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The Disappointment of Liberalism
and the quest for inner freedom

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Summary

Rich, free and miserable

Despite their affluence, the citizens of rich countries are no happier at the beginning of the twenty-first century than they were fifty years ago. This is the great political fact of our age. If high incomes, the object of so much determined effort, fail to improve our wellbeing, then why have we striven so hard to be rich? Just as we are richer than we have ever been, so we are more free than ever and we must ask whether hard-won personal and political freedoms have succeeded in their promise. Do we live in societies peopled by autonomous, creative, contented individuals living harmoniously in their communities? The answer must be 'no'. The euphoria of liberation has been short-lived. By removing the noticeable sources of oppression, the social revolutions of the 1960s and 1970s have left us free to be miserable in new and more insidious ways. The proliferation of psychological disorders in rich countries over the last five decades is a testament to this.

These disappointments of money and freedom must be seen as a profound challenge to liberalism, and especially its more dogmatic child, libertarianism. As if in recognition of this, in rich countries today the ceaseless striving for personal freedom and economic security has been superseded by a new project. The political demands for democracy and 'liberation' of earlier generations has in recent times been transformed into a personal demand for freedom to create one's own self. While some have found promising paths in certain spiritual traditions and psychological 'work', most have ended up seeking a proxy identity in the form of commodity consumption.

Consequently, people today find it more difficult to know who they are and thereby to understand how to advance their interests. I will argue that in rich countries the question of the age is the conflict between economic and political liberties on the one hand and 'inner freedom' on the other, and that only in a society that protects and promotes inner freedom is it possible to live according to our true human purpose.

Liberty, argued John Stuart Mill, promotes individuality and individuality is 'one of the leading essentials of well-being'. Mill expatiated on the debilitating effect of convention on the creativity of individuals and of nations, insisting that he 'who lets the world, or his own portion of it, choose his plan of life for him, has no need for any other faculty than the ape-like one of imitation'. Classical liberals acknowledged that the relationship between liberty and happiness is fraught with ambiguity, an ambiguity that bedevils the 'capabilities approach' to wellbeing of Amartya Sen and Martha Nussbaum. For large majorities of the citizens of wealthy democratic countries there are no significant external obstacles to fulfilling their capabilities. For them the question is no longer whether they are *able* to flourish, but whether they will choose to do so. In an era of television catatonia and retail therapy, will free citizens choose 'to imagine, think and reason in a "truly human" way' or are they conditioned or predisposed to pursue a stream of pleasurable episodes and never fulfil their capabilities and thus their potential as humans?

Under the impact of consumer capitalism and neoliberal politics since the early 1980s, the entrenchment of personal and political freedoms in Western societies has been responsible for the atrophy of true individuality. Modern consumer capitalism

encourages anodyne conformity and one-dimensionality, and an intolerance of those who wish to break out of the expressions of individuality manufactured by the market.

Inner freedom

Contrary to the imaginings of both Mill and F. A. von Hayek, the source of the creative, imaginative and independent spirit to which we quite rightly pay homage must be found elsewhere than in the granting of personal and political freedoms in a liberal capitalist order. Oddly perhaps, a fruitful place to begin the reformulation of liberty is the seminal tome of the arch-libertarian F. A. von Hayek. In a brief but pregnant passage, Hayek defines a *third* form of freedom, 'inner freedom' or 'metaphysical liberty', which he contrasts with both individual and political liberty.

> It refers to the extent to which a person is guided in his actions by his own considered will, by his reason or lasting conviction, rather than by momentary impulse or circumstance. But the opposite of 'inner freedom' is not coercion by others but the influence of temporary emotions, or moral or intellectual weakness. If a person does not succeed in doing what, after sober reflection, he decides to do, if his intentions or strength desert him at the decisive moment and he fails to do what he somehow wishes to do, we may say that he is 'unfree', the 'slave of his passions.'

The absence of inner freedom, precisely as Hayek defines it, is the dominant characteristic of modern consumer capitalism, a social system that cultivates behaviour driven by momentary impulse, temporary emotions and moral and intellectual weakness. The very purpose of the marketing society is to make us the slaves of our passions.

Taking inner freedom seriously is the key to a political philosophy that resonates with both the material circumstances and the *zeitgeist* of advanced consumer capitalism. For if one does not possess inner freedom, but is constantly responding to impulses, whims, expectations and outside pressures, or if one is driven by neurotic fantasies, addictions or felt inadequacies, or if one's behaviour is dictated by a consuming belief – all of which induce behaviour which, in moments of clarity and reflection, one knows are contrary to one's interests – then all of the abundance that surrounds us and the political and personal freedoms we enjoy amount to nothing. If some systematic force conspires to deprive us of inner freedom then we have to ask whether the external freedoms are enough. What does it mean to have personal freedom if one's choices are formed and manipulated by powerful external forces?

Inner freedom, the freedom to act according to one's own considered will, by one's reason or lasting conviction, describes the ability to employ one's reason and sense of what is right to stave off influences that would prevent one behaving or living according to one's nature. Neoliberal economists it find impossible to concede that we may act contrary to our own interests, yet few amongst the general public are in any doubt that we can and frequently do. While this may be easy to accept for individual decisions driven by impulses, sudden passions or moral lapses, it is not a large step to maintain that indeed whole lives may be constructed on a 'false' set of beliefs and associated activities about how best to live a contented life. If a person can be driven by an impulse to act once against their own interests, the same person may be driven to act impulsively time and again, as in the case of compulsive drinkers, gamblers,

eaters, shop-lifters or workers. Remorse and resolve are frequently insufficiently powerful weapons.

Self-deception and akrasia

It is well-established in the psychological and sociological literature that we are capable of operating at two levels of cognition. The first is a short-term impulsiveness based on our immediate feelings and beliefs about ourselves, which may be called 'superficial awareness'. The second is a more considered position based on reflections on our moral values and longer-term interests, including perceptions of our part in society, which may be called 'considered awareness'. Both forms of consciousness reflect the 'real' conditions in which people find themselves and cannot be said to be 'false consciousness'. But considered awareness, while not infallible, is truer in the sense that it is more likely to express the person's 'real' opinion. In short, decisions made on the basis of considered awareness are less likely to be regretted. The distinction between superficial and considered awareness implies that when we allow the former to prevail we must be deceiving ourselves. This gives rise to two closely related concepts that are crucial to understanding inner freedom – self-deception and *akrasia*.

The well-known defence mechanisms of Freudian psychology – including repression, denial and projection – are forms of self-deception. But the latter extends to techniques we employ to manage our attention in ways that exclude from our decision-making uncomfortable facts and feelings, including 'quick oscillations of attention towards pleasing aspects of our lives and away from anxiety-producing ones'. At some stage in their lives many people feel that they have systematically deceived themselves over many years in a way that has denied them lives lived according to some authentic purpose or deeper moral sense. The decision to adopt life goals other than those socially sanctioned involves risks and takes courage. It is easier to live a series of short episodes in which one suppresses the urge to a more authentic life.

The Greek word *akrasia* is usually translated as 'lack of self-control', although it is sometimes thought of as weakness of will or 'incontinence'. *Akrasia* occurs when one acts in a way that is contrary to one's considered judgement. As our desires are naturally included when we make considered judgements, reason encompasses 'calm desires' or 'tranquil passions'. While rational deliberation may or may not take account of moral considerations, *akrasia* implies that such considerations are included in the weighing up of courses of action. Feelings of guilt or regret signal to us that we have acted akratically. Many people who live lives of abundance die with strong feelings of regret about the life choices they failed to make because they did not adhere to their principles or deeper urges.

The dominant principle of moral behaviour in 'post-modern' society is the ethic of consent. According to this ethic, when third parties are not affected, informed consent is the only ground for judging the moral value of someone's behaviour. As such it is a procedural ethic of permission-giving in which the only principle of moral authority is our subjective consciousness. This radical individualism is the ethic explicit in libertarianism; it also underpinned the political and social demands of the liberation movements of the 1960s and 1970s. Once we concede that humans are prone to self-deception and *akrasia*, and to subtle forms of coercion, serious cracks open up in the

argument for moral judgement based on consent alone. In order to judge whether consent has been freely given we need to consider both the consequences of the decision and the context in which it was made. We need, then, a theory of regret as well as an understanding of the forces that influence decisions. The response is one of defending a decision-making ethic that arises not out of superficial consent but out of the realm of inner freedom.

Exercising inner freedom

The foremost capacity that permits us to exercise inner freedom is rational deliberation, a process deployed by John Rawls in his theory of justice. While there are objections one can make to this conception of deliberative rationality, something broadly similar can be considered as one of the grounds for exercising inner freedom. But far from being the norm that philosophers and economists imagine, this form of rational deliberation is a human capacity that increasingly must be asserted and protected from the blandishments of impulse and manipulation of our preferences. It is curious to observe that philosophers and economists define humans by their rationality when it is apparent that the essential and most interesting characteristic of humans is that they so frequently deviate from the rational ideal.

While the history of the West has been preoccupied with political coercion, there is another, subtler, form of coercion that has received much less attention, one that lies at the very heart of modern society. This is coercion that takes the form of unreasonable attempts to influence people to act in ways that are contrary to their considered interests. In recent decades, the market itself has evolved into an instrument of coercion. Modern marketing actively sets out to deceive us; it prays on our insecurities and doubts to convince us that we will be persons of lesser worth in our own eyes and those of others unless we do as we are being urged.

Hayek himself acknowledged these difficulties and developed the notion of an 'assured free sphere' where we can be protected from such coercion. Mill calls it the 'inward domain of consciousness' in which there should be liberty of thought, conscience and opinion. Hayek comes very close to adopting the position taken in this essay when he declares that, in addition to violence in all its forms, *fraud and deception* are kinds of harmful action that ought to be prevented even though it would be 'straining the meaning of words' to call them coercion. He could not have imagined the extent to which the neoliberal revolution that he fathered has led to the emergence of societies where fraud and deception are endemic to the reproduction of the system, where pre-teen children without incomes are targeted by corporations in an attempt to build life-long brand loyalty, where teenagers declare that the brands they wear and otherwise consume determine *who they are*, where both popular and classical culture are systematically mined for icons and images that can be used to sell products, where the intimate details of our personal lives are systematically collected and sold to marketing organisations, where sporting, artistic, literary and educational institutions have become the playing fields of advertisers, and where the 'essential data of our action' are provided overwhelmingly by a handful of media corporations. Hayek would be shocked to discover that his 'assured free sphere' is no longer protected but has itself become the domain of the most powerful form of coercion, the psychological techniques of modern marketing.

In this light, the general supposition that increasing affluence is associated with a greater ability to exercise control over our lives is anomalous. The evidence shows that increasing consumer choice in affluent countries has not been accompanied by greater self-control. Compared to the 1960s, young Americans today are substantially more likely to believe that outside forces control their lives. And despite the dramatic decline in patriarchal attitudes and the enormous expansion of opportunities for women, the increase in 'externality' is greater in young women than young men. This perceived loss of control over our lives is associated with weakened self-control and inability to delay gratification. The entrenchment of an unprecedented individualism and the associated idea that gratification of one's own self-centred needs should come before all else has given rise to this new impulsiveness. A vast marketing industry bombards us daily with a subliminal message in support of this attitude, that happiness is to be had through a series of instant pleasures. It is a mentality that infects our relationships too, for they are increasingly viewed as ready-to-use products that confer more or less personal satisfaction, to be discarded when the novelty wears off.

Towards metaphysics

Some may interpret the argument of this essay as an unduly individualistic political philosophy, one that pays too little attention to our social natures and the imperative of cooperation in the pursuit of our wellbeing. In fact it should be seen as a prelude to answering the question of how we can recreate the social in an individualized world. If we are to reconstruct the idea of solidarity we must first reconstruct the individual. It is for this reason that this essay focuses on the individual, and leaves for its sequel the task of rethinking the social.

The argument so far is, in a sense, only a prologue, one in which some of the most tantalising questions have been left unanswered. The first is that the notion of inner freedom must be rooted in ground more solid than a particular conception of psychological functioning. The second is to understand the limits of the contribution of rationality to inner freedom. The third is that, while *akrasia* is the enemy of inner freedom, nothing has been said about the basis of the moral standards that are betrayed by that weakness. Must we simply accept that one owes fealty to any set of moral principles, or is there something more essential to a moral code? It transpires that the answer to each of these questions can be found in metaphysics or, more accurately, in a particular metaphysics that owes its origin to Kant. But that is an exploration that is left for another time.

1. The disappointment of liberalism

In rich countries today five decades of sustained economic growth have left the great majority living lives of abundance. For them, the 'economic problem', which for the classical economists was the object of political economy, has been solved. To be sure, minorities remain who live in poverty, but it would be an act of faith, contradicted by the evidence, to believe that another doubling of average incomes would see it disappear. Poverty persists because we lack the willingness rather than the ability to eliminate it.

At the same time, the citizens of rich countries have never enjoyed greater political and personal freedoms. Political and civil liberties, while always contested at the margins and subject to erosion, are robust; there are no social movements advocating any significant extension of freedoms or proposing more democratic forms of government. Moreover, the shackles of minority oppression and social conservatism have been cast off. The traditional standards, expectations and stereotypes that were the target of the various movements dating from the 1960s – the sexual revolution, the counter-culture and the women's movement – ushered in an era of personal liberty that could barely have been imagined by the classical advocates of liberalism.

Yet at the beginning of the twenty-first century citizens of rich countries must confront a deep contradiction: despite decades of sustained economic growth which have seen the real incomes of most people rise to three or four times the levels enjoyed by their parents and grandparents in the 1950s, people are no happier than they were.[1] Indeed, the extraordinary proliferation of the diseases of affluence suggests that the psychological wellbeing of citizens of rich countries is in decline. These diseases include drug dependence, obesity, loneliness and a suite of psychological disorders ranging from depression, anxiety, compulsive behaviours and widespread but ill-defined anomie. Perhaps the most telling evidence is the extraordinary prevalence of depression in rich countries. In the five decades after the Second World War, the golden age of economic growth, the incidence of depression in the USA increased ten-fold.[2] According to the WHO and World Bank, major depression, already the biggest cause of disability, is expected to become the world's second most burdensome disease by 2020.[3] Anti-depressant drugs free of side-effects are now the holy grail of global pharmaceutical corporations. Newspapers report that nearly one in four French people are taking tranquillisers, anti-depressants, antipsychotics or other mood-altering drugs,[4] a figure that is similar in the US. In

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[1] This is now well established; see, for example: Bruno Frey and Alois Stutzer, *Happiness and Economics* (Princeton University Press, Princeton, 2002); Richard Layard, 'Happiness: Has Social Science A Clue?', Lionel Robbins Memorial Lectures delivered at London School of Economics on 3rd, 4th and 5th March 2003; and, Tim Kasser, *The High Price of Materialism* (MIT Press, Cambridge, Mass., 2002).

[2] Martin Seligman, 'Why Is There So Much Depression Today? The Waxing of the Individual and the Waning of the Commons', in Rick Ingram (ed.), *Contemporary Psychological Approaches to Depression* (Plenum Press, New York, 1990)

[3] C. Murray and A. Lopez (eds), *The Global Burden of Disease: Summary*, Harvard School of Public Health, for WHO and World Bank, Geneva, 1996, p. 21

[4] *Guardian*, 8 November 2003, p. 2. At any time, one in six British adults (17.2 per cent) is suffering from mental health problems, with anxiety-depressive disorders accounts for more than half of these (Office of National Statistics, *Psychiatric morbidity among adults* 2000).

