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## American Classical Liberalism and Religion: Religion, Reason and Economic Science

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## AMERICAN CLASSICAL LIBERALISM AND RELIGION: RELIGION, REASON AND ECONOMIC SCIENCE\*

Leonard P. Liggio<sup>o</sup>

The October, 1998 issue of FIRST THINGS (Editor: Father Richard John Neuhaus; pp. 9-10) published the following letter:

"Thank you for the recommendation. I still agree completely with my understanding of the philosophy of Ayn Rand: every action should be purposeful; each person should be concerned with himself and no one else unless he chooses; non-achievers must take from achievers to survive; achievers make the world operate.

I applied Rand's principles to myself and decided to become a nun. The only purpose in life is to honor God. I need to greatly expand my relationship with God and pray much more often and with more concentration than I do. I am not an achiever in the secular world. I will be an achiever in the cloistered lifestyle because I enjoy silence and need to intensify my relationship with God. By choosing prayer as my vocation, I can help many people forever instead of spending the rest of my life performing tasks that will benefit a few people only during their earthly life."

The recommendation to enter the cloistered convent had been written for a former student of the Rev. James Heft, S. M., Chancellor of the University of Dayton, and the former student was responding to his inquiry regarding their earlier conversations regarding the student's study of the philosophy of Ayn Rand.

In addition to being a widely acclaimed novelist, Ayn Rand sought to forward her several interests: Aristotelian philosophy, Austrian economics, and Atheism. Unfortunately, she made the last the precondition for discussion with her of the first two. When *Atlas Shrugged* was published, Robert Hessen (later a fellow

\* This paper was presented originally at the Austrian Economics and Religion Session at The Southern Economic Association Annual Conference, November 10, 1998, Baltimore, Maryland (USA)

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at the Hoover Institution) worked at the bookstore at JFK which received the first shipment of the book. Bob Hessen immediately was asked to purchase copies for Murray Rothbard, Ralph Raico, George Reisman and myself.

Whittaker Chambers denounced Rand in National Review; Murray wrote a pro-reason letter which National Review published. Ayn Rand had met Murray Rothbard some years earlier, and she wrote thanking him for his letter and inviting Murray and his friends to visit her. We accepted her gracious invitation, and had several visits at her home or at that of Barbara and Nathaniel Brandon.

I was in the midst of my graduate studies — spending mornings and afternoons at the New York Public Library and at Fordham graduate seminars in the early evening. My only outside activity was attending the weekly Thursday evening economics seminar of Ludwig von Mises at New York University. But, in addition to the inconvenience of the time, it was mutually agreed that I did not fit the profile of a 'student of Objectivism.' I was a theist. I had a couple of conversations on the topic and found that the one area of philosophy Rand had neglected was Natural Theology. Later Joey Rothbard, Murray's wife, was criticized for her theist conclusions, and Murray Rothbard (along with Ralph Raico) was excluded from Ayn Rand's self-styled Collective into which I had never any interest to enter.

Nevertheless, despite the 'atheist entrance gate' to her inner circle imposed by Ayn Rand, Aristotelian philosophy and Austrian economic were encouraged among those whom she influenced. In particular, many sought formal graduate training in Aristotelian philosophy which meant in practice studying in Jesuit universities with Thomist traditions. As a result all the classical liberal philosophers in the United States, with a few exceptions, shared my own background in Thomist philosophy. Murray Rothbard is to be complimented for his own self-education in Thomism.

For seminar programs of the Center for Libertarian Studies or the Institute for Humane Studies, the Thomist trained philosophers were the mainstay of CLS's and IHS's interdisciplinary work. Henry Babcock Veatch (chairman of the Philosophy Department at Georgetown University) was the paradigm of IHS's moral philosophy programs, and senior scholar for IHS residential summer seminars. Veatch saw a succession from Thomas Aquinas through Richard Hooker's *Of the Laws of Ecclesiastical Polity* to John Locke (whom Joseph Schumpeter classifies as a Protestant Scholastic) as well as the 17th Century Jesuits.<sup>1</sup>

I benefited studying (sixth grade through twelfth grade) with Irish Christian Brothers who themselves were studying Scholastic Philosophy at Fordham University. Thus, they introduced formally in class and informally in our

<sup>1</sup> Veatch-1971; Rasmussen/Den Uyl-1991, and Miller-1995; Fred Miller is the Director of the Social Philosophy and Policy Center, Bowling Green State University, Ohio.

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conversations, the methods and thinking of Thomism. The school library was filled with American, English and Irish books from Hilaire Belloc's *The Servile State* and Sir Arnold Lunn's *The Revolt Against Reason* to Catholic controversial literature. Property, Socialism, Leo XIII, and of course, Pius XII's encyclicals were subjects of much discussion.

