

The Road to Freedom

Arthur C. Brooks. 2012. New York: Basic Books. ISBN 978-0-465-02940-2. \$25.99.

Defending the Free Market: The Moral Case for a Free Economy

The Rev. Robert Sirico. 2012. Washington, D.C.: Regnery Publishing. ISBN: 978-1-59698-325-0. \$27.95.

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Arthur Brooks and Rev. Robert Sirico offer books with a similar ambition. Each intends to provide a better understanding of the strength of the American system of free enterprise. Yet, each takes a slightly different approach to the topic, and in the end, while producing what might appear to be essentially the same defense, they end up producing quite distinct products.

Brooks sets up *The Road to Freedom* in two parts. The first half of the book is oriented toward “Making the Moral Case for Free Enterprise,” and those four chapters outline why the structure of our governing system is, in fact, a moral issue. The second half of the book—comprised of chapters five through seven—addresses “Applying the Moral Case for Free Enterprise.” The fifth chapter offers the facts as he sees them regarding the general state of the current economy, a state of being Brooks would likely identify as a crisis, since we currently experience burgeoning debt, taxation, and regulation, coupled with declines in economic growth. Chapter six focuses on the specifics of what actually constitutes “good government” and his appreciation for social capital. Chapter seven offers strategies for those who would make the moral case for those specific issues in an effort to improve the condition of the nation. The book then ends with a short summation of arguments.

While the intention of the book is to present the broad moral case for free markets, the structure will appeal most to political activists and policy wonks, particularly those who share his conservative ideals, deepening the understanding of markets among those who already hold a positive opinion or at least share a vague regard for the American heritage of markets and freedom. The arguments are not likely to sway those already suspicious of market mechanisms, nor does it dig deeply enough to challenge an economist. Instead, Brooks offers straightforward economic principles and applications of those insights, always with an eye toward public policy. A key example is his quite satisfying basic explanation of

market failures, with detailed definitions of monopolies, externalities, public goods, and information asymmetries, accompanied by instructions on how these insights apply in public policy discussions. He echoes many economists' call for economically sound policy prescriptions, offering a simple flow chart for decision-making (p. 131). The conclusions are simple: government should only intervene when (1) there is a market failure; (2) the government can reasonably solve the problem; and (3) the benefits of a government solution outweigh the costs. This is all essentially uncontroversial, with the only real controversy over specific policies. That such simple prescriptions require such argumentation only highlights the fact that economists have much work to do. Indeed, when points that most economists agree upon are still not commonly understood by the general public, our success in translating academic principles for mainstream audiences may be called into question. So true is this that Brooks must devote many pages to addressing basic points. Thereafter, Brooks asserts, the disagreements in the public square must be merely disagreements over degree, not of ultimate goal. Once the public understands these basic economic truths, gaining general agreement over the role of government should be simple, even if there may remain disagreements over specific programs.

At one point, however, Brooks offhandedly suggests that there is virtually nobody who seeks to end government entirely, but that the debate is between those who seek to reduce the scope of government and those who seek to expand it into what he would argue are areas beyond the scope of what are appropriate uses of government power. "Demagogues who accuse the political right of wanting to throw the poor out into the snow are," he states, "simply wrong" (p. 117). It may well be that the vast majority of those who argue for smaller government are, indeed, dedicated merely to reductions of government and rationalization of structure and scope. However, there is a growing segment, both in the academic community and among the public at large, who would argue for an end to government entirely. Thus, his characterization of the public debate is, at best, incomplete. This unfortunate misstatement may be minor, but small wrong turns can lead to greater errors. The anarchistic movement is growing, and ignoring that phenomenon is unwise. The book may be targeted at the broad middle, but ignoring the extremes misses the mark. While it is true that most public policy arguments can be won by swaying a few more of those "in the middle," it is also true that most of the great moves of society, both good and bad, take place at the extremes. This is particularly true in times of great economic upheaval. One need look

back no further than the twentieth century to see widespread examples of radical movements which might have been regarded as extreme outliers, taking power in dozens of nations. From Russia and China to Germany and Italy to the Middle East to post-colonial Africa, we have seen a variety of extreme movements that suggest that the battle for hearts and minds cannot focus exclusively on the quiet middle. To ignore the outliers, or to deny their existence, is both intellectually inaccurate and strategically unwise.

