From Technology to Morality: the position of science in Lippmann's regenerated liberalism

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The person and the name of Walter Lippmann have become inseparable from the history of the inception of neoliberalism. The extent of his influence upon the formation of neoliberalism is now well-known and uncontroversial.[1] The colloquium that bears his name, organized in Paris in August 1938 to celebrate the publication of *An Inquiry into the Principle of the Good Society* is regarded, with some reason, as the birthplace of neoliberalism as an organized intellectual movement, its influence still traceable decades later. Nevertheless, acquaintances between early neoliberals and Lippmann go much further than their adoption of his "Agenda for Liberalism" as a positive manifesto. Participants to the Walter-Lippmann Colloquium perceived the crisis of liberalism to be political and scientific in equal measure. All of themembraced Lippmann's diagnostic of the crisis of 'classical' liberalism and his call to revamp its principles according to refined methodological principles. Whereas *laissez-faire*had failed to evolve with its time, remaining 'dogmatic', 'stultified', and 'scientifically untenable,'[2] their neoliberalism promised to be fully consonant with contemporary progress in the natural and social sciences, its new-found scientificity a guarantee of its viability.

I have shown in my previous work that the formation of neoliberalism owed to their common epistemological recoding of liberal principles with insights gained from contemporary theories in philosophy, physics, and mathematics.[3] While Lippmann himself acknowledged his debt to Mises and Hayek regarding the refutation of the possibility of central planning[4], his views on perspectivism and the cognitive limitations of individuals or leaders of thought and

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[1] Jurgen Reinhoudt and Serge Audier, *The Walter-Lippmann Colloquium. The Birth of Neo-Liberalism*, Cham: Palgrave Macmillan., 2018.
Serge Audier, *Néo-libéralisme(s)*, Paris : Grasset, 2012.
Pierre Dardot and Christian Laval, *The New Way of the World: On Neoliberal Society*, London: Verso, 2013, 55.

[2] Walter Lippmann, *An Inquiry into the Principles of The Good Society*, Boston: Little, Brown and Co., 1938, 184 (hereafter GS).

[3] Martin Beddeleem, "Recoding Liberalism: Philosophy and Sociology of Science against Planning," in D. Plehwe, Q. Slobodian, P. Mirowski (eds.), *Nine Lives of Neoliberalism*, London: Verso, 2020, p. 21-45; Martin Beddeleem, "Fighting for the Mantle of Science: The Epistemological Foundations of Neoliberalism, 1931-1951," Ph. D. dissertation, Université de Montréal, 2018.

[4] Lippmann wrote to Hayek in the run-up of the publication of *The Good Society*: "in a crude way, I had discerned the inherent difficulty of the planned economy, but without the help I have received from you and from Professor von Mises, I could never have developed the argument." Letter Walter Lippmann to Friedrich Hayek, 12 March 1937; quoted in Angus Burgin, *The Great Persuasion. Reinventing Free Markets since the Depression*, Cambridge, MA: Harvard University Press, 2012, 59.

their consequences for the design of social orderowed little to his European admirers, for they derived from two decades of inquiries and writings on the nature and effects of sociological modernity. To Lippmann, the division of labor, the distribution of knowledge, and the authority of science presented themselves both as unavoidable epistemic features of the modern world and, at the same time, as cultural and social issues which necessitated, as a response, a comprehensive political doctrine. During the interwar period, socialist and fascist ideologies provided an unambiguous solution to these issues through both the elimination of value pluralism and central economic directioniberalism, as it were, lacked a proper formulation of the principles, moral and scientific, that made it a "good society" and not merely one dominated by the reign of private interests and the grind of economic competition.

In this article, I will not seek to revisit once more the history of neoliberalism and Walter Lippmann's position in it.[5] Here, I take Lippmann to expose a prototypical early neoliberal posture, one where this new or updated 'liberalism' signals the compatibility of an epistemology of uncertainty with the institutional authority of science and the permanence of personal morality. At its apex in his essay *Drift and Mastery* (1914), Lippmann's enthusiasm for scientific expertise to power social reform waned over the next two decades as he realized that the application of a scientific outlook to human affairs could lead to tyranny in the name of welfare. In *The Good Society* (1937), Lippmann offered a prudent approach to the relations between science and politics, warning of the perils of central planning, of the misuses of scientific authority, and of the incompatibility between a scientific organization of society and the preservation of fundamental freedoms. There were remarkable analogies in the way Lippmann addressed the position of science and of the market economy in his "good society." In both cases, they needed to supplement the uncertainty and complexity of their workings with a robust legal and moral framework in order to secure their benefits. Beyond their alienating and disenchanting effects, the scientific method, as well as the market economy, intimated a *method of freedom* that embodied the application of a Higher Law, one that recognized individuals as moral beings free from arbitrary powers. Left outside of such a positive moral framework, science could fall into ideology, and technology could promptly violate the dignity of the individual, a value Lippmann regarded as the bedrock of civilization. Similarly, a collectivist economy would reveal its military and dictatorial nature and forgo any sense of the moral autonomy of individuals. Therefore, I conclude that Lippmann looked for new moral

[5] See, among others, Ben Jackson, "Freedom, the Common Good, and the Rule of Law: Lippmann and Hayek on Economic Planning," *Journal of the History of Ideas* 73, 1, 2012, 47-68.

footings after his diagnosis of the fragility of all knowledge, a two-step articulation of a moral-epistemological position which could restore the normative agency of liberal experts challenged by rival conceptions of the value of science for society. In his mind, the possibility of a complex and decentralized society had become indissociable from the existence of a common moral order, which Lippmann defined unambiguously as the heritage of Western civilization[6]. This articulation, beyond any programmatic agenda, constituted the core of the early neoliberal worldview, in America as well as in Europe

I – From mastery to disenchantment

Lippmann's ideas found in the *Good Society* cannot be understood in isolation, as he makes a critical use of numerous issues surveyed during the preceding quarter-century[7]. His publications during the interwar period reflects a continuity in his preoccupations but a variation in the solutions he supplies. From a *Preface to Politics* (1913) to *The Good Society* (1937), Lippmann's political and philosophical thought matured in the constant interrogation of the sociological consequences of modernity, not least in his investigations of the psychology of the public and leaders of thought. The kind of progressivism to which Lippmann belonged at the beginning of the 20th century had developed against the liberal social ontology of the previous century. Hoping to bridge the generous instincts of both liberalism and socialism, empiricism and idealism, progressives had "renounced the atomistic empiricism, psychological hedonism, and utilitarian ethics" of the previous century and searched for a public philosophy that took the socioeconomic and intellectual revolutions of their time in full consideration[8]. Yet, their legacy is a contrasted one, as morality came to replace democracy or science as the main pillar supporting a good society.

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[6] The claim that neoliberalism embodies the values of Western civilization can thus be traced back to Lippmann, who ought to be acknowledged as a key exponent of this interpretation. On the civilizational claims of neoliberalism, see Jessica Whyte, *The Morals of the Market: Human Rights and the Rise of Neoliberalism*, London: Verso, 2020, 35-74; Quinn Slobodian, *Globalists. The End of Empire and the Birth of Neoliberalism*, Cambridge, MA: Harvard University Press, 2018, 146-181; Hagen Schulz-Forberg, "Embedding the Social Question into International Order: Economic Thought and the Origins of Neoliberalism in the 1930s," in S. Berger & T. Fetzer (eds), *Nationalism and the Economy: Explorations into a Neglected Relationship,* Budapest: Central European University Press, 2018, 249-267.

[7] Francis Urbain Clavé, "Walter Lippmann et le néo-libéralisme de la *Cité Libre,*" *Cahiers d'économie politique* 48, 2005, 79-110. Arnaud Milanese, *Walter Lippmann, d'un néolibéralisme à l'autre*, Paris, Classiques Garnier, 2020. Also call, each in their own way, for a retrospective interpretation of the theses of *The Good Society*.