Australia nearly one third of the population takes medications or other substances for their psychological wellbeing.

This leads to a disturbing question that goes to the heart of the modern world. If high incomes, the object of so much determined effort, fail to improve our wellbeing, then why have we striven so hard to be rich? Indeed, has the pursuit of riches required a sacrifice of those things that do contribute to more contented and fulfilled lives, such as the depth of our relationships with each other, our links with our communities, a deeper understanding of ourselves and the human condition, and the quality of the natural environment? In short, has the whole growth project failed?

There is another, equally troubling, question that must be posed. Has the struggle for freedom been worth it? While the gains in themselves cannot be decried, we must ask whether the personal and political freedoms won through social and political movements over the nineteenth and twentieth centuries have succeeded in giving us societies peopled by autonomous, creative, contented individuals living harmoniously in their communities. The answer must be 'no'. The euphoria of liberation has been short-lived. It now appears that by removing the obvious sources of oppression, the social revolutions of the 1960s and 1970s have left us free to be miserable in new and more insidious ways. If all of the barriers to the flourishing of our potential have been removed, and yet we fail to flourish, depression appears to be a natural response. Moreover, the liberation movements have ceded to us a moral confusion unprecedented in history. The 'ethic of consent' that replaced the strictures of conservative morality has led to forms of behaviour that raise deeper questions about personal responsibility that we have barely begun to understand.

These disappointments of money and freedom must be seen as a profound challenge to liberalism, and especially its more dogmatic child, libertarianism.[5] For decades libertarianism has been making the implicit promise that the way to a good society is through economic growth and higher incomes. Writing as early as 1944, the high priest of libertarianism, Friedrich von Hayek, observed that the success of expansion of individualism and commerce has 'surpassed man's wildest dreams'.

> … by the beginning of the twentieth century the working man in the Western world has reached a degree of comfort, security, and personal independence which a hundred years before had seemed scarcely possible.
>
> What in the future will probably appear the most significant and far-reaching effect of this success is the new sense of power over their own fate, the belief in the unbounded possibilities of improving their own lot, which the success already achieved created among men.[6]

While not disparaging the types of daily freedoms this abundance has bestowed on ordinary people, the sense of power over their own fate is almost as distant as ever; von Hayek's grand vision has failed miserably.

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[5] While the terms 'neoliberalism' and 'libertarianism' are in some contexts interchangeable, I will use the term 'neoliberalism' when I am referring particularly to economic considerations – and especially the policy lessons drawn from neoclassical economics – and 'libertarianism' to refer to the broader anti-collectivist political philosophy underpinning it.
[6] F. Hayek, *The Road to Serfdom* (George Routledge & Sons Ltd, London 1944) p. 13

As if in recognition of the disappointment of liberalism, in rich countries today there are signs that ceaseless striving for personal freedom and economic security has been superseded by a new project. The political demand for democracy and 'liberation' of earlier generations has in recent times become a personal demand for freedom to find one's own path.[7] Now that the constraints of socially imposed roles have weakened, oppression based on gender, class and race is no longer tenable, and the daily struggle for survival has for most people disappeared, we have entered an era characterised by 'individualisation' where, for the first time, individuals have the opportunity to 'write their own biographies' rather than have the chapters foretold by the circumstances of their birth. For the first time in history, the ordinary individual in the West has the opportunity to make a true choice.[8] In place of the class struggle and demands for liberation, the citizens of affluent nations have a new quest, the search for authentic identity, for self-actualisation, for the achievement of true individuality. While some have found promising paths in certain spiritual traditions and psychological 'work', most have ended up seeking a proxy identity in the form of commodity consumption. People continue to pursue more wealth and consume at ever-higher levels because they do not know how better to answer the question 'How should I live?' *It is the paradox of our lives. We've never had more freedom to shape ourselves in the way we want but we've also never been subject to so many pressures telling us what is desirable. While we stand in front of a supermarket display confronted with more bewildering choices than ever before, the voices telling us what to reach for are more insistent, and insidious, than ever.* This is widely understood; in fact the previous three sentences are quoted directly from an article in *The Times* of London.[9]

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I have subjected modern consumer capitalism to a thoroughgoing critique in *Growth Fetish*.[10] The present essay came about because that critique needs to be rooted in a more considered philosophical framework. John Stuart Mill's famous essay 'On Liberty', first published in 1859, provides an appropriate place to begin. Mill set out a world of personal and political freedom that he and his followers imagined would bring about a society of free and contented individuals.

> A person whose desires and impulses are his own – are the expression of his own nature, as it has been developed and modified by his own culture – is said to have character. One whose desires and impulses are not his own, has no character, no more than a steam-engine has character.[11]

Mill's thoughts on liberty provide the core of how we in the West understand ourselves as democratic societies. Yet after reading 'On Liberty' today one is left with a niggling sense that Mill's optimistic vision has turned out to be a disappointment. Oddly perhaps, the germ of a new understanding of freedom can be found in F. A. Hayek's *The Constitution of Liberty* (1960), which might be considered the seminal

[7] See Ulrich Beck and Elisabeth Beck-Gernsheim, *Individualization* (Sage Publications, 2002)
[8] Although, as Zygmunt Bauman says (*The Individualized Society*, Polity Press, Cambridge, 2001, p. 7), echoing Marx, 'people make their own lives but not under conditions of their choice'.
[9] David Rowan, 'The Bodyshapers', *The Times*, Saturday September 6 2003, Body and Soul supplement, p. 4
[10] Clive Hamilton, *Growth Fetish* (Pluto Press, London 2004; Allen & Unwin, Sydney 2003)
[11] John Stuart Mill, 'On Liberty' in *On Liberty and Other Essays* (Oxford University Press, Oxford 1991), p. 67

text for the libertarian philosophy that from the 1970s has had such a defining influence on the modern world.

It is apparent from reading Mill and Hayek that both political philosophers began with the world as they found it (and this is why I have begun this essay with a brief statement of where we are in our history). John Stuart Mill was absorbed by the great political debates of his time, a time when representative democracy was still emerging in Europe and legal protections for the individual remained an ideal only half-realised in some countries and still under threat. Mill's radical successors in the second half of the twentieth century, libertarians such as Milton Friedman inspired by Hayek, were reacting to what they saw as the greatest threat to freedom at the time, socialism in all of its forms and the threat it posed to economic freedoms.[12]

In this context, it should be said that I take it as self-evident that the advancement of human wellbeing is in itself a good thing and should form the overriding objective of any society. There are two modern perspectives that demur from this view. In general, environmentalism argues that the ecological integrity and health of the Earth should be the overriding objective of human action, individually and collectively, and that the wellbeing of humans is a desirable by-product of this objective. The decline of environmental health inevitably damages the wellbeing of humans, although the maintenance of human populations should not always take precedence. Some have maintained that sharp reductions in human populations, through birth control, are necessary to meet the overriding objective. Other environmental thinkers argue that 'sustainability' must encompass social as well as ecological sustainability, that is, the long-term viability of communities that cultivate the factors that contribute to human happiness consistent with the ecological goals.[13]

Secondly, and more importantly for the purposes of this essay, the dominant political philosophy of our age, libertarianism, explicitly rejects the view that promotion of human wellbeing is self-evidently good and should be the dominant objective of any society. It holds that the purpose of society and of government should not be to set or endorse goals, but to promote as much individual freedom as is feasible and to allow individuals to determine their own goals. Hayek was unabashed in this belief: 'Above all, however, we must recognise that we may be free and yet miserable. Liberty does not mean all good things or the absence of all evils.'[14] In his feted defence of liberal democracy as the political and economic system that is both inevitable and best, Francis Fukuyama argued that some states or conditions are natural or inevitable even

[12] It might be observed here that it is because he does not start from real conditions that John Rawls' theory of justice, while creating a sensation amongst philosophers and political theorists, has had no impact beyond the walls of the universities. His theory is based on an act of imagination, a pure thought experiment more abstract than the contractarians social contract and divorced from the issues that exercise the popular mind. It is an intellectual's political philosophy without popular intuitive appeal, one that Rawls himself says he had to 'work out'. Whilst one might find his theory of justice persuasive, we are left wondering how we could make the leap from the conditions we find in the world today to the just world imagined from behind Rawls' famous 'veil of ignorance'. Rawls' construction seems to have screened not only the imaginary citizen from the world as we find it, but the philosopher too.

[13] A good discussion of these issues can be found in M. Diesendorf, 'Principles of sustainability', in M. Diesendorf and C. Hamilton (eds), *Human Ecology, Human Economy* (Allen & Unwin, Sydney, 1998). In a subsequent essay, I will return to the relationship of humans to the natural world, for it is an argument with which I have some sympathy.

[14] Hayek, *Road to Serfdom*, *op. cit.*, p. 18

though people may be happier in other states.[15] For Hayek, Friedman, Fukuyama and other champions of the free market, liberty, not happiness, is the ultimate or inevitable goal.

In my view, if social conditions and the political and economic structure are making people miserable, even if they are free to pursue misery in their own ways, then this is a matter of public concern. And just as Hayek defends liberty against the tyranny that may be imposed by majorities, so the very freedoms that he wants to protect may be jeopardised if the masses in their misery are told they are ungrateful if they question the value of the freedoms they have been given. This is not an argument in support of the proposition that it is better to be happy in chains than miserably free; rather, it is a call to examine more closely the nature of the liberties that Hayek and his followers have so successfully advanced and the social circumstances in which they have taken root.[16] It seems to me that there is a need, more urgent by the day, to question the value of the economic, political and personal liberties that have been won. For it is fair to say that free market capitalism in the West is, to use a much-abused term, in crisis. Not just under attack from various forms of fundamentalism (Islamic from without and Christian from within), it is suffering from a process of internal decay characterised by widespread anomie and a deep but mostly private questioning of the value of modern life. Of course, the fundamentalist assault and widespread alienation are not unrelated. At the heart of the matter is this question: If the freedoms won, combined with abundance, are so good for us, why are we so discontented?

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This is perhaps a good point at which to flag where the argument is going. The political history of the modern world has been dominated by struggles to win political liberty and personal freedoms from the forces of autocracy and plutocracy. In the twentieth century, liberty was imperilled by fascism and communism. At times political freedoms have come into conflict with personal liberty (Hitler was, after all, elected). Libertarianism succeeded in extending personal liberty through limiting the role of government in economic activity (although many would argue that the collective interests were thereby damaged), and the liberation movements of the 60s and 70s advanced personal freedoms in social and moral life. But if our objective has been to allow humanity to lead fulfilled and satisfied lives then, without in any way maligning the liberties won,[17] it must be asked whether these freedoms are enough, and whether other forces have been unleashed that commit us to a new and more deep-rooted form of servitude. I will argue that the extension of the freedoms of the market, along with the personal freedoms won by the liberation movements, have actively worked against our freedom to choose to lead authentic lives. Consequently, people today find it more difficult to know who they are and thereby to understand

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[15] Francis Fukuyama, *The End of History and The Last Man* (The Free Press, New York, 1992) p. xii

[16] Milton Friedman is the best-known advocate of Hayekian liberalism, especially in his book *Capitalism and Freedom*. But whereas Hayek is subtle, Friedman is crude; Hayek reads like a philosopher, Friedman reads like a propagandist. Friedman might have taken more careful note of Hayek's observation: 'Probably nothing has done so much harm to the liberal cause as the wooden insistence of some liberals on certain rough rules of thumb, above all the principle of *laissez-faire*' (*Road to Serfdom*, p. 13). But if Friedman had observed this Hayekian subtlety the libertarians may have been less successful.

[17] Although questions remain about the value of extending personal liberties in the way neoliberals such as Hayek wanted.

how to advance their interests. I will argue that the dominating political issue in rich countries today is the conflict between economic and political liberties on the one hand and 'inner freedom' on the other, and that only in a society that protects and promotes inner freedom is it possible to live according to our true human purpose.

Some, especially social democrats, may interpret the argument of this essay as an unduly individualistic political philosophy, one that pays too little attention to our social natures and the imperative of cooperation in the pursuit of our own wellbeing. Mrs Thatcher's epoch-marking assertion that 'there is no such thing as society, only individuals' was so shocking because it seemed to deny that each of us is a product of our society and is in constant interaction with it. It would be more true to say 'there is no such thing as an individual', certainly in the form imagined by neoclassical economists. But it has to be conceded that we have made the transition to an individualized society and that the 'social' as traditionally conceived by social democrats no longer exists. That is, the social groupings that in the previous era defined us in practice and provided the categories for sociological and political analysis are no longer relevant (or at least of greatly diminished relevance). So, in one sense, we are individuals for the first time. The form that this has taken has been highly individualistic, in the sense of self-focused, a product of the combined impact of the liberation movements, neoliberal ideology and the market.

Thus this essay is a prelude to answering the question of how we can reconstruct the social in an individualized world. In a world where we are no longer bound together by our class, gender or race, why should we live cooperatively? There are utilitarian reasons (which neoliberalism concedes): reduced transaction costs, economies of scale, savings from providing certain goods publicly and so on. These forms of cooperation are generally justified on the grounds that they are more 'efficient'. But that is not enough; indeed, these arguments reinforce a neoliberal conception of the individual that is fundamentally hostile to the social. We must reconstruct the idea of solidarity. And if we are to reconstruct the idea of solidarity we must first reconstruct the individual. Who is it that joins with others in pursuit of common goals? On the way to answering this question we must rescue the idea of autonomy from the 'free choice' of neoliberalism, and indeed from the idea of liberation inherited from the 1960s and 1970s. It is for this reason that this essay focuses on the individual, and leaves the task of rethinking the social for its sequel.

2. Liberty, individualism and happiness

> The liberty of the individual must be thus far limited; he must not make himself a nuisance to other people.[18]

John Stuart Mill's classic statement of the extent of liberty has provided the intellectual foundation for modern liberal democracy. Polities in the West, especially over the last three decades, have generally adopted the moral position that people should be able to do whatever they like as long as it does not interfere with the rights or wellbeing of others. How the principle should be applied in particular circumstances is the subject of impassioned political contests. Debates over abortion, gun ownership and gay marriage come to mind. Usually the debate is driven by those who feel their individual rights are being restricted by moral positions that they personally do not adhere to, although moral disapproval is often cloaked by arguments that the activity in question is a nuisance to others.

Mill's principle was applied with particular force by those at the forefront of the various liberation movements of the 60s and 70s. The restrictions imposed by law and social custom on sexual expression, women's rights and the rights of minorities could not be sustained in the face of the simple demand that people should be able to do as they please. The radicals of the right have been as quick to appeal to the principle as the radicals of the left. The advocates of economic liberalism insisted that governments should restrict the market behaviour of consumers and producers only to protect each from exploitation.

Like some of his libertarian successors, Mill was quite explicit about the value of liberty lying in the promotion of individuality, and that individuality is 'one of the leading essentials of well-being'.[19] But for Mill, it was not only the forces of the state that posed a threat to personal happiness by restricting the opportunities for free expression of one's true self. One of Mill's central arguments – to be developed in this essay – was foreshadowed by him a few paragraphs after the famous statement quoted above.

