

作为文本/反文本的《资本主义与自由》

——弗里德曼新自由主义准则的解构和去中心化

约瑟夫·格雷戈里·马奥尼

摘要: 米尔顿·弗里德曼的新自由主义理论与雅克·德里达的解构主义思想存在一种意外的相似性,可以说二者都包含了海德格尔式的资本主义解释学,且都通过阐释激进的选择自由对“正义”一词做出了反动的论述。德里达眼中的主观自由正是弗里德曼在市场中赋予我们的权利。这种相似性使得我们可以借助德里达的理论重新解读弗里德曼,且确保这种解读不会没有成果。更重要的是,在此前的10年间,新自由主义在全球决策者中受欢迎程度之高令人咂舌,这也引发了2008年的全球金融危机。尽管如今我们已迈出了经济重建的步伐,但来自各地的决策者仍不断高呼重振弗里德曼的理论。故本文的写作目的在于反驳弗里德曼传播到世界各地的消极思想,从而解构其主要著作。在此过程中,笔者将揭露这位虽自称是哲学家和反马克思主义理论家的资本主义经济学家在理论和思想中的矛盾之处。

关键词: 德里达; 弗里德曼; 解构; 新自由主义; 激进的选择自由

作者简介: 约瑟夫·格雷戈里·马奥尼,华东师范大学政治学系教授;中央编译局(北京)高级研究员;复旦大学社会科学高等研究院研究员;美国《中国政治学刊》助理编辑;《复旦大学人文社会科学论丛》编辑;其研究成果多次在中西方杂志上发表,包括《马克思主义与现实》、《国外理论动态》、《毛泽东思想与邓小平理论研究》、《社会科学》、《反思马克思主义》等;曾参与翻译英文版《江泽民文选》。

Title: *Capitalism and Freedom as Text/Antitext: Deconstructing and Decentering Friedman's Neoliberal Canon*

Abstract: An odd symmetry appears when reading Milton Friedman's canonical neoliberalism in tandem with Jacques Derrida's deconstructive techniques: both authors, it can be argued, are ensconced in a Heideggerian, capitalist hermeneutic. Both offer reactionary discourses for "justice" per their respective paradigms of a radical freedom of choice. This congruence marks a special opening—not just the standard invitation to deconstructive relativism—to re-read Friedman in a manner consistent with Derridean, subjective freedoms that Friedman would otherwise ascribe us in the marketplace. More importantly, this re-reading takes place following a ten-year period that saw global neoliberalism reach absurd heights of popularity among policymakers and in turn, spark a global financial crisis in 2008. Today, incredibly, we continue to hear calls from some corners to return to Friedman as we move forward and try to rebuild economically. Our purpose here, therefore, is to deconstruct Friedman's primary texts, and to do so in a manner that pushes back against the sort of destructive thinking he helped popularize worldwide. In doing so, we will reveal the inconsistencies one should expect from a still celebrated bourgeois economist who fancied himself a philosopher and Karl Marx's antithesis.

Keywords: Derrida; Friedman; deconstruction; neoliberal canon; radical freedom of choice

Author: Josef Gregory Mahoney, Professor of Politics, East China Normal University; Senior Researcher, Central Compilation and Translation Bureau (Beijing); Research Fellow, Institute for Advanced Studies, Fudan University; Assistant Editor, US-based *Journal of Chinese Political Science*; and Editor, the *Fudan Journal of the Humanities and Social Sciences*. His publications have appeared in Chinese and Western journals, including *Marxism and Reality*, *Foreign Theoretical Trends*, the *Journal of Studies in Mao Zedong Thought and Deng Xiaoping Theory*, *Science & Society*, *Rethinking Marxism*, and others. He was a member of the Chinese team that translated Jiang Zemin's *Selected Works* into English.

Introduction

Milton Friedman, the Nobel Prize-winning economist (1976), oft-mentioned leader of the “Chicago School” of economics, and longtime Senior Fellow at Stanford University’s Hoover Institution before his death on November 16, 2006, was arguably the most ardent advocate of free market capitalism *ever*. Indeed, the University of Chicago Press, publisher of Friedman’s *Capitalism and Freedom* (1962), celebrated the book’s fortieth anniversary (2002) as one of the most influential statements on economics since World War II. While his influence peaked in the United States during Ronald Reagan’s presidency, Friedman should be recognized as the “father” of contemporary neoliberal ideas and policymaking, inasmuch as we may say that practices ranging from the so-called “Washington Consensus” of international monetarism to the push for school vouchers in the United States are derived directly from his works.

As an advisor to Barry Goldwater, Richard Nixon, Ronald Reagan, and Margaret Thatcher, Friedman’s neoliberalism *cum* conservatism slowly permeated domestic policies in the United States and the United Kingdom, and spread elsewhere in the world after the fall of the Berlin Wall and the advent of the so-called transitional or “transitioned” economies of the former Soviet Bloc, China, and elsewhere. Indeed, many who previously considered themselves Marxist ideologues began promoting a Friedmanesque neoliberalism. Friedman’s embrace has been observed especially in China, Hong Kong, Mongolia, and Russia. For example, Nicholas J. Kristof and Sheryl WuDunn in *Thunder from the East* write:

For better or for worse, Asia is a convert to *laissez-faire*, and the free market economist Milton Friedman has become a hero in much of the East. He is worshipped in Hong Kong, which he has praised as the best-run economy in the world, although there are some uncertainties whether it will stay that way under Chinese rule. Friedman’s *laissez-faire* ideas have much more intrinsic appeal even in China than in the United States, and Chinese Communist Party Officials sometimes describe Friedman as their favorite economist. Little Mongolia—barely out of the grasp of communism—is talking about erecting a statue of Friedman on a hill overlooking the capital. ^①

Since the Global Financial Crisis began in 2008, many have argued that many of Friedman’s ideas regarding political economy set in motion many of the forces that produced the crisis. Notable policymakers like Alan Greenspan, Larry Summers, Hank Paulson and others have now repudiated some of the central tenets of neoliberalism, including the notion that markets can be self-stabilizing and the idea, *qua laissez faire*, that governments should endeavor to regulate less and less and ideally, not at all. ^②

Nevertheless, despite such hindsight and changes in opinion, many of Friedman’s ideas remain popular today. Perhaps this is true because Friedman’s ideas favor those who have acquired economic power over others, or perhaps it is true because many still believe his ideas to be essentially valid. For example, in a recent issue of *The Economist* devoted to the ongoing financial crisis, the magazine’s editors openly embraced Friedman as a solution to our problems and called explicitly for increasing deregulation, worldwide, ^③ despite widespread evidence that it was precisely such policymaking that got us into this trouble in the first place. Therefore, we must ask: It is possible that we have not yet fully critiqued Friedman’s ideas and others like them, and until we do so, we will remain susceptible to making the same mistakes, again and again?

In a certain sense, this struggle seems similar to those waged against religious cultists who imagine the exact opposite of what experience teaches them. It is not farfetched to describe neoliberalism as a type of religion; if we do so, we might recognize Friedman as neoliberalism’s “Paul.” After all, as Paul did for Christianity, few have written more or done more to spread neoliberalism globally than Friedman. This brings us to an interesting observation made prior to the fall of the Soviet Union by Joseph Stiglitz—also a Nobel Prize winning Economist—who remarked as follows:

There seems to be a certain instant attraction between the old ideologues of the left and the ideologues of the right. Both are driven by religious fervor, not rational analysis. As many of the ideologues have rejected the Marxian ideology, they have adopted the ideology of the free market. There is a joke that Milton Friedman is the most widely respected economist within the Soviet Union—though his books and articles have yet to be read. He is a symbol of an ideology

and it is an alternative belief system they seek.^④

Of course, we know what happened to Russia in the wake of Soviet dissolution, and indeed, we know what happened in 2008, and further, what is happening today. It is in this context that we will reread Friedman's key works carefully and whenever possible, deconstruct his contributions to a way of economic thinking that reminds us, ultimately, of a destructive religious crusade.

As we will demonstrate, Friedman understood that "economics" is always political, and further, that it is always philosophical.^⑤ While his credentials as a bourgeois economist in the twentieth century have few peers, Friedman long argued that his economic ideas derived fundamentally from a political philosophy devoted to advancing "freedom." For Friedman, freedom must be understood as radical "freedom of choice." Specifically, Friedman describes, free, independent agents, buyers and sellers, meeting in a "free market," and conducting voluntary exchanges resulting in mutual benefit.^⑥ Claiming descent from F. A. Hayek and Adam Smith in particular, Friedman argues that "free exchange" can firstly avoid a zero-sum game; secondly, unite individuals through commerce; and thirdly, provide the "necessary conditions for political freedom."^⑦

In many ways—but with very important differences—Smith's notion of "perfect liberty" provides the basis for Friedman's "free market." In *Wealth of Nations* (1776), Smith describes perfect liberty as existing "where every man was perfectly free both to chuse [*sic*] what occupation he thought proper, and to change it as often as he thought proper," to be governed by "self-interest,"^⑧ before describing various conditions that must accompany such a state, i. e., perfect competition and a nearly perfect government, one that protects, "as far as possible, every member of society from the injustice or oppression of every other member."^⑨ Accordingly, throughout *Wealth of Nations*, Smith laments those who "combine," who form monopolies, unions, restrictive trade zones and the like, inasmuch as they oppress others through manipulating prices. And yet, Smith concedes that government is imperfect, and further, that it is folly to expect individuals, especially the "masters" of capitalism, who, governed by self-interest, collude to sustain their position above others.^⑩ Indeed, Smith states that workers who combine, i. e., those who form unions, do so most often in desperate and mostly unsuccessful attempts to rectify iniquities perpetuated by their masters, iniquities that are fundamentally at odds with perfect liberty. Further, Smith concedes that government, so often merely a mechanism for oppressing workers on behalf of capitalist interests, has the tendency to improve the lot of workers on the rare occasions when it actually legislates in their favor.^⑪

The primary difference between Smith's conceptualization of "perfect liberty" and Friedman's "free market" can be demonstrated by showing, per differences in their logic and rhetoric, how they differently conceive and express concepts of liberty.

