Radical for Capitalism

An Introduction to the Political Thought of Ayn Rand

William R Thomas

The Atlas Society
I. Rand’s Significance

The late twentieth century saw a resurgence in America of a strain of political thought variously called “libertarianism,” “classical liberalism,” and “market liberalism.” Like the liberalism of the nineteenth century, libertarianism envisions a government of limited scope and strictly defined powers, consistently upholding rights to freedom of speech, freedom of contract, and the right to own and use property. It critiques the welfare state and economic regulation as both unjust and inefficient, and endorses laissez-faire capitalism as the economic system that maximizes justice, human well-being, and individual liberty.

Libertarianism per se is not a dominant political movement in America, but its themes have been sounded on both the Left and Right, in such causes as concern for privacy rights, opposition to state-sponsored racism, and economic deregulation. It is a perspective advanced today by numerous scholars and advocacy organizations, including the Cato Institute, the Foundation for Economic Education, and the American Enterprise Institute.

Although this renaissance is due to the work of several major and many minor intellectuals, perhaps no single figure has been more influential in promoting this view of human liberty than Ayn Rand. Since the publication of her novel *The Fountainhead* in 1943, Rand’s works have enjoyed perennially high sales and are widely cited by readers as a source of personal inspiration, appearing ubiquitously on lists of favorite novels or books that the public rates most influential. In 1991, a survey by the Library of Congress and the Book of the Month Club found that Rand’s *Atlas Shrugged* was the second most common response from their sample of readers to the question: “What book has most influenced your life?” (As might be expected, in first place, by far, was the Bible.) A popular memoir of the 1970s libertarian movement was aptly entitled “It Usually Begins with Ayn Rand.” Beyond the arena of strictly libertarian thought, Rand has been a significant contributor to the turn in American culture toward placing individual self-fulfillment and self-esteem at the center of personal and policy concerns.

Rand’s influence on American political thought comes not only from her dramatic advocacy of liberty and opposition to collectivism in
her novels, but also from the distinctive arguments she brought to bear on
the issues. Those arguments called for and sketched out a new ethical ap-
proach to political issues and gave a fresh cast to ideas such as natural
rights and limited government. Her viewpoint put her in conflict with both
the Left and the Right in twentieth-century America, and, true to her in-
dividualism, she did not back down from the challenge of forging and
advertising an alternative perspective of her own.

II. Rand’s Life and Work

Ayn Rand was born Alissa Rosenbaum in St. Petersburg, Russia,
on February 2, 1905. She grew up in a middle-class Jewish family and
was deeply affected by the Russian Revolution, which drove her family to
live in the Crimea for a time and during which her father’s pharmacy was
expropriated. She narrowly escaped being purged from college, graduat-
ing from the University of Leningrad just ahead of a wave of expulsions
that removed all students of bourgeois background (Sciabarra 1995, 77).
She recalled later in life that she had determined at a very young age to
become a writer, and that as far back as she could remember she had seen
herself standing in opposition to the basic ideas that permeated Russian
politics on both the Right and Left. These included collectivism,
authoritarianism, and dogmatism (and, more generally, anti-rational ep-
istemological doctrines—from the Christian appeal to faith to Leninist “dia-
technical materialism”). She became a student of film and studied
screenwriting, and it was through the cinema that she encountered America,
which she envisioned as a promised land of opportunity, achievement, and
liberty. She determined to escape the Soviet Union to seek her fortune in
that free, prosperous society.

Rosenbaum arrived in the United States in 1926, and took the
name Ayn Rand. She applied herself to her chosen goal with a steadfast
will, seeking work in Hollywood as soon as she could get there and rising
over time to screenwriting through a string of odd jobs. During the 1930s
she published her first novel, We the Living (1936), and a novelette, An-
them (1938). Her first major popular breakthrough came when she scored
a Broadway hit with her play Night of January 16th (1936). She made her
reputation with her novel The Fountainhead (1943), which became a sur-
prise, word-of-mouth bestseller in the mid-1940s. Her magnum opus, Atlas
Shrugged, came out in 1957, and while the critics received it poorly, it,
too, was a great popular success. In the 1960s, Rand collaborated with
psychologist Nathaniel Branden in publishing a magazine and offering
courses based on her philosophy, which she came to call “Objectivism.”
By the mid-1960s, their magazine, The Objectivist, had more than 20,000
subscribers. Their courses and book service were exposing a new genera-
tion to the writings of “old right” figures such as Isabel Patterson and free-market economists such as Henry Hazlitt and Ludwig Von Mises. Branden and Rand’s relationship suffered a personal and professional rupture in 1968 and Rand’s following diminished as a consequence. But she continued writing philosophy and political and cultural commentary, as she had since the early 1960s in speeches and essays. Most of Rand’s non-fiction works have been compiled in volumes such as *The Virtue of Selfishness, Capitalism: The Unknown Ideal*, and *The New Left: The Anti-Industrial Revolution.* Rand died in 1982, and many of her papers have been published posthumously by her estate, which is overseen by philosopher Leonard Peikoff, the close associate of her last years. Today her ideas are discussed widely, and two notable non-profit advocacy organizations, The Ayn Rand Institute and The Atlas Society, promote and develop her philosophy.

Although political and philosophical themes permeate all of Rand’s fiction, three novels stand out especially for their political content: *We the Living, Anthem,* and *Atlas Shrugged.* Based to some degree on Rand’s own experiences living in the Soviet Union, *We the Living* (1936) tells a tragic story of the death of love and of idealism under the totalitarian oppression of the Communist Party. Death is not merely metaphorical under such a system, and even the capable, creative heroine is unable to escape, perishing near the border in an attempt to flee the country. In Rand’s account, Communism is both an economic and humanistic disaster, a system that raises mediocrity and incompetence to power and destroys the conditions required for human beings to live and flourish.