[8] James Kloppenberg, *Uncertain Victory. Social Democracy and Progressivism in European and American Thought, 1870-1920*, New York: Oxford University Press, 1986, pp. 298-9

As a "mover and shaker" of the Greenwich Village Revolution of the early 1910s, and a founder of *The New Republic* in 1914, Lippmann was a leader of this intellectual movement.[9] Graduating from Harvard in 1909, he had befriended there the founder of pragmatism, William James, and the English Fabian socialist Graham Wallas, from whom he acquired a durable inclination towards empirical psychology as a prime domain for study and reform. Durably committed early on to James' diagnostic of the uncertainty of all knowledge,[10] Lippmann upheld science as a new master capable of stirring men in an age of drift, being the only reliable source of authority left in the modern world. Distancing himself from positivists in the style of Comte and Spencer, Lippmann adhered to a philosophy of experimentation and adjustments. This pragmatist orientation, write Hollinger, foregrounded "the role of the scientific method in a universe of change and uncertainty." As thinkers, pragmatists "were more concerned than were many of their contemporaries with the integrity and durability of *inquiry*, on the one hand, and the tentativeness, fallibility, and incompleteness of *knowledge* on the other."[11] The scientific 'spirit' or 'attitude' was celebrated as the genuine foundation to a modern culture ridden of archaic dogma and "promised to resolve the conflicting desires for authority and order, on the one hand, and for liberation and flexibility on the other."[12]

Science as management

Throughout Lippmann's output as a columnist and public intellectual, one can find his recurrent concern for the dissolution of traditional forms of authority, and the secular idols, including science, to which his contemporaries preyed in hope of an adequate substitute. This dilemma is closely connected to Lippmann's transversal analysis of the modernization of Western societies in general, and of America in particular, for which urbanization, mechanization, and an increasing division, specialization, and interdependency of labor represented its main sociological characteristics. Because of rapidly changing living

[9] For a critical appraisal of Lippmann's participation to the various New York circles of the period, see Heinz Eulau, "Mover and Shaker: Walter Lippmann as a Young Man," *Antioch Review* 11, 3, 1951: 291-312; for the foundation of *The New Republic*, see Charles Forcey, *The Crossroads of Liberalism. Croly, Weyl, Lippmann, and the Progressive Era 1900-1925*, New York: Oxford University Press, 1961, 88-118.
[10] Kloppenberg, *Uncertain Victory*, 318.
[11] David A. Hollinger, "The Problem of Pragmatism in American History," *The Journal of American History* 67, 1, 1980, 93 (emphasis in the original)
[12] David A. Hollinger, "Science and Anarchy: Walter Lippmann's *Drift and Mastery*," *American Quarterly* 29, 5, 1977, 464.

conditions, modern man was faced with the dissolution of his traditional attachments burning under the "acids of modernity" (see *infra*). Borrowing the expression from W. F. Ogburn, Lippmann observed a "cultural lag" in the inadequate or belated adjustment of society to technological change.[13] This idea of a "cultural lag" is a rejoinder to Graham Wallas' distinction between a pre-modern world composed of self-sufficient communities, and a modern one where technological innovations have propelled a growing economic and social interdependence, irreversibly ushering societies into a new stage of their development.[14] In *The Great Society* published in 1914 and dedicated to Lippmann, Wallas described how men needed to constantly adapt to a new environment, whilst requiring an increasing amount of information and facts, as the complexity of the world – and its opacity – increased.[15] This "general change of social scale," wrote Lippmann in *Drift and Mastery* (1914), had made the "simple generalizations of our ancestors" obsolete. The increasing division and specialization of labor bounded the knowledge businessmen and administrators could have about their environment. This situation of cognitive limitation could only be managed with the help of a new "science of administration"[16] which could reach beyond the "haphazard absorption of knowledge through the pores" one calls "experience."[17]

To be sure, this science of management was poles apart from the *a priori* theories of economists, especially their Economic Man, whom Lippmann lambasted in his *Preface to Politics* published in 1913 as "a lazy abstraction," one in which human nature had not progressed "beyond the gossip of old wives."[18] To progressives like Lippmann, science and social control were then two sides of the same coin. In *Drift and Mastery*, Lippmann castigated the dogmatic progressives who relied on the application of a single idea—the "panacea habit of mind"[19]—and ceased to adapt themselves to a changing world, much like those thinkers bemoaning the loss of the golden age. Marxists were as much at fault as Spencer or Sumner for relying upon a fixed idea of psychology or history.

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[13] GS, 166. WL also speaks of an "endless series of disconcerting paradoxes" (GS, 167). See William Fielding Ogburn, *Social Change with Respect to Culture and Original Nature*, New York: Huebsch, 1922. Ogburn distinguishes four phases of social change in relation with technological progress: invention, accumulation, diffusion, and adjustment.

[14] See Graham Wallas, *The Great Society: A Psychological Analysis*, London: Macmillan, 1914, 3. Dardot and Laval, and Barbara Stiegler makes this adaptive pressure the defining trait of Lippmann's neoliberalism; see Dardot and Laval *New Way of the World*, 61-68; Stiegler, *il faut s'adapter*, chap. 7 (pages?)

[15] Francis Clavé, "Comparative study of Lippmann's and Hayek's liberalisms (or neo-liberalisms)," *The European Journal of the History of Economic Thought* 22, 6, 2015, 2-3.

[16] Walter Lippmann, *Drift and Mastery: An Attempt to Diagnose the Current Unrest*, New York: Mitchell Kennerley, 1914, 42; hereafter DM

[17] DM, 47

[18] Walter Lippmann, *A Preface to Politics*, New York and London: Mitchell Kennerley, 1914[1913], 76

[19] DM, 184

For Lippmann, it was not science as a body of eternal truths, but its methodology which showed us the way towards recovering mastery. In a very Deweyian manner, the intersubjective method of scientific validation, both democratic and processual, offered the only course of action for recognizing and correcting mistakes.[20] It included both an education of the habits of the mind in order to elevate workers and citizens to the new challenges and technologies of an interdependent economy,[21] and the profound recognition that science could provide the fount of authority which had been eroded in the modern world. “Rightly understood,” Lippmann asserted confidently, “science is the culture under which people can live forward in the midst of complexity, and treat life not as something given but as something to be shaped.”[22] Moreover, science and democracy, when understood together, mitigated each other’s defaults: “democracy in politics is the twin-brother of scientific thinking. [...] As absolutism falls, science arises. It *is* self-government. [...] The scientific spirit is the discipline of democracy, the escape from drift, the outlook of a free man.”[23] Having emancipated intelligence from ossified sources of authority; science and democracy together embodied mastery, defined as “the substitution of conscious intention for unconscious striving.”[24] They both projected a community of interpreters who could correct each other’s truths on the basis of common methodological commitments.[25]

In *Drift and Mastery*, Lippmann’s positive view of state intervention was at its highest, while at the same time he commended the scientific spirit as the discipline of everyday life. Nowhere in his other writings “is the antagonism toward stasis, doctrine, and absolutism more intense […], and nowhere is the yearning for control and organization more real.”[26] Like James and Dewey, Lippmann assumed that “science itself could provide a mode of thinking and analysis without depending on the abstract moral categories of conventional reason.”[27] As such, his commitment towards science entailed not only a belief in the competency of managers and scientific experts, but also the promise that every man could come to terms with the fluctuating conditions of modern life. Lippmann’s position was not atypical among interwar progressives, and by the end of the decade “all the social sciences were looking to disinterested political

[20] DM, 273-275
[21] DM, 165-168
[22] DM, 275
[23] DM, 275-6; Lippmann’s emphasis
[24] DM, 269
[25] Hollinger, “Problem of Pragmatism,” 95
[26] Hollinger, “Science and Anarchy,” 475
[27] John Patrick Diggins, *The Promise of Pragmatism: Modernism and the Crisis of Knowledge and Authority,* Chicago: University of Chicago Press, 1994, 327

leadership and scientific expertise—in short, to state autonomy—as the answer to the multisided crisis of American democracy."[28] For the young Lippmann, science formed the twin pillar of a healthy progressive democracy: both had been produced by the expansion of the great society and manifested its horizon. Two decades later, disillusioned with the epistemic capacity of the citizenry, liberalism would replace democracy as the political embodiment of the scientific spirit.

Science as prophylactic

Lippmann's interests in social psychology were at their most visible in the 1920s, when he published a spat of books detailing what he perceived to be the greatest danger to democracy in his time: the manufacturing of opinion. "Freedom of thought and speech," Lippmann wrote in 1919 to Ellery Sedgwick, editor of the *Atlantic Monthly*, "present themselves in a new light and raise new problems because of the discovery that opinion can be manufactured. The idea has come to me gradually as a result of certain experiences with the official propaganda machine."[29] The year Lippmann published *Public Opinion*(1922), he participated in a discussion group in New York City attended by, among others, Learned Hand, Herbert Croly, and W. F. Ogburn. The group sought to examine how "new" psychology might "enlighten humans about themselves, the economy, education, conflict, religion, creativity, and old age."[30] It is telling that Lippmann's lens in the 1920s deviated from social reform to focus on the psychological weakness of the public. In *Public Opinion*, Lippmann proposed that no such thing as a singular public opinion, fully-formed and susceptible to enquiry, existed. Contrary to his earlier *Drift and Mastery*, democracy did not represent a privileged epistemic regime any longer, as the multiplicity of thought and individuals could hardly be reconciled in a single positive aggregation.

