Cooperation over Coercion: The Importance of Unsupervised Childhood Play for Democracy and Liberalism

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Bio-sketch: Steven’s most recent book is Hayek’s Modern Family: Classical Liberalism and the Evolution of Social Institutions (Palgrave Macmillan, 2015). He is also the author of Microfoundations and Macroeconomics: An Austrian Perspective (Routledge, 2000) and Monetary Evolution, Free Banking, and Economic Order (Westview, 1992), and he has written extensively on Austrian economics, Hayekian political economy, monetary theory and history, and macroeconomics.

Abstract: Unsupervised childhood play is how children learn the sort of informal rule-making and rule-enforcing that is so critical to a liberal society’s attempt to minimize coercion. It is a key way that children learn the skills necessary to engage in social cooperation in all kinds of social spaces within the market and, especially, outside of it. We learn how to problem solve in these ways without the need to invoke violence or some sort of external threat, which enables us as adults to cooperate peacefully in intimate groups as well as within what Hayek called the Great Society. A society that weakens children’s ability to learn these skills denies them what they need to smooth social interaction and undermines their ability to participate in what Tocqueville called “the art of association.” Losing the skills learned in unsupervised play makes coercion more likely by threatening our ability to create and sustain the rule-governed relationships that are at the core of liberal societies. If we parent or legislate in ways that make it harder for children to develop these skills, we are taking away a key piece of what makes it possible for free people to generate peaceful and productive liberal orders.

Keywords: liberalism, democracy, childhood play, Vincent Ostrom, Elinor Ostrom, Hayek, spontaneous order

INTRODUCTION

One of the defining characteristics of the broad classical liberal tradition is its desire to minimize the amount of coercion in human social life. Various scholars in that tradition have differed on how far coercion can be minimized and what sorts of institutions would best achieve that outcome, but they generally agree on that common goal. The very first sentence of Hayek’s (1960, p. 11) The Constitution of Liberty reads: “We are concerned in this book with that condition of men in which the coercion of some by others is reduced as much as is possible in society.” For much of the history of classical liberalism, the desire to minimize coercion has focused on the degree to which the state is necessary to achieve that end. Classical liberals have generally seen the market as a nexus of voluntary exchange in which human relations are non-coercive, as long as participants refrain from the use of fraud or force. While acknowledging that there are important criticisms of that view both in and out of classical liberal thought, I am going to take that claim as a given for what follows.

What I mostly address in this paper is the realm of human action that is neither the market nor the state, as the vast majority of human interactions take place in these small moments of life. These are the areas that concern Vincent Ostrom (1997) in his The Meaning of Democracy and the Vulnerability of Democracies. Ostrom understands “democracy” in the spirit of Tocqueville as the system in which people have the:

- capability for pursuing and mediating conflicting interests through processes of conflict resolution...
constituting shared communities of understanding about how to cope with the exigencies of life through reflection and choice in self-governing communities of relationships. (Ostrom, 1997, p. 26)

Democracy and the art of citizenship are the way “self-governors” construct “rule-governed relationships” to prevent and resolve conflicts while minimizing the use of private or political coercion. Ostrom is clear to say that the practice of democratic citizenship concerns neither the market nor the state as typically construed. Instead it comprises all of the various ways humans use language and persuasion to develop “covenantal” solutions to the endless problems of conflict that constitute life in a social order. Such covenantal solutions include everything from larger scale social institutions, to various civic and market organizations, to neighborhoods and families. For Ostrom, democracy is the process of creating rule-governed arrangements through conversation, collaboration, and consent.

For example, consider how much of our lives is made up of interactions with members of our families or the people with whom we work. Families and firms are just the sorts of “intermediate institutions” between individuals and the state that are central to liberal societies. Markets too might be considered intermediate institutions, but for my purposes here, I want to exclude markets and focus on the human interactions that take place outside both the formal institutions of politics and the monetary exchange (“cash nexus”) of the market. Those spaces frequently involve moments of conflict that need to be either avoided or solved without coercion if the classical liberal desire for a coercion-minimizing society is to be realized. In addition, to the extent that such small moments of conflict are already solved without coercion, our ability to do so contributes to the emergence of a whole variety of social orders, including the grand emergent order of what Hayek called the Great Society.

What I am interested in exploring is one of the most important ways we learn how to negotiate these small spaces of potential conflict that lie outside of the market and state without invoking public or private coercion to do so. In other words, how do we learn to develop the skills and aptitudes needed to be self-governors who can effectively participate in democratic citizenship, as Ostrom understands it? I will argue that the opportunity to engage in unsupervised childhood play acts as a school for learning both social norms and the skills required to avoid and resolve the innumerable moments of conflict that fill our daily lives. In this way, the ability to engage in such play is central to democracy and the liberal order. If this argument is right, it also suggests a central role for parenting and the family in the maintenance of the liberal order. Such play seems to be increasingly absent from the lives of many young people in the West, and we need to consider the implications of that loss for the future of the liberal order. In our zeal to protect our children from a whole variety of (mis)perceived dangers, we may be undermining their social conflict solving skills in ways that prevent them from learning the art of association at the core of democratic citizenship. Losing the art of association invites a larger role for both public and private coercion that will frustrate liberalism’s goal of reducing the role of coercion in society.

A BRIEF TAXONOMY OF CONFLICT, COOPERATION, AND COERCION

The fundamental fact of human existence is that we are unable to satisfy all of the wants we might have. Physical resources are scarce in comparison to wants, but so are time and knowledge. On an individual level, we are constantly confronted with the necessity of choice and the reality of those choices having costs in terms of foregone alternative uses of resources, time, and knowledge. On a social level, humans require institutions through which all of those individual choices can be reconciled as there is no reason to believe that all of our particular wants will be perfectly consistent with everyone else’s in such a way as there will be no conflicts over resources. In the absence of such pre-reconciliation, humans have discovered, through a variety of social evolutionary processes, various practices and institutions that can either avoid or resolve the conflicts that thereby arise. Such institutions include the market and formal political processes, but also a whole variety of social norms and intermediary institutions, such as families, houses of worship, clubs and organizations, and a variety of other elements of what is now often called “civil society.” These intermediary institutions are an important constituent part of the larger emergent order of the Great Society.

