

BEFORE MODERN COLLECTIVISM: THE RISE AND FALL OF CLASSICAL LIBERALISM BY RICHARD M. EBELING

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This year marks the one hundredth anniversary of the beginning of the First World War. In June of 1914, a Serbian nationalist assassinated Archduke Franz Ferdinand, the heir to the Austro-Hungarian throne, along with his wife, Sophie, in the Bosnian capital of Sarajevo. This set in motion a chain of events that in July and August 1914 brought all the Great Powers of Europe into war with each other.

Men marched off to war in all the major European capitals, cheered on by huge crowds. There was a joyous excitement among many that heroic adventures awaited them on the battlefields across the continent. Large numbers of those going off to war in each country were confident that God was on their side, and easy victories would soon be theirs. They would all be home by Christmas, their heads bearing laurels of military glory.

Reality soon confronted them all. The war did not end by Christmas time in 1914. It did not end in 1915, or 1916, or even 1917. It went on-and-on until they were mutually exhausted in terms of manpower and material ability to continue any longer. Finally, the Germans and Austrians, and their Turkish and Bulgarian allies sued for an armistice in November 1918, when the military and economic might of the United States – which had entered the war in April 1917 – turned the scales in favor of a British, French and Italian victory.

By the end of the conflict, all the warring nations had called up more than 60 million men to serve in the military, and at least 20 million soldiers and civilians had lost their lives. The total monetary cost of the war, estimated in the equivalent of 2013 dollars, was nearly \$3.5 trillion.^[1]

The Great War Released the Collectivist Demons

The First World War also set loose all the “demons” that ended up bringing so much horror to the 20th century. In the midst of the war, in November 1917, Vladimir Lenin and the Bolsheviks succeeded in engineering a coup d’état in Russia that ushered in a nearly 75-year brutal communist dictatorship, which ended up threatening the freedom of the world until the collapse of the Soviet Union in 1991.

In 1922, Benito Mussolini and his fascist movement engineered a political crisis in Italy that brought “Il Duce” to power, and which raised the flag of an all-embracing collectivist nationalism for which Mussolini coined the term, “totalitarianism.” Like the communists in Russia, the fascists insisted that the individual had no life or meaning outside of the collective. The communists talked of “social classes” and “class conflict.” The fascists spoke of nation-states and global nationalist conflicts.

In defeated Germany, a postwar hyperinflation in the early 1920s undermined what remained of the middle class and the foundations of German civil society. In this weakened social state, and with the coming of the Great Depression in the early 1930s, a mesmerizing demagogue named Adolf Hitler came to power in 1933 by playing upon the fears of wide segments of the German people with promises of full employment, decent standards of living, and a restoration of the German nation’s “greatness” through a purification of “the race.” The triumph of Hitler and the German National Socialist – Nazi – movement set in motion a sequence of events that lead to an even worse and more destructive Second World War.

In the United States, the Great Depression resulted in Franklin D. Roosevelt being elected president in 1932. Soon after coming to office in early 1933, FDR introduced the “New Deal” as his answer to America’s economic hardships. He implemented a series of government planning programs covering industry and agriculture that paralleled the fascist economic model of Mussolini’s Italy.

The Human Cost of Collectivism

Historians have attempted to add up the human cost of 20th century collectivism – whether in its communist, fascist, Nazi or general authoritarian forms. Their estimates suggest a a number of many as 250 million innocent and unarmed men, women, and children who were killed on the altars of creating a “new socialist man” or a “new master race,” or super powerful nation-states.

The largest numbers killed by execution, torture, slave labor, or government-created famines are estimated to be:

- Communist China (1949-1976) under Mao Zedong – 80 million;
- Soviet Union (1917-1991) under Lenin, Stalin, and their successors – 68 million;
- Nazi Germany (1933-1945) under Hitler and his henchmen – 25 million.