The 1938 novelette *Anthem* projects the long-term effects of Marxism into a distant future. Collectivism and irrationality have triumphed in a dystopia that has no concept of the first-person singular pronoun. Since the very existence of individuals is denied, social custom rigidly circumscribes individual choices. Under such repression, society has regressed to a medieval level of technology amidst the ruins of industrial civilization. *Anthem* does not focus on the precise form of the political system that has emerged, although its general characteristics can be discerned. Instead, Rand highlights the profoundly detrimental effects on the human mind and spirit of consistently pursuing a collectivist ethos. Only the individual who identifies himself as such, Rand shows us, and who recognizes his entitlement to his own life and choices, can begin the rebuilding process.

*Atlas Shrugged* (1957) is set in a version of America fast on its way to total collectivism and economic collapse. The novel centers on the people who provide the “motor of the world,” i.e., those who produce the goods and ideas that keep society going. These hail from a wide range of professions and include in their number industrialists, engineers, artists,
scientists, and philosophers. As the brightest minds and best workers mysteriously disappear, the novel’s heroine, Dagny Taggart, struggles to keep her family’s railroad running in the face of ever-increasing government regulation.

The novel’s primary concern is the underpinning that liberty requires. Rand’s conception of liberty is encapsulated in a mooted constitutional amendment: “Congress shall make no law abridging the freedom of production and trade” (AS 1168). This principle is not the law of the land because people permit, and even demand, the suppression of freedom. They do so because they hate the fact that liberty allows some to achieve goals others cannot. Ultimately, freedom depends on a respect for the power of the individual human mind: the power to make its own personal and moral decisions; the power to shape a person’s character; the power to know the world; and (last but not least) the power to create new products, processes, industries, and wealth.

_Atlas Shrugged_ attacks philosophical doctrines such as skepticism, altruism, and the dichotomy—deriving notably from Augustine and Descartes—between mind and body. In commentary woven into almost every scene of the novel and in lengthy speeches by the principal characters, Rand sketches the philosophical system that she would erect in place of the received tradition, with her politics as its outcome. In an afterword to the novel, Rand offered a brief summary of that system, Objectivism: “My philosophy, in essence, is the concept of man as a heroic being, with his own happiness as the moral purpose of his life, with productive achievement as his noblest activity, and reason as his only absolute.”

**III. Rand’s Political Theory**

Rand’s political theory has three main elements, all of which draw upon the classical liberal political tradition. First, the foundation of the political system should be respect for the fundamental right to live free from physical force. Second, government has the strictly limited function of protecting rights. Third, government power should be exercised in accordance with objective laws. As Rand explained, these elements amount to the advocacy of a system of laissez-faire capitalism:

*Capitalism is a social system based on the recognition of individual rights, including property rights, in which all property is privately owned.*

The recognition of individual rights entails the banishment of physical force from human relationships: basically, rights can be violated only by means of force. In a capitalist society, no man or group many _initiate_ the use
of physical force against others. The only function of the government, in such a society, is the task of protecting man’s rights, i.e., the task of protecting him from physical force; the government acts as the agent of man’s right of self-defense, and may use force only in retaliation and only against those who initiate its use; thus the government is the means of placing the retaliatory use of force under objective control. (CUI 19)

A. Rights and Force

For Rand, human rights are essentially negative and unitary. What one has a right to is one’s own life. Because life is “a process of self-generated and self-sustaining action,” to have a right to life is ultimately to have the right to act in support of one’s life, i.e., to have liberty of action (VOS 15). And because to support life, one must use and consume resources, a right to life and liberty must entail a right to property. Thus, the rights to life, liberty, and property enshrined in many eighteenth century documents are not disparate, but whole. Furthermore, in this conception it is very clear that a right to the “pursuit of happiness,” as stated in the United States Declaration of Independence, is another way of expressing this same right: not an entitlement to happiness or well-being, but the freedom to seek it.

Rand offered a solution to a basic dilemma in political theory. On the one hand, there were those thinkers, exemplified by John Locke, who held that rights were natural, inherent in the make-up of human beings and usually placed there by the Creator and recognized by the light of reason. On the other hand, there were those, such as Jeremy Bentham and J.S. Mill, who noted that no such essence was evident, and could discern no sign of political entitlements deriving from any deity. Rights therefore were human principles, and as such were determined by the utilitarian principle of conducing to whatever would benefit the collective happiness of mankind. The trouble with the utilitarian account, however, is that the very need for concepts of rights seems to fall away, since any and all ethical principles and laws are replaced by the pragmatic pursuit of social utility. This pragmatism, however, leaves the door open for a wide variety of political regimes, even oppressive ones, to try out their policies so as to observe the effect on social utility. Finally, since this utility is collective, it has been difficult for this tradition to uphold the sanctity of the individual as a political principle, although this is precisely the basic function of rights on the classical liberal account.

Rand accepts the basic critique of traditional natural rights doctrine. For Rand, rights are not mysterious traits, somehow part but not part of normal human nature; rather they are simply principles concerning hu-
man action. Like all knowledge, rights have had to be discovered by human beings, and so it is understandable that the political implementation of rights has had a historical development that has reflected the social and cultural conventions of the places and times in which it has taken place. But this does not mean that in the end our basic conceptions of rights should be heterogeneous, any more than the laws of physics should be heterogeneous. According to Rand, rights principles are objective because they are justified by fundamental facts about humanity. Thus, Randian rights are indeed “natural,” in the sense that they derive from human nature, even though they are not inherent in human beings nor endowed by any higher authority. In a sense, because Rand clarifies how it is that reason can discern rights from human nature, her theory may be seen as revising or completing the theory of Locke. In Rand, it is human nature—i.e., the needs of an individual human life and the means individual humans must employ to fulfill those needs—that provides the grounding for rights, just as human nature grounds Rand’s entire ethical system. The key is that advancing one’s own life and happiness is the greatest ethical good one can achieve, and one’s right to life, liberty, and property secures the freedom to pursue this highest good for all individuals equivalently in their social interactions.