One way of viewing our evolved methods of dealing with conflict is in Figure 1 below. Where two or more people cannot decide on how to resolve a conflict, especially those over resources, the two basic choices are either finding a way to cooperate or making use of coercion. These two options are available in any case where humans have to work together as team. Cooperation can be divided into two categories: the use of markets to mutually and peacefully satisfy self-interest through monetary exchange and the use of a variety of
other forms of cooperation that rely on any number of types of persuasion and agreement, whether implicit or explicit. These non-market forms of cooperation are what Vincent Ostrom sees as the domain of democracy. Coercion also comes in two forms: public and private. Where cooperation is not possible, perhaps because the framework of institutions necessary to generate market exchange is absent or various forms of social trust are weak, or because the problems of public goods and free riders are too costly to overcome, humans are likely to make use of coercion. Public coercion takes place through the formal political process. Whatever one’s view on the size and role of government, it ultimately rests on coercion, even if that coercion is thought to be socially beneficial. Private coercion is always an option as well, particularly if attempts at persuasion in small groups fail to produce agreement, perhaps because individuals lack the skills required to generate consensual and fair arrangements. Stronger individuals can individually, or through a coalition, attempt to determine who gets what, or how groups function, by various forms of coercion.

Figure 1: Dealing with conflict

The concern by Hayek, Ostrom, and others that we minimize coercion as far as possible can be seen in light of this analysis. Whatever one’s view of the role for government with respect to market exchange, it would seem clear that if market and non-market forms of cooperation can do sufficiently well in avoiding or solving situations of conflict, we would prefer these non-coercive solutions. When we consider all the moments of human interaction that are cases of potential conflict, especially the very small and local ones, it is extraordinary that we do not see more coercion and violence than we do. The ability to engage in group problem solving and settle disputes without the intervention of outsiders is a key part of the liberal order. When we consider all of the social interactions people have during the day that involve some minor disagreement or dispute (Whose turn is it at the copier? Who should clean up the coffee area? Who gets that parking space?), it is stunning how often these disputes get settled without violence or acrimony. Or consider how we design rules and procedures in small informal groups, again mostly without violence or acrimony. The same can be said of how humans create formal organizations and institutional arrangements for resolving larger-scale conflicts, or how we put up with the annoying or obnoxious small-scale behavior of others, or the ways we adjust our own behavior to the needs and wants of others. When one seriously considers all the moments in a typical day that have potential for conflict that get resolved through conversation and negotiation, or just plain tolerance, it is actually somewhat astounding how smooth social life is. These solutions are both non-coercive and non-market. They are the heart and soul of democratic civil society and our interactions in the various intermediate institutions that comprise it.

In a liberal society, these sorts of moments can take place in a variety of institutional contexts. Even in the context of the market, there are still numerous moments of human interaction that demand that we accommodate others without clear, explicit rules to guide us. Outside of the formal market, we engage in voluntary interactions with a large number of other people during the course of our days where, again, there may be no explicit rules to guide us in how to behave. Yet we manage to find ways to avoid conflicts or resolve those that arise.

One good example of the creation of conflict-reducing rule-governed social institutions comes from the work of Elinor Ostrom (1990). Her scholarship focused on the ways in which people solved common-pool resource problems without using the formal structures of either the market or the state. She argued that those are not the only two institutional forms available to communities as they figure out how to “govern the commons.” Many situations are more amenable to having the members of the communities involved develop their own institutional solutions for managing common-pool resources, and she shows through case studies the variety of forms such solutions might take. Using examples of common property in villages in alpine Switzerland and Japan among others, Ostrom explores the ways in which these communities deploy particular rules, monitoring arrangements, and sanctions to ensure that the common property is used wisely and does not fall victim to the well-known tragedy of the commons. Each of these communities endogenously develops a particular set of rules, monitoring
arrangements, and sanctions that work for the specific problem they are facing and that are consistent with the cultural practices of the community in question. Although all of these cooperative solutions have to solve the same general problems (i.e., providing rules, monitoring, and sanctions), the particular form the solutions will take will vary with the specific circumstances and practices of the group.

Ostrom is careful to point out that these emergent community-based solutions are much harder to develop than is suggested by simple models that assume such solutions can be designed from the top down:

Instead of presuming that optimal institutional solutions can be designed easily and imposed at low cost by external authorities, I argue that "getting the institutions right" is a difficult, time-consuming, conflict-invoking process. It is a process that requires reliable information about time and place variables as well as a broad repertoire of culturally acceptable rules. (Ostrom, 1990, p. 14)

Elinor Ostrom’s work is a useful example of the sort of bottom-up problem solving that can characterize how free people engaged in the art of association avoid and resolve conflicts without resort to external authorities and coercion. But, like Vincent Ostrom’s work, it raises the question of how we learn to engage in these sorts of cooperative ventures, especially when so many of them are idiosyncratic and not easily captured by clear, explicit rules such as "respect property" or "keep promises." When we expand our perspective beyond the community-wide problems that concerned Elinor Ostrom and consider the enormous number of smaller cooperative tasks that fill our days, the scope of these sorts of interactions becomes clearer and more daunting. Humans are constantly having to figure out how to work together to solve problems. In our evolutionary history, many of these collaborations were with kin who were well-known to us. In those situations, cooperation is perhaps easier and lower cost, though it still requires some version of the skills involved in larger scale cooperation. Of course in the Great Society, those collaborations are often with people who are strangers, requiring that we rely even more heavily on acquired social skills rather than particular knowledge of the individual. More specifically, what needs to be explained is how people learn to develop and enforce endogenous rules and norms, particularly with strangers. In other words, how do we learn the "culturally accepted rules" (i.e., the skills needed for self-governors to participate in democratic processes) about how to cooperate and collaborate with each other without invoking third-party coercion?