Coining the word "stereotype" in *Public Opinion*, Lippmann railed against the psychological weaknesses these cognitive shortcuts entailed. He blamed, again, orthodox economists and their popularization of convenient models. Utilitarians and socialists were guilty of reducing the complexity of psychology to simple determinants. Both theories, asserted

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[28] David Ciepley, *Liberalism in the Shadow of Totalitarianism,* Cambridge, MA: Harvard University Press, 2006, 77
[29] Letter Walter Lippmann to Ellery Sedgwick, 7 April 1919; quoted in Craufurd D. Goodwin, *Walter Lippmann: Public Economist*, Cambridge, MA: Harvard University Press, 2014, 29. See also, Walter Lippmann, *Liberty and the News,* New York: Harcourt, Brace and Howe, 1920.
[30] Goodwin, *Walter Lippmann*, 31

Lippmann, rested "on a naïve view of instinct."[31] He carefully distinguished the dogmatism of the *a priori* rationalist from the empirical efforts of the social sciences, grounded in experience and the social world. A highly differentiated society could not be subsumed under a single method of intelligibility: the growth of specialists, scientists, experts, or engineers, each competent in their own field, had been a direct consequence of the expansion of the Great Society. For reasons of economy of thought, each individual relied on partial images and stereotypes to form judgements and act according to them. These "pictures inside our heads" formed a "pseudo-environment," in which one's position and knowledge is reconstructed in order to transmute a largely invisible reality into a coherent, albeit counterfeit, one. As a result, an informed public opinion and the "omnicompetent citizen," so dear to Jefferson, were a "lost species."[32]

Both *Public Opinion* and *The Phantom Public*, published three years later, challenged the assumption that democracy should vest its authority in people's opinion, insofar as their thoughts were determined by the prejudices and stereotypes through which information was acquired, filtered, and interpreted. At the level of government, the Madisonian dream that representatives would "refine and enlarge" the opinion of their constituents had been abandoned. Officials, noted Lippmann, could only approach public issues from one particular set of stereotypes and mental images, chosen not for their empirical validity but for proximity and convenience.[33] Despite his criticism of the ignorance of the masses, Lippmann did not favor the rule of a competent elite but, instead, sought a wider diffusion of a critical spirit in society, a non-dogmatic "civic education" which could prepare citizens for the complexity of a modern society.[34] Through his analysis of the circulation of information and the social psychology of the public, Lippmann had begun to question the epistemological foundations of a democratic society through the problem of representation and, by extension, of 'collectivism' as a political option.[35]

If Lippmann thought that public misinformation could be corrected by competency in *Public Opinion* (1922), the *Phantom Public* (1925) expressed doubts as to the existence of an objective viewpoint itself: could stereotypes then ever be properly corrected? The dispersion of knowledge in a democratic society carried with it an irremediable perspectivism, which no

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[31] Walter Lippmann, *Public Opinion,* New Brunswick, NJ: Transaction Publishers, 1991, 63; original publication 1922; hereafter PO.
[32] Diggins, *Promise of Pragmatism,* 332
[33] PO, 3-4
[34] PO, 408-410.
[35] Barry D. Riccio, *Walter Lippmann: Odyssey of a Liberal*, New Brunswick, NJ: Transaction Publishers, 1994, 122.

supreme overseer, no single authority, could overcome. If facts could never be understood from a neutral or universal point of view, the possibility of an impartial judgment upon cognitive and social events was foreclosed. Neither at the level of administrative expertise guided by scientific reasoning nor at the level of the masses moved by interests could one find the locus of an objective truth about the public good. The eyes of the few or the collective wisdom of the many were equally blinded by their own specific prejudices.[36] The virtues of education, tirelessly preached by Dewey, did not mechanically lead to a more enlightened public. Most of the progressivist political program had thus proven to be epistemologically unsound. To Lippmann, mastery could now only be acquired through the taming of personal passions rather than the diffusion of a disinterested expertise, a moral stance rather than a scientific one. In the late 1920s, Lippmann's ideas had started to move from a *bona fide* progressive pragmatism to a more skeptical individualism and elitism.

Disenchanted science

Starting with *The Phantom Public* (1925) and running all through his *Preface to Morals* (1929), Lippmann's disenchantment about the promise of democracy led him to a reconsideration of the moral foundations of the great society. By then, his confidence that the diffusion of intelligence could countervail the extension of private interests or the reign of prejudice had considerably weakened. Betraying the cultural resignation of the post-war generation opposed to the optimism of his youth, Lippmann bemoaned the loss of a sure-footed criterion, a standard or value, with which to evaluate one's actions or desires.[37] Rather than an 'iron cage', the modern condition signaled a vanishing of all that is solid, a disengagement from virtue, and a dissolution of all moral standards under the "acids of modernity."[38] The acceleration of life through machinery, the increasing differentiation of tasks, and rampant urbanization, that had given birth to the Great Society, had uprooted old traditions and normalized dissonance.[39] Nevertheless, although all sources of authority have been corroded,

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[36] Diggins, *Promise of Pragmatism*, 333

[37] Walter Lippmann, *A Preface to Morals*, London: George Allen & Unwin, 1929, 3-4; hereafter PM

[38] PM, 8; the proximity with Marx is evident here, although it goes unacknowledged. Like many neoliberals (e.g. Karl Popper or Michael Polanyi), Lippmann acknowledged the breadth and originality of Marx vision while, of course, refuting dialectical materialism and the revolutionary horizon. For Lippmann on Marx, see (among others) GS, 177-181

[39] For urbanization, "The city is an acid that dissolves this piety" (PM, 62-63); for differentiation: "The modern man desires health, he desires money, he desires power, beauty, love, truth, but which he shall desire the most since he

and that any new one is either looked upon with suspicion or embraced out of dread, individuals continued to yearn for the kind of stable beliefs their modern way of life refuses to them.[40] Lippmann judged his epoch to be a transitory period where previous leaders of thought were dismissed and yet "no one is recognized as the interpreter of morals and the arbiter of taste."[41]

In *Preface to Morals*, Lippmann continues to argue an important case against classical liberalism, which has now been made obsolete in two major ways: philosophical and sociological. At the philosophical level, the idea of a natural harmony of interests as well as the belief in natural liberty have proven to be nefarious. *Laissez-faire* economics, without rules and regulations, led to a stupendous waste of resources and a concentration of economic power. To the childish idea of a 'natural' freedom, individual and eternal, corresponded a mature version of a social and situated liberty, intrinsically limited by its environment. At the sociological level, the fragile epistemic position of the common man constituted a stark refutation of the optimism contained in the writings of Smith or Locke, one in which man can achieve a comprehensive knowledge of his own interests. Machine technology and the rise of economic interdependency had complicated economic organization to such an extent that it has become "invisible, complex, without settled plan, subtly and swiftly changing."[42]

> For most men to-day the facts which matter vitally to them are out of sight, beyond their personal control, intricate, subject to more or less unpredictable changes, and even with highly technical reporting and analysis almost unintelligible to the average man.[43]

Here, well before the publication of *The Good Society*, Lippmann articulates one of the fundamental tenets of early neoliberalism: that economic relations and the causes of their evolution have become so intricate as to be outside of the reach of rational prediction. Beyond economic and psychological transformations, the industrial revolution has thus been mainly an epistemic revolution, considerably increasing the opacity of our surroundings and diminishing

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cannot pursue them all to their logical conclusions, he no longer has any means of deciding. His impulses are no longer parts of one attitude toward life; his ideals are no longer in a hierarchy under one lordly ideal. They have become differentiated. They are free and they are incommensurable" (PM, 111; see also 112-113); for mechanization: "There is something radically new in the modern world, something for which there is no parallel in any other civilization. This new thing is usually described as power-driven machinery" (PM, 233).

[40] PM, 19

[41] PM, 65

[42] PM, 247

[43] PM, 246

the scope of our rational explanations and anticipations. One "moves among these complexities which are shrouded in obscurity, making the best he can out of what little it is possible for him to know."[44] This epistemic complexity, one that Lippmann has been keenly observing since *Public Opinion*, has far reaching consequences for government. Central economic planning becomes as much unsuited for the machine age as uniform legislation.[45] Law loses its over-arching character, it is now diffuse through "the multitude of little decisions made daily by millions of men,"[46] a shift that anticipates Lippmann's later conception of the common law as emerging immanently from an innumerable series of decisions in reciprocal adjustments.

