



## Review

**Chris Matthew Sciabarra.** (2000) *Total Freedom: Toward a Dialectical Libertarianism*, University Park, PA: Pennsylvania State University Press, 467pp + xii.

Chris Sciabarra's *Total Freedom* is subtitled "Toward a Dialectical Libertarianism," which suggests why it might be of interest to some working in the Austrian tradition. But the title and subtitle might obscure the fact that what awaits the reader inside is of even greater interest to Austrians than it might first appear. There is a reason that Menger, Mises, and Rothbard appear on the front cover (along with Aristotle and Ayn Rand). What Sciabarra offers inside is a dual reinterpretation of both dialectic philosophy and radical libertarianism that weaves the two together to formulate the subject matter of the subtitle: a dialectical approach to libertarianism.<sup>1</sup> In doing so, he relies a great deal on the Austrian scholarship of the last 10 to 15 years to establish the dialectical underpinning of a theory of the market. The book offers a new way to think about the applicability of Austrian theories of the market to broader questions of social theory, and in turn challenges Austrians to be more consciously aware of those connections. The result is a book that is a major contribution to both liberal social theory and, as a by-product, Austrian economics.

The book is divided into two major sections, with the first being the reconstruction of dialectics from Aristotle through contemporary thinkers, and the second being the reconstruction of libertarian political thought, which could be seen as "variations on themes of Rothbard." Given that the latter half is likely of more interest to the readership of this journal, that argument will get more space below.

The first two chapters trace the development of dialectical thinking from the early Greeks up through Hegel. Sciabarra early on defines dialectics as "the art of context-keeping" and argues that it is "the only methodological orientation that compels scholars toward a comprehensive grasp of the many factors at work in a given context" (2). Part of the challenge for him in the first half of the book is defending this view against an opponent who argues "what sort of orientation *doesn't* mind context?" Chapter four is an attempt to reply to that imagined critic. For Sciabarra, dialectics sits between (or perhaps beyond) the twin sins of strict atomism and strict organicism. It demands that the social analyst recognize the continual dynamic relationship between the parts and the whole of the object of analysis. In that chapter, he complicates his earlier definition by arguing that "dialectics is an orientation toward contextual analysis of the systemic and dynamic relations of components within a totality" (173). He points toward Menger's compositive method as an example of this sort of approach. I would add that recent work on what might be called "sophisticated" or "institutional" methodological individualism (e.g., Madison 1990, Zwirn 2003) fits this model as well. In all cases, the dialectical analysis is one that presumes neither the reductionism of strict atomism or the totalism of strict organicism. Outcomes at the system level must be understood as the emergent result of their components, while any analysis of the behavior

of the components must be understood in the context provided by the system as a whole. For social scientists, this means a continual tacking back and forth between individuals and institutions.

This sort of argument should ring familiar to Austrian economists and libertarian social theorists. The third chapter is entitled “After Hegel,” and includes discussions of Herbert Spencer, Menger, Mises, Hayek and Rand. It is here that Sciabarra argues that the liberal tradition can be understood not as a defense of atomistic individualism, but as being much more cognizant of the social situatedness of the individual and the reciprocal relationship between individual and society. Sciabarra (118–20) stresses Menger’s anti-reductionism and anti-atomism, best seen in his use of the composite method and in his careful discussions of the relationships between parts and wholes. Also central to this dialectical reading of Menger is the idea of “mutual causation” of social elements.

The ensuing discussion of Mises emphasizes his conception of the interconnectedness of the price system and our consequent inability to extract a price from its context. Sciabarra also has a brief discussion of Mises’s methodological views. He points to the sophistication and dialecticism of Mises’s methodological individualism, where Mises always sees man as a social being and social wholes as constantly evolving as human actions change. In addition, Sciabarra notes Mises’s position on the methods of the natural and social sciences. Though described by Mises (and others) as a form of “dualism,” Sciabarra argues that Mises’s position is a version of the Aristotelian injunction that subjects should be studied with techniques appropriate to them, including taking advantage of our position as humans when we study human action.