Logic: Where Smith extols what he saw as the virtues of promoting free trade amid imperfect realities, Friedman rather views free trade as virtue itself. The difference here is less sublime than it first appears. Smith argues that a society might experience a progressive movement towards liberty through the development of measures, regulation, ideology, and the like, that promote free trade, keeping in mind that free trade in some perfect sense may prove both unachievable and perhaps undesirable inasmuch as regulatory measures may prove necessary to curtail inequitable practices.^⑫ Friedman, on the other hand, follows the idea that we may simply "have" free trade, that having it requires a radical laissez faire, and that once we have it, all will be perfect or perfecting. He looks fondly to the examples of Great Britain and the United States in the nineteenth century, stating with no hint of irony "The combination of economic and political *freedom* [his emphasis] produced a golden age. . . [It] started with a clean slate: few vestiges of class and status, fewer government restraints; a more fertile field for energy, drive, and innovation, and an empty continent to conquer."^⑬ In other words, while Smith describes a dialectical process of resolving contradictions in a manner guided by the idealization of perfect liberty, Friedman argues that enacting a free market will serve as a palliative, correcting all social ills. As Friedman argues, "economic freedom is the essential requisite for political freedom," and further, that the free market "disperses power," "offsetting whatever concentration of political power [that] may arise."^⑭ Friedman's "golden age," the period he wishes to recreate, forgets imperialism, slavery, the genocide of Native Americans, the Civil War, and so forth, all of which were symptoms of those times and similarly, more recent ones.

Rhetoric: Where Smith hedges, where he yearns for perfection but concedes imperfection, Friedman builds most of his arguments through simple binary, good/evil oppositions, and for all that is good about "free markets," he describes all that is bad about "socialism" and unionization. The following strawman fallacy frames his basic political position on socialism, and is a

typical example of how his logic conveys rhetorically:

One feature of a free society is surely the freedom of individuals to advocate and propagandize openly for radical change in the structure of the society—so long as the advocacy is restricted to persuasion and does not include force or other forms of coercion. It is a mark of the political freedom of a capitalist society that men can openly advocate and work for socialism. Equally, political freedom in a socialist society would require that men be free to advocate the introduction of capitalism. How could the freedom to advocate capitalism be preserved and protected in a socialist society?^⑮

Thus, Friedman argues that freedom requires capitalism and vice versa, and further, that freedom requires *tolerating* radical but *ineffectual* propagandizing for socialism. In other words, a free society is one that might discuss socialism, but it surely must never actually *choose* it.

Of course, the great problem that most liberals face is that people, sometimes en masse, do choose socialism, and further, sanction socialism as a freer form of economic praxis than capitalism. In Friedman's case, as we will discuss in greater detail shortly, the problem of popular choice is made all the clearer by his association with the Pinochet regime in Chile, and further, by his best example of capitalism in the twentieth century: undemocratic Hong Kong in the 1970s. Nonetheless, despite these obvious flaws, and because of them, we will take Friedman very seriously, read him very carefully, and attempt to square his rhetoric and logic with what he describes as a radical commitment to economic and political freedom. To accomplish this task, we will deconstruct a number of Friedman's central texts, bringing, in effect, a radical freedom of choice to Friedman's economy of signs.

Deconstruction and Decentering: A Brief Review

"Deconstruction is justice," Derrida writes in "The Time is Out of Joint" (1995),^⑯ but we are warned otherwise what deconstruction is not: it is not an analysis, nor a critique, nor is it a method. In other words, deconstruction cannot be "reduced to some methodological instrumentality or to a set rules and transposable procedures."^⑰ As "justice," however, we should note that it is an idealized, perfect form of justice that cannot be prescribed or determined beforehand, but rather, must be formulated as a reaction to injustice.^⑱ Perhaps deconstruction is a justice derived from humanistic appeals found at the center of virtually every text, but more reliably we may say that it is an attempt to reconcile inconsistencies that occur between ontological statements of value, that is, statements that determine a specific set of values, grammar, etc., and thus, *logic*, that an author subsequently violates per secondary claims. In the Derrida canon, perhaps the simplest example of deconstruction following such deviation can be found in Derrida's reading of Plato's *Phaedrus*. In this work, for example, Plato famously denigrates mythology in favor of reason, but in the last instance resorts to mythology in order to win the argument—i. e., that well-reasoned appeals based on well-grounded principles are superior to mystifying, relativistic sophistry.^⑲

Additionally, a persistent theme in much of Derrida's work is the deconstructive analyses of binary oppositions that structurally form the centers of meaning in a variety of texts.^⑳ The Hegelian notion of *Aufhebung* plays an important role here, which Derrida defines as "to surpass while maintaining" and summarizes as "A determination [binary opposition] is negated and conserved in another determination which reveals the truth of the former."^㉑ Binary oppositions can take obvious and sublime forms. For example, descriptions connoting good/evil, right/wrong and the like are obvious. In other instances, the binary may be more subtle, where the negative category is implied, or even, explicitly hidden. A simple example here is a slogan from the 2000 presidential campaign, "George Bush is the right man for America." The binaries potentially at work in this sentence include George Bush/John Kerry, is/is not, right/wrong, man/woman, for/not for, and America/not America.

Also in "The Time is Out of Joint," Derrida states that deconstruction consists of "dislocating, displacing, disarticulating, disjoining, putting 'out of joint' the authority of the 'is'," where the purpose is to unmask authoritarian pretenses.^㉒ This is not, however, a spurious activity of wanton relativity. Rather, Derrida describes in *Positions* (1981) "a kind of *general strategy of deconstruction*," where one avoids "both simply *neutralizing* the binary oppositions' [...] and simply *residing* within the closed field of these oppositions [...]"^㉓

Therefore ,

[...]we must proceed using a double gesture , according to a unity that is both systematic and in and of itself multiple , what I call [...] a *double science*. On the one hand , we must traverse a phrase of overturning. To do justice to this necessity is to recognize that in a classical philosophical opposition we are not dealing with the peaceful coexistence of a *vis-à-vis* , but rather with a violent hierarchy. One of the terms governs the other (axiologically , logically , etc.) , or has the upper hand. To deconstruct the opposition , first of all , is to overturn the hierarchy at a given moment. To overlook this phase of overturning is to forget the conflictual and subordinating structure of opposition.^②

Further ,

[...]one might proceed too quickly to a *neutralization* that *in practice* would leave the previous field untouched , leaving one no hold on the previous opposition , thereby preventing any means of *intervening* in the field effectively. We know what always have been the *practical* (particularly *political*) effects of *immediately* jumping *beyond* oppositions , and of protests in the simple form of *neither this nor that*. When I say that this phase is necessary , the word *phase* is perhaps not the most rigorous one. It is not a question of a chronological phase , a given moment , or a page that one day simply will be turned , in order to go on to other things. The necessity of this phase is structural; is it the necessity of an interminable analysis: the hierarchy of dual oppositions always reestablishes itself. Unlike those authors who death does not wait for their demise , the time for overturning is never a dead letter.^③

At stake , Derrida repeatedly argues , are exclusive delineations that attempt to “freeze” the meaning and value of words , concepts , texts , and so on. For example , to return to *Phaedrus* , Derrida illustrates how Plato alternatively relies on the word *pharmakon* (which in Greek means both poison and remedy) to argue that speaking is superior to writing.^④ The basis of Plato’s argument hinges on the contention that dialogue permits/requires proper contextualization and provides the opportunity to ascertain whether a listener has arrived at a correct understanding of the speech. In other words , Plato argues that speech allows the speaker to “freeze” meanings , whereas a written text leaves the writer susceptible to the free play of subjective readings. Derrida points to how Plato refers separately to speech and writings as a *pharmakon* , where the positive versus negative connotations of the words are taken for granted by perhaps the most important binary of the text , the speaker (Socrates) and the listener (Phaedrus) .^⑤ Thus , Plato’s reader is left with two problems in this example: first , is speech in fact superior to writing; and second , how can a word that embodies positive and negative meanings stand at the center of an argument dedicated to “freezing the play” of meaning? As is the case with all binaries , subordinate terms conventionally posit , through conceptualized difference , the clearest definition(s) of the dominant term. However , because binaries can be false constructions and/or flagrantly reductive representations , then these “defining differences” are suspicious , and the value of each term , i. e. , their negative reciprocal meaning , is questionable.^⑥

In all , Derrida has five concerns about binary oppositions: 1) irrepressible “play” between terms that are conceptualized as fundamentally discrete; 2) the attempt to exclude or negate the subordinate term; 3) the likelihood that all binaries are simplistic , arbitrary , ideological , exclusive equations that imagine two extremes locked in a master/slave relationship to the exclusion of other terms , concepts , meanings , values , etc. ; 4) the intended “meaning” construed by a binary opposition falls victim to the irrepressible play of subjectivity in its communication with others; and 5) although no form of communication can escape “binarity” completely , as an ethics of praxis one ought to be more understanding of the complicated and often misleading effects that binary oppositions sometimes generate , and thus , attempt to delimit them when possible.^⑦

This brief introduction and summary of some of Derrida’s concepts and concerns set the stage for the following point: Friedman’s predilection for binary oppositions reflects at a grammatological level an exclusive , totalitarian worldview. In turn , this totalitarian worldview may be seen as revealing centralized , antidemocratic ways of thinking that , at a semiotic level , deconstruct Friedman’s desired neoliberal position. Through deconstruction , however , I believe we may liberate Friedman’s text and illustrate new expressions of personal freedom—thereby achieving rhetorically , from within and without—Friedman’s grand project of

democratic choice. In other words, semiotically decentering the authoritarian aspects of Friedman's texts will bring them into closer philosophical accord with his overarching desire for political and economic decentralization.

