

**THE FUTILITY OF THE
LIBERTARIAN
FETISH FOR FREEDOM:
MILTON FRIEDMAN'S *CAPITALISM
AND FREEDOM* REVISITED**

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Whenever I think of markets in general or the “Chicago school” in particular, the late great Milton Friedman (1912-2006) invariably comes to mind. Of course, there have been many other eloquent defenders of markets ever since Adam Smith penned his tome on *The Wealth of Nations*, just as there have been many other renowned economists at the University of Chicago, such as George Stigler (1911-1991), Ronald Coase (1910-___), and Gary Becker (1930-___), but it is Professor Friedman who stands out in my mind, and he stands out in large part for his passionate defense of economic and political freedom in his classic book *Capitalism and Freedom*. At the time of its original publication in 1962 – fifty years ago! – , the idea of free markets was under siege and in many places soundly defeated. The world was divided into two great ideological camps – the free world and socialist bloc – and both sides were

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engaged in a fierce and worldwide struggle of heroic proportions. Yet, like an Old Testament prophet, Friedman himself lived to see the fall of the Berlin Wall, the birth of the World Trade Organization, and the creation of a single pan-European currency – all these remarkable events occurring within 50 years of his book's publication. Even Communist China has become a capitalist country.

With the spread of democracy and the triumph of capitalism the world over, it seems that history has vindicated Milton Friedman, the Chicago school, and the libertarian conception of freedom. Nevertheless, I see three major problems with Friedman's defense of markets and freedom generally. One problem is definitional. Friedman's definition of freedom is fuzzy and rife with ambiguities. Another problem is factual. It is not at all clear whether democracy (however defined) leads to economic freedom, or vice-versa. In fact, if the many case studies that Friedman discusses in his own book are any example, then it appears that democracy generally leads to paternalism and ill-conceived government interventions of all sorts. But the basic problem with Friedman's approach towards markets and freedom – and the main theme of this paper – is simply that Friedman is dogmatic. Professor Friedman is dogmatic not in a metaphorical

sense but rather in a literal sense because Friedman – like Hayek, Nozick, and Rothbard, just to name a few of the usual libertarian suspects – treats freedom as an end in itself, the most important moral value of all. His classic book about capitalism, like the works of Hayek, et al., is thus no different in spirit and form than a religious tract or a catechism.

In this paper, I shall analyze Friedman's dogmatic approach towards freedom (part 2), his misuse of historical examples (part 3), and his tautological definition of freedom (part 4). In fairness to Friedman, however, I shall conclude by explaining why any attempt to define freedom is bound to fail, and I shall also explain why freedom, however defined, must necessarily and paradoxically entail some form of coercion.