

How Can Liberalism Thrive in the 21st Century?

¿Cómo puede el liberalismo prosperar en el siglo XXI

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ABSTRACT

Liberalism has been on the back foot for more than a decade in Western democracies. The rise of populism is seen as a direct response and the best proof of its intrinsic weakness. The ongoing assault on liberalism across the globe begs three fundamental questions: What is liberalism? Is it fair to blame liberalism for contemporary political and economic maelstroms? How does liberalism need to evolve to thrive in the 21st century? As far as the first question is concerned, this paper aims to highlight that liberalism is an umbrella term which brings together a broad array of diverging perspectives regarding human liberty. Consequently, to talk about liberalism requires conceptual clarity, precision and consistency. Secondly, the paper explores some root causes of the liberal crisis. And third, the paper looks at some practical reforms –lean state, migration, welfare, and ethical pluralism– which may help liberalism regain its appeal in the anti-liberal age.

KEY WORDS: liberalism, liberal individualism, lean state, immigration, welfare, pluralism.

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RESUMEN

El liberalismo se ha mantenido a la defensiva ya por más de una década en las democracias occidentales. El ascenso del populismo se ha considerado como una respuesta directa y como la mejor prueba de su debilidad intrínseca. El asalto al liberalismo en curso a todo lo largo y ancho del planeta se basa en tres preguntas fundamentales: ¿qué es el liberalismo?; ¿es justo culparlo de todas las convulsiones políticas y económicas contemporáneas?; ¿cómo tendría que evolucionar para lograr mantenerse y prosperar en el siglo XXI? En relación con la primera pregunta, el presente trabajo se propone señalar que el de liberalismo es un concepto sombrilla que reúne un amplio espectro de posturas divergentes en lo que concierne a la libertad humana. Por consiguiente, referirse al liberalismo requiere de claridad, precisión y consistencia conceptuales. En segundo lugar, este texto explora algunas de las causas más profundas de la crisis liberal. Por último, en tercer término, el artículo revisa algunas reformas prácticas —en las materias de adelgazamiento del Estado, migración, bienestar social y pluralismo ético que podrían ayudar al liberalismo a retomar sus capacidades de convocatoria en la actual era antiliberal.

PALABRAS CLAVE: liberalismo, individualismo liberal, Estado mínimo, inmigración, bienestar social, pluralismo.



Like democracy, liberalism has become a vaguely defined catch-all and please-everyone term. And, a scapegoat of late times. Among other things, it is blamed for the 2007-2009 financial crisis and its devastating effects. Moreover, critics of liberalism point out that it is unable of offering practical solutions to migration imbalances among countries. The 2015 refugee crisis that shackled EU common policies seems to be a

case in point. Liberalism is associated with the Washington Consensus, and US interventionism. It has become a synonym of cosmopolitan, morally progressive and politically correct elites. It is perceived as the main trigger of social and economic polarization. Finally, the pandemic of Covid-19 puts in question the idea of economic and social globalization, a quintessential part of liberalism.

In order to address such negative connotations and explicit critiques of liberalism, this paper aims to (1) highlight that liberalism is an umbrella term which brings together a broad array of diverging perspectives regarding human liberty. Consequently, to talk about liberalism requires conceptual clarity, precision and consistency; (2) to argue that liberal individualism, a species of liberalism, has been a most enriching and beneficial concept in political and economic thought since the Enlightenment; (3) to look at some practical solutions, namely lean state, migration, welfare and ethical pluralism, which may help liberal individualism re-gain the lost allure in the era of anti-liberalism.

LIBERALISM: ONE OR MANY

Simply put, liberals cherish human freedom. And, freedom equals personal autonomy. For liberals, to be autonomous is a superior value that comes before any debate about the intrinsic value of goods that are chosen. To a certain extent, all human societies are liberal. The role imprisonment plays in the judicial system is a clear evidence of how much freedom is valued universally.

Paradoxically, however, liberalism as a school of thought developed along two parallel lines which are the opposite of each other. On the one end of the spectrum, there is *liberal individualism*, which dominated in the 17th century, especially in England, Scotland, and the Netherlands, that considers the state as the biggest threat to human freedom. On the other

end, there is *statism*, which dominated in the 18th century, in particular in France and Germany, which recognizes in the state apparatus the pinnacle of human freedom.

