

Politics as Cold War

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Many people fear the market as a small child fears the dark. Francis Bacon held that many feared death in this way but the analogy is better with the market, for none experience death. Both the dark and the market can be experienced and feared by children and ignoramuses.

By contrast people feel safe with the state. Democracy allows a statistically insignificant vote, and enforces conformity over an ever-increasing domain, putting more and more control in the state's hands at the expense of private life. They call this conformity 'participation'. There is clearly a need to propagate the basic facts of trade, politics and war; we know the disutility of war and it is useful to relate it to the basics of trade and politics.

We may use John von Neumann's theory of games to express the basics. Most people feel that society is what von Neumann would call a zero-sum game, where all gains are at equal expense of our opponent or vice versa. In fact, this is rare and can only be achieved in card games, tennis, chess and the like. Life seems to be mainly either positive-sum, where both sides gain, or negative-sum, where overall more is lost.

Money is a greater boon than fire or the wheel. It allows free trade to emerge where both sides gain in every transaction. When we buy a ware, we do so only because we value it more than the money we give for it, and it is sold to us because the money is worth more than the ware to the seller. It is a positive-sum game. Thus exchange itself is enormously productive, and that has been the basis of civilization for 3,000 years or so.

In war, as Hobbes made clear, both sides lose out. Even the victors suffer some losses, and each man killed is irreplaceable to himself and to those who hold him dear. Today we can all see that war is a negative-sum game, or so it seems from the media.

Clausewitz once said that war was politics carried onto the battlefield, and that is true.

But a deeper insight would be to see that politics itself is cold war. Politics is the use, of coercion on people. Many people feel that it only robs Peter to pay Paul, but it takes bureaucrats to administer the transfer payment, and the police to ultimately back it up, and so the result is a negative-sum game just like war (but not so damaging).

Cold war is less wasteful than hot war but both are anti-social and very wasteful indeed. All the political ideals are false idols that will not stand up to the test of reason or of debate. Tom Paine said that politics was a necessary evil. Well, it is an evil but is it really necessary? Privatisation can go all the way and prove that the market can deal with all of the useful services that the state has nationalized over the years. And the sooner it does so, the less wastage we will have. Politics is against the interests of all people, except the few who love it for its own sake and feel it is worth the mess. Those few should lose out to the rest of us. Stop the cold war.

Free Life