Moreover, Brooks himself has been eloquent in his discussion of these extremes, and their root ideals. This discussion is largely absent from *The Road to Freedom*. Brooks has elsewhere addressed the belief in the perfectibility of man that is at the root of many of these false paths. A recognition of mankind's flawed nature is at the core of the conservative philosophy he espouses in this book, yet he misses an opportunity to expound upon the subject here, as it would have helped make his case more succinctly. It is an argument that Brooks is quite able to make. In an earlier article co-authored with Peter Wehner (2010), later expanded into the 2011 monograph *Wealth & Justice*, Brooks provides one of the most insightful views of mankind's nature in the context of governance. Human nature should be at the core of the discussion of what governments can truly achieve, as well as what can be achieved in the anarchistic absence of any government. When Brooks makes the case for an appropriate level of government involvement in developing a "safety net," having this insight as a backdrop would help illustrate his point regarding the overreach of government in other areas. Yet, this brilliant discussion is largely absent from *The Road to Freedom*, and the defense of markets suffers for it. Recognition of mankind's nature is the key to understanding certain limitations we face in addressing the world's problems. Brooks' average reader may not have thought through the full implications man's sinful nature, or how that nature limits our ability to meet human needs or to govern effectively.

Both Brooks' earlier works outline the distinctions among French Enlightenment utopianism, Hobbesian pessimism, and what he and Wehner argue is the Biblical view of mankind: flawed beings, still made in the image of God, who, in the words of St. Paul, can be "instruments of wickedness" as well as "instruments of righteousness." Humanity is "capable of acts of squalor and acts of nobility; we can pursue vice and we can pursue virtue" (Wehner and Brooks, p. 4). In this piece, they go on to argue that such luminaries as Adam Smith, David Hume, and the American founders all shared this third view of humanity's nature, and that

this belief was at the root of their shared ideals about the structure of good government and society. In this framework, Brooks and Wehner opined that either the overly pessimistic worldview or the utopian worldview would lead ultimately to a breakdown of civilization. Denying the biblical view of man's nature can lead to dire consequences. While aspects of this insight are alluded to in *The Road to Freedom*, the discussion is never explicit, and a great opportunity is missed. Nonetheless, Brooks' work achieves much of its goal.

Rev. Sirico's *Defending the Free Market* covers similar ground, but with a different tone and structure than Brooks' book. The difference in the writers' backgrounds and intentions shows through in the crafting of their arguments. While Brooks' role as President of the American Enterprise Institute gives him a policy analyst's focus on what ought to take place in Washington, Sirico's similar position with the Acton Institute leads him to delve into the interactions between theology and economics. He proposes that the solutions are not to be found on the banks of the Potomac, but embedded in the cultural institutions of society. Both share the ultimate goal of recovering earthly society from destruction, but Sirico's greater emphasis on philosophical and theological principles offers less provisions of policy specifics. Instead, his ultimate goal is Truth.

Sirico begins with an introduction ominously titled "The End of Freedom?" in which he outlines his concerns about the track our civilization seems to be following. Here, he also introduces his basic premise that economic liberty and public morality are inextricably linked. He sees the connection between economic rights and cultural stability as a powerful force that has been observed throughout history, and proposes that the absence of one may destabilize the other. Yet, even freedom must not be ungrounded, in Sirico's mind. He advocates for seeking the ground where freedom is not divorced from faith, avoiding such extremes as Theocracy or Libertinism. Each of these, he proposes, lead inexorably to destruction. Sirico's first chapter—titled "A Leftist Undone"—gives us a deeply personal view of the author's own development, and the people and events that led him through his evolution of thought. This structure allows Sirico to introduce ideas of reconciliation, philanthropy, rights, justice, markets, and cooperation, presenting them in a format that is particularly palatable, allowing the reader to walk through the ideas as if they were experiencing their introduction in their own lives. At the end of this chapter and each successive one, Sirico leaves recommendations for further reading along the lines of the subject matter for the chapter.

