



**David M. Hart, “The Classical Liberal Tradition”
[CIS Liberty and Society, 7 May, 2022]**



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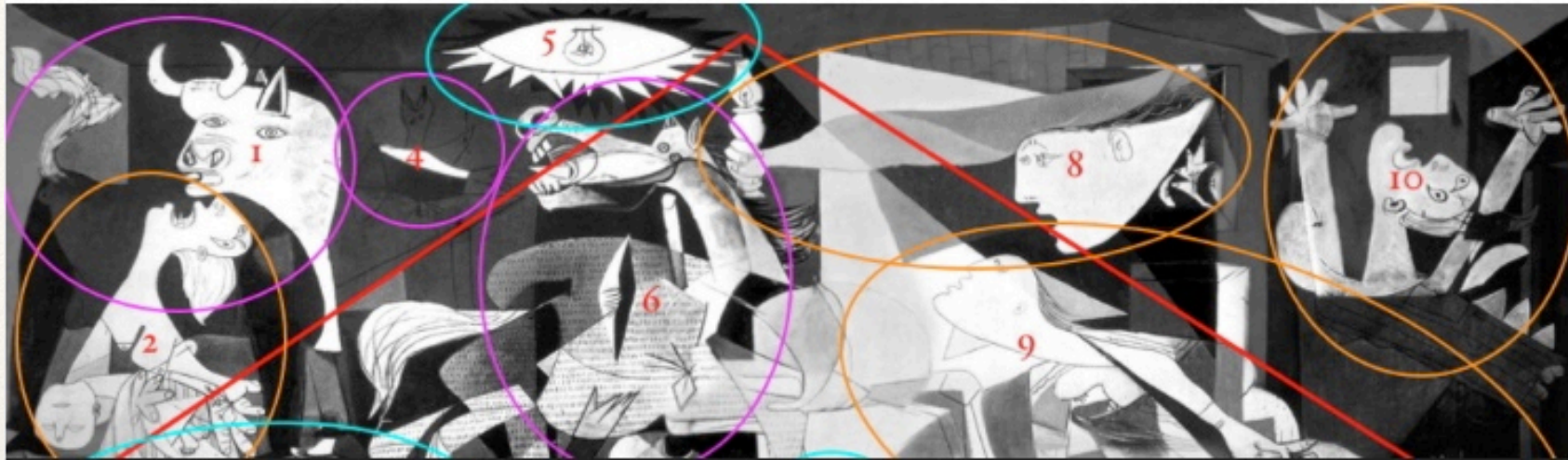
April 2022

<http://www.davidmhart.com/liberty>

Reflections on Liberty and Power

Building a freer world one idea at a time.

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FEATURED

About this Blog

This blog contains the thoughts and musings of [David Hart](#) concerning the classical liberal tradition, war and the state, and film and art. His [main website](#) contains his research and a growing library of books in the classical liberal tradition. See the [most recent additions](#).



[David contemplating the move back to Sydney.]

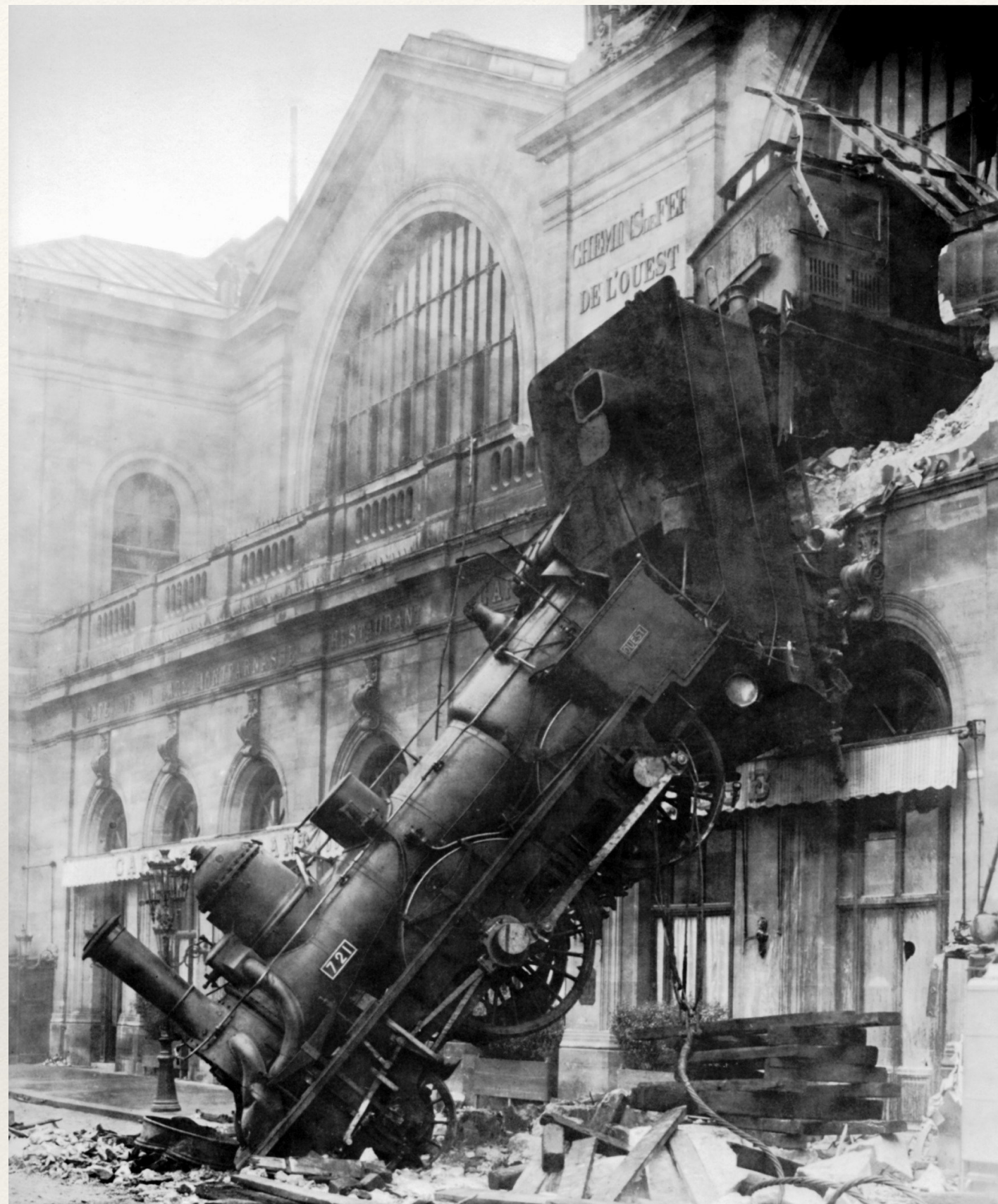
CATEGORIES

- [Art](#)
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RECENT POSTS

- [600 Quotations about Liberty and Power](#) 28 April, 2022
- [Liberty as the Sum of All Freedoms](#) 26 April, 2022
- [Twelve Key Concepts of Lib-](#)

<<http://davidmhart.com/wordpress/>>



Is “modern liberalism” a train wreck?



Can it be put back on track?

William Turner, "Rain, Steam and Speed" (1844)

ЭКРАНИЗАЦИЯ КУЛЬТОВОГО БЕСТСЕЛЛЕРА
АЙН РЭНД



АТЛАНТ РАСПРАВИЛ ПЛЕЧИ

региональное издание



CineMaterial.com

DVD

Or, does it need to be re-invented?

Russian DVD cover of movie "Atlas Shrugged"



**MAKE
LIBERALISM
CLASSICAL
AGAIN**

What to Read? Where to Begin?

- ❖ the Cato Institute's *The Encyclopedia of Libertarianism*, ed. Ronald Hamowy (Los Angeles: Sage, 2008).
- ❖ Peter J. Boettke, *The Struggle For A Better World* (Arlington, Virginia: Mercatus Center, 2021).
- ❖ Richard Ebeling, "The Beautiful Philosophy of Liberalism" *The Future of Freedom Foundation* (July 10, 2018)
- ❖ *The Human Freedom Index 2021. A Global Measurement of Personal, Civil, and Economic Freedom*. Ian Vásquez, Fred McMahon, Ryan Murphy, and Guillermina Sutter Schneider (Cato Institute and Fraser Institute, 2021).
- ❖ *Visions of Liberty*. Edited by Aaron Ross Power and Paul Matzko (Washington, D.C.: Cato Institute, 2020).