UNSUPERVISED CHILDHOOD PLAY AND ENDOGENOUS RULE CREATION AND ENFORCEMENT

With respect to market exchange and the Great Society in general, we have some sort of understanding that we need to learn the rules of respecting property, keeping promises, and practicing tolerance, and we also understand that this learning takes place in the family and in schools, and is supported by our rhetoric about economic activity (McCloskey, 2010). What are the equivalent sites for learning how to negotiate and persuade in situations in which there are few, if any, formal rules to guide us? How do we avoid and resolve conflict in these informal and all-too-frequent moments?

In his Free to Learn, psychologist Peter Gray (2013) documents the ways in which the ability to truly play is central to how children learn and how it thereby contributes to their growth into functional adults. In particular, he (p. 7) focuses on what he calls “free play,” or “play in which the players themselves decide what and how to play and are free to modify the goals and rules as they go along.” He (pp. 17-18) adds that “free play is nature’s means of teaching children that they are not helpless” and that in playing this way “children learn to make their own decisions, solve their own problems, create and abide by rules, and get along with others as equals rather than as obedient or rebellious subordinates.” In addition, Gray (p. 18) argues that “in social play, children learn how to negotiate with others, how to please others, and how to modulate the anger that can arise from conflicts.” Therefore “unsupervised” in this context need not mean that there are no adults in the vicinity, nor that, for example, neighbors or police are not nearby. What it does mean is that the nature of the play, the creation of the rules governing that play, and the enforcement of those rules is left in the hands of the children who are playing. The structure of that play is not imposed on the players, but emerges from their own choices.

One other element that defines play is that it continues only with the consent of those playing: “the ultimate freedom in play is the freedom to quit” (p. 141). Consent matters because it means that the playing will only continue if those engaged in such play can resolve conflicts and mollify complaints in ways that keep everyone interested in playing. This is one way in which the social skills are taught: if children want to play, they have to learn to keep everyone
sufficiently happy. The kind of play Gray is focusing on here is very different than the structured play of something like Little League baseball. There the rules are imposed and disputes are settled from the outside by adults, and children, once they get involved, cannot quit the specific game as easily as they can in true play. The alternative institutional environment of Little League forecloses the bottom-up ways in which children learn to create and enforce their own rules and makes them almost completely dependent on adults. Gray (p. 159) also argues that free play helps children to develop an important kind of empathy, as they have to be able to “see from others’ perspectives, to understand what others want, and provide at least some of that for them.”

Gray notes that the differing context between the unstructured, unsupervised free play and the structured play of something like Little League explains why there are more injuries in structured play than free play. In free play, each player must take account of the skill and size of the other players in order to keep the lesser-skilled and smaller ones interested in playing, so better, larger players will ease off on them. The centrality of consent and the ease of exit force players to moderate their behavior in ways that are unnecessary in structured play. In the competitive environment and formal structure of something like Little League not only is such moderation unnecessary to maintain consent to play, it will be actively discouraged. In free play, by contrast, the means matter more than the ends, reducing the competitiveness that can prevent more skilled players from easing off the lesser-skilled.

The processes at work in enabling free play to continue parallel those identified by Elinor Ostrom in her studies of community-driven responses to common property resource problems: rules have to be developed and behavior has to monitored and sanctioned. One of the most powerful ways to deal with rule transgressions in emergent orders is through exit because the continuation of the game or institution requires the continued consent of the players. If exit causes the game, or the social institution, to collapse, the participants have strong incentives to make sure that all players think the rules are fair and that they are being followed. In rules imposed from above, such as in highly structured and supervised play, the need for consent to the rules is absent and exit becomes a much weaker form of sanction. As a result, participants are less likely to take the desires of others into account because ignoring them does not lead to cessation of the activity.6

The skills developed in playing such games are also the skills central to Vincent Ostrom’s (1997, p. 296) broader discussion of the importance for effective self-governance of “common knowledge, shared communities of understanding, patterns of social accountability, and mutual trust in one another.” He also recognizes the way in which these skills “begin to accrue in the early years of childhood” and how “every child can learn what it means to play games” (p. 286). However, Gray reminds us that play need not be games in the sense of things like baseball or basketball, but can take all kinds of different forms including fantasy play, language play, social play, and many others. Gray’s (2013, p. 140) definition of play is worth quoting in full. It consists of the following five characteristics:

1) play is self-chosen and self-directed;
2) play is activity in which means are more valued than ends;
3) play has structure or rules that are not dictated by physical necessity but emanate from the minds of the players;
4) play is imaginative, nonliteral, mentally removed in some way from “real” or “serious” life; and
5) play involves an active, alert, but non-stressed frame of mind.7

He (p. 146) adds: “To play is to behave in accordance with self-chosen rules.” Among the lessons unsupervised play inculcates is that “players have to make up and modify rules according to varying conditions” and, unintentionally echoing Vincent Ostrom, he notes that “for life in a democracy, few lessons are more valuable” (p. 160). Children also learn that “conflicts are settled by argument, negotiation, and compromise” and therefore learn the importance of consensus (as opposed to complete agreement), which is another key skill for dealing with the endless moments of potential conflict that characterize the Great Society (p. 160).

Finally, Gray (p. 174) notes children experienced in this form of play are more empathetic and less narcissistic than those who lack such experience. The constant need to take the concerns of others seriously in order to ensure continued consent and thereby keep the game going helps to develop the capacity to recognize when others are not enjoying the game or are perceiving the rules as unfair. Again, this set of skills is crucial for resolving all kinds of adult conflicts without the need for coercion.