Such numbers are more than the human mind can comprehend. It is worth remembering that each of these victims was an individual human being with hopes and dreams, plans and purposes for their life. Each one was someone’s mother or father, brother or sister, or aunt or uncle or cousin. Each was a unique individual person whose life was wiped out in the name of building a beautiful, bright Utopian future.^[2]

In Western Europe and America the extreme forms of collectivism never were able to gain power. Yet, nonetheless, the socialist seeds took root and merely germinated into less totalitarian forms. They became what today we continue to call the interventionist-welfare state. The government regulates industry, trade, and commerce; it redistributes wealth; and its imposes various conceptions of “good behavior” and “right living” on the basis of a political paternalism that presumes that individuals may not be trusted to manage their own lives or freely choose their associations and relationships with others, both in the marketplace and the wider society.

How did this all come about? And why?

The Classical Liberal Era Before World War I

Any answers must see the First World War as a watershed separating two distinct epochs and eras in the recent history of mankind. The world before 1914 was in many ways far different from what we take for granted today, especially in terms of various personal, political and economic freedoms we have lost since then.

The best way to get a sense of what that now bygone age before World War I was like is to quote John Maynard Keynes, from his 1919 book, *The Economic Consequences of the Peace*:

“What an extraordinary episode in the economic progress of man that age was which came to an end in August 1914! The greater part of the population, it is true, worked hard and lived at a low standard of comfort, yet were, to all appearances, reasonably contented with this lot. But escape was possible, for any man of capacity or character at all exceeding the average, into the middle and upper classes, for whom life offered, at a low cost and with the least trouble, conveniences, comforts, and amenities beyond the compass of the richest and most powerful monarchs of other ages. The inhabitant of London could order by telephone, sipping his morning tea in bed, the various products of the whole earth, in such quantity as he might see fit, and reasonably expect their early delivery upon his doorstep; he could at the same moment and by the same means adventure his wealth in the natural resources and new enterprises of any quarter of the world, and share, without exertion or even trouble, in their prospective fruits and advantages; or he could decide to couple the security of his fortunes with the good faith of the townspeople of any substantial municipality in any continent that fancy or information might recommend. He could secure forthwith, if he wished it, cheap and comfortable means of transit to any country or climate without passport or other formality, could dispatch his servant to the neighboring office of a bank for such supply of the precious metals as might seem convenient, and could then proceed abroad to foreign quarters, without knowledge of their religion, language, or customs, bearing coined wealth upon his person, and would consider himself greatly aggrieved and much surprised at the least interference. But, most important of all, he regarded this state of affairs as normal, certain, and permanent, except in the direction of further improvement, and any deviation from it as aberrant, scandalous, and avoidable. The projects and politics of militarism and imperialism, of racial and cultural rivalries, of monopolies, restrictions, and exclusion, which were to play the serpent to this paradise, were little more than the amusements of his daily newspaper, and appeared to exercise almost no influence at all on the ordinary course of social and economic life, the internationalization of which was nearly complete in practice.”^[3]

It was what another economist, Gustav Stolper, referred to in his book, *This Age of Fable* (1942) as the era of the three freedoms: the free movement of men, money, and goods.

“Everyone could leave his country when he wanted and travel or migrate wherever he pleased without a passport. The only European country that demanded passports (not even visas!) was Russia . . . Who wanted to travel to Russia anyway? . . . There were still customs barriers on the European continent, it is true. But the vast British Empire was free-trade territory open to all in free competition, and several other European countries, such as the Netherlands, Belgium, Scandinavia, came close to free trade . . . And the most natural of all was the freedom of movement of money. Year in, year out, billions were invested by the

great industrial European Powers in foreign countries . . . These billions were regarded as safe investments with attractive yields, desirable for creditors as well as debtors, with no doubt about the eventual return of both interest and principle . . . The interest paid on these foreign investments [were] protected not only by [the] political and military might [of the great industrial Powers], but – more strongly – by the general, unquestioned acceptance of the fundamental capitalist principles: sanctity of treaties, abidance by internal law, and restraint of governments from interference in business.”[4]

What needs to be appreciated is that a hundred years earlier, in 1815, at the time of the defeat of Napoleon by Great Britain, Imperial Russia and their allies, most parts of Europe had none or few of such freedoms.