The Encyclopedia of
LIBERTARIANISM



Ronald Hamowy
Editor-in-Chief

<<https://www.libertarianism.org/topics>>

The Big Picture online



- ❖ “The Classical Liberal Tradition: A Four Hundred Year History of Ideas and Movements”
- ❖ <<http://davidmhart.com/wordpress/archives/1234>>

The Big Picture

- ❖ 1. WHAT IS LIBERALISM? The Problem of Definition
- ❖ 2. CL AND THE STATE: How Big? How Limited?
- ❖ 3. LIBERAL IDEAS: Against what and For what?
- ❖ 4. KEY MOVEMENTS FOR LIBERAL REFORM
- ❖ 5. A BALANCE SHEET OF LIBERAL SUCCESSES AND FAILURES
- ❖ 6. STRATEGIES TO ACHIEVE LIBERAL REFORMS

[<http://davidmhart.com/wordpress/archives/1363>](http://davidmhart.com/wordpress/archives/1363)

<<http://davidmhart.com/wordpress/archives/1234>>

Overviews:

- ❖ 1. “The History of Classical Liberalism in 1,730 words (and one picture)” </archives/1139>
- ❖ 2. “Lecture/Seminar Outline” </archives/1363>
- ❖ 3. “Liberty as the Sum of All Freedoms” </archives/1391>.
- ❖ 4. “Twelve Key Concepts of Liberty” (25 Apr. 2022) </archives/1369>

Further Reading:

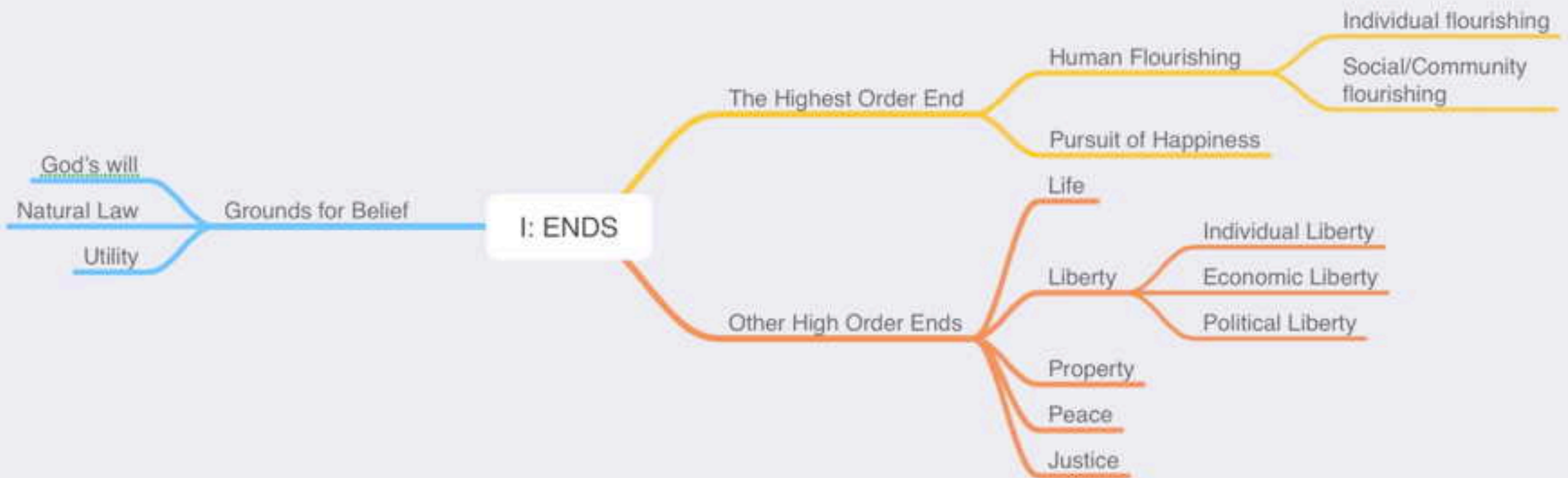
- ❖ 1. “An Introductory Reading List” </archives/1042>
- ❖ 2. “One Volume Surveys of Classical Liberal Thought” </archives/938>
- ❖ 3. “600 Quotations about Liberty and Power” </archives/1401>

1. *What is Liberalism?*

- ❖ 1. The Problem of Definition
- ❖ 2. The Multi-Dimensional Nature of Liberalism
- ❖ 3. The Three Main Kinds of Liberalism
- ❖ 4. Other Hyphenated Liberalisms

CLASSICAL LIBERALISM: ENDS AND MEANS

[Date: 23 Apr. 2022]



12 Key Concepts of CL

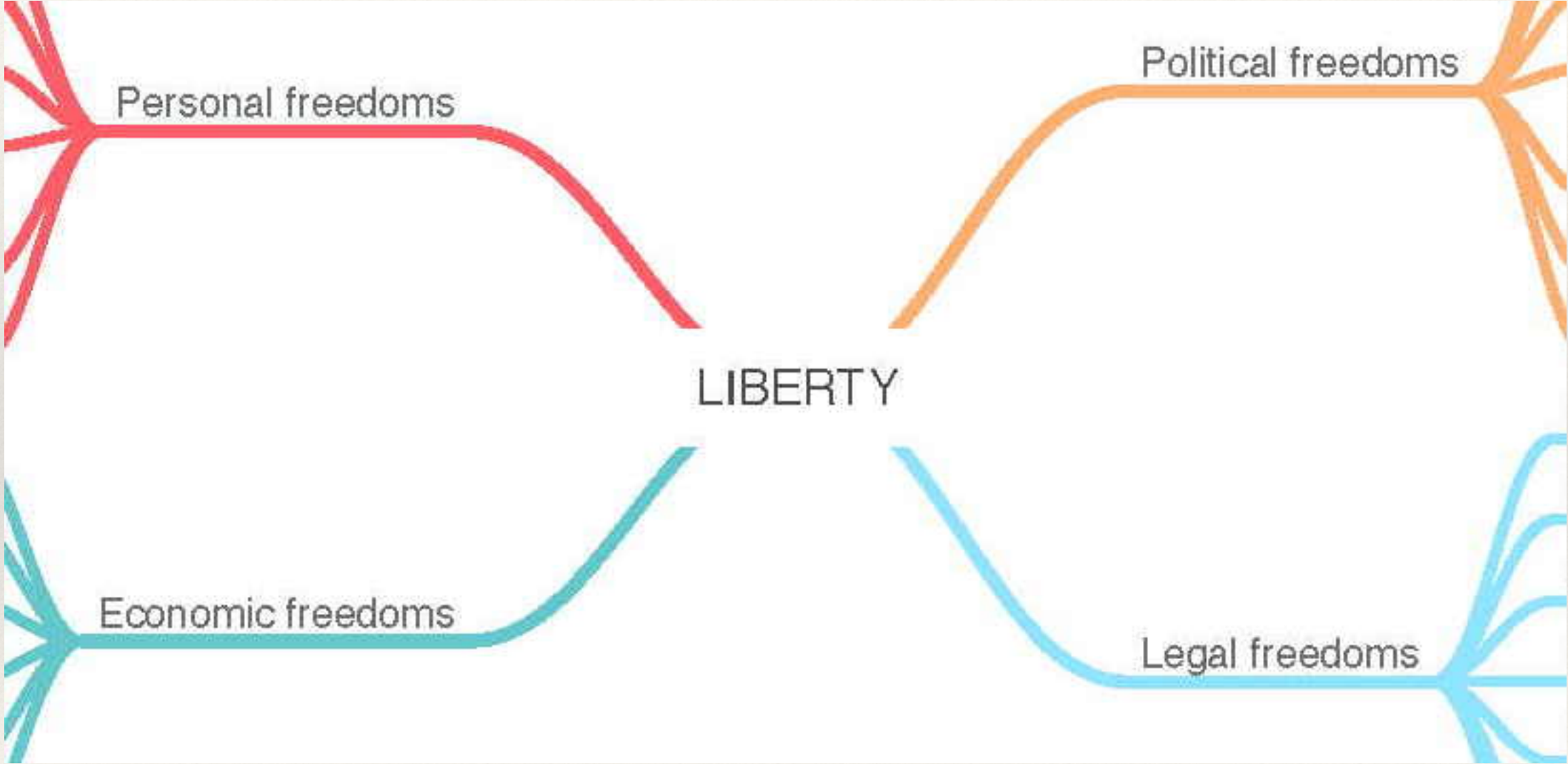
12 KEY CONCEPTS OF CLASSICAL LIBERALISM

18 Apr. 2022



<<http://davidmhart.com/wordpress/archives/1369>>

Liberty as the Sum of all Freedoms



And what is “Liberty,” this word that has the power of making all hearts beat faster and of moving the entire world, if it is not the sum of all freedoms? — freedom of conscience, teaching, and association, freedom of the press, freedom to travel, work, and trade, in other words, the free exercise by all people of all their non-aggressive abilities. And, in still other terms, isn’t freedom the destruction of all despotic regimes, even legal despotism, and the limiting of the law to its sole rational function which is to regulate the individual’s right of legitimate self defense and to prevent injustice?