Binarism Unbound: The Influential/Passé Conservative/Liberal/Moderate

At a conference sponsored by the Federal Reserve Bank of Atlanta in 1982, Friedman noted his affection for binarism with the following statement:

I share the view that Frank Knight [Friedman's professor and mentor at the University of Chicago] expressed many years ago in which he said there are two sides to every question, the right side and the wrong side.^⑩

It was a conference dominated by several conservative economists and politicians, including Jack Kemp, Newt Gingrich, Phil Gramm, and others. Friedman's place in the conference was nominally at the center, though his influence in the Reagan Administration was already being marginalized significantly by Jack Kemp and the Administration's embrace of the Laffer Curve and deficit spending to the effect of Keynesian pump priming.^⑪ Furthermore, the so-called "monetarist experiment" (1979–1982) was ending at the Federal Reserve.^⑫ Nonetheless, William A. Fickling, Jr, then Chairman of the Federal Reserve Bank of Atlanta, introduced Friedman at the conference with, "It's no exaggeration to say that Friedman probably is America's greatest economist."^⑬ Citing Friedman's Nobel Prize, Fickling also said, "No one is better qualified to teach us about supply-side economics than Milton Friedman. He was saying [these things] thirty years ago, when he was a voice in the wilderness."^⑭ Thus, Fickling in no small measure "authorized" Friedman as the intellectual center of a conference dedicated to a celebrated discussion of supply-side economics. Strikingly, the first words from Friedman were, "I have a confession to make: I am not a supply-side economist."^⑮ He follows this with the above noted reference to Knight, before saying, "I believe there is no such thing as supply-side economics. I believe that there is simply good economics and bad economics."^⑯

At face value, Friedman's confession is striking. Numerous texts have called Friedman a supply-sider, a term he likewise embraced later in 1984 with some measure of qualification: "There are supply-siders and there are supply-siders, I'm a supply-sider [...], " but then, he intimated, not like "Jack Kemp, Art Laffer, and Jude Winniski," whom he accused of having "overpromised [*sic*] what tax cuts would do."^⑰ Nonetheless, the Atlanta conference found Friedman's clear-cut, black-and-white sensibilities tested by the liminal realities of pure politics. At this time, with the decline of strict monetarism in Washington, Friedman had been marginalized to the extent that he was nearly convinced that the Administration would fail ultimately to achieve a true neoliberal revolution. Nonetheless, Friedman's personal popularity in the lay readership was still in ascendancy. At the Atlanta conference, he is named "father," and yet, in some quasi-Oedipal fashion, he is instead left to mull, almost from beyond a metaphorical grave, supply-side perversions wrought in his name.

In this sense, then, it is ironic but not surprising that Friedman cites Knight. First, Friedman's depiction of Knight is either completely facetious or the product of a privileged association—the quote Friedman attributes to Knight is unaccounted for otherwise in the literature. Indeed, there are a number of examples in publications and the history of the Chicago School to suggest that Knight held a very different worldview. Take, for example, Knight's attack of binarism in *The Ethics of Competition* ([1935] 1997):

When Burns says that his Love is "like a red, red rose," etc., when Kipling tells us of Fuzzy-Wuzzy that "E's a daisy, 'e's a ducky, 'e's a lamb," their words mean something, though it is not what they say. William James has commented on the effectiveness of these whose physical basis is undiscoverable, illustrating by the statements that a certain author's style is like the atmosphere of a room in which pastilles have been burning. Let anyone take even a science text-book [*sic*] and try to translate all the figurative expressions into literal, purely logical form, and he will realize how impossible it is to describe the world in terms which mean definitely what they say. Of this general description must be the criticism of values, as it is the character of aesthetic and literary criticism. Our values, our standards, are only more obviously of the same character which our desires reveal on examination—not describable because not stable, growing and changing by necessity of their inner nature. This is, of course, intellectually

unsatisfactory. The scientific mind can rest only in one of two extreme positions, that there are absolute values, or that every individual is an absolute and one is as “good” as another. But neither of these is true; we must learn to think in terms of “value standards” which have validity of a more subtle kind.^③

It is questionable whether Knight would have ever expressed the binarism that Friedman attributes to him, and it is likewise questionable whether Friedman honestly believed Knight held such views.^④ However, by citing one of the founders of the Chicago School, Friedman attempts to reach beyond the hollow authority granted by Fickling at the Atlanta conference. Further, Friedman cites Knight—a moderate compared to Knight’s Chicago School cofounder Jacob Viner—but it is Viner with whom Friedman expressed greater intellectual fellowship.^⑤

Friedman’s acceptance of the public mantle of “Head of the Chicago School,” was viewed by many as a usurpation of Knight’s more humanistic philosophy. Such discussion has occurred elsewhere, albeit in bits and pieces.^⑥ While Knight and Friedman were both neo-liberal, free market devotees, Friedman consistently argued that free markets and competition are the only means to ethical ends, while Knight equivocated with the conclusion that capitalism, via its principle mechanism—competition—treats people unethically as “ends.”^⑦ Where Knight concedes that adherence to free markets policies, while unethical, is superior to alternative forms that presently would lead to greater iniquities (i. e., the lesser of two evils), Friedman’s position holds that free markets always represent the most ethical means to an end. As a result, Knight has often been viewed as an apologist for laissez-faire policies while Friedman unabashedly proclaims their ethical and moral superiority. Although he cites Knight at the Atlanta conference, sub-textually, Friedman conjures Jacob Viner’s ghost instead.^⑧ In a word, the political conservatives at the table with him were too conservative in their liberalism, or too liberal in their conservatism: they were merely effective politicians posing as ideologues, and Friedman no doubt was smart enough to know this.

Liberal/Neoliberal/Conservative

As noted above, the predilection for binaries comes from a desire categorically to “freeze the play” of words that otherwise function in an arbitrary linguistic system. Friedman’s struggle with the term “liberalism” exemplifies this concern. For example, Friedman defines liberalism “as the doctrines pertaining to a free man.”^⑨ While he tried to be very specific about the term, he concedes that “liberalism” has come to mean something altogether different in the United States and Europe than it did in the eighteenth and nineteenth centuries.^⑩ It is helpful, therefore, to quote at length his fullest statement on the matter:

As it developed in the late eighteenth and early nineteenth centuries, the intellectual movement that went under the name of liberalism emphasized freedom as the ultimate goal and the individual as the ultimate entity of society. It supported laissez faire at home as a means of reducing the role of the state in economic affairs and thereby enlarging the role of the individual; it supported free trade abroad as a means of linking the nations of the world together peacefully and democratically. In political matters, it supported the development of representative government and parliamentary institutions, reduction in the arbitrary power of the state, and protection of the civil freedoms of individuals.^⑪

Friedman provides his view on the history of liberalism because, as he later reveals, he believes that its forms during the eighteenth and nineteenth centuries were superior to latter day incarnations:

Beginning in the late nineteenth century, and especially after 1930 in the United States, the term liberalism came to be associated with a very different emphasis, particularly in economic policy. It came to be associated with a readiness to rely primarily on the state rather than on private voluntary arrangements to achieve objectives regarded as desirable. The catchwords became welfare and equality rather than freedom. The nineteenth century regarded an extension of freedom as the most effective way to promote welfare and equality; the twentieth century liberal regards welfare and equality as either prerequisites of or alternatives to freedom. In the name of welfare and equality, the twentieth-century liberal has come to favor a revival of the very policies of state intervention and paternalism against which classical liberalism fought. In the very act of turning the clock back to the seventeenth-century mercantilism, he is

fond of castigating true liberals as reactionary!^{④⑦}

Thus, Friedman raises the specter of “true” versus “false” liberals, contingent on the notion that liberalism itself is a narrowly definable political and economic philosophy that has become corrupted in contemporary vernacular and practice. Fundamentally, of course, Friedman’s concern here is one of classical etymology: he insists on rescuing the Latin root, *liber*, meaning free, as though the linguist root held a central truth that defies conventional political relativism, e. g., where meaning and purpose are democratic constructs.

However, in Friedman’s view, liberalism’s perversion has had more of an impact on economic than political matters. Indeed, Friedman signals his willingness to construe politics and economics as separate fields, despite his apparent effort to argue they should never be imagined in such a way. In the following, again from *Capitalism and Freedom*, Friedman appears to attenuate this separation:

The change in the meaning attached to the term liberalism is more striking in economic matters than in political. The twentieth-century liberal, like the nineteenth-century liberal, favors parliamentary institutions, representative government, civil rights, and so on. Yet even in political matters, there is a notable difference. Jealous of liberty, and hence fearful of centralized power, whether in governmental or private hands, the nineteenth-century liberal favored political decentralization. Committed to action and confident of the beneficence of power so long as it is in the hands of a government ostensibly controlled by an electorate, the twentieth-century liberal favors centralized government. He will resolve any doubt about where power should be located in favor of the state instead of the city, of the federal government instead of the state, and of a world organization instead of a national government.^{④⑧}

Thus, Friedman criticizes contemporary “liberals” who favor centralized, regulatory government systems in place of a truly “liberal” environment where individuals are unencumbered by government intervention.

How did this inversion between true liberals and false practices occur? Friedman’s brief history does not explain. Others, however, have attributed this shift to increased suffrage and democracy.^{④⑨} In short, they argue that the liberating rhetoric provided by the founding fathers offered the eventual means for greater democratic inclusion of once excluded groups, including the non-landowning poor, women, and minorities. When these groups won their rights of political inclusion, government policy naturally began to reflect their beliefs that historically unfair distributions of income, given institutional classism, sexism, and racism, needed to be addressed. Hence, the turn to more social welfare programs was in part the product of a more robust democracy. This argument is difficult to contradict and is not widely controversial, and yet, Friedman insists that Americans enjoyed their greatest economic freedom during the eighteenth and nineteenth centuries.^{⑤①} Which Americans? Of course, non-whites and women, some enslaved and collectively, all without real suffrage, were hardly freer then than they are today. And further, quite a large number of whites were actively discriminated against on the basis of ethnicity, religion, and political beliefs. It makes sense then that the Americans to which Friedman refers were categorically those who were white, wealthy, and who held what were considered to be acceptable beliefs and values.^{⑤②}

Nonetheless, despite being a member of a religious/ethnic minority and a child of immigrant parents, Friedman not only insists on the economic and political superiority of nineteenth century liberalism, he claims it as his intellectual core. He claimed the nineteenth century radical as a brother-in-arms, and insists that “we” must also be radical in “our” return to “our” intellectual roots. This is not a “conservative” stance, he insists, it is a liberal, progressive one:

Because of the corruption of the term liberalism, the views that formerly went under that name are not often labeled conservatism. But this is not a satisfactory alternative. The nineteenth-century liberal was a radical, both in the etymological sense of going to the root of the matter, and in the political sense of favoring major changes in social institutions. So too must be his modern heir. We do not wish to conserve the state interventions that have interfered so greatly with our freedom, though, of course, we do wish to conserve those that have promoted it, [*sic*] Moreover, in practice, the term conservatism has come to cover so wide a range of views, and views so incompatible with one another, that we shall no doubt see the growth of hyphenated designations, such as libertarian-conservative and

aristocratic-conservative.^⑤

Friedman's switch here to "us" and "we" is notable because it is a rhetorical device suggesting a collective understanding and acceptance of his argument.^⑤ "We are his modern heirs," Friedman writes, and "we" must dismantle the systems that, in a less erstwhile logic, are likewise the heirs of liberalism.

