

Foreword by Razeen Sally



LIBERALISM UNVEILED

**FORGING A NEW THIRD WAY
IN SINGAPORE**

Bryan Cheang | Donovan Choy

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Classical Liberalism as A New Third Way

Singapore today is regarded as one of the most prosperous and successful nations in the world, with high material living standards relative to our neighbours, a peaceful and stable society, and a highly acclaimed public service. That this was achieved within a single generation is even more impressive. Singapore's governance today remains a model attracting the emulation of others on the world stage.

The Singapore system is one that stems from particular principles and institutions. On a philosophical level, there is a strong belief in competitive meritocracy, which translates into an aversion to universally-provided welfare in favour of merit-based human resource practices. That its economic success has been built on a system of technocratic elitism has led to public acceptance of the concentration of power into the hands of technocrats who are specially selected to helm the apparatus of government. On the whole, Singapore's system may be understood as a semi-democratic, developmental state capitalist model.

This "Singapore Consensus", crafted, shaped, and maintained by the People's Action Party (PAP) is, of course, not without its critics and detractors. Anti-establishmentarianism in Singapore arguably reached its high point in the watershed election of 2011, which saw, for the first time, the ruling PAP losing a Group Representative Constituency (GRC), for the first time in history (Singh, 2019, ch. 6). The recent elections in 2020 confirm the increasingly contested nature of the political space.

Beyond the electoral stage, political discourse today is also increasingly diverse. This may be due to a more vocal and globalised citizenry, and a civil society that desires higher post-material values. In this broader context, a new paradigm challenging the political establishment has emerged. Led by academic figures, media personalities, and civil society activists, Singapore has witnessed an emergence of what may reasonably be labelled as a new generation of progressive, social democratic voices.

This new chorus of voices shares several vital convictions. First, Singapore's political system can and should be reformed in a left-liberal direction. This involves higher levels of inter-party electoral competition, stronger protections of civil liberties, and personal lifestyle freedoms. On a closely related note, this group also emphasises the importance of social justice as a political value. It makes criticisms against the political status quo that is said to give too much emphasis to economic growth, material benefits, and large corporations. Motivated by the concern over economic inequality and environmentalism, these progressives call for a more sustainable and equitable economic system.

This perspective is best captured by the authors Donald Low and Sudhir Vadaketh in their bestselling 2014 book *Hard Choices: Challenging the Singapore Consensus*. According to the authors, the political status quo, which they label "the Singapore Consensus", is under challenge and should be reconsidered. Low and Vadaketh (2014, pp. 9–11) specifically aimed to "reframe" policy discourse in Singapore, to help steer the narrative away from the dominant framing of the ruling PAP. Their compilation of essays "question and interrogate many of the PAP government's long-standing beliefs", and consequently "examines a wide range of policies that should be rethought and reformulate" (Low & Vadaketh, 2014, pp. 11–12).

It should be made clear that the authors provide not just any random set of policy alternatives, but rather, a conscious "liberal agenda for the Singapore state" (see Low & Vadaketh, 2014, ch. 15). In response to the long-standing practice of political authoritarianism, Low and Vadaketh explore the possibilities and merits of political liberalisation (see ch. 15), and in response to the government's market-based policymaking, recommend the use of universal entitlements-based welfare provisions (see chs. 1, 9, and 10).

The arguments made by Low and Vadaketh do not stand alone. They are also supported, echoed, and advanced by other like-minded scholars and public figures who exhibit a distinct leftist political orientation. Professor Teo You Yenn is one such prominent figure, having written the bestselling *This is What Inequality Looks like*, which captured public attention with her ethnographic study of low-income families in Singapore and her recommendations of Scandinavian style welfare systems. The ex-GIC economist Yeoh Lam Keong has also emerged as a prominent critic of the PAP state, denouncing its neoliberal policies in favour of greater redistribution and comprehensive welfare schemes (Rahim & Yeoh, 2019). These social-democratic scholars in Singapore have called for a “new social compact”, with a “larger state” (p. 20) that engages in more comprehensive social welfare programmes (Yeoh *et al.*, 2012)

Aside from scholars, other non-academic public figures have coalesced on the political left. Tommy Koh, a Singaporean lawyer, ambassador, and diplomat, has also made similar criticisms of the political establishment. In one revealing incident, he not only advocated for a national minimum wage — which is anathema to the pro-business orientation of the PAP — he also criticised the PAP for using “fake” ideological arguments to resist it.¹ The Straits Times Roundtable that he participated in is indeed reflective of the growing contestation in policymaking circles over the future of Singapore public policy.