As a result, the riddle of modernity lies in the cultural lag between 'childhood' and 'maturity': traditions, beliefs, and habits, once taken as immutable and true, now need to pass the test of experience. This process of "breaking up and reconstruction" is at the core of Lippmann's understanding of individual psychology. In postulating a reconstruction of one's mental world though experiences, he does not depart significantly from John Dewey. Yet Lippmann starts from a much more disillusioned view of the powers of science and education to mold a mature citizen. If the scientist has now superseded the clergyman as the acknowledged arbiter of truth, science has not replaced religion as a purveyor of morality. Whereas the diffusion of the scientific spirit to all the realms of human affairs has become so pregnant as to be impossible to ignore,[47] the kind of truth that science affords does not meet the layman's steadfast expectation of a secure cosmology because scientific explanations remain "tentative," "relative," and partial, utterly unable to substitute themselves as worldly means of salvation.[48]

Building on Charles S. Peirce's antipositivist postulate, Lippmann comes to see the progress of science as gradually dismantling the possibility of a consistent worldview.[49] The process of science is, in that regard, fully congruent with that of modernity: it dissolves older

[44] PM, 247

[45] "One has only to glance over the financial pages of an American newspaper, to look at the list of corporations doing business, to try and imagine the myriad daily decisions at a thousand points which their business involves, in order to realize the bewildering complexity of modern industrial society. To suppose that all that can be administered, or even directed, from any central point by any human brain, by any cabinet of officeholders or cabal or revolutionists, is simply to have failed to take it in." (PM, 254)

[46] PM, 275; also "What the government really does is not to rule men, but to add overwhelming force to men when they rule their affairs" (PM 277); see Colin-Jaeger this issue

[47] "The scientific discipline has become […] an essential part of our social heritage." (PM, 240)

[48] PM, 131-3

[49] "The philosophies which have grown up about science, like mechanism or creative evolution, are in no way guaranteed by science as the account of creation in Genesis is guaranteed by the authority of the Scripture. They are nothing but provisional dramatizations which are soon dissolved by the progress of science itself" (PM, 130-1)

metaphysical dictums and replaces them with uncertain and shifting hypotheses.[50] Therefore, Lippmann warns against an excessive trust in science: although our knowledge has considerably increased, a genuine understanding of human nature remains largely dependent upon "introspection, general observation, and intuition," a realm where moral values such as moderation and self-discipline occupy a prime position. Once the scientist has rid the world of metaphysical illusions, it is now for the moralist to rebuild a scale of values befitting the maturity of self-government demanded by the modern condition.[51]

Nevertheless, despite the somber tone of the text, Lippmann draws out one key driver of social progress, that the "art of discovery" has become itself dynamic and ingrained in the development of Western civilization.[52] The pursuit and teachings of science illustrate the virtues of maturity and disinterestedness Lippmann had found wanting in the habits of modern men.[53] The scientific method, in particular,

> provides a body in which the spirit of disinterestedness can live, and it might be said that modern science, not in its crude consequences but in its inward principle, not, that is to say, as manifested in automobiles, electric refrigerators, and rayon silk, but in the behavior of the men who invent and perfect these things, is the actual realization in a practicable mode of conduct which can be learned and practiced, of the insight of high religion. The scientific discipline is one way in which this insight, hitherto lyrical and personal and apart, is brought down to earth and in direct and decisive contact with the concerns of mankind. *It is no exaggeration to say that pure science is high religion incarnate*.[54]

The ascetic and unprejudiced ways of the scientists dedicated to their art may thus constitute a proper substitute for the lost metaphysical world.[55] Yet, this is an ethical position opened to the few, not the many. In *Draft and Mastery*, the applied science of the engineer and executives held the key to mastery whereas in *Preface to Morals* Lippmann valued the moral

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[50] PM, 157-8
[51] PM, 175
[52] PM, 235
[53] PM, 237
[54] PM, 239; my emphasis
[55] There are strong echoes here of Weber's *Wissenschaft als Beruf*

discipline of the pure scientist as an ethical ideal, a distinctly modern ideal which has replaced, in prestige, that of religious devotion.[56]

In Lippmann's judgement, the accelerating allure of modernity invited to restraint and circumspection more than activity and transformation. His humanism turned aristocratic, moving away from his earlier sympathies for the democratic age. The masses, he wrote, "need to believe, but they cannot. They need to be commanded, but they cannot find a commander. […] The situation is adult, but their dispositions are not."[57] Looking first at America, Lippmann dreaded in 1929 that the moral angst of the modern masses may pave the way to totalitarianism as a substitute for a lost Golden Age, a return to childhood. Yet, his solution was now at odds with progressivism, offering honesty, temperance and discernment – "detachment" and "disinterestedness" – as ways to overcome "the impulses of immaturity."[58] Crucially, one can detect from then on a positive appreciation for the social role of tradition: the modern repudiation of all traditional morality had driven men to forgo essential sources of conduct and authenticity, leaving aside the accumulated wisdom of the ages.[59] The careful moralist ought to not throw away the baby with the bathwater. Instead, he ought to recover from the traditional framework useful virtues validated by experience[60]. This revisionist attitude – the need for "regenerate men" – regarding the moral and political legacy of previous generations, way beyond the progressives of the previous century, would guide Lippmann in his assessment of liberalism in the next decade.

As such, Lippmann's trajectory is representative of many of the future neoliberals he will encounter. Belonging to the same generation, the majority of them had been initially attracted to socialism as embodying the drive for a more rational and progressive society. During the 1920s, because of personal experiences or intellectual bifurcations, they had become disenchanted with the evolution of Western societies and came to adopt a position critical of both *laissez-faire* liberalism and socialism. Finally, the Great Depression and its consequences would further crystallize their intuitions of the previous decade into the construction of a 'regenerate' liberalism. From then on, they would look for third ways through which to

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[56] PM, 240
[57] PM, 203
[58] PM, 224-5
[59] See Beddeleem & Colin-Jaeger (forthcoming)
[60] PM, 228-9

combine the new scientific knowledge of their times, the increasing differentiation of the social world, and the acute need for economic and moral reform.

Yet, the correspondences do not limit themselves to similarities in their parallel intellectual timelines. In *Preface to Morals*, Lippmann performed three important pivots that will become constitutive elements of early neoliberalism. Firstly, Lippmann has gradually distanced himself from a belief that the diffusion of the scientific spirit and the application of the scientific method to all fields of life provided a balm to the ills of modernity. He came to regard pure science rather than applied science as representing the ideal embodiment of the scientific method, insisting on the value of scientific ethics and methods rather than imagining a reform of society along scientific lines. The exemplary morality and discipline of scientists, more than the inventions or applications they stimulate, may replace the lost moral authority of the clergy upon citizens. Secondly, Lippmann turned from a negative to a positive view of tradition, now perceived as a common source of morality and social cohesion. This reappreciation of tradition does not point in a conservative direction, but in a critique of rationalism in law-making and politics as well as in a recovery of the moral authority of principles vested in established practice. Finally, Lippmann's diagnostic of modernity increasingly entails a description of its cognitive economy characterized by the limited and partial reach of individual knowledge and the impossibility of an overarching synthesis. As we will see, this interpretation will become an important criterion from which to evaluate the opportunities for economic reform, especially in the context of the New Deal.

Science as methodical

The Godkin Lectures, which Walter Lippmann delivered in Harvard in May 1934, and published in 1935 as the pamphlet *The Method of Freedom*, struck a reorientation from his preoccupations in the 1920s towards the development of a personal approachto macroeconomics. Lippmann wrote his lectures "in the conviction that freedom is finding incarnation in a new body of principles" leaving behind the one "it inhabited in the 19th century" Taking example from the USA, the British Commonwealth, and the Scandinavian countries, Lippmann welcomed the "pattern of a new social policy" in response to the Great Depression.[61] As we have seen, Lippmann had been a vocal critique of economic orthodoxy,

[61] Walter Lippmann, *The Method of Freedom*, New York: Macmillan, 1934, ix; hereafter MF.

and the reductionist doctrine of either *laissez-faire* liberals or socialists. A genuine understanding of macroeconomics entailed an acknowledgement of the intrinsic complexity of economic life and of its regulation. Whereas the economy could not be regulated in detail, nor could the disorders of capitalism be left to destroy the fabric of society.

The complexity of any modern economy, Lippmann wrote in *The Method of Freedom*, "would baffle any set of official planners who set out to direct it."[62] Counteracting a radical trend within New Deal supporters for a larger collectivization of the economy, Lippmann advocated for a reformist version which attacked monopolies, private and public. He warned his audience of the danger of applying the point of view of the engineer to social issues, emphasizing the epistemological limitations faced by any authority:

Society is not and never will be a machine that can be designed, can be assembled, can be operated by those who happen to sit in the seats of authority. To know this is to realize the ultimate limitations of government, and to abide by them, is to have that necessary humility which, though for the moment is at a discount in many parts of the globe, is nevertheless the beginning of wisdom.

Again, Lippmann made there a point of separating science and technology, whereby the former became embodied in the scientific method and its results, and the latter connoted an illiberal "regimentation" of society.

