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Reviving Classical Liberalism Against Populism.

By Nils Karlson, Springer 2024

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Abstract. Authored by Nils Karlson, this monograph, part of the Palgrave Studies in Classical Liberalism series, addresses the contemporary global rise of populism by advocating for a revival and reinterpretation of Classical Liberalism. The book operates from the premise that the core tenets of the liberal tradition—specifically epistemic independence from centralized power and respect for dispersed knowledge—have been neglected by overly rationalistic and constructivist approaches, leaving a vacuum that populism exploits. Karlson draws heavily on intellectual sources like the Scottish Enlightenment and Austrian economics, emphasizing the foundational importance of spontaneous order and evolved social norms over conscious political design or Socialist command. The analysis reframes classical liberal thought as the most robust intellectual defense against the populist challenge, which often relies on simplistic, centralized, and emotional appeals that undermine the dispersed nature of a modern civil society. The volume proposes a strategy of "Statecraft" and policy focused on leveraging these non-rationalistic, situated spontaneous orders to rebuild trust and fortify the institutions necessary to counteract populist movements.

Keywords. Classical Liberalism; Populism; Spontaneous Order; Epistemic Independence / Distributed Knowledge; Social Norms / Statecraft.

JEL. E53; P16; D72; Z13; P51.

Book Review

Nils Karlson's *Reviving Classical Liberalism Against Populism* is a significant and polemical work that addresses one of the most pressing political-economic phenomena of the 21st century: the global resurgence of populism. Published in the Palgrave Studies in Classical Liberalism series, the book adopts the series' mandate by offering a profound critique of overly rationalistic, constructivist approaches within the liberal tradition itself, arguing that this philosophical weakening has left liberal democracies vulnerable to the simple, centralized narratives of populist movements. Karlson positions a revitalized, non-Cartesian Classical Liberalism—one rooted in distributed knowledge and spontaneous order—not merely as a viable political ideology, but as the only robust intellectual defense capable of countering the populist siege on open societies. The volume thus serves as both a diagnosis of the contemporary democratic malaise and a manifesto for a philosophical return to the core epistemic virtues of the Scottish tradition and Austrian economics.

Part I: The Epistemic Crisis of Liberalism

The book begins by dissecting what Karlson identifies as the primary intellectual failure leading to the liberal crisis: the shift away from the epistemic virtues of decentralized thought towards a rationalistic, planning-centric model. This critique is rooted in the "Scottish tradition" and "Austrian



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economics", notably thinkers like Hayek, who warned against the "fatal conceit" of assuming comprehensive knowledge.

- **The Hubris of Rationalism:** The author argues that post-war liberal thought, in its pursuit of administrative efficiency and social engineering, often mirrored the very constructivist tendencies of its socialist or totalitarian rivals. This "constructivist liberalism" assumes that complex social and economic phenomena can be fully grasped and optimally organized by centralized, expert institutions or the State.

- **The Corrosion of Epistemic Independence:** By centralizing decision-making and policy authority, this tendency severely corrodes the "hardest-won achievement of the liberal tradition": the "wrestling of epistemic independence from overwhelming concentrations of power". When citizens and civil society no longer trust the perceived rational experts, or when centralized policy failures become too egregious, the intellectual groundwork for non-liberal, populist solutions is laid. The book convincingly demonstrates that the concentration of knowledge and power, regardless of the ideology driving it, is the antithesis of the liberal condition.

Part II: Populism as a Consequence of Liberal Failure

Karlson's analysis shifts to how populism thrives precisely in the vacuum created by the intellectual weaknesses of constructivist liberalism. Populism, whether from the left or the right, often promises a simple, singular solution delivered by a charismatic leader who claims to represent the "true people" against a corrupt, liberal-establishment elite.

- **The Appeal of Centralized Authority:** Populism's core appeal lies in its promise of decisive action and the eradication of complexity, an anti-pluralist stance that fundamentally rejects the dispersed, messy nature of an open society. Karlson argues that this centralization impulse, whether for rational planning (constructivist liberalism) or for ideological purity (populism), shares a common flawed epistemological foundation.

- **The Spontaneous Order Counter-Narrative:** To effectively fight populism, the book argues that classical liberals must abandon the failed rhetoric of expert technocracy and instead champion the superiority of spontaneous orders—evolved institutions, free markets, and deeply ingrained social norms. These distributed phenomena are vastly more effective at coordinating complex social information than any central plan and are presented as the "DNA of the modern civil condition".

Part III: Policy and Strategy: Statecraft in Defense of Distributed Reason

The most practical and forward-looking section of the book addresses how the State should operate within this renewed philosophical framework, a concept Karlson terms Statecraft. This approach provides a necessary bridge between libertarian theory and the realities of modern governance.

- **Statecraft as Institutional Architect:** Statecraft, in this context, is the art of governing with humility. It shifts the focus of the State away from direct planning of economic or social outcomes towards the crucial task of designing and maintaining the stable, non-capricious legal and institutional rules that allow spontaneous orders to flourish. This involves strengthening the rule of law, protecting property rights, and, crucially, actively resisting "overly rationalistic and constructivist approaches" in policy that stifle bottom-up innovation and adaptation.

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- **The Power of Social Norms and Moral Psychology:** The book integrates insights from "moral psychology" to argue that successful Statecraft must be sensitive to the non-rational, but highly effective, organizing principles found in social norms. Populism often exploits the moral outrage and tribal instincts of the populace; a revived Classical Liberalism must appeal to these same moral sentiments by showcasing its respect for local knowledge and evolved justice, which are necessary conditions for the existence of a robust, decentralized society.
- **Distinction from Opposing Ideologies:** Karlson's work is unique in that it systematically positions a modern, revised Classical Liberalism not only against Populism but also against Socialism, framing all forms of centralized planning—economic, political, or social—as fundamentally incompatible with the complexity and dynamism of the modern world.

Conclusion

Reviving Classical Liberalism Against Populism is a powerful, intellectually rigorous work that delivers on the promise of the Palgrave Studies in Classical Liberalism series. It serves as an essential reference for political economists, philosophers, and policy practitioners. By convincingly linking the threat of populism to an internal intellectual weakness within the liberal tradition, Karlson compels readers to revisit the deepest, most non-rationalistic roots of Classical Liberalism—those based on skepticism toward concentrated power and reverence for the unseen wisdom of spontaneous order. The book provides a much-needed intellectual strategy to defend open societies in the face of escalating political extremism, one that relies on fostering distributed reason rather than centralized command.



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