In defining rights as principles enshrining an individual’s need for freedom from the initiation of force, Rand urges her readers to draw a sharp distinction between phenomena such as social pressure or market forces that have often been called “coercive,” and real or threatened physical coercion. Faced with physical force, one is literally at risk of one’s life. In the form of theft, physical force can deprive one of one’s goods (which are, generally, the means that enhance one’s enjoyment of life, and, more fundamentally, the means by which one secures oneself from inclement weather, malnutrition, and ill health). In the form of physical attack, force confronts its victim with injury and death.

No other putatively “coercive” interaction threatens one’s life and well-being in so wholly destructive a manner. In an economic context, for example, both parties interact voluntarily. Should one party withdraw his cooperation (as when a factory owner fires a worker, or when a worker quits his job), neither party loses any benefits except those that were voluntarily conferred in the interaction itself. The loss of a chance to trade denies a person a positive-sum interaction, but leaves him in possession of his faculties, his life, and his goods; the loss of health or wealth through force takes place in the context of a zero or negative-sum interaction, in which at least one party is a net loser.

Fraud, in Rand’s view, is another instance of physical force. In effect, a fraud is equivalent to a theft. Since the victim of a fraud has not
agreed to the actual content of the fraudulent transaction, his goods are, in effect, alienated from him without his consent. Essentially, Rand asks us to notice that it is the physical aspect that distinguishes fraud from mere dishonesty: a fraud requires that some property be taken from the victim.

The harm inflicted by physical force is very different from, for example, the disappointment one might experience in not being offered a job in the open market, where, although one does not gain a positive benefit, neither has one’s self or property been injured. It is interesting that we do not usually view the loss of a romantic partner as a case of “coercion.” Here we understand that two lovers choose to expose themselves to the risk of heartache, and are better off for doing so. Yet economic interaction is much the same in Rand’s view: much may be at stake in either case, but one may always walk away with one’s fundamental faculties and one’s wealth intact. One remains free in this fundamental and vital sense as long as one is free from force:

The precondition of a civilized society is the barring of physical force from social relationships—thus establishing the principle that if men wish to deal with one another, they may do so only by means of reason: by discussion, persuasion and voluntary, uncoerced agreement. (VOS 108)

Rand argues that in general, physical force faces the individual with a profound contradiction: to act either as his reason dictates to be in his interest—and thus incur injury from those who would coerce him—or abandon his judgment and act as others demand—and thereby avoid injury. On the one hand, a person drafted into a wartime army against his will faces death or imprisonment for “desertion,” (i.e., going back to the course of life he would choose by his own judgment); while on the other hand, he would face injury or death on the battlefield. Rand argued that in view of this, it was profoundly immoral and improper for anyone, and especially a government, to employ force for paternalistic reasons:

An attempt to achieve the good by physical force is a monstrous contradiction which negates morality at its root by destroying man’s capacity to recognize the good, i.e. his capacity to value. Force invalidates and paralyzes a man’s judgment, demanding that he act against it, thus rendering him morally impotent. (CUI 23)

It may seem odd for Rand to argue that physical force attacks the mind and
morality, but Rand does not view mental activity as possible apart from action in the world. Rand’s view of the role of practical reasoning and action in the creation of a full life is similar to the Aristotelian doctrine that human flourishing is actualized through the free actions of the individual. Just as one cannot learn a skill without doing it—as one cannot conduct research or acquire a profession without undertaking the many minute choices and actions that each requires—Rand argues generally that a disembodied contemplation is not possible apart from practical action to bring one’s conclusions into effect. An artist denied access to his tools finds that his skills atrophy, and this principle applies to mundane activities as well: a person forcibly denied the ability to choose among lines of work or styles of clothes, for instance, is closed off from thinking meaningfully about these aspects of his life.

B. Government and Law

Rand defined government as “an institution that holds the exclusive power to enforce certain rules of social conduct in a given geographical area” (*VOS* 107). It is coercive power that distinguishes government from all other social institutions, and Rand focuses on this fact. Such an institution is justified solely for the purpose of securing the freedom of individuals in society from the initiation of physical force against them. Thus, the protection of the right to life, liberty, and property is the purpose of government and strictly circumscribes its proper arena of activity. In its functions, Rand’s basic conception of government is similar to what Robert Nozick calls “the night-watchman state of classical liberal theory,” a conception widely held in the eighteenth and nineteenth centuries.13

The proper functions of a government fall into three broad categories, all of them involving the issues of physical force and the protection of men’s rights: the police, to protect men from criminals—the armed services, to protect men from foreign invaders—the law courts, to settle disputes among men according to objective laws.14 (*VOS* 112)

Rand argues that the provision of civil law (primarily contracts and torts) is the main positive service that government provides. Police and the armed services, by contrast, serve in a negative role: they protect citizens from threats. Civil law provides objective, just, and peaceful means of resolving disagreements and disputes, and it provides the context needed for reliable long-term planning and contracting (*VOS* 110–111). In turn, the ability to plan and contract is a necessary condition for the prodigies of
global capitalist production and the wonders and conveniences of modern life. Without these legal institutions, society collapses into warring camps; each interaction invites violent dispute; and life at best becomes inconvenient, less productive, and more brutal.