The section on Hayek explores his theory of spontaneous order as an example of dialectical thinking, with some particular attention paid to Hayek’s non-totalistic utopianism. Spontaneous order theory’s understanding of the relation between parts and wholes fits nicely into Sciabarra’s dialectical approach. The role played by the limits to human knowledge and the resulting unintended consequences that permeate social evolution are seen as strong arguments against the organicism and totalism that are seen as the alternative to dialectics. Sciabarra also sees Hayek’s use of utopian constructs as a tool of critical analysis as fitting nicely into the history of dialectics. Hayek’s anti-rationalism is also compared and contrasted with dialectical thought. He also offers a few brief comments on the shortcomings of Hayek’s later work on cultural evolution. In this chapter, Sciabarra lays the groundwork for his dialectical libertarianism by arguing that the Austrian school has a legitimate place among contemporary dialectical approaches to social theory.

The second half of *Total Freedom* begins with Rothbard’s radical libertarianism and attempts to place it on firmer philosophical and theoretical foundations, specifically by rendering it more consistent with the dialectical thought explored in the first half. Although not the only set of resources that Sciabarra draws on, the work of contemporary Austrian economists, particularly Don Lavoie and others who have looked toward phenomenology, hermeneutics and other philosophical traditions that reason dialectically, plays a central role in bridging the two halves.

After a chapter providing the intellectual background of Rothbard’s thought, Sciabarra turns to explore three specific areas: Rothbard’s theory of the state, his analysis of class dynamics and structural crises, and his utopianism. In each case, Sciabarra’s argument,

particularly in the latter two, attempts to explicate Rothbard's position more fully via the use of arguments from more dialectically-inclined thinkers. For example, in the chapter on the market versus the state, he draws heavily on Lavoie's (1985) reading of the socialist calculation debate, while the class dynamics chapter makes use of Austrian work on monetary theory and policy to explore the ways in which interventionist economic policies can create class structures and conflicts, not to mention the periodic crises of the mixed economy. The chapter on Rothbard's utopianism sets his work in the broader context of other utopian social theories, and also contains a very illuminating discussion of Rothbard's turn toward so-called "paleo-libertarianism" in the last few years of his life. The latter is a subject that deserves a more in-depth analysis, but Sciabarra has provided a good starting point for such work.

In that discussion, Sciabarra puts forward a suggestive response to Rothbard's paleo-libertarianism that has implications for the relationship between Austrian economics and what one might call a "Hayekian" social theory. He argues that any attempt to marry a conservative view of culture to a dynamic view of the free market is bound to fail because markets continually upset culture. The unpredictable evolution of the spontaneously ordered market will both pull down old, and throw up new, cultural practices. For example, any analysis of the changes in the social institution of the family in the last fifty years that only sees it as the (unintended?) result of misguided public policy will miss the central role played by the increase in wealth markets have made possible, and the corresponding widening of labor market opportunities for women and lowered cost of substitutes for their household labor. The increased presence of women in the labor force, and the consequent changes in the Western family, are cultural manifestations of the dynamism of the market. Similarly, capitalism's longer-run role of separating market production from the family unit has meant that individuals need not be part of a "traditional family" in order to survive economically. The heightened social presence (and consequent acceptance) of homosexuals is one consequence of this change, and the lag between the social visibility of gays and then of lesbians parallels the similar lag between the economic independence of men and of women.<sup>2</sup>

It is the very freedom of the market that calls forth the evolution of cultural institutions, and this evolution is mostly beneficial.<sup>3</sup> In noting Rothbard's turn toward paleo-libertarianism, Sciabarra praises him for paying attention to culture, but argues, rightly, that the particular marriage of culture and economics he tried to broker simply will not work. The recognition of the mutual dynamism of markets and culture, by contrast, marks the sort of "dialectical libertarianism" that Sciabarra favors. And that mutual dynamism also indicates how Austrian economics might feed into a broader, Hayekian, social theory that could offer just such a dialectical foundation for a contemporary radical liberalism.