For my university studies, I selected to enroll at Georgetown College because of admiration for the Ratio Studiorum, the 16th Century Jesuit educational curriculum based on the Greek and Roman classics, the Renaissance and on the recovery of Aquinas at the Council of Trent. Theology lecturers included Fr. Gustave Weigel, S. J. Political Philosophy was taught by Heinrich Rommen with his *Natural Law*.<sup>2</sup> Scholastic Philosophy courses were excellent. In particular, I was a student in the last classes taught by Fr. John J. Toohey, S. J. Toohey's *Logic* and his *Notes on Epistemology* were brilliant contributions, and photocopies of my copy of Toohey's *Notes on Epistemology* were circulated in the higher reaches of libertarian scholarship by Murray Rothbard. Its impact was crucial in libertarian scholarship, and it remains highly recommended.<sup>3</sup>

Fr. James Sadowsky, S.J. of the Fordham University Philosophy Department recalled of Fr. Toohey: "One of his greatest contributions was his insistence that there were no collective entities: that the collection was not an entity over and above the things collected but simply the collected individuals brought together for the achievement of a purpose common to each of them. So while social beings exist, society does not exist as a thing over and above those beings." Fr. Sadowsky notes Fr. Toohey's students were well grounded in understanding methodological individualism, which is important to understand history or economics.

Graduate training in medieval and modern intellectual history at Fordham University, such as Gerhart Ladner's courses on the "Idea of Reform in Christianity from Early Fathers until Late Middle Ages," refined and deepened the understanding of Christian thought of Joseph Peden and Leonard P. Liggio. Their Fordham professors included Oskar Halecki, Charles Loughran, S. J., Jeremiah O'Sullivan (Cistercian economic history), Joseph O'Callahan, James Brundage, John Olin, Rudolph Arbesmann, OSA, and American historians, Robert Rini and Vincent Hopkins, S. J. Ross J. S. Hoffman and A. Paul Levack were major influences. They had established a Tocqueville Society at Fordham which was important in the rebirth of the study of Edmund Burke, especially their edited work, Burke's *Politics*.<sup>4</sup>

Ladner centered his studies on the creation of man in the *Image of God*. God created man as a free and independent individual with free will. Christianity is

<sup>2</sup> Rommen-1948 [1998].

<sup>3</sup> Toohey-1946 [1952].

<sup>4</sup> Hoffman/Levack-1949.

distinguished by its emphasis on the individuality of the soul. Reality is not a pantheistic collectivism. There is free will and responsibility of each individual soul. Siger of Brabant (1235-84) held the idea of the collective soul which he drew from the great Islamic Spanish philosopher, Averroes, and for which he was criticized by Albertus Magnus and Thomas Aquinas. Aquinas answered in *On the Unity of the Intellect against the Averroists* (1270). Thomas Aquinas defended the Christian theology of the individuality of the person's soul against the collectivism of the Latin Averroists' "single agent intellect."

Aquinas challenged Peter Lombard's *Sentences* where Lombard held that virtue came only through Jesus' Gospels. Thomas Aquinas held that man can naturally practice virtue, although it is very difficult. Thomas Aquinas emphasized individual responsibility through the habits of performing virtuous human actions. When Thomas was condemned after his death, the aged Albertus Magnus travelled from Cologne to Paris in order to defend Thomas' philosophy. Free will and the responsibility of the individual soul created in the *Image of God* is at the center of Christian philosophy.

On October 15, 1998, Pope John Paul II released a new Encyclical: *Fides Et Ratio*. It is addressed to Catholic bishops in an attempt to lead them to restore rational philosophy to the training of seminarians. In many seminaries, rational philosophy has been replaced by sociology and psychology. John Paul II begins by emphasizing the universality of "the principles of noncontradiction, finality and causality." John Paul II states:

"A quite special place in this long development belongs to St. Thomas, not only because of what he taught, but also because of the dialogue which he undertook with the Arab and Jewish thought of his time. In an age when Christian thinkers were rediscovering the treasures of ancient philosophy, and more particularly of Aristotle, Thomas had the great merit of giving pride of place to the harmony which exists between faith and reason. ....

"With the rise of the first universities, theology came more directly into contact with other forms of learning and scientific research. Although they insisted upon the organic link between theology and philosophy, St. Albert the Great and St. Thomas were the first to recognize the autonomy which philosophy and the sciences needed if they were to perform well in their respective fields of research".<sup>5</sup>

First criticizing historicism, John Paul II turned to scientism "which is the philosophical notion which refuses to admit the validity of forms of knowledge other than those of the positive sciences. ... In the past, the same idea emerged in positivism and neo-positivism, which considered metaphysical statements to be meaningless. Critical epistemology has discredited such a claim, but now we see it

<sup>5</sup> Pope John Paul II-1998, pp. 329-30.