File This: An Absolutist Neoliberal Positivism

Friedman's popularity notwithstanding, a robust, critical literature exists regarding his work. Unfortunately, the bulk of the literature itself suffers a "binary cleavage" between critiques of his economic methods and political advocacy. Friedman himself notes:

I have been active in public policy. I have tried to influence public policy. I have spoken and written about issues of policy. In doing so, however, I have not been acting in my scientific capacity but in my capacity as a citizen, and an informed one, I hope. I believe that what I know as an economist helps me to form better judgments about some issues than I could without that knowledge. But fundamentally, my scientific work should not be judged by my activities in public policy.^⑥

Friedman's position is seconded by the economic historians William Breit and Roger L. Ransom, who write, "To understand Friedman's contributions to economics, it is important that his philosophical ideas be separated from his scientific work."^⑦ But how is this possible? Breit and Ransom offer "The major body of [Friedman's] work has been strictly scientific and dictated by his characteristic approach. This approach stems from his methodological insistence on the extreme importance of separating out the knowledge of *what is* from judgments about *what ought to be*."^⑧ Again, how is this possible? Perhaps Breit and Ransom have chosen poor wording when they write that Friedman's science has been "dictated by his characteristic approach." Ironically, their phrasing hints at a first order concern: Can science be practiced and its results interpreted without ideological influences?

Immanuel Kant, W. V. O. Quine, Thomas Kuhn, Jean-François Lyotard, and others have long refuted the notion that "science" can be practiced in an ideological vacuum. However, like John R. Searle, one might theorize about "intrinsic features" of a particular object of study versus those that "exist relative to the intentionality of observers, users, etc."^⑨ Searle is speaking of describing features that can be confirmed vis-à-vis the natural sciences, e. g., the intrinsic molecular qualities of metal or stone, which are observer independent.^⑩ Conversely, Friedman is always speaking of economics and public policies, which at best are always "social science" (in other words, fields in which nearly everything is observer-relative). Thus, Friedman always requires what Quine elsewhere critically refers to as an "ontological commitment" to a particular philosophical worldview in order to justify "why" a particular study and its design are correct, let alone the interpretation of its results and the so-called separation of "what is" from "what ought to be."^⑪ Quine's term here is succinct and convenient; without belaboring the point, I believe a much more robust discussion of this problem is found in Jean-François Lyotard's argument that "scientific knowledge"^⑫ is always subjected to normative expressions of "narrative knowledge."^⑬ And finally, however Friedman delimits his work as "not truistic," to invoke Kuhn, "positive economics" is really little more than a "paradigm" that lays claim to a subjective and suspect "truth."^⑭ But consider Friedman's criticism of John Kenneth Galbraith in the following passage:

Instead of regarding him as a scientist seeking explanations, I think we shall get more understanding if we look at him as a missionary seeking converts. We must therefore examine not his evidence, not his hypothesis, but his values and his philosophy, his ideology. If we do so I think we shall see that his view of the world derives from his ideological view, and not the other way around.^⑮

Given what Friedman has written elsewhere, it is not difficult to link his own philosophy and science and, to borrow from his rhetoric, it would be "delusional" not to do so.

Substantively, Friedman demands nothing less in his definition of “positive economics,” a term he uses to describe his research methods. In fact, Friedman states that the foundations of his beliefs are predicated on “science.” It is, therefore, appropriate that this critique begin with what he has written and what has been written by others about his methods. Describing “positive economics,” Friedman writes:

Positive economics is in principle independent of any particular ethical position or normative judgments. . . . it deals with “what is,” not with “what ought to be.” Its task is to provide a system of generalizations that can be used to make correct predictions about the consequences of any change in circumstances. Its performance is to be judged by the precision, scope, and conformity with experience of the predictions it yields. In short, positive economics is, or can be, an “objective” science, in precisely the same sense as any of the physical sciences.^⑤

And:

The ultimate goal of a positive science is the development of a “theory” or “hypothesis” that yields valid and meaningful (i. e., not truistic) predictions about phenomena not yet observed. Such a theory is, in general, a complex intermixture of two elements. In part, it is a “language designed to promote “systematic and organized methods of reasoning.” In part, it is a body of substantive hypotheses designed to abstract essential features of a complex reality.^⑥

In other words, Friedman suggests that his methods are objective inasmuch as they are not influenced by ideology, politics, biases, etc. Thus, consider then the following two passages, the first also from *Positive Economics*:

Viewed as a language, theory has no substantive content; it is a set of tautologies. Its function is to serve as a filing system for organizing empirical data and facilitating our understanding of it; and the criteria by which it is to be judged are those appropriate to a filing system. Are the categories clearly and precisely defined? Are they exhaustive? Do we know where to file each individual item, or is there considerable ambiguity? Is the system of headings and subheadings so designed that we can quickly find an item we want, or must we hunt from place to place? Are the items we shall want to consider jointly filed together? Does the filing system avoid elaborate cross references? The answers to these questions depend partly on logical, partly on factual, considerations. The canons of formal logic can show whether a particular language is complete and consistent, that is, whether propositions in the language are “right” or “wrong.” Factual evidence alone can show whether the categories of the “analytical filing system” have a meaningful empirical counterpart, that is, whether they are useful in analyzing a particular class of concrete problems.^⑦

And the second from *Capitalism and Freedom*, to which I have already alluded above in the discussion of “ends”:

A common objection to totalitarian societies is that they regard the end as justifying the means. Taken literally, the objection is clearly illogical. If the end does not justify the means, what does? But this easy answer does not dispose of the objection; it simply shows the objection is not well put. To deny that the end justifies the means is to indirectly assert [*sic*] that the end in question is not the ultimate end, that the ultimate end is itself the use of proper means. Desirable or not, any end that can be attained only by the use of bad means must give way to the more basic end of the use of acceptable means.^⑧

The problem of “ends” already referenced above, the second passage here reveals the tragic depths of Friedman’s conflation of oppositional values in ethical theory (i. e., deontological versus teleological), which—however important and gratuitous it is to note—underlie most disputes over the study of right action.^⑨ But the purpose of juxtaposing these two passages here is the illustration of a consistency of error in both his methods and philosophy. Further, as Thomas A. Boylan and Paschal F. O’

Gorman point out ,Friedman's filing cabinet metaphor asserts that the "aim of science is not merely to describe the actual world and discover new facts ,it also wishes to organize these facts into a coherent system." Further, "Science aims at an economical , systematic organization of the facts and a scientific theory is the normal way of accomplishing this additional organizational dimension. In this view , a theory is an elliptic or compendious way of presenting observable facts." ^⑥ Again therefore , what are the ontological values that initiated the circle in the first place?

Deconstructing Friedman's Well-Ordered Liberalism

Friedman speaks of what Kurt W. Rothschild refers to as "The old liberal idea of 'freedom from the state' but does not deal with the problem of 'freedom in the state. '" As Rothschild writes:

In other words , if we distinguish between passive and active freedom (where the first refers to freedom from interference by third persons while the second deals with opportunities for achieving one's aims) , then we can say that the market postulate of the liberals is restricted to the problem of passive freedom. One of the problems of markets in general and of monopolistic and oligopolistic markets in particular is , however , that they lead to very uneven distributions of active freedom both in economic and in non-economic spheres (since money is the basis of power) . If active freedom is to be included in the ethical 'portfolio' then market dogma and the maxim of non-interventionism of the liberal school lose their moral credentials. ^⑦

But how 'old' are these principles , and to whom , traditionally and/or philosophically , do they adhere? Like many other neoliberals ,Friedman frequently quotes Adam Smith's *Wealth of Nations* , particularly the notion of the 'invisible hand' in relation to laissez-faire. ^⑧ And like most neoliberals , he somehow avoids Smith's pro-labor positions , e. g. , "When the regulation is in support of workmen , it is always just and equitable; but it is sometimes otherwise when in favor of the masters." ^⑨ Instead , Friedman writes:

The heart of liberal philosophy is a belief in the dignity of the individual , in his freedom to make the most of his capacities and opportunities according to his own lights , subject only to the proviso that he not interfere with the freedom of other individuals to do the same. This implies a belief in the equality of men in one sense; in their inequality in another. Each man has an equal right to freedom. This is an important and fundamental right precisely because men are different , because one man will want to do things different with his freedom than [sic] another , and in the process can contribute more than another to the general culture of the society in which many men live. ^⑩

Friedman writes of the "heart" of liberal philosophy—by this it may be understood that he means the "center , " or the "central meaning , " or the "meaning central" to liberalism , that is , "a belief in the dignity of the individual" (not a plurality of beliefs , not the "dignity of the community") . It follows , therefore , that the liberal likewise "has a belief in the individual's freedom to make the most of his capacities and opportunities to his own lights. " Thus , Friedman writes of a male , who encounters certain opportunities , who has certain opportunities granted to him , who inherits certain opportunities , or who , by the mechanism of competition , wins certain opportunities (in addition to the right to compete in the first place) .