These ideas are explored in the final substantive chapter, entitled "The Dialectical Libertarian Turn." It is here that he draws most thoroughly on recent work in the Austrian tradition, highlighting three particular insights. The first of those is that markets can fruitfully be understood as forms of dialogue. The Austrian emphasis on entrepreneurship treats markets as not a merely passive process of utility and profit-maximization, but as an active process of searching for better opportunities, both for the removal of what Mises called "felt uneasiness" and for profits. Entrepreneurs must engage with the wants of actual and

potential consumers.<sup>4</sup> More abstractly, the process of price formation itself is dialogic and Sciabarra points to work that has drawn the analogy between prices and language as forms of communication.<sup>5</sup> For Sciabarra, this Austrian perspective provides a more dialectical understanding of the market.

The Austrian rejection of *homo economicus* is also part of Sciabarra's story. Actors are, in the Austrian conception, embedded in webs of economic and cultural institutions that inform their choices in multiple ways. Mises's early insight on the role that language plays in forming our thinking processes as well as Hayek's later work stressing the ways in which culture created our reason both reflect a non-atomistic understanding of the individual. The post-revival interest in Continental thinkers such as Schutz and Gadamer has led Austrians to take a more thorough look at the ways in which human action is framed by the histories and cultures in which we have lived. These sorts of arguments also fit the dialectical approach Sciabarra is taking. One absence from this section is the recent work on Hayek's (1952) *The Sensory Order*. Hayek's theory of mind provides yet another way in which Austrians have made arguments that would seem congenial to Sciabarra's concerns. The Hayekian concepts of map and model further extend our understanding of human action as historically conditioned and evolutionary.<sup>6</sup> If the mental frameworks that interpret the world are the product of both our biological heritage and our particular lived histories, the atomistic Crusoe model of human choice seems further weakened.

Sciabarra also stresses the ways in which Austrians have talked about the institutional order of the market. Markets are not "reified" by many modern Austrians; they are understood as existing in a broader framework of social, political, and cultural institutions. In particular, Peter Boettke's work on political economy and the relationship between economic reform, legal institutions, and culture is used as evidence for this more dialogical approach to understanding the market.<sup>7</sup> It may not be simply enough to "create markets" when the complementary institutional structures in the law and culture do not exist to mutually support each other. Sciabarra argues that this is a more dialectical conception of markets and economic reform than those that simply rely on "getting the prices right." By bringing public choice insights into their work, contemporary Austrians have endogenized crucial elements of the political structure and enhanced our ability to understand the mutual relationships between markets and politics. Sciabarra approvingly cites Mario Rizzo's argument that "endogenously produced change" is "the essence of the contemporary Austrian research program" (378). For Sciabarra, this increase in endogenization is a form of an increasing dialectical understanding of society.

*Total Freedom* marks out a unique, and philosophically and intellectually sophisticated argument for libertarianism. A short review focused on the Austrian elements in the book cannot do justice to the breadth and depth of Sciabarra's scholarship, nor to the subtlety of his arguments. For those whose interests encompass both Austrian economics and political philosophy, as well as those doing Hayek scholarship, this book is a must-read, even if the historical work on dialectics in the first half is somewhat abstract and slow-going. Sciabarra's understanding of Austrian economics is first-rate, and this path-breaking application of those ideas to both dialectical philosophy and a new set of foundations for libertarian political philosophy is a perspective that will demand our attention in the years to come.

## Notes

1. This book is the third of a trilogy (see also Sciabarra 1995a 1995b). Sciabarra 1995a was a study of Hayek and Marx, while the second book argues for a dialectical reading of Ayn Rand's philosophy. *Total Freedom* might well be seen as the dialectical synthesis of the other two books.
2. On the relationship between capitalism and gay identity, see D'Emilio (1993). This argument suggests a different perspective on the recent controversy over the legalization of same-sex marriage. The ability of homosexuals to break away from the family unit was central to their developing an independent identity as "homosexual." Having done so, they are now in a position to "ask" to be "let back in" to the institution of the family with a full public recognition of their identity, but with the further implication that their identity should be irrelevant for membership in that institution.
3. Another example of this interplay between markets and culture is Tyler Cowen's (1998) recent work on the intersection of capitalism and the arts. There are also strong parallels to Virginia Postrel's (1998) recent defense of "dynamism" over "stasism."
4. Lavoie (1991) is a good example of this.
5. See Horwitz (1992, 1996).
6. See Butos and Koppl (1993) for a good starting point.
7. The essays collected in Boettke (2001) provide a useful overview.

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