Chapter two, entitled "Why You Can't Have Freedom without a Free

Economy,” begins with a discussion of the core principle of private property. Sirico provides both a theological and an economic justification of this essential institution of a free society. In a compelling argument that might even sway Marx or Proudhon, Sirico discusses the transcendent value of this principle. The human connection to property, Sirico points out, is not purely about control over physical things, but is tied up with a person’s “capacity to apply his intellect to matter and ideas, to look ahead, to plan and steward the use of that possession” (p. 31). Without such a right to property, other rights lose their meaning. Addressing such core issues may seem unnecessary to some, but the depth of understanding of core values is critical for a culture in crisis. When economic upheaval takes place, it is not usually peripheral policies that are questioned, but the core values of society. Sirico thus offers great value by treating seriously the key theoretical underpinnings of a free society.

Sirico’s third chapter is more practical than theoretical. It deals with poverty in a way that is not dissimilar to Brooks’ approach. Focused on meeting the needs of the poor, it suggests that aid is not a long-term solution, and that jobs and entrepreneurship are the most effective long-term solution. This is not a surprising idea, and one that many development economists have long since come to recognize, but Sirico does an admirable job explaining the concept for lay readers. He simply does the math, and deals head-on with issues of scarcity, pointing out that, unless the poor are able to contribute by “bringing resources, not just needs, to the table,” sufficient resources simply will not magically materialize (p. 48). By involving the poor in their own solutions, not only is the world enriched by the contributions of all members of society, but the poor are able to gain the dignity of building their own future. This first part of the chapter provides few new insights to economists, but the latter half is eloquently crafted and offers answers to those who question the spiritual value of business and entrepreneurship. Offering a “theology of enterprise,” Sirico shows that business is much more than a “necessary evil”—as some of his colleagues view it—but is, in fact, a noble calling. Introducing the idea of “business as mission,” Sirico identifies it as one opportunity to both meet needs and build relationships in the world, and to unleash the creativity of God’s creatures in a way that can affect levels of both poverty and dignity, and bring us closer to God.

The fourth chapter focuses on the economic principle of “creative destruction,” providing the insight that long-term benefit is the companion of what appears to most to be nothing but short-term pain. He uses this framework to address concerns about globalization, defending it for

economic and social reasons, and also for the Christian in the context of the Great Commission and sharing of insights of divine significance. Sirico sees the transmission of goods and services across societies as not only an economic opportunity tied to industrialization and discovery, but also as an opening to new communities that can allow for transmission of culture and faith. “A globalized planet,” Sirico points out, “is one in which our material and human capital, along with the values that compose our respective cultures, can cross international borders with relative ease” (p. 75). Of course, history has shown that this transmission of ideals and culture is a two-edged sword. But Sirico believes that the opportunity for human flourishing that comes from the spread of moral formation and economic discovery, outweighs the risk that the worst of human nature will take hold and spread falsehood through those same global channels.

One of the most thought-provoking chapters, perhaps, is the fifth: “Why Greed is Not Good—and Why You Can Get More of It with Socialism than with Capitalism.” In this well-developed section, Sirico takes to task both those who aspire to be the next Gordon Gekko and those who would condemn the capitalist. Addressing what is a core concern that many Christians might have with the capitalist mindset, Sirico tears down the argument that greed is necessary for capitalism to flourish. In fact, he says, it is human creativity that fuels the system, by rewarding those who serve others. The unique feature of capitalism is that it can function in spite of greed, unlike other structures. It allows for society to benefit even if the intentions of the participants are not entirely pure. This, says Sirico (echoing Adam Smith), is a strength, not a temptation. Sirico further dispenses with Ayn Rand’s ideal of radical individualism, striking at its heart. Here, Rand’s radical individualism is shown to be inconsistent with her own defense of a capitalism that can only function at its best when in a community. He turns from this vanquished foe to a similar attack on the Marxian mindset—what he calls the “Socialist Mirage.” Tearing into the heart of that idealized social system, he finds nothing there but a devastating materialism that leaves not only the body unfilled, but also the soul. In the following chapter Sirico provides a careful autopsy of the ideal of equality, carefully distinguishing between the noble goal of equal opportunity and the oppressive search for equality of outcome, and addressing the concept of social justice.