In 1934, Lippmann's economic vision still owed to Keynes for its approach to macroeconomic regulation and entailed that vast powers be conferred to the state if "a working, moving equilibrium in the complex of private transactions" was to be achieved[63] Lippmann very much embraced a system of public compensation to the instability of private transactions. The state as a "gigantic public corporation" was vested with vast economic powers of supervision and enforcement while guaranteeing a large sphere for private transactions. Its functions comprised the prevention of fraud, the regulation of contracts, the setting of minimum wages, the dismantling of monopolies and the restriction of speculation.[64] Importantly, it ought to provide insurance to the poor and set a limit to the accumulation of wealth and power.[65] Somehow, it fell to the State to moralize the economy and correct its deficiencies through rules

[62] MF, 64
[63] MF, 59; Goodwin, *Walter Lippmann*, 136
[64] On reining in speculation, see Goodwin, *Walter Lippmann*, 146
[65] MF, 46-7

and compensation, ensuring that capitalism worked for the many, and not for the few, that is to compensate for the invisibility of the economic machine, and thus, its moral arbitrariness.[66]

How to ensure the neutrality of state intervention was thus a key issue for Lippmann, as it was for the ordoliberals in the vein of Walter Eucken. The state intervention in the economy had to be *disinterested*, only guided by a genuine common economic interest, something only nonpartisan experts (i.e. Lippmann himself) could genuinely locate. Lippmann thus advocated the creation of a council of economic experts that could grasp the complexity of macroeconomics and vet policies before their approval by Congress, thereby reducing the influence of pork barrel politics.[67] This new economic viewpoint proved to be such a difficult science however, that, by the publication of *The Good Society*, Lippmann had ceased to place his trust in a scientific understanding of the economy, recognizing that the task had been too large, even for the highly-qualified experts. He wrote in a column of August 1937 that`:

> The fundamental fact of the matter is that there does not exist any dependable scientific knowledge of the business cycle. The whole subject is still obscure; the data have never been fully ascertained and the theory is still very much unsettled. In the study on "Prosperity and Depression" just made for the League of Nations by Professor Gottfried von Haberler of Harvard University 158 pages are required in order to summarize the divergent theories held by reputable and competent economists. We are obviously moving in a region, therefore, where nobody knows clearly what he is talking about, in a region not yet brought securely within the frontiers of human knowledge. But the matter is complicated further by the fact that the economic process, which no one understands very well, is today in every part of the world subject to the management of politicians, mystics, demagogues, prophets and soldiers, who do not understand it at all.[68]

The insuperable complexity of macroeconomics, an argument Lippmann derived from the Haberler report, was not simply an epistemic difficulty to experts, it carried potentially fatal political consequences. The impossibility to know and master the economic system invited each special interest to advance their own case at the expense of the common good. Intervention was as necessary as it was dangerous. Lippmann's diagnostic of the failings of classical

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[66] MF, 50
[67] Goodwin, *Walter Lippmann*, 156
[68] "Today and Tomorrow," *The New York Herald Tribune*, 19 August 1937; quoted in Goodwin, *Walter Lippmann*, 157

economic theory, largely shared by early neoliberals, opened the way toward a positive solution, that of a legal order first, one that guaranteed the enforcement of a sound economy in a situation of imperfect knowledge. The epistemic failings of both expert theory and economic behavior called for a stronger moral framework which vested authority both to legal traditions and to a philosophical conception of the dignity of 'man' on the basis of which any form of collectivism could be denounced. In a Great Society prone to political excesses due to a misconception of its foundations, morality, instead of standing against the progress of tolerance and reason, could provide the resting point necessary for a regenerated liberalism to take hold.

II – Articulating epistemology and morality in the Good Society

Retrospectively, Walter Lippmann had little to do with the expansion of neoliberalism after the Second World War, and his foundational place in its formative years was tributary only to the timeliness of the publication of *The Good Society* in 1937. The book, much more than the man, had a profound impact. Rougier, the organizer of the Walter-Lippmann Colloquium, had been a careful reader of Lippmann's *Method of Freedom* and had appreciated Lippmann's conceptual innovations on the role of the state, a "compensated economy," and the necessity for social protection. In addition, he consigned in a notebook a thorough analysis of the arguments in the *Good Society*, particularly its criticism of *laissez-faire*, the role of rules and laws, and the agenda of liberalism.[69] Likewise, Hayek's political philosophy, still rudimentary in the 1930s, benefited from his contact with Lippmann, and the *Good Society* would provide some of the groundwork for the development of Hayek's social theory in the following decades until the publication of the *Constitution of Liberty*.[70]

After the publication of the *Method of Freedom*, Lippmann increasingly despaired at the slim ranks of leaders standing with him in defense of a modern liberal tradition against its dismantling in the name of progress. He thus turned his aim towards the restauration of a brand of liberalism which would be built upon the epistemological, social, and scientific premises he had unraveled in the past two decades. In April 1936, Lippmann explained to Ellery Sedgwick that this new project actually contained two books in one: the first "a sustained indictment of all the implications of the authoritarian and collective state," the second "a vindication and a

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[69] Audier, *Néo-libéralisme(s)*, 97
[70] Burgin, *Great Persuasion*, 63

reconstruction of liberalism."[71] The first chapters of the *Good Society* were serialized in the *Atlantic Monthly*starting in September 1936. Instead of theconciliatory search for a moderate collectivism that can be found in the *Method of Freedom*, Lippmann now devoted his efforts towardthe rehabilitation of liberalism, the older version of which "had become a monstrous negation raised up as a barrier against every generous instinct of mind."[72] On the slippery slope towards totalitarian planning, he found that liberalism as it were did not provide any foothold upon which capitalist democracy could rest.

Kickstarting neoliberalism

Lippmann himself acknowledged that the more critical tone found in *TheGood Society* owed to his reading of Hayek's edited volume *Collective Economic Planning*[73] although, he was already aware of the Austrian view of the socialist calculation debate thanks to his acquaintance with Benjamin Anderson. Upon reading his articles in the *Atlantic Monthly*, Röpke, Hayek, and Robbins, had begun corresponding with Lippmann during the run-up to the publication of *Good Society*.[74] While Lippmann acknowledged to Hayek that he had been "deeply influenced" by his work, he remarked to Robbins that Mises and Hayek did not produce "a positive theory of liberalism which gives a method of social control consistent with the exchange economy."[75] Hayek had read the articles in the *Atlantic Monthly* and found in them the "cardinal and new point" that "the inevitable restriction of intellectual freedom" represented "the main danger of collectivism." Fascism was the natural development of collectivism, they agreed. But Hayek insisted that his main qualms with planners and collectivists had to do with their claims of scientificity:

> the whole trend towards planning," Hayek wrote to Lippmann on April, 6th 1937, "is an effect of a misunderstanding of 'scientific' method and a result of an exuberance about the power of the last hundred years. If people would only

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[71] Letter Walter Lippmann to Ellery Sidgwick, 2 April 1936; quoted in Ronald Steel, *Walter Lippmann and the American Century*, New Brunswick, NJ: Transaction Publishers, 1999, 322.
[72] GS, 257
[73] Friedrich Hayek, *Collectivist Economic Planning*, London: Routledge & Kegan Paul, 1935.
[74] Burgin, *Great Persuasion*, 64-7
[75] Letter Walter Lippmann to Lionel Robbins, 24 March 1937; quoted in Gary Dean Best, "Introduction to the Transaction Edition," in Walter Lippmann, *The Good Society*, New Brunswick, NJ: Transaction Publishers, 2005, xxxi.

> understand that *reason is not a given thing but a process*, and that its progress that cannot be possibly planned[76]

Significantly, this exchange articulated the need for further organization to the elaboration of a consistent ideological effort, made possible by a common scientific and methodological outlook. Around the time when *The Good Society* was written, Wilhelm Röpke wrote to Karl Brandt, Friedrich Hayek, and Lionel Robbins to laud the "convergence" between their views.[77] Upon the publication of *The Good Society,* Röpke wrote directly to Lippmann that he had "given masterful expression to ideas which are in the minds of that all too small circle of thinking Liberals."[78] The correspondence between Hayek, Röpke, andLippmann that took place in 1937 consolidated their feeling of a shared intellectual platform onto which a defense of a revised liberalism could be mounted[79]. In the meantime, Rougier had seized the opportunity of the publication of *The Good Society* to suggest a similar idea which he could immediately put into action: a small gathering of intellectuals inspired by Lippmann's Agenda.

As much as early neoliberals found in Lippmann's *Good Society* a brilliant exposé of their own views, Lippmann himself admitted that he had come to identif with a new generation of liberal thinkers who were ready to re-examine the liberal tradition as they had been "shaken out of their complacency by the debacle of liberalism[80]. Without fundamentally revising his policy preferences, Lippmann considerably changed his vocabulary: "free collectivism" was not to reappear. His case against economic planning was now aimed at those aspects of the *New Deal* he could not condone, and his tone became more feverish and Manichean. Yet, more subtle changes can be appreciated between *The Method of Freedom* and *The Good Society*, notably on the crucial question of equilibrium in economics, and the means to achieve it. Crucially, he extolled in *The Good Society* the virtues of markets not solely as the arena where individual initiatives took place, but also as epistemological devices which limited the scope and value of state interventions. Archetypal of early neoliberalism, Lippmann's skeptical outlook was used both as a critical spur against the perceived scientism of a planned economy,

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[76] Quoted in Best "Introduction," xxx; my emphasis

[77] Burgin *Great Persuasion*, 64

[78] Letter Wilhelm Röpke to Walter Lippmann, 14 September 1937; quoted in Burgin, *Great Persuasion,* 65.