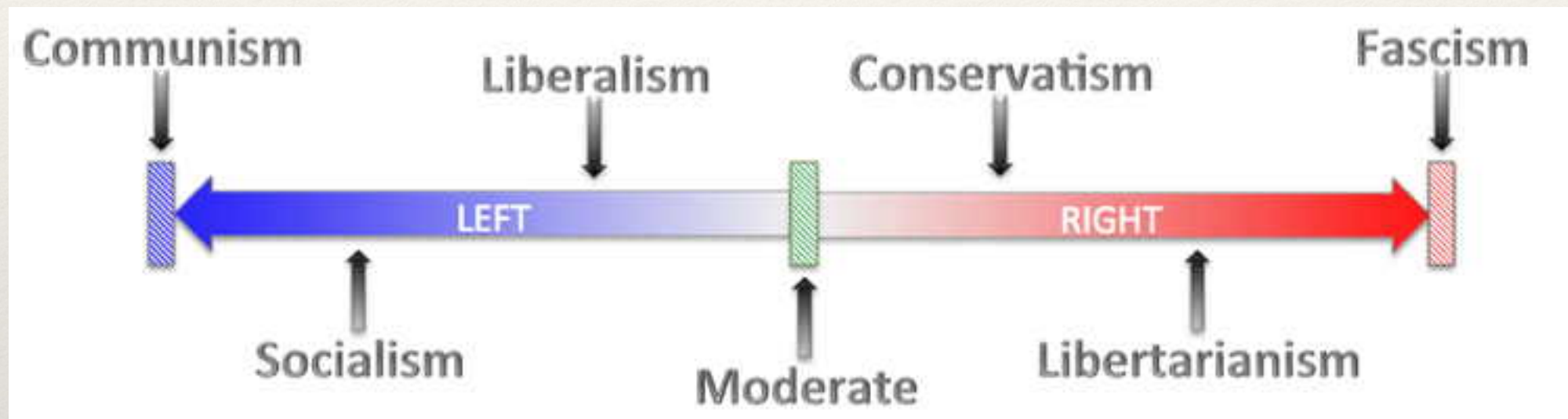
Frédéric Bastiat, Preface to Economic Harmonies (1847)

1. *What is Liberalism?*

1.1 The Problem of Definition

- ❖ 1. where CL lies on the political spectrum
- ❖ 2. Is Liberalism "Left" or "Right"?
- ❖ 3. is it "Radical" even "Revolutionary" (the emancipation of everybody), or "Conservative" (preserving existing liberties)?

What is Wrong with this Picture?



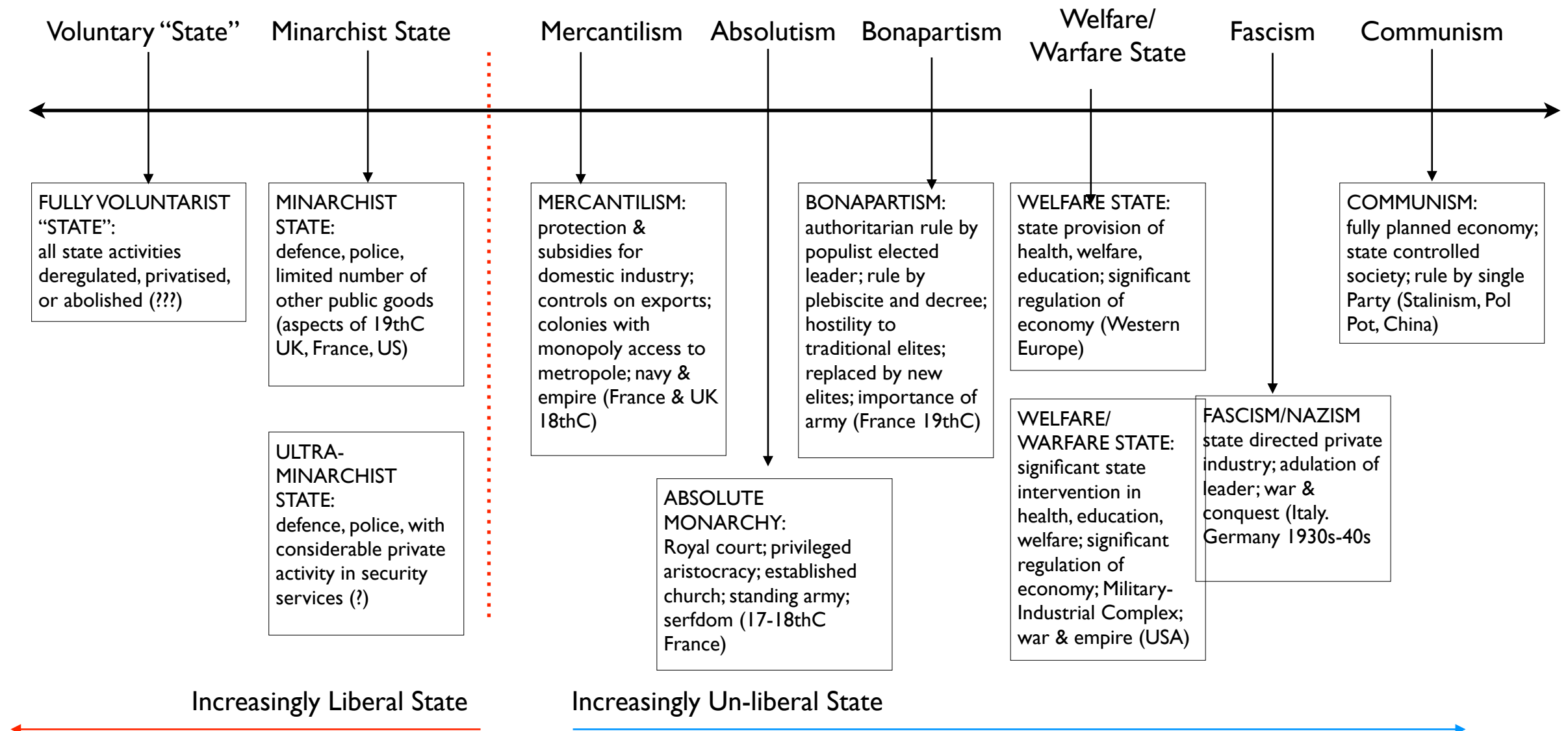
A New “Left-Right” Spectrum of State Power

LIBERTY

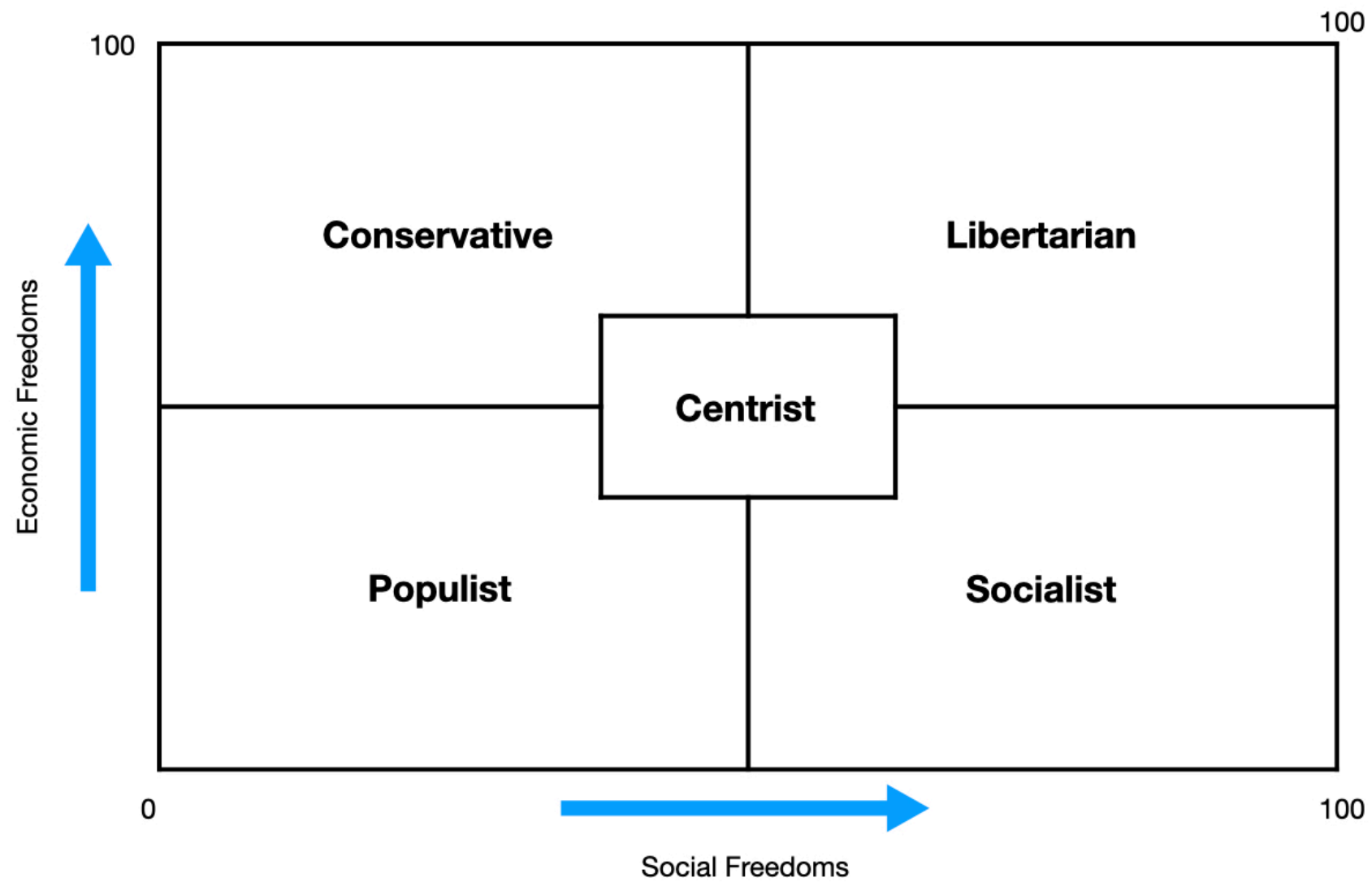
POWER

[radical, challenges status quo, “left-wing”]