However , Friedman in effect emphatically notes , the individual can only make the most of his capacities as long as he does not "interfere with the freedom of other individuals to do the same. " Friedman immediately tells us that this implies a belief (again , a singular belief for singular individuals) in the equality of men in one sense (again , singular) , but more importantly—if not the central point at the center of this paragraph of the heart of liberal philosophy—this implied belief (now explicit) is that men are in fact not equal. This does not mean , Friedman wishes to assure , that each man (again , singular) does not have an equal right to freedom (although which sort of freedom Friedman means—political , economic , passive , or active—the reader must assume depends on the opportunity at hand) . Or , perhaps Friedman means that a man has a certain inalienable right to some form of freedom—a right that is "important and fundamental precisely because men are different" ("different" is less innocuous than "their inequality") . But what is the logic here? Why is this right to an ambiguous and uncertain freedom important and

fundamental because *men are unequal*? It is confusing. On the one hand, men are different/unequal in terms of their opportunities, and yet, *they must have equality* in which terms? Perhaps Friedman means that equal men should have equal opportunities? What then is the determination of equality/inequality? The best answer from the text is nonetheless mystical; Friedman writes of “capacities and opportunities according to his own lights.” By capacity, Friedman implies that some *men* are *naturally* stronger/more capable than others in terms of inherited wealth, physical attribute, intellect, etc., and that these *men*, have, in effect, rights to greater opportunities. But Friedman writes that “this is an important and fundamental right precisely because” an unequal man (singular) “will want to do things different with his” unequal “freedom from others [plural],” and “in the process *can* contribute more than *another* [who?] to the general culture [what?] of the society in which many men [plural] live.” The collective good then, according to this unexpected turn in Friedman’s argument, rests upon a *principle* of an equal/unequal right/denial of certain opportunities perforce Social Darwinism (again, that some *men* are stronger/more capable than others in terms of inherited wealth, physical attribute, intellect, etc.). But this collective benefit, however dubious given Friedman’s argument, is not the noble seed justifying liberalism. Friedman writes:

The liberal will therefore distinguish sharply between equality of rights and equality of opportunity, on the one hand, and material equality or equality of outcome on the other. He may welcome the fact that free society in fact tends toward greater material equality than any other yet tried. But he will regard this as a desirable by-product of a free society, not its major justification. He will welcome measures that promote both freedom and equality—such as measures to eliminate monopoly power and to improve the operation of the market. He will regard private charity directed at helping the less fortunate as an example of the proper use of freedom. And he may approve state action toward ameliorating poverty as a more effective way in which the great bulk of the community can achieve a common objective. He will do so with regret, however, at having to substitute compulsory for voluntary action.^③

In other words, Friedman writes of the liberal’s sharp distinction firstly between an equality/inequality of rights and an equality/inequality of opportunities (note the careful division of rights and opportunities). Secondly, Friedman notes a distinction between material equality/inequality and equality/inequality of outcome (note the careful distinction between what might be imagined as an inherited versus earned material wealth). Thirdly, Friedman notes the sharp distinction between these first and second categories, now expressed collectively. This distinction conveys the “liberal belief” that rights and opportunities, however unequal, do not constitute rights to certain standards of wealth or, circuitously, more “equal” rights and opportunities relative to those of greater “capacity.”

After illustrating *his* central point in the previous paragraph—that *men* are not equal—the central point of this second paragraph is that *men* are not *entitled* to equality (how could they be, given *their natural inequality*?), in lieu of arguing that a liberal man is not motivated by the collective good. Rather, the *liberal man* is motivated to make the most of his rights and opportunities in a competitive marketplace. Thus, the *liberal man’s nobility* stems from his equal/unequal competition with others (“another”)—competitions which inevitably, are often not very competitive given inequality, and hence, naturally result in different distributions (“outcomes”) of wealth, rights, and opportunities. Furthermore, the *liberal man* “may/may not welcome the fact/fiction that a free society in fact/fiction tends toward greater/lesser material equality than any other yet tried/not yet tried.” What are these facts, singular/plural, to which Friedman refers? How has he managed to make the argument that a *liberal society*, that is, a society constituted by his *liberal man*, is in fact a free society? Indeed, Friedman has not described a *society* at all; at most, Friedman has described equal/unequal individuals in a competitive/noncompetitive marketplace.^④

Next, Friedman confuses matters further when he writes of “eliminating monopoly power” for the purpose of “improving the operation of the market.” Given Friedman’s reasoning above, *men*, per their “capacities and lights” are naturally unequal, and thereby enjoy a competitive advantage over those beneath them. Irrefutably, individuals and groups of individuals can hold “monopoly power,” and it must be assumed here that Friedman wishes to eliminate it in either case. But what is a “monopoly power?” According to the *Oxford English Dictionary*, linguistically from its Latin-Greco roots, “monopoly” means, literally, “one seller.” The image of “one seller” immediately suggests a single individual, but of course, the individual in Friedman’s case might be the individual man, company, government, union, etc. with the *singular power* to set prices and control supply, irrespective of demand and the operation of a “competitive marketplace.” It is, therefore, a marketplace in perpetual need of

improvement of its operation because it is in fact not perfectly competitive, that is, it is competitive/noncompetitive. But Friedman neglects here *the fact*, per his own argument, that the competitive/noncompetitive marketplace is the expression/non-expression of his *imagined society* of equals/unequals.

Next, Friedman's *liberal man* "will regard private charity directed at helping the less fortunate" (those with less natural capacity) as "an example of the proper use of freedom." With this statement, Friedman reveals what he means by "freedom." Friedman's "freedom" is the freedom of equal/unequal individuals/non-individuals to operate to greater/lesser ends in a competitive/noncompetitive marketplace; *tangentially*, a proper/indirect use of this freedom/bondage is a personal/impersonal, charitable/uncharitable course of action/inaction. Further, this action/inaction may or may not be related a *liberal man's approval* of "state action/inaction toward amelioration/ignorance of poverty as a more/less effective/ineffective way in which the single/great bulk of the individual/community can achieve an uncommon/common objective." Nonetheless, however effective/ineffective, Friedman's *liberal man* will "regret" a charitable course of state action, because, as it must be inferred here, a charitable course of state action "substitutes compulsory for voluntary action." By "compulsory" versus "voluntary" action Friedman means to distinguish between voluntary charity among unequals and compulsory charity enacted by the state. Thus, Friedman's *liberal man* is conflicted/not conflicted: he approves/disapproves of state charity but always regrets its compulsory nature as a matter of principle. And what is the central principle held in the *liberal man's heart*? *Men* are naturally unequal and charity, as is suggested, merely disturbs the natural state of a competitive/noncompetitive marketplace where equal/unequal *men* compete/fail to compete. What Friedman suggests, therefore, is that charity is foolish; indeed, this is perhaps the central argument he has mounted elsewhere against welfare programs, international aid, and so on.^⑥

And finally, in an attempt to bring his previous points to closure in *Capitalism and Freedom's* discussion of "The Alleviation of Poverty," Friedman will offer another distinction—this one between the "*egalitarian and liberal man*," which in terms of binary opposites here can only be expressed as egalitarian/liberal man. Friedman writes:

The egalitarian will go this far, too. But he will want to go further. He will defend taking from some to give to others, not as a more effective means whereby the "some" can achieve an objective they want to achieve, but on the grounds of "justice." At this point, equality comes sharply into conflict with freedom; one must choose. One cannot be both an egalitarian, in this sense, and a liberal.^⑦

In other words, the *liberal man*, *naturally* an *unequal among unequals* in a *noncompetitive* marketplace *naturally* is no egalitarian. Thus, an egalitarian is one who places "justice" (set off in quotes, which, as written by *liberal man*, actually implies "injustice") in conflict with "freedom," however distinguished/undistinguished, limited/unlimited, and ambiguous/unambiguous by the liberal man. Thus, here at the substantive end of his argument equating capitalism and freedom, through a discussion of the "alleviation of poverty," Friedman resorts to the "monopoly, totalitarian power" of the individual, particularly as embodied by the *liberal man* (naturally the unequal among unequals), who fundamentally recognizes that poverty and inequality are also natural states, and that "capitalism," to close the hermeneutic circle and bring the full weight and purpose of *Capitalism and Freedom* to bear, is naturally the most appropriate expression of this social/unsocial state.

On Finding Friedman's Perfect/Imperfect Text/Antitext

Following a Derridean line of un-reasoning, I have thus far illustrated Friedman's penchant for a worldview expressed in terms of texts and antitexts. In fact, Friedman's "Why Government is the Problem" (1993) suggests his own work is in fact an antitext to others, and hence, in no small measure invites a deconstructive reading:

When a preacher gives a sermon, he usually has a text. Generally, the text expresses a thought that he agrees with and is going to expound. I have been trying to find the word for an antitext because I have a text for this essay that I am persuaded is wholly wrong. The text comes from the September-October 1991 issues of *Freedom Review*, about as inappropriate a place as possible. It is the statement, "Reagan's fatuous doctrine that government is the problem." That's my text—or my antitext—for this essay.^⑧

“Fatuous” comes from the Latin word for foolish (*fatuus*), and as the *Oxford English Dictionary* instructs, additionally can be defined as “vacantly silly,” “stupid,” and “besotted.” In formal citation, Friedman attributes the direct quote to E. J. Dionne’s *Why Americans Hate Politics*, published in 1991, not in the libertarian glossy *Freedom Review*, formerly published by Washington non-profit, Freedom House, but as a 430-page book from Simon and Schuster. Instead, Friedman must have meant the review of *Why Americans Hate Politics*, written by Marc Landy and found exactly where Friedman attributes the ‘fatuous’ quote. Not everyone is familiar with Dionne’s work, either his *WashingtonPost* column or his books, but one thing is certain: Dionne has never connected the words “Reagan” and “fatuous.” Rather, strictly in Landy’s words, the review reads:

Dionne praises the neoconservatives both for their initially healthy skepticism about government efforts to solve social problems and for their opposition to moral relativism. But, he claims, their skepticism gave way to an uncritical opposition to all government efforts to help the dispossessed and therefore paved the way rhetorically for Reaganism’s fatuous doctrine that “government is the problem.”^⑧

Strangely, in addition to misquoting Dionne, Friedman takes Landy’s quote out of context (compounded by Landy’s own misreading of Dionne) by thrusting it into a totalizing, binary perspective: all government is bad/all government is good. Landy does not go this far—he merely states that Reagan was, in some fundamental and uncritical way, opposed to all government solutions to problems facing the *dispossessed*. Consider, for example, Friedman’s contention that “the governmental decision to empty mental facilities and turn people out on the streets” is one of the major causes of homelessness in the United States.^⑨ It is striking that Friedman makes this remark in a broad attack on government because, as has been argued elsewhere, the Reagan administration initiated modern homelessness by cutting funding to mental health institutions to the effect of Friedman’s allusion.^⑩

Dionne’s actual discussion of Reagan in *Why Americans Hate Politics* must surely resonate with Friedman’s neoliberalism. In my reading of Dionne’s book, for example, the closest passage I have found to Landy’s description is the following:

For libertarians, the Reagan record constituted a betrayal of principles of limited government that Reagan claimed to espouse. Edward H. Crane, the president of the libertarian Cato Institute and the campaign manager for Ed Clark’s Libertarian Party presidential candidacy in 1980, complained toward the end of Reagan’s term that “the Reagan administration has failed, both in terms of its stated objectives in 1980 and in terms of the more ambitious goals my classical liberal or libertarian principles call for.” Under Reagan, Crane declared, government was consuming a larger share of GNP than it had at the end of the Carter years, and the civilian federal work force had grown by “some 159000 bureaucrats.” One can debate the precise numbers, but it was clear that Ronald Reagan did not make much of a dent in the size of government; he had arrested its growth, but only on the domestic side of the ledger. Crane’s point is still stood: If the New Deal had not created the socialist paradise, then neither did the Reagan years create the libertarian utopia.^⑪

If Landy had chosen “disingenuous” instead of “fatuous,” Friedman still might have disagreed with “Dionne’s assessment,” but of course, Friedman never actually read Dionne’s book, and one may suppose the same criticism might likewise apply to Landy.^⑫ In either case, taking Friedman’s words at face value, it is doubtful that “Why Government is the Problem” would have been *imagined* as the antitext to *Why Americans Hate Politics*.