[79] In their exchanges leading up to the WLC, Röpke wrote that he was eager to keep the discussion to a small group of interested persons. In a letter to Lippmann, he shared this vision for the intellectual enterprise: "some years ago, I launched the idea of assembling the dozen Enlightened Liberals in a solitary hotel high up in the Alps and to cross-fertilize their ideas for a week." Letter Wilhelm Röpke to Walter Lippmann, 14 September 1937; quoted in Burgin, *Great Persuasion*, 67.

[80] GS, 240

and as a platform for the elaboration of a reformed liberalism which placed uncertainty and ignorance at the core of its social ontology.

Like Rougier and Hayek, Lippmann lamented that what he called "liberal science" had been perverted under the patronage of narrow-minded godfathers who had disengaged themselves from a genuine scientific spirit. A reformed liberalism needed to be in tune with the spirit of self-critical reform free from dogmatic hypotheses. In consequence, Lippmann increasingly came to view scientists as a model liberal constituency. As he had shown in *The Preface to Morals,* scientists constituted a new ascetic elite, combining the highest virtues of excellence and disinterestedness. In *The Good Society*, Lippmann asserted that the expression of these virtues could only be guaranteed in a liberal society. More so, the spirit of a reformed liberalism and that of a genuine scientific spirit ought to coincide. "To realize the promise of science," pronounced Lippmann, planners "must destroy free inquiry. To promote the truth, they must not let it be examined."[81] On the contrary, a reformed liberalism and the scientific method well-understood both acknowledged a world of uncertainty and the key methodological role of freedom for creating an order both dynamic and moral: a good society.

An epistemology of uncertainty

While Lippmann's formative influence over the positive program of neoliberal thought is well-known,[82] his epistemological positions remain underappreciated,[83] although they constitute, in their own right, the basis for his Agenda of Liberalism. For Lippmann, the question of the possibility of a social order outweighed the question of its desirability. A decision as to whether one order was "theoretically conceivable" and not "devoid of meaning," "as complete a delusion as perpetual motion" constituted a scientific question.[84] In Book I of *The Good Society*, Lippmann argued a very important case against the machinist and technological creed which buttressed the ideology of planning. Recent progress in technology (which he now opposed to genuine science) had impelled a corresponding sophistication of

[81] GS, xliv; Likewise, Hayek would immediately profit from this moral argument as shown in the second version of "Freedom and the Economic System" published after he had read *The Good Society.* Compare the two versions as published in Friedrich Hayek, *Socialism and War*, Chicago: University of Chicago Press, 1997, 181-188, 189-211, esp. p. 194.
[82] Audier, *Neoliberalisme(s)*; Ben Jackson, "Freedom, the Common Good, and the Rule of Law"
[83] One exception is Riccio, *Walter Lippmann*, 122.
[84] GS, xlvi-xlvii This question is also present in the early writings of one of Lippman's great admirer – Jacques Rueff in *From the Physical to the Social Sciences*, Baltimore: Johns Hopkins Press, 1929 [1922].

political authority, and this impulse was more often than not translated as a call for increased direction.[85] Nonetheless, the achievements of modern science and authoritarian political technology contradicted each other, because the extraordinary results of the scientific method had been achieved through a flexible and dynamic cooperation, and not through central direction. Thus, planning laws and regulations were "by their nature static and inert" as well as "technically unsuited to the highly dynamic character of the industrial revolution" while modern science and the scientific method commanded "a flexible approach to innovation and industry."[86]

Significantly, Lippmann further accentuated the distinction between science and technology—or pure and applied science. The organization and results of scientific inquiry and of technological application modelled two very different modes of political interventions: the former was liberal in nature, as exhibited in the methodical self-organization of science and the disinterested ethics of scientists, and the latter authoritarian, fashioned as the application of social technologies to a passive material, according to an engineer's point of view. The distinction Lippmann drew was as much ideological as it was epistemological. Collectivists, he believed, understanding their mission as the realization of the scientific project of a technology-driven society, had actually forgotten that "the scientific achievements which they now regard as compelling the establishment of authority became possible only as scientific inquiry was emancipated from authority."[87] On the contrary, a true liberalism, by design, could not be anything else than in full agreement with the conclusions of science. Science, then, embodied the "method of freedom" whereas interventionism was "arresting the very advance in science which is the reason given for the magnified officialdom."[88] Liberalism corresponded to the method of science in the same way that science had built itself upon a methodological liberalism. The history of science, read through neoliberal glasses, revealed their common genealogy and circular interaction.

At the core of Lippmann's refutation of 'technological predictions' to serve as the strong arm of government, one can find two familiar themes: the intrinsic limitations of individual knowledge and its reach, and the complexity of the social world, which lends it a measure of opacity.

[85] GS, 7-8
[86] GS, 12, 16
[87] GS, 17
[88] GS, 19-20

Limits of individual knowledge

Owing to his pragmatic education, Lippmann had, since his early publications, acknowledged that "the great difficulty in all complicated thinking" was "to understand that the concept is a rough instrument that stands in the place of adequate perception."[89] Lawmakers always displayed a "great disparity between the simplicity of their minds and the real complexity of any large society." Their actual knowledge had to be sieved through a "funnel" where most information was discarded and only what they could understand kept. This constituted "a very small part of the whole. And to understand even that small part, the lawmaker must turn to theories, summaries, analyses, principles and dogmas which reduce the raw enormous actuality of things to a condition where it is intelligible."[90] By doing so, Lippmann was demolishing one crucial assumption of the scientific minds at the service of government: knowledge was always partial, never objective and neutral, because it is always subject to interpretation. Intelligibility was a process of simplification ("funneling") through various biases, filters and interests. The mind, far from expansive and unlimited, remained irremediably confined:

> Out of the infinite intricacy of the real world, the intelligence must cut patterns abstract, isolated, and artificially simplified. Only about these partial views can men think. Only in their light can men act. To the data of social experience the mind is like a lantern which casts dim circles of light spasmodically upon somewhat familiar patches of ground in an unexplored wilderness.[91]

Once the intrinsic limitations of thought were established, the idea of a conscious control over social processes was a delusion:

"No human mind has ever understood the whole scheme of society, at best a mind can understand ts own version of this scheme, something much thinner, which bears to reality some such relations as a silhouette to a man. Thus policies deal with abstractions, and it is only with abstracted aspects of the social order that governments have to do[92]

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[89] Kloppenberg, *Uncertain Victory*, 318
[90] GS, 29
[91] GS, 31.
[92] GS, 31-2

This cognitive limitation was in fact a requirement for life to proceed, for "life goes on only because most of its processes are habitual, customary, and unconscious. [...] It is only because men can take so much for granted that they can inquire into and experiment with a few things."[93] In many ways, Lippmann anticipated Hayek's writings on psychology of the 1940s and 1950s. He offered an evolutionary approach to cognitive development in relation with the limitation of individual knowledge, while reasserting a perspectivist stance on human affairs. What distinguished *The Good Society* from the earlier *Public Opinion* and especially *The Phantom Public* was that the ignorance which Lippmann had first ascribed to the masses wasas much in the rulers as in the ruled. In this way, *The Good Society* "can justly be seen as a wider application and development of Lippmann's central message in the early 1920s[94].

Complexity of society

For Lippmann, the historical phenomenon of the division of labor had produced a cognitive complexity which remained invisible to individual agents. On that peculiar insight—that social knowledge is tacitly embedded in traditions and customs, and that our consciousness is helplessly limited—Lippmann is situated at a convergent point with his fellow early neoliberals such as Hayek, Polanyi, and Rougier. They all pinned the complexity of the social upon the inexplicit canvas onto which our daily interactions, habits and practices were woven. The obscurity of both the individual and social psyche veiled a wealth of knowledge, one which the market artfully and efficiently coordinated, but one, as well, that inspired simplifications and misbeliefs. Complete planning, by bringing all the economic processes to the fore, failed to acknowledge the cognitive economy brought naturally by the division of labor. The social world, perpetually in flux, "transcended" our power and understanding, and men deceived themselves "when they imagine that they take charge of the social order."[95] This insistence over the divided forces at work in society, and our limited knowledge thereof, versus the potential equilibrium point which Lippmann had emphasized in *Method of Freedom*, represents an important shift in his epistemological perspective. Looking for stability at all costs only led to immobility through over-intervention: interferences and control became, at best,

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[93] GS, 29-30; Whitehead is quoted again here to support this assumption; the same Whitehead which Hayek would himself quote, on that very same topic, at the beginning of the second chapter of the *Constitution of Liberty*, Chicago: University of Chicago Press, 2011, 71.
[94] Riccio, *Walter Lippmann*, 122
[95] GS, 32

"interpositions and interruptions" of a much larger process which was inaccessible as a whole to a human consciousness[96]. The amount of "mutually dependent variables" made predictive calculations infinite and in the end futile because unintended consequences were always perverting simple previsions. In the end, the opacity of society to our scientific probes had simply become overwhelming:

> It is not merely that we do not have to-day enough factual knowledge of the social order, enough statistics, censuses, reports. The difficulty is deeper than that. We do not possess the indispensable logical equipment—the knowledge of the grammar and the syntax of society as a whole—to understand the data available or to know what other data to look for[97].