All of these skills developed by play, Gray argues, are central to child development and enabling children to be functional adults. He notes that these also have impor-
tant social implications. If we did not have these skills, we would inhabit a world where many more social conflicts, or interpersonal slights, would lead to anger or violence. Imagine a world where rather than trying to settle conflict through conversation and negotiation among the parties, we immediately went to the police or lawyers. If the central idea behind liberalism is to minimize the use of coercion in society, then any social practice that inculcates skills in rule creation, negotiation, and compromise, as well as enhancing our ability to empathize and reducing the frequency of narcissism, should be seen as central to developing the skills necessary for practicing the art of association in a liberal society. The political importance of childhood is that it prepares us for the freedom of adulthood by allowing us to experience that freedom in small, bounded doses. If Gray and the research he cites is correct, then unsupervised childhood play is one of the most important means by which both parents and society at large can help children become the self-governors that democracy and liberalism require.

This analysis is a fairly rosy description of unsupervised play and its role in the liberal order. Exit options are indeed powerful, but invoking them raises the question of the role of coercion in providing the framing institutions under which the various forms of social interaction and conflict resolutions take place. Do we need the coercion of something like the state to ensure that lower-level cooperation can take place? How do we deal with those who do not play by the rules? All of these are questions that go to the heart of political economy. I will make two observations in the context of this paper. First, while we do tend to treat things like the law as an “external” institution for the analysis of various forms of social cooperation, it may also be the case that for understanding the emergence of legal rules or other forms of governance, we have to treat the sort of skills at the art of association I am discussing as “external” to that analysis. That is, the way in which law emerges may depend just as much upon the nature of play and cooperation as play and cooperation do on the law. The second point follows from this. In fact, a great deal of contract enforcement comes not from the state traditionally understood, but from a whole variety of forms of private governance, many of which might well rely on exactly the kinds of skills that are under discussion here. Seeing the relationship between “external” institutions of contract or other kinds of norm enforcement as simply being the state providing the framework for voluntary cooperation misses the more dialectical interaction between enforcement institutions and the cooperation that emerges from them.

THE DEMISE OF UNSUPERVISED PLAY

Unfortunately for the future of liberalism, unsupervised play is in decline. For example, a recent poll indicated that 68 percent of Americans think there should be a law that prohibits kids aged nine and under from playing at the park unsupervised, despite the fact that most of the adults polled no doubt grew up doing just that. In the same poll, 43 percent supported a similar law for 12-year-olds.

In other words, almost half of Americans would like to criminalize all pre-teenagers playing outside on their own. In the last several months, the media have been full of reports of parents who have tried to let their kids play; or go to the park or school, unsupervised being ticketed or arrested for endangering their children. This is despite abundant evidence that childhood has never been safer than it is today. Between these unfounded fears about child safety, and the belief that parenting needs to be incredibly labor intensive, children are losing the opportunity to engage in unsupervised play.

One of the features of parenting in the twenty-first century is the expectation that it should be extraordinarily intensive and invasive. The media are also full of stories of moms and dads who hover over their kids, directing every aspect of their lives just about every hour of the day. A conversation with a K-12 teacher or college professor will bring forth even more such tales. Often this form of parenting manifests as kids who are scheduled full of activities both in and out of school, from music lessons to sports to volunteer work or any of several dozen things that the parents have decided that they need. This drive to over-schedule, like so much else with this phenomenon, may well come from a good place, namely the parents’ desire to see their kids succeed combined with the assumption that meaningful success requires all of this preparation from day one. It is not hard to imagine, mostly because they are real, the parents who fret over their kids not getting into the right baby day care because it will shut them out of the best pre-school, which means the child will not get into the top private primary school, which in turn means that he or she will not get the preparation and connections necessary to get into that Ivy League college that is believed to be the only path to a successful adulthood. These parents also tend to be the ones that Marano (2008, p. 19) calls “snowplow parents,” who attempt to remove every obstacle in the way of their kids living out that life-path, while simultaneously giving the children very little responsibility, or choice, in the matter.
At the same time that these parents are over-scheduling and hyper-managing the details of their kids’ lives, they are also protecting them from any risk of danger or failure. Here again we are all familiar with the stories of parents fearing all of the horrible things that can happen to their kids, and demanding hand sanitizers everywhere, or removing traditional playground equipment, or driving their kids two blocks to school for fear of what might happen if they walk by themselves. Add on to this the additional parental fears about everything from online predators to poisoned Halloween candy to what chemicals are in their children’s plastic sippy cups, and you have kids who are constantly being bubble-wrapped for their own protection.

Aside from the fear of the lurking dangers, real or imagined, this hyper-parenting often takes the form of an unwillingness to allow kids to experience the pain and discomfort of failure. More generally, in an analogy to how markets work, hyper-parenting refuses to allow kids to suffer the psychological equivalent of profits and (especially) losses that help them learn how to navigate the world successfully. The snowplow parents who clear the road of obstacles are denying their kids the feeling of psychological profit that comes from accomplishing something themselves. As a result, such children do not learn as effectively as they should how to deal with challenges and novel situations that require them to work hard and figure out solutions. Those parents who attempt to cushion every one of their children’s failures, whether in the trivial form of Second Winner trophies for losing sports teams, or in the more serious form of aggressively pushing school officials to change grades or override a coach’s decision to cut their kid from a sports team, are denying those kids the chance to feel the psychological loss that comes from failure, and that is necessary for learning what not to do. Trying to bail out kids from every possible failure has the same effect as bailouts do in the economy: it locks-in inefficiencies and wastes resources by cutting short the process by which we learn what to do and what not to do. Just as bailed out firms can become economic zombies, economically dead but still wandering around consuming resources, so do bailed out kids stumble through late adolescence and early adulthood unable to be resilient in the face of failure and creative in the face of roadblocks.

Another way of looking at these phenomena is that they represent the sheltered childhood and its sentimentality taken to an extreme. As it emerged in the Victorian Era, the concept of the sheltered childhood was originally concerned with creating a space in which children could become educated, play, and learn without having to worry about the ugly reality of the adult world of work and the public sphere more generally. Sheltering children within the worlds of family, school, and houses of worship, and in the process really creating childhood and adolescence as we know them today, was an understandable reaction to the long history of children having to work on farms or factories as part of the family’s role in market production. It was not intended to protect children from every possible danger or even cushion them from failure in the way that too many parents do today. It seems as though now there is no risk to children that is worth tolerating, at least if parents or policymakers become aware of it. Steven Pinker (2011, p. 444) aptly said of this phenomenon that: “The historical increase in the valuation of children has entered its decadent phase.”