Throughout Europe absolute or near absolute monarchies reigned nearly supreme from one end of the continent to another. Governments regulated and restricted domestic and international trade, imposed wage and price controls, censored the press, and discriminated against individuals and groups on the basis of religion; civil liberties either were not respected or were easily abridged by governments on arbitrary grounds. In addition, slavery still existed around the world, including in the global empires of these European Great Powers.

America the Beacon of Individual Liberty

Only across the Atlantic, in that new nation of the United States of America, was there a written constitution that in principle and practice recognized the rights of individuals to their life, liberty and honestly acquired property. Only in America could an individual say and do virtually anything that he wanted, as long as it was peaceful and not an infringement on other citizens’ similar individual rights. Only in America was trade across this new and growing country free from government regulations and controls or oppressive taxes, so people could live, work and invest wherever they wanted, for any purpose that took their fancy or offered them profit.

Michel Chevalier, was a Frenchman who, like Alexis de Tocqueville, visited America in the 1830s, then returned to France and wrote a book about his impressions of the *Society, Manners and Politics of the United States* (1839). Chevalier explained to his French readers:

“The American is a model of industry . . . The manners and customs are altogether those of a working, busy society. At the age of fifteen years, a man is engaged in business; at twenty-one he is established, he has his farm, his workshop, his counting-room, or his office, in a word his employment, whatever it may be. He now also takes a wife, and at twenty-two is the father of a family, and consequently has a powerful stimulus to excite him to industry. A man who has no profession, and, which is the same thing, who is not married, enjoys little consideration; he, who is an active and useful member of society, who contributes his share to augment the national wealth and increase the numbers of the population, he only is looked upon with respect and favor. The American is educated with the idea that he will have some particular occupation, that he is to be a farmer, artisan, manufacturer, merchant, speculator, lawyer, physician, or minister, perhaps all in succession, and that, if he is active and intelligent, he will make his fortune. He has no conception of living without a profession, even when his family is rich, for he sees nobody about him not engaged in business. The man of leisure is a variety of the human species, of which the Yankee does not suspect the existence, and he knows that if rich today, his father may be ruined tomorrow. Besides, the

father himself is engaged in business, according to custom, and does not think of dispossessing himself of his fortune; if the son wishes to have one at present, let him make it himself!"[5]

Chevalier also emphasized the competitive spirit of the American: "An American's business is always to be on edge lest his neighbor get there before him. If a hundred Americans were about to go before a firing squad, they would start fighting for the privilege of going first, so used are they to competition!"[6]

It may seem to many as a cliché, but in those decades of the 19th and early 20th centuries, when few migration restrictions barred the door, America stood out as a beacon of hope and promise. Here a man could have his "second chance." He could leave behind the political tyranny, religious oppression and economic privileges of the "old country" to have a new start for himself and his family. Between 1840 and 1914, nearly 60 million people left the "old world" to make their new beginnings in other parts of the world, and almost 35 million of them came to America. Many of us are the lucky descendants of those earlier generations who came to "breathe free" in the United States.[7]

The Ancient Dream of Unfulfilled Freedom

Since ancient times, there have been some thinkers who dreamed of a world with greater freedom for all men. But for most of human history this remained only dreams. The ancient Greeks spoke of the importance of man's reason and the need for freedom of thought if our minds were to challenge each other's logic and understandings as we groped toward a more complete awareness of the objective world around us.

The Romans argued about a higher more universal or general law for men to live under, if only they came together to reason and agree about what could be a just "natural order" in society, given the nature of man. Jews and Christians appealed to a "higher law" concerning "right" and "justice" that was above the power of earthly kings and princes, and to which all men are subservient and responsible since it was given to them by the Creator of all things.[8]

But for all of human history men lived under the earthly powers of conquerors and kings who claimed "divine rights" to rule over them. They were objects to be used and abused for the ends of those who held the whips and swords over their heads. Their lives and their efforts were to serve and be sacrificed for something that was said to be greater than and above them.

Their lives were not their own. They belonged to another. They were slaves, regardless of the names and phrases used to describe and defend what was a master-servant relationship. Human society was a world of the unfree.