> Where, not the person's own character, but the traditions and customs of other people are the rule of conduct, there is wanting one of the principal ingredients of human happiness, and quite the chief ingredient of individual and social progress.[20]

In a section of his essay titled 'Of Individuality, As One of the Elements of Well-being', Mill expatiated on the debilitating effect of convention on the creativity of individuals and of nations. 'He who lets the world, or his own portion of it, choose his plan of life for him, has no need for any other faculty than the ape-like one of imitation'. Moreover,

> The despotism of custom is everywhere the standing hindrance to human advancement, being in unceasing antagonism to that disposition to aim at

[18] Mill, *op. cit.*, p. 62
[19] Mill, *op. cit.*, p. 63
[20] Mill, *op. cit.*, p. 63

> something better than customary, which is called, according to circumstances, the spirit of liberty, or that of progress or improvement.[21]

The connection between liberty and the assertion of individuality was taken up at length by both Hayek and Friedman, although they felt no compulsion to associate greater liberty with greater happiness. Freedom was the goal, an end in itself. The latter-day libertarians were motivated by what they saw as the particular threat to innovation and entrepreneurship posed by *dirigisme*. The constraints imposed by custom on the expression of individuality were precisely the targets of the radical liberation movements of the 1960s and 1970s; they were pleas for the right to self-determination, and there was no doubt that the freedom demanded would usher in an era of personal contentment never before seen.

It will pay dividends to attempt to understand more clearly the relationship between liberty, individualism and happiness, and an exposition of the nature of happiness is a good place to begin. The doyen of American psychology, Martin Seligman, has distilled the results of a large number of empirical studies and qualitative discussions dating from Aristotle to distinguish between three approaches to well-being – the pleasant life, the good life and the meaningful life.[22] The pleasant life, or life of pleasure, is one driven by hedonism, the desire to maximise the number of emotional and physical 'highs' that is the signature of modern consumer capitalism. It is possible to learn the skills necessary to promote the pleasant life, including the skills required to amass money income that can give greater access to most hedonistic pursuits. For those in pursuit of the pleasant life, the focus of activity is always outwards, looking to the external world to provide sources of satisfaction. Status seeking through, for example, career success may be counted as a feature of the pleasurable life because of its relentless emphasis on external reward, although career success as an outgrowth of the desire to enhance one's capacities may be regarded as a characteristic of the next approach, the good life. The hedonic conception of happiness is the one assumed by the utilitarian approach of neoliberal economics.

The good life is similar to the Aristotelian idea of eudaemonism. It can be thought of as a life devoted to developing and honing one's capabilities and thereby fulfilling one's potential. Aristotle argued that each of us has a *daemon*, or spirit, and the purpose of life is to discover and live from this inner purpose.[23] When we have developed our capabilities and are expressing them through our actions, we are capable of having 'flow' experiences, a state of absorption in which emotion is absent. This can include intense contemplation.[24]

The distinction between the pleasant life and the good life reflects the ancient dispute between Epicureans and Stoics and there is now a body of psychological research that

[21] Mill, *op. cit.*, pp. 65, 78. Alain de Botton, in his book *Status Anxiety* (Penguin, London 2004), suggests that one of the proven methods of escaping the debilitating effects of status-seeking is to lead a bohemian life, a wilful revolt against the despotism of custom.
[22] Seligman has written extensively on these issues, and his writings are summarised in popular form (perhaps too popular) on the website www.authentichappiness.org.
[23] See especially his *Nicomachean Ethics*.
[24] A form of eudaemonism is central to Rawls' theory of justice, but we will argue that it is a desiccated version of that described by Aristotle, whose idea overlapped with the third approach to wellbeing, the meaningful life. Rawls' mechanical approach was necessary in order to accommodate the extreme rationalism that permeates his theory.

supports the distinction between hedonic and eudaemonic wellbeing.[25] The former is an intensely subjective idea of wellbeing explored through notions of positive affect (or emotion) and measures of life satisfaction. It is easily, but not very reliably, measured by surveys of subjective wellbeing. The psychologist Carol Ryff divides the characteristics of eudaemonic wellbeing among purposeful engagement, positive self-regard, quality relationships, environmental mastery and continued personal growth. This is similar to the idea of human 'flourishing' emphasised by Martha Nussbaum who, along with Amartya Sen, favours a 'capabilities' approach to human wellbeing.[26] The focus of activity is inwards but success manifests itself in the outside world, a fact that will turn out to be critical. Suffice to say here that there is nothing inherently virtuous about the good life.

The third approach to living, the meaningful life, is similar to the good life insofar as it requires the development of one's 'signature strengths'. But whereas the pursuit of the good life can be self-centred – the athlete or musician perfecting their skills through years of training and having flow experiences 'in the zone' – the meaningful life demands that one's life be committed to something larger than oneself, to a higher cause. This arises from a notion of the self that differs in some fundamental way from that of the inherent skills or capabilities that define the good life. Indeed, the notion of the self in the good life is a humanistic one that is, at its root, not dissimilar to the one that underpins that pleasant life. In the conception underlying the meaningful life, the boundary between the self and the other is porous. The meaningful life corresponds with what the philosophers of old understood to be the pursuit of virtue or selfless moral principles. This idea is consistent with a religious conception of human life, where religion is understood broadly, but can also be rooted in a metaphysics of self, an idea we return to in a subsequent essay.

It is worth noting here the considerable body of psychological research that compares levels of happiness (measured by reported life satisfaction) among those who set themselves external goals such as wealth, fame and sexual conquest, and those who set themselves intrinsic goals, including strong relationships, self-development and contributing to the community.[27] The research consistently shows that those with an internal orientation are happier than those who pursue external rewards. There is a correspondence between the pleasant life and external rewards, on the one hand, and the meaningful life and intrinsic rewards on the other. The good life lies somewhere between. Consistent with this, Seligman reviews evidence showing that the pursuit of the pleasant life does not improve life satisfaction, but that pursuit of the good life and the meaningful life are strongly associated with higher reported life satisfaction. However, this raises the question of what we mean by life satisfaction, and whether those pursuing a pleasurable life have a different view of happiness than others. Raising children is stressful, and at times makes us unhappy to the point of being dissatisfied with our lives, yet most humans who are able to choose to have children do so because it gives them purpose and meaning.[28]

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[25] See, for example, Carol Ryff's MIDUS study and her contributions to Burton H. Singer and Carol D. Ryff, (eds) *New Horizons in Health* (National Academy Press, Washington, 2003).
[26] Martha Nussbaum, 'In defense of universal values' in Martha Nussbaum, *Women and Human Development: The Capabilities Approach* (Cambridge University Press, Cambridge 2000)
[27] See in particular the important book by Tim Kasser, *The High Price of Materialism*, op. cit.
[28] A point made by Carol Ryff.

These deeper issues will be revisited, including a critique of eudaemonism, but a couple of observations are worth making immediately. Modern consumer society is able to reproduce itself every day because it persuades us that the pleasant life is worth pursuing. Consumerism has so infected the culture and the organisation of our lives that the market can no longer be seen as a mechanism through which people satisfy their various needs; it is the principal means of generating our needs and then of satisfying them. Satisfying these manufactured needs becomes the purpose of life. Those areas of personal and social life that were a few decades ago well beyond the purview of the market have become infused with market values and this has transformed how we think about them. Choosing a mate, education and entertainment, for example, are activities increasingly commodified and thus considered in terms of their capacity to deliver pleasure. The market even now serves to provide us with identities, both the sense of self-definition and the persona presented to the outside world, a role previously served by our places in the community. As such, it defines a particular from of individualism, a way of thinking about oneself in relation to the rest of the world.

Seligman's distinction between the pleasant, the good and the meaningful life is useful but leaves us wondering about the basis for a meaningful life. Why do some pursue a meaningful life and what are its psychological and metaphysical roots? And what is the moral value of a pleasant life compared to a meaningful life? We will later suggest that the meaningful life can be considered to be equivalent to the idea of living 'close to one's nature', but there is a wide expanse of ground to cover before reaching that point. As we have hinted, this in turn implies a radically different conception of the self and its relation to the world.

Freedom and happiness

In some respects, the distinction between the pleasant, the good and the meaningful life is one that presupposes high levels of personal and political freedom along with conditions of abundance. The poor usually do not have the option of pursuing the good life by way of education and training because they are constrained every day to meet their basic needs, although history is full of examples of indigent but determined individuals who have risen to high levels through a passion for education or music. Nevertheless, the sorts of psychological studies I have referred to mostly apply to rich democratic nations.

Classical liberals, unlike their libertarian successors, were not in any doubt that the objective of political philosophy, as well as political economy, should be to promote social wellbeing and individual welfare. But they acknowledged, at least in passing, that the relationship between liberty and happiness is not straightforward. Could greater liberty be contrary to our wellbeing? The prevailing and, I will argue, superficial view is that more freedom, as long as it does not cause a nuisance to others, must be a boon because oppression or 'unfreedom' makes us unhappy. A number of observations can be made immediately. There is a common belief, supported by a preponderance of evidence,[29] that having more control over one's life contributes significantly to individual wellbeing and that open societies in which people are generally able to make their own decisions about their vocation, place of work, place of living and relationships enjoy a higher level of wellbeing than those in

[29] See, for example, Frey and Stutzer, *op. cit.*

which people are restricted in these choices. Dictatorships are rarely happy places in which to live, and oppressed groups in otherwise free societies in general suffer from their oppression.

But, on reflection, it must be conceded that the relationship between control over one's life (free choice) and improvements in wellbeing is fraught with ambiguity. There is perhaps least contention over the belief that lack of control over the means of daily sustenance is a severe disadvantage, although it has frequently been observed that those with wealth appear to fret far more over money than others. Freedom in political life is also associated with greater social wellbeing, although it is remarkable how many citizens of democracies fail to exercise their political freedoms. It is also accepted that, in some circumstances, restrictions on civil and political rights contribute to the common good, although this principle is prone to being flouted by those who want to assert control. But here are some situations that give pause for deeper consideration.

In the 1980s and 1990s, women who were liberated from patriarchal constraints often felt they failed if they did not pursue and succeed in the world of careers and economic independence that was opened up. This suggests that freedom frequently comes with obligation or social expectations and that it is not enough simply to 'enjoy' it; it must be practised. As this implies, social context is everything. The children of immigrants who move from more traditional societies to more open ones (such as Pakistanis living in England or Latinos in the US) frequently feel the restrictions of custom and family obligation far more keenly than they would if brought up in their home countries. The freedoms offered by liberal society are frequently the source of intense and painful familial and internal conflict. In the most tragic and indefensible cases they can end in 'honour killings'. In some circumstances, a good case can be made for arranged marriages and we should be careful about imposing, in the name of freedom, recent Western beliefs about romantic love on cultures where it is foreign, especially in the light of the fact that 50 per cent or more of marriages based on romantic love now end in divorce.

It is not unknown for individuals who have for years been willingly or otherwise confined to institutions to refuse to leave them when given the opportunity or asked to. Prisoners who reoffend in order to be returned to prison are the most obvious case. Religious devotees, such as nuns, from closed orders sometimes find it impossible to cope with the ordinary freedoms enjoyed by those on the outside. In some cases, incarceration and deprivation are the conditions that cultivate an extraordinary flowering of human virtues, of love, devotion and compassion. Of course it is absurd to suggest that anyone can be happy in a concentration camp where starvation and brutality are the norm. But the experience of a few - on the Thai-Burma railway, for instance - suggests that it is possible to mine the depths of human love, sacrifice and resilience in such an environment and that this experience can induce a state of 'grace' that transcends everyday happiness.

As a general rule, greater freedom in economic activity also contributes to individual and social wellbeing. This, of course, has been the central focus of political demands by libertarians. It is a generalisation that affords exceptions even in the arena where it appears least vulnerable, its promise of consumer choice. Here, as everywhere the benefits are best enjoyed when taken in moderation. Increasingly we hear complaints of too much choice. It has to be asked whether the deregulation of telephone

information service in Britain, leading to the proliferation of companies offering slightly different services at widely differing prices making it impossible for any but the most obsessive and time-rich consumer to work out the 'best' price, has increased anyone's welfare.

But there is a deeper question that must be asked about the relationship between freedom and human happiness. Consider the 'capabilities approach' developed by Amartya Sen. Like Maslow's hierarchy of needs, this checklist approach defines a series of capabilities that in an ideal world all citizens should be able to develop. Nussbaum codifies the approach by listing ten capabilities and argues that in the absence of obstacles to these capabilities people will be able to flourish. They include good health, the development of intellectual capacities, to love and be loved, to be able to socialise and empathise and to enjoy political and personal freedoms.[30] But here is the rub. For large majorities of the citizens of wealthy democratic countries there are no significant external obstacles to fulfilling all ten of the capabilities. So while people may be able to flourish, the question is will they *choose* to do so? In an era of television catatonia and retail therapy, will free citizens choose 'to imagine, think and reason in a "truly human" way', as Nussbaum puts it, or are they conditioned or predisposed to pursue a stream of pleasurable episodes and never fulfil their capabilities and thus their potential as humans?

Social context matters and this is why some of the thinkers and activists at the forefront of the women's movement feel such a keen sense of disappointment. Germaine Greer has argued that women sought liberation but settled for equality, equality that allows them to feel alienated and exploited in the way men do. 'Equality is cruel to women because it requires them to duplicate behaviours that they find profoundly alien and disturbing'.[31] In a peculiar way Hayek made the same argument. Writing in an era when democratic socialism dominated or was about to dominate much of Europe, he quoted Lord Acton as follows:

> The finest opportunity ever given to the world was thrown away because the passion for equality made vain the hope for freedom.[32]

This suggests that it requires a certain level of social and psychological maturity to make proper use of the liberties that have been won, an obvious point when we remember that we have no hesitation in restricting, by law and good parenting, the liberties that children can exercise. Yet we imagine that the forces of the id that are so alarming in children somehow become legitimate when the child graduates to adulthood at 18 or, in some countries, 21. Perhaps we are not sufficiently in command of our ids until we are 40 years of age, or 60; perhaps some people never learn to control their most basic urges. Culture and social structures themselves have a defining influence on the level of maturity. If it is true that people in Western societies are becoming more self-centred – so that they are placing short-term gratification before longer-term development goals and entering relationships to extract maximum pleasure – then we are becoming less mature. If that is the case, are we less able than

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[30] These are not the terms she uses. Martha Nussbaum, 'In defense of universal values' in Martha Nussbaum, *Women and Human Development: The Capabilities Approach* (Cambridge University Press, Cambridge 2000)
[31] Germaine Greer, *The Whole Woman* (Doubleday, London, 1999) pp. 1-2, p. 309
[32] Hayek, *The Road to Serfdom, op. cit.*

we were to cope with the liberties so hard won by previous generations? These questions demand that we consider the nature of liberty and happiness more closely.

3. Types of liberty

The discussion above alerts us to the fact that the benefits of freedom, while generally to be accepted, are not always devoid of conditions and complications. However, these conditions and complications are not the focus of this essay. The premise of this essay is that we have reached a stage of history that calls for a reconsideration of the nature of liberty itself. We have arrived at this point in part because of the success of neoliberalism, especially in the 1980s. Libertarian ideas now dominate the polities of rich countries, and much of the rest of the world, in a way few could have imagined. As we have said, the most important figure in the libertarian revolution was undoubtedly the Austrian philosopher and economist F. A. Hayek and it turns out that his seminal tome, *The Constitution of Liberty* first published in 1960, is a fruitful place to begin the reformulation of the idea of liberty.[33]

Hayek makes the now-familiar distinction between individual and political liberty. Individual liberty (or personal freedom) is defined as the possibility of a person acting according to their own decisions.