We endorse the increasing plurality of voices on Singapore’s governance and how it should move forward. When policies are questioned, debated, and questioned, new ideas might emerge to help us face an increasingly uncertain future. Our book participates in this ongoing effort to reframe political discourse in Singapore in a new direction.

We do so, however, from a new classical liberal perspective that has been little considered until now. Just as the “Singapore Consensus” has been challenged from the political left, which emphasises the principles of social democratic liberalism, we challenge the current discourse from a classical liberal lens, emphasising the importance of limited state

¹ Ang, M. (2018, December 4). *Straits Times panel on minimum wage is extension of Tommy Koh’s FB post on debate with Lim Boon Heng*. Retrieved from: <https://mothership.sg/2018/12/minimum-wage-tommy-koh-roundtable-discussion/>.

intervention in society, individual self-responsibility, and decentralisation. Various thinkers have developed these principles throughout history, but they feature here for the first time concerning local, Singaporean political debate.

Transcending a Dichotomy

Classical liberalism offers a new third way in policy discourse in Singapore because the current narrative has settled into a binary left-right dichotomy typical of politics in many developed democratic countries.

The dynamics of political competition in many Western democratic countries typically follow a left-right pattern. On the right-wing of the spectrum are conservatives who are guided by notions of “order and community”, and who believe in a strong state to stabilise an otherwise fragile social order (Brennan, 2016, pp. 14–15; Kling, 2017, ch. 1). These conservatives typically, though not always, favour policies that conform to traditional moral values, which are, in turn, believed to underpin stable or virtuous social order. Conservative positions also usually, though not by logical necessity, emphasise pro-business policies. The Republican Party in the USA and the Conservative Party in the U.K. are the best examples of this, combining socially conservative policies with economic policies that are fiscally conservative and which emphasise market forces.

Consequently, one may characterise the ruling People’s Action Party (PAP) as “conservative” and thus occupying the right-wing of the political spectrum. We acknowledge that the PAP, its supporters, and intellectual defenders, may not subscribe to this label. It has defined itself precisely in rejection of ideological labels, in favour of what is considered as a form of non-ideological pragmatism. That much is true.

However, the rhetoric and policies of the PAP are not a random mass of inchoate opinions, but conform to clear patterns. The policies and style of governance created by the PAP do map somewhat coherently to an identifiable set of values. The policies implemented also bear a high level of consistency. The pro-business, fiscally conservative, economic growth orientation puts the PAP in the same camp as numerous other conservative parties worldwide, as the PAP’s harshest critics contend. Its maintenance

of strict legal restrictions on personal lifestyle choices is evident to every Singaporean and may rightly be described as socially conservative.

In the world of politics today; however, the political left is in the ascendancy. These “progressives”, or “liberals”² emphasise the value of social justice, and thus solidarity with the oppressed, minorities, the poor, and those of lower social-economic class. While they are socially liberal, progressives tend to advocate government intervention into the market economy for fairness. In the current social context, some of these individuals take up the label of “democratic socialism” and oppose the excesses of global capitalism in favour of equitable regulation and redistribution of wealth.

The increasing influence of the political left is recognised all over the world. It has led to the prominence of figures such as Bernie Sanders, Jeremy Corbyn, and Alexandria Ocasio-Cortez, and the mass youth following they command. The Economist Magazine has explored this “rise of millennial socialism” in the developed world.³ This is arguably also associated with the current state of higher education, where it is found that a vast majority of university academics are leftists (Langbert *et al.*, 2016; Langbert, 2018). They not only influence what students learn in class but key media platforms and social institutions (Cofnas *et al.*, 2018; Selepak, 2018).