As noted, Rand’s conception of government is not compatible with paternalism. Rather, it results in a political vision with a deeply liberal cast. Her radically limited government provides each individual with freedom of expression and of lifestyle as much as it allows for freedom of commerce and industry. For example, laws on sexual conduct or for censoring published material would not be consistent with her rights-based system. But as we shall see, Rand’s anti-paternalism was not the result of moral skepticism. Rand held strongly that while a political system was necessarily based on a moral view, the function of the law was not to enforce dictates of morality. To be moral was a choice each person should be free to make. The function of law was to secure that freedom.

Rand advocated objectivity in the law, and she was deeply concerned at the tendency of lawmakers to produce vaguely worded laws and regulations and to leave officials open-ended discretion. For Rand, law is “objective” when it is expressed in clear language and does not leave wide scope to individual officials, who may act in an arbitrary or power-seeking manner. The standards behind the law must be intelligible and the law’s requirements must be capable of being known in advance. These points are the basic elements of the rule of law, and Rand is far from alone in promoting this idea. Rand’s distinctive contribution to this familiar point is her emphasis on the epistemological bases of the law and the vital importance of conceptual precision there. For this reason, Rand criticized the widespread usage of indefinable terms such as “the public interest” in American political discourse.15

Rand rejected the very idea of associating government actions with the “public interest” or the “general will,” arguing that there is no interest nor will apart from that of individuals. Consequently, she held that treating a group of people, or a sum of their attributes, as a whole—without regard for the differences among the individuals concerned—is simply a gross error of logic, an instance of reifying an abstraction. There is no “public interest” in Rand’s view; rather, there are only the interests of the members of the public. Thus, the government is not entitled to hold lands in trust for the public nor to attempt to fine-tune the economy in the name of the commonweal.

Nevertheless, there is a sense in Rand’s thought in which the members of the public do share basic concerns. Humanity is not a random assortment of entities, but a species whose members’ attributes fall within a range. In the political sphere, the creation of objective, rights-protecting
law—focused on the life and freedom of the individual—requires the identification of the basic interests that all have in common. But unlike more expansive conceptions of public interest, rights-protecting law in the public’s interest is an idea that can be defined and validated.

The idea of a public interest, or a “general will,” is often used as a justification for democratic government. The democratic process, in this view, expresses the will of society, because after a vote it is presumed that “the people have spoken.” Rand’s view of government, by contrast, is fundamentally republican, concerned primarily with the freedoms of individuals and the structure of government. In this conception, democracy is procedural value, not a fundamental one. For Rand, a democratic society need not be a just one. In Atlas Shrugged, for example, she portrays the politicians as villains not due to the manner of their election, but because of the irrational, unconstrained, oppressive policies they put into practice. And, in fact, every vote has winners and losers; the people do not speak with a unitary voice. This is why for Rand the ideal society is not “democratic”; rather, it is a “free society,” where the meaning of freedom is correctly defined and implemented in the laws. Representative democracy is the best available means of naming officials, but it is a form of government that threatens the minority unless rigorously constrained.16

It was a commonplace of twentieth-century political and legal thought to presume that wide ranges of human interaction were of a public character, with the participants undertaking significant obligations to the public at large. Opening a store to general customers, in this view, is a public act. Rand, however, presumes that virtually all action is private in character, with the particular obligations involved restricted to the parties explicitly taking part. Just as what a family does in a home is private, so any interaction on one’s own property that consists in voluntary trade among consenting individuals is also private. Opening a store on private property is a private action with no meaningful “public” character, because the store is made available to customers on whatever basis the owner chooses, and each customer is present (or not) by choice, acting freely and individually.

In Rand’s view, private actions in this expansive sense are presumed to be within the prerogative of the individuals that take part in them, unless the actions violate someone’s rights or the law (which is only to uphold those rights). By contrast, all government action is presumed to violate rights and the law, unless it is an instance of an enumerated power undertaken in an authorized manner (again, in keeping with a system of law based on rights): “A private individual may do anything except that which is legally forbidden; a government official may do nothing except that which is legally permitted” (VOS 109–110).

Rand’s political vision rejects many of the features of the twenti-
eth-century American political order. She held that the anti-trust laws, and
indeed any law to restrict freedom of contract or commerce, should be
repealed.\footnote{CUI 226} Many labor laws, including collective bargaining statutes, vio-
late the rights of individual workers and employers. A military draft is
illegitimate; military service should be voluntary (CUI 226). All govern-
mental entitlement programs violate the rights of the individuals who must
support them, and no person has a fundamental right to the produce of
another.\footnote{CUI 226} Rand demands an end to the governmental subsidization of edu-
cation and regards most child-rearing decisions (short of abuse) to be the
proper province of a child’s parents or legal guardian.

Rand argued that the government should own no property except
that necessary for the performance of its proper functions. Thus federal
lands should be privatized, and even nature parks should be a matter for
private organization and provision. (The Nature Conservancy’s general
method of purchasing areas and setting them aside for protection is a model
of the kind of wilderness protection methods that might exist under Rand’s
system.) A limited government has no business promulgating economic
regulations; thus, she opposed environmental regulation except in resolv-
ing emergencies. On this principle, she opposed the existence of the U.S.
Food and Drug Administration, holding that threats to health can be adju-
dicated in the courts if they are genuine, and that otherwise market compe-
tition will be no worse than the government’s efforts, and likely far better.

It is crucial to note that while Rand rejects most critiques of the
effects of laissez-faire as inaccurate, she does not guarantee that the mar-
ket will efficiently provide any particular good or service. Rather, she
emphasizes the inherent injustice and inefficiency of restricting the
individual’s responsibility for his own choices and of imposing bureau-
cratic or legislative decisions by force.