> Whether he is free or not does not depend on the range of choice but on whether he can expect to shape his course of action in accordance with his present intention, or whether somebody else has power so to manipulate the

[33] It is an irony that the neoliberal revolution of the 1980s and 1990s – the express purpose of which was to extend and reinvigorate personal freedoms and individual liberty – was effected by a small coterie of intellectuals and political activists who succeeded in their objective in the face of the clear but ineffectual opposition of the mass of ordinary citizens in whose name they purported to act. For the principal changes brought by 'reforming' governments under the influence of neoliberal philosophers, economists, policy advisers and commentators nowhere enjoyed majority support. Whether the policy was privatisation of public assets, deregulation of various industries, financial liberalisation, the imposition of user pays, free trade or a preference for inflation control over reductions in unemployment, majorities of citizens always preferred the alternative. About the only policy that enjoyed majority support was lower taxes, but even this soon lost its glister when the public realised that with lower taxes must go reduced public services. In the 1990s numerous surveys revealed majority support for higher taxes, as long as the revenue is committed to some socially useful purpose, such as improved health systems. But Hayek and his neoliberal acolytes would lose little sleep over the traducing of democracy in the interests of freedom. Democracy, defined as majority rule, is only a means to an end, the end being liberalism, that is, a social order in which the coercive power of government is limited as far as possible. This raises the question of the means by which it is legitimate to limit the powers of a democratically elected government. Hayek has an answer:

> Liberalism regards it as desirable that only what the majority accepts should in fact be law, but it does not believe that this is therefore necessarily good law. Its aim, indeed, is to persuade the majority to observe certain principles. It accepts majority rule as a method of deciding, but not as an authority for what the decision ought to be. (Hayek, *The Constitution of Liberty, op. cit.*, pp. 103-04)

Hayek and his fellow conservatives always put their form of freedom before democracy, perhaps understandably for those who had witnessed the election of Hitler, for it had to be conceded that democracy will not always act to safeguard the liberty of the individual. It must be said, however, that democracy encompasses certain freedoms; if a clear majority of citizens asks its government to set taxes at a high level, there are no individual liberties that can be asserted to overrule this collective act of free will.

> conditions as to make him act according to that person's will rather than his own.[34]

Political liberty refers to the free participation of men and women in the processes of democracy, including the choice of government. Thus individual liberty refers to freedom to make private choices while political liberty refers to the freedom to participate in the making of public decisions.

In his essay 'Two Concepts of Liberty', Isaiah Berlin drew the commonly accepted distinction between negative and positive freedom and went on to explore the contradictions and dangers in the way the idea of negative freedom has been used.[35] Negative freedom is 'freedom from' while positive freedom is 'freedom to'. He quotes Mill to the effect that 'there ought to exist a certain minimum area of personal freedom which must on no account be violated'[36] and that this requires a 'frontier' between the areas of private life and public authority. Philosophers of liberalism agreed 'that some portion of human existence must remain independent of the sphere of social control' and that to invade that sphere is a form of despotism. One such liberal, Benjamin Constant, declared that at a minimum such a sphere must protect freedom of religion, opinion, expression and property.[37]

Berlin believed that Mill attributed to liberty too much power for the good, and did so by confusing two distinct notions. Mill maintained that all coercion is bad as such even though some coercion may be necessary in the interests of the greater good, including protection of others' freedom. The second idea, which shines through in 'On Liberty' and is taken up by later libertarians such as Hayek, is that the best society is one in which citizens pursue or express 'a certain type of character of which Mill approves – critical, original, imaginative, independent, non-conforming to the point of eccentricity, and so on – and that truth can be found, and such character bred, only in conditions of freedom'.[38] But, suggests Berlin, history shows that 'integrity, love of truth and fiery individualism grow at least as often in severely disciplined communities' such as strict religious societies and military dictatorships. Thus liberty in the sense of 'freedom from' is conceivable in some forms of autocracy, albeit relatively benign ones that permit a good deal of personal freedom. Positive freedom, on the contrary, requires political participation and democratic rule.

While Berlin may be right in his claim that forms of imaginative and independent individualism are not inconsistent with authoritarian political systems, a more telling observation would have been that the attainment of high levels of personal and political liberty in the West has not, in general, brought about societies peopled by free spirits giving expression to their creativity and imagination. Quite the reverse. Western society is characterised by an ever-devouring conformity flimsily camouflaged by a veneer of confected individuality in which true independence of thought, expression and identity is almost nowhere to be found in the general populace and lives on in isolated and increasingly irrelevant pockets of academic and artistic free thinking. It is certainly not evident, other than at the margins, in general

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[34] Friedrich Hayek, *The Constitution of Liberty*, *ibid.* p. 13
[35] Isaiah Berlin, *Liberty*, edited by Henry Hardy (Oxford University Press, Oxford 2002). The references here are to the essay titled 'Two Concepts of Liberty' first published in 1957.
[36] Berlin, *ibid*, p. 171
[37] Berlin, *ibid*., p. 173
[38] Berlin, *ibid*., p. 175

political discourse or media commentary which are marked by a dull predictability that is all the more apparent for the attempts to conceal the uniformity by way of political spin. Especially under the impact of consumer capitalism and neoliberal politics since the early 1980s, the entrenchment of personal and political freedoms in Western societies has been responsible for the atrophy of true individuality. As we have already suggested, modern consumer capitalism encourages anodyne conformity and one-dimensionality, and an intolerance of those who wish to break out of the expressions of individuality manufactured by the market for consumption.

In this context, much can be revealed by the emergence of a class of citizens known as 'downshifters', those who have actively decided to reduce their incomes and consumption in order to free up time and life-energy for other pursuits. They comprise a remarkably large proportion of the populations of rich countries.[39] Yet having exercised their freedom by choosing to put market considerations lower in the order of life's priorities they report that they face suspicion, accusations of 'madness' and loss of status.[40] The obstacles put in the way of those who desire partially to withdraw from the market are formidable, including fear that they will no longer be able to participate in normal social discourse and that they will be impoverished in retirement. It is truly astonishing, therefore, that perhaps as many as a quarter of the population have made this life change in the last decade or so. The phenomenon is a sign that in the face of unprecedented freedoms and abundance the pressures to conform to a market model of happiness have reached breaking point. Libertarians do not know how to respond to this incipient revolt for, while they must applaud those who exercise their free choice, they are baffled and distressed when they exercise that freedom by rejecting the values of the market. If one believes that the world is populated by *homo economicus*, what happens to that world when he freely chooses to abolish himself?[41]

Contrary to the imaginings of both Mill and Hayek, the source of the creative, imaginative and independent spirit to which we quite rightly pay homage must be found elsewhere than in the granting of personal and political freedoms in a liberal capitalist order. Hayek himself gives a clue to where this source might be found. In a brief but pregnant passage, the arch-libertarian defines a *third* form of freedom, 'inner freedom' or 'metaphysical liberty', which he contrasts with both individual and political liberty.

> It refers to the extent to which a person is guided in his actions by his own considered will, by his reason or lasting conviction, rather than by momentary impulse or circumstance. But the opposite of 'inner freedom' is not coercion by others but the influence of temporary emotions, or moral or intellectual weakness. If a person does not succeed in doing what, after sober reflection, he decides to do, if his intentions or strength desert him at the decisive

[39] Or Anglophone ones at least. According to survey evidence they account for around one fifth to one quarter of adults in the USA, UK and Australia – see Clive Hamilton, *Downshifting in Britain: A sea-change in the pursuit of happiness* (Discussion Paper No. 58, Canberra, 2003).
[40] See Christie Breakspear and Clive Hamilton, *Getting A Life: Understanding the downshifting phenomenon in Australia* (Discussion Paper No. 62, Canberra, 2004).
[41] One prominent neoliberal has responded to the downshifting phenomenon in Australia by describing downshifters as 'bludgers' (that is, shirkers or parasites) as if the only alternative to maximising one's money income is to sponge off others.

> moment and he fails to do what he somehow wishes to do, we may say that he is 'unfree', the 'slave of his passions.'[42]

Throughout the rest of his considerable volume, Hayek does not return to this third form of freedom; he felt compelled to mention it only because it helps him untangle the idea of 'freedom of the will'. In initiating the concept, Hayek defines inner freedom as the extent to which a person is 'guided' in his actions by his own considered will or lasting conviction. This implies that there is some force that may, in defined circumstances, guide the decision-making, and the question arises of who or what exactly that force is. The introduction to this essay suggests the answer. Is not the absence of inner freedom, precisely as Hayek defines it, the dominant characteristic of modern consumer capitalism, a social system that cultivates behaviour driven by momentary impulse, temporary emotions and moral and intellectual weakness? Is not the very purpose of the marketing society to make us the slaves of our passions? Has not happiness itself, and thus perhaps the goal of life, been redefined so that today the popular belief that drives most of our behaviour is that happiness can be no more than the gratification of our whims?

I maintain that the distinction between political and individual liberty on the one hand and inner freedom or metaphysical liberty on the other is the key to a different – one might even say new – approach to political philosophy, one that resonates with both the material circumstances and the *zeitgeist* of advanced consumer capitalism. It is one that accords with the real conditions in which citizens of rich countries find themselves living. For if one does not possess inner freedom, but is constantly responding to impulses, whims, expectations and outside pressures, or if one is driven by neurotic fantasies, chemical or psychological addictions or felt inadequacies, or if one's behaviour is dictated by a consuming belief – all of which induce behaviour which, in moments of clarity and reflection, one knows are contrary to one's interests – then all of the abundance that surrounds us and the political and personal freedoms we enjoy amount to nothing. If such influences are occasional and sporadic, or frequent but affect a small minority, then the argument for a social system that gives pride of place to political and individual liberty, including economic freedoms, is plausible. For then, most of us most of the time know what is in our interests and act accordingly. But if some systematic force – entrenched social custom, religious zealotry, political fanaticism, widespread psychological instability or just some characteristic of being human – conspires to deprive us of inner freedom then we have to ask whether the external freedoms are enough.

Moreover, the absence of inner freedom must entail the distortion of the proper exercise of personal and political freedoms. What does it mean to have personal freedom if one's choices are formed and manipulated by powerful external forces? Do we enjoy political freedom when we are conditioned to believe that the only responsible vote is one that elects a party that promises to put the interests of the economy before everything else? The challenge to liberalism becomes more awkward if a case can be made that the exercise by some of their external freedoms in the

[42] Hayek, *The Constitution of Liberty*, *op. cit.*, p. 15

marketplace has, in fact, been the cause of the erosion of our inner freedom, a case that will be made later in this essay.[43]

[43] Neoliberalism is not the only political philosophy to feel discomfort with the idea of inner freedom. Amartya Sen, whose 'capabilities approach' to human development has attracted widespread interest, asks whether, if we do not have the courage to choose to live in a particular way even though we could, we can be said to have the freedom, that is, the capability, to live that way. 'This is a difficult question', he notes, and immediately moves on to easier ones ('Capability and Wellbeing' in Martha Nussbaum and Amartya Sen (eds), *The Quality of Life* (Clarendon Press, Oxford 1993) p. 33). But it is a difficult question only if one does not want to introduce a fissure into one's entire argument by confronting it.

4. Inner freedom

The idea of inner freedom demands further exploration. Inner freedom is the freedom to act according to one's own considered will, by one's reason or lasting conviction, in Hayek's felicitous phrase. It describes the ability to employ one's reason and sense of what is right to stave off influences that would prevent one behaving or, over the longer term, living according to what might be called one's nature. At least, this is the definition we will adopt for the time being.[44] Inner freedom is better understood not as some more or less well-defined realm of the self, divisible into areas of life such as religion and opinion, but as a characteristic of cognitive processing, of thought, of decision-making.[45] To the extent that inner freedom is distinguished from individual and political freedom, the constraints on our inner freedom are not those of external authority (or at least not directly) but ultimately the constraints we impose on ourselves, albeit under pressures from outside. It is a freedom to liberate ourselves from interference, manipulation, temptation and social pressure. It is a freedom that, though frequently hard-won, is nevertheless available to be won, unlike freedom from the constraints of political authority or government impost, which is granted, albeit after collective political struggle.

It is clear that in the absence of inner freedom we may act contrary to our own considered interests. Philosophers have long debated whether it is possible for us to act against our own interests. Of course, the neoclassical economists must insist that we cannot; that is why restrictions on 'market freedoms' have been so eroded and market values have been extended to so many areas of social and cultural life from which they were previously excluded. But few amongst the general public are in any doubt that we can and frequently do act contrary to our own interests. While this may be easy to accept for individual decisions driven by impulses, sudden passions or moral lapses, it is not a large step to maintain that indeed whole lives may be constructed on a 'false' set of beliefs and associated activities about how best to live a contented life. If a person can be driven by an impulse to act once against their own interests, the same person may be driven to act impulsively time and again even though they acknowledge that acting on those impulses may not be in their interests. Serially impulsive behaviour becomes compulsive behaviour, as if the person is driven by a malign outside force over which they have little control, as in the case of compulsive drinkers, gamblers, eaters, shop-lifters or workers. Remorse and resolve are frequently insufficiently powerful weapons.

Before going further, it is worth commenting on the relationship of inner freedom to the notion of false consciousness, usually attributed to Marx but more accurately to later Marxists. False consciousness describes the beliefs, ideology or ideas about themselves held by oppressed people that prevent them from seeing the objective conditions and explanation of their oppression. Initially used to explain why some proletarians appeared to support capitalism, it was later applied in the second wave of feminism to describe the views of those women who argued that (or acted as if) women were not oppressed but benefited from the patriarchal system. While superficially similar, the absence of inner freedom is not the same as false

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[44] In a subsequent essay I will consider the metaphysical grounds for inner freedom in Kant's distinction between appearances and the thing-in-itself.

[45] Later, we will take the argument further and define inner freedom in terms of the ground that underlies those processes.

consciousness, for inner freedom posits the idea that the individual knows at some level, through their considered judgement, what is in their own interests.

There are dangers in the notion of false consciousness, dangers that have a much older and more diverse origin than the use by Marxists. Berlin finds it in Hegel and warns of the perils of equating our 'real' or 'true' selves with our freedom, a warning that must be borne in mind when assessing the argument of this essay. If only we could assume our real selves, Hegel argued, we would discern what is truly in our interests. 'This monstrous impersonation', declared Berlin, '… is at the heart of all political theories of self-realisation. It is one thing to say that I may be coerced for my own good … It is quite another to say that if it is my good, then I am not being coerced, for I have willed it, whether I know it or not, and am free (or 'truly' free) …'.[46] This is indeed an argument with a chilling twentieth-century resonance, but its power for evil lies in attempts to conscript the idea of the true self to a political ideology by undemocratic means. It cannot be stressed too strongly that liberation of the true self, and the exercise of inner freedom, can by its very definition occur only through consent, and never by coercion.

In modern consumer society there is a more useful way to think about the problem than that afforded by the concept of false consciousness. It is well-established in the psychological and sociological literature that people are capable of operating at two levels of cognition. The first is a short-term impulsiveness based on our immediate feelings and beliefs about ourselves, what may be called 'superficial awareness'. The second is a more considered position based on reflections on our moral values and longer-term interests, including perceptions of our part in society, what may be called 'considered awareness'. To simplify, sometimes we form views and act as self-centred individuals, and sometimes we do so as citizens. To illustrate using some research with which I am familiar, if people in rich countries are asked whether they can afford to buy everything they really need most say 'no'.[47] Even though they manifestly can afford to buy more than they need by any reasonable definition of 'need', they feel in some way deprived because there are constant internal and external pressures on them to acquire the next consumer item and to set higher lifestyle benchmarks. This is the daily consciousness most people walk around with. It creates a sense of incompleteness that can only be filled by having more, yet more never satisfies. Political systems are geared to respond to this gnawing sense of discontent and this coincides with the privileged place awarded to 'the economy'. Yet if we ask the same people whether their society is too materialistic, with too much emphasis on money, nearly all agree. When asked to reflect on the state of society, or to stand back and examine their own lives, respondents are asked to express a view about the social interest, which includes their own longer-term interests. Posing

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[46] Berlin, *op. cit.*, p. 180. The same criticism can be made of neoliberal economic ideology which asserts that because choice in the marketplace is good for us it is legitimate to coerce us into being private consumers by denying us the opportunity to act differently, as citizens who own things collectively. We are not really coerced, it is suggested, because no-one could object to having more choice. This is the 'monstrous impersonation' behind the idea of market freedom.