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revived in the new guise of scientism, which demises values as mere products of the emotions and rejects the notion of being in order to clear the way for pure and simple facticity.”<sup>6</sup>

After each weekly Mises' seminar which Mises devoted to the material which became his *Theory and History*, many of us gathered in a coffee shop to talk. Murray Rothbard was at the center of the discussions, and a major focus was Aristotelian-Thomist philosophy. A doctoral student of von Mises was Edward Facey who after completing studies at MIT, received an M. A. in medieval economic thought under the direction of Raymond de Roover at Boston College Graduate School. Facey, later an economics professor at Hillsdale College, also completed an M. A. in Scholastic Philosophy at Catholic University of America.

While studying for the Ph. D. with Mises, Facey pursued a course of Thomist studies with the Dominicans in New York. Rothbard discussed with Facey the on-going topics in the study of St. Thomas. Rothbard was writing a monthly column of political analysis for *Faith and Freedom* published for the clergy by the Rev. James C. Fifield of the First Presbyterian Church in Los Angeles. At the time Rothbard read Austin Fagothey, S. J. *Right and Reason*.<sup>7</sup>

In the 1930s through the 1950s, America (and England) benefited by a revival of Aristotle and Thomas Aquinas. In America, Columbia University and the University of Chicago were the centers of this scholarship. Werner Jaeger, Richard McKeon, Dino Bigongiari, Paul Oskar Kristeller and John Herman Randall were leaders. The president of the University of Chicago, Robert Hutchins, who recruited Mortimer Adler from Columbia, gave dominance to Thomism. Chicago's Committee on Social Thought led by the historian John U. Neff was the home not only of F. A. Hayek but also of Yves Simon, Etienne Gilson, Anton Pegis and Jacques Maritan were influential there as well as at Notre Dame, Fordham, Princeton and the Pontifical Institute of Medieval Studies at Toronto. Murray Rothbard was well read in these works. Hutchins and Adler made the University of Chicago the headquarters for the nation-wide Great Books seminars which had a continuing influence in the American Classical Liberal movement. Thomas Aquinas' *Summa Theologica* in the translation of the Fathers of the English Dominican Province was published for the Great Books by *Encyclopedia Britannica* (Chicago) in 1952.

In addition to the *Notes on Epistemology* by John Toohey, S. J., moral philosophers such as de Vitoria, Suarez, Molina, and Mariana, as well as the more recent Jesuits were studied by Rothbard. He read *A History of Philosophy* by Frederick C. Copleston, S.J. as well as Copleston's *Medieval Philosophy*.<sup>8</sup> One might benefit from Copleston's understanding of the deep Scholastic impact on

<sup>6</sup> *Ibid.*, p. 331.

<sup>7</sup> Fagothey-1953 [1959].

<sup>8</sup> Copleston-1972.

17th Century philosophers who might be well considered still medieval philosophers in the scholastic Aristotelian tradition compared to later thinkers. Copleston emphasized:

"For example, those historians who emphasized the scholastic elements, deriving from the Middle Ages, in the philosophy of Descartes doubtless performed a useful service. They showed the absurdity of supposing that philosophy, having suffered a demise when the emperor Justinian closed the philosophical schools in Athens in 529, was suddenly reborn with Descartes in France and Francis Bacon in England.

"... philosophers continued for many years to use categories of thought and philosophical principles which had been used by medieval thinkers. It would be a mistake to attribute what we might describe as the scholastic elements in philosophies such as those of Descartes, Malebranche and Leibniz to the interest in classical literature which was shown during the Renaissance."

"Descartes' first philosophical studies were in the scholastic tradition, going back to the Middle Ages. And though his mind came to move in other directions, the influence of his early studies were permanent. Malebranche was deeply influenced by Augustine, while Leibniz had a fairly extensive knowledge of philosophical literature belonging to or stemming from the medieval tradition. Moreover, its influence upon him is apparent in his writings. Again, we can trace a connection between medieval philosophy of law and that of John Locke. For the matter of that, Locke's empiricism is not so completely alien to all aspects of medieval thought as has been sometimes supposed."<sup>9</sup>

Murray Rothbard recognized Thomas Hobbes as the founder of modern Collectivist theory. Hobbes sought the destruction of the historic institutions which sheltered the individual from the crushing power of the state. Hobbes sought the total state over the empty individual. Robert Nisbet in *The Quest for Community* noted of Hobbes:

"Only the invincible economic determinist would see in the pages of the Leviathan, with their brilliant and eloquent portrayal of the impersonal, absolute, and imprescriptible State, a piece of ideology reflecting the alleged interests of the middle class. In light of Hobbes's plain distrust of the market place, and ... his ascribing to (merchants) the blame for the civil war, and of his general hatred for their acquisitive and exploitative proclivities, and above all in the light of the relentless political direction of his writings, it is difficult to understand interpretations that relegate his beliefs to the vague categories of economic determinism."<sup>10</sup>

<sup>9</sup> Copleston-1972, pp. 2-3. Copleston's *A History of Philosophy* has been a major reference work for classical liberal philosophers since its publication, and a best-seller in the Laissez-Faire Books catalogue.