In fact, Friedman’s “antitext” *was* and *was not* imagined as an antitext. First, Friedman’s critique of Dionne/Landy is clearly little more than rhetorical *entrechat* based on slack scholarship. Second, “Why Government is the Problem” is just an updating and summary of arguments (texts/antitexts) that Friedman has made his entire career. In this sense, the “real” text/antitext to “Why Government is the Problem” might be found instead in Friedman’s long-standing critique of the Keynesian resolve that “government is the solution.”

Friedman has long presented his own positions as antitheses to those of John Maynard Keynes. To some degree, the “Keynesian revolution” that challenges neoclassicism in the wake of the Depression created the intellectual milieu for New Deal

policies that were, in turn, primary targets for criticism in Friedman and Schwartz's *A Monetary History of the United States, 1867-1960*,^③ and likewise frequently disparaged throughout Friedman's *Positive Economics* and *Capitalism and Freedom*. Similarly, Friedman's attacks on John Kenneth Galbraith in these texts, as well as in *Tax Limitation, Inflation, and the Role of Government* and *Politics and Tyranny* are really just continued attacks of Keynesian policies. Thus, I will now examine the 'Friedman/Keynes' binary.

Friedman/Keynes

I have already argued that Friedman's *philosophy* provides that ontological basis of his *science*. I qualify these two words with italics because I am uncomfortable using either terms in description of Friedman's work. Nonetheless, the outcome, or rather, *the most significant product resulting from an intersection of Friedman's philosophy and science, or rather, the most well known result of Friedman's ethics of praxis is unquestionably the* [Friedman-Chicago School/Keynes or Friedman-Keynes/Chicago School] "Quantity Theory of Money."^④ The "Theory" was posited allegedly in direct opposition to the Keynesian notion of liquidity preference, but used "Keynesian terminology" originally formulated by John Hicks in 1937 (i.e., IS/LM, etc.). In criticism, Karl Brunner and Allan H. Meltzer argue that Friedman's use of terms/concept they considered inescapably Keynesian resulted in propagating a Keynesian and not a monetarist worldview.^⑤ Further, with respect to 'Friedman's Theory,' the Chicago School "traditionalists" Don Patinkin and Harry Johnson maintained that Friedman's Quantity Theory was neither Friedman's nor Chicago's (we may recall, somewhat pedantically, that Friedman only earned his master's at Chicago, and his doctorate at Columbia). Rather, they argued in so many words that it was merely a restatement of Keynes' "Theory of Liquidity Preference."^⑥

Once the swagger and posturing have been effaced—a difficult maneuver given the egos of the various economists involved—the following can be said. Monetarist policies enacted in the United States (1980-1983) and in Chile (mid-1970s to early 1980s) had the following results: 1) an upward pressure on interest rates; 2) that was countered with 'easy money' policies by the Federal Reserve, central banks, International Monetary Fund/World Bank in the case of Chile, etc.; and then, 3) Keynesian deficit spending (hence, not monetary, but fiscal policy). This is why many books refer to the Reagan years in one way or another as "the great deferral,"^⑦ and while several of Friedman's more orthodox Chicago School colleagues criticized the Quantity Theory of Money in the 1950s, 60s, 70s, and 80s, however deep in the academic press they buried their articles, for being, in fact, *Keynesian*. Notably, as alluded above, these Chicago School critics included Don Patinkin and Harry Johnson who, in particular, accused Friedman of being a "liar and a cheat" for trying to "legitimize" the Quantity Theory of Money as a *neoclassical*, 'Chicago School' tradition. The Quantity Theory of Money was, in their minds and even that of Paul Samuelson at the Massachusetts Institute of Technology, a restatement of Keynes' Theory of Liquidity Preference—a conclusion reached by the monetarist David Laidler who would later second these thoughts nearly verbatim by writing that *Friedman's Theory* "could just as well have been called 'The Theory of Liquidity Preference—A Restatement.'"^⑧

This tiff over legitimation was provoked, in some measure, by Patinkin and Johnson's belief that Friedman and Anna Schwartz's *Monetary History*, which substantively formed the *empirical* (actually, *historical*) basis of Friedman's articulation of the Quantity Theory of Money—consisted of overstatements, misrepresentations, and poor analysis. These charges were addressed more fully by David Hendry and Neil Ericsson in their highly critical *Assertion without Empirical Basis* (1983) and Friedman and Schwartz's *Monetary Trends in the United States and the United Kingdom: Their Relation to Income, Prices, and Interest Rates, 1867-1975* (1982).^⑨ According to Robert Leeson (who cites a number of historical sources), when the Hendry and Ericsson article was picked up by *Guardian* in 1983 and rehashed under the title "Monetarist's Guru Distorts His Evidence," Friedman asked Hendry to "disown the article." In a return letter, Hendry in effect told Friedman "to ready his lawyers" if he thought he could make a case for slander and libel. For whatever reason, Friedman took no action.^⑩

Rehashing and second-guessing infighting among academic luminaries here yields more than the intellectual equivalent of perusing supermarket tabloids. Importantly, the natural conclusion for this paper regarding the binaries Quantity Theory/Liquidity Preference, Friedman/Chicago School, empirical/historical, and so on is the facetious representation of oppositional terms—the constructions of which can be likened to Pierre Bourdieu's examples of "complicit adversaries" in *Homo Academicus* (1988).^⑪ In conclusion/Inconclusive: Freedom/Friedman

Returning to *Capitalism and Freedom*, in the first paragraph devoted wholly to his conceptualization of freedom, Friedman writes the following topic sentence: “As liberals, we take freedom of the individual, or perhaps the family, as our ultimate goal in judging social arrangements.”^⑧ Friedman follows this with “In a society freedom has nothing to say about what an individual does with his freedom; it is not an all-embracing ethic.” Rather, as Friedman states:

A major aim of the liberal is to leave the ethical problem for the individual to wrestle with. The “really” important ethical problems are those that face an individual in a free society—what he should do with his freedom. There are thus two sets of values that a liberal will emphasize—the values that are relevant to relations among people, which is the context in which he assigns first priority to freedom; and the values that are relevant to the individual ethics and philosophy.^⑨

Focusing here in good faith on Friedman’s hermeneutic intent, i. e., the promotion of personal freedom, it is important now to ask: What is the value of a deconstructive reading of Friedman’s texts? In a Derridean context, the value lies in understanding how deconstruction and democracy are necessarily codependent. It is important then to explicate Derrida’s correlative statements, that there is “no deconstruction without democracy” and “no democracy without deconstruction.”^⑩

According to Derrida, democracy and deconstruction are symbiotic inasmuch as they “nourish” each other.^⑪ This symbiopathic relationship supports a heterogeneous pluralism as opposed to a monolith of authoritative discourse (philosophical, political, economic, etc.). It is through decentering vis-à-vis deconstruction that democracy becomes possible. Indeed, it is through deconstruction (through the “death of the author,” as Roland Barthes puts it elsewhere^⑫) that one may escape an authoritarian economy of signs—where one fundamentally, at the semiotic level and beyond, becomes “free to choose.” Through deconstruction, therefore, one may liberate Friedman from his own “prison house of language,” as Friedrich Nietzsche and Fredric Jameson describe elsewhere,^⑬ while simultaneously advancing a radical vision of freedom, however ahistoricist, unpredictable, or contrary to elitist designs.

Notes

- ① Nicholas D. Kristof and Sheryl WuDunn, *Thunder from the East* (New York: Vintage, 2000), 139.
- ② Raj Patel, *The Value of Nothing* (New York: HarperCollins, 2009), 6-7.
- ③ “Free Exchange: The Chicago Question,” *The Economist*, July 28, 2012, 60.
- ④ Joseph Stiglitz, *Whither Socialism?* (Cambridge: MIT Press, 1994), 3.
- ⑤ Milton Friedman, *Capitalism and Freedom* (Chicago: University of Chicago Press, 1962/2002), 7-16.
- ⑥ Milton Friedman and Rose Friedman, *Free to Choose: A Personal Statement* (New York: Harcourt, Brace, Jovanovich, 1980), 13.
- ⑦ Ibid., ix.
- ⑧ Adam Smith, *Wealth of Nations* (New York: Bantam, 2003), 138.
- ⑨ Ibid., 874.
- ⑩ Ibid., 94-95.
- ⑪ Ibid., 194-97, 339.
- ⑫ Smith, *Wealth of Nations*, 857.
- ⑬ Friedman and Friedman, *Free to Choose*, 3.
- ⑭ Ibid., 2-3.
- ⑮ Friedman, *Capitalism and Freedom*, 16.
- ⑯ Jacques Derrida, “The Time is Out of Joint,” in *Deconstruction is/in America*, ed. Anselm Haverkamp (New York: New York University Press, 1995), 31.
- ⑰ Derrida, “Letter to a Japanese Friend,” in *A Derrida Reader: Between the Blinds*, ed. Peggy Kamuf (New York: Columbia University Press, 1991), 273.
- ⑱ This reactionary aspect, perhaps, is the greatest weakness of Derrida’s project, but it is also what makes deconstruction such an appropriate tactic to deploy. In the case of re-reading Friedman, and by extension, much if not all of the literature of

neoliberalism , we must ask: Is it not fitting to deploy one reactionary tactic against another?

①⑨ Derrida, “Plato’s Pharmacy ,” in *Dissemination* , trans. Barbara Johnson (Chicago: University of Chicago Press ,1981) ,75.

