Why Liberty?

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By PIERRE F. GOODRICH

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Foreword

A group of economists, historians, philosophers and other students of public affairs from Europe and the United States met at Mont Pelerin, Switzerland, from April 1st to 10th, 1947, to discuss the crisis of our times. This group, being desirous of perpetuating its existence for promoting further intercourse, and for inviting the collaboration of other like-minded persons, has agreed upon the following statement of aims.

The central values of civilization are in danger. Over large stretches of the earth's surface the essential conditions of human dignity and freedom have already disappeared. In others they are under constant menace from the development of current tendencies of policy. The position of the individual and the voluntary group are progressively undermined by extensions of arbitrary power. Even that most precious possession of Western Man, freedom of thought and expression, is threatened by the spread of creeds which, claiming the privilege of tolerance when in the position of a minority, seek only to establish a position of power in which they can suppress and obliterate all views but their own.

The group holds that these developments have been fostered by the growth of a view of history which denies all absolute moral standards and by the growth of theories which question the desirability of the rule of law. It holds further that they have been fostered by a decline of belief in private property and the competitive market; for without the diffused power and initiative associated with these institutions it is difficult to imagine a society in which freedom may be effectively preserved.

Believing that what is essentially an ideological movement must be met by intellectual argument and the reassertion of valid ideals, the group, having made a preliminary exploration of the ground, is of the opinion that further study is desirable *interalia* in regard to the following matters:

(1) The analysis and explanation of the nature of the present crisis so as to bring home to others its essential moral and economic origins.

- (2) The redefinition of the functions of the state so as to distinguish more clearly between the totalitarian and the liberal order.
- (3) Methods of re-establishing the rule of law and of assuring its development in such manner that individuals and groups are not in a position to encroach upon the freedom of others and private rights are not allowed to become a basis of predatory power.
- (4) The possibility of establishing minimum standards by means not inimical to initiative and the functioning of the market.
- (5) Methods of combating the misuse of history for the furtherance of creeds hostile to liberty.
- (6) The problem of the creation of an international order conducive to the safeguarding of peace and liberty and permitting the establishment of harmonious international economic relations.

The group does not aspire to conduct propaganda. It seeks to establish no meticulous and hampering orthodoxy. It aligns itself with no particular party. Its object is solely, by facilitating the exchange of views among minds inspired by certain ideals and broad conceptions held in common, to contribute to the preservation and improvement of the free society.

(Statement of Aims, The Mont Pelerin Society adopted Mont Pelerin (Vaud), Switzerland, April 8, 1947.)

About Pierre F. Goodrich

Pierre F. Goodrich is the son of Indiana's famous governor, the late James Goodrich. He is a lawyer, a scholar, a philosopher and a humanitarian. His research into the meaning and significance of freedom is a lifelong assignment which he gave himself when he was a young man. I know of no man in America better qualified to discuss liberty than Pierre F. Goodrich. That is why Central Newspapers is printing and distributing this pamphlet, "Why Liberty?"

It is a challenging presentation of the truth about freedom.

Eugene C. Pulliam, President Central Newspapers, Inc.

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by Pierre F. Goodrich

In 1951 Dr. Van Sickle invited me, through Drs. Hunold and Hayek, to the Beauvallon meeting of the Mont Pelerin Society.

This unexpected invitation started me on a pilgrimage which led to the later meetings at Seelisberg, Berlin, St. Moritz, and now Princeton; and to the writings of Von Mises, Hayek, Roepke, Jewkes, Rappard, and others. All this has become the basis for interesting and good discussions in and out of these meetings.

Nevertheless, the debates at our meetings and other conferences elsewhere convince me that the thinking of all of us would be clarified by a real and full exploration of basic and badly neglected questions.

Some deny that moral principles can be used to answer economic questions or that there are any underlying principles by which to test the propriety of the use or nonuse of force by one man over another or of giving one or a few men force over many men.

Those who take this position claim that the only tests are current and practical considerations for what seems to work or not work, in brief, *expediency*. They dismiss as useless any ideal concept based on the observed nature of man or a presumed nature of the universe, including man and his destiny.

This position usually deals with parts of a whole while ignoring the whole. At the very least, it implies an unwillingness to face the whole even as a theoretical premise.

Basic Premise

Should man be free? What is the nature of attempts to improve by force of government?

Prior basic thought and discussion are needed, not only in economics, but in any allegedly scientific discussion of human behavior. Above all, they seem needed in matters involving government.

Man's decisions will always be imperfect. But they will be still more imperfect if he proceeds without basic determination and reasoning to guide him, and, whether intending to do so or not, he will more likely become a party to creating the god-state.

Any discussion of basic issues must start from a consideration of man as we know him.