Chapter seven describes “Why Smart Charity Works—and Welfare Doesn’t.” Here, Sirico echoes many of Brooks’ arguments, emphasizing that helping the poor must be approached with more than merely good intentions, requiring us to apply disciplined thought. We are reminded

that the government is not the only institution, and that the principle of subsidiarity “holds that needs are best met locally, and that higher levels of the social order should be careful not to interfere with lower orders” (p. 126). Answering the criticism that such models are “too individualistic,” he affirms that in fact they are actually not individualistic in a real sense, but are quite social. He thus terms them “personalistic,” in that they meet needs on a personalized basis, but do so without damaging community or contributing to the atomization of society as he argues that bureaucratic models are prone to do. Here, Sirico’s theory of government is clear:

To hold to the principle of subsidiarity is not to say that the government is never needed, or that government itself is evil, but merely that government should be a means of last resort in the face of most social problems, not of first resort. Government is primarily necessary to provide justice and to maintain the rule of law, so that the weak are not at the mercy of the strong. If it does all those things, government creates a context in which communities and society as a whole can flourish. But government is like a sharp scalpel; if not wielded by a skilled and disciplined surgeon who knows both his role and his limitations, it is a dangerous weapon (p. 128).

Chapters eight and nine address specific issues of concern to many Christians: healthcare and the environment. Both are addressed with economic insights interspersed with biblical admonitions. Both yield some meaningful discussion, but it is clear that not all will agree on the conclusions here.

Titled “A Theology for Economic Man,” the final chapter, though brief, may be the most meaningful for Christian economists. Sirico shows here a deep understanding of both the concepts of economics, and the theological implications of taking them out of the context of humanity. First, he takes on the concept of *homo economicus*, bringing into focus what behavioral economists have been pointing out for years. Sirico writes that the model of economic man is but a caricature that may provide some insights, but cannot be used as an accurate representation of true behavior. “Anyone who was only economic man would be a lost soul,” Sirico reminds us (p. 170). Too narrow a focus on purely the economic aspects of life would offer a “truncated picture of humanity” and jettison whole sectors of human life focused around family, philanthropy, art, music, and faith (p. 174). Thus while “we all have material appetites,” we are also “motivated by desires that go deeper than sensual gratification” (p. 170). This deeper

understanding of the human soul, while not particularly tractable in an economic model, is necessary for a fuller understanding of human action. In passing, Sirico criticizes the idealized political system that is about nothing but promoting the self-serving, pleasure-seeking ideal, arguing that such a society will not last long. But Sirico saves his most withering criticism for those who would seek safety in bigger government. Quoting de Tocqueville, he suggests that such a path can only lead to a nation of timid, hardworking sheep with government acting as shepherd. This, he sees, would be the “end of freedom” which began the discussion (p. 175).

Even freedom is but an instrumental goal, Sirico points out. It must be aimed at the ultimate goal of higher truth—ultimate Truth. And to get to the root of the issue, one must deal with the truth of man’s sinful nature. Here, interestingly, Sirico ends with the key ideal that Brooks took for granted, the nature of man. Only in viewing human nature in its full form can we understand economic man. For he is both subject to a sinful nature, rendering him unfit for ultimate, unchecked power in government; yet, he is also a creative individual, created in God’s image, able to aspire to great things, and achieve noble goals. This dichotomy, this paradox, is at the heart of what makes man who he is, and what makes economics so difficult. Sirico captures this insight well in *Defending the Free Market*.

In the final analysis, both books offer valuable insights, but they will likely appeal to different audiences. Brooks’ *Road to Freedom* is designed to awaken the mildly-interested or the moderate to the value of markets—to strengthen the moral convictions of those who may value the free enterprise system, but have not thought deeply about the moral implications of that structure. Sirico’s *Defending the Free Market* will prove a better tool to draw the passionate with deeply held convictions, whether or not they come with an appreciation of markets. Since Sirico himself came from a more radical background, his work will resonate better with those on the extremes, both right and left. Moreover, Sirico’s approach will be more appealing to those who have no preconceived notions of the rightness or wrongness of free enterprise, as he builds his case from the very foundation, assuming nothing about one’s general appreciation of the American way. Both books offer sound arguments for free enterprise, but the reader’s philosophical background will influence which is received better.

References

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