<sup>10</sup> Nisbet-1953, p. 124.

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Hobbes extreme anti-individualism caused a strong reaction of which John Locke was a leading thinker. Locke's state of nature and original contract concepts, in reaction to the collectivism of Hobbes, defended medieval political thinking on natural order and the natural rights of individuals, as well as the representative institutions and voluntary associations which were the bulwarks against Hobbes' sovereignty. As the anti-individualist, Hobbes was a proponent of the new concept of sovereignty. Robert Nisbet (*The Twilight of Authority*) noted:

"The pluralism, localism, regionalism of the Middle Ages, together with the almost total lack of the idea of secular sovereignty and its correlates, constituted anything but the kind of society in which Roman Law had germinated in the first place — that is, imperial Rome with its military centralization of power vested in the emperor. How, then, could there not have been deep conflict in the Middle Ages between, on the one hand, the large body of customs and traditions which surrounded the major institutions of the time and, on the other, a body of principle which could find this body of customs and traditions repugnant in the extreme, offensive to the profound rationalism and symmetry which are the hallmarks of the Roman code?"

"... Clearly there is a strong element of potential revolution in the idea of sovereignty when it erupts within a social order that has no clear conception of sovereignty or of the centralization that goes with it; once accepted, the idea of sovereignty stands as an inevitable threat to the medieval kind of pluralism. No legal understanding was more widespread in the medieval period than that which declared the ruler to be under the law."<sup>11</sup>

Murray Rothbard was strongly influenced by the work of the leading Catholic Liberal and Regius Professor of Modern History at Cambridge University, Lord Acton. Murray Rothbard was convinced that individualism had its roots in Latin Christianity by Acton's essay: "History of Freedom in Christianity."<sup>12</sup>

Brian Tierney's scholarship was studied by Murray beginning with *Foundations of Conciliar Theory*<sup>13</sup> when Tierney was a history professor at the Catholic University of America. Rothbard continued to follow the works of Brian Tierney until Rothbard's death.<sup>14</sup>

Rothbard was influenced by the research on medieval interest on loans and on Scholastic economics of Economics Professor Raymond de Roover (1904-1972) who was invited regularly by Ludwig von Mises to lecture to his NYU seminar. Rothbard discussed his research when de Roover visited Mises at NYU.<sup>15</sup>

<sup>11</sup> Nisbet-1975 [1998], pp. 169-70.

<sup>12</sup> Acton-1948 [1955].

<sup>13</sup> Tierney-1955

<sup>14</sup> *Ibid.*

<sup>15</sup> De Roover-1974.



Through the William Volker Fund Murray Rothbard, Joseph Peden and Leonard Liggio became well acquainted with Professor Howard L. Adelson of the City College of New York. Adelson had attended Volker Fund seminars and later Institute for Humane Studies seminars for faculty with lecturers such as F. A. Hayek, David McCord Wright and Bruno Leoni. Adelson was research director of the American Numismatics Society where Joseph Peden studied medieval gold coinage with Adelson.<sup>16</sup>

Adelson, with Murray Rothbard, Joseph Peden and Leonard Liggio, was a founding member of the Columbia University (Faculty) Seminar: History of Legal and Political Thought which grew out of the Columbia University Seminar on Medieval Studies which had been headed by Gerhart Ladner when Rothbard, Peden, Liggio and Adelson had been members (Leonard Liggio and Joseph Peden had been graduate students of Ladner).

The chairman of the History of Legal and Political Thought Seminar was Father Charles Loughran, S.J., former dean at Fordham University and an Oxford-trained professor of Early Christian and Medieval History and a professor of Joseph Peden and Leonard Liggio. The Columbia Seminar on the History of Legal and Political Thought was named the 'Collegio Bartolus de Saxoferrato', after the fourteenth century medieval canon law professor of Perugia; and the papers dealt with medieval and early modern political and legal thought. A leading member was Paul Oskar Kristeller. Murray Rothbard, Joseph Peden and Leonard Liggio were members of the Legal and Political Thought seminar for thirty-five years until Murray Rothbard's (January, 1995) and Joseph Peden's (February, 1996) deaths.