An economic perspective can shed some light on this view of childhood. One way to understand it is that it is almost as if each and every child is viewed as infinitely valuable and therefore his or her safety or happiness cannot be traded off against any possible risk. Notice how many of the safety-related concerns of parents deal with very low probability outcomes, though often ones that would have very large negative effects if the very low probability event were to occur. Included here would be fears of kidnapping and online predators, the risks of which are greatly over-estimated by most parents, especially since crimes against children in general have fallen significantly over the last few decades. If the activities that incurred these risks had no benefits, then it might be sensible to not accept any level of risk. However, as I have argued, many, if not most, of the activities that are seen as too risky for kids, such as the various forms of unsupervised play that interest Gray, do indeed have benefits associated with them, which makes them worth engaging in if the risk is so small. However, not enough parents and policymakers seem to be willing to talk in terms of costs and benefits or acceptable risk when it comes to issues involving children.

In the language of economics, it is as if parents can only think in terms of a “corner solution” when it comes to risks to their children. This terminology refers to the way economists think about tradeoffs. We tend to depict tradeoffs using something like the diagram in Figure 2. For almost any example one can think of, there is a trade-off between safety and the reward one gets from the activity. Almost anything we do has some element of risk to it, such that the only way to obtain the reward is to accept some amount of risk and thereby reduce one’s safety in the broadest sense of the term. The curve depicts that tradeoff by showing how increasing the benefit from the activity also means reducing its safety.
(increasing its risk). The term “corner solution” refers to point A, which lies at the corner of the curve and the axis, indicating that there is no tradeoff being made. At point A, the person prefers all the safety that can be obtained, which implies no reward whatsoever. (And we could put a comparable corner solution point at the other axis, reflecting someone who had no concern for safety whatsoever.)

Figure 2: Corner-Solution Parenting

Many parents might well say “yes, when it comes to my child’s safety, no risk is worth taking.” Such parents probably believe this as well, yet their actions suggest otherwise. If parents really believed this, they would never choose to put their child in a car (car seat or not). Car accidents are a major killer of children, yet parents seem very willing to take that risk, but far less willing to, for example, allow their children to eat Halloween candy from strangers even though there is not one verified incident of poisoned Halloween candy on record (Skenazy, 2009, p. 62). So at one level, this concern about keeping children safe is problematic because parents appear to misjudge what choices really put their kids at risk. A concerned parent might respond by saying “well of course I put my kids in the car—after all I have to transport them to various places and they cannot walk everywhere.” This response, however, just makes the point: some risks are worth taking if there is a benefit to the risky activity that more than compensates for the risk. Parents do, in fact, understand that corner solutions are not optimal in most situations.18

Parenting should be about ensuring that children are exposed to a profit and loss system of maturation. When kids get it right, they should reap the benefits, but when they mess up, they should also pay the price. If we continue to grant children greater freedoms but continually prevent them from experiencing the psychological equivalent of losses, we will have denied them a crucial part of the learning process and, in so doing, potentially weakened their ability to navigate effectively in the liberal order. Just as privatizing profits and socializing losses in the economy leads to misallocation and moral hazard, so will parenting that socializes losses lead to children who find the reality of the extended order of the Great Society puzzling and unacceptable. If the liberal order depends crucially on people acquiring certain values and norms, and understanding that the Great Society differs from the intimate order of the family, parenting needs to take into account how best to inculcate those values. Allowing kids to experience the real risks associated with freedom, and the profit and loss such freedom might bring, is one way to do so.

In Gray’s (2013, p. 6ff) description of what he calls a “half century of decline” in free or unsupervised play, he puts a great deal of the blame on the increased importance of compulsory formal schooling and the ways in which it has led people to think that time in the classroom is what matters, making the opportunity cost of other activities too high. The ways in which schools have reduced or eliminated recess for young children are evidence of this, although that change probably is also affected by liability laws in a highly litigious society. He also summarizes the literature that connects this decline in free play with the increase in a variety of psychological disorders in children. Ironically, and tragically, in the name of protecting our children, and trying to guarantee them what we believe is the right kind of education, we may be harming them and, in the process, weakening the skills that help to minimize coercion in liberal societies.

PARENTING, “OSTROM MOMENTS,” AND THE LIBERAL ORDER

Denying children the freedom to explore on their own takes away important learning opportunities that help them to develop not just independence and responsibility, but a whole variety of social skills that are central to living with others in a free society. If this argument is correct, parenting strategies and laws that make it harder for kids to play on their own pose a serious threat to liberal societies by flipping our default setting from “figure out how to solve this conflict on your own” to “invoke force and/or third parties whenever conflict arises.” This is one of the “vulnerabilities of democracies” noted by Vincent Ostrom (1997). A society that weakens children’s ability to learn these skills denies them what they need to smooth social interaction. The coarsening of social interaction that will result will create a world of more conflict and violence, and one in which people’s first instinct will be increasingly to invoke coercion by other parties to solve problems they ought to be able to solve themselves.
through democratic self-governance. Unsupervised play is a key way that children learn the skills necessary to engage in social cooperation in all kinds of social spaces, both within the market and especially outside of it. If we parent or legislate in ways that make it harder for kids to develop those skills, we are taking away a key piece of what makes it possible for free people to be peaceful and cooperative people.

If all of this is reasonably accurate, it suggests that parenting practices matter for the viability of a liberal social order. Bryan Caplan’s (2011) recent book has led many defenders of classical liberalism to conclude that parenting does not matter that much, as Caplan marshals impressive evidence from behavioral genetics showing that most life outcomes for children are the results of nature not nurture. Though Caplan is clear to also point out that really bad parenting practices (e.g., locking kids in rooms) can cause damage, and equally clear to note that the most important thing parents can do for their kids is to provide the kids with happy memories of their parents and childhood, he does make the argument that parenting is much less important than people think. However, Caplan is concerned with the effects of parenting on individual outcomes, especially various metrics of a successful life. He is not concerned with the ways in which parenting might affect how children deal with the sorts of issues I have raised here, such as the ability of liberal societies to minimize coercion. One can accept that genetics might explain a great deal about individual outcomes but still think parenting is significant for the ability of young people to become self-governors with the capacity to engage in cooperative and collaborative conflict reducing processes.

