

The Education of a Libertarian

I remain committed to the faith of my teenage years: to authentic human freedom as a precondition for the highest good. I stand against confiscatory taxes, totalitarian collectives, and the ideology of the inevitability of the death of every individual. For all these reasons, I still call myself “libertarian.”

But I must confess that over the last two decades, I have changed radically on the question of how to achieve these goals. Most importantly, I no longer believe that freedom and democracy are compatible. By tracing out the development of my thinking, I hope to frame some of the challenges faced by all classical liberals today.

As a Stanford undergraduate studying philosophy in the late 1980s, I naturally was drawn to the give-and-take of debate and the desire to bring about freedom through political means. I started a student newspaper to challenge the prevailing campus orthodoxies; we scored some limited victories, most notably in undoing speech codes instituted by the university. But in a broader sense we did not achieve all that much for all the effort expended. Much of it felt like trench warfare on the Western Front in World War I; there was a lot of carnage, but we did not move the center of the debate. In hindsight, we were preaching mainly to the choir — even if this had the important side benefit of convincing the choir’s members to continue singing for the rest of their lives.

As a young lawyer and trader in Manhattan in the 1990s, I began to understand why so many become disillusioned after college. The world appears too big a place. Rather than fight the relentless indifference of the universe, many of my saner peers retreated to tending their small gardens. The higher one’s IQ, the more pessimistic one became about free-market politics — capitalism simply is not that popular with the crowd. Among the smartest conservatives, this pessimism often manifested in heroic drinking; the smartest libertarians, by contrast, had fewer hang-ups about positive law and escaped not only to alcohol but beyond it.

As one fast-forwards to 2009, the prospects for a libertarian politics appear grim indeed. Exhibit A is a financial crisis caused by too much debt and leverage, facilitated by a government that insured against all sorts of moral hazards — and we know that the response to this crisis involves way more debt and leverage, and way more government. Those who have argued for free markets have been screaming into a hurricane. The events of recent months shatter any remaining hopes of politically minded libertarians. For those of us who are libertarian in 2009, our education culminates with the knowledge that the broader education of the body politic has become a fool’s errand.

Indeed, even more pessimistically, the trend has been going the wrong way for a long time. To return to finance, the last economic depression in the United States that did not result in massive government intervention was the collapse of 1920–21. It was sharp but short, and entailed the sort of Schumpeterian “creative destruction” that could lead to a real boom. The decade that followed — the roaring 1920s — was so strong that historians have forgotten the depression that started it. The

1920s were the last decade in American history during which one could be genuinely optimistic about politics. Since 1920, the vast increase in welfare beneficiaries and the extension of the franchise to women — two constituencies that are notoriously tough for libertarians — have rendered the notion of “capitalist democracy” into an oxymoron.

In the face of these realities, one would despair if one limited one’s horizon to the world of politics. I do not despair because I no longer believe that politics encompasses all possible futures of our world. In our time, the great task for libertarians is to find an escape from politics in all its forms — from the totalitarian and fundamentalist catastrophes to the unthinking demos that guides so-called “social democracy.”

The critical question then becomes one of means, of how to escape not via politics but beyond it. Because there are no truly free places left in our world, I suspect that the mode for escape must involve some sort of new and hitherto untried process that leads us to some undiscovered country; and for this reason I have focused my efforts on new technologies that may create a new space for freedom. Let me briefly speak to three such technological frontiers:

(1) Cyberspace. As an entrepreneur and investor, I have focused my efforts on the Internet. In the late 1990s, the founding vision of PayPal centered on the creation of a new world currency, free from all government control and dilution — the end of monetary sovereignty, as it were. In the 2000s, companies like Facebook create the space for new modes of dissent and new ways to form communities not bounded by historical nation-states. By starting a new Internet business, an entrepreneur may create a new world. The hope of the Internet is that these new worlds will impact and force change on the existing social and political order. The limitation of the Internet is that these new worlds are virtual and that any escape may be more imaginary than real. The open question, which will not be resolved for many years, centers on which of these accounts of the Internet proves true.

(2) Outer space. Because the vast reaches of outer space represent a limitless frontier, they also represent a limitless possibility for escape from world politics. But the final frontier still has a barrier to entry: Rocket technologies have seen only modest advances since the 1960s, so that outer space still remains almost impossibly far away. We must redouble the efforts to commercialize space, but we also must be realistic about the time horizons involved. The libertarian future of classic science fiction, à la Heinlein, will not happen before the second half of the 21st century.

(3) Seasteading. Between cyberspace and outer space lies the possibility of settling the oceans. To my mind, the questions about whether people will live there (answer: enough will) are secondary to the questions about whether seasteading technology is imminent. From my vantage point, the technology involved is more tentative than the Internet, but much more realistic than space travel. We may have reached the stage at which it is economically feasible, or where it soon will be feasible. It is a realistic risk, and for this reason I eagerly support this initiative.

The future of technology is not pre-determined, and we must resist the temptation of technological utopianism — the notion that technology has a momentum or will of its own, that it will guarantee a more free future, and therefore that we can ignore the terrible arc of the political in our world.

A better metaphor is that we are in a deadly race between politics and technology. The future will be much better or much worse, but the question of the future remains very open indeed. We do not know exactly how close this race is, but I suspect that it may be very close, even down to the wire. Unlike the world of politics, in the world of technology the choices of individuals may still be paramount. The fate of our world may depend on the effort of a single person who builds or propagates the machinery of freedom that makes the world safe for capitalism.

For this reason, all of us must wish Patri Friedman the very best in his extraordinary experiment.

Editor's Note: Mr. Thiel has further elaborated on the question of suffrage here. We copy these remarks below as well:

I had hoped my essay on the limits of politics would provoke reactions, and I was not disappointed. But the most intense response has been aimed not at cyberspace, seasteading, or libertarian politics, but at a commonplace statistical observation about voting patterns that is often called the gender gap.

It would be absurd to suggest that women's votes will be taken away or that this would solve the political problems that vex us. While I don't think any class of people should be disenfranchised, I have little hope that voting will make things better.

Voting is not under siege in America, but many other rights are. In America, people are imprisoned for using even very mild drugs, tortured by our own government, and forced to bail out reckless financial companies.

I believe that politics is way too intense. That's why I'm a libertarian. Politics gets people angry, destroys relationships, and polarizes peoples' vision: the world is us versus them; good people versus the other. Politics is about interfering with other people's lives without their consent. That's probably why, in the past, libertarians have made little progress in the political sphere. Thus, I advocate focusing energy elsewhere, onto peaceful projects that some consider utopian.