald Gaus (2011) relies upon Humean conventionalism, combined with John Rawls’s idea of justification to others in terms of “public reason,” to argue for a form of classical liberalism. And John Tomasi (2012) modifies Rawls’s Kantian ideal of “free and equal moral persons” to defend classical liberal libertarianism—the view that laissez-faire economic liberties are equally basic with personal liberties, and have priority over the redistributive ambitions of the high liberal tradition.

Orthodox libertarianism is generally associated with Lockean (though not Locke’s) arguments from natural property rights and a state of nature. Nozick famously argues that appropriation of unowned things in an apolitical state of nature gives individuals absolute ownership rights in things, and that there is neither need nor justification for a Lockean social contract creating a government that defends individuals’ persons or their property. Instead, in an idealized state of nature, individuals would contract with private
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protection agencies to protect their rights, to arbitrate disputes, and to exact compensation and punishment for violations. Eventually, a “dominant protection agency” will acquire a natural monopoly on protection services, and it is capable of performing all the morally legitimate functions of the “minimal State” (Nozick, 1974, pp. 22–28). This hypothetical account of the origins of the minimal state purportedly satisfies the libertarian requirement that no one should be impelled to pay for political services or benefits for anyone else.

The high liberal tradition has more complex philosophical origins. Primary among its historical influences are Rousseau’s ideas about social equality and political democracy (Rousseau, 1987); Kant’s accounts of respect for persons as ends-in-themselves, moral and rational autonomy, and the freedom, equality and independence of persons (Kant, 1999); and J. S. Mill’s accounts of individuality as the greater part of individual well-being (Mill, 1991A, chap. 3), equality of opportunity and the equal status of women, (Mill, 1991C), and his and others’ efforts to address the socialist criticism of the vast inequalities engendered by the laissez-faire capitalist system that classical liberals and libertarians ardently defend (Mill, 1985).

For example, Rawls relies upon a Kantian moral idealization of free and equal moral persons; on Rousseau’s ideas about social equality, democratic reciprocity, and the social contract; and on Mill’s principle of liberty, his arguments for equal opportunities, and for a free-market economy with widespread dissemination of private ownership and control of productive wealth. Ronald Dworkin appeals to Kantian ideals of “equal concern and respect,” treating others as equals, and autonomy as self-authorship, to support extensive personal liberties, equality of opportunities, political democracy, and a “luck egalitarian” account of distributive justice that he labels “Equality of Resources” (Dworkin, 2002, pp. 65–119).

Political Liberalism

One of the main ideas recently developed in liberal thought is that a liberal society and its government should be able to publicly justify to all reasonable citizens the political constitution and explain the laws by reference to political values and reasons that all can accept as free and equal citizens (Rawls, 1993; Larmore, 1990; see also Waldron, 1993, p. 61; Gutmann & Thompson, 1996; Scanlon, 2003, chap. 7; Macedo, 1990; Gaus, 2011; Freeman, 2006, chap. 7). Public justification in terms of such “public reasons” is regarded as a requirement of respect for persons as free and as moral and political equals. The problem with meeting this requirement is that an inevitable consequence of the basic liberties of conscience, thought, association, and of the person is not simply a diversity of values and ways of living, but also citizens’ affirmation of different and conflicting religious, philosophical and moral doctrines. How is the liberal state to justify its authority and use
of coercive power to legislate and enforce the laws, given that its citizens hold such
different and conflicting values and moral and religious views?

Compounding this problem is the fact that reasonable citizens—even if they all endorse
basic liberal institutions and abstract liberal values of freedom, toleration, equal rights,
and so on—do not accept the same liberal conception of justice. Some advocate religious
doctrines and natural rights views, others utilitarianism, Kantianism, intuitionism,
perfectionism, and so on, which support different interpretations of basic rights, liberties,
opportunities, property, and other requirements of liberal justice.