LIBERAL INDIVIDUALISM

Originally, liberal individualism, which emerges in the context of the English Civil War, was shaped by the following philosophical currents: *i) jusnaturalism* that recognizes pre-political, inalienable human rights; *ii) contractualism* that sees the state as a series of conventions among individuals, and *iii) economic liberalism*, which opposes state intervention in the natural development of economy (Abbagnano, 1998: 631-634).

With time passing by, the conceptual universe of liberal individualism has expanded quite radically to include such different schools as Berlin's liberal pluralism, Popper's open society, Hayek's neo-liberalism, North's liberal institutionalism, Nozick's libertarianism, and Novak's Catholic liberalism.

Is there anything that all these schools of thought have in common? Indeed, yes. Despite intrinsic differences among these trends, the edifice of liberal individualism is built upon five main pillars (Law, 2012: 162-169):

1. *Negative freedom*: freedom is about being able to live the life each one wants without undue interference from the state and society. Liberals reject categorically state absolutism, that is, an unlimited scope of the state's action which annihilates human freedom. A liberal state is like a night watchman or an umpire. It guarantees little else than public order which allows people make their own choices about the way they want to live. In that sense, a liberal state is a neutral or amoral state because it does not enforce a particular way of life on citizens. Having provided basic public goods, a liberal state takes a step back to make room for individual autonomy.

2. *No harm principle*: individuals are allowed to live as they please as long as they do not harm others in society. Inflicting harm on others equals violating others' right to be free and autonomous.
3. *Social contract*: the state does not have either divine or any other superior authority over individual citizens. The state is a man-made invention which consists in a series of norms and institutions. In that sense, the state is a convention, a contract that exists to safeguard negative freedoms. Man invents the state to protect individual freedoms rather than to become a cog in the state's wheels. Consequently, state's prerogatives are very limited, for the state that violates negative freedoms becomes a void social contract.
4. *Human rights*: following through on Grothius jusnaturalism, human rights are seen today as non-negotiable, universal human goods that the state enshrines in legal statutes to protect them effectively. Nevertheless, strong divisions persist among liberals regarding the basis of human rights. For some, human rights are pre-political, for they are part of the human nature. For others, human rights are political, for they are social conventions of social expectations established by the legislature in function.
5. *Pluralism*: being able to live a life of your own with minimal external interference implies diversity of lifestyles. Thus, liberals are in favor of pluralistic societies that bring together different world views, races, religions, cultures, and genders. Thus, pluralism is a principle and an expression of liberalism at the same time.

Liberal individualists tend to agree on the importance of *responsible moral conduct* as a *sine qua non condition* that enables freedom. No respected liberal thinker would argue that human freedom is about living a careless and predatory

lifestyle. To the contrary, from Adam Smith onwards liberal individualists have underlined the importance of responsible conduct. Even Milton Friedman, a much-vilified liberal thinker, points out that for-profit business activity is legitimate “as long it stays within the rules of the game, which is to say, engages in open and free competition without deception and fraud” (Friedman, 1970). Just these three simple postulates –free competition, no deception, no fraud– constitute a steep benchmark of business social responsibility. In addition, Friedman underlines the importance of individual responsibility. Whatever companies do or refrain from doing is an outcome of individual responsibility.

Why do liberty and responsibility go hand in hand? Answers are plentiful. One of them is that liberty and responsibility need each other in order to keep the costs of the social contract low. Low taxation and lean regulations are viable as long as individuals believe in the importance of morality in private and public life. One could argue that intrusive state and high taxation, are practical consequences of the collapse of virtuous and prudent moral conduct. In order to test this assertion one could ask, what does keep you from speeding downtown? Is it for fear of being caught or the awareness of hazards you may trigger? What makes you clean the poo of your dog on early morning hours in your condo’s green space? Is it the fear of being recorded by the administrator’s surveillance system or is it the sense of civility and respect for your neighbors? What does it make you stay away from selling harmful products or deceitful services to your customers? Is it the risk of legal fines or the sense of deontological professionalism?

These questions point out to another common thread among liberal individualists. They tend to believe that law does not make men moral (George, 1995). What law does is guarantee coercive conformism with the positive law regardless of its moral content. Therefore, *ad extremis*, you can think of a society which complies with the law, but is morally debased. It

suffices to consider various atrocities committed by right-wing and left-wing authoritarian regimes in the xx century. Examples abound of democratically elected governments that committed crimes against humanity which were “permitted” by national legal statutes.

