

This Could Be Our 1989

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You might think that the greatest political, cultural, economic shock of our lifetimes, right here in the USA, would unleash a torrent of salient and incisive commentary. There's been some good, some confused, some angry. But mostly what I've seen is a kind of mouth-open shocked.

Here's the problem: all the experts were wrong. I'm in the same boat as almost everyone else. We followed the cues we had – polls, betting odds, our own intuitions – but they were all misleading, and everyone underestimated the vulnerability of the status quo. Admitting this takes humility – vast oceans of it. It challenges us to throw away what we thought we knew and consider a new way of thinking.

Trump triumphed over every bit of conventional and establishment wisdom on the whole of planet earth. What was once regarded as expertise lies in ruins. Not even the people with skin in the game, those betting on the outcome, came close to being right. It's the greatest smashing of a paradigm – a devastating crush of not only opinions but every existing establishment left, right, and center – I can imagine happening in real time.

And perhaps this is just the beginning. There could be more exciting times to come.

A Paradigm Ends

Most of us have spent the last several days just trying to get reoriented. Just last week, speaking in two states that swung the election, I spoke about a coming meltdown of the old days and the emergence of something new, hopefully a new freedom. I've written for several years that the old ways of politics are dying and the institutions it gave rise to are dying as well.

Here's the problem in brief. The institutions of government we know all too well were built for a world that is rapidly fading away. Their systems no longer work. And they are too costly. In times when people are watching every dollar, bargain hunting on every website, government looks ever more like a ripoff. As a result, there is an increasing disconnect between our lives and the regime under which we live.

Such a situation is not sustainable for the long term. Government is powerful, but not powerful enough to bend reality to its wishes.

The only analogy that really comes to mind is the [collapse](#) of the Soviet Union and its satellite states. The evidence of the end became obvious in 1989 with the revolution in Poland, and continued in Hungary, Romania, Czechoslovakia, and East Germany. Protests came to Tiananmen Square in China. The Berlin wall was brought down. Then the unthinkable: the Soviet Union itself dissolved as 14 countries declared their independence.

No one expected this to happen either. It was like an uncontrollable wave. People were in shock. There was a sudden sense that no one knew what was going on, that events were taking a course that outsmarted everyone, that all expertise was destroyed, and that there was a seismic shift in the universe.

In those days, the champions of freedom rejoiced about the devastation wrought to the Old World and we celebrated the possibilities of a New World.

I've written that something similar could and would happen in the Western democracies. Our systems seem stable. We have our establishments. We have our embedded expectations of how the world is supposed to operate, with its politics, economics, and culture. But real world events will take a different course, one that challenges everything we thought we knew.

What would this look like? No one could anticipate. I've speculated about the gradual decline to irrelevance of the old bureaucracies and institutions. Gradual but relentless – that's how I imagined it would happen. And yet there are always those [black swan events](#) that make a mess out of all our wildest expectations.

The Black Swan

That is precisely how this strikes me right now – a black swan that is huge, fast, and ominous to the point that it causes mass intellectual and psychological meltdown. What's striking is this event is not as intellectually clean as the collapse of socialism, at least not to us. But that's probably because we all watched the events in Russia and Eastern Europe from afar. Our perspective, watching on television, was simple: the bad guys are being kicked out and freedom is winning.

The reality on the ground was more complicated. The revolutionaries had their own designs for power. The new people prepared to take power had their own agendas.

There were political machinations all around, as instability provided hope but also enormous danger. And while the universal results were a vast improvement, there was no clean line of travel between tyranny and freedom. Whole societies and regimes had to be rebuilt on a different basis and a different view of politics and economics.

In the last year and a half, I warned often of Trump's politics and his views. Many are illiberal in uncountable ways. But in other ways, there is a great deal of good here too. It's a wheat and chaff problem. On the plus side, what happened represents a serious blow to a technocratic, Progressivist, and managerial regime that could only perpetuate the status quo. On the downside, what stands to replace it is not the embodiment of the ideals of either the Scottish Enlightenment or a digital-age libertarianism.

All these details of the Trump platform are still important, but strike me as less relevant to what we can expect going forward. The more I look at it, the less it seems to me that the election results are less about what Trump believes and more about what he represents: a fundamental shattering of an old paradigm. And I'm finding the widespread commentary that this represents some kind of triumph of racism, misogyny, etc. etc., to be superficial and even preposterous. And you know this if you visit with any regular voter.

What lies in ruins here is not common decency and morality – much less the character of a whole people and nation – but rather an anachronistic, arrogant, entitled, smug, conceited ruling elite and ruling paradigm. You can see this in the clues that show that the vote was not so much for a particular vision of one man, but against a prevailing model of managing the world.

Our Uncertain World

Now, look at this from a Hayekian lens. This lens asks us to be humble in the face of an unknowable future and the uncertainty of a world that constantly resists planning and top-down rule. Here we can begin to make sense of what has happened.

Now, to be sure, there are dangers ahead. No one can deny that. The great risk is replacing a failed paradigm with yet another one of a different flavor. Maybe it will be worse. There is no way to know for sure until it happens. But here is where the role of ideas comes into play, and where the role of public intellectuals and institutions like the Foundation for Economic Education truly matter.

What we've learned from populist revolutions past is that they can turn in many different directions depending on the ideas that prevail in their wake. We've learned that it is not enough to hate the status quo and overturn an existing ruling class.

We need to be clear on what it is that we love, what kind of society we want to live in, what kind of people we want to be, how we regard our fellow human beings, what kind of ethical core should be at the center of our lives.

Here the liberal tradition has the answer. We need peace. We need opportunity for all, leading to a shared prosperity. We can depend on the spontaneous order to build the kind of world we desire. We can't plan it from the top. It must be ordered from below, through the lives, choices, behaviors, and decisions of millions and billions of people who are pursuing happiness above all else.

Speak Out with Courage

In other words, this is not the time to sit in stunned silence, much less join the chorus of people who are cursing the darkness around us or wishing that what is already done had occurred in a different way. This is the time for Leonard Read's candle to be lit and passed around the room, from person to person, room to room, city to city, nation to nation, all over the world.

Maybe this is it. Maybe this is the opportunity we've waited for for so long. It hasn't taken the form we expected, or even wanted. So it goes in life. No one explained this better than Hayek. We've been granted a glorious opportunity. The world is seeking out a new answer.

We are living in times that Thomas Kuhn would call "pre-paradigmatic." The old is going away, or already gone. What the future holds depends on the ideas that prevail in the great intellectual struggles of public life. I hope we all do what we can to shed light and wisdom on the present and for the future.

As Hayek said, this task will consume the whole of our lives going forward.