Why Government Should Be Irrelevant

by Henry Oliner

Deidre McCloskey in *Bourgeois Equality* and Joel Mokyr in *Culture of Growth* examine the incredible growth in human betterment since 1850.

Thomas Malthus predicted a dismal future for human kind from the very logical prediction that food production could not keep up with the exponential growth in human population. Yet during a period where population has grown seven-fold human wealth has growth tenfold for an increase in wealth of 70x. This is incredible in human history. It is even more stunning that this has happened during a period of two incredibly destructive global conflicts, several smaller scale but still destructive wars and numerous economic collapses.

Looking backwards in Thomas Malthus's time there was no reason to believe that a history of grinding poverty for the majority of the world's population would change.

What did change was a cultural shift where dignity and equality were bestowed on the common man. Before these traits had been the domain of the upper class only. The fragmentation of Europe also led to a competition of ideas, what Mokyr called the Republic of Letters, the original social network of intellectuals that knew no national boundary.

This led to innovations from the lower classes and an explosion in ideas esteemed for their practical applications. These creations were embedded in the university culture so they could be captured and shared, providing the shoulders others stood on. Technology made scarcities obsolete. Ideas had sex (Matt Ridley) with groundbreaking ideas creating a new platform for future ideas. Without the internet and cellular

communications there would be no Amazon or Uber. Theoretical knowledge often followed rather than led the practical knowledge. Einstein was an incredible exception.

The respect for individual rights rather than credentialed meritocracies expanded the creative space astronomically. Think of the contributions to our betterment that came from college drop outs, from jazz music (now taught at Julliard) to iPhones.

Mokyr points that China had well established meritocracies in the 1500's but they all learned the same base of knowledge; there was no competition of ideas.

As long as this system of individual rights, fragmented systems and the competition of ideas remains intact, the political and media concerns become a side show. When we see, what has propelled our progress, it is not government institutions. If anything, they have only served to slow us down by substituting credentialism and authority for competition. Our universities are letting us down because they lack the one diversity that counts; the diversity of ideas.

The setbacks in financial collapses are blips on the path of growth. Perhaps the most distinguishing difference between a modern conservative and liberal is the time frame they address.

Capitalism was defined by George Gilder as the competition of ideas. Our political structures and institutions and our regulations should focus on promoting that objective.