Then this began to change, first in men's minds, then in their actions, and finally in the political and economic institutions under which people lived and worked.

Classical Liberalism and Natural Rights

While it is today often ridiculed or discounted by philosophers who often find it easier to speak about ethical nihilism and political relativism, the modern world of freedom had its origin in the conception of

“natural rights.” Rights that reside in men by their “nature” as human beings, and which logically precede governments and any man-made laws that may or may not respect and enforce these rights.[9] Political philosophers such as John Locke articulated them in the 1600s. “Though the earth and all inferior creatures be common to all men, yet every man has a ‘property’ in his own ‘person,’” insisted Locke. “This nobody has any right to but himself. The ‘labor’ of his body and the ‘work’ of his hands, we may say, are properly his.”

While every man has a natural right to protect his life and his peacefully produced or non-aggressively acquired property, men form political associations among themselves to better protect their respective rights. After all, a man may not be strong enough to protect himself from aggressors; and he cannot always be trusted when in the passion of the moment he uses defensive force against another that may not be reasonably proportional to the offense against him.[10]

Here in a nutshell is the origin of the ideas that germinated for nearly another century, and then inspired the Founding Fathers in the words of the Declaration of Independence in 1776, when they spoke of self-evident truths that all men are created equal with certain unalienable rights, among which are life, liberty and the pursuit of happiness, and for the preservation of which men form governments among themselves.

While every American schoolboy knows – or should I say, used to know – by heart those stirring words in the Declaration of Independence, what most Americans know less well is the remainder of the text of that document. Here the Founding Fathers enumerated their grievances against the British crown: taxation without representation; restrictions on the development of trade and industry within the British colonies and regulations on foreign commerce; a swarm of government bureaucrats intruding into the personal and daily affairs of the colonists; violations of basic civil liberties and freedoms.

What aroused their anger and resentment is that a large majority of these American colonists considered themselves to be British by birth or ancestry. And here was the British king and his Parliament denying or infringing upon what they considered to be their birthright – the customary and hard won “rights of an Englishman,” gained over several centuries of successful opposition against arbitrary monarchical power.

Freedom is the common intellectual inheritance left to us by the great thinkers of the West. But it is nonetheless the case that much that we consider and call individual rights and liberty had its impetus in Great Britain, in the writings of the political philosophers like John Locke and David Hume, legal scholars like William Blackstone and Edward Coke, and moral philosophers and political economists like Adam Smith.

What their combined writings and that of many others gave the West and the world over the last three or four centuries has been the philosophy of political and economic liberalism.

The Liberal Crusade Against Slavery

What was the vision and agenda of 18th and 19th century liberalism? They may be understood under five headings:[11]

First, was the freedom of the individual as possessing a right to own himself. The great British liberal crusade in the second in the half of the 18th century and then in to the early decades of the 19th century was for the abolition of slavery. The words of the British poet William Cowper in 1785 became the rallying cry of the anti-slavery movement:

“We have no slaves at home – Then why aboard? Slaves cannot breathe in England; if their lungs receive our air, that moment they are free. They touch our country, and their shackles fall.”

The British Slave Trade Act of 1807 banned the slave trade, and British warships patrolled the west coast of Africa to interdict slave ships heading for the Americas. This culminated in the Slavery Abolition Act of 1833, which formally abolished slavery throughout the British Empire 180 years ago, on August 1, 1834.[12] Though not overnight, the British example heralded the legal end to slavery by the close of the 19th century through most of the world that was touched by the Western nations. The unimaginable dream of a handful of people over thousands of years of human history finally became the reality for all under the inspiration and efforts of the 19th century liberal advocates of individual freedom.

The Liberal Crusade for Civil Liberties

The second great liberal crusade was for the recognition of and legal respect for civil liberties. Since Magna Carta in 1215, Englishmen had fought for monarchical recognition and respect for certain essential rights, including no unwarranted or arbitrary arrest and imprisonment. These came to include freedom of thought and religion, freedom of speech and the press, and freedom of association. Above it all was the wider idea of the Rule of Law, that justice was to be equal and impartial, and that all were answerable and accountable before the law, even those representing and enforcing the law in the name of the king.[13] England in the 19th century became a refuge in Europe for many of those denied such civil liberties in their own lands. Karl Marx, for example, settled in and lived out the rest of his life in London in the middle of the 19th century, due to censorship and repression of his socialist ideas on the continent.