In 1983, Rothbard was very influenced by the publication of Harvard Professor Howard Berman's now classic work: *Law and Revolution*<sup>17</sup>. Law and Revolution concerned the 11th Century reform movement of Pope Gregory VII and the foundation of Western Europe's Legal and Political Tradition. This intensified Rothbard's continuing interest in the history of the medieval Law Merchant influenced by Bruno Leoni's *Freedom and the Law*, and Hayek's *Law, Legislation and Liberty*. Leoni *Freedom and the Law* intensified Murray's repugnance toward the thought of Jeremy Bentham. As Robert Nisbet noted of Bentham in *The Twilight of Authority*:

"Interestingly, it was directly from Roman Law that Jeremy Bentham - who loathed the common law and, with it, the jury system - acquired his ideal of an all-powerful Magistrate ruling directly with the theoretical consent of the mass of people, with all intermediate bodies such as parliaments, assemblies, parties, and

<sup>16</sup> Howard Adelson is a Misesian and strong proponent of the Christian role in the history of liberty. Adelson was founding chairman of the history department, Graduate Center of CUNY, and chairman of the history department of City College of New York when Leonard P. Liggio taught in CCNY history department for seven years.

<sup>17</sup> Berman-1983.

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juries obliterated, and with no check upon him except his own understanding of the people's will and a scientifically contrived code of justice."<sup>18</sup>

The famous clash between Murray Rothbard and Ayn Rand in July, 1958 concerned Rothbard's references to Jesuit moralists in Rothbard's essay, "The Mantle of Science" (later published in *Scientism and Values*).<sup>19</sup>

Rothbard quoted Joseph A. Schumpeter's *History of Economic Analysis*: "The scholastic science of the Middle Ages contained all the germs of the laical science of the Renaissance."<sup>20</sup> Rothbard continued in "The Mantle of Science": "The experimental method was used notably by Friar Roger Bacon and Peter Maricourt in the thirteenth century; the heliocentric system of astronomy originated inside the Church (Cusanus was a cardinal and Copernicus a canonist); and the Benedictine monks led the way in developing medieval engineering."<sup>21</sup>

Rothbard's defense of medieval knowledge and religious sources of science reflected his wide reading in history and history of science. The experimental method was developed by Scholastic science. Rothbard appreciated the Christian contribution of the importance of man understanding man, and man's understanding nature. Rothbard's middle name was Newton; his father (a chemical research director for a major company) had strong scientific interests. Murray Rothbard's undergraduate and M. A. degrees were in mathematics, and when he became an economist he was well trained to see the fallacies of the economists pretending to be mathematicians which never endeared him among the ranks of the positivists.<sup>22</sup>

<sup>18</sup> Nisbet-1975 [1998], p. 175.

<sup>19</sup> Rothbard-1960 [1979] Along side Mises and Hayek, Murray Rothbard cited the following Thomist philosophers in "The Mantle of Science" essay Van Melsen-1953. Harmon-1938. Hassett/Mitchell/Monan-1953. Phillips-1934-35. Leibell-1926. Brennan-1941. White-1958, pp. 183-212. It refers to Henry Adams (1838-1918) analysis in his famous work, *Mont Saint Michel and Chartres* (1904).

<sup>20</sup> Schumpeter-1954, pp. 81 ff.

<sup>21</sup> Rothbard-1960 [1979], p. 22.

<sup>22</sup> Rothbard's background in mathematics was important when Classical Liberal scholars began to pursue their criticism of Scientism. Hayek had published *The Counter-Revolution of Science* (Hayek-1955), and was writing *The Constitution of Liberty* (Hayek-1960). Mises wrote *Epistemological Problems of Economics* (Mises-1933 (1960)). His seminar devoted to Theory and History led to the publication of Mises' *Theory and History* (Mises-1957). Mises focused on methodological individualism leading to his *The Ultimate Foundation of Economic Science: An Essay in Method* (Mises-1962). Mises arranged for the translation of Heinrich Rickert, *Science and History: A Critique of Positivist Epistemology* (Rickert-1902 [1962]). Rickert was published originally in German in 1902 as *Kulturwissenschaft und Naturwissenschaft*. Hayek wrote the preface to the English translation emphasizing the importance of Rickert and of the 'Southwestern German School of Philosophy and Methodology' of which Rickert was a major figure in the line of Wilhelm Windelband, Wilhelm Dilthey, Max Weber, and Ludwig von Mises. Rothbard's "The Mantle of Science" was situated in the middle of the critique of scientism among the Austrian school, starting with Hayek's *The Counter-revolution of Science*, and Ludwig von Mises, *Theory and History*. Most of the works appeared in "The William Volker Fund Series in the Humane Studies" published by Van Nostrand in Princeton. They included:

"The Mantle of Science" essay caused an attack by Ayn Rand and her break with Murray Rothbard. It is important to emphasize this milestone as a defining event in the 20th Century American Classical Liberal movement: Ayn Rand who admired Thomas Aquinas and Aristotle would not accept Murray Rothbard's learning from modern Jesuit philosophers in the Thomist tradition. The impact of Scholasticism in the modern American Classical Liberal movement has yet to be studied.<sup>23</sup>