Liberals are also averse to political centralization, as well as top-down enforcement of economic egalitarianism. As pointed out by Alexis de Tocqueville, centralization leads eventually to the rise of a velvet tyranny, that is, “an immense and tutelary power, which takes upon itself alone to secure (citizens) gratifications and to watch over their fate” (Tocqueville, 2000: 1, vi). The rise of such a despotic, yet democratically, elected power is more likely in a context of an equalitarian society made of an “innumerable multitude of men, all equal and alike, incessantly endeavoring to procure the petty and paltry pleasures with which they glut their lives”(Tocqueville, 2000: 1, vi). Tocqueville’s words sound really prophetic if we think about wide-spread demands of ever more generous welfare state, higher public spending, and more state intervention in multiple dimensions of private life.

The uneasy balance between liberty and equality is the source of profound disagreements between libertarians and social democrats. While libertarians believe in the minimal state which should not level the playing field, social democrats argue that one of the key functions of the state is to provide equality of opportunities. Libertarians accept inequality as a natural phenomenon of life. For them, the state should not intervene to correct it. By correcting natural inequalities, the state hinders individual liberty. It hampers natural competition and meritocracy. And third, it leads to an overblown government which will suck in ever more resources through taxation and restrict human liberty by regulation. All in all, for libertarians, trying to level off inequalities is like trying to make all men of the same height as a matter of “social justice”.

Social democrats however argue that the exercise of freedom depends on one’s resources, capacities, social context,

connections and luck. Just by the matter of birth some people can be freer than others, which is unfair. Therefore, one of the roles of the state is to combat natural unfairness and ensure equality of opportunities. As parents provide the best tools of self-fulfillment to all kids without discrimination, so the state should ensure that all citizens have equal opportunities rather than equal outcomes. Contrary to libertarians, social democrats believe that by not correcting natural injustices, the state will end up tilting the playing field in favor of the advantaged, which hinders freedom of many in the advantage of few (Law, 2012: 162-169).

STATE INDIVIDUALISM

On the other end of the spectrum, there is another group of philosophers who point out that freedom is meaningless with the state. According to Rousseau, thanks to the social contract, abstract and undefined ontological freedom becomes civic freedoms (Rousseau, 1974: I, 8). The state becomes the guarantor of ordered freedom. Consequently, liberty equals legal compliance. The supremacy of the state over the individual is a sine qua non condition to make liberty viable in society. Rousseau's vision of the state reaches its zenith in the philosophy of Hegel, who sees the state as a divine institution which brings together the power of reason and will (Hegel, 1967: 258). In contrast to Hegel's absolutist tendencies, both Auguste Comte and John Stuart Mill underline the importance of the state in promoting egalitarian liberalism, in allowing social inclusion and progress of all citizens regardless their circumstances (Comte, 1968: IV; Mill, 1849). One can find elements of state individualism or statism in the thoughts of John Maynard Keynes and John Rawls, who admit the importance of significant state intervention in social and economic affairs.

*SUCCESSFUL AXIOMS AND ITS
UNINTENDED CONSEQUENCES*

Liberal individualism has underpinned political, economic and social opening worldwide since the ideological inflection point in 1989. In practical terms, this philosophy has translated into freer global trade, freer movement of people and capital, and less intrusive state regulations. The world has witnessed an unprecedented economic expansion and improvement of living standards since the watershed moment in 1989. The contribution of liberalism to better living standards is even more impressive if we look at a longer time span of modern history. Global life expectancy has risen from 30 years to over 70 years for the last 175 years. The share of people living in extreme poverty has fallen from 80 to 8 per cent in the same period of time. Although the global population has increased from 100 million to 6.5 billion, the absolute number of people living in extreme poverty has halved. The literacy rate has reached 80 per cent globally. All these improvements couldn't have occurred without lower trade barriers, more open economies, and better protection of human and civil rights (*The Economist*, 2018).

At the same time, however, that rise of liberalism has carried with it the seeds of its own undoing which is evidenced by the rise of national populism across Western countries and beyond (Inglehart & Norris, 2016). What are the forces that have propelled the rise of populism? Economic stagnation, demographics, globalization, technology, fiscal policies, and cultural and generational changes are commonly seen as major culprits of the demise of liberalism (Zakaria, 2016).