The Liberal Crusade for Economic Freedom

The third great liberal crusade was for freedom of enterprise and free trade. Throughout the 17th and 18th centuries governments in Europe controlled, regulated and planned all the economic activities of their subjects and citizens as far as the arms of their political agents could reach.

Adam Smith and his Scottish and English allies demolished the assumptions and logic of Mercantilism, as the system of government planning was then called. They demonstrated that government planners and regulators have neither the wisdom, nor knowledge, nor the ability to direct the complex interdependent activities of humanity.

Furthermore, Adam Smith and his economist colleagues argued that social order was possible without political design. Indeed, “as if guided by an invisible hand,” when men are left free to direct their own affairs within an institutional setting of individual liberty, private property, voluntary exchange, and unrestricted competition, there spontaneously forms a “system of natural liberty” that generates more wealth and coordinated activity than any governmental guiding hand could ever provide.

The benefits of such economic liberty that made Great Britain and then the United States the industrial powerhouses of the world by the end of the 19th century, was rapidly doing the same, though at different rates, in other parts of Europe, and then, slowly, to other parts of the world, as well. Population sizes in the West grew far above anything known or imaged in the past, yet increased production and rising productivity were giving those tens of millions of more people an increasing standard and quality of living.

The Liberal Crusade for Political Freedom

The fourth liberal crusade was for greater political liberty. It was argued that if liberty meant that men were to be self-governing over their own lives, should that not also mean that they participate in the governing of the society in which they live, in the form of an enlarged voting franchise through which the governed selected those who held political office under their behalf?

Liberals condemned the corrupt and manipulated electoral process in Great Britain that gave office in Parliament to handpicked voices defending the narrow interests of the landed aristocracy at the expense of many others in society. So as the 19th and early 20th centuries progressed the right to vote moved more and more in the direction of universal suffrage.

It was not that liberals were unconcerned about the potential abuses from democratic majorities. In fact, John Stuart Mill, in his *Considerations on Representative Government* (1859) proposed that all those who received any form of financial subsidy or support from the government should be denied the voting franchise for as long as they were dependent in such a manner upon the taxpayers. There was too much of a possible conflict of interest when those who received such redistributive benefits could vote to pick the pockets of their fellow citizens. Alas, his wise advice was never followed.[14]

The Liberal Crusade for International Peace

Finally, the fifth of the liberal crusades of the 19th century was for, if not the abolition of war, then at least the reduction in the frequency of international conflicts among nations and the severity of damage that came with military combat.

And, in fact, during the century that separated the defeat of Napoleon in 1815 and the commencement of the First World War in 1914, wars at least among the European Powers were infrequent, relatively short in duration, and limited in their physical destruction and taking of human life.

It was argued that war was counter-productive to the interests of all nations and peoples. It prevented and disrupted the natural benefits that can and did improve the conditions of all men through peaceful production and trade based on an international division of labor in which all gained from the specializations of others in industry, agriculture, and the arts.[15]

Due to the liberal spirit of the time there were some successful attempts to arrange formal “rules of war” among governments under which the lives and property of innocent non-combatants would be respected even by conquering armies. There were treaties detailing how prisoners of war were to be humanely treated and cared for, as well as the banishing of certain forms of warfare deemed immoral and ungentlemanly.[16]

It would, of course, be an exaggeration and an absurdity to claim that 19th century liberalism fully triumphed in terms of its ideals or its goals of political and economic reform and change.

However, if there is any meaning to the notion of a prevailing “spirit of the age” that sets the tone and direction of a period of history, then it cannot be denied that classical liberalism was the predominate ideal

in the early and middle decades of the 19th century. And that it changed the world in a truly transformative way. Whatever (properly understood) political, economic, and personal liberty we still possess today is due to that earlier classical liberal epoch of human history.