Murray Rothbard, Joseph Peden (a City University of New York professor of early Christian and medieval history) and Leonard P. Liggio were the core of libertarian scholarship in New York. Their lectures, discussions, dinners, articles and newsletters defined Classical Liberalism. Additions included: Father James Sadowsky, S. J. and his students at Fordham University; and scholars from the doctoral program at Marquette University. William B. Baumgarth, editor, *Saint Thomas Aquinas, On Law, Morality, and Politics*<sup>24</sup> has been chairman of the Political Science Department and Honors Program at Fordham University. Douglas Rasmussen (St. John's University, New York) and Douglas Den Uyl (Bellarmino University, Louisville) are the authors of *Liberty and Nature: An Aristotelian Defense of Liberal Order*<sup>25</sup>. Fred D. Miller, Jr., (Bowling Green State University, Ohio) published *Nature, Justice, and Rights in Aristotle's Politics*<sup>26</sup>.

Louis M. Spadaro was a very important influence especially on Murray Rothbard, Joseph Peden, Leonard Liggio, Gerald O'Driscoll and Mario Rizzo. He received his Ph. D. under Mises at NYU and was a continuing member of Mises NYU seminar. Spadaro was Professor of Economics in Fordham University where he served several terms as economics chairman. He concluded as Dean of the Joseph A. Martino Graduate School of Business at Fordham University. He became president of the Institute for Humane Studies in Menlo Park (1976-1980). Besides writing for *Il Politico* (Turin) and a textbook, *Economics*<sup>27</sup>, Spadaro edited *New Directions in Austrian Economics*<sup>28</sup>.

Schoek/Wiggins-1961 (including papers by Ludwig von Mises, Bruno Leoni, Richard Weaver, and Leo Strauss).

Schoek/Wiggins, *Scientism and Values*.

Kirzner, *Economic Point of View*.

Rickert, *Science and History*.

Mises, *Epistemological Problems of Economics*; and *Ultimate Foundations*.

Rothbard, *Man, Economy and State* (2 volumes).

Leoni, *Freedom and the Law*.

<sup>23</sup> Rothbard-1960 [1979].

<sup>24</sup> Baumgarth-1988.

<sup>25</sup> Rasmussen/Den Uyl-1991.

<sup>26</sup> Miller-1995.

<sup>27</sup> Spadaro-1969.

<sup>28</sup> Spadaro-1978.

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A major contribution of Murray Rothbard was his research in the history of economic thought. He drew from the leads of Hayek and Hayek's student Marjorie Grice-Hutchinson (Professor at the University of Malaga) on Iberian Scholastics' pioneering in economics, and particularly in the theory of subjective value.<sup>29</sup> Murray Rothbard admired 16th and 17th century Dominicans and Jesuits for their political and legal thought. He analyzed the continuity of their subjective theory of value to the 18th century French and Italian thinkers, such as Turgot and Say (as described by Schumpeter). He believed Adam Smith to have fallen back into the error of theories of objective value which through David Ricardo was the basis of the writings of Karl Marx.<sup>30</sup>

Carl Menger, founder of the Austrian School, and his students demolished Marxism by restoring the subjective theory of value. Rothbard discovered that the Austrian educational system was permeated with Aristotelian and Scholastic philosophical concepts. Thus there was a continuum from the Late Scholastics to Menger's 1971 *Marginal Revolution* which is the basis of modern, scientific economics.<sup>31</sup>

Stanton Evans is a recent past president of The Philadelphia Society (the international society of scholars founded in 1964 by Richard Weaver, F. A. Hayek, Russell Kirk and Milton Friedman), and author of the important book, *The Theme is Freedom: Religion, Politics, and the American Tradition*. Evans wrote in his essay, "Toward a New Intellectual History:"

"I would argue (in combining traditionalist and libertarian emphases) that we are describing a natural and necessary unity, and that it is the separation of these emphases that is unnatural and mistaken. It would be possible to show this, I believe, by a thematic reconciliation of the points at issue — to argue that a libertarian regime is better established on traditionalist assumptions about the nature of man, political power, and virtue ... that a traditionalist ethic will ultimately require a libertarian social policy, and so on."<sup>32</sup>

<sup>29</sup> Grice-Hutchinson-1952; Grice-Hutchinson-1978; Moss-1993. A major contribution to the scholarship was Alejandro A. Chafuen's *Christians For Freedom: Late-Scholastic Economics* (Chafuen-1986; foreword by Michal Novak and a recommendation by Robert Hessen (Hoover Institution); Spanish translation: Chafuen-1991.

<sup>30</sup> Yeager-1996, p. 183: "Adam Smith dropped earlier contributions about subjective value, entrepreneurship and emphasis on real-world markets and pricing and replaced it all with a labor theory of value and a dominant focus on the long run 'natural price' equilibrium, a world where entrepreneurship was assumed out of existence. He mixed up Calvinism with economics, as in supporting usury prohibition and distinguishing between productive and unproductive occupations. He lapsed from the laissez-faire of several eighteenth-century French and Italian economists, introducing many waffles and qualifications. His work was unsystematic and plagued with contradictions."