It is thus unsurprising, given the global influence of left-wing ideas, that Singapore politics is also impacted. The PAP is challenged by a range of opposition parties in Singapore, such as the Workers Party, the Singapore Democratic Party, and the National Solidarity Party. However, many of these parties are relatively small. They do not pose a substantial challenge to the PAP, and that, more often than not, they mirror the PAP rather than produce substantially different platforms (Abdullah, 2017).

This caveat aside, it cannot be denied that there are general points of agreement that unify opposition politics in Singapore. Generally, opposition figures question the ongoing authoritarianism of the Singapore

²There are many labels used for this group, including “democratic socialists”, “liberals”, “modern liberals”, “progressives”, and “social democrats”. For ease of reference, we use these terms interchangeably.

³Economist. (2019, February 14). The Rise of Millennial Socialism. *The Economist*. Retrieved from: <https://www.economist.com/leaders/2019/02/14/millennial-socialism>.

government and call for reform in economic policy to become more generous to help the least well-off. The Singapore Democratic Party is arguably the party most diametrically opposed to the PAP, and it has a clear and consistent platform that features leftist policies such as the minimum wage, universal entitlements, and more significant redistribution.

It should be acknowledged, of course, that terms like “right-wing”, “left-wing” are very much contested, and in fact, make more sense in relative terms. It may be said, for instance, that the former U.S. Vice President and current presidential candidate Joe Biden is to the “left” of Republicans, while still being on the “right” of the radical, self-declared democratic socialist Senator Bernie Sanders from Vermont. One should also rightly acknowledge that at times, policy recommendations may cross party and ideological lines. The non-interventionist instinct of the incumbent U.S. President Donald Trump is often at odds with the more common hawkish foreign policy penchant of the Republican establishment.

Thus, we confess that terms like “conservatives” and “progressives” are imperfect labels that obscure much of political reality. Political coalitions and alliances do not always fit neatly demarcated boxes. Yet, one may still use these terms as “ideal types”, to better organise the otherwise confusing plurality of voices in social discourse. Just as a map necessarily simplifies geographical reality to make navigation easier, a “political map” may assist us in better conceptualising political reality with the use of simplifying ideal types.

Accordingly, we attempt to map out policy discourse in Singapore at the current moment, and what we view as its bifurcated nature along a left-right spectrum. We believe that the political establishment is now confronted by a range of critics who oppose them on numerous fronts, in academia, elections, media, and civil society. This dichotomy is split between the PAP’s “Singapore Consensus”, which is increasingly criticised by those on the political left.

The table below lays out the bifurcated nature of policy discourse in Singapore. The right-hand side of the table features the “Singapore Consensus” in Singapore, which has dominated local politics for decades. This is generally based on the governing philosophy of the PAP, with its emphasis on firm state control of society, aversion to Western-style democratic norms and human rights, a pro-business economic orientation,

Table 1: Map of bifurcated policy discourse

New Progressive-Liberal Consensus	Conservative Consensus (Singapore Consensus) ⁴
<i>Academic Thought Leaders / Intellectual Advocates</i>	
Scholars writing on socio-economic matters: Yeoh Lam Keong, ⁵ Donald Low, ⁶ Teo You Yenn ⁷	Lee Kuan Yew Kishore Mahbubani ¹⁰
Political Scientists critical of PAP: Garry Rodan, Michael Barr, Kenneth Paul Tan ⁸	
Revisionist historians ⁹ Lysa Hong, Tan Tai Yong, P.J. Thum.	

(Continued)

⁴ Donald Low and Sudhir Vadaketh (2014, p. xiii) calls this the “Singapore Consensus”.