[47] Juliet Schor, *The Overspent American* (HarperCollins, New York, 1999) p. 6; Clive Hamilton, *Overconsumption in Britain: A culture of middle-class complaint?* (Discussion Paper No. 57, Australia Institute, Canberra, 2003); Clive Hamilton, *Overconsumption in Australia: The rise of the middle-class battler* (Discussion Paper No. 49, Australia Institute, Canberra, 2002)

questions such as these have a 'moralising effect' on people's decision making.[48] Few people who are already wealthy are willing to defend their need for more money in a public setting, especially one that includes people with considerably lower incomes. In the same way, many people from wealthy countries who feel deprived at home begin to count their blessings when they visit poor countries.

The distinction between superficial and considered awareness is closely related to the distinction made in discussions of deliberative democracy between 'instrumental rationality' and 'deliberative rationality'.[49] It is well established that citizen's juries and processes of deliberative democracy, in which citizens come together and hear evidence and arguments in a spirit of arriving at the common good, often reach conclusions radically different from those given by a simple vote of members at the outset.[50] In the one case, people act with superficial consciousness while in the other they act according to a more considered evaluation of what is in their own and society's interests. Compared with instantaneous responses, considerations of what is 'right' are far more prominent when people are asked to reflect on the question at hand, and even more so if they do it in company with others. Both forms of consciousness reflect the 'real' conditions in which people find themselves and cannot be said to be 'false', but considered awareness, while not infallible, is more true in the sense that it is more likely to express the person's 'real' opinion. In short, decisions made on the basis of considered awareness are less likely to be regretted. The distinction between superficial and considered awareness implies that when we allow the former to prevail we are deceiving ourselves. This gives rise to two closely related concepts that are crucial to understanding inner freedom – self-deception and *akrasia*. We discuss these in turn.

Self-deception

There is a considerable philosophical literature on the idea of self-deception.[51] While some have argued that self-deception is impossible because it involves forming the intention to deceive oneself, others have posited various ways of partitioning the mind and operating as if there are two persons occupying it. Knowledge of the plans, intentions and motives of one are, by one means or another, denied to the other. In this case we can imagine a deceiver and a deceived. A less radical construction is to suppose that, rather than holding two contradictory beliefs, the true belief can be held unconsciously while we act on a consciously held but false belief. These ideas are familiar to psychoanalysis. Anna Freud developed the concept of defence mechanisms, which enable us to conceal uncomfortable truths from ourselves. 'Using these strategies, the ego (the coping part of the mind) defends itself against onslaughts from the id (unconscious sexual and aggressive desires), the superego (socially

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[48] The phrase is used by Graham Smith and Corinne Wales in 'Citizens' Juries and Deliberative Democracy', *Political Studies*, Vol. 48, p. 53, 2000.
[49] *Ibid.*
[50] '[I]t is clear that there is a marked difference between the pre-deliberative preferences of citizens which would have been aggregated within existing social choice mechanisms and their preferences and judgements after the process of deliberation.' Smith and Wales, *ibid.*, p. 60
[51] For example, Alfred Mele, *Irrationality: An essay on akrasia, self-deception and self-control* (Oxford University Press, New York, 1987); Herbert Fingarette, *Self-Deception* (University of California Press, Berkeley, 2000). A. R. Mele provides a very helpful overview in the Routledge *Encyclopedia of Philosophy*.

instilled values) and external reality.'[52] The principal defence mechanisms are: repression, in which we exclude from awareness certain memories, feelings or associations that would be upsetting if consciously acknowledged; denial, in which we act as if we are unaware of some fact that is apparent to others; projection, whereby we unconsciously attribute to others our own negative qualities or feelings; regression, in which we revert to an earlier stage of emotional development so as to avoid responsibility for some action; sublimation, in which we divert unacceptable behaviours and thoughts into more acceptable forms; and, reaction formation in which we adopt behaviour that is the opposite of our true feelings or thoughts. Use of these mechanisms is never a deliberate strategy, for if it were they would have no effect. We employ them unconsciously and are thereby deceived. Clearly, the tension between the conscious attitude and the real thought, emotion or action will manifest itself somehow, if only through a niggling sense that something is not right and ultimately in the need to face up to the truth whatever the apparent cost. For our purposes, repression is the most important defence mechanism for it can be used as a generalised defence against examining the direction and meaningfulness of our lives.

Self-deception does not take only the classical psychological routes involving unconscious processes, but includes techniques we employ to manage our attention in ways that exclude from our decision-making uncomfortable facts and feelings. Looking at daily patterns of self-deception from this angle, Mele notes:

> Tactics of self-deception include quick oscillations of attention towards pleasing aspects of our lives and away from anxiety-producing ones. … The fundamental strategy … in self-deception is to distort the standards of rationality for belief by exaggerating favourable evidence for what we want to believe, disregarding contrary evidence, and resting content with minimal evidence for pleasing beliefs.[53]

Mele uses the example of a woman who, despite strong evidence to the contrary, refuses to believe that her husband is having an affair. While admitting the truth has intrinsic benefits, believing a lie is less painful, at least for a time. In this case, our emotional preferences overrule our reason. In other words, our preference for the world to be a certain way can influence us to believe that it is so. Everyone recognises that at times they have been 'in denial'.

Mele cuts through much of the philosophical argumentation about the possibility of self-deception by noting that some philosophers have resolved the contradiction between theoretical purity and the manifest daily fact of irrational behaviour by declaring that the facts cannot be true.

> Part of the problem – a large part of it, I believe – is that philosophical models for the explanation of action and belief are typically designed specifically for rational behaviour.[54]

Another commentator, Fingarette, also focuses on the way we use our attention to deceive ourselves. The difficulties with the idea of self-deception evaporate when we

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[52] Mele in Routledge *Encyclopedia of Philosophy*, p. 630

[53] *Ibid*., p. 630. This doubles as a definition of political spin.

[54] Mele, *Irrationality, op. cit*., p. 169. The word 'philosophical' in this sentence could be replaced by the word 'economic' and be just as valid.

accept that not everything that we are taking account of and to which we are responding intelligently is within our field of attention. 'If focusing attention on some fact is apprehended as promising intense distress, that is a very strong reason for avoiding doing so.'[55] If I have done something shameful that, if admitted, erodes my strong sense of self as a good person then to avoid this trauma I may refuse to pay attention to my feelings. My recall of the event may become less reliable, I can reinterpret my own and others actions and motives, and I can explain away uncomfortable aspects of the activity. It may be better in the long run to face up to the shame, admit to myself and others that I was wrong and hope to move on, but that involves a degree of short-term pain and punishment by society that I may be unwilling to endure.

At some stage in their lives many people feel that they have systematically deceived themselves over many years in a way that has denied them lives lived according to some authentic purpose or deeper moral sense. They feel that in response to family or social pressures they adopted careers or life paths in pursuit of goals that proved chimerical. In other words, they spent years or decades deceiving themselves about what would make them happy.

Why do we deceive ourselves? The decision to adopt life goals other than those socially sanctioned involves risks and takes courage. It is easier to live a series of short episodes in which the urge to a more authentic life, in which we behave according to our deeper understanding of what is in our interests, is suppressed. We may do so by several means. We may: simply repress the urge to change because it seems unattainable; sublimate it by converting it into something else, such as the acquisition of things; live our dream vicariously through 'heroes of authenticity' or consumption of certain types of books; or, persuade ourselves that the goal of an authentic life is an illusion and we should just 'get on with it'. The ego uses these mechanisms to defend itself against the uprisings of meaninglessness to which we are all prone. Perhaps one might see them as legitimate coping strategies in a world that appears to admit no alternative.

Let me illustrate the ease with which we deceive ourselves when money is at stake. I once participated in a popular studio debate on the topic of greed.[56] Three members of the audience had made money by participating in a scheme known as 'Heart'. A person puts in £3,000 and if they can sign up two more people to the scheme (who in turn sign up others) they 'win' £24,000. It is a classic pyramid scheme, a zero-sum game in which nothing is created and wealth is merely redistributed. Whatever anyone wins others must lose. The only way for everyone to keep winning is for the scheme to go on forever, which cannot happen. It is similar to a 'game' that I used to play at school. Several students would join hands. The person at one end held a dynamo which, when the handle was turned vigorously, would generate an electric current that would pass along the line harmlessly until the chain was broken and the last person received a nasty shock. If you found yourself on the end, your objective was to rush around the schoolyard and grab someone else before the shock arrived. Everyone had fun except the person at the end. In the same way, since the pyramid scheme must come to an end, when it does end those who have contributed £3,000 without having received their return will inevitably lose. Yet those who defended the

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[55] Fingarette, *Self-Deception, op. cit.*
[56] The Kilroy show broadcast on BBC television in November 2003.

scheme appeared cognitively incapable of understanding this simple point and had persuaded themselves that somehow everyone who participated could win. No matter how many different ways the simple insight was explained to them, the light simply would not be turned on. As they were normal intelligent people, they could maintain this position only by self-deception. They argued that no one was forced to participate and there were no hidden traps for the unwary. Their greed, like that of those who followed them willingly into the scheme, was too powerful for their moral sense but, loath to concede this fact, they were forced to suppress awareness of the moral dimension of their decision. Clearly, their financial interest interfered with their reasoning, for to admit that those at the end must pay would mean that they had profited from other's loss, and that those who had lost were not undeserving but unlucky, vulnerable or both. This is one way in which our motivations or preferred outcomes can override the facts to determine our beliefs. It is hard to know in the pyramid scheme case whether those who were deceiving themselves were doing so by means of rationalization, wilful ignorance, or systematic ignoring.[57]

Lying to ourselves may at times serve our interests. Suppressing details of a traumatic event may be an effective coping strategy, although the trauma may manifest itself in unexpected ways. Or we may downplay our failures in order to maintain our self-esteem. But in understanding inner freedom, we are especially interested in how self-deception damages our own interests. Perhaps it is better to say that as long as we are deceiving ourselves we are not being true to ourselves and therefore we are not authentic; we have closed ourselves off to the knowledge of what is in our long-term interests.

The existence of self-deception prompts us to ask: Who is responsible? To answer the question we need a model of the self, something developed in a subsequent paper, but here it is enough to observe that we need to adopt the idea of the self being in some sense divided against itself.[58] This suggests that, in the case of consumption, the consumer self is divided against a 'truer' self, an idea that corresponds to the distinction between superficial awareness and deeper awareness discussed above. This is most apparent in the case of addicts – alcoholics, problem gamblers and compulsive shoppers (known as oniomaniacs) – who believe they can compartmentalise their addictive behaviours and separate them from the rest of their lives. But am I guilty of self-deception if I am subject to powerful and relentless forces persuading me to act in a certain way, and I go along with it because the alternative appears too painful, even if the pain takes the form of deviating from a social norm? In this case responsibility must be shared between the deceptive social force and the individual who collaborates in their own deception. The response might be to encourage individuals to seek the insight and resolve to be true to themselves, and help them by restraining or eroding the deceptive outside force (such as by restricting advertising). Confronting our true

[57] Mele, *Encyclopedia of Philosophy*, p. 629

[58] Such an idea cannot be admitted by neoclassical economics as every action, by virtue of the fact that it is carried out, is considered to be in our own interests. This is encapsulated in the idea of 'revealed preference', which maintains that only what people do (in the marketplace), and nothing else, expresses what they want. What they say they want, or unconsciously desire, is irrelevant. Here is a typical example from an economics website of how this dogma is deployed: 'The fact that people choose to earn more than $20,000 in income strongly suggests that higher income produces more happiness. When what people do in the market contradicts what they say in a survey, economic empiricists tend to view the market decision as more indicative. The formal term we use is revealed preference.' (http://econlog.econlib.org/archives/cat_revealed_preference.html)

selves is the objective of depth psychology and is central to the process of achieving psychological maturity, which can be understood as the attainment of inner freedom.

Akrasia

Some time ago I felt the need to buy a new jacket and went shopping, an activity I dislike. Remarkably, I found the perfect jacket with minimal effort. The only problem was that it cost several hundred dollars and I knew that with more effort I could find a perfectly suitable jacket for half the price. I feel guilty when I spend more than I reasonably need to because there are many people in the world who could put the money to much better use (even if I don't actually give it to them). But on an impulse, while actively suppressing my moral qualms, I bought the jacket. In so doing, I exercised complete individual liberty, but I compromised my inner freedom; I over-ruled my sense of what was right, and have both enjoyed the jacket and felt guilty about it ever since. If I had made the effort and searched longer I would have enjoyed the jacket but not felt guilty.

We all face these sorts of decisions, often on a daily basis. Most of us know, for example, that we could do a great deal more to reduce our own contributions to environmental decline. We could drive less, recycle more and delay replacing goods until they are worn out. Yet we often find the effort too much, even though the exertion may in fact be trifling. Our will fails us. A married man may be so possessed by sexual desire for another woman that he embarks on an illicit affair even though he knows it may cause grave injury to those he loves and long-lasting misery to himself. A lawyer may cheat on her tax return. She knows she cannot be caught, yet she feels, perhaps beneath layers of rationalisation, that it is wrong.

This sort of impulsiveness is inconsistent with the exercise of inner freedom. Before exploring this further, we should distinguish between impulsiveness and spontaneity, for there is no doubt that there are pleasures in spontaneity and the life ruled by unrelenting planning would be grim and probably reflect a degree of neuroticism. John Stuart Mill's early life, planned by his father as an intellectual experiment, comes to mind. I once knew a man who kept a list, regularly revised as new information came to hand, of the items he would need to take with him to the local hospital should he fall suddenly ill or have an accident. He kept a second list tailored to the conditions of the other local hospital, and two corresponding lists for his wife in case she should meet with an accident. Rational yes, but a little mad too. Nevertheless, it is difficult to imagine anyone living a life of inner freedom unless they repeatedly exercise their capacity for rational deliberation and do so in a way that allows them to resist the daily inducements to act impulsively.

Philosophers have long discussed this phenomenon. The Greek word *akrasia* is usually translated as 'lack of self-control', although it is sometimes thought of as weakness of will or 'incontinence'. As this suggests, *akrasia* occurs when one acts in a way that is contrary to one's considered judgement. This should not be taken to imply a sharp distinction between reason and passions, for our desires are naturally included when we make considered judgements. Reason therefore encompasses 'calm desires' or 'tranquil passions'.[59] Some of these desires may be moral in character, including the desire to act ethically, so *akrasia* is not so much a problem of ethics as a

[59] See Justin Gosling, *Weakness of the Will* (Routledge, London 1990), p. 101

failure of practical reason[60] which arises when we submit to temptation and allow our passions or desires to over-rule our considered judgement.

As a further illustration, a British Labour MP, Dianne Abbott, was well known for her condemnation of private schooling. She argued that private schools are inherently elitist and entrench privilege, and are especially exclusionary for black citizens, of which she is one. Yet when it came to placing her own child in high school she opted to send him to a private school. She argued that, while it had been a difficult decision and would attract accusations of hypocrisy, she had made the judgement that the education of her child came first and that he would be better off in a private school than the local public school to which most of her constituents send their children. She decided that her desire to advance her family's interests should prevail over her moral conviction.