(It may also be argued that any extensions of the principles of individual rights and equality of treatment before the law relating to gender or race that occurred in the 20th century were the logical applications of those classical liberal principles.)

The Rise of Reactionary Collectivism

Unfortunately, before the full fruits of the liberal ideal of individual liberty, free markets and constitutionally limited government could be more completely implemented and benefited from, the 19th century saw the rise of a set of counter-revolutionary ideas. These reactionary ideas came from several directions; they all wanted to move man and humanity back to forms of the collectivist and tyrannical systems of the past. There were the reactionaries who wished to preserve or restore the absolutist monarchical systems that liberalism had challenged and was defeating. But far more dangerous and successful were the new reactionaries who clothed themselves in a rhetoric and rationale of being revolutionary progressives who wanted to take man to a higher and purer freedom than merely the illusory freedom of liberal individualism.[17]

The spokesmen for these new reactionary collectivism were many, but it is fair to say that among them such voices as those of Jean-Jacques Rousseau, Georg Wilhelm Friedrich Hegel, and Karl Marx have been especially influential and damaging.

Rousseau and the “General Will”

In his work on *The Social Contract* (1762), Rousseau formulated the notion of a collective General Will of “the people” as a whole, which by definition represented what was in the true interest of humanity, and to which each individual should accept his subservience as a member of the human community.

When in January 1793 a messenger was sent to inform the revolutionary French forces in the east of the country, who were facing the invading armies of anti-revolutionary foreign monarchs, that the French king had been executed, one of the French officers asked, “For whom shall we fight from now on,” if not the king? The reply was, “For the nation, for the Republic.”[18]

Thus, was born the myth of “the people,” the “nation” as a collective entity with a will, a purpose, a meaning of its own for which the individual was to sacrifice his life and his fortune. And, in fact, the revolutionary government in Paris soon imposed political tyranny and a planned economy in the name of “the people of France” as a whole.[19]

Hegel and Marx’s Dialectic of Historical Determinism

Hegel’s contribution was to assert that human history followed a preordained course through a conflict of inescapable stages that would all lead to a higher spiritual conception of freedom as perfect knowledge and understanding, which would free men from their chains of ignorance and materialistic living. The fundamental social instrument for the progressive purification of man was the State, Hegel insisted; and specifically, the Prussian State reflected in his mind the finest in political rule and which all should follow as a model of governmental goodness.[20]

Marx took Hegel’s conception of dialectical progress, and “turned it on its head,” as he claimed. Human progress does not come through the purification of some abstract idea of “mind perfected.” No, it comes

through the realization that mind is a product of the material means through which men live and work. Freedom of thought, of human choice and decision-making are all illusions.

We are the products and victims of the technological means through which production is undertaken. These pass through uncontrollable stages of transformation, each of which requires its own unique set of social, political and economic institutional relationships for their respective maturing.

All of this, in Marx's view, would lead to a final stage of post-scarcity human existence in which technology would relieve man from work, and its accompanying alienation of men having to do things not because they want to but because they must to live and survive. Real freedom, "communism," Marx promised, would be when we could all hunt in the morning, fish in the afternoon, and sit around in the evening reflecting on socialist philosophy without the necessity to do any of the effort to have such a life of play and ease.

But this would only come when the mass of humanity came to have the consciousness raising insight that individuals were defined by their relationship to owning or not owning productive property. Therefore, were you a member of the "social class" of exploiting, profit-seeking greedy capitalists or a member of the exploited, toiling masses, the "working class," who were the real producers of everything but who were denied their just due by those handful of property-owning capitalists who lived off part of what the real producers created with their physical labor?[21]

Progressivism as Collectivist Inevitability

Here is the origin of "progressivism" as policies of enlightened and forward-looking change. History follows a path of progressive improvement in terms of its technological change to relieve people from work, and the social replacement of out-of-date property and political arrangements that all move society more and more in the direction of blissful socialism and post-scarcity communism.