⁵ Together with his co-author, the ex-GIC economist Yeoh Lam Keong has argued that “to avoid the inequality trap, we need not just expanded social safety nets, but also more inclusive, even universal, ones” (Low & Vadaketh, 2014, p. 119).

⁶ Donald Low is perhaps the most prominent anti-establishment academic in present-day policy discourse, not only because of his strong advocacy of progressive-liberal alternative policy principles, but also due, in part, to his public confrontations with the PAP ministers. Refer to: *The Straits Times* (2017, April 27). K. Shanmugam rebukes academic Donald Low over remarks misrepresenting his comments on criminal sentencing. *The Straits Times*. Retrieved from: <https://www.straitstimes.com/singapore/k-shanmugam-rebukes-academic-donald-low-over-remarks-misrepresenting-his-comments-on>.

⁷ While her leading book *This is What Inequality Looks Like* is primarily an ethnographic study on inequality in Singapore, rather than a set of policy proposals, she nonetheless commended the Nordic universal entitlements welfare state system in Europe as worth following for Singapore.

⁸ The political scientist from the Lee Kuan School of Public Policy has been critical, both in his academic and popular writings, of the PAP’s system of governance, which he has explained, adheres to an ideology of neoliberalism and which has fostered income inequality and “systematic elitism”. See his article: Tan, K. P. (2018, October 14). *S’pore’s income inequality is made worse by elitist values & systematic elitism*. Retrieved from: <https://mothership.sg/2018/10/kenneth-paul-tan-income-inequality-sg-elitism/>.

⁹ A new wave of revisionist Singaporean historians have made penetrating criticisms of what has been called “The Singapore Story”, which is the official state-constructed narrative emphasising the indispensable role of the PAP leadership in transforming Singapore into the success it is today; refer to Barr (2019, ch. 1) and Hack (2012) for useful reviews of these new perspectives.

¹⁰ He is placed here largely because of his consistent defence of Asian values, which we might interpret as conservative.

Table 1: (Continued)

New Progressive-Liberal Consensus	Conservative Consensus (Singapore Consensus)
<i>Political Parties</i>	
Singapore Democratic Party (SDP) ¹¹ Reform Party ¹² Workers Party ¹³	People's Action Party (PAP)
<i>Policy proposals / initiatives / recommendations</i>	
A more expansive role for the state in redistribution and social welfare: implementation of minimum wage law, the establishment of European-style universal entitlements welfare system, increased social spending ¹⁴ Political liberalisation, increased competition in civic space, relaxation of censorship, increased protection of human rights.	A more circumscribed role for the state in redistribution and social welfare, insistence on the primacy of self-responsibility, co-payments principle in the provision of social welfare, maintenance on incentives to work Paternalistic and restrictive policies towards individual lifestyle choices, such as resistance to reform on LGBT issues & severe penalties on drug consumption and trafficking. Censorship and restrictions on civil liberties, civil society activists, and independent media activities.

¹¹The SDP and its leader, Chee Soon Juan, has clearly on multiple occasions promoted policies that resembling progressive-leftist parties elsewhere, such as higher taxes on the rich, minimum wage law, and higher social spending. See the article: Yong, C. (2016, January 19). SDP calls for minimum wage, abolishing CPF minimum sum in its economic plan. *The Straits Times*. Retrieved from: <https://www.straitstimes.com/singapore/sdp-calls-for-minimum-wage-abolishing-cpf-minimum-sum-in-its-economic-plan>. Their manifesto also clearly lists the implementation of a minimum wage as a key policy goal and increased social spending and taxes on high-income earners. Retrieved from: https://yoursdp.org/news/sdp_lays_out_comprehensive_economic_measures_to_take_singapore_forward

¹²See manifesto of the Reform Party, Minimum Wage. (2010, September 28). Retrieved from: <http://reform.sg/minimum-wage/>.