**Political liberalism** assumes that a justification of liberal institutions and their laws cannot
be provided to unreasonable persons—those who are intolerant, bigoted, or who
otherwise do not accept the freedom and equality of persons and do not want to
cooperate with others on terms they can reasonably accept. Still, Rawls and others claim
that a *public justification* can be provided to reasonable persons who regard themselves
and others as free and equal persons who have a sense of justice, and who want to
cooperate with others on terms that they can accept in their capacity as free and equal
citizens. There is a class of reasons that Rawls calls *public reasons* that are not peculiar
to, but rather are endorsed by, many reasonable comprehensive doctrines, and that can
provide the terms of public justification in a liberal society. Public reasons are the reasons
and values that reasonable persons accept as free and equal citizens. Primary among the
“political values of public reason” are the freedom and equality of all citizens; political
fairness; preserving domestic tranquility; providing for the common defense; the integrity
of human life; protecting the equal basic liberties and their priority over other social
values; equality of opportunity; free, efficient markets; governments’ obligation to provide
public goods and a social minimum for all; and the impartial exercise of political power
for the public good.

Rawls contends that it is the role of liberal political conceptions of justice to interpret or
"provide content" to these and other “political values of public reason” (Rawls, 1999B, pp.
140–141, 144). The important point is that, in order for a political conception of justice to
serve its role, it must be framed in terms of political values that all reasonable citizens
can accept in their capacity as free and equal citizens. This means that religious reasons
(such as the salvation of souls) and controversial metaphysical and moral reasons (Rawls
mentions moral autonomy and the maximization of aggregate utility), and even the idea of
moral truth cannot be relied upon in public political deliberations and political
justifications of laws and social policies by legislators, courts, or the executive branch in
coming to their decisions.

Political liberalism’s requirement—that the liberal legitimacy of laws involves their public
justification in terms of political values of public reason that free and equal persons
reasonably accept—has been widely criticized. Some argue that it is unreasonable to
expect devoutly religious people, even if they are legislators, to suspend their reliance on
their religious convictions and appeal only to public reason when arguing for or against
laws that defy their moral beliefs, such as the right to abortion or the public provision of
contraceptive measures. But Supreme Court Justices, both left and right, already appeal to constitutional reasons that are publicly accepted and do not invoke comprehensive religious, metaphysical, or moral doctrines to decide these and other controversial political issues. Is it so unreasonable to expect that legislators and administrative officials also cease making appeals to majority religious and moral doctrines, and that they argue only from political values that all citizens can accept as free and equal members of society?

Others contend that it is unreasonable for Rawls and other progressive liberals to assume that all reasonable persons must accept a right to a social minimum or to publicly funded education, as required by basic liberal institutions and among the political values of public reason. It is argued that in stipulating a social minimum and right to education as requirements of a liberal society, Rawls arbitrarily excludes from the range of reasonable political conceptions libertarian and related views that reject these measures (Gaus, 2011). And libertarians contend that it violates persons’ property rights in their labor and legitimate holdings to coerce them to pay for benefits for others (Nozick, 1974, chap. 7).

How morally arbitrary is it to assume that a social minimum is a reasonable requirement for any liberal society? There is a long history of liberal and even nonliberal societies (e.g., the Elizabethan Poor Law was enacted in 1601) providing for the basic subsistence needs of the poorest—orphans and impoverished children, people with serious disabilities, the elderly, and even impoverished laborers (Birnie, 1957). Political liberalism requires that laws and public policies be justifiable to free and equal citizens in terms of public reasons that they can reasonably accept in their capacity as such citizens. There is a requirement of reciprocity built into this standard of public justification: that reasonable persons cooperate with each other on terms that all can reasonably accept and endorse as free and equal persons. It is unreasonable, most liberals contend, to expect that the most disadvantaged persons in a prosperous liberal society should accept and willingly comply with an economic and property system that makes possible vast concentrations of private wealth and yet offers them nothing in return for their cooperative compliance with the laws that make such limitless inequalities possible. Such views exclude society’s most vulnerable members from access to any means of enabling them to take advantage of their basic rights and liberties and available opportunities. The poorest are simply left behind by libertarian society, which fails to accord them reciprocity at virtually every level. In societies of enormous wealth, such as our own, the failure to provide even a minimal safety net to the most vulnerable is, from a liberal perspective, not simply unreasonable but also a violation of basic human rights to security and means of subsistence (Rawls, 1999B; Nussbaum, 2007; see also Beitz, 2009, chap. 7).
Critics of Liberalism