To begin with, economic growth and productivity in Western countries have been falling since the 1970s. Apart from periodic booms, such as the one at the end of the 1980s, the rate of economic growth has remained stubbornly low on average across Western countries, especially in the European Union (EU). Second, all Western countries have observed sharp de-

clines in their fertility rates in the last few decades. As a result, no developed country has the fertility rate above or equal to the population replacement level today. Third, economic globalization exposed workers and producers in the West to fierce competitive pressures from emerging economies, which has triggered higher unemployment and lower wages in certain economic sectors. Fourth, the so-called fourth industrial revolution – automatization, digitization, artificial intelligence and internet of things is changing the nature of work and the structure of labor markets.

Economic stagnation, intensifying global competition and the fourth industrial revolution have fueled the popularity of nationalist and protectionist political leaders in the US, the UK, Italy, Poland, Hungary and many other developed and developing countries. In Mexico, for example, Andres Manuel López Obrador, freshly elected president, declared openly “the end of the neoliberal era”, which he blamed for sharp economic polarizations, poverty and corruption (Hernández, 2018).

Last but not least, cultural issues have replaced economic affairs as a main driver behind citizens’ political preferences and voting decisions. Taxation, welfare benefits, trade policies and even foreign policy have been replaced by immigration, gender, race, and other social and bio-ethical issues as key decision points for voters in the West. Moreover, the rise of left-wing and right-wing populist parties has to do with a “cultural backlash” against progressive values that include support for multiculturalism, environmentalism, gender equality and pro-choice positions (Inglehart and Norris, 2016).

The rise of xenophobic nationalism in Central and Eastern Europe provides a compelling case in point. Post-communist countries of the Warsaw Pact have been considered “post-er-kids” of successful economic and political liberalization. Between 1980 and 2010, Poland, Hungary, and other post-communist countries outperformed other emerging economies in Asia, Latin America, and Middle East and Africa in advancement of economic freedoms (liberalizations, privat-

ization, monetarism and fiscal austerity) (Appel and Orenstein, 2016: 315). Several Central and Eastern European countries opted for “the shock therapy”, a radical change from centralized, planned non-market economy to a free-market economy. While extremely painful, the “shock therapy” has turned out beneficial, for it allowed for a quick and lasting “reinsertion into the international economy” (Appel and Orenstein, 2016: 315), and paved the way to a major European Union enlargement in 2004 when eight post-Communist countries joined the club, followed by further accessions in 2007 and 2013. Nevertheless, liberal democracy has been backsliding in Central and Eastern Europe. Despite significant improvement in the quality of life and successful political integration into Western structures, Poles and Hungarians have elected anti liberal right-wing governments. Far-right parties have been on the rise in Austria, Italy, Denmark, the Netherlands, and other developed economies as well. If advanced economies can turn politically illiberal, one could argue that economic factors are not decisive for the sustainability of liberalism. Intangible factors such as culture, religion or nation may take an upper hand over quality of life measured in material economic terms.

If all that is largely true, individual liberalism is facing an uphill battle for its survival in the decades to come. Not only must it prove that it can guarantee economic inclusion, but also that it allows for genuine ethical and cultural pluralism rather than homogeneity.

LIBERALISM: AN UPDATE

Considering how complex and interconnected the world has become, it might be overwhelming to expect citizens to adapt successfully to a fast-changing economic context. Citizens expect help and assistance from their governments. People want to see their taxes well-spent on services that improve quality of life and offer better economic prospects. They also

want to feel protected from physical violence and ready to cope with natural catastrophes and man-made disasters. Therefore, in order to thrive in the 21st century, individual liberalism needs to find practical solutions to these citizens' expectations without sacrificing human freedom on the altar of the state's centralization.

LEAN STATE

Building a lean digital public sector may be a good place to begin a liberal reboot. Margaret Thatcher, a neoliberal hawk, used to say that a small state does not make a weak state. The advancement of 4.0 technologies allow liberals build a more efficient yet less bureaucratic state apparatus. E-administration may be a source of important savings and higher citizen satisfaction. In Estonia, for example, which declares itself as a digital society, almost 90 per cent of citizens already have digital ID cards which allow them not only to pay taxes, but also to review their medical files, vote, and establish a business (e-estonia, 2019). In Switzerland, you can obtain your criminal records in a matter of minutes, paying for it with a credit card. There is no need to purchase revenue stamps nor show up in person at a police station (Criminal Records Extracts, 2019). And yet, e-government is still a luxury good rather than a norm. According to the United Nations E-government Survey, "the average world EGD I [Electronic Government Development Index] has been increasing from 0.47 in 2014 to 0.55 in 2018, due to the continuous improvement of its subcomponents indices. This suggests that globally, there has been steady progress in improving e-government and public services provision online. But despite some development gains and major investments made in several countries, the e-government and digital divides persist" (United Nations, 2018). Paradoxically, international administrative procedures are particularly cumbersome in the global era. Getting a second passport for a baby born