¹³The Workers Party has supported a national minimum wage, more progressive taxation, and also more pro-active social welfare for the needy. In GE2020, Dr Jamus Lim also popularised the minimum wage. Retrieved from: <http://www.wp.sg/wp-content/uploads/2015/08/Manifesto-2015-Official-online-version.pdf>. See also article: Lee, A. (2015, September 6). Minimum wage viable, says WP's Gerard Giam. *TODAY Online*. Retrieved from: <https://www.todayonline.com/ge2015/minimum-wage-viable-says-wps-gerald-giam>.

¹⁴Low, D. (2019, February 14). The Curious Case of Missing Wealth Taxes in Singapore. *TODAY Online*. Retrieved from: <https://www.todayonline.com/commentary/curious-case-missing-wealth-taxes-singapore>.

and also a resistance to European style welfare states in favour of individual self-responsibility and targeted means-tested subsidies. An interesting point to note is that this perspective is heavily and singularly shaped by the personal worldview of Lee Kuan Yew himself (see Barr, 2000a for a comprehensive breakdown of Lee Kuan Yew's outlook), whose intellectual vision continues to cast a long shadow over the PAP's policies, and thus Singapore society.

For numerous decades since Singapore's independence, this consensus was mostly unquestioned, until now. But as Low and Vadaketh (2014, p. xi) have rightly pointed out, "the 'Singapore Consensus' that the PAP government has constructed and maintained in the last five decades is fraying". The 2011 watershed election brought to light the increasingly contested nature of Singapore policy discourse, featuring more vocal civil society activists and prominent thought leaders propagating alternative ideas for Singapore. We have grouped them in the left-hand side as the "New Progressive-Liberal Consensus", which generally favours greater liberalisation of the hitherto restricted political space in Singapore, and also a re-orientation of economic policy to consider the problem of socio-economic disparities, which are deemed to be increasingly urgent.

A revealing sign that this left-right dichotomy is coalescing is the results of the recent GE2020, which saw the PAP achieve one of its lowest ever vote shares, but also significantly, the strong showing of the Workers' Party. The breakthrough of the Workers' Party in Sengkang GRC featured the economist Dr Jamus Lim who championed the minimum wage, and also a civil society activist Ms Raeesah Khan who has cited a radical Marxist political philosopher, Angela Davis, as her political inspiration.¹⁵ Their surprising performance, coupled with their youth following, arguably marks a clear shift of Singaporean politics towards the left.¹⁶

¹⁵Lee, S. (2020, July 6). *Left voices in Singapore's election*. Workers' Liberty. <https://www.workersliberty.org/story/2020-07-06/left-voices-singapores-election>

¹⁶This has also caused the PAP establishment to be worried about a "generational shift". Geddie, J., & Aravindan, A. (2020, July 16). *Singapore's rulers fret over generational shift in big election win*. Reuters. <https://www.reuters.com/article/us-singapore-election-youth/singapores-rulers-fret-over-generational-shift-in-big-election-win-idUSKCN24H1D4>

What Table 1 shows is also the critical role of intellectual opinion-makers, rather than just political figures. Anti-establishment figures have greater freedom to voice their criticism of the government beyond the confines of electoral politics. Unsurprisingly, numerous academics on the political left champion social democratic ideas, comprising prominent figures like Donald Low, Teo You Yenn, and Yeoh Lam Keong, as well as other political scientists and revisionist historians.

We acknowledge that there is much more diversity within this group than what has been outlined above. It is useful to identify several distinct sub-groups here. First, there are prominent thought leaders who have criticised the establishment for paying insufficient attention to economic disparities and who have promoted a more generous, universal, and redistributive social system, with prominent individuals such as Donald Low, the ex-GIC economist Yeoh Lam Keong, and sociologist Teo You Yenn coming to mind. The criticisms they make of the PAP's economic policy mirror the long-standing criticisms that political scientists have made about the PAP's governance and political authoritarianism. Additionally, they are accompanied by a new wave of revisionist historians critical of the state-constructed national historical narrative (Hack, 2012).

In addition to these academics, civil society activists have also increased their vocal activism in public, agitating for progressive causes such as the abolishment of the death penalty, media liberalisation, and human rights (see Vincent, 2018 for useful profiles of such activists). We do not, in any way, assume that their views are homogenous. But what this group has in common is their critical attitude towards either the political principles of the PAP or their defining policies.