We may think of her decision in this way. While sending her child to the public school is more in conformity with her ideals, sending him to a private school would give him a better chance in life and is therefore in her interests as a parent. Each of these falls into a different arena of consideration, one the arena of moral deliberation, the other of self-centred interests. We all must decide when to allow moral considerations to prevail. *Akrasia* occurs when we hold certain moral convictions but, instead of weighing up the moral implications (which may be various) against our own private interests, we allow our personal desires to overwhelm the decision because we are too 'weak' to prevent them doing so. There are times in our lives when we are more prone to this sort of behaviour - when we ourselves feel alone, vulnerable, upset or put upon. We may feel a need to comfort ourselves due to grief over a loss or a rebuff from friends or from society. We may feel resentful and want to 'punish' society or God by transgressing ethical rules, or we may persuade ourselves that moral rules are all well and good when we can 'afford' them emotionally or financially. Because she carefully weighed up the alternatives and considered the consequences of her choices, in this case the MP cannot be said to have acted akratically. While she undoubtedly suffered as a result of condemnation by her colleagues and constituents, it is unlikely she will regret her decision, unless there is some dire consequence she has not foreseen.

While rational deliberation may or may not take account of moral considerations, *akrasia* implies that such considerations are included in the weighing up of courses of action. One acts akratically when one is aware at some level of the various factors but nevertheless acts contrary to one's considered judgement, that is, if one had allowed oneself to deliberate in a considered way. Aristotle wrote extensively on the problem of *akrasia* (especially in his *Nicomachean Ethics*) although, according to Mele, not always consistently,[61] and a long philosophical debate has ensued on the existence and form of *akrasia*.[62]

Moral weakness is a particular form of *akrasia*, one that 'consists in failing to live up to one's sincerely expressed beliefs about what it would be morally best to do'.[63] So

[60] *Ibid.*, p. 125
[61] Mele in Routledge *Encyclopedia, op. cit.*, p. 141
[62] In response to the claim that one cannot act contrary to one's better judgement, Mele (*Irrationality, op. cit.*, p. 3) writes: 'Odysseus's having himself lashed to the mast in order that he may safely hear the Sirens' song shows what a little foresight can do'.
[63] Mele in Routledge *Encyclopedia, op. cit.*, p. 142

moral weakness arises when we decide to act against our 'better judgement', that is, when our judgement leads us to conclude that the moral arguments outweigh others but we act selfishly anyway. In this case, we may say that 'the better judge' resides in the realm of inner freedom and its role is to adjudicate on the best course of action taking account of one's own interests and those of others represented by our moral values or commitments. Feelings of guilt or regret signal to us that we have acted akratically. The remorse of the compulsive gambler, the violent husband and the absent parent are well understood, but are explained by the particular proclivities or character faults of those involved. But we might just as easily point to the daily disappointments that millions of people feel after they have been drawn into an act of 'retail therapy'. Many people who live lives of abundance die with strong feelings of regret about the life choices they failed to make because they did not adhere to their principles or deeper urges. When we succumb to temptation, we sacrifice our inner freedom because 'outside' forces have led us to do something that we sense is wrong. These outside forces are not other people or the state, but forces outside what we regard as our 'true' selves. A theory of the 'true self' thus becomes ever more important. *Akrasia* becomes self-deception only when, before or after the akratic act, we provide rationalisations for our actions that serve to suppress our feelings of guilt or regret.

5. A digression on the ethic of consent

The discussion above has implications for the theory of morality. Here some preliminary observations can be made about the ethic of consent, the dominant principle of moral behaviour in 'post-modern' society. This rule is used to make judgements about a range of behaviours, from 'deviant' sexual practices to medical experimentation on humans, euthanasia and genetic engineering. It is confined to those activities where there are no third parties that may be affected, although debates about certain moral issues often focus on whether certain third parties, including society in general, are affected. According to the ethic of consent, when third parties are not affected, informed consent is the only ground for judging the moral value of someone's behaviour. As such it is a procedural ethic of permission-giving in which the only principle of moral authority is our subjective consciousness. There is no morality as such, only an agreed procedure for individuals to decide 'what is right for them'. Of course this radical individualism is the ethic explicit in libertarianism; it also underpinned the political and social demands of the liberation movements of the 1960s and 1970s, particularly those relating to sexual expression and the use of drugs. It permits, indeed celebrates, moral diversity as an essential aspect of pluralist society, a position that has received theoretical expression in post-modern theories in which all moral judgement is cut adrift of any absolute principle and becomes culturally relative.

The ethic of consent is of course based on a particular view of human decision making, one in which adults are assumed to be capable of weighing up the various implications of an action and deciding whether it is in their interest to engage in it. But once we concede that humans are prone to self-deception and akrasia, and to subtle forms of coercion (as discussed in the section below), serious cracks open up in the argument for moral judgement based on consent alone. For they admit the possibility that we may act in ways that are contrary to our own interests, a fact that we 'know' at some level but choose to ignore. As is often the case, while the ethic of consent has quite broad (but by no means universal) popular support as a principle, popular opinion also admits exceptions when self-deception and moral weakness come into play. This is best explored by way of example.

Consider self-deception first. Some people have a burning desire to have one of their normal limbs amputated and are utterly convinced that they will not achieve peace and fulfilment in life until they have rid themselves of the offending arm or leg. Known as body dysmorphia, it is described as a syndrome but has no accepted explanation. Not only do those with the syndrome consent to amputation, but they sometimes take extreme measures to fulfil their wish, such as having backyard operations and placing their legs or arms on train tracks. When asked whether a surgeon should agree to amputate, almost everyone who does not suffer from the condition says 'no'. Although consent is informed and explicit, there is nevertheless a widespread view that anyone engaging in such bizarre behaviour must be mentally unbalanced and is therefore in some sense deceiving themselves about the benefits of amputation. The answer is not to accede to the wish to amputate but to understand why the desire exists and to change it.

Moral weakness or, perhaps better in this context, weakness of the will provides another reason for rejecting unconditional acceptance of the ethic of consent. When

they are interviewed, active prostitutes and porn stars usually declare that they are fully consenting and have no qualms about their decisions to use their bodies to enrich themselves by gratifying strange men.[64] Yet in later years some admit that they have degraded themselves, have difficulty forming loving and lasting relationships and deeply regret their decisions. They say that their activities were contrary to some moral sense that they suppressed or dismissed. For some of these women it is apparent that they were deceiving themselves about the implications of their decisions to become prostitutes or porn actors. These issues are exemplified by the description of her sexual life by Catherine Millet in her memoir *The Sexual Life of Catherine M.,*[65] for reflection on that book forces us to consider the social context in which consent occurs. Millet provides graphic accounts of dozens of sexual liaisons, especially orgies in which she is penetrated in every orifice by long queues of men, in apartments, parks and cars. The anonymity and arbitrariness of sexual partners (she concedes she cannot remember most of them and did not even see many) celebrates sex as an activity devoid of personal contact, and she writes of herself as if she were always available and virtually insatiable, exactly as women are portrayed in pornographic videos. It is not the copiousness or explicitness of the sex in the memoir that makes it obscene but the studied absence of intimacy and affection in the sex that fills the pages. In writing the memoir, Millet dared us to judge her and, fearful of mockery, few took up the challenge.

Perhaps the emblematic statement in Millet's memoir is this one: "Fucking is an antidote to boredom. I find it easier to give my body than my heart". Millet seems to be arguing that only by way of complete sexual abandon can we find full freedom and that any moral criticism of her sexual choices is neurotic and perhaps oppressive. Can Millet's sexual adventurism be interpreted as an exercise in self-deception, or as weakness of the will? While one can easily interpret Millet's extraordinary sexual abandon as the result of her own upbringing and character, Millet herself shows no sign of moral doubt and few signs that she may have deceived herself into pursuing the life of sexual abandon. She made a conscious choice and, apparently, has no regrets, although one is left with the impression that she must work quite hard at having no regrets. But Millet's memoir forces us to confront a quite different question: Is a cultural environment that entrenches an ethic of consent itself a healthy one? Does Millet's memoir do no more than highlight a pervasive emptiness in which sexual practice becomes just another form of bodily gratification, like defecation? This suggests that an ethic rooted in inner freedom, in which decisions are founded on considered judgement and moral reflection, can take us much further than the superficial notion of 'informed consent'. This large task we leave for another time.

Finally, it is worth dwelling on the role of subtle coercion in the ethic of consent. It is sometimes said that everyone is free to sleep under a bridge, but it is distorting the truth to claim that the homeless consent to sleeping out of doors. Poor people who consent to sell their blood or their bodily organs (both of which sustain a vigorous trade today) can be considered to have been coerced by their circumstances into doing something that a wealthy person would not contemplate. It's dangerous to life and

[64] Catherine Millet has declared that the decision to become a prostitute is a free choice no different from deciding to become a truck driver, a waiter or a school teacher. Yet few truck drivers, waiters or school teachers are driven to those professions by the need to supply a drug habit.
[65] Catherine Millet, *The Sexual Life of Catherine M.* (Serpent's Tail, London 2002)

limb[66] yet in full knowledge of the dangers desperate people are willing to take the risk. There is an imbalance of power and life circumstances that deprives the poor of the capacity to consent freely.

While the poor may be coerced to consent because they lack basic necessities, other familiar situations involve pressures to consent when a choice is available. Doctors are forbidden to have sexual relationships with their patients because the doctor-patient relationship – and even more so the psychiatrist-patient relationship – involves an imbalance of power. This imbalance means that, by subtle processes not understood by the patient, they may be coerced into a sexual relationship. In these circumstances it is agreed that, because they are vulnerable and needy, patients cannot consent freely. This is especially so in psychiatry where patients are rendered extremely vulnerable by the phenomenon known as 'transference' whereby they fall in love with their therapists. In these circumstances it is difficult for the patient to assess properly whether it is in her interests to have a sexual relationship with her doctor, even though her 'consent' may take the form of a desperate yearning. A more difficult but no less real circumstance arises when a teenager, under the weight of social pressure and the overwhelming need to feel accepted by her peers, consents to engage in sexual practices, or other potentially dangerous activities. Peer pressure may be intensely coercive; the punishment for a refusal to conform can inflict life-long scars.

All of this suggests that an ethic of consent suffers from the assumption that the only circumstance that matters is the subjective consciousness of those involved at the time of the decision, the point at which 'consent' is given. The context in which the decision is made is immaterial, and subsequent feelings of regret are rendered irrelevant by the freedom of the initial decision. It is apparent that in order to judge whether consent has been freely given we need to consider both the consequences of the decision and the context in which it was made. We need, then, a theory of regret as well as an understanding of the forces that influence decisions. We will revisit this question by asking whether the participation of modern consumers in the market, and indeed in the marketing society, is freely consenting.

Of course, this challenge to the ethic of consent does not imply that the alternative is to cede decision-making to some extra-personal authority. The response is one of defending a decision-making ethic that arises not out of superficial consent but out of the realm of inner freedom. In place of an ethic of consent, we will argue for an ethic of moral deliberation based on considered awareness rather than superficial awareness. That is, in place of an ethic of consent we require an ethic of clear-eyed reflection so that each decision is guided by one's own considered will, by one's reason or lasting conviction, rather than by momentary impulse or circumstance. Only by means of such reflection can consent be given unsullied by self-deception, subtle coercion or weakness of will and thereby give expression to one's true intentions and long-term interests. Of course, merely asserting such an ethic is meaningless; it can matter only if, after being developed in practice, it acquires widespread social legitimacy. There is no reason why such an ethic should not give rise to almost as much diversity of opinion and behaviour as an ethic of consent; in fact, it may give

[66] Entire communities in China, with no income source other than the sale of their blood, have been infected by the Aids virus as a result of unsafe donation and transfusion procedures.

rise to more diversity as the ethic of consent appears to have led to a uniformity of preferences (concealed behind the artificial variety of the market).

6. Exercising inner freedom

In order to understand inner freedom we need to consider how it may be exercised. Inner freedom may be imagined as a potentiality in each human that only takes a real form when it is practised. So we consider the capacities that allow for the exercise of inner freedom. The foremost capacity that permits us to exercise inner freedom is rational deliberation. Hayek refers to one's considered will or lasting conviction and that to assert this will, as opposed to the caprice of passion or desire, requires only sober reflection and the courage to see one's actions governed by it. Of course, it is not reason alone that provides the bedrock, but an understanding of what contributes to our welfare over the longer term, combined with sober reflection, that allows us to avoid falling victim to short-term urges and the manipulation of our desires by others.

This process is discussed in some detail by John Rawls, since it is essential to the plausibility of his much-fêted theory of justice.[67] If one deliberates rationally then one is led 'to adopt that plan which maximizes the expected net balance of satisfaction or, to express the criterion less hedonistically if more loosely, one is directed to take that course most likely to realize one's most important aims'.

> It is the plan that would be decided upon as the outcome of careful reflection in which the agent reviewed, in the light of all relevant facts, what it would be like to carry out these plans and thereby ascertained the course of action that would best realize his most fundamental desires.[68]

Deliberative rationality requires the person to be 'under no misconceptions as to what he really wants' so that when we achieve our aims we do not decide that we were mistaken and want something else. In other words, we are fully informed and have clear and unambiguous preferences. This assumes a certain maturity, minimal intelligence and psychological stability on the part of the decision-maker and is, of course, the rationality assumed to be exercised by *homo economicus* in the neoclassical economics texts (and by Hayek), including all of the axioms and proofs that have so occupied them. The conflict that is apparent between the behavioural norms of the economics texts and the evidence from the emerging field of experimental economics should alert us to some difficulties that could emerge in Rawls' theory.

Rawls acknowledges that in practice we are rarely fully informed about the likely consequences of our actions, but we do the best with the information readily available so that the plan we then follow can be said to be 'subjectively rational'. Gathering information and deliberating involve effort and the amount of effort to be expended on each decision itself is the subject of decision. In this rational mode, we decide at some point that the likely benefit of more information and deliberation is less than the additional effort required. If we make the wrong decision and regret it under these conditions it is not because we acted impulsively or with a cavalier attitude to the facts but because we made a decision not to make the effort to gather more information. This is why we are harder on ourselves when things that go wrong do so because we did not think things through rather than for reasons that could not be foreseen.

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[67] John Rawls, *Theory of Justice* (Oxford University Press, Oxford, 1972) Section 64.
[68] *Ibid.*, p. 417

While there are objections one can make to this conception of deliberative rationality, objections that are alluded to below (and developed more fully in a subsequent essay), something broadly along these lines can be considered one of the grounds for exercising inner freedom. We will suggest, however, that far from being the norm that philosophers and economists imagine, this form of rational deliberation is a human capacity that increasingly must be asserted and protected from the blandishments of impulse and manipulation of our preferences.

The discussion to this point describes only a process of decision-making and says nothing about whether its outcomes are desirable. To make the case that rational deliberation leads to the best outcome, neoclassical economists argue that rationality allows consumers to best satisfy their given preferences subject to the constraint provided by their incomes. The preferences of consumers – and humans are characterised as either consumers or producers – are taken as given and sacrosanct. Whatever the consumer chooses is, *ipso facto*, good. Thus for consumers to maximise their utility it is enough that they be free and rational. This is not adequate for the social democrat Rawls, who can readily see that the outcomes generated by the market, no matter how free, are rarely fair because the initial conditions – mainly, the distribution of resources – are unjust. For Rawls, the process of rationality says nothing of the desirability of the content of the plans the rational person formulates. Indeed, 'it is not inconceivable that an individual … should achieve happiness moved entirely by spontaneous inclination'.[69] But the problem of how to judge this happiness remains.