<sup>31</sup> Cf. the research of Emil Kauder, Kauder-1953, pp. 638-50; and Kauder-1965. (Murray N. Rothbard and Lawrence H. White have written on the historical background and Aristotle's impact on the intellectual framework of the founders of the Austrian School of economics. Cf. Rothbard-1976, pp. 52-74.)

<sup>32</sup> Evans-1998.

Evans for forty years has been a major writer in the libertarian/conservative tradition. M. Stanton Evans and I participated together in Ludwig von Mises' famed NYU seminar in Gallatin House, Washington Square North in the mid-1950s when Stan, having finished at Yale in the aftermath of William F. Buckley's *God and Man at Yale*, was associated with the Foundation for Economic Education (with a legendary staff of Leonard Read, Dr. F. A. Harper, Rev. Edmund Opitz, and many more; it was Leonard Read who reintroduced the name libertarian when the New Deal seemed to capture the name Liberal in America).

Professor George Carey (Georgetown University) in *Freedom and Virtue*<sup>33</sup> selected essays from the early years of National Review, when William F. Buckley, Jr., the masterful editor, drew accomplished essayists, such as M. Stanton Evans, Frank S. Meyer and Dr. Russell Kirk (none of the three was a Catholic), who later contributed several of the essays in this volume. They had responded when they were challenged by a benighted California professor with his claim that American conservatism was inconsistent because conservatism had to be only associated with the Middle Ages in the sense of irrational, monastic, and manorial while National Review was Humanist/Scholastic, Capitalist, and post-medieval Tridentine.

Stanton Evans responded:

"The conservative believes ours is a God-centered, and therefore an ordered, universe; that man's purpose is to shape his life to the patterns of order proceeding from the Divine center of life; and that, in seeking his objective, man is hampered by a fallible intellectual and vagrant will. Properly construed, this view of things is not only compatible with a due regard for human freedom, but demands it. The conservative's first concern is that man restrain his appetites by the imperatives of right choice — choice which can take place only in circumstances favoring volition. ...

If man is corrupted in mind and impulse, he is hardly to be trusted with the unbridled potencies of the state. ...the limitation of government power becomes the highest political objective of conservatism."<sup>34</sup>

Frank S. Meyer posited the principle that transcendental truth is compatible with individual human freedom. Meyer declared in his response:

"Christian understanding of the nature and destiny of man, which is the foundation of Western civilization, is always and everywhere what conservatives strive to conserve. That understanding accepts the existence of absolute truth and good and at the same time recognizes that men are created with the free will to accept or reject that truth and good.

<sup>33</sup> Carey-1998.

<sup>34</sup> Evans-1998, pp. 6-7.

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Conservatism, therefore, demands both the struggle to vindicate truth and good and the establishment of conditions in which the free will of individual persons can be effectively exercised. ... (Conservatism) fights against determinist philosophies, which equate truth and good with whatever happens historically to succeed, and against relativist philosophies, which deny the very existence of truth and good."

"On the other hand, it resists the growth of a monopoly of power, usually exercised through the state, which suppresses or distorts the exercise of free will by individual persons. It believes, further, that such a monopoly of force can be as thoroughly and evilly exercised by a "democratic" majority as by an "aristocratic" minority or by a single tyrant. ... the Middle Ages maintained a separation of powers both through the geographically decentralized institutions of feudalism and through the balance of powers between church and state. That separation of powers placed feudal Europe, as Professor Wittfogel has demonstrated in his *Oriental Despotism*, among the freest societies in the history of man."<sup>35</sup>

Meyer saw traditionalism and libertarianism coming from a common source of the "ethos of Western civilization," forming together the modern movement to resist government power and expand expressions of man's free will in study and market-place. Meyer said:

"That fused position recognizes at one and the same time the transcendent goal of human existence and the primacy of freedom of the person, a value based upon transcendent considerations. And it maintains that the duty of men is to seek virtue; but it insists that men cannot in actuality do so unless they are free from the constraint of the physical coercion of an unlimited state. For the simulacrum of virtuous acts brought about by the coercion of superior power is not virtue, the meaning of which resides in the free choice of good over evil."<sup>36</sup>

For Dr. Russell Kirk conservatism was a fusion of traditionalism and classical liberalism whose sources were natural law tradition from Cicero; philosophy of medieval Christianity; and civil society that emerged from medieval English law. Dr. Kirk identified the libertarianism with which he agreed:

"These are people who perceive in the growth of the monolithic state, especially during the past half-century, a grim menace to ordered liberty; and of course they are quite right. They wish to emphasize their attachment to personal and civic freedom by employing this twentieth-century word derived from liberty. ...the libertarians generally ... try to exert some check upon vainglorious foreign policy. They do not believe that the United States should station garrisons throughout the world; no more do I; in some respects, the more moderate among

<sup>35</sup> Meyer-1996, pp. 8-9.