Rand was in favor of the extension of private property to as many
areas as possible; rights being human principles, they could be legitimately
extended on objective grounds. Thus, she offered arguments in favor of
patent and copyright law (CUI 130–134). She was similarly an early adva-
cate of the privatization of the electromagnetic spectrum (she also opposed
the Federal Communication Commission’s activities regulating the con-
tent of broadcast speech) (CUI 122–129). She favored the geographic as
well as the conceptual extension of private property, and saw privatization,
rather than regulation, as the answer to environmental problems that arise
in tragedy-of-the-commons cases. At the end of the twentieth century in
the United States, this last point was receiving recognition in widespread
attempts to implement property schemes for allocating access to oceanic
fishing grounds and efficiently limiting the emission of atmospheric
pollutants.
In keeping with her proposal to fundamentally reconceive of government, Rand opposed the income tax, and indeed all taxes, holding that government in a free society would subsist on some form of voluntary financing \((VOS\ 116–120)\). Her critics have questioned whether such a strictly circumscribed state is possible, and have doubted that, given Rand’s doctrine of rights, any state can function in the manner she envisions. Whether a state can be financed without taxation is a topic even Rand’s followers debate.\(^{19}\)

But whereas most traditional political thinkers would criticize Rand for excessively limiting government, some critics from within the libertarian tradition have found her conception of government too expansive. These critics usually adopt a libertarian-anarchist point of view, in which the functions of government are to be provided by private “defense agencies” and competing law courts.\(^{20}\) Agreeing with Rand that government finance can only be voluntary in a rights-based system, the anarchists argue that people should be at full liberty to choose which system of law to work under or which policing force to hire to enforce their claims. Rand’s response to the anarchists was that no such liberty was possible: anarchy would be a state of oppression, not freedom. She held that voluntary action is only possible when one is free from force, and that therefore it is impossible to have market competition (or even a proper market) for the provision of the protection that frees one from force in the first place. Anarchism, in practice, would amount to civil warfare \((VOS\ 112–113)\). Freedom can only be sustained, Rand held, in the proper institutional context, and the purpose of government is to secure that context.

It was vital to Rand that government be constitutionally limited, but she held that at root no constitutional structure would sustain limited government unless it was supported by a culture dominated by individuals who properly understood its requirements and valued its basic principles.\(^{21}\) She therefore regarded cultural change as the key to improvement in political life, and focused her energies on cultural criticism and philosophy.

**IV. Rand’s Moral Revolution**

At the time Rand was writing her novels, the intellectual consensus held laissez-faire capitalism, and the classical liberal political system it presupposes, in very low regard. A widespread interpretation of nineteenth century economic history associated the capitalism of that period with exploitation, corruption, and suffering. The great industrialists of the past were denounced as “robber barons,” and the free market economy was seen as violent and chaotic.\(^{22}\) Various forms of collectivism, from fascism to the democratic socialism of the New Deal, were the most fashionable forms of thought. Laissez-faire’s defenders were few, and their views were
not regarded as a legitimate social critique. It was in this atmosphere that Rand’s magnum opus, *Atlas Shrugged*, arrived in 1957. It attracted a following of millions and drew tens of thousands to the literature of classical liberal economists and political thinkers, providing the spark that energized and revived the moribund movement to advance and develop those ideas.

Rand was familiar with the “old right” and was dismayed by what she saw of the “free-market” movement in the 1940s. She campaigned for Willkie in 1940, but was disappointed by his move toward the center as the campaign advanced. In later years, she was appalled by conservatives’ failure to identify and advocate the principle of laissez-faire. She thought ill of the resulting state of affairs in which Americans typically call their existing system “free market capitalism,” despite the fact that government expenditure accounts for over a third of the United States’ economy and economic activity is subject to a wide range of regulations, restrictions, and licensing requirements. In the face of this default among capitalism’s self-avowed defenders, Rand strove to articulate a defense of a free-market system that was not subject to the weaknesses of the conservative position. In particular, she was aware that a political position could not be adequately defended except in the context of a consistent philosophy, and she had a very clear idea what the central ideas of such a philosophy would have to be. In the Introduction to *Capitalism: The Unknown Ideal*, she explained the relationship between her political views and her philosophy of Objectivism as a whole:

Objectivism is a philosophical movement; since politics is a branch of philosophy, Objectivism advocates certain political principles—specifically, those of laissez-faire capitalism—as the consequence and the ultimate practical application of its fundamental philosophical principles. It does not regard politics as a separate or primary goal, that is: as a goal that can be achieved without a wider ideological context.

Objectivists are not ‘conservatives.’ We are radicals for capitalism; we are fighting for that philosophical base which capitalism did not have and without which it was doomed to perish. (*CUI* vii)

In *For the New Intellectual*, she starkly summarized the issue:

The world crisis of today is a *moral* crisis—and nothing less than a moral revolution can resolve it: a moral revo-
olution to sanction and complete the political achievement of the American Revolution. (FNI 54)

The contradiction Rand sensed was that capitalism had only defenders, not advocates; that the conservatives most associated with free-market positions were advocates of a moral view and a traditionalism that were at odds with their economic ideals:

So long as the “conservatives” ignore the issue of what destroyed capitalism, and merely plead with men to ‘go back,’ they cannot escape the question of: back to what? And none of their evasions can camouflage the fact that the implicit answer is: back to an earlier stage of the cancer which is devouring us today and which has almost reached its terminal stage. That cancer is the morality of altruism. (CUI 200)

In much of contemporary ethics, there is a distinction between those acts that are exclusively to one’s own benefit and those which, to some degree, are to the benefit of others. The former are sometimes called “selfish” or “egoistic,” and the latter are called “altruistic” ends or even simply “moral ends.”24 In the latter usage, any generous or benevolent act lies in the province of altruism. But this is not how Rand analyzes the issue.