How can any "right-thinking" person oppose such programs as Social Security and National Health Care? Are these not "progressive" improvements by which the "General Will" of the people as a whole replaces the burdens and uncertainties of individual life under profit-seeking capitalism with an enlightened collective caring and securing?

If peoples and their histories have a life of their own independent of the individual members of these societies, and if those collective histories move in a certain "progressive" direction determined by enlightened thought and social necessity, then why should not those who see more clearly and earlier than others give it all a "helping hand" through intentionally guided revolutionary change?

This explains the socialist, communist, fascist and Nazi revolutions of the 20th century. An enlightened elite that knows the nature and necessities of class conflicts or national and racial rivalries shall undertake action. Somehow the members of that elite know that they know what the social or national or racial

“General Will” really is and what is required from all of its members for that collective to advance and triumph.

Social Utility versus Individual Rights

But why did these counter-revolutionary collectivismisms supersede that older liberalism? Those who have bemoaned the passing of classical liberalism in our time have attempted to offer explanations. Some have suggested that it was caused by the rise of utilitarianism in place of natural rights. Any economic or social policy was to be evaluated on the basis of its consequences or outcomes. By what standard or benchmark? Its “social utility,” as based on its improvement in the human condition as measured by material welfare, human happiness or improved opportunity.

But an improvement in human welfare, happiness or opportunity in whose eyes? After all, casual reflection makes it clear that men differ on what these terms may mean and include, and what relative trade-offs would be considered acceptable in changing circumstances for different individuals.

This, in my opinion, was a major wedge in splintering the liberal movement into classical and modern, or “progressive,” liberals. This weakened the idea that “freedom” was inseparable from a notion of individual rights. “Freedom” was redefined in terms of people’s ability to do desired things, rather than connected to a “right” to be free from the coercion of others; that is, to “own yourself” and not to be forced to serve and sacrifice for the ambitions and purposes of others, whether that was a king or majority of democratic voters. This opened wide the door for the claim that the “good of the many” comes before the “good of the one.”

As the French liberal, Benjamin Constant, expressed it in his *Principles of Politics* (1815) in opposition to Jeremy Bentham’s Utilitarian philosophy,

“Right is a principle, utility is only a result . . . Say to a man: you have a right not to be put to death or arbitrarily plundered. You give him quite another feeling of security and protection than you will by telling him: it is not useful [for society] for you to be put to death or arbitrarily plundered.”^[22]

Social Engineers and Their Pretense of Knowledge

The older liberalism was also undermined by what some friends of freedom have explained and warned about as the “hubris of the intellectual” and the “pretense of knowledge” on the part of the social engineer.^[23] The advancements of the natural sciences that have enabled the taming of the physical world to serve men’s purposes lead to an arrogant self-confidence that applying the same methods and techniques to the social sciences would enable man to remake and transform human society into any desired shape that enlightened men may want and consider better for their fellow human beings.

Again, since “society” was considered a collective entity to be judged and acted upon, it easily led to the rise of that dangerous person about whom Adam Smith warned us nearly 250 years ago: “The man of system” who is so “wise in his own conceit” about how he thinks society should be reordered that he views individuals as mere “pawns” to be moved about on the “great chessboard of society,” under the presumption that those human pawns have no will or motion other than the one the social engineer imposes on it.^[24]

Democracy as Coerced Club Memberships

Still others have pointed to the dangers of modern democracy, under which the presumption is that society is a collective club in which the members deliberate and vote on various problems of common interest, and then agree to abide by the will of the majority as the only practical rule of group decision-making.

What the advocates of unlimited modern democracy blurred in this conception of society as a “club” is that clubs are normally considered to be voluntary associations of people who may share one or a variety of common interests and goals, but from which the individual may withdraw and resign if he comes not to share those goals or purposes any longer or decides that he disagrees with the means the other club members have chosen to try to achieve them.

The modern “democratic club of society” is one from which the individual cannot easily withdraw. Indeed, even if he strongly disagrees with the ends and/or means that the majority may have decided upon concerning some “social issue” he is compelled to partly pay for it through compulsory taxation. He is also made to conform to what the political “club” imposes under threat of fine, imprisonment and even physical harm if he resists.