At this point Rawls introduces a concept of the 'good' that is close to the one, at least for the argument of this essay, we have adopted; it is a concept the realisation of which requires the exercise of deliberative rationality. According to what Rawls calls the Aristotelian Principle, 'human beings enjoy the exercise of their realized capacities (their innate or trained abilities), and this enjoyment increases the more the capacity is realized, or the greater its complexity'.

> Now accepting the Aristotelian Principle as a natural fact, it will generally be rational … to realize and train mature capacities. … A rational plan … allows a person to flourish, so far as circumstances permit, and to exercise his realized abilities as much as he can.[70]

This is the good life described by Seligman, or eudaemonism in Aristotle's *Nicomachean Ethics*, although in Rawls' hands the Principle is a desiccated interpretation of Aristotle's idea. The Aristotelian Principle, combined with deliberative rationality, allows Rawls to define a person's good as 'the successful execution of a rational plan of life'.

> A person is happy then during those periods when he is successfully carrying through a rational plan and he is with reason confident that his efforts will come to fruition … [it is] the fulfilment of the whole design itself.[71]

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[69] Rawls, *ibid.*, p. 423

[70] Rawls, *ibid.*, p. 426 & pp. 428-29. Rawls acknowledges that there are risks associated with pursuing training, and that effort may in the end be wasted, but without the risks life would be dull, stripped of its 'vitality and zest' (p. 429).

[71] Rawls, *ibid.*, p. 433 & p. 550.

If one does not develop and implement a rational plan then one will not flourish. Thus exercising our inner freedom (so far as it is done through deliberative rationality) is the necessary condition for human flourishing.

But there is a more profound objection to Rawls' scheme that places rational deliberation at the centre of a good society, one that applies with even more force to the neoclassical economists' conception. In constructing a just society, Rawls attempts to deal with the problem of selfishness by having his agents reach an agreement, behind the veil of ignorance, about what a fair society would look like. This is an exceedingly weak method of dealing with the broader human problem of immoral and evil behaviour. Schopenhauer has mounted one of the most effective attacks on this conception, although his target was Kant, the originator of the system that Rawls' claims to operate within. On the face of it, the argument is simple. Rawls, like Kant, identifies just or virtuous conduct with the reasonable or rational, yet:

> Reasonable and vicious are quite consistent with each other; in fact, only through their union are great and far-reaching crimes possible.[72]

If virtue and reason are to be identified with each other, then Kant and Rawls must empty humans of all real substance. If we are to take humans as we find them, and not as the Enlightenment project wishes them to be, then we must look elsewhere than to reason for the source of the virtuous life and the good society. This is a task to which we shall return, but here it is worth noting that the distinction between the good life and the meaningful life is suggestive of the direction we must go if we are to reach a more satisfactory explanation of inner freedom and its conditions.

Despite these reservations about the limits of reason, there is no doubt that the exercise of reason is essential to the pursuit of inner freedom. It is essential to overcoming self-deception, although its powers fail when the problem is *akrasia*.

It is curious to observe that philosophers and economists define humans by their rationality when it is apparent that the essential and most interesting characteristic of humans is that they so frequently deviate from the rational ideal. Indeed, while the capacity to reason may separate humans from animals, it is their failure to exercise it that makes them interesting. Shakespeare could not have written his plays if men and women behaved as the philosophers imagine. This is why psychology – whose purpose is to understand why we behave irrationally – is so much more appealing to the lay person than philosophy and economics. Perhaps the philosophers, when they are working at their disciplines, are absorbed in the analytical mode and cannot imagine any other. The economists are guilty of the same failing, but with much direr consequences. Indeed, marketing and modern consumer capitalism owe their existence to the persistent refusal of people to mirror the behaviour of rational economic man. It is not our reason the marketers appeal to but our weaknesses, prejudices, vanities and neuroses. A system that finds its rationale in the form of rational economic man survives and prospers only because this type does not in practice prevail.

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[72] Arthur Schopenhauer, *On the Basis of Morality*, translated by E.F.J. Payne, (Hackett Publishing Company, Indianapolis 1995) p. 83. See also *The World as Will and Representation* Vol. I (Dover Publications, New York, 1969), p. 86.

These considerations lead to a further observation about the role of rational deliberation. To this point we have been assuming that the deliberator is of sound mind. The schizophrenic may exercise their rationality but do so on the basis of such a distorted or bizarre set of data about the world that the conclusions they draw will be seen by others as wholly irrational.[73] At a less extreme level, a person suffering from an everyday neurosis, an anxiety disorder, an obsession with acquiring shoes or an unjustified dislike for their neighbour, may act on decisions that meet all of the axioms of rationality; yet we must ask whether that person can be said to be exercising inner freedom.

Our normal neurotic may well be guided by his own considered will and, respecting Rawls' injunction, may follow the 'the plan that would be decided upon as the outcome of careful reflection', one that 'best realizes his most fundamental desires', yet the plan may incorporate emotions that are long-lasting but 'irrational' or reflect his own moral weaknesses. If she has a shoe fetish she may, for example, hatch a careful plan to steal them from the shop. Or he might refuse to accept a free ticket to visit his old friend on the other side of the world because he knows that he lives at the top of a tower block and his claustrophobia prevents him from taking lifts. Once again, if these are isolated incidents that affect a minority of the population, then they ought not to disturb the notion of inner freedom that has been developed to this point. But if we live in societies where they are common, and where the nature of society actively undermines the exercise of cool deliberation in some or all areas of life, then on these grounds alone it may be said that our inner freedom is in jeopardy and requires the exercise of will-power and understanding to protect it.

[73] Carl Jung made his greatest breakthroughs by listening to the ravings of psychotic patients and taking them to be 'rational' expressions of the world as they experienced it.

7. Coercion and inner freedom

We have suggested that the absence of inner freedom is something that we bring upon ourselves. But we sometimes forgo our inner freedom under external pressures, to the point where we may be said to be coerced or deceived into abrogating it. The enemies of inner freedom are impulsiveness and moral weakness, but there are powerful forces working to exploit these weaknesses. At the level of the individual the responses to impulsiveness and moral weakness are the application of reason and moral strength, each of which can be used to reclaim our inner freedom. Yet social pressures often demand collective or political responses. One could argue that in order to facilitate the full deployment of reason and moral judgement in our own interests, we need to take collective measures to restrain those who would coerce or deceive us.[74]

Hayek notes that his definition of freedom as the absence of coercion begs the troublesome question of how to define coercion. Most simply, he suggests:

> Coercion occurs when one man's actions are made to serve another man's will, not for his own but for the other's purpose.[75]

We are all familiar with the role of coercion in denying citizens their civil liberties and refusing people the opportunity to participate in the institutions of democracy. In recent decades, libertarians have directed their attacks against what they see as forms of coercion that prevent individuals from pursuing their economic interests, such as 'onerous' taxes, restrictions on private property and limits on trade in certain goods. But there is another, subtler, form of coercion that has received much less attention, one that lies at the very heart of modern society. This is coercion that takes the form of unreasonable attempts to influence people to act in ways that are contrary to their considered interests. The market itself has, in recent decades, evolved into an instrument of coercion. This will be explored in the next section, but here we note that the vast marketing program devoted to creating and manipulating consumers' desires is inseparable from the daily reproduction of individual consciousness and of the system as a whole. In this case, coercion does not bring about changes in behaviour through threat of penalties such as fines, deprivation of liberty or injury. Yet it is more than a form of persuasion because it actively sets out to deceive us or to convince us that we will be penalised socially if we fail to comply. It prays on our insecurities and doubts to convince us that we will be persons of lesser worth in our own eyes and those of others unless we do as we are being urged.[76]

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[74] The observations made in this essay are to be regarded as preliminary. The metaphysics that will be developed subsequently will answer several fundamental questions skated over here, including the limits of rationality and the basis for morality, both of which we need to understand before we can present a proper account of liberty.

[75] Hayek, *The Constitution of Liberty, op. cit.* p. 133. Hayek goes on to make the following peculiar statement: 'Coercion is bad because it prevents a person from using his mental powers to the full and consequently from making the greatest contribution that he is capable of to the community' (p. 134). This is strange both because it suggests that he condemns coercion not because it reduces the well-being of the coerced but because it restricts the use of his 'mental powers' and because he suggests that using one's mental powers to the full implies maximizing one's contribution to the community, a view alien to latter-day libertarians.

[76] See *Status Anxiety* (Hamish Hamilton, London, 2004) by Alain de Botton.

Examples can also be drawn from quasi-market activities, such as the zealous religious organisation that uses a 'personality test' as a device to draw vulnerable people into their world. This is an attempt to deprive us of our inner freedom, to induce us by deception to act on impulse or from our weaknesses even though we may take the test entirely willingly. Both modern marketing methods and recruitment techniques used by cults represent efforts by others to pursue their own interests by exploiting our fears and vulnerabilities to control or influence our behaviour. In fact, some of the more blatant methods for doing this have been outlawed or at least discouraged by various injunctions contained in the advertisers' 'code of ethics', such as the ban on subliminal advertising, a code more often honoured in the breach. An accepted method is the use of trusted public institutions or cultural artefacts to promote a message or point of view by association. Of course, there is a fine line between robust and legitimate political debate amongst competing worldviews, moralities and ideologies and attempts to interfere with our capacity to make considered judgements about our own and society's interests.

Hayek acknowledges these difficulties and develops the notion of an 'assured free sphere' where we can be protected from such coercion.

> Since coercion is the control of the essential data of an individual's action by another, it can be prevented only by enabling the individual to secure for himself some private sphere where he is protected against such interference.[77]

This private sphere is one in which the individual can weigh up the consequences of his actions confident that the facts on which he makes an assessment are not 'shaped by another'. The 'rights' of the individual depend on the recognition of this private sphere which, understood in physical terms, is most nearly coextensive with the home.

> … the recognition of a protected individual sphere has in times of freedom normally included a right to privacy and secrecy, the conception that a man's house is his castle and that nobody has a right even to take cognizance of his activities within it.[78]

Of course, Hayek wrote before the age of television and the extraordinary methods used by marketers and political parties, by this medium and others, to penetrate the home. In the words of one commentator, 'the lounge room has become a marketing free-fire zone'.[79] But Hayek is opaque about the nature of the assured free sphere: is it the private home, the whole set of private goods or the various rights to private property? John Stuart Mill was more explicit in defining a similar notion, 'the appropriate region of human liberty'.[80] It has three aspects or domains. Two are the external ones associated with individual and political liberties: freedom of tastes and pursuits, of planning and living out one's life as one sees fit, as long as it does not harm others; and, freedom to combine for any purpose other than those involving

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[77] Hayek, *The Constitution of Liberty, op. cit.*, p. 139

[78] Hayek, *The Constitution of Liberty, op. cit.*, p. 142. 'We must not think of this sphere as consisting exclusively, or even chiefly, of material things', although property rights receive heavy emphasis, along with the right to freely use publicly provided facilities such as sanitation and roads (pp. 140-141).

[79] Clifford Cobb, Ted Halstead and Jonathan Rowe, 'If the GDP is up, Why is America Down?', *Atlantic Monthly*, October 1995

[80] Mill, *On Liberty, op. cit.*, p. 16

harm to others.[81] The third form corresponds in some respects to the 'assured free sphere'. Mill calls it the 'inward domain of consciousness' in which there should be liberty of thought, conscience and opinion.

Although it forms but a minor digression in his tome, Hayek comes very close to adopting the position taken in this essay when he declares that, in addition to violence in all its forms, *fraud and deception* are kinds of harmful action that ought to be prevented even though it would be 'straining the meaning of words' to call them coercion. 'Deception, like coercion, is a form of manipulating the data on which a person counts, in order to make him do what the deceiver wants him to do.'[82] The deceived becomes the unwilling tool of the deceiver; 'all we said of coercion applies equally to fraud and deception'. Thus,

> … freedom demands no more than that coercion and violence, fraud and deception, be prevented, except for the use of coercion by government for the sole purpose of enforcing known rules intended to secure the best conditions under which the individual may give his activities a coherent, rational pattern.[83]

Writing in the 1950s, Hayek could not have imagined the extent to which the neoliberal revolution that he fathered could have led to the emergence of societies where fraud and deception are endemic to the reproduction of the system, where pre-teen children without incomes are targeted by corporations in an attempt to build life-long brand loyalty, where teenagers declare that the brands they wear and otherwise consume determine *who they are*, where both popular and classical culture are systematically mined for icons and images that can be used to sell products, where the intimate details of our personal lives are systematically collected and sold to marketing organisations, where sporting, artistic, literary and educational institutions have become the playing fields of advertisers, and where the essential data of our actions are provided overwhelmingly by a handful of media corporations. Hayek would be shocked to discover that his 'assured free sphere' is no longer protected but has itself become the domain of the most powerful form of coercion – the psychological techniques of modern marketing. Even the neurochemical functioning of our brains, the mechanics of our thought processes – perhaps the most intimately private aspect of each of us – is being mapped by marketers with a view to manipulating our responses for commercial benefit.

In Hayek's innocent era the threats to freedom were seen to be posed by big government and the monopoly tendencies of big business. The response to accumulation by business of excessive power in the marketplace was to make laws to prevent the creation of monopolies. Anti-trust laws became central to the neoliberal project, and explain why neoliberals who cleave firmly to their principles will, at times, surprise their critics by turning on business.[84] But today we see that these laws

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[81] Mill, *On Liberty, op. cit.*, pp. 16-17

[82] Hayek, *The Constitution of Liberty*, *op. cit.*, pp. 143-44

[83] Hayek, *The Constitution of Liberty, op. cit.*, p. 144. 'In determining where the boundaries of the protected sphere ought to be drawn, the important question is whether the actions of other people that we wish to see prevented would actually interfere with the reasonable expectations of the protected person.' (p. 145)

[84] Neoclassical economics, which provides the formal rationale for neoliberal political philosophy, has been forced to concede that it is not always feasible to have several competing firms in each market;

have done nothing to restrict the influence of corporate values on society and the extraordinary dominance of marketing ideology, not to mention the symbiosis between corporate interests and the structure of the political process, one in which democracy itself has been superseded by a form of executive government increasingly remote from popular influence. In every capital, the centres of government decision-making are literally encircled by organisations whose sole purpose is to lobby in the interests of corporations. Yet we are told that power today lies in the marketplace and that consumer choice is the ultimate arbiter of the social good. We can read the power of consumers from the bottom line, we are told. In this way, democracy itself is subtly undermined by the refusal to consider the nature of power and the glib assertion that ultimate power lies in the hands of the consumer.

Hilaire Belloc once wrote: 'The control of the production of wealth is the control of life itself'.[85] Ardent supporters of laissez-faire capitalism and revolutionary socialists concurred and competing political philosophies have divided on the question of how the means of production can best to put to the social good. But in affluent countries it is no longer true that the control of the production of wealth implies the control of life itself; now it is much more true to say that the control of the process of *consumption* is the control of life itself, for it is above all through the consumption process that people in rich countries define themselves. While control of production once meant control of our capacity to reproduce ourselves physically, today control of consumption means control over our capacity to reproduce ourselves socially and psychologically. For this reason modern corporations are increasingly divesting themselves of the messy task of actually making physical objects, preferring to contract it out to factories in developing countries, leaving them to concentrate on the creation of abstract value invested in images, styles and brands.