Rand attacks altruism in its nineteenth century sense, the sense in which Auguste Comte employed the term, as a doctrine that equates moral worth with the subordination of the self to society. “The basic principle of altruism,” states Rand, “is that man has no right to exist for his own sake, that service to others is the only justification of his existence, and that self-sacrifice is his highest moral duty, virtue, and value.”25 “By this definition,” comments David Kelley, executive director of The Objectivist Center, “the paradigm of altruism is complete self-immolation, as in the story of Jesus, who died to atone for the sins of mankind; or the martyrdom of the Christian saints; or the demands of totalitarian leaders in [the twentieth] century that their citizens sacrifice their freedom, prosperity, and even their lives for the good of the nation.”26 According to Rand, altruism is the premise that unites the Communist and the Christian, the socialist and the fascist. In American history, it is a moral view that is the thread of continuity from the Protestant reformers of the Great Awakening to the non-religious New Left.

“The world is perishing from an orgy of self-sacrificing,” wrote Rand at the height of the Second World War (TF 684). She meant that
civilization itself was in danger not just from the war, but from the altruism upheld by all sides in the conflict. Altruism was the guiding moral principle in both American and European politics before the war, and it would continue in that role afterwards. Capitalism is a system that makes each person ultimately responsible for his own choice of actions and allows each person the freedom to make the most of his life; it is incompatible with a moral doctrine that belittles that life. Capitalism rests on a set of legal principles that are themselves derived from the principles of individual rights. But rights to individual liberty are not compatible with a moral view that urges the sacrifice of all one’s principles and goals to the needs of the nation, the party, the church, the race, the majority, or the needy. This was Rand’s distinctive moral insight.

From her start, America was torn by the clash of her political system with the altruist morality. Capitalism and altruism are incompatible; they are philosophical opposites; they cannot co-exist in the same man or in the same society. Today, the conflict has reached its ultimate climax; the choice is clear-cut: either a new morality of rational self-interest, with its consequences of freedom, justice, progress and man’s happiness on earth—or the primordial morality of altruism, with its consequences of slavery, brute force, stagnant terror, and sacrificial furnaces. (FNI 54)

Rand’s solution to this contradiction in the Western moral tradition was to propose a fundamental revision of morality, with each individual’s own life and happiness as the unequivocal base of his moral code. The facts of one’s biological nature, and the general principles applicable to the needs of human life in general, then provide an objective basis for one’s virtues and values, without reference to tradition or the supernatural, nor, at least in its fundamentals, to society at large. Rand’s ethic of “rational selfishness” envisions “three cardinal values... which, together, are the means to and realization of one’s ultimate value, one’s own life...: Reason, Purpose, Self-Esteem, with their three corresponding virtues: Rationality, Productiveness, Pride” (VOS 25). The key to Rand’s ethical vision was her view of the role of reason and production in human life. “Man cannot survive except through his mind,” Rand wrote. “From the simplest necessity to the highest religious abstraction, from the wheel to the skyscraper, everything we are and everything we have comes from a single attribute of man—the function of his reasoning mind” (TF 679).

Rand’s conception of reason placed importance on logical think-
ing, but it was more than a mechanical view of the mind. Human consciousness is distinctively conceptual. We gain great practical power from our ability to assimilate vast amounts of information in abstract concepts, principles, and theories. The application of this knowledge to practical problems allows us to engage in open-ended processes of production, the potential of which has been epitomized by the economic growth since the industrial revolution. Rand’s view that all people could live as proud, productive, and rational individualists provided the basis for her view of the proper stance toward society. Her politics of individual rights derived both moral legitimacy and practical support from a social ethic of justice toward others and interaction through trade. Rand characterized trade not merely as economic exchange, but as any voluntary exchange to mutual benefit. In this expansive sense, she saw trade as a basic principle of social interaction, one that required neither the sacrifice of one’s self to the ends of others nor the sacrifice of others to one’s own ends.29

Her rejection of altruism and the Judeo-Christian ethical tradition put Rand firmly at odds with the nascent neo-conservative movement. In 1957, William Buckley’s National Review greeted Atlas Shrugged with a blast of condemnation, and Rand returned the favor with incendiary talks like her 1960 Princeton University speech “Conservatism: An Obituary” (Branden 1986, 296–297). That same year, she came out with “Faith and Force: Destroyers of the Modern World.” Rand shared with the conservatives a sense that America suffered from a moral sickness, but the diagnoses were largely incompatible. Rand’s philosophy is an atheistic outlook that exalts the potential quality of human life. She refuses to accept either late twentieth century neo-conservativism’s equation of individualism with licentiousness or its reduction of the non-religious pursuit of happiness to a crude materialism. In fact, Rand saw irrationality (including religious appeals to faith), a lack of psychological independence, and hatred of material achievement as primary symptoms of the moral disease. While neo-conservative political thought leaned toward economic liberalization (and in that respect shared some common ground with Objectivism), it also tended to advance governmental paternalism in support of moral and religious causes. Against this, Rand endorsed personal liberty in sexual matters, advocated abortion rights, and stood in total opposition to any connection between the state and religion.

Rand attacked the Left with as much force as she attacked the Right, reserving especial contempt for the neo-primitivism of the New Left (her 1971 essay collection was titled The New Left: The Anti-Industrial Revolution). Her diagnosis of this nominally “progressive” movement noted it not for innovation, but for its recycling of the same ethical premises that were undermining the Right: altruism, irrationalism, and statism. Ultimately,
she saw the New Left and the consequent rise of radical environmentalism as fundamentally nihilistic movements premised on hatred for liberty, progress, and human life.  