overseas can take several months. A transnational couple that wishes to celebrate their wedding in a third country needs to brace itself for months of complex triangulations between embassies, civil registries, and ecclesiastical offices (in case of a religious ceremony). Immigration procedures tend to be extremely intricate as well. In Canada, which is considered to be a world leader in merit-based, and ordered immigrations services, applicants are required to do substantial paper work. Not only do they file multiple immigration application forms, but also need to produce education, job, medical, language, and police records. All documents must be apostilled and translated by official translators into English or French. The complexity of the system leads to curious paradoxes. Although Canada wishes to attract young, economically independent, well-educated, foreign-language speaking candidates, these are the applicants who will need to check most boxes on the application checklists. Those who have studied, worked or lived in more than one country are disadvantaged by the design of the application process itself (Immigrate to Canada, 2019).

IMMIGRATION: SECURITY AND HUMAN RIGHTS

Since immigration has become a key trigger of illiberal sentiment across Western democracies, liberals need to make a better job defending *ordered* movement of people across borders. The refugee crisis that saw millions of desperate Middle Easterners, Africans and Asians march across the EU in 2015 exposed certain naiveté or unpreparedness of the EU's immigration system. And yet, that EU's failure cannot be equalized with the liberal support for unrestricted immigration. Nevertheless, liberals do believe that social diversity, which is an expression of pluralism, is enriching and economically beneficial. "Economists estimate that [when] the world is able to accommodate the wishes of all those who want to migrate, global GDP would double" (*The Economist*, 2018). Although economically rational, such a massive accommodation is un-

likely to happen for political reasons. In the context of a strong anti-immigrant sentiment in the West, liberals need to show that they take border control and domestic security very seriously. In fact, security is a quintessential function of a limited state. Thus, liberals should feel comfortable addressing the issue of immigration. Otherwise, they risk fueling a misperception that security is a domain of political realists and right wing hardliners rather than “soft-spoken” liberals.

Fortunately, in the aftermath of the 2015 immigration deluge, the EU has been taking steps to prop up its immigration system. Asylum application procedures are being simplified to speed up repatriations of unsuccessful applicants. A renewed asylum agency is being put in place to manage asylum claims across the EU to guarantee procedural consistence and lessen the burden on state authorities. Frontex, the EU border security, will reach 10,000 agents in 2020. The EU has also promised more development funds and investment in Africa to prevent mass migration.

Moreover, additional resources need to be dedicated to improve collaboration among police forces across the EU to prevent terrorist attacks. Intelligence gathering and surveillance measures need to be strengthened to avoid formation of terrorist cells within the EU. Asylum seekers and immigrants who commit violent crimes must be repatriated.

Nevertheless, security is just one dimension of managing global migration. Human dignity is another. Unlike hardline nationalists, liberals cannot look the other way while millions of people are desperate to find a safe and economically viable place to live. Liberal principles are incompatible with political and economic determinism. To come from a country ravaged by war or economic underdevelopment must not close you the door to a better life elsewhere. There is ample historic evidence that integration of refugees is far more beneficial than isolation. It suffices to recall the reintegration of 14 million displaced people after the World War II; Vietnamese refugees in the 1970s; Serbs, Bosniaks and Kosovars in the 1990s (*The Economist*, 2015).

According to some voices within the EU, the most effective way of protecting the region from further refugee inflows is to outsource rescue operations in the Mediterranean to Northern African countries such as Egypt, Tunis, Libya, and others. However, this solution does not seem viable for several reasons. First, those countries do not have the necessary operational capabilities to rescue and host in their territories hundreds of thousands of refugees. Second, they lack solid political institutions. And third, striking deals on refugees with authoritarian or semi-authoritarian states in Northern Africa may entrench the image of the EU as a transactional power which prefers to pay others to keep itself out of trouble (Collett, 2017).