We can see why parenting’s relationship to unsupervised play might matter for liberal orders by returning to Elinor Ostrom’s work and the ways in which intermediate institutions based on human cooperation are central to the emergent order of the liberal society. A great deal of contemporary social science makes use of game theory to describe human social interactions. Ostrom does as well, and she (1990, p. 23) claims that: “In the most general sense, all institutional arrangements can be thought of as games in extensive form.” Formal game theory is most often thought of in terms of a given structure of rules that, along with payoffs, determine the various strategies that players can deploy. A particular mix of strategies given those rules and payoffs will produce the equilibrium outcome. The institutional arrangements that interest Ostrom, however, are rules that emerge endogenously from a game played within a higher order set of rules. That is, the equilibrium outcome of the game of institution formation is a set of emergent rules. She (1990, p. 52) notes that any analysis that purports to explain to the emergence of one set of rules endogenously must take another set of rules as exogenous. But what this does mean is that the “game” of institutional emergence is a game that also must produce a set of rules for a further game to be played among the participants. Here is where institutional emergence meets unsupervised play, as the leap from games to play is a very short one.

In Gray’s analysis of play, he is explicit that true play is “mentally removed” from real life, but many of the elements of play can be seen in the ways in which people construct and make use of the institutional arrangements that resolve social conflicts in real life. Like play, how a community might decide to best manage a common grassland or waterway ultimately rests on developing a set of rules that everyone will consent to. The same sorts of skills of compromise and empathy, and the same need to keep people sufficiently happy so they consent to play the game (i.e., adopt and follow the institutional rules) that characterize childhood play, are necessary for developing real-world institutional solutions for the management of common-pool resources and many other situations of social conflict. What Elinor Ostrom (1990, p. 25) calls “the possibility of self-organized collective action” and what Vincent Ostrom (1997, p. 292) describes the “pathway to peace...through self-governance” appear to be alternative ways of seeing what Gray calls “free play.” The key difference is that real world institutional solutions, because they are in the real world, are focused on particular ends, unlike play which has no specific goal of its own. The kinds of institutional arrangements that interest the Ostroms are ones that solve specific problems, and in that way they are like the forms of intentional cooperation that characterize a great deal of human action. Nonetheless, they do take on many of the characteristics of play, and as Elinor Ostrom’s work demonstrates, human communities are able to develop amongst themselves a wide variety of institutional solutions in the face of common-pool resource problems. One of the reasons that humans can bring about these solutions is that we can make use of the skills, including the ability to empathize, that are learned in the school of free play.

Although Elinor Ostrom’s work focuses on larger scale social problems that require collective solutions, the same sorts of potential for conflict exist in all of the smaller scale kinds of situations noted earlier. Conflict is a constant feature of human interaction. It is possible that these little “Ostrom moments” get resolved peacefully because so many of us have had experience from childhood at having to engage in the collective self-governing processes of rule-making
and rule-enforcing that are so critical to a liberal society. Unsupervised play gives children the opportunity to learn how to rule and be ruled, but does so with the need for consent and the option of exit, also helping them understand what constitutes legitimate authority and preparing them for participation in the democratic processes of a rule-governed society. Such play also requires that power be wielded gently, which is an important skill for people to have as members of the little platoons that make up civil society. Liberal societies are ones in which people have learned how to problem solve by making use of all of these skills, obviating the need to invoke violence or some sort of external threat. Developing these skills is a central, if largely invisible, foundation of the peaceful human interaction and cooperation that keeps liberal societies as liberal and free as they are.

If we were to lose the skills necessary to solve conflicts cooperatively, it is not hard to imagine that people will quickly turn either to external authorities like the state to resolve them, or would demand an exhaustive list of explicit rules where such a list might not be possible. As an example, this point might contribute to our understanding of the conflicts around sexual consent that have characterized US college campuses in recent years. If large numbers of late adolescents have never acquired the skills that are involved in unsupervised play, it makes sense that they would find it difficult to engage in the unstructured “play” that might characterize a great deal of sexual interaction. Sexual interactions are a form of adult play and the process of negotiating the rules and, especially, ensuring that all involved continue to consent to those rules and the game being played, clearly draws on the same set of social skills that Gray claims characterize unsupervised play. Without developing the capacity to compromise and empathize, or the experience at negotiating rules and having difficult conversations about conflict, it is not surprising that college students might want an external authority (such as college administrators and their judicial processes) to settle conflicts, or insist on an explicit set of rules that describes what is okay and what is not. These considerations might explain the increased presence of the sexual contracts or more extreme forms of “affirmative consent” that have become in vogue in recent years.

One key to maintaining a society in which the role of either public or private coercion is limited is a citizenry that has the skills to solve these little “Ostrom moments” consensually. The ability of the people involved to design a set of rules for resolving potential conflicts is at the center of how free people can create institutional solutions that reduce the level of coercion. Like play, such solutions rest on the consent of the players and must be created in ways that keep everyone happy. When we understand play as a consent-based activity structured by rules created by the players, learning to play becomes the way we practice in a world removed from reality the skills we need for the very real world of social and political interaction. Losing the opportunities to engage in such play would be one reason to share Vincent Ostrom’s concern about the direction in which American democracy is headed. If emerging adults do not have the skills to problem solve by engaging in the rule creation and enforcement that characterizes self-governing citizens, they will continue to cede power to partisan politics and the state or other forms of coercion. The result will be the slow destruction of liberalism and democracy.

