

Liberalism is not, as some scholars in the 1940s and 1950s maintained, the only important political tradition in America.<sup>8</sup> It has always coexisted, and often competed, with alternative traditions and movements in a diverse ideological world. But liberalism has been near the center of American political and intellectual life since the beginning of the republic. And it has itself been a broad and changing set of beliefs, difficult if not impossible to define with any real precision. All liberals claim to believe in personal liberty, human progress, and the pursuit of rational self-interest by individuals as the basis of a free society. But there is considerable, often intense, disagreement among them over what those ideas mean. In the twentieth century alone, the word "liberalism" has designated at least three very different concepts of progress and freedom.<sup>9</sup>

At the beginning of the century, and for many decades previously, "liberalism" generally referred to a belief in economic freedom and strictly limited government. This laissez-faire liberalism is often described today

as "conservatism," but it was, in fact, a challenge to an earlier nineteenth-century conservatism rooted in the protection of tradition and fixed social hierarchies. Laissez-faire liberalism envisioned a fluid, changing society in which the state would not protect existing patterns of wealth and privilege, in which individuals could pursue their goals freely and advance in accordance with their own merits and achievements.<sup>10</sup>

In practice, of course, laissez-faire liberals did not create a genuinely fluid, open society. Ambitious entrepreneurs decried state interference when it constrained them, but they welcomed, even demanded, government assistance when it was of use to them. Nor were the capitalist champions of laissez-faire genuinely committed to an open competition for wealth and power. They lobbied for protection from foreign competition through tariffs; they struggled to escape domestic competition by creating pools, cartels, holding companies, and trusts; and they often benefited from government intervention in protecting themselves from challenges from their own workers.<sup>11</sup> But the "liberal" idea—however inadequately it described social reality—became a potent justification for a rapidly expanding capitalist world, and for a notion of individual freedom that was becoming increasingly important within that world.

Beginning early in the twentieth century, a competing form of liberalism emerged: a "reform" liberalism, skeptical of laissez-faire claims that an unrestricted social and economic marketplace would produce a just and open society. Reform liberals (most of whom at first called themselves progressives) embraced so many different goals that historians have at times despaired of establishing any definition at all of the concept of "progressivism" or "reform." But among the ways in which progressives distinguished themselves from laissez-faire liberals was their belief in the interconnectedness of society, and thus in the need to protect individuals, communities, and the government itself from excessive corporate power, the need to ensure the citizenry a basic level of subsistence and dignity, usually through some form of state intervention.<sup>12</sup>