It is something of an irony that Rand’s idiosyncratic views and her intransigent independence also put her at odds with the libertarian movement that grew up in the 1960s and 1970s. Though, as we have noted, the movement drew both inspiration and intellectual ammunition from Rand’s work, its character as an unsystematic political creed created a conflict with Rand’s comprehensive project for philosophy. Rand was concerned that libertarians who did not properly tend to the philosophic basis of their political ideas would fail to consistently uphold the principle of liberty. She took the widespread advocacy of anarchism among libertarians to be evidence of this, and refused to be called a libertarian herself.

Rand’s “moral revolution” aimed at erecting a moral culture and political order based firmly on a new and consistent conception of rational egoism. But critics were quick to argue that Rand was merely rehearsing a familiar kind of argument, putting forward a “simple material system,” or advocating a pop-Nietzschean philosophy that glorified the strong and powerful at the expense of the rest in society.

It is a commonplace in philosophy that egoism is necessarily the opposite of morality, because the egoist will act for his self-interest in each situation, and thus may not do what is moral, or even what is conducive to social harmony. A standard example of this is to imagine an egoist who comes upon a valuable item in a situation where he can take it and escape detection. Suppose the item is a painting: does the egoist steal the painting, violating the strictures of common-sense morality? If one’s self-interest simply consists in having wealth or owning beautiful and rare objects, then it seems straightforward that an egoist will be happy to take the painting. Indeed, if he is a “rational egoist” and realizes the fact that he can get away with the theft, his very morality tells him to do it. This demonstrates the inherent amorality of egoism, holds the critique, since common-sense tells us that stealing the painting is morally abhorrent. Egoism thus cannot provide a foundation for morality and liberty, because it in fact allows for nothing but unbridled selfishness and pragmatic, prudential reasoning. Rand’s egoism, in this view, is necessarily rapacious.

Critics have argued on similar grounds that, far from putting political liberty on a firm foundation, Rand denies the understanding of morality and rights that the law requires. These critics hold that because egoism is necessarily a prudential and practical ethic, it can have no respect for rights as such. This argument is based on the premise that rights are inherently deontological; i.e., that rights are unwavering, universal moral duties that derive from the requirements of moral reasoning or from a higher
authority. But how can such absolute obligations be squared with the rational pursuit of self-interest? In Rand’s view, rights are practical moral principles: they are potentially subject to modification on prudential grounds. It is supposed that when the imaginary egoist of our example chooses whether or not to steal the painting, he may consider practical consequences such as how the owner will react to the loss of his painting or what the police might do. But the owner’s rights do not matter for such a calculation. In this critique, then, Rand’s moral argument cannot provide rights with the moral force they require, because in effect her ethic is one of pragmatic action and not of deontological principle.

Inasmuch as these critiques presuppose a blinkered concept of self-interest, they misrepresent Rand’s view of social relations and impose a false dichotomy between principle and prudence. Rand argued that a proper egoism, one consistent with human nature and actual human interests, was neither rapacious nor unprincipled. While she regarded the pursuit of wealth as an essential human activity, she did not reduce rational self-interest to that pursuit alone. A full life also contains friendships, creative work, and a host of other values.

Furthermore, she held that there is a fundamental harmony of interests “among rational men,” one that derives from the productive power of the individual mind (VOS 50–56). Because human beings can live by reason, they can all flourish without being in fundamental conflict with each other over resources or values. Production is the proper mode of human existence, and as producers, humans are capable of creating the material goods they require if they are allowed the freedom to do so and the ability to use the fruits of their labors. Physical resources may be scarce, in some sense, and there may be competition to use them, but the human mind is, as the economist Julian Simon has argued, “the ultimate resource.” Rand argued that in fact what we regard as “resources” depends on human abilities to produce and human needs for products. For example, the deserts of Arabia today are regarded as a vast natural resource because human beings have invented the means to extract and use petroleum; how much petroleum is available for use depends crucially on the means people invent for extracting and refining it.

In Rand’s view, human reason makes voluntary cooperation and mutual understanding possible. She envisions a society of traders, exchanging economic and non-market values with each other voluntarily and to mutual benefit. As rational beings, she holds that we are competent to be responsible for ourselves. And because ultimately there is a fact about any matter, disagreements among people employing reason can be resolved through appeals to evidence. Rand is well aware that even reasonable people will in the course of their affairs often disagree. This is an inevitable result
of the fact that we are not all aware of the same facts: we do not all share
the same context of knowledge. But our reason makes it possible to re-
solve such disputes peacefully, and this is why it is to everyone’s advan-
tage to have a legal order that ensures an objective process of sorting through
the facts to adjudicate disagreements.

Finally, because our moral principles can have the same objective
status as scientific principles, they are as absolute in their proper context
as the rules by which engineers construct a bridge or design a rocket. Rand’s
moral principles are prudential, but they are supposed to be practical be-
cause they are objective principles applying, in their most general formu-
lations, to the full range of situations normal to human life. Faced with
possibility of stealing a painting, rights are the first principles an egoist
should reflect upon, because rights principles summarize and unify that
complex arguments and multitudinous facts that make respecting the prop-
erty and lives of others a prudent course of action.

And there is a case to be made that a morality should be prudent.
Rand argued that morality should only be formulated for practical em-
ployment on earth as we know it. She called Objectivism “a philosophy
for living on earth.” She saw no use in considering hypothetical situa-
tions that were unlikely to be part of normal life, and considered it irratio-
nal to demand that a moral code be held to any standard other than its
practical consequences on earth. Thus, in response to any hypothetical case
of a rational egoist attempting to succeed in furthering his own well-being
(holistically considered) by theft, fraud, or murder, Rand’s unvarying re-
ply was that, were one to trace the consequences of acting in such a man-
ner, taking care that the setting be realistic, by far the most likely outcome
would be failure accompanied by arrest, death, or some similar harm. Rand
would be quick to point out that neither paintings nor any other sig-
nificant values are easily attained by theft or fraud in real life. Objective
moral principles should properly reflect this fact.