UNSUPERVISED PLAY AND THE IMPORTANCE OF FAILURE

Hara Estroff Marano’s description of the benefits of unsupervised play is particularly Hayekian in its emphasis on the importance of rules and uncertainty. It also provides one other way in which childhood play might matter for the liberal order:

[Play is the true preparation for adulthood. At its heart, play is rule-bound activities in which the outcome is unknown. It’s the way we learn to handle the unexpected. Play sharpens the wits and makes mental processes nimble – resilient and ready for whatever life throws our way. (Marano, 2008, p. 91)]

This description of play could apply equally to competition in the market process. It too is a rule-bound activity whose outcome is unknown, and it too is about helping us to handle the unexpected, as well as increasing the mental skills of those who are competing. Thinking about play this way provides additional texture to Hayek’s (1977, pp. 115-20) description of the market as a “game of catallaxy” or exchange. Thinking of markets as, in these ways, a form of play opens up some interesting possibilities for how we think about game theory and competition and their relationship to child development. It also reinforces the argument that parenting that allows children to engage in unsupervised play is central to the sustainability of liberal institutions.

Of more direct importance for the relationship between parenting and the liberal order is whether overly intrusive parenting affects the ability of children to accept the responsibilities of such an order. Is there a link between parenting
styles and how children come to view the political world at the broadest level? For example, if we raise children who are used to having things done for them, and who are not used to suffering the consequences of their mistakes, will they have the tolerance for risk that is necessary to produce the entrepreneurship that is essential to economic growth in a market economy? Can children who have not been trusted to wander more than a block from home, or to organize games unsupervised by parents, or to go the playground without every extremity padded, become adults who are themselves willing and able to take economic risks? Will they willingly tolerate others taking such risks, including standing idly by when those risks do not pan out? The liberal order cannot survive without a willingness to take risks, particularly in the economy, but also in terms of what John Stuart Mill (1859) called “experiments in living.” If liberal societies are to progress, path breakers with new ideas have to be able to accept the risk of rejection, whether in the form of social condemnation or economic losses. If there is a link between having been parented in a way that protects children against all such risks, and how children view risk taking in the broader social order, then we might be raising a nation unprepared to take on the tolerance for risk and failure that is essential in a liberal society.

Perhaps an even worse outcome than young adults afraid to take risks would be young adults who are too willing to take risks because they are used to getting bailed out if they fail. Overly intrusive parenting might produce young adults who wants more and more freedom with less and less responsibility when their choices do not pan out. Rather than raising, as Marano suggests, a nation of wimps, we get a nation of excessive risk takers who want to externalize the responsibility for their mistakes onto other individuals or institutions rather than accepting responsibility for their choices and their corresponding risks. Furthermore, will such young adults be willing to tolerate the verdict of the market when firms, whether their own or others, fail and are headed for bankruptcy? Or will they prefer the economic equivalent of “everyone gets an award” and argue that bailouts are in order? Will a nation of bailed-out kids produce a nation of bailed-out firms? If the discovery process of the market is an essential element of a liberal society, and if that process requires that actors bear the economic consequences if their plans fail to create value, then constantly bailing out money-losing firms will destroy the learning process of the market. Without that learning process, we will be stuck in a world where many resources are consistently misallocated, and where other resources get devoted to battles over the political distribution of bailouts and other forms of favors and subsidies designed to soften the blow to firms that cannot create value.22

This question is perhaps even more pressing in the context of the Great Recession and especially the reaction of groups like Occupy Wall Street and others concerned about the “one percent.” Even as some of the protestors complained about the privileged one percent, survey data indicated that about half of the protestors thought the bailouts of the banking system were necessary.23 A sizeable number of young protestors have also argued that their college loan debt should be forgiven, which amounts to their own request for a bailout. Whatever the legitimacy of their complaints about the power of corporations and the failures of the political class, the frequent refrain that their college degrees did not ensure them their dream job, or that their debt should be forgiven, is at least consistent with a generation that was raised with a great deal of freedom, but far less responsibility for bearing the negative consequences that come with it.

Perhaps it is a stretch to connect parenting styles with political gestalt, but liberal thinkers have long argued that families are central transmitters of important cultural values and norms, so we should not be surprised that if the structure of families and the way children are parented change, so would the values and norms children bring to their understanding of politics.24 If, as I have argued, unsupervised play is central to learning the skills that enable us to effectively cooperate rather than coerce and that prepare us to accept the risk and consequences of failure that are inevitable in a free society, then parenting does indeed matter for the health of democracy and liberalism. We frequently think of the ways in which parents transmit important skills and norms to their children as being a matter of explicit instruction. Although such instruction is surely important, we also know that imitation is a big part of how children learn. What the research on unsupervised play suggests is that one of the most important ways parents can enable their children to develop at least one set of important social skills is to simply leave their children be when those children go out to play.

Hayek’s (1989) belief that liberalism demands that we suppress our atavistic, altruistic moral instincts honed in eons of existence in small kin-based groups is relevant here. If the family has one key function in the Great Society, it is perhaps that it can teach the ways in which members of a liberal society must accept failure and learn from it. Of course no parent should allow his or her child to risk serious physical harm, but to the degree we continue to prevent children from feeling any pain, disappointment, or frustration, we
risk creating a society in which people either demand freedom without responsibility, or constantly wish to restrict the freedom of everyone in the name of either safety or preventing the negative feelings associated with failure. Each of these outcomes poses a threat to democracy and the liberal order.

CONCLUSION

If liberal societies are desirable because they strive to minimize coercion, parenting matters for our ability to maintain a liberal order. If we do not give kids the chance to develop the skills that come from unsupervised play, they are going to find it very difficult to generate cooperative, tolerant, and non-coercive approaches to both larger-scale institutional problems as well as smaller-scale “Ostrom moments.” So much of our interaction in the liberal order is in spaces not fully defined by formal rules nor enforced by formal mechanisms. Without practice at dealing with such situations, young people may struggle and ask for formal rules and enforcement, which will likely smother those informal spaces. More young people without the skills developed by unsupervised play might result in a severe coarsening of human social life. Changes in parenting can reduce the vulnerabilities of democracies.