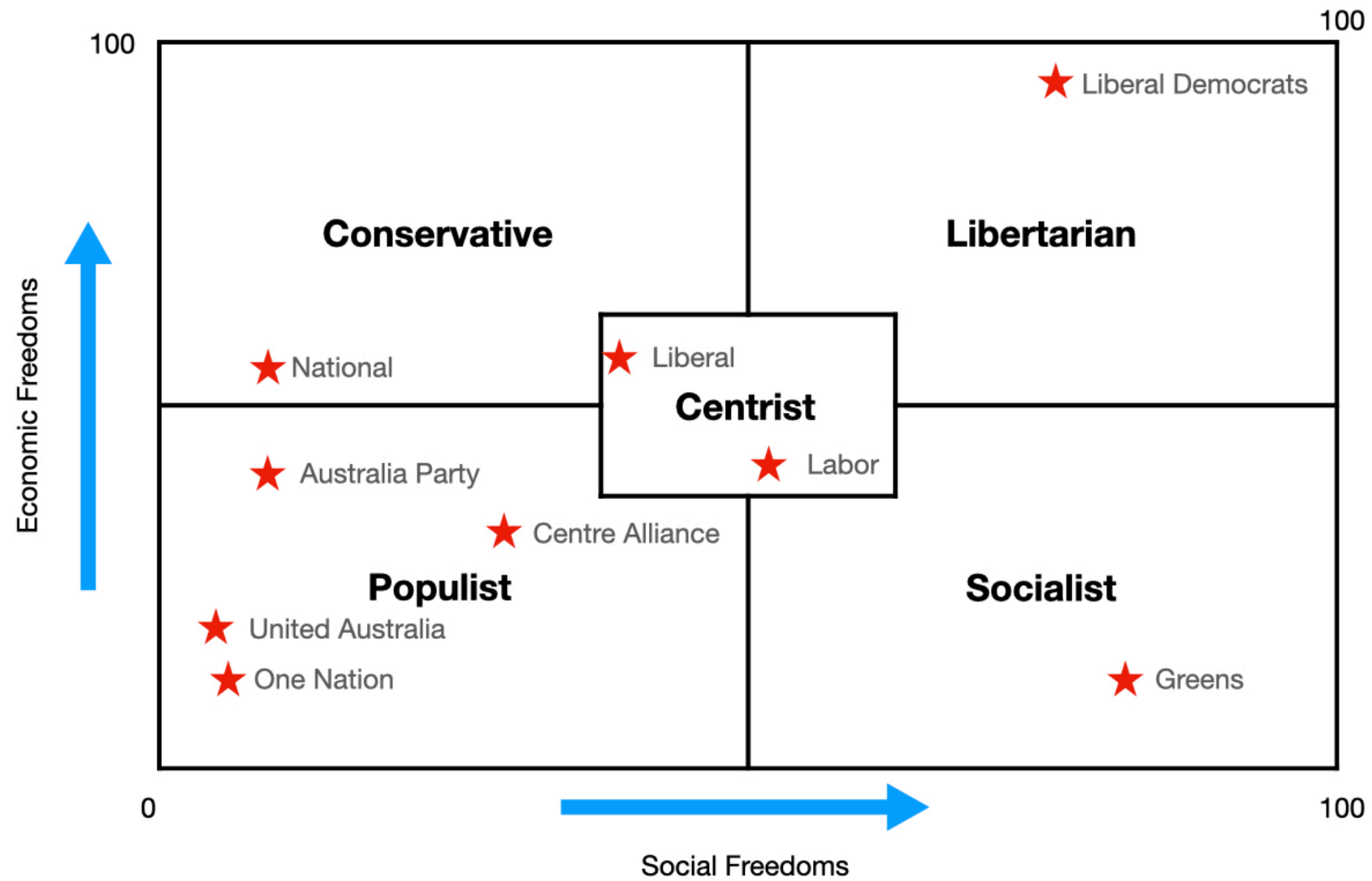
[conservative, defends/creates status quo, “right-wing”]



Four-Way Political Matrix



Four-Way Political Matrix



1. *What is Liberalism?*

1.2 The Multi-Dimensional Nature of Liberalism

- ❖ 1. political liberties
- ❖ 2. economic liberties
- ❖ 3. social (individual) liberties
- ❖ 4. legal liberties

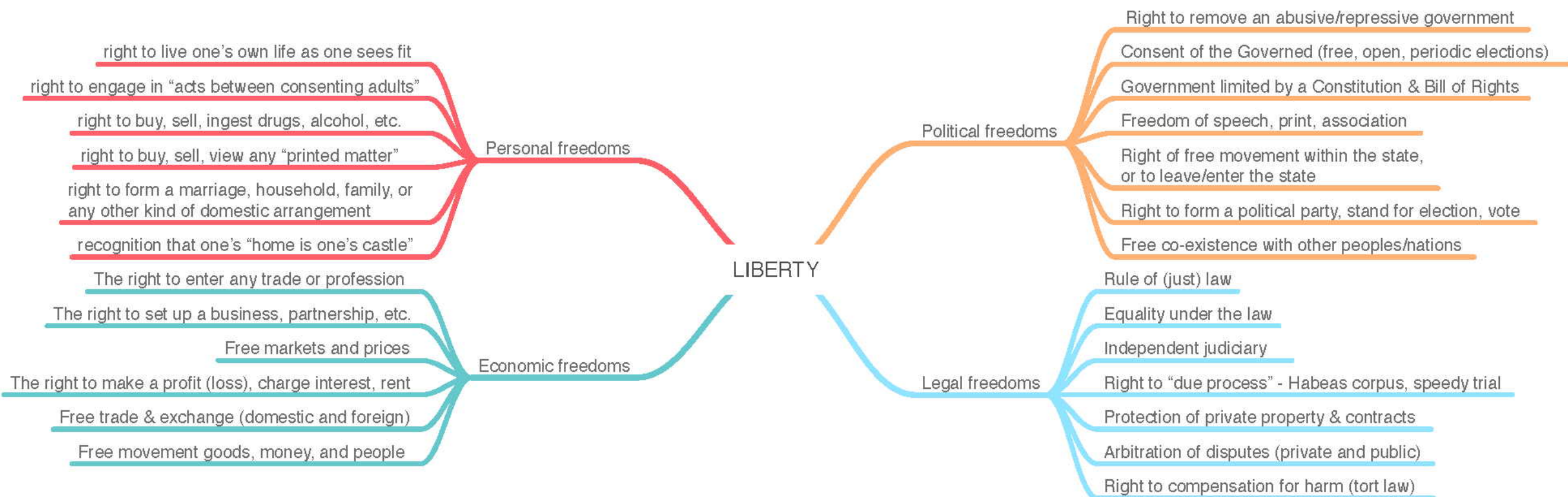
1. *What is Liberalism?*

1.3 The Three Main Kinds of Liberalism

- ❖ 1. Radical Liberalism
- ❖ 2. Moderate Liberalism
- ❖ 3. “New” Liberalism

Liberty as the Sum of all Freedoms

LIBERTY AS THE SUM OF ALL FREEDOMS
[Date: 26 Apr. 2022]



And what is “Liberty,” this word that has the power of making all hearts beat faster and of moving the entire world, if it is not the sum of all freedoms? — freedom of conscience, teaching, and association, freedom of the press, freedom to travel, work, and trade, in other words, the free exercise by all people of all their non-aggressive abilities. And, in still other terms, isn’t freedom the destruction of all despotic regimes, even legal despotism, and the limiting of the law to its sole rational function which is to regulate the individual’s right of legitimate self defense and to prevent injustice?