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natural monopolies exist and efficiency would suffer severely if competition were enforced. Instances include airports, telecommunication transmission infrastructure and major roads. This provides an obstacle for those who believe that, in the pursuit of small government, the state should divest itself of any asset that could be held privately. The answer to this dilemma lies in the invention of the idea of contestability. There may be only one firm operating in a market, but if another firm *could* enter the market, competitive pressures prevail. In the case of privatized monopolies, a fixed-term contract to a single private firm can encompass competitive pressures if there is the possibility of the contract subsequently being awarded to a more efficient firm. This argument has been of little comfort to the long-suffering users of Britain's privatized rail network.

[85] Quoted, approvingly, by Hayek, *The Road to Serfdom, op. cit.*, p. 66

8. The decline of free will

We all recognise that sudden wealth and lack of self-control are a perilous combination. For this reason, some governments insist that a million dollars won in a lottery is best paid out in instalments over a long period. There is, nevertheless, a general supposition that increasing affluence is associated with greater ability to exercise control over our lives. If higher incomes provide more potential choices in life, self-control is needed in order to maximise the benefits of that choice. Indeed, although little noticed, the assumption of greater self-control is essential for those who argue that more choice is associated with greater wellbeing. The child in the lolly shop with $10 in her pocket has a plethora of choice but few parents would agree that it is in their child's interests to provide so many options on a daily basis. Most would accept that the benefits of choice are to be had when the chooser is able to exercise self-control. From this point of view, greater choice is a boon to our wellbeing only when combined with a decline in impulsiveness. Here then is a fundamental question: has the increase in consumer choice in affluent countries been accompanied by greater self-control? Anecdotal evidence suggest that the answer may be no, but the question demands more careful exploration.

Previous sociological work has suggested that affluence is linked to greater self-control. But following Bourdieu, the economic historian Avner Offer argues that personal self-control may have declined with affluence. He argues that strategies of self-control take time to develop, and involve costs that the wealthy can better afford, which may help to explain why poor people in rich countries are more prone to obesity.[86] The rapid increase in affluence since the Second World War has outpaced the development of greater prudence so that self-control has been in decline. Falling rates of national saving and rising levels of consumer debt in the 1990s may be explained by this hypothesis. However, it turns out that the increase in consumer debt has been accumulated principally by middle-class and wealthy households for the purposes of funding ever-more extravagant lifestyles.[87] While the poor in rich countries binge on food, the wealthy binge on other consumer goods.

Perhaps more insight can be had from the large body of psychological literature exploring the idea of 'locus of control', for decades one of the most frequently measured personality traits. Those with an *internal* locus of control believe that they themselves are responsible for the course of their lives, while those with an *external* locus of control believe that outside forces are dominant and then adopt a more fatalistic approach to life. On the face of it, the rise of individualism and the falling away of the social constraints on people imposed by their class, gender, race and so on should have given rise to a much stronger internal locus of control in the populations of rich countries. After all, we are told endlessly, not least by the advertisers and Third Way politicians, that the course of our lives is a matter of personal choice. The evidence, however, shows that the opposite is the case. Compared to the 1960s, young Americans today are substantially more likely to

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[86] Avner Offer, 'Body Weight and Self-Control in the United States and Britain since the 1950s', *Social History of Medicine*, Vol. 14 No. 1 p. 83

[87] See, for example, C. Hamilton, *Overconsumption in Britain: A culture of middle-class complaint?* (Discussion Paper No. 57, The Australia Institute, September 2003).

believe that outside forces control their lives.[88] This perceived loss of control over our lives is associated with weakened self-control and an inability to delay gratification. Even more remarkably, the same studies show that despite the dramatic decline in patriarchal attitudes and institutions and the enormous expansion of opportunities for women the increase in 'externality' is greater in young women than young men.

Further light on the spread of impulsiveness and decline in self-control is shed by Zygmunt Bauman in his analysis of the modern individualized 'risk society' where insecurity and contingency have intruded into daily life, even though affluence prevails.

> In the absence of long-term security, 'instant gratification' looks enticingly like a reasonable strategy. …. The objects of desire are better enjoyed on the spot and then disposed of; markets see to it that they are made in such a way that both the gratification and the obsoleteness are instant.[89]

The very openness of modern life, the demand for independence which has left us with the freedom and the obligation to author our own lives, entails forms of risk from which we were previously immune. For if we must take responsibility for our own lives we are confronted every day with the possibility that we will take the wrong path. What was once in the hands of the gods, the landlord and the boss is now a personal gamble. More choice is accompanied by more stress about making mistakes and ending up a 'loser'; more money means more anxiety about our wealth; more personal freedom imparts more contingency to our relationships; and our longer life-spans still do not afford enough time to achieve all of the aspirations we set for ourselves. The ghost of personal failure haunts us at every turn.

In the risk society, it is not so much the greater risk arising from changes in policy and economic structure but the entrenchment of an unprecedented individualism and the associated idea that gratification of one's own self-centred needs should come before all else that has given rise to impulsiveness. There is, of course, a vast marketing industry that bombards us daily with a subliminal message in support of this attitude, that happiness is to be had by buying this product or that one, in other words through a series of instant pleasures, and that the good life itself is nothing more than a series of hedonic episodes. As Bauman observes, this mentality infects our relationships too.

> Bonds and partnerships are viewed … as things to be *consumed*, not produced. … [As in the case of consumer durables, it is] a matter of obtaining satisfaction from a ready-to-use product; if the pleasure derived is not up to the standard promised and expected, or if the novelty wears off together with

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[88] See the thoroughgoing review of 138 studies by Jean Twenge *et al.*, 'It's Beyond My Control: A Cross-Temporal Meta-Analysis of Increasing Externality in Locus of Control, 1960-2002', *Personality and Social Psychology Review*, Vol. 8, No. 3, 2004. See also the interesting commentary on this question by Richard Eckersley, *Well and Good* (Text Publishing, Melbourne, 2004), especially Chapter 5.

[89] Zygmunt Bauman, *The Individualized Society* (Polity Press, Cambridge, 2001) pp. 155-56.

> the joy, there is no reason to stick to the inferior or aged product rather than find another, 'new and improved', in the shop.[90]

These are the self-centred preoccupations of those who inhabit free but individualized societies. The activities of the marketers, given unbounded licence by the free-market policies of neoliberals, reinforce daily the promise of instant gratification, and together they have stimulated a generalised impulsiveness that everywhere works against rational deliberation. As a result, we find it increasingly difficult to recognise and exercise our inner freedom.

The sanctity of inner freedom, acknowledged even by libertarians such as Hayek, must be contrasted with the influence of marketing and commercialism in modern consumer society. So forceful and pervasive are the messages of the marketers that they now provide the raw material from which people construct their identities. In other words, they have penetrated to some of the deepest recesses of our individuality and must be counted, in the same way as brain-washing, as a powerful form of coercion. It is virtually impossible today to defend ourselves against the invasion of our private spheres by commercial messages and marketing culture. This is a large topic so let me just provide some illustrative facts and observations in order to sustain the argument.[91]

Over the last two decades, childhood has become the focus of an enormous amount of marketing investment, to the point where the family lounge room has become the kindergarten of consumerism. The extraordinary pressures placed on children to consume have been intensively examined; what is less understood is how the thick fog of commercial messages in which children now grow up conditions their understanding of the world and their relationship to it. It is well known by marketers that the early teenage years are the ones in which we become conscious of ourselves as social beings and begin to act as if others are watching and judging us. It is consciously for this reason that marketers have targeted teenagers.

However, while the purchasing decisions of teenagers with pocket money were once the objective, marketers are increasingly targeting 'tweens', children aged 8-14. They are doing so not because tweens buy many of the goods marketed to them but because they hope to build life-long brand loyalty that will pay off for decades. According to the definitive marketing manual titled *BrandChild*, published in 2003:

> …car companies, airlines, hotels and financial services are competing with traditional kid marketers to establish a relationship with young consumers. Initially targeted at teens, research and marketing programs are now seeking to understand and develop a relationship with younger consumers in the hope that their predisposition towards their brand will sway their purchasing

[90] Bauman, *ibid.*, p. 157. According to one study, the average British adult wastes £1,725 each year buying goods and services that they do not use, easily enough to pay off all credit card debt (Prudential Assurance Company, *Soggy Lettuce Report 2004*).

[91] For some popular accounts see Naomi Klein, *No Logo* (Flamingo, London, 2001), David Boyle, *Authenticity: Brands, Fakes, Spin and the Lust for Real Life* (Flamingo, London, 2003) and Alissa Quart, *Branded: The Buying and Selling of Teenagers* (Arrow, London, 2003).

> decisions in the years to come. The result has been a dramatic increase in the number of advertising messages targeted at tweens …[92]

The objective has been to make brands an inseparable part of children's maturing consciousness. Nearly half of the world's urban tweens state that the clothes and brands they wear describe who they are and define their social status. The manual notes that tweens are exposed to more than 8,000 brands a day and that tweens influence close to 60 per cent of all brand decisions taken by their parents.[93]

> What has become clear is that more and more tweens define their worth, their role in the social hierarchy, their popularity, and their success by the brands they wear, eat and live with. … functionality takes a back seat to the belief that along with ownership of a brand comes success and admiration. … [T]ween tribes … have become active advocates for the brand.

Impressionable, and painfully vulnerable to social pressure, tweens and teens are willing to give up their inner freedom in exchange for the hopes of social acceptance and coolness promised by marketers.[94] Unless they undergo a radical awakening (as some do), they are destined to a life in which, to echo Mill's words, not their own character, but the traditions and customs of other people are the rule of conduct.

It is in the nature of modern marketing to deceive. It is manifestly untrue that acquisition of particular brand of margarine can impart to the purchaser a happy family life, or for a sports car to transmit sexual potency. Yet to persuade us that they can is the explicit purpose of advertisements for these products. Supporters of the market who might suggest that this is just harmless fun that the consumer knows to view with scepticism must explain why the world's corporations annually commit billions of dollars to attempts to persuade us, and why a large proportion of the world's creative talent is employed by marketing agencies.

It is well established that advertising and marketing[95] has colonised virtually all public as well as private spaces. It is impossible to avoid. Schools, universities, hospitals, sporting venues, public and private buildings, landmarks, public transportation, and skylines are the venues for the promotion of products. As a result, the production and consumption of culture have become imbued with commercial values and marketing messages. Brands have become the most powerful means of forming and transmitting culture.

The ideology of the marketing society has of course taken over politics as well. Now the main political parties promise that they will provide more choice, either through giving back taxation revenue so that taxpayers can decide for themselves what to spend it on, or by giving greater choice in public services. Of course, waving the banner of choice serves only to confirm the lack of choice between the main political

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[92] Martin Lindstrom, *BrandChild: Remarkable insights into the minds of today's global kids and their relationship with brands* (Kogan Page, London, 2003) p. 46

[93] *Ibid.*, pp. 6 & 23

[94] 'The dramatic change in the role of brands has been part of the advertising agencies' long-term goals. It was initially the advertisers who envisioned turning brand into a form of religion, to increase their sales. And it has worked.' *Ibid.*, p. 82

[95] Corporate spending on promotion of products is now predominantly by way of marketing (sponsorships, product placement and so on) rather than advertising as such.

parties, and this is why so many citizens have decided to stay away from the 'political market'.

Given all of this, it is amusing that the arch-libertarian and avatar of the free market, Hayek, wrote that if he were to choose the name of his political party he would choose 'a word which describes the party of life, the party that favours free growth and spontaneous evolution'.[96] Of course, this is precisely what I favour, the party that would put human flourishing before consumption, personal fulfilment before economic growth and the opportunity to freely choose a worthwhile life course instead of a collection of brands empty of real meaning. It was Hayek's error to wish that the opposite of socialism, the least restricted form of free market capitalism, would give us free growth and spontaneous evolution; what flourished was not the human spirit but the political power of capital and the culture of consumption, forces that have diverted – nay, corrupted – the urge to spontaneous evolution and turned it into an ever more crass materialism, a sort of market totalitarianism. For Hayek, personal freedom hinged on 'whether he can expect to shape his course of action in accordance with his present intentions, or whether somebody else can so manipulate the conditions as to make him act according to that person's will rather than his own'.[97] Is not this precisely the point we have reached, where in every decision the 'essential data' of our lives have been created or manipulated by the marketers, so that our will is bent to another's purpose at every turn?

It is the highest irony that in a society created to give us all more 'choices', the most important choices are forbidden. For individuals, the choice of withdrawing from the market is, whenever attempted, met with intense disapprobation and, indeed, accusations of madness. For citizens, the choice to opt for a different sort of society has been declared impossible for, as Francis Fukuyama declared, it is not feasible even to conceive of a society that could succeed liberal capitalism. No, history itself has come to an end; our future is no longer a matter of choice but an iron necessity.

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[96] *The Constititon of Liberty, op. cit.*, p. 408
[97] *Op. cit.*, p. 13

9. From political philosophy to metaphysics

This essay began with the observation that, despite all of the freedoms now enjoyed by the citizens of rich countries, they do not appear to be the contented, creative and flourishing individuals that was imagined by the classical political liberals, the right-wing libertarians or the leaders of the liberation movements of the 1960s and 1970s. It has argued that the space created by the freedoms won has been filled by another form of coercion, one that deprives people of a hitherto neglected form of liberty, inner freedom.

Yet the argument set out above is, in a sense, only a prologue. It will have been apparent at various stages that some of the most tantalising questions have been left unanswered and, in some cases, not even properly posed. What are these questions? The first is that the notion of inner freedom must be rooted in ground more solid than a particular conception of psychological functioning. To this point, we have suggested that inner freedom is the realm of those individuals with a sufficient command of their own reason and moral strength to give them a degree of autonomy in the face of social forces that conspire to deprive them of their inner freedom. This in itself is a useful way of understanding the phenomenon, but it tells us nothing about the process of acquiring inner freedom. Is it something we simply have in more or less measure or is it something we can acquire? Do the social conditions in which we operate affect our capacity to pursue inner freedom and how does the attainment of inner freedom affect our relationship with the collective?

This suggests another, more challenging, task. We need to understand the relationship between the nature of inner freedom and the nature of human wellbeing. Can we simply assert that greater inner freedom means greater happiness, or does the notion of inner freedom suggest something about the nature of happiness and, indeed, the purpose of life?

The second problem we are left with is how to understand the contribution of rationality to inner freedom. We have said enough to cast doubt on the Kantian view that reason itself implies virtue and we might further appeal to Mill's conclusion that, for all of the achievements of Kant's philosophy, his theory of morality 'fails, almost grotesquely, to show that there would be any contradiction … in the adoption by all rational beings of the most outrageously immoral rules of conduct'.[98] Kant's opinion was expressed more crudely by another famous product of the Enlightenment, Carl von Clausewitz when he declared: 'Savage peoples are ruled by passion, civilized peoples by the mind'.[99] Since reason can be put to good or evil ends, what are the limits to rational deliberation for achieving inner freedom, and what else must be cultivated to achieve a happy life? This leads directly to our third problem. While *akrasia*, or weakness of will, is the enemy of inner freedom, we have said nothing about the basis or nature of the moral standards that are betrayed by that weakness. Must we simply accept that one owes fealty to any set of moral principles, or is there something more essential to a moral code, loyalty to which is needed to attain inner freedom? If we adopt the latter view, what is the basis for this moral sense?

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[98] Mill, Utilitarianism', in *On Liberty, op. cit.*, p. 134.
[99] Carl von Clausewitz, *On War* (Princeton University Press 1976), p. 84. *On War* was first published in 1832.

It transpires that the answer to each of these questions can be found in metaphysics or, more accurately, in a particular metaphysics that owes its origin to Kant, but that is an argument that is left for another time.

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