Man—who has some imperfect capacity for reason and for communicating his ideas, past and present, by means of words;

Who learns through this word communication even with his imperfect reasoning;

Who learns through his senses, and through a conception we hardly know how to describe except through the term mysticism.

Man-who has attachment.

Man—who acts in response to love, compassion, and fortitude.

Man—who acts in response also to envy, hate, and jealousy.

Man—whose reason and will are never perfectly objective or necessarily sound.

Man—who has a general inclination for power and more power to protect and add to the power last acquired.—Perhaps at that time such power becomes a necessity.

Man—with these conflicts which seem to be a part of the whole imperfect human being.

Why should such a creature be free and at liberty?

If we say *that* man should be free and at liberty why should he be given power over other people?

Can a society deal wisely with anything less than man as a whole? Must not our discussion be concerned also with his destiny as well as with his nature?

Is he a part of an order of the universe? Is there an order of the universe or is there no order of the universe?

Is economics an end, or is liberty an end, or is there some other end?

Absolute Power Corrupts Absolutely

Here are a few ideas for your examination. First, I quote:

"And Power, as the biographies of so many statesmen reveal (for example, that of Sir Thomas More), heightens sensitiveness, stimulates the imagination of purposes and expedients, generates invention, develops compassion when it places men where they confront the sorrows which government exists to assuage and the trials which must be visited on some in order that others may have a more abundant life; and power develops humility and fortitude. These are precious qualities in the service of mankind, and inseverable from power."

(Note 1—Statement by Professor Herman Finer of the University of Chicago, April, 1948, in Preface to a book entitled ESSAYS ON FREEDOM AND POWER, Beacon Press, Boston, Mass., Page xii. This book is an incomplete presentation of Action's essays on the titled subject matter.)

True or false—and how do you decide this question?

Again I quote:

"Power tends to corrupt and absolute power corrupts absolutely."

(Note 2—Letter by Lord Action to Bishop Creighton dated Cannes, April 5, 1887, Page 364 in book referred to in Note 1.)

True or false? Must you not have a view of the nature of man to answer this question?

If absolute power corrupts absolutely, what is the nature of that corruption, and does it have any bearing on our thinking about the role in society of government and of the role of force which is the essence of government?

Here are more questions for you to consider:

Some men are *infallible* and should be set up to govern other men. Power should be placed in the hands of such infallible men to see that men so live their present as to assure their hereafter. True or false?

Man is a fallible creature. No one of him or no collective group of him is perfect; no one of him or any such group is objective; nor is he or any number of him able to conceive the entire order of the universe, if there is an order. True or false?

Maximum Freedom Necessary

And here is another proposition:

Man should make laws and rules to govern other men that those men may be punished for violating the laws of their Infinite Creator. True or false?

Would not a fuller consideration of such questions as these suggest an ideal which would be most rewarding in our discussions of all contemporary problems, especially economic and political problems?

Essays by some members of this society have been helpful but it seems to me that the time is long past for more discussion of these basic issues by those among us who believe them to be important.

Not with any idea that I have a solution but with the hope of provoking discussion I venture to set forth in proposition form two realities which seem to me sufficient in themselves to establish the necessity for freedom. Also a third proposition which, if accepted and considered with the foregoing, seems to me to establish freedom so essential as to control all other questions.

First, all individuals are imperfect.

As a part of such imperfection all individuals have an imperfect knowledge of man, his origin and his destiny, and the universe in which he exists.

If this is true, then the very test by which we decide the extent of any man's imperfection is itself apt to be imperfect.

Second, some men seem more perfect than others but we increase the imperfections of these more perfect beings when we place in their hands directly or indirectly the power of government.

It is not necessary to base these two propositions on an acceptance of an Infinite Creator and the established laws of such a Creator (although our own civilization has been developed around this concept). A sufficient basis is provided by the recognition that man's imperfections force us to choose among imperfections.

The most helpful choice of imperfections is a free society which men must maintain in all its inseparable parts:

The *inseparable* freedom, responsibility for and *hazards* of a decentralized free and competitive market economy (both in things and labor), a *decentralized* free and competitive educational society, a *decentralized* free and competitive church and religious society, and a *decentralized* free, competitive and representative political society limited to preventing or discouraging force by man over man.

It seems reasonable to say that such government is beneficial only to the extent it relieves men of being judges in their own cause as against other men, and as it safeguards them from other men (be they philosopher-kings or tyrants) in order that they may be free of each other's force.

Even when so limited, the *power of government* is inherently dangerous. It delegates to imperfect individuals force over other individuals. The use of power or force on an intelligent being is the most imperfect means of accomplishing an end. It follows that this delegation of power should be regarded as the most imperfect of choices. It should be limited to the bare needs of the purposes herein described, and should be decentralized and surrounded by adequate checks and balances.

Third, there is order in the universe. Man is necessarily a part of the order but imperfect man does not know the whole of that order.

This third proposition can not be proved; nor can it be disproved. It is an assumption for which there is considerable evidence. It is more hopeful. As has already been pointed out, the case for freedom is made alone as the best choice of imperfections by imperfect men. However, it must be importantly recognized that both the will and the reason are terrifically fortified by the assumption of an ordered universe. If this assumption is true then the only way in which there can be hope and a man can be helpful is that he be free of force by other men or by any group of men.

In this manner some men, less fallible than others, may move closer to man's ultimate destiny than other men, and in so doing help all men.

Anything we know of man's history would indicate that such men can not be identified prior to their achievement. Verdi was refused admission for a scholarship at the Conservatory in Milan as lacking aptitude in music. He stayed in Milan and studied privately. Verdi developed his aptitude without benefit of the Conservatory.

Even the *whyfor* or *reason* by which you give government force over men becomes basically important even though the governmental action may be physically the same.

The Function of Government

It is illogical for imperfect human beings to assume that an Infinite Creator has established a law against murder without providing consequences for the murder.

Having made this first illogical assumption, what about the logic of imperfect man's promulgating a law about murder for the purpose of enforcing the Creator's law?

This does not mean we must permit murder.

We are logical in invoking a limited power of the state to prevent or discourage the use of force by one imperfect man over another. This may be the sole logical and justifiable function of government.

If the proposition is logical that imperfect man should use force to implement imperfect man's assumptions or beliefs about the laws of the Infinite Creator—then the Grand Inquisitor may take over.

If the proposition is logical that use of force by the state is limited to *prevent* imperfect man's use of force over others, then there is no place for the Grand Inquisitor—or the likes of him.

(Note 3—THE BROTHERS KARAMOZOV by Dostoevsky, Part II, Book 5, Chapter 5.)

Our attempts to use the force of the state for good purposes fail to make this distinction.

If man is to remain free he *must* bear the hardships and insecurity of his freedom alone, except as he can persuade others voluntary to share his burden.

In no such imperfect society will there be security. The insecurity of the free society can be relieved only by ultimate loss of the essential liberty and freedom herein described if security is sought by governmental intervention.

Thus, the greater imperfection would be chosen.

Coercion, in the last analysis—force, is always exercised by men who are themselves imperfect and is a great imperfection.

Surely no one would assume that the state is any better than the human beings who hold the power of the state.

Is not a perfect state inconceivable unless one assumes perfection within mankind? If power tends to corrupt then the power of the state inevitably increases and implements man's imperfections.

If you accept the Acton principle, as I do, that "Power tends to corrupt and absolute power corrupts absolutely," then it seems to me that you must conclude that the essential nature of that corruption is imperfect man's deification of his ends and his tendency to justify the use of any means he may possess, including force, to accomplish his ends. He becomes the superman beyond good and evil.

It follows that power, *however* obtained, be it by force of arms or by a proclamation with a gold seal affixed to it, transforms the holder of that power into a more *imperfect* man, in fact a dangerous man—he has force over the destinies of other men.

Expediency, Dangerous Concept

A closing point. No ideal formulated by man may be perfect. The nearer an ideal approaches an infinity (if it holds together in its reasoned parts), the surer bearing it offers in testing current decisions. That it can not be realized in its totality is no reason for rejecting it. It is sufficient if thereby the choices of imperfect men may be less imperfect.

Whether these choices are made by economists, or by members of the Mont Pelerin Society, or by philosopher-kings, they will still be imperfect and the imperfection will increase with the degree and the duration of the power.

That the power can be shifted or that its holder was picked by a majority or by some other means does not change the essential result. That the force is to be used for alleged good ends makes it more dangerous. This is especially true when the power is bestowed by or purports to represent the action of the many for the assumed highest good of all.

Discussions of current economic and political problems in which the presentations rest on nothing more substantial than different views as to what is expedient (politically expedient, for example) and what will work more efficiently without reference to a reasoned belief in the paramount necessity of a free society seem futile. There is no middle of the road between freedom and statism.

It seems to me we are piling improvision on im-

provision, more intervention added to avoid conditions resulting from prior interventions, expediency on expediency, compromise on compromises, and that these decisions, compromises, vague middleness and middle-of-the-roadness have moved us far towards a society handicapped by lack of freedom taking us firmly into a statist society — straight down the middle of that road.

So I urge that meetings of the Mont Pelerin Society be devoted to building more firmly the foundations and literature on which to rest a logical case for freedom that there may develop therefrom the clear convictions and committed will necessary to its preservation.

NOTES

These notes were not a part of the original paper but were added for the convenience of the reader.