②⑩ In other analyses , Derrida challenges Jacques Rousseau’s nature/culture binary in (a critique he extends to Claude Levi-Strauss’ *Tristes Tropiques*) and Ferdinand de Saussure’s distinction between signifier/signified in *Course in General Linguistics*. See Jacques Derrida , *Of Grammatology* , trans. Gayatri Chakravorty Spivak (Baltimore: Johns Hopkins University Press ,1974) .

②⑪ See Derrida, “From Restricted to General Economy: A Hegelianism without Reserve ,” *Writing and Difference* , trans. Alan Bass (Chicago: University of Chicago Press , 1978) , 275. In the same essay , Derrida quotes Hegel “I write in order to annihilate the play of subordinate operations within myself ,” and then asks , rhetorically, “Can one , as Bataille says , understand the movement of transgression under the Hegelian concept *Aufhebung* , which , we have seen often enough , represents the victory of the slave and the constitution of meaning?” (274-75) . The “slave” here is the subordinate opposition within the binary.

②⑫ Derrida, “The Time is Out of Joint ,” 25.

②⑬ Derrida, “Positions: Interview with Jean-Louis Houdebine and Guy Scarpetta ,” in *Positions* , trans. Alan Bass (Chicago: University of Chicago Press ,1981) ,41.

②⑭ Ibid.

②⑮ Ibid. ,41-42. On Derrida’s use of italics: italicized words in Derrida’s texts are meant to remind the reader that writing of binaries , indeed , writing about anything , requires using words that conventionally are construed as binaries. All text is subject to deconstruction , even/especially those that are deconstructions of other texts. Later in this paper I adopt the same tactic of italicization.

②⑯ Derrida, “Plato’s Pharmacy ,” 95-119.

②⑰ Ibid.

②⑱ See Derrida, “The Double Session ,” in *Dissemination* , trans. Barbara Johnson (Chicago: University of Chicago Press , 1981) , 221.

②⑲ This final point is a special charge from Derrida , who holds that “since Kant , philosophy has become aware of taking responsibility for its discourse.” Gayatri Chakravorty Spivak, “Translator’s Preface ,” in Derrida , *Of Grammatology* , trans. Gayatri Chakravorty Spivak (Baltimore: Johns Hopkins University Press , 1974) , xiii. In other words , we must be aware and share this awareness with others. How can an author do this? Derrida takes a lesson from Martin Heidegger’s practice of crossing out the word “Being” to indicate its inadequate description of the concept at hand , but simultaneously admitting that it is perhaps the best term available. Derrida , however , similarly puts the dominant term in a binary opposition “under erasure” as a delimiting tactic. For a fuller discussion , see Spivak’s comments in the “Translator’s Preface” of Derrida’s *Of Grammatology* , xv-xviii. For Derrida’s discussion of Heidegger’s “Being” and “under erasure ,” see *Of Grammatology* , 23 , and “*Différance* ,” in *Margins of Philosophy* , trans. Alan Bass (Chicago: University of Chicago Press , 1982) , 27.

③⑩ Friedman, “Supply-Side Policies: Where Do We Go from Here?” in *Supply-Side Economics in the 1980s: Conference Proceedings—Federal Reserve Bank of Atlanta* , ed. William A. Fickling and William F. Ford (Westport , CT: Quorum Books , 1982) , 53.

③⑪ William Breit and Roger L. Ransom , *The Academic Scribblers* (Princeton , Princeton University Press , 1998) , 250-51.

③⑫ Charles F. Stone and Isabel V. Sawhill , *Economic Policy in the Reagan Years* (Washington , DC: Urban Institute , 1984) , 35.

③⑬ Ibid.

③⑭ Ibid.

③⑮ Ibid.

③⑯ Ibid.

③⑰ See Friedman and David J. Theroux , *Politics and Tyranny: Lessons in the Pursuit of Freedom. Pacific Studies in Public Policy* (San Francisco: Pacific Institute for Public Policy Research , 1984) , 44. By “over promise” Friedman is referring to the logic of the Laffer Curve , which stipulated that tax revenues would increase through a reduction in taxes (to a certain point , of course) , thereby generating additional funds for additional government spending , which Friedman fundamentally opposed.

③⑱ Frank H. Knight , *The Ethics of Competition* (New Brunswick , NJ: Transaction Publishers , 1997) , 31-32.

③⑲ In fact , Friedman should have some familiarity with this passage against binarism from Knight. It comes from Knight’s essay

“Ethics and the Economic Interpretation,” originally published in 1922, and which today is found in *The Ethics of Competition*. Originally published in 1935, the collection is endorsed with a salutatory preface signed by Friedman, Homer Jones, George Stigler, and Allen Wallis.

④⑩ See Milton Friedman and Rose D. Friedman, *Two Lucky People: Memoirs* (Chicago: University of Chicago Press, 1998), 35–36. As Rose Friedman remarks “Jacob Viner and Frank Knight were brilliant men who could hardly have differed more from one another. They alternated in teaching the first-year course in economic theory [at Chicago]. Viner had a more incisive and organized mind, was rigorous and not given to suffering fools gladly. Knight was far less organized, given more to philosophical and even sophistical reasoning.” Rose Friedman suggests she and Milton were both more influenced by Viner.

④⑪ Perhaps the fullest treatment of this conflict can be found in Robert Leeson, ed., *Keynes, Chicago, and Friedman* (London: Picking and Chatto, 2003).

④⑫ See Knight, *The Ethics of Competition*, 41–42. First, Knight refutes the theory that humans are perfectly rational while concluding that individuals are the products of their economic system. He employs the sexist language of the “unencumbered male” as perhaps the freest of individuals, but even *he* “is in large measure a product of the economic system, which is a fundamental part of the cultural environment that has formed his desires and needs, given him whatever marketable productive capacities he has, and which largely controls his opportunities” (41). Knight continues with his refutation of theories dependent on perfectly rational “subjects,” or in Knight’s sarcastically intended terminology, *units*: “Social organization through free contract implies that the contracting units know what they want and are guided by their desires, that is, that they are “perfectly rational,” which would be the equivalent of saying that they are accurate mechanisms of desire-satisfaction. In fact, human activity is largely impulsive, a relatively unthinking and undetermined response to stimulus and suggestion” (41–42). More damningly, Knight concludes “Moreover, there is truth in the allegation that unregulated competition places a premium on deceit and corruption. In any case, where the family is the social unit, the inheritance of wealth, culture, educational advantages, and economic opportunities tend toward the progressive increase of inequality, with bad results for personality at both ends of the scale. It is plainly contrary to fact to treat the individual as a *datum*, and it must be conceded that the lines along which a competitive economic order tends to form character are often far from being ethically ideal” (42).

④⑬ Viner’s tendency for semiotic absolutism is well-documented. A good example can be found in an anecdote from Paul Samuelson, who remarked “In some traditions a responsible and free human agent has to be regarded as the ‘cause’ of anything. When Professor Jacob Viner and I served on the advisory board to the Commission on Money and Credit, I was interested to hear him remark that there was good precedent in the fields of jurisprudence and torts to lay any possible blame for postwar inflation upon the Federal Reserve Board rather than on such factors as the backlog of demand or level of public debt, since they were the responsible agents whose duty it was to prevent the evil.” Paul A. Samuelson, “Causality and Teleology in Economics,” *Cause and Effect*, ed. Daniel Lerner (New York: Free Press, 1965), 100.

④⑭ Friedman, *Capitalism and Freedom* (Chicago: University of Chicago Press, [1962, 1982] 2002), 6.

④⑮ Ibid., 5.

④⑯ Ibid.

④⑰ Ibid., 5–6.

④⑱ Ibid., 6.

④⑲ See Brendan O’Connor’s *A Political History of the American Welfare System* (Lanham, MD: Rowman and Littlefield, 2004); Marcia Bok’s *Civil Rights and the Social Programs of the 1960s* (1992); Linda Gordon’s (ed.) *Women, the State, and Welfare* (Madison: University of Wisconsin Press, 1990); and William R. Brock’s *Welfare Democracy, and the New Deal* (Cambridge: Cambridge University Press, 1988). Even those arguing for the dissolution of the welfare system, such as Michael Tanner’s *The End of Welfare* (Washington: Cato Institute, 1996) from the Friedman-friendly Cato Institute, note the genesis of modern welfare with the passage of the *Child Labor Act* (1916), *Women’s Suffrage* (1920), the political popularity of Roosevelt’s New Deal, and the passage of civil rights legislation in the 1960s in tandem with Lyndon Johnson’s social justice-oriented “War on Poverty.”

⑤⑩ Friedman, *Tax Limitation, Inflation, and the Role of Government* (Dallas: The Fisher Institute, 1978), 6.

⑤⑪ For a comprehensive discussion of related concerns, see Rick Tilman, *Ideology and Utopia in the Social Philosophy of the Libertarian Economists* (Westport, CT: Greenwood Press, 2001), 27–29.

⑤⑫ Friedman, *Capitalism and Freedom*, 6. Regarding *sic*, is it a typographical error? It occurs in the original 1962 edition, and

is repeated in the 1982 and 2002 reissues. Was the thought finished? Probably. But the comma suggests examples would follow. Which state interventions should be conserved? Friedman never specifically says, but his advocacy for a strong military under Reagan belies his notion that the federal government should provide for the common defense is perhaps the clearest example; of course, this is not a value-free example.

⑤③ Also in *Capitalism and Freedom*, Friedman writes of “two enemies” of capitalism and freedom, the “evil men in the Kremlin who promise to bury us” and the socialistic, “internal threat coming from men of good intentions and good will who wish to reform us” (201). Again, who is “us,” and further, what does this “us” have that might suffer the tyrannical delusions of either enemy, be it Soviet conquest or economic reform? First, the fact that Friedman usually contextualizes his discussions in terms of the American experience, by “us” he presumably means fellow Americans, especially those who of their own accord or entertaining his argument, agree that they and Friedman have much in common. And what is found among this “us” that is threatened? “Our” virtues against their evil, “our” values against their values, “our” lives against their lives. Further, Friedman concludes, these two enemies are in collusion with each other. They are discrete entities with separate agendas, of course, but either as a result of mutual reinforcement of shared ideology and rhetoric, or joint or concrete conspiracies, both have the combined effect of “reinforcing each other” (201).

⑤④ Friedman, “Milton Friedman,” in *Lives of the Laureates*, ed. William Breit and Roger W. Spencer (Cambridge: MIT Press, 1990), 90.