The ability to solve low-level conflicts through peaceful means by the parties involved reduces private coercion, and thereby reduces the demand for more public forms of coercion. Free societies rest on a bedrock of informal conflict resolution and the skills necessary to make that happen may well be developed through forms of unsupervised childhood play. Declaring such play to be too risky is a decision fraught with risk, both to the well-being of children and to the society they will inhabit as adults.25

NOTES

1 The question of whether democratic political processes also count as a form of cooperation is one worth asking here. I do not have the space to address it fully, but I think the question depends on the ability of actors to engage in meaningful acts of consent and exit. As I will argue later, these two factors are at the core of what young people learn from unsupervised play and thereby transfer to their ability to avoid and resolve conflict in civil society. The ability to engage in meaningful consent and exit is surely much more available the more local the level of politics, so for the purposes of my argument here, one should read “government” as national governments and keep in mind that at more local levels, government looks more like the covenantal rule-governed relationships that Ostrom sees at the center of democracy.

2 Steven Pinker’s (2011) work on the decline of violence over the course of human history is relevant here. Pinker attributes a good hunk of this reduction in violence to the role of the state, but he also points to the importance of the discourse of rights for changing our belief systems about the acceptability of violence and coercion in other arenas, such as the family.

3 Of course, those two rules might have some relevance to being able to engage in non-market cooperation, but they are only a small part of the broader skill set to be discussed later.

4 For more on how modern institutions enable us to trust strangers, see Seabright (2004).

5 Marano (2008, pp. 88-91) raises some similar arguments. Both Marano and Gray provide references to the primary scholarly literature on the developmental role of play.

6 This discussion of the power of exit in both play and emergent institutional practices might have important implications for federalism.

7 In addition to the rules “emanating from the minds of the players,” Gray (2013, p. 139) observes that play cannot be objectively determined from the outside: “To tell which one is playing and which one is not, you have to infer from their expressions and the details of their actions something about why they are doing what they are doing and their attitude toward it.” Distinguishing play from non-play requires interpreting intentionality and aligns nicely with the subjectivism of economics and the social sciences more broadly.
Ironically, calling the police or Child Protective Services is becoming a more common way that people respond to the sight of unsupervised childhood play. I discuss these issues in Horwitz (1998).

For more, see Stringham (2015).

This section draws heavily from Horwitz (2015, chapter 8).


My sarcasm here is supported by a recent book that argues that colleges other than Ivy League schools are perfectly capable of preparing students for very successful and happy lives. See Bruni (2015).

Gray (2013) calls this “directive-protective” parenting.

On the importance of failure, see McArdle (2014).

Taleb’s (2012) work on “antifragility” is also relevant to these issues.

Anecdotally, my own experiences working with first-year students on their writing and speaking provide some evidence of this phenomenon. Many kids are so used to being praised for everything they do, and never facing real criticism of their work, that when they get critical feedback on their first few papers they simply do not know how to deal with it. For many, their only reaction is to take it as a personal attack or insult. Even if they can get by that reaction, figuring out how to learn from their mistakes and avoid them in the future is a major challenge. Part of the problem might be that they see grades and other responses from teachers as indicators of personal merit, rather than as feedback or input into their learning process. As one might say about markets, the real function of profits/losses and grades/responses is as a feedback device for learning, not a judgment of some underlying personal merit. If kids do not get to experience real failure and learn from it, why would we expect them to respond to poor grades as if they had, especially if their parents have pushed the notion that grades are about merit? For more see Hayek (1960, chapter 6).

And seen from a larger historical perspective, childhood has never been less violent and more safe than it is now: “Now that children are safe from being smothered on the day they are born, starved in foundling homes, poisoned by wet nurses, beaten to death by fathers, . . . worked to death in mines and mills, felled by infectious diseases, and beaten up by bullies, experts have racked their brains for ways to eke out infinitesimal increments of safety from a curve of diminishing or even reversing returns” (Pinker, 2011, p. 444).

See also Pinker (2011, p. 446).

There are two figures that accompany this point (Ostrom, 1990, p. 53). The first makes a distinction among different levels of choice that draws upon Buchanan’s distinction between the pre- and post-constitutional levels of choice. The second distinguishes “formal” and “informal” arenas of collective choice and how both contribute to the “operational rules in use” in any society. My interest here is with the informal arenas and the way in which they generate emergent rules within the broader constitutional structure of the Great Society.

More generally, they may lack the skills to deal with what are now termed “microaggressions” on college campuses. Microaggressions are slights by others perceived to be based on race, class, gender and the like. Historically, many of these would have been simply ignored, but as Campbell and Manning (2014) argue in a brilliant analysis of the phenomenon, we may be evolving away from a culture of dignity in which ignoring or politely confronting the speaker was the norm, to a culture of victimhood where publicly shaming the speaker and asking for external control of their behavior has become the norm. My analysis in this paper might explain why college students in recent years find the culture of victimhood more amenable than the culture of dignity: they lack the skills needed to deal with conflict in ways that settle it between the parties.

The demise of unsupervised play might also explain why so many college students seem to have difficulty with group projects, which require similar skills of rule negotiation and searching for consensus as do various forms of play. Similar considerations might be relevant for their difficulties in dealing with roommate conflicts, although this is also surely due to so few of them growing up sharing a bedroom, which requires that they develop similar negotiation skills and a desire for consensus.

I put aside the question of economic failure at the individual or household level because I do think there’s a coherent classical liberal case for a minimal state-provided safety net at that level. It is an interesting question whether the argument for state provision is the strongest of the possible classical liberal arguments, but I also think that it is not inconsistent with the classical liberal tradition to think that it is.
A poll conducted in the fall of 2011 found that 49 percent of Occupy Wall Street protestors in Zuccotti Park in New York City believed the bank bailouts were “necessary.” See Schoen (2011).

See Vincent Ostrom’s (1997, p. 296) too brief discussion of the importance of childhood for raising self-governors.

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