As the predominant political philosophy of the modern era, liberalism is subject to serious criticisms from both the nonliberal right and left. Starting in the 19th century, Marx and other communists have criticized liberalism’s commitment to private property and a free-market economy and rejected liberal democracy and many personal freedoms that are regarded as fundamental by liberals (Marx, 2000A, 2000B). Traditional conservatives, including romanticists such as Samuel Taylor Coleridge, defended the class structure and argued to maintain the social and political role of an established church; they rejected liberalism’s commitment to a limited government that protects personal freedoms and a free-market economy, and also rejected social equality and political democracy (Coleridge, 1976). Most of the great 19th- and early-20th-century German philosophers in addition to Marx, including Georg Wilhelm Friedrich Hegel, Arthur Schopenhauer, Friedrich Nietzsche, and Martin Heidegger, rejected liberalism in part because of their perfectionism. Conjoined with the anti-Semitism of Richard Wagner and other cultural figures, German intellectuals’ antiliberalism played a role in validating attitudes that had catastrophic consequences in the 20th century. The historical significance of Jürgen Habermas’ political philosophy lies in great part in the fact that he is the first major German philosopher since Kant to endorse and conscientiously defend liberalism as an integral part of his “discourse theory of law and democracy” (Habermas, 1996).

Contemporary criticisms of liberalism flourish in liberal societies. Only some of the more prominent lines of criticism can be briefly discussed here. More traditional contemporary conservatives argue that the priority that liberals give to personal autonomy and nonpaternalism is exaggerated and destructive of social order and to the traditional institutions essential to society itself, including marriage and the family, religion and moral education, patriotism and respect for the authority of the state (Scruton, 2002). Human nature, it is claimed, is flawed and does not naturally tend to goodness even under favorable circumstances, so it is a mistake to think that wrongdoing is due to a lack of autonomy and a bad social environment (Kekes, 1999).

Many communitarians contend that liberalism’s failure to commit itself to any predominant conception of a shared human good and of a community committed to advancing human flourishing leaves it adrift, without a serious philosophical justification for shared social ends or even for the rights and freedoms that liberals seek to defend (MacIntyre, 2007). This criticism takes different forms among contemporary philosophers, both left and right, some of whom are influenced by Hegel (Sandel, Taylor), others by Aristotle and Aquinas (MacIntyre). In a similar vein, it is claimed that most liberalism is based in what Isaiah Berlin (2002) calls “negative liberty” without a guiding social end, and is therefore committed to a society of atomistic individuals who devalue community and pursue their own selfish interests, with no bases for social unity (Taylor, 1985). Similarly, it is argued that the Kantian liberalism of Rawls, Dworkin, and others presupposes that
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persons are “unencumbered selves,” without ends and commitments, who are expected to choose their life projects and endorse liberal principles of justice without regard for community or any foundation for their choices other than mere preferences (Sandel, 1998).

One liberal response to these objections is that a dominant social end, whether religious, ethnic, cultural, or otherwise, is neither necessary nor desirable for social unity. The basis for social unity in a liberal society is the priority assigned to justice itself and citizens’ commitment to realize and sustain just institutions. In a pluralistic society, citizens with diverse pursuits and projects can nonetheless all endorse social institutions that maintain individual freedom, the plurality of conceptions of the good, and the diversity of valuable ways of living that they make possible, and that promote the common good of citizens who have different conceptions of the values and commitments that they find worth pursuing. Justice so conceived is not a dominant social end that is to be maximized or otherwise pursued at the expense of individuals’ conceptions of the good; rather, it is a regulative end that constrains and regulates citizens’ free pursuit of their purposes and commitments to others (Rawls, 1999A, chap. 8).

Many communitarian critics of liberalism endorse most liberal rights and institutions, except the predominant use of free markets for allocating productive resources, especially robust economic liberties endorsed by classical and libertarian liberals (Walzer, 1984; Taylor, 1985; Sandel, 1998; Mulhall & Swift, 1996). Their criticism of liberal philosophers is not so much about specific institutions, but mainly addresses the alleged inability of Kantian, utilitarian, and libertarian liberals to properly incorporate the values of community or give them the prominence that they are due. These arguments tread a fine line: How is a diverse, pluralistic society to incorporate communal ends (other than justice itself), the requirements of which everyone is supposed to endorse and comply with, whatever their conscientious commitments (e.g., regardless of religious views, whether orthodox believers, ardent atheists, etc.)?