⑤⑤ Breit and Ransom, *The Academic Scribblers*, 251.

⑤⑥ Ibid., 251-52.

⑤⑦ John R. Searle, *The Construction of Social Reality* (New York: Free Press, 1995), 9-13. For example, Searle speaks of an object that is made of metal and wood, features that are intrinsic, and yet, the “fact” that this object is a “screwdriver” is “observer or user relative only because people use it as (or made it for the purpose of, or regard it as) a screwdriver” (9-10). Can one, in a similar fashion, for example, determine the number of unemployed in an economy? One would have to define normatively what it means to be unemployed: unemployed versus underemployed, unpaid domestic labor versus a wage paying position, duration of unemployment, etc. And given such a tally, one would then have to interpret its significance. For example, Friedman concludes that full employment is unhealthy for an economy in “The Role of Monetary Policy,” *American Economic Review* 58 (1968): 7-40. What does this mean? Consider Searle’s distinction between intrinsic and observer relative features, when he states “I want this distinction to seem quite obvious, because it is going to turn out that social reality in general can be understood only in light of the distinction. Observer-related features are always created by the intrinsic mental phenomena of the users, observers, etc., of the objects in question. Those mental phenomena are like all mental phenomena, ontologically subjective; and the observer-relative features inherit that ontological subjectivity” (12-13). This does not mean, Searle concludes, that people are incapable of deciding, “what is” and “what ought to be.” Rather, that such decision-making requires rules, i.e., a “social contract” regarding meaning and values; but even then Searle concludes, “I am perforce in a kind of hermeneutic circle” (13).

⑤⑧ Of course, by noting the molecular nature of a particular object, Searle is actually speaking of things that have been observed, and the extent to which such observations are not observer-relative is a matter of some debate, especially among radical anti-positivists.

⑤⑨ W. V. O. Quine, *From a Logical Point of View* (New York: Harper and Row, 1961), 8-11.

⑥① This discussion is one of the central themes of Jean-François Lyotard’s *The Postmodern Condition*, trans. Geoff Bennington and Brian Massumi (Minneapolis: University of Minnesota Press, 1984).

⑥② Thomas Kuhn, *The Structure of Scientific Revolutions* (Chicago: University of Chicago Press, [1962] 1996). See also Hirsch and de Marchi, *Milton Friedman: Economic in Theory and Practice*, 157-58.

⑥③ Friedman, *Tax Limitation, Inflation, and the Role of Government* (Dallas: The Fisher Institute, 1978), 61.

⑥④ Friedman, *Essays in Positive Economics* (Chicago: University of Chicago Press, 1953), 4.

⑥⑤ Ibid., 7.

⑥⑥ Ibid.

⑥⑦ Friedman, *Capitalism and Freedom*, 22.

⑥⑧ Whether ridiculously obvious or considerably less so, e.g., the differences between David Hume’s “moral subjectivism” and

Adam Smith's "moral sentiments" are sublime in some senses and apparent in others. The point here is that, as Friedman is wont to do, taking *The Wealth of Nations* (1776) out of the context established by Smith's *Moral Sentiments* (1759)—the latter work criticized famously by Hume as being too sympathetic—is to bowdlerize Smith's capitalist hermeneutic by negating his sense of ontological, moral values. I will not develop this thought further here, but a related Hume-Friedman discussion for the initiated should begin with Subroto Roy, *Philosophy of Economics: On the Scope of Reason in Economic Inquiry* (London: Routledge, 1989).

⑥⑧ Thomas A. Boylan and Paschal F. O'Gorman, *Beyond Rhetoric and Realism in Economics: Towards a Reformulation of Economic Methodology* (London: Routledge, 1995), 64.

⑥⑨ Kurt W. Rothschild, *Ethics and Economic Theory* (Cambridge: Edward Elgar, 1993), 48-49. For a related discussion, see also Matthew H. Kramer, "On the Counterfactual Dimension of Negative Liberty," *Politics, Philosophy, and Economics* 2 (2003): 63-92.

⑦① There are four direct references to Smith in *Capitalism and Freedom* alone (131, 133, 200, 202), and more than twenty in *Free to Choose*. While it is a separate discussion, Emma Rothschild controversially argues that Smith likely intended the invisible hand metaphor in a sardonic, negative way. Emma Rothschild, *Economic Sentiments: Adam Smith, Condorcet, and the Enlightenment* (Cambridge: Harvard University Press, 2001), 116-56.

⑦① Adam Smith, *The Wealth of Nations* (New York: Random House/The Modern Library, 1965), 142.

⑦② Friedman, *Capitalism and Freedom*, 195.

⑦③ Ibid.

⑦④ John Wright has written: "For liberals such as Friedman, the role of government is to make sure people are free to choose the life they wish to lead. However, if the account of the notion of freedom given above is correct, this means ensuring that people have both the right to do what they want, and the power or ability to do it." John Wright, *The Ethics of Economic Rationalism* (Sydney: UNSW Press, 2003), 160.

⑦⑤ For example, in Chapter 5 of *Free to Choose* (titled, "Created Equal"), Friedman links his discussion of equality/inequality with a critique of the welfare state, 128-49. The "foolishness of charity" argument also plays prominently in Milton Friedman, "Foreign Economic Aid: Means and Objectives," *Essays on Public Policy*, No. 60 (Stanford: Hoover Institution, 1995).

⑦⑥ Friedman, *Capitalism and Freedom*, 195.

⑦⑦ Friedman, "Why Government is the Problem" (Stanford: Hoover Institution, 1993), 1.

⑦⑧ Marc Landy, "The Heart of Politics," *Freedom Review* (September-October 1991): 45.

⑦⑨ Friedman, "Why Government is the Problem," 3.

⑧⑩ For examples, see: David Mechanic and David A. Rochefort, "Deinstitutionalization: An Appraisal of Reform," *Annual Review of Sociology* 16 (1990): 301-27. Charles H. Moore, David W. Sink, and Patricia Hoban-Moore, "The Politics of Homelessness," *Political Science and Politics* 21 (1988): 57-63.

⑧① E. J. Dionne, Jr., *Why Americans Hate Politics* (New York: Simon and Schuster, 1991), 260.

⑧② Further, despite Dionne's broad popularity as a Democratic columnist, his assessment of Reagan is not in conflict with libertarian criticisms of Reaganomics, i. e., cut taxes and increase expenditures. Therefore, it is not surprising that *Freedom Review* would want the book reviewed, although Friedman stipulates it was *inappropriate* (again, a binary!) for such a publication to publish such a statement.

⑧③ Milton Friedman and Anna Schwartz, *A Monetary History of the United States, 1867-1960* (Princeton: Princeton University Press, 1963), 626-27.

⑧④ Friedman's Quantity Theory of Money was first expressed as such in Milton Friedman, "The Quantity Theory of Money: A Restatement," in *Studies in the Quantity Theory of Money*, ed. Milton Friedman (Chicago: University of Chicago Press, 1956). See also Friedman's 1968 entry in the *International Encyclopedia of the Social Sciences* titled "Money: the Quantity Theory." Both of these articles are reprinted in Milton Friedman, *The Optimum Quantity of Money and Other Essays* (London: Macmillan, 1969). Later significant statements from Friedman on the Quantity Theory as theory and counter-revolution can be found in "A Theoretical Framework for Monetary Analysis," *Journal of Political Economy* 78 (1970): 193-238; *The Counter-Revolution in Monetary Theory* (London: Institute of Economic Affairs, 1970); and "A Monetary Theory of National Income," *Journal of Political Economy* 79 (1971): 323-37.

- ⑧ The classical references to John Hicks' modeling of Keynes are, of course "A Suggestion for Simplifying the Theory of Money," *Economica* 2 (1935): 1-49; "Mr. Keynes and the Classics: A Suggested Interpretation," *Econometrica* 5 (1937): 147-59. For the Brunner-Meltzer development of "Monetarist terminology," see: Brunner's "The Monetarist Revolution in Monetary Theory," *Weltwirtschaftliches Archiv* 105 (1970): 1-30; and the following articles from Brunner and Meltzer "A Monetarist Framework for Aggregative Analysis," *Konstanzer Symposium on Monetary Theory and Monetary Policy* 1 (1971); "Friedman's Monetary Theory," *Journal of Political Economy* 80 (1972): 837-51; and a reprint of an article originally published in 1976 as "An Aggregative Theory for a Closed Economy," but more easily found in a later volume by Brunner and Meltzer, *Monetary Economics* (Oxford: Blackwell, 1989).
- ⑨ From Patinkin, see "The Chicago Tradition, the Quantity Theory and Friedman," *Journal of Money, Credit and Banking* 1 (1969): 46-70; "Friedman on the Quantity Theory and Keynesian Economics," *Journal of Political Economy* 80 (1972): 883-905; *Essays On and In the Chicago Tradition* (Durham, NC: Duke University Press, 1981). From Harry Johnson, see "The Keynesian Revolution and the Monetarist Counter-Revolution," *American Economic Review* 2 (1971): 1-14.
- ⑩ As is the case in the chapter on Reaganomics in Robert Kuttner's *The End of Laissez-Faire* (Philadelphia: University of Pennsylvania Press, 1992), 82-111.
- ⑪ See Robert Leeson, "Patinkin, Johnson, and the Shadow of Friedman," *History of Political Economy* 32 (2000): 733-63. See also David Laidler, *Monetarist Perspectives* (Cambridge: Harvard University Press, 1982), 5-6.
- ⑫ David Hendry and Neil R. Ericsson, *Assertion without Empirical Basis: An Econometric Appraisal of Monetary Trends in the United States and the United Kingdom* by Milton Friedman and Anna Schwartz (London: Bank of England, 1983).
- ⑬ Robert Leeson, "Patinkin, Johnson, and the Shadow of Friedman," 734.
- ⑭ Pierre Bourdieu, *Homo Academicus* (Stanford: Stanford University Press, 1988), 115.
- ⑮ Milton Friedman, *Capitalism and Freedom*, 12.
- ⑯ Ibid.
- ⑰ Derrida, *The Politics of Friendship*, trans. George Collins (London: Verso, 2006), 105.
- ⑱ Ibid.
- ⑲ Roland Barthes, *Image-Music-Text*, trans. Stephen Heath (New York: Hill and Wang, 1977), 142.
- ⑳ Fredric Jameson, *The Prison-House of Language* (Princeton: Princeton University Press, 1972).

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