Another proposed solution is to cease all rescue operations in the Aegean and the Mediterranean seas to discourage crossings. In addition, all illegal immigrants who have already reached the EU should be sent to offshore detention centers. However, the case of Australia shows that such a solution, albeit effective, remains economically burdensome, and morally and legally questionable (*The Economist*, 2015).

Therefore, if you discard the two above-presented options, “the European Union cannot ignore the need to keep working towards more robust management of arrivals *within* Europe, so that it reduces its vulnerability to uncertain partnerships with non-EU countries and can avoid the same sense of crisis even if maritime migration fluctuates in the future” (Collett, 2017).

Mandatory resettlement quotas among EU member states should be abandoned, for they enhance internal division. Several EU member states have either rejected to participate in the resettlement scheme or have established tight intake limits. The EU countries’ concerns about accepting refugees fall into the following categories: *economic* (negative impacts on domestic job markets and welfare spending); *security* (terrorist and crime risks), and *cultural* (moral and religious incompatibility). Such deep-seated concerns are difficult to overcome in the short-term. The rise of right-wing populism in Germany, Austria, Poland, and Hungary shows that an attempt to impose solidarity from above may trigger ricochet effects (*The Economist*, 2017).

Instead of forcing the hand of culturally homogenous countries, the EU should seek collaboration of culturally heterogeneous nations who have ample experience in receiving and integrating immigrants (i.e., Northern and Southern American countries) (Byrne, 2017; Wagstyl, 2017). The EU could transform its “emergency” deal with Turkey into a more amicable solution with partner countries worldwide (Lex and Sebanius, 2006: 91-94). Similarly, the EU should reach out to Saudi Arabia and United Arab Emirates to seek their financial assistance in reconstructing Syria and Iraq, which is central to the regional stability. In exchange, the EU could sign preferential deals on oil and gas, which would also help to reduce its dependence on Russia (*The Economist*, 2005).

Moreover, a pan-European awareness campaign is needed to let EU citizens see refugees as a solution to its regional negative demographics (*The Economist*, 2005). In order to make that point, the campaign should display economic, fiscal, and labor impacts of shrinking populations. Instead of talking about what the EU wants to avoid (risks related to accepting refugees), the discussion could center on what it wants to achieve (benefits of accepting refugees).

Considering that migration flows are only going to increase in the coming decades, liberals should be spearheading pragmatic changes of international and national regulations. For example, under today’s international law, displaced people who live in official refugee camps are not allowed to be employed either inside or outside such camps. Formally, they are at the mercy of the international community and national emergency mechanisms, for they can’t provide for themselves. If they were allowed to work, however, they would decrease financial pressure on national budgets, which in turn could reduce anti-immigrant sentiment (Collier, 2015). Keeping refugees productively occupied could reduce security concerns and generate taxable incomes. Refugees that are allowed to leave camps to work, buy and sell stuff, add value to local economies instead of remaining idle in the camps (Dutta and Poddar, 2016; Easton-Calabria *et al.*, 2017).

In order to help refugees be assimilated by the European and other labor markets, it is necessary to speed up the process of recognizing foreign degrees. It is recommended to establish an occupation assessment task force. Being a refugee should not equal “starting from scratch” by losing all academic and professional credentials (Wassenhove and Boufaied, 2015). For example, it is in the EU’s self-interest to favor fast-track integration of medical doctors, nurses, engineers and other highly trained professionals. Helping high-skilled refugees practice their respective occupations may also help ease local social tensions. For example, instead of “forcing” a Syrian physician-refugee to become a taxi driver, he should be assisted to begin practicing medicine. In that sense, professional associations become an important party in the assimilation process (Wassenhove, 2015).

Liberal democracies could also introduce limited welfare packages as long as immigrants remain unemployed. Migrants’ incoming capital and businesses could be taxed to co-finance their integration into host communities. Public resources should be allocated proportionally in function of the number of refugees in a given territory. Businesses and families that decide to sponsor asylum seekers could receive tax deductions. Similarly, companies that open shops near refugee camps should receive some form of fiscal incentive. Crowdsourcing could also be a valuable stream of resource to finance humanitarian needs.

