



New Challenges to the Free Economy (from Left and Right)

How progressivism and national conservatism threaten the free economy

Cato's conference "New Challenges to the Free Economy (from Left and Right)" fittingly enough drew online attacks from left and right. Both economic leftists and "national conservatives" on Twitter slammed the pro-trade, anti-industrial policy arguments made at the conference.

The October event brought together leading economists and policymakers from across the political spectrum to discuss the ascendant political threats of progressivism and national conservatism to the free economy.

Panels exploring topics as diverse as antitrust populism, protectionism, business politicization, and regulation featured researchers, economists, professors, and policy experts from Harvard Business School, George Mason University, the Mercatus Center, and the Cato Institute, among others. The lineup of esteemed guests from liberal, conservative, and libertarian perspectives was assembled by Cato's Ryan Bourne, the R. Evan Scharf Chair for the Public Understanding of Economics.

The first keynote address was given by Jason Furman of Harvard University. Furman, chairman of President Barack Obama's Council of Economic Advisers, criticized what he saw as mistakes made by both liberals and conservatives in economic analysis. Liberals, he said, often believe that the policies they see as beneficial will automatically lead to other desirable outcomes, or have no downsides. Conservatives, he charged, misjudge the magnitude of a proposed policy, such as assuming the economic benefits of a tax cut will be so strong that it will no doubt pay for itself. He argued for a more disciplined practice—for all—of thinking through cost-benefit analyses and unintended consequences.

Douglas Holtz-Eakin, former director of the Congressional Budget Office, warned about the dangers of a national conservatism that is plagued by cronyism and has no legitimate set of values and encouraged allowing markets to determine what succeeds and fails, rather than trying to dictate behavior. ■

A LIVELY Q&A FOLLOWED EACH PANEL AND SPEECH, AND VIDEO OF THE EVENT IS AT WWW.CATO.ORG/EVENTS.