Collectivism versus the Individual

In other words, the reactionary counter-revolution that has undermined the classical liberal ideal and its agenda was a revolt against its essential and core concept: the uniqueness and the separateness of the individual from the collective, the group, the tribe into which he was born.

Freedom means that the individual may live for himself. He lives in society with others with whom he may share values, find mutually beneficial opportunities for association and trade, and for whom he may “sacrifice” if he wisely or unwisely chooses to do so as his own voluntary decision.

But the collective does not own the individual and it has no compulsory claim on his creative efforts or the fruits of his labors. This was something too many others in society found intolerable. He might act and live in ways different or disagreeable to many of the others around him. He might excel at what he placed his mind and hand to do, and others resented his achievements, since his success made some of them more conscious of their own failures or more modest successes in comparison to his.

Still others feared and were made angry by the fact that his right to the fruits of his own mental and physical labors gave them no claim on his production and wealth. They were left to live on the smaller fruits of their own labor and thus on less than what they wanted or desired. It easily degenerated into the assertion that no one could have such wealth unless they had somehow taken from others what rightfully belonged to them.^[25]

This remains the political and social state of the world, now, in the 21st century. To the extent that degrees of free market capitalism operate around the world, it continues to “deliver the goods” and raise millions out of poverty.

Restoring the Foundations of Liberty

But its classical liberal political philosophical roots remain in retreat. What is needed more than anything is a successful new grounding of the case for individual rights and economic liberty. Clearly, the foundations developed in earlier centuries, as either “self-evident truths” or “God-given” rights have neither the appeal nor persuasiveness that they once had.

What must be developed is a case for freedom that starts with a better demonstration and defense of the nature of man in the world and what is necessary for his survival and improvement. In an age in which religion has lost its hold and appeal for many, such a defense of freedom must have its basis in reason, logic and objective reality.

Central to such a new defense of liberty must be its emphasis on principle versus expediency; that freedom is a tightly woven tapestry of principles that when compromised “at the margin” between individual liberty and political paternalism has the risk of incremental losses of freedom that cumulatively run the danger of an unplanned but no less serious “road to serfdom.”

As Friedrich Hayek argued, minor or marginal “exceptions” to advance seemingly “good causes” through government regulation, redistribution, or planning, always threaten to become a slippery slope:

“The preservation of a free system is so difficult precisely because it requires a constant rejection of measures which appear to be required to secure particular results, on no stronger grounds than that they conflict with a general rule [of non-government intervention], and frequently without our knowing what will be the costs of not observing the rule in the particular instance. A successful defense of freedom must therefore be dogmatic and make no concessions to expediency, even where it is not possible to show that, besides the known beneficial effects, some particular harmful result would also follow from its infringement. Freedom will prevail only if it is accepted as a general principle whose application to particular instances requires no justification. It is thus a misunderstanding to blame classical liberalism for having been too doctrinaire. Its defect was not that it adhered too stubbornly to principles, but rather that it lacked principles sufficiently definite to provide clear guidance . . .

“People will not refrain from those restrictions on individual liberty that appear to them the simplest and most direct remedy of a recognized evil, if there does not prevail a strong belief in definite principles. The loss of such belief and the preference for expediency is no part the result of the fact that we no longer have any principles that can be rationally defended.”^[26]

As Hayek argued on another occasion, if the cause of liberty is to prevail once again, it is necessary for friends of freedom to not be afraid of being radical in their case for classical liberalism – even “utopian” in a right meaning of the term.^[27] To once more make it a shining and attractive ideal to imagine a world of free men who are no longer slaves to others, whether they be monarchs or majorities.

It would be a world of sovereign individuals who respect each other, who treat each other with dignity and who view each other as an end in himself, rather than one of those pawns to be moved and sacrificed on

that chessboard of society to serve the ends of another who presumes to impose coercive control over his fellow human beings.

If we can do this, the collectivist counter-revolution can be defeated and the classical liberal revolutionary ideal of free men who form a great and good society through their associations on the basis of trade rather than tyranny can bring us liberty, peace and prosperity before the end of this new century.

End Notes

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