A NEW WELFARE MODEL

Liberals need to take into account that today’s Western liberal democracies were designed in the aftermath of the Second World War. Welfare state was installed to help the baby-boomer generation in the context of urbanization and industrialization of the 1950s and 1960s. And yet, the model has been in a gradual, yet constant decline since late 1970s. Therefore, instead of propping it up, the model needs a major overhaul to be fruitful in the 21st century which is characterized by environmental bot-

tlenecks, mass global migration, and technological advancement. In order to remain relevant in the contemporary economy, liberals need to find new ways of using economic, fiscal and social policies to promote life-long employability and adaptability rather than an affordable retirement. Portable benefits, continuous education, shared labor activation programs, and no compulsory retirement age are just some solutions that may be considered. Scandinavian countries have been quite successful implementing hybrid policies that combine robust social safety nets with labor market flexibility in order to guarantee national economic competitiveness in the globalized world (World Economic Forum, 2011).

Moreover, a new wave of deregulation is needed to encourage market competition and social mobility. For example, the structure of the aviation industry in the US is a classic example of stifled competition and the rise of neo-oligopolistic tendencies in Western capitalism. Similarly, the proliferation of professional exams, occupation licensing and city permits hinder social mobility and economic inclusion. To have a university degree is hardly a sufficient pass to professional practice (World Economic Forum, 2017-2018).

ETHICAL AND CULTURAL PLURALISM

Genuine pluralism implies that progressive, conservative and other views can co-exist in a society on the same footing. On the one hand, conservatives should not feel coerced to either accept political correctness of the progressive left or be relegated to second-class boorish class. On the other hand, once in power, conservatives should resist the temptation of moral “fundamentalism”. Identity politics and affirmative actions are used by the political right and the political left, respectively, to push back against what each one of them perceives as tyranny of the majority. This footballization of politics, where the winner takes all during his term in power, fuels further polarization, resentment and intolerance.

Therefore, academia, civic organizations, NGOs and the media play a vital role in promoting profound and respectful public debates. Furthermore, philosophy, history and civics should be given more room in pre-university education to enable mature public debates. In a liberal society, both liberals and non-liberals should become aware that conflict can be a productive force. It stimulates enriching argument, competition, and dynamism. To fight back uniformity and conformism, liberals need to make a better case for the value of diversity and heterogeneity. In a pluralistic liberal society, citizens should be allowed exercise their choices without suffering bias, prejudice and hostility. For example, talking about the beginning and the end of life issues, the objection of conscience is a mechanism that allows conservative-minded medical staff refrain from participating in medical services that violate their moral principles. Conscientious objections could be then universalized to all professions and all industries.

Last but not least, liberals need to acknowledge the intrinsic limitations of liberalism, as well as to factor in critics that have been advanced against them (Law, 2012: 172-175). Individual preferences may sometimes clash with public interest leading to suboptimal outcomes. For example, as liberals see all consumer preferences as subjective and amoral, there is little difference in principal between driving a SUV and using public transportation. Consequently, the liberal is not very good at solving collective problems such as urban congestion, traffic jams or air pollution. Similarly, liberalism allows for civic disengagement from the society you live in. Again, the logic of amoral preferences makes that willful political indifference or even ignorance is so valuable a choice as political engagement. As a consequence, liberalism delegates politics to technocrats, interest groups and intellectuals while society at large focuses on consumption, entertainment and private affairs (Davies, 2016). One unintended consequence of liberalism has been the undermining of the political vocation of men: *zoon politikon* has been reduced to *animal laborans* (Arendt, 1958). Similarly, liberalism has favored a reduction of

politics into a utilitarian supermarket where voters choose among assorted options of services. Politicians are economic agents (sales representatives), and the state itself is little more than an amazon of provisions. The utilitarian focus of liberal policies tends to minimize the importance of social and cultural embeddedness which set the context to political decisions. Consequently, negative freedoms are dissociated from positive freedoms. Liberals put little emphasis on one's duties to the local community where one lives, which may trigger pernicious social consequences such as free riding and the tragedy of the commons. On top of that, liberals refrain to accept that some choices may be intrinsically better than others. This axiomatic amoral position strange conservatives who may seek refuge in ever more radical political movements.

All in all, in order to thrive in the 21st century, liberalism needs to offer a better balance between negative and positive freedoms. Preventing contextual determinism and stifling encroachments of one's autonomy remains the noble vocation of liberals. However, at the same time, it is pivotal to protect, preserve and cherish common conditions that make the exercise of freedom possible. Paradoxically, autonomy and the common good are heads and tails of the same coin. The future of liberalism depends on rebalancing them.

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