Frédéric Bastiat, Preface to Economic Harmonies (1847)

Personal Freedoms

right to live one's own life as one sees fit

right to engage in "acts between consenting adults"

right to buy, sell, ingest drugs, alcohol, etc.

right to buy, sell, view any "printed matter"

right to form a marriage, household, family, or
any other kind of domestic arrangement

recognition that one's "home is one's castle"

Personal freedoms

```
graph LR; A[Personal freedoms] --- B[right to live one's own life as one sees fit]; A --- C[right to engage in "acts between consenting adults"]; A --- D[right to buy, sell, ingest drugs, alcohol, etc.]; A --- E[right to buy, sell, view any "printed matter"]; A --- F[right to form a marriage, household, family, or any other kind of domestic arrangement]; A --- G[recognition that one's "home is one's castle"];
```

Economic Freedoms



Political Freedoms

Political freedoms

Right to remove an abusive/repressive government

Consent of the Governed (free, open, periodic elections)

Government limited by a Constitution & Bill of Rights

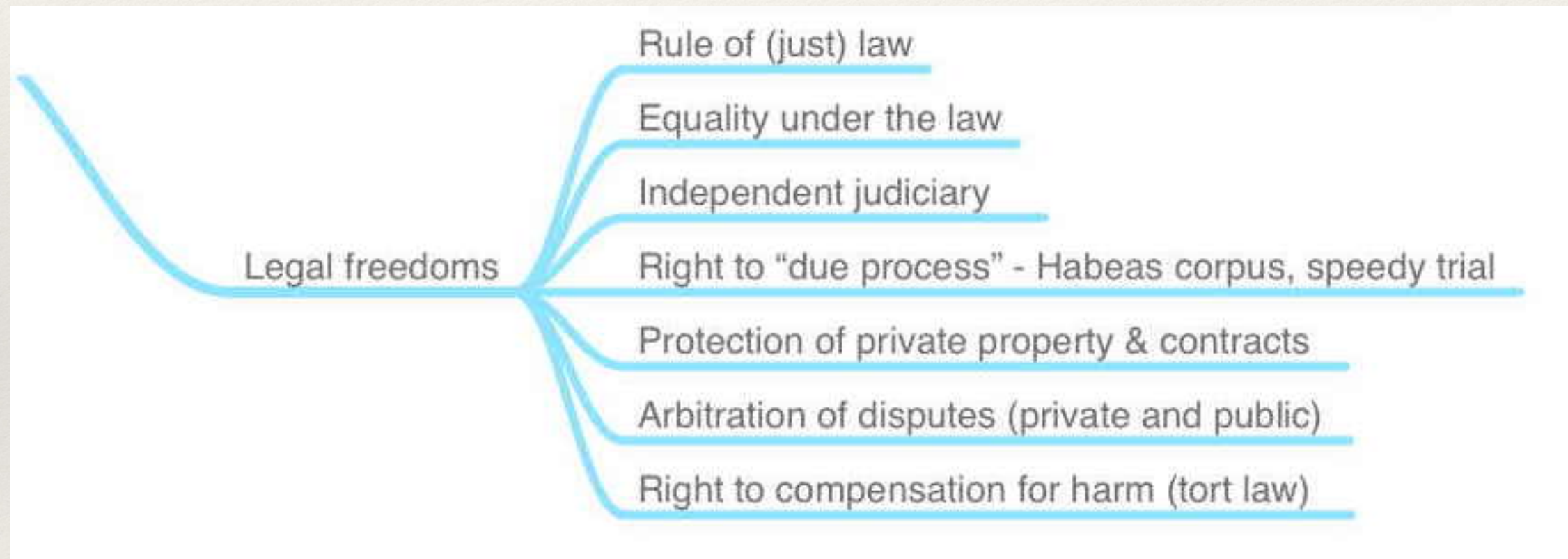
Freedom of speech, print, association

Right of free movement within the state,
or to leave/enter the state

Right to form a political party, stand for election, vote

Free co-existence with other peoples/nations

Legal Freedoms



1. *What is Liberalism?*

1.4 Other Hyphenated Liberalisms

- ❖ 1. proto-liberalism
- ❖ 2. neo-liberalism
- ❖ 3. market liberalism vs. “social” liberalism (interventionist, regulatory)
- ❖ 4. LINO - liberal in name only

2. Classical Liberalism and the State

- ❖ 1. How big/powerful should the State be?
- ❖ 2. The Problem of creating a Limited State
- ❖ 3. The Problem of Keeping the State Limited
- ❖ 4. The Problem of turning a big “predatory” State into a limited “protective” State

2. Classical Liberalism and the State

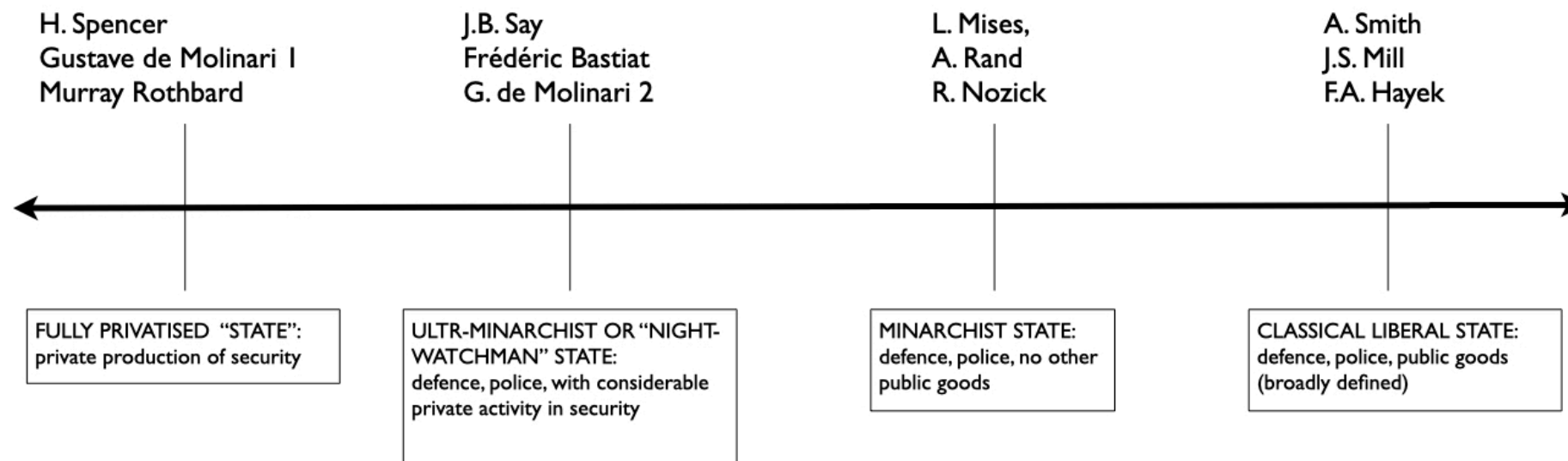
2.1 How big/powerful should the State be?

- ❖ 1. Limited government liberalism
 - ❖ 1. Minarchist State
 - ❖ 2. Ultra-Minarchist State
 - ❖ 3. Fully Voluntarist “State”
- ❖ 2. big government liberalism: welfare-state, regulatory state

Functions of the Classical Liberal State

LIBERTY

POWER



2. Classical Liberalism and the State

2. 2. The Problem of creating a Limited State

- ❖ **1. via reform (piecemeal, democratic)**
 - ❖ **the “long 19thC” 1815-1914**
 - ❖ **post WW2**
- ❖ **2. or, revolution (violence)**
 - ❖ **England in 1640s-1680s**
 - ❖ **North America 1775-1790**
 - ❖ **France 1789-93**
 - ❖ **Europe 1848**
 - ❖ **post-Soviet Eastern Europe 1991-**

2. Classical Liberalism and the State

2.3. The Problem of Keeping the State Limited

- ❖ 1. public opinion / free press
- ❖ 2. written constitution and bill of rights
(policed by courts)
- ❖ 3. a vigilant and consistent “liberal” political party

2. Classical Liberalism and the State

2. 4a. The Problem of turning a big “predatory” State into a limited “protective” State

- ❖ 1. The Problem of Obedience: Why people obey the State?
- ❖ 2. persuading people a limited state / CL is a good thing
 - ❖ 1. the ideal of liberal justice for all
 - ❖ 2. the exaggeration of market failure
 - ❖ 3. the neglect of political failure
 - ❖ 4. public ignorance of basic economic principles

La Boétie

Discours de la servitude volontaire

Présentation
par Simone Goyard-Fabre

GF Flammarion

Librio

PHILOSOPHIE

Étienne de La Boétie

DISCOURS DE LA SERVITUDE VOLONTAIRE



2€

2. Classical Liberalism and the State

2. 4b. The Problem of turning a big “predatory” State into a limited “protective” State

- ❖ 3. overcoming the powerful groups who live off the state
- ❖ 1. The Problem of Vested Interests and Rent-Seeking
- ❖ 2. Class Rule and Class Struggle
- ❖ 3. “crony-ism” (institutionalized privilege-seeking)
- ❖ 1. “crony capitalism” - industry, commerce, banking, farming
- ❖ 2. “crony democracy” (voters, politicians)
- ❖ 3. “crony bureaucracy” and public sector unions

3. Liberal Ideas

- ❖ 1. What Liberals were AGAINST
- ❖ 2. What Liberals were FOR
- ❖ 3. Twelve Key Concepts of Liberty
- ❖ 4. Liberal “Virtues” and “living liberally”
- ❖ 5. The “Liberal Vision”



The Army Hierarchy.