<sup>36</sup> Meyer-1996, pp. 16-17.

them have the understanding of foreign policy that the elder Robert Taft represented. ...most of the libertarians believe in the humane scale; they vehemently oppose what Wilhelm Roepke called "the cult of the colossal." They take up the cause of the self-reliant individual, the voluntary association, the just rewards of personal achievement. They know the perils of political centralization."<sup>37</sup>

An important contribution was the essay of Robert Nisbet. When he originally presented it at the April, 1979 annual meeting of the Philadelphia Society, Nisbet generously stated that in his essay he took F.A. Hayek to be the libertarian spokesman. Nisbet saw the modern issue: to regain the rights of society represented by the private associations, such as family, neighborhood, church, to protect them against the political power of governments.

Nisbet viewed the common ground of libertarians and conservatives to be their "common dislike of the intervention of government" in economic and social lives of citizens: "there is a common belief in the necessity of freedom, most notably economic freedom." He saw a consensus in "what legitimate equality in society should consist of. Such equality, is, in a word, legal."

Nisbet noted "there is a common dislike of war and, more especially, of the war-society this country knew in 1917 and 1918 under Woodrow Wilson and again under FDR in World War II." He recalls that Tocqueville saw business, families and churches as "reluctant to engage in any foreign wars because of its predictable impact chiefly upon business and commerce and upon other social and moral activities as well."

An expanded presentation of his ideas is available again with republication of Robert Nisbet's *The Twilight of Authority*.

Richard Weaver, the author of *Ideas Have Consequences* (a bible of American conservatives for the past half century due to Weaver's critique of Nominalism) stated (in *Freedom and Virtue*):

"My instincts are libertarian, and I am sure that I would never have joined effort with the conservatives if I had not been convinced that they are the defenders of freedom today." He believes that there is a common ground in political, economic and philosophical foundations. He concisely notes: "It took the study of John Calhoun to wake me up to a realization that a constitution is and should be primarily a negative document. ... A constitution is a series of "thou shalt

<sup>37</sup> Kirk-1998, pp. 172-74. Wilhelm Roepke writings complemented these writers. Cf: Nash-1976, pp. 180-81; Ritenour-1999, pp. 205-221. The German tradition continues in the annual journal, *Ordo*, for example, Rowley-1983, Volume 34, pp. 39-57.

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knots to the government, specifying the ways in which the liberties of individuals and of groups are not to be invaded."<sup>38</sup>

Murray N. Rothbard's contribution (in *Freedom and Virtue*) emphasized agreement with the analysis of Frank Meyer when Meyer said: "I propose the claims of reason and the claims of the tradition of reason. I do not assume that reason is the sole possession of a single living generation, or of any man in any generation."

Rothbard quoted approvingly from Meyer's *In Defense of Freedom*:

"... freedom can exist at no lesser price than the danger of damnation; and if freedom is indeed the essence of man's being, that which distinguishes him from the beasts, he must be free to choose his worst as well as his best end. Unless he can choose his worst, he cannot choose his best.

"For moral and spiritual perfection can only be pursued by finite men through a series of choices, in which every moment is a new beginning; and freedom which makes those choices possible is itself a condition without which the moral and spiritual ends would be meaningless. If this were not so, if such ends could be achieved without the continuing exercise of freedom, then moral and spiritual perfection could be taught by rote and enforced by discipline - and every man of good will would be a saint. Freedom is therefore an integral aspect of the highest end."<sup>39</sup>

M. Stanton Evans had noted in *Revolt on the Campus* that by 1960 more students were opposing the dominant collectivist and Keynesian ideologies of their professors. Important in this development was the Intercollegiate Society of Individualists which had been founded in 1953. In 1960, Ralph Raico and Ronald Hamowy, doctoral students of F. A. Hayek at the University of Chicago, founded *The New Individualist Review* which was a forum for intellectual dialogue.<sup>40</sup>

Murray Rothbard made one last great contribution before his untimely death in January, 1995: Rothbard's magisterial *Economic Thought Before Adam Smith*. Rothbard's analysis of religion and economics is a breakthrough in the history of economics.<sup>41</sup>

<sup>38</sup> Weaver-1948.

<sup>39</sup> Meyer-1996.

<sup>40</sup> Evans-1962; Nash-1976., pp. 289-90, and pp. 171-98. The faculty advisors of the New Individualist Review were: Milton Friedman, F. A. Hayek, and Richard M. Weaver.

<sup>41</sup> Rothbard-1995.



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