It is also acknowledged that not all the critics of the pro-PAP establishment actively promulgate policy alternatives, as some may only be providing descriptive, albeit critical analyses of Singapore's economy, history, or society. However, it is reasonable to identify a distinct set of policy alternatives that conforms to progressive-liberal political philosophy and which resembles the proposals made by political parties and politicians under this banner elsewhere.

We thus come back to Donald Low and Sudhir Vadaketh's (2014) *Hard Choice: Challenging the Singapore Consensus*, which we take very seriously in our account. Written consciously in opposition to the traditional belief that what Singapore requires is a “competitive meritocracy accompanied by relatively little income or wealth redistribution”, this book goes on to promote a progressive, liberal agenda for Singapore, which features two policy thrusts, first, a move to a more proactive universal entitlements based welfare system and away from the current model of limited provision, and second, greater political liberalisation and thus a move away from PAP's authoritarianism.

Our book challenges the defining features of the existing status quo dominated by the PAP and also the nascent progressive-liberal consensus that has emerged to criticise it.

Classical Liberalism's Distinctiveness

Classical liberalism is a distinct political perspective that has never featured in any prominent way in Singapore society. It has never been propagated by any leading academic, politician, or media personality in Singapore. To better understand its unique contributions, it is necessary to define it.

What is Classical Liberalism?

Classical liberalism is a political philosophy that generally emphasises the importance of civil and economic freedoms. As with any other political philosophy, it is contested and interpreted by a variety of its advocates. What unites its advocates, however, is the conviction that the role of the state should be circumscribed to preserve a private sphere for the individual. Societies, as much as possible, should be governed by voluntary associations forged between friends, families, and civil society groups, or in the form of market transactions. This is not to say, as some of its critics have alleged, that the government should simply “do nothing”. Instead, classical liberals argue that state action should be limited, or minimal, and bounded by general constitutional rules, akin to a “traffic light” system that provides a legal framework for individuals to otherwise act freely according to their separate plans (Epstein, 1995).

Classical liberalism is not a new political philosophy but has roots in the Western Enlightenment of the 18th century, with luminaries such as John Locke, David Hume, and Adam Smith. While it has experienced upturns and downturns of popularity, classical liberal voices have existed in each generation, with the most prominent standard-bearers in the 20th century being the political economists Milton Friedman and Friedrich Hayek (Brennan & Schmidtz, 2009).

At this point in the characterisation so far, it would be understandable for the reader to associate classical liberalism so described with an extreme form of free-market advocacy, otherwise referred to as the “neoliberalism” of the Washington Consensus, which is said to have failed in countries that adopted it (Stiglitz, 2002). We reject this characterisation. The classical liberalism we introduce does not refer to any fixed or specific policy bundle, let alone the “privatization, deregulation and market liberalization” of the Washington Consensus, even though classical liberals generally favour these policies (Boettke & Nicoara, 2015).

Instead, by classical liberalism, we refer to an *intellectual tradition* comprising of a whole cast of thinkers who have propounded and developed different political programmes, but which generally endorse an *institutional* regime of polycentricity, decentralisation, and a plurality of rules. In other words, we mean that classical liberalism is not defined by one single, fixed, unchanging set of dictums that are commanded from the high altar of neoliberalism: “the market shalt make all things right”. Classical liberal thinkers have always acknowledged the role of state action and have varying degrees of political-economic stances. Even the so-called ‘high priest’ of 20th century neoliberalism Friedrich von Hayek endorsed a range of social provisions, including the increasingly popular universal basic income (Burczak, 2013).

Classical liberalism is, however, a *tradition* that takes seriously the prevailing institutions, or the rules of the game that operate in any given society, since they determine the incentive and epistemic environment of human action. Classical liberals engage in comparative institutional analysis to ascertain the cases where markets may perform better than state action, by considering the very real problem of limited human