Therefore, no science of society existed which could form the basis for its conscious control. Worse still, the search for such a formula had diverted men from the proper task of government. Complex affairs, owing to the intractability of unintended consequences, had to be ruled by simple uniform laws and their management delegated to local nodes of government. The common law, like the market, was the only *method* suitable for the achievement of a liberal direction, as it remedied the "sickness" of an "over-governed society" and ensured the freedom to pursue a wide variety of ends with as little direct control as necessary.[98] The cognitive and economic problem posed by the division of labor could not be solved in the absence of the data transiting through the market, as it represented the irreplaceable allocator of capital and labor. In the end, the issue with liberalism was not its economic model but its social theory, that is, its inability to include the social consequences of economic exchanges within its purview, a conclusion similar to that of Alexander Rüstow and Wilhelm Röpke.[99]

Concluding his epistemological remarks, Lippmann noted that a great schism had separated us from the wisdom of the past: in the older faith, he remarked, the limitation of powers, far from restricting man's capacity to govern himself, had been the "very condition of progress."[100] It was this "tested wisdom"—verified by experience and not deduced by doctrine—which Lippmann purported to expose in the rest of the book, leveraging his revised

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[96] GS, 175: "When the collectivist abolishes the market place, all he really does is to locate it in the brains of his planning board."
[97] GS, 33
[98] See Colin-Jaeger in this issue
[99] Dardot and Laval, *New Way of the World*, 67
[100] GS, 40

epistemological framework against collectivism and in defense of a methodologically-sound positive liberalism. In doing so, he came to oppose the vision of Plato to that of *The Good Society*: “At last,” proclaimed Lippmann ironically, “the vision of Plato is to be realized: reason will be crowned and the sovereign will be rational. The philosophers are to be kings; that is to say, the prime ministers and their parliaments, the dictators and their commissars, are to follow the *engineers, biologists, and economists* who will arrange the scheme of things.”[101] The three categories which Lippmann put in charge of the new order were, without much exception, the same group against which Polanyi, Popper, and Hayek, were wresting their efforts in the United Kingdom. For each of these professions, their perceived inclination toward scientific politics through an extension of government power betrayed, in the eyes of neoliberals, their ignorance of the epistemological complexity of the social order and of the resulting unintended consequences of their interventions. For early neoliberals, their hubristic conception of science, unchecked by morality, had precipitated the world into chaos, not order.

The dismal science of liberalism

If Lippmann had lifted his refutation of economic calculation in a planned economy from the Austrians, he took the further step of showing that collectivism was a danger to democracy itself, since the plan had to be kept out of the purview of perpetual revisions through popular sovereignty.[102] In Lippmann’s mind, liberalism and collectivism reflected a larger struggle between monism and pluralism as opposite social ontologies. The transition to a monist view of society with the state at its helm required that the inherent “variety and competition” within society be regarded as “evil” and the right to dissent eventually abolished. Directly quoting Polanyi – an “exceptionally gifted observer,” Lippmann reminded his readers that none of the supposed defects of the capitalist order had vanished in the realization of Communism: “the social situation and the psychological mechanism which exist to-day, and which according to

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[101] GS, 22, my emphasis. Along with this methodological refutation, Lippmann used the same ‘anti-historicist’ argument as the one found in Popper’s *Poverty of Historicism*. Technological development was unpredictable, and its future course impossible to plan. This made a centrally planned economy reliant on a false illusion of control. “The future technology,” Lippmann wrote, “cannot be predicted, organized and administered, and it is therefore in the highest degree unlikely that an elaborately organized and highly centralized economy can adapt itself successfully to the intensely dynamic character of the new technology” (GS, 16). The refutation of Plato’s politics constituted the first part of Popper’s *The Open Society and Its Enemies* published in 1945. Popper also quotes *The Good Society* for epigrammatic quotes.

[102] GS, 101-103

communist theory divide society into antagonistic classes, remain intact in the communist order."[103] The worship of the State had turned out to be a surrogate for these older idols now "dissolved under the acids of modernity."[104]

Against this "economic nationalism[105] Lippmann glorified 19th century liberalism as a period of political emancipation and unification concurrent with the expansion of free trade. Here, Lippmann's revisionist take on the history of liberalism modeled the way in which neoliberals would reclaim the liberal tradition expurgated from its most progressive (or "collectivist") elements. Lippmann's history was roughly divided in two periods: until 1870, liberalism had been the philosophy of economic and social progress; after this date, liberals began fighting a "losing rear-guard action."[106] The Industrial Revolution and its consequences, as the "most revolutionary experience in recorded history,"[107] had marked a turning point for liberalism which had been the intellectual engine behind its propagation. Breaking up traditional dependencies, this period led to a collective reaction in which the new-found interdependency and prosperity was offset by a growing insecurity—a description akin to a large extent to Karl Polanyi's double movement[108]. The price mechanism, a "ruthless sovereign" commanded a pace of adaptation too fast for the traditional fabric of human communities, therefore broadening the cultural lag. The rise of production, and an increasingly specialized economy, became thus inseparable from the resistance and rebellion they brought about. As a result, the human cost of market variation entrenched the collectivist reaction and, with it, the failure of classical liberalism to embrace a wide-ranging view of the relation between economy and society.

For that reason, the debacle of liberalism was its own doing: it had become immoral, stultified and doctrinaire. It had betrayed its scientific underpinnings to become only an ideology, one which had become "scientifically untenable" and which "cannot commend the

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[103] GS, 78, 83
[104] GS, 251
[105] GS 168, an expression used (and popularized) by Lippmann's friend and fellow early neoliberal William Rappard, who lectured at the Harvard Tricentenary on this topic; see William Rappard, "Economic Nationalism. Authority and the Individual," *Harvard Tercentenary Publications,* Cambridge, MA: Harvard University Press, 1937, p. 74-112.
[106] GS, 46
[107] GS, 162
[108] A proximity which Karl Polanyi himself explicitly acknowledged: "Liberal writers like Spencer and Sumner, Mises and Lippmann offer an account of the double movement substantially similar to our own, but they put an entirely different interpretation on it. While in our view the concept of a self-regulating market was utopian, and its progress was stopped by the realistic self-protection of society, in their view all protectionism was a mistake due to impatience, greed, and short-sightedness, but for which the market would have resolved its difficulties. The question as to which of these two views is correct is perhaps the most important problem of recent social history, involving as it does no less than a decision on the claim of economic liberalism to be the basic organizing principle in society" Karl Polanyi, *The Great Transformation*, Boston: Beacon Press 2001, 148.

intellectual respect or to satisfy the moral conscience of the leaders of thought." Intellectuals and popular opinion had turned away from liberalism as a critical posture because the doctrine of *laissez-faire* had fallen into an "obscurantist and pedantic dogma[109] separating what fell under the law and what did not into water-tight spheres. What had ultimately led to the defeat of liberalism on the public stage was the abandonment of its scientific attitude, leaving it to collectivists to claim the mantle of science. "The preoccupation of the latter-day liberals with the problem of *laissez-faire* is a case *of the frustration of science by a false problem*," established Lippmann.[110] In order to regain the scientific high ground, a thorough critique of an older liberalism had to be realized, and to some extent, many of the collectivist critiques of the old order implicitly accepted.