It should also be noted that Rand’s harmony of interests thesis is
not a claim that there is no competition in society. Rather, it is the thesis
that a society that secures freedom to produce and trade (and in which each
individual regards his interests as the furtherance of his life and happiness)
makes it possible for all to flourish. Two people waiting for a taxi cab may
compete to get the first one, but in a broader sense neither’s well-being
comes at the expense of the other. It is in both their interests that cabs be
readily available; it is inevitable, but trivial, that no two people can take
the same cab to different locations at the same time. Their interests coin-
cide profoundly in securing a social system that allows them to jockey
peacefully on a street corner for a taxi (VOS 53).

Rand advocated rights as principles to be observed at all times in
society if individuals seek to advance their own well-being over the long term. Rand held that it was not practical to expect that one’s own rights be protected without that one upholds the rights of others. One therefore has multiple prudential reasons for regarding rights as vital and true principles worthy of scrupulous respect. Rights in Rand’s conception can thus apply with the strength required for the basis of law, without any need for a deontological interpretation of moral obligation.

V. Conclusion

Critiques of Rand that denounce her for a cold materialism are simply off-point. Rand looked out on the world and saw endless vistas of possibility for human beings. Hers was not the despairing, post-religious nihilism that characterized so many twentieth century philosophers. Rand’s works endow the essential activities of modern human life, including productive work, the use of human reason, and exchange through the marketplace, with the spiritual stature of moral greatness. That her works have this inspirational value is clearly evident in their enduring popularity. Rand projected a sense of nobility appropriate to modern scientific and industrial civilization, embracing business life and technology with a whole-hearted appreciation of their potential. This is one basic aspect of the vision she projected in her novels, and it is this exalted view of industry, individualism, and the free market that had the strongest effect on American culture of all her ideas.

But Rand was also distinctive for giving her readers a sense of coming at social and political problems with a clean slate. She was a “radical for capitalism” not only in her indifference to public opinion and her willingness to champion ideas that the mainstream widely abhorred, but in her method of analysis. As the philosopher Lester Hunt has noted: “the cardinal value of all [Rand’s] work… [is] her ‘radicalism’ … in the very literal sense of a tendency to approach an issue in terms of its root (radix) in the issues that underlie it.” She stands out among classical liberals for the clarity with which she declared her political ideal and her indifference to tradition, and especially in her ruthless quest for the fundamental issues embedded in any question. Rand set down standards and definitions: freedom as freedom from force; rights as principles sanctioning that freedom; and rights as unified by a right to life and expressed in an objective code of law. These ideas shaped the terms in which a new movement of free-market advocates would debate political theory. When Rand spoke of liberty, her wide following knew exactly what she was arguing for. Her legacy has been to point classical liberalism in a fresh direction, inspiring two generations of free-market thinkers and offering a distinctive and thoroughly integrated moral defense of the political order that laissez-faire requires.
About the Author
William R Thomas is a graduate of Oberlin College, where he was elected to Phi Beta Kappa. He earned his Master’s Degree in Economics from the University of Michigan. He has been a lecturer at Gadjah Mada University in Indonesia and conducted research under the auspices of the People’s University of China. Thomas has published essays on politics, ethics, and epistemology and is the co-author of the forthcoming survey *The Logical Structure of Objectivism*. He is the editor of *The Literary Art of Ayn Rand*. He has spoken internationally on the theory of individual rights and Ayn Rand’s philosophy of Objectivism. Currently, he is Director of Programs at The Atlas Society (formerly known as The Objectivist Center).
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II. Books About Rand


NOTES

1. For an account that combines scholarship with a first-hand perspective, see Roy A. Childs, Jr., “Ayn Rand and the Libertarian Movement” in Joan Kennedy Taylor, Ed. *Liberty Against Power: Essays by Roy A. Childs, Jr.* (San Francisco: Fox & Wilkes, 1994) 265–281. Page references to any work cited will be found in the text, except for the first reference, which will appear in the notes with full bibliographic information, and such citations as occur in the context of a discursive end note.


11. For a recent similar account of natural rights, see Randy Barnett, *The Struc-


14. Note that here Rand uses “men” in a generic sense.

15. For example, in Ayn Rand, “Vast Quicksands” *The Objectivist Newsletter* II, 7 (July 1963) 25, 28.


17. Alan Greenspan, “Antitrust” (*CUI* 63–71) is an essay on the subject that Rand endorsed.


19. See e.g. Murray Franck, “Taxation is Moral” *Full Context* Vol 6 No. 10 (June, 1994) 9–11.


21. Leonard Peikoff, *The Ominous Parallels: The End of Freedom in America* (Briarcliff Manor, NY: Stein and Day: 1982) is a comparison, endorsed by Rand, that compares the culture of Weimar Germany with that of late twentieth-century America, arguing that the political implications are equivalent.


27. Tara Smith, *Viable Values: A Study of Life as the Root and Reward of Morality* (Lanham, MD: Rowman & Littlefield, 2000) is an extensive scholarly exposition of Rand’s approach to ethics.

28. For a summary of Rand’s ethical theory, see “The Objectivist Ethics” (*VOS* 13–35).

29. See *AS* 1022 for a summary of Rand’s view of trade.

30. Rand’s reasons for opposing the New Left are detailed in the essays collected in *The New Left*.


40. Smith (1995) 101–119, contrasts a Randian view of rights with both the deontological conception and the consequentialist conception, arguing that Rand’s rights are more properly characterized as “teleological.”

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