3. Liberal Ideas

3. 1 What Liberals were AGAINST

- ❖ 1. arbitrary political power,
- ❖ 2. arbitrary religious power
- ❖ 3. slavery & serfdom
- ❖ 4. war & conscription
- ❖ 5. restrictions on who could stand for election and vote
- ❖ 6. heavy and arbitrary taxation
- ❖ 7. central banks, fiat money, and national debt
- ❖ 8. tariffs & other trade restrictions
- ❖ 9. subsidies & monopolies to favoured industries
- ❖ 10. empire & colonies

Non est potestas Super Terram quæ Comparetur ei Iob. xi. 24.



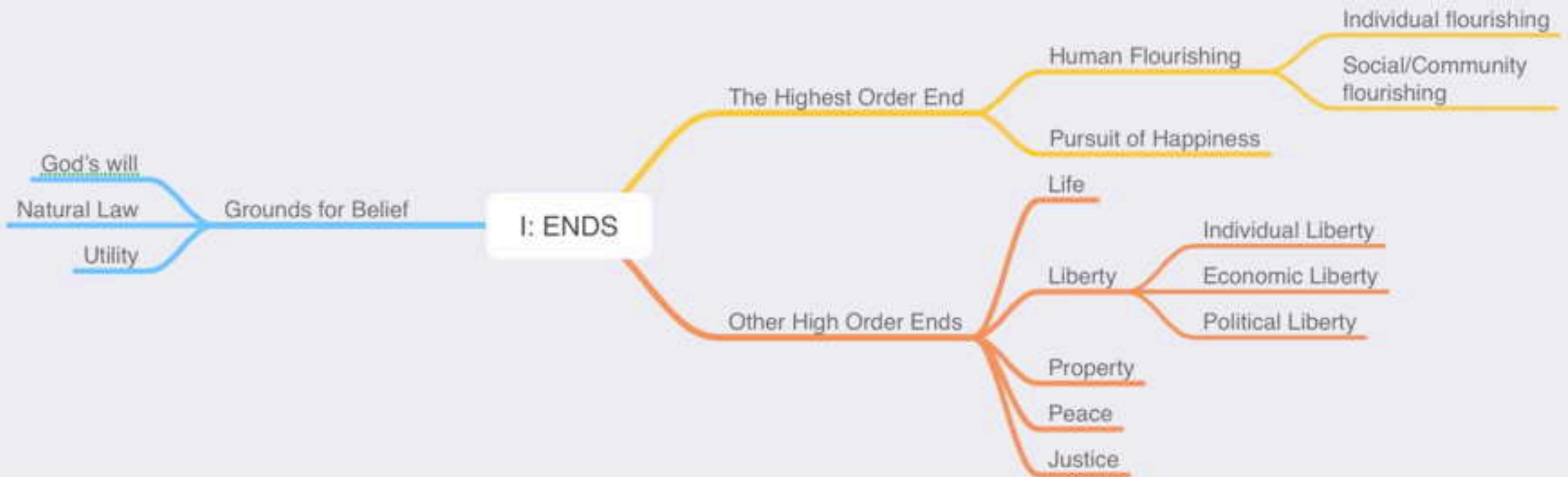
3. Liberal Ideas

3. What Liberals were FOR

- ❖ 1. highest order ends: individual and social flourishing
- ❖ 2. other high order ends: life, liberty, property, justice
- ❖ 3. liberty as a “bundle” of more specific freedoms:
 - ❖ 1. political liberty
 - ❖ 2. economic liberty
 - ❖ 3. individual/social liberty
 - ❖ 4. legal liberty

CLASSICAL LIBERALISM: ENDS AND MEANS

[Date: 23 Apr. 2022]



I: ENDS

The Highest Order End

Human Flourishing

Individual flourishing

Social/Community flourishing

Pursuit of Happiness

Life

Liberty

Individual Liberty

Economic Liberty

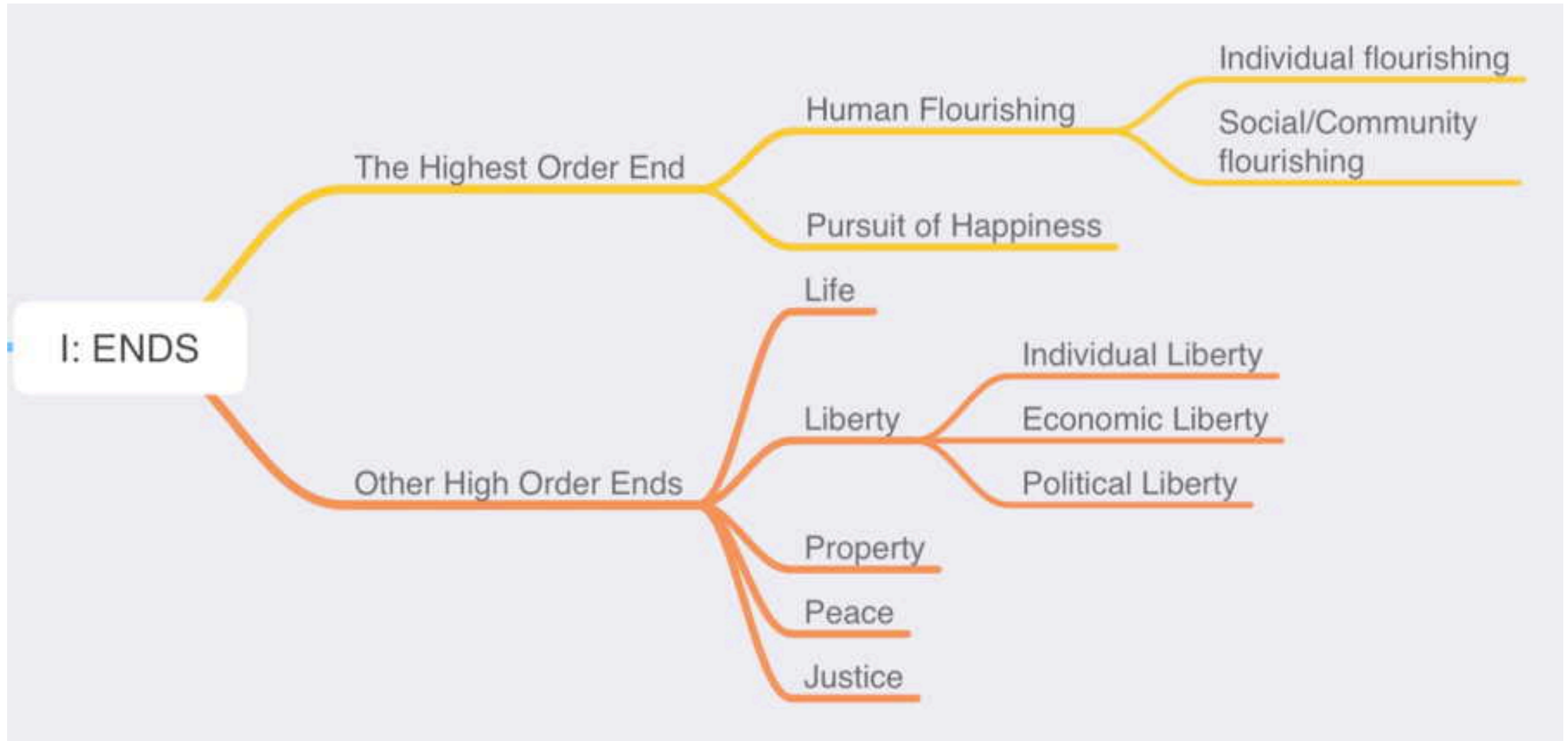
Political Liberty

Other High Order Ends

Property

Peace

Justice



3. Liberal Ideas

3.3 Twelve Key Concepts of Liberty

- ❖ 1. Natural Law and Natural Rights
- ❖ 2. Individual Liberty
- ❖ 3. Private Property
- ❖ 4. Free Markets
- ❖ 5. Free Trade
- ❖ 6. Idea of Spontaneous Order
- ❖ 7. Consent of the Governed
- ❖ 8. Limited Government
- ❖ 9. Rule of Law
- ❖ 10. Freedom of Speech & Association (special case of Religion)
- ❖ 11. Peace
- ❖ 12. Progress and Human Flourishing

12 Key Concepts of CL

12 KEY CONCEPTS OF CLASSICAL LIBERALISM

18 Apr. 2022



3. *Liberal Ideas*

3.4 Liberal “Virtues” and “living liberally”

- ❖ 1. people should “live liberally” (i.e. by “liberal virtues”) as individuals, members of a family, as neighbors, and as citizens
- ❖ 2. Being responsible for one’s own actions
- ❖ 3. Respecting the equal rights of others
- ❖ 4. Refusing to initiate the use of coercion against others
- ❖ 5. Being open to new ideas & behaviour
- ❖ 6. Showing compassion towards others
- ❖ 7. Being tolerant of others
- ❖ 8. Wanting liberal justice for all

3. *Liberal Ideas*

3.5a The “Liberal Vision”

- ❖ 1. CLs have had inspiring visions of what a free society might look like and what its benefits to humanity would be
- ❖ 2. this vision disappeared towards the end of the 19thC which led to young people looking elsewhere for inspiration (socialism, nationalism, fascism)
- ❖ 3. Buchanan, Ebeling, and Boettke have called for CLs to rediscover their “liberal soul”, its “beautiful philosophy”, and the “passion for justice”
- ❖ 4. some examples of inspiring CL “visionaries”

3. *Liberal Ideas*

3.5b The “Liberal Vision”

- ❖ 1. Condorcet (1794): the ‘Tenth Epoch’ of human progress towards unending liberty and prosperity
- ❖ 2. Richard Cobden’s “dream” of free trade in everything (1846)
- ❖ 3. Frédéric Bastiat’s (1847) speeches put into the mouths of “Mr. Utopian” and “Pancho” on urging people “to do as you please”
- ❖ 4. Gustave de Molinari’s (1849) “Spartacus speech” urging modern day slaves to rise up and throw off their chains; and his “Credo” of 1861
- ❖ 5. J.S. Mill’s (1859) vision of people engaging in “different experiments in living”
- ❖ 6. Friedrich Hayek (1949): “a liberal Utopia”, “a truly liberal radicalism”, of interlocking spontaneous orders



“I am Spartacus, we are all Spartacus”

3. Liberal Ideas

3.5c The “Liberal Vision”

- ❖ 7. Ayn Rand’s (1957) vision of the anarchist refuge of “Galt’s Gulch”
- ❖ 8. Robert Nozick (1974): the CL minimal state provides a “framework for Utopias” to compete against each other
- ❖ 9. James Buchanan’s (2000) vision of “the soul” of CL which imagined a social order in which everyone can be free and where “no person exerts power over another”.
- ❖ 10. Chandran Kukathas’ (2003) idea of the “liberal archipelago” of multiple jurisdictions in a sea of mutual toleration (2003)
- ❖ 11. Peter Boettke’s (2021) radical vision of a cosmopolitan, emancipatory, and compassionate liberal society which is a “workable utopia”

The main lesson which the true liberal must learn from the success of the socialists is that it was their courage to be Utopian which gained them the support of the intellectuals and therefore an influence on public opinion which is daily making possible what only recently seemed utterly remote. Those who have concerned themselves exclusively with what seemed practicable in the existing state of opinion have constantly found that even this had rapidly become politically impossible as the result of changes in a public opinion which they have done nothing to guide. Unless we can make the philosophic foundations of a free society once more a living intellectual issue, and its implementation a task which challenges the ingenuity and imagination of our liveliest minds, the prospects of freedom are indeed dark. But if we can regain that belief in the power of ideas which was the mark of liberalism at its best, the battle is not lost. The intellectual revival of liberalism is already underway in many parts of the world. Will it be in time?

Hayek, "The Intellectuals and Socialism" (1949)

4. KEY MOVEMENTS FOR LIBERAL REFORM

- ❖ **1. The Pre-history of Liberalism (proto-liberalism)**
- ❖ **2. The Four Main Periods of Liberal Activity/Reform**
 - ❖ **1. 1640s-1680s: the English Civil War/Revolution**
 - ❖ **2. 1750s-1790s: the American & French Revolutions**
 - ❖ **3. the long liberal 19th century 1815-1914**
 - ❖ **4. the post-WW2 liberal renaissance**

4. *KEY MOVEMENTS FOR LIBERAL REFORM*

4.1 Other Key Elements for Each of the Main Periods

- ❖ 1. key thinkers and their texts
- ❖ 2. “movers and shakers”: important politicians and movement organizers and agitators
- ❖ 3. key political and legal documents

4. *KEY MOVEMENTS FOR LIBERAL REFORM*

4.2 A specific example: the Free Trade movement

- ❖ 1. Key theorists: Adam Smith, *Wealth of Nation* (1776); J.B. Say, *Treatise of Political Economy* (1803)
- ❖ 2. Politicians and bureaucrats: Sir Robert Peel; Board of Trade
- ❖ 3. Activists and organisations: Richard Cobden and the Anti-Corn Law League (1838), Frédéric Bastiat and the French Association for Free Trade (1847)
- ❖ 4. Document/Legislation: the Repeal of the Corn Laws (1846); the Anglo-French Free Trade Treaty (1860)
- ❖ 5. an example of “Hart’s 70 Year Rule”

5. A BALANCE SHEET OF LIBERAL SUCCESSES AND FAILURES

- ❖ **1. The Achievements of Liberalism**
- ❖ **2. The Failures of Liberalism**
- ❖ **3. What still needs to be done?**

5. A BALANCE SHEET OF LIBERAL SUCCESSES AND FAILURES

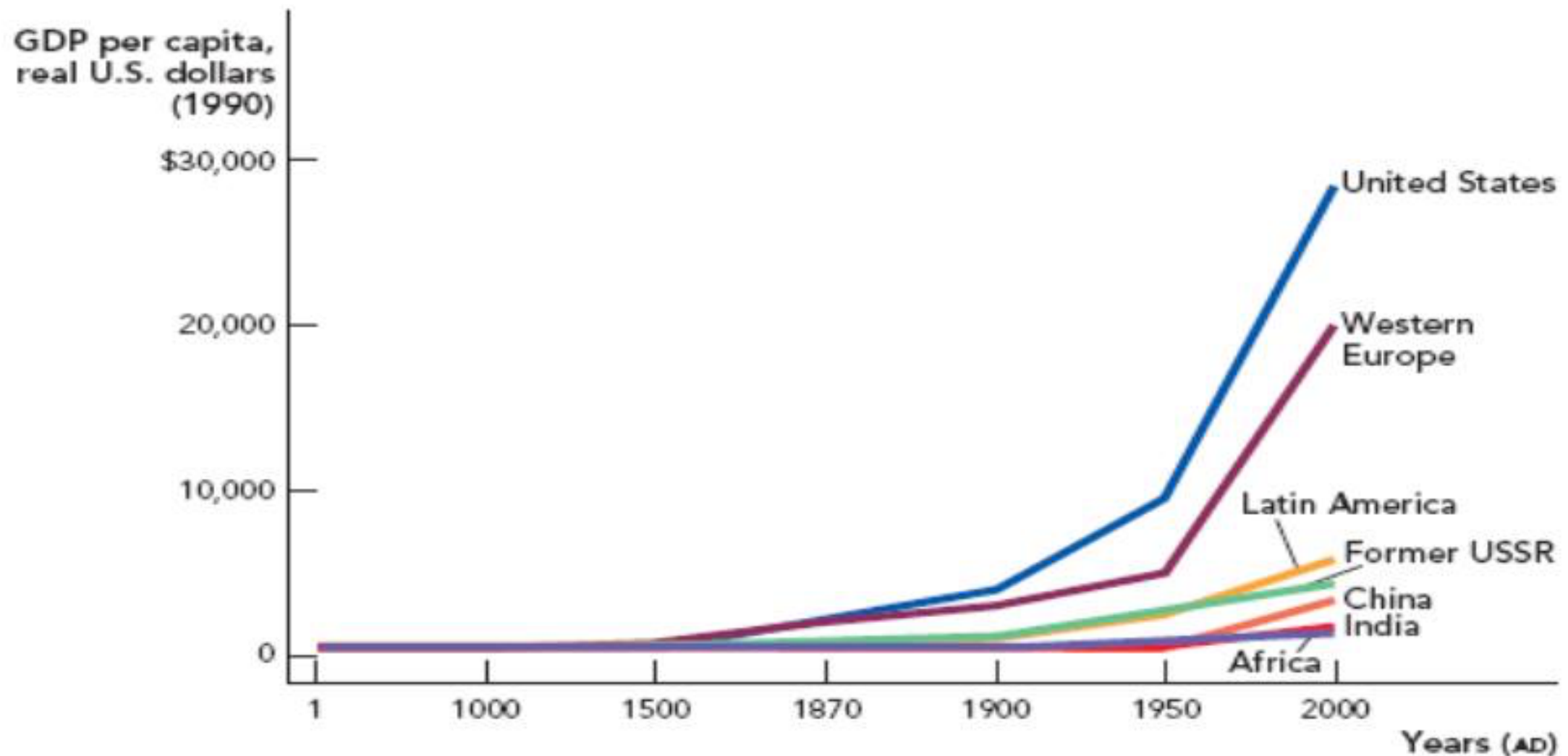
5.1a The Achievements of Liberalism: The Great Emancipation

- ❖ 1. from coerced labour
- ❖ 2. from the arbitrary authority of kings and princes
- ❖ 3. from “cruel & unusual punishment”
- ❖ 4. from violations of property rights
- ❖ 5. from the arbitrary power of the Church
- ❖ 6. from restrictions and bans on associating with others on a voluntary basis
- ❖ 7. from restrictions on trade and industrial activity
- ❖ 8. from restrictions on the movement of people, goods, and capital
- ❖ 9. from strict limits on who could participate in political activity
- ❖ 10. from war and conscription into the army

5. A BALANCE SHEET OF LIBERAL SUCCESSES AND FAILURES

5.1b The Achievements of Liberalism: The Great Enrichment

- ❖ **1. spread of CL ideas led to changes in the way people interacted with others**
- ❖ **1. respect for the life, liberty, and property of others**
- ❖ **2. the dignity of productive and useful labour, trading with others**
- ❖ **2. greater productivity and innovation led to explosion of wealth creation**
- ❖ **3. longer life expectancy, lower infant mortality (and childbirth deaths of mothers), reduction of disease, less demanding physical labour (mechanization), and greater home comforts for ordinary working people (piped water, sewers, heating, light)**



Economic Growth in Major World Regions

Source: Maddison, Angus. 2007. *Contours of the World Economy: 1-2030 AD*. Oxford University Press, Oxford.
Note: Timeline is not to scale.