One problem with assessing these criticisms is that we are not provided with sufficiently concrete examples of the kinds of communal ends that can be incorporated into a liberal society to provide a feasible basis for community and social unity. Is the communal end supposed to be specifically religious, such as the Viseo Deo, or only vaguely so, such as belief in some god or other; or is it ethnic, racial, or nationalist flourishing, or is it achieving certain excellences of culture, such as fine arts, scientific knowledge, and technological progress? There are problems with all these alternatives in a pluralistic society. Many citizens simply reject and refuse to meet the conditions for endorsing any communal ends other than liberal justice itself. It is difficult to see how communitarians can give political recognition and enforcement to any dominant or mandatory guiding social end that is compatible with liberalism.

Some philosophers, communitarianism and otherwise, endorse republicanism as an alternative to liberalism (Pettit, 1999, 2014; Skinner, 1998, 2012). It is unclear whether the differences between republicanism and liberalism are genuinely philosophical or largely rhetorical. One purported difference is that, instead of negative liberty, republicanism is
said to be built around freedom as nondomination. But does nondomination significantly differ from the ideal of independent agency that is part of the conception of free, equal, and independent citizens endorsed by many left-liberal views (Rawls, 2001; Dworkin, 2002)? It remains to be seen whether republicanism is more a form of high liberalism than it is an alternative to it.

From the extreme left, Marx argued that the ideas of justice, individual rights, and fair distribution that inspire liberalism are “ideology,” or illusions that, while necessary to sustain a liberal-capitalist society, are nonetheless incoherent “verbal rubbish” (Marx, 2000A). The Marxist argument that liberal justice and individual rights are ideological illusions was developed in the critical theory of the Frankfurt School, by Max Horkheimer, Theodor Adorno, Herbert Marcuse, and others, and is still defended today in Marxist criticisms of contemporary liberal philosophy (Geuss, 2001, 2008). Here, it is noteworthy that Jürgen Habermas, once the last prominent Marxist in the Frankfurt School, subsequently has endorsed left-liberalism and constitutional democracy (Habermas, 1996), as have Axel Honneth (2015), Rainer Forst (2012), and other contemporary German heirs of the Frankfurt School.

Finally, feminist critics of liberalism argue that liberal freedoms of association and religion protect beliefs and institutions, especially marriage and the traditional family structure, that sustain sexism against women and that undermine social and political equality, including equality of opportunity and freedom of occupation, that liberalism itself purportedly endorses (MacKinnon, 1989; Okin, 1989). Mill (1991C) argued that because the family is the most influential school for shaping children’s characters and moral and political convictions, social equality of the sexes is not possible unless children see equality within their own families. But liberals such as Mill, Rawls, and others mistakenly believed (it is claimed) that affording women equal political and other rights and opportunities should be sufficient to alter social attitudes regarding the equality of women. This has been no more effective in eliminating sexism, many feminists claim, than freedom of expression, integration, and other liberal measures have been in eradicating racism and other forms of bigotry (MacKinnon, 1988, 1989).

Feminists and others also have called into question the social contract idiom that is engrained in so much liberal thought. It is said to perpetuate the domination and subordination of women (Pateman, 1989), and also of racial minorities (Mills, 1999), for the sake of maintaining an illusion of individual freedom.

These and other powerful criticisms of liberalism have been addressed to some degree by liberal feminists, among others (Nussbaum, 2003; Baehr, 2004). There has been enormous social change since the 1960s in people’s attitudes toward women’s abilities to compete for and occupy social positions, even if there are still inequalities at the highest occupational positions and also within the traditional family. While the imbalance of childcare and other domestic duties continues within families, especially those that have more traditional religious and social attitudes, men’s willingness to take on more duties within the family has also gradually evolved. Whether it will ever reach parity is doubtful,
however, given that traditional beliefs and family relationships are protected by freedom of religion, expression, and association. Liberals generally believe that the costs of compromising these and other basic liberal rights for the sake of greater social equality of women (or of racial and other minorities) are too great to bear. This is one of the enduring conflicts that liberals confront in reconciling liberal basic freedoms with their commitment to the social equality of all persons.

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