The "dismal science" of liberalism, as Lippmann called it, had accepted as evident truths what were indeed intellectual errors and naturalistic fallacies.[111] The theory of liberalism had lost contact with *experience*: it had constructed a "hypothetical" economy and a "hypothetical social order," relying on assumptions hypostatized as principles such as perfect knowledge, perfect competition, and the frictionless mobility of capital and labor.[112] In that context, Lippmann wanted to isolate an authentic "liberal science" from the false science of collectivism which was "morally right" but "founded in a profound misunderstanding of the economy at the foundation of modern society."[113] In so doing, Lippmann found that the liberals, who are "the inheritors of the science which truly interprets the progressive principle of the industrial revolution [...] have been unable to carry forward their science; they have not wrested from it a social philosophy which is humanly satisfactory."[114] Genuine liberals had neglected the core liberal principles of experience and adaptation, which the scientific method extolled: the slow empirical work of testing hypotheses, the constant revisability of rules, and the absence of *a priori* dogmas. The ambition of reaching a static or natural set of economic laws was incompatible with the scientific method. Instead, a science of liberalism needed to revive its historic mission to work out a scientific understanding of the market economy, which prioritized the welfare of its economic agents. This constituted, in essence, the sermon

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[109] GS, 184-5
[110] GS, 191; my emphasis
[111] GS, 195 – a reference to the "dismal science", the expression Thomas Carlyle applied to economics. Rougier as well had been adamant that false problems, stemming from a deficient epistemological understanding of social order, had thwarted the liberal doctrine. Louis Rougier, *Les mystiques économiques. Comment l'on passe des démocraties libérales aux états totalitaires*, Paris : Éd. de Médicis, 1938.
[112] GS, 200
[113] GS, 204
[114] GS, 204

Lippmann served his audience at the Walter-Lippmann Colloquium: they were the new generation of liberals capable of updating the dialectic between the social question and the science of liberalism.

The return of the transcendental

It is only at the end of Lippmann's demonstration that one comes to understand that these arbitrary powers were never as damaging as when they affected the morality and dignity of men. Lippmann's liberal heroes were not so much Adam Smith or Sir Edward Coke, but Galileo resisting the Church. "Liberalism," he writes, "is the guardian principle of the good life. It stakes its hopes upon the human spirit released from and purged of all arbitrariness,"[115] Thus, Polanyi, Rougier, Hayek, Popper and Lippmann advanced their brand of liberalism for precisely the same moral motives: to protect the dynamism of free curiosity to lead change in a complex society, as against the compulsory adoption of a planned order. Science and liberalism were first and foremost *methodical*, not a body of ideals and principles which commanded any authority. They guaranteed a well-ordered discovery of the unknown and guided society's adaptation to new economic and cultural forms. Early neoliberals all believed this posture defined the outlook of Western civilization and the circumstances of its progress. Reclaiming the authority of science for a new agenda of liberalism supported the larger claim of the moral superiority of liberalism to achieve a scientific order, one which embraced the new scientific spirit of uncertainty and empirical testing.

There again, before the better-known figures of Hayek or Popper, Lippmann had reached a very precocious diagnostic of the elective affinity between the scientific community, its method, organization, and values, and the nature of a liberal society: both needed to rely on a *method of freedom*, both dealt with uncertainty in the laws they adopted, both were guided by ethical and moral ideals which valued an intrinsic *intérêt bien entendu*. Both understood the moral underpinnings of practice as a safeguard against the intellectual passions of socialism, egotism, or nationalism. However, there existed another profound connection between the kind of progressivism Lippmann was immersed in, and the inception of neoliberalism as a philosophy of knowledge in society. In both cases, knowledge and reason are seen as processual, and thus, forever indeterminate and uncertain. Moreover, this process was

[115] GS 355

intrinsically intersubjective, that is both correcting of individual biases and ignorance, and embedding social norms and obligations. Seeing knowledge as processual thus attempted to reconcile individual-psychological elements with moral-social one: the perspective of one's knowledge could only be read as one node in a moving and complex network of epistemic communities. In consequence, calls for stronger legal and moral safeguards emanating from early neoliberals must be heard against the processual nature of reason, which they posit to be ever fragile and corruptible.

As a way to remedy this precarious social position of reason, Lippmann acknowledged the priority of a higher law or a higher regulative truth than the one we can reach through intersubjective agreement. To anchor the foundations of order and society, a the belief in the transience of knowledge must be renounced in favour of a transcendental law. "All the civilized States of the Western world," Lippmann stated to the WLC, "have acknowledged their responsibility to a superior authority transcending the personal will of the governing: to God, to tradition, to ancient customs, to a constitution, or to the free consent of at least a part of the population."[116] A regenerated liberalism thus implied a return of the transcendental in the recognition of a higher authority – whose location Lippmann left conveniently open – that could anchor the great society to a moral order that preceded and encompassed it. There, the moral values once located in the brains and intentions of experts, politicians and scientists are removed from the arena of political conflict and enshrined in a constitution or venerated traditions. In effecting that move, Lippmann there again predates the neoliberal search for its own moral framework, one that would alleviate the constant destabilization incurred by a market economy. Reconciling the values of 'Western civilization', that is the "inviolability of the individual," with the uncertainty of all knowledge, became, I argue, the program Lippmann bequeathed to neoliberalism, one that, by large, has been faithfully undertaken.

Yet, before this could be achieved, Lippmann warned,

> humanity will go through, I believe, a very profound and vast religious experience: it will have to evaluate science and its relationship to philosophy and morality anew, it will have to revise the idea of the State, of property, of individual rights and the national ideal. Civilized men will have to submit the conceptions they found novel before the war to new scrutiny, determined as they will be to discover those that are and those that are not compatible with the vital needs and the

[116] Reinhoudt and Audier, *The Walter Lippmann Colloquium*, 106

> permanent ideal of humanity. It is to these vital needs and to this permanent ideal, and not to the doctrines of the nineteenth century, that one should refer to, so as to undertake the reconstruction of liberalism.[117]

There is a remarkable programmatic prescience in Lippmann's words, one that has gone unacknowledged for as long as historians of neoliberalism failed to take into account the deep-seated moral dimension that the reconstruction of neoliberalism entailed.[118] The abandonment of the natural philosophy of the 19th century liberalism as well as the rejection of collectivist ideologies relied, as I have amply demonstrated, on a scientific critique of their epistemological obsolescence. Yet, science could not alone constitute the polestar which could guide neoliberals towards the promised land; they had to reconnect with a higher morality, one that was historically tied with the development of Western civilization and culture, with all the unpalatable connotations this entails. In that sense, markets proved to be epistemological and moral engines in equal measure. There, perhaps, lies Lippmann's strongest legacy to the post-war development of neoliberalism, one that heralds its fusion with conservative values in the 1960s.

Conclusion

Very often, the neoliberal attitude towards science is taken from the writings of its most-quoted author and vocal critique of the "pretense of knowledge": Friedrich Hayek. Yet, the conceptions of the role of science in society among early neoliberals were far from uniform.[119] Austrians are keen to underline the limits of the reach of scientific explanations for social phenomena, taxing their adversaries of "scientism", whereas others, like Walter Lippmann, Karl Popper, Jacques Rueff or Milton Friedman trust that the scientific method well-understood can guide us toward accurate policy-making.[120] This variety of positions originated from a common reflection upon the role that scientists and scientific institutions should play in modern society, the ways in which knowledge, lay and expert, was produced and circulated, and the relations between 'pure' knowledge, the scientific method, and its applications in a technology

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[117] *Ibid.,* 105-6
[118] A dimension that fortunately is getting corrected, see in particular, Jessica Whyte, *Morals of the Market*.
[119] This Hayek-centrism can be found in Philip Mirowski's output, but also in the large majority of the critical literature on neoliberalism.
[120] Thomas Biebricher, *The Political Theory of Neoliberalism*, Stanford, CA: Stanford University Press, 2019.

of government. Among them all, Walter Lippmann was the first to articulate with such depth and clarity the relationship between the political culture of liberalism and the scientific culture of modernity. Historically, he put forward the inextricable link between the sociological consequences of modernity (massification, urbanization, division of labor) and the progress of science coupled with the rationalization of business and politics. As the old sources of authority became exhausted, the moral position and prestige of science and its practitioners (experts, engineers, scientists, managers, etc.) increased. Yet, the diffusion of a scientific spirit did much to dissolve the traditional sources of moral authority without replacing them with an appealing and popular ethos. Even though elite scientists could be identified as modern virtuosi, the spiritual problem remained for society at large, however much one could preach the "discipline of science."[121]

If Lippmann as well as neoliberals valued the scientific ethos as a model liberal ethos, they also acknowledged the intrinsic elitism of such a prescription. At first, Lippmann worried that this would nullify the need for democratic education and participation. As the interwar years progressed, this hope was replaced by the fear that democratic forces, either out of ignorance, prejudice, or parochialism, would conspire to undo the authority of scientists and experts. It was thus the moral duty of a reconstructed liberalism to close the gap between autonomous economic progress and its dependent social reforms. This had also been the task New Liberals held to be the mission of liberalism. In that regard, the early neoliberalism of the 1930s was not that philosophically distant from its reformist critiques.[122] The trajectory of Lippmann constitutes a clear bridge between progressivism and neoliberalism: both embody the same need for social reform and public morality, while disagreeing as to the best means to achieve it.

[121] David A. Hollinger, "Science and Anarchy," 463
[122] See Milanese, *op cit.*, 2020.