5. *A BALANCE SHEET OF LIBERAL SUCCESSES AND FAILURES*

5.2a. The Failures of Liberalism

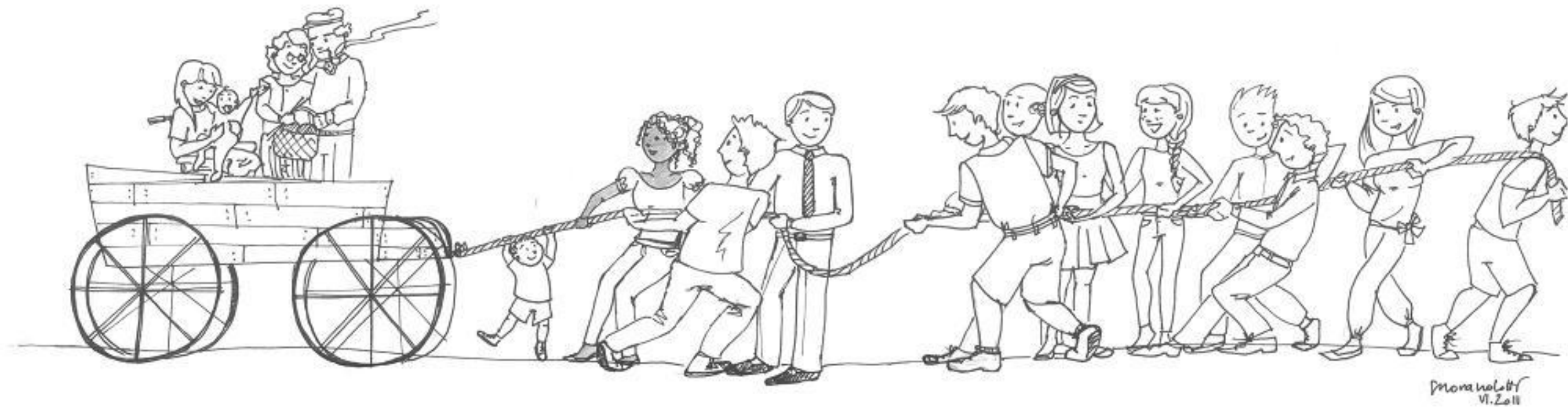
- ❖ 1. The emancipation project was left incomplete
- ❖ 1. the inconsistent application of liberal principles
- ❖ 2. complacency
- ❖ 3. religious arrogance
- ❖ 2. CL political and economic theory suffered from a series of weaknesses
 - ❖ 1. viewing “democracy” as an end in itself rather than as a means
 - ❖ 2. the weakening of belief in natural rights
 - ❖ 3. exaggerating the extent of and misunderstanding the reasons for “market failure”
 - ❖ 4. ignoring the problem of “government failure”
 - ❖ 5. not being able to explain the cause of the business cycle and the economic depressions which were the result

5. *A BALANCE SHEET OF LIBERAL SUCCESSES AND FAILURES*

5.2b. The Failures of Liberalism

- ❖ 3. Many CLs were politically naive
 - ❖ 1. their faith in the benevolence and omniscience of the state and its officials
 - ❖ 2. their willingness to let the new democratic state be “captured” by vested interests (both old and new)
 - ❖ 3. their faith in the ability and willingness of the “middling class” to make democracy work
- ❖ 4. The inability to explain basic economic ideas simply to the ordinary person
- ❖ 5. The “Loss” of the Intellectuals to Socialism
- ❖ 6. CLs lost their “Vision” of what a free society should be like
 - ❖ Hayek’s “Liberal utopia” (1949)

How the Welfare State Begins



How the Welfare State Ends



5. A BALANCE SHEET OF LIBERAL SUCCESSES AND FAILURES

5.3. What still needs to be done?

- ❖ 1. complete the “emancipation project”
- ❖ 2. remove impediments to “the great enrichment”
- ❖ 3. reform or abolish political institutions to remove the incentives which encourage “predation” - both public and private



**MAKE
LIBERALISM
RADICAL
AGAIN**

6. STRATEGIES TO ACHIEVE LIBERAL REFORMS

- ❖ 1. change the “climate of opinion” and then “policies
- ❖ 2. understand the theory and history of successful ideological and political change
- ❖ 3. get the main “building blocks” for ideological and political change in place
- ❖ 4. identify the main threats to liberty today and take steps to neutralize them

6. STRATEGIES TO ACHIEVE LIBERAL REFORMS

6.1. Change the “climate of opinion” and then “policies”

6. 2. Understand the theory and history of successful ideological and political change

❖ [see my other writings on these topics.]

6. STRATEGIES TO ACHIEVE LIBERAL REFORMS

6. 3. Get the main “building blocks” for ideological and political change in place

- ❖ 1. Scholarship and Higher Learning
 - ❖ 1. innovative scholars who develop the “high theory”
 - ❖ 2. other scholars who take the theory further and disseminate it to their students
- ❖ 2. Entrepreneurs and Investors in Ideas who establish research centres, think tanks, and outreach organisations
- ❖ 3. Outreach Organisations which make the ideas available/accessible to students, teachers, intellectuals, and other interested members of the public
- ❖ 4. the “Dark Side” of Liberal Reform (getting our hands dirty with “politics”)
 - ❖ 1. Lobby Groups and Policy Study Centres which influence politicians, legislators, senior bureaucrats, journalists
 - ❖ 2. Organisations/Parties which educate and organise ordinary citizens/voters by means of the “popularization” of liberal ideas (especially economic ideas)

6. STRATEGIES TO ACHIEVE LIBERAL REFORMS

6. 4. Identify the main threats to liberty today and take steps to neutralize them

- ❖ 1. identification of the current threats (15+)
- ❖ 2. the prioritisation of their danger to Liberty
- ❖ 3. taking steps to eliminate or neutralise them using the “building blocks” outlined above
- ❖ 4. the problem of using illiberal means to achieve liberal ends

Some Discussion Questions

The Neo-liberal (NL) critique of Classical Liberalism (CL)

- ❖ 1. It doesn't matter what CLs thought about the free market and the state in the past. Times are different, our problems are different, and only the state, by using its access to experts and its coercive powers, can solve them.
- ❖ 2. We can't be theoretical purists. If we want to prevent the worst from happening (the Greens or Labor coming to power) we have to get elected, and to do that we have to give what the voters' want, and they want security and to be looked after by the state.
- ❖ 3. Pure laissez-faire policies and unilateral free trade don't work in practice ("market failure"), so the government has to manage the economy and limit the power and behavior of private individuals and corporations.
- ❖ 4. It is vital that we get "good" people elected to government if we want to solve society's problems. And our people are "good".
- ❖ 5. CLs are wrong to dismiss the ideal of income and social "equality" and the fact that the government is the only body which can help bring it about.
- ❖ 6. We have lost the battle of ideas in the universities (because the "Left" has infiltrated and won) and it takes too long to change the minds of the general public, hence NLs have to get involved in politics and change things from above.

Some Discussion Questions

The Classical Liberal critique of Neo-liberalism

- ❖ 1. It doesn't matter how well meaning NLs may (or may not) be, you cannot ignore fundamental and universal economic principles (or "laws") such as the scarcity of resources, the impact of incentives (and disincentives) on human behaviour.
- ❖ 2. NLs (and possibly also even "moderate" CLs) are naive to believe that a state can remain limited in its powers. Once it has power, it will fight to retain it, and increase it over time.
- ❖ 3. NL ideology is fundamentally incoherent (a person has no "right" to liberty or property if it can be suspended at will by the government) and its policies contradictory (using "illiberal means" to achieve "liberal ends"), and this is unsustainable in the long run. It must either return to the CL fold or move on to becoming a fully fledged "socialist" (interventionist) party.
- ❖ 4. NLs do not understand why there is so-called "market failure" because they do not fully understand sound ("mainline") economic theory. Thus, any policy based upon the existence of "market failure" is doomed to fail itself.
- ❖ 5. NLs do not understand the problem of inevitable "government failure", even if they elect "good people" to office. Being able to spend other peoples' (i.e. taxpayers') money exerts a corrupting influence on both politicians and bureaucrats, and inevitably attracts "predators" (lobbyists, vested interests, and crony capitalists). Furthermore, in the absence of free pricing, competition, and incentives (profit and/or loss) all government projects will be expensive, inefficiently provided, or fail entirely.
- ❖ 6. NLs have things backwards. You have to change what people believe about free markets and the ability of governments to solve problems before you can change their behaviour, whether personal or political (how they vote).

MERRIE MELODIES
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"That's all folks!"

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