

The Intellectual Defense of Liberty

By Walter Williams

All too often defenders of free-market capitalism base their defense on the demonstration that free markets allocate resources more efficiently and hence lead to greater wealth than socialism and other forms of statism. While that is true, as Professor Milton Friedman frequently pointed out, economic efficiency and greater wealth should be seen and praised as simply a side benefit of free markets. The intellectual defense should focus on its moral superiority. Even if free markets were not more efficient and not engines for growth, they are morally superior to other forms of human organization because they are rooted in voluntary peaceable relationships rather than force and coercion. They respect the sanctity of the individual.

The preservation of free-market capitalism requires what philosopher David Kelley has called the entrepreneurial outlook on life, which he in part describes as “a sense of self-ownership, a conviction that one’s life is one’s own, not something for which one must answer to some higher power.” If we accept as first principle that each owns himself, what constitutes just and unjust conduct is readily discovered and does not require rocket science. Unjust conduct is simply any conduct that violates an individual’s ownership rights in himself when he has not violated those same rights of others. The latter phrase—when he has not violated those same rights of others—allows for fines, imprisonment, and execution when a person has infringed the ownership rights of others.

Therefore, acts such as murder, rape, and theft, whether done privately or collectively, are unjust because they violate private property. There is broad consensus that collective or government-sponsored murder and rape are unjust; however, government-sponsored theft is another matter. Theft, being defined as forcibly taking the rightful property of one for the benefit of another, has

wide support in many societies that make the pretense of valuing personal liberty. That theft, euphemistically called income redistribution or transfers, is often defended by lofty phrases such as: assisting the poor, the elderly, distressed business, college students, and other deserving segments of society. But as F. A. Hayek often admonished, “[F]reedom can be preserved only if it is treated as a supreme principle which must not be sacrificed for any particular advantage...” Ultimately, the struggle to achieve and preserve freedom must take place in the habits, hearts, and minds of men. Or, as admonished in the Constitution of the state of North Carolina: “The frequent recurrence to fundamental principles is absolutely necessary to preserve the blessings of liberty.” It is moral principles that deliver economic efficiency and wealth, not the other way around. These moral principles or values are determined in the arena of civil society.

It is not broadly appreciated that the greater wealth produced by free markets itself contributes to a more civilized society and civilized relationships. For most of man’s existence, he has had to spend most of his time simply eking out a living. In pre-industrial society, and in many places today, the most optimistic scenario for the ordinary citizen was obtaining enough to meet his physical needs for another day. With the rise of capitalism and the concomitant rise in human productivity that yielded seemingly ceaseless economic progress, it was no longer necessary for man to spend his entire day simply providing for minimum physical needs. People were able to satisfy their physical needs with less and less time. This made it possible for them to have the time and other resources to develop spiritually and culturally. In other words, the rise of capitalism enabled the gradual extension of civilization to greater and greater numbers of people. More of them had more time available to read and become educated in the liberal arts and gain more knowledge about the world around them. The greater wealth allowed them the opportunity to attend to the arts, afford recreation, contemplate more fulfilling and interesting activities,

and engage in other cultural enrichment that was formerly within the purview of only the wealthy.

Before the rise of capitalism a primary means to great wealth was through looting, plundering, and enslaving one's fellow man. With the rise of capitalism it became possible for people to become wealthy by serving their fellow man. Men like Henry Ford and John D. Rockefeller of yesteryear, and men like Bill Gates and Steve Jobs of today, accumulated their great wealth in this way. The huge fortunes amassed by these men pale in comparison to the sum of the benefits gained by the common man.

For individual freedom to be viable, it must be a part of the shared values of a society and there must be an institutional framework to preserve it against encroachments by majoritarian or government will. Constitutions and laws alone cannot guarantee the survival of personal freedom, as is apparent where Western-type constitutions and laws were exported to countries not having a tradition of the values of individual freedom. The values of freedom are enunciated in our Declaration of Independence: "We hold these truths to be self-evident, that all men are created equal, that they are endowed by the Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of happiness." This value statement, serving such an important role in the rebellion against England and later in the establishment of the Constitution of the United States, was the outgrowth of libertarian ideas of thinkers like John Locke, Adam Smith, Wilhelm von Humboldt, William Blackstone, and others.

Societies with a tradition of freedom, such as the United States, have found it an insufficient safeguard against encroachment by the state. Why? Compelling evidence suggests that a general atmosphere of personal freedom does not meet what might be considered its stability conditions. As is often the case, political liberty is used to stifle economic liberty, which in turn reduces political liberty.

Inadequate Explanations

The benefits of liberty and protected private property rights are often lost in discussions of how our blessings can be extended to the world's poor nations. We often hear suggestions that it is natural resources, right population size, or geographic location that explains human betterment. The United States and Canada are population scarce, have a rich endowment of natural resources, and are wealthy. However, if natural resources and population scarcity were adequate explanations of wealth, one would expect the resource-rich and some of the population-scarce countries on the continents of Africa and South America to be wealthy. Instead, Africa and South America are home to the world's poorest and most miserable people. A far better explanation of wealth has to do with cultural values that support liberty.

If we were to rank countries according to: (1) whether they are more or less free-market, (2) per capita income, and (3) ranking in Amnesty International's human-rights protection index, we would find that those with a larger free-market sector tend also to be those with the higher per capita income and greater human-rights protections. People in countries with larger amounts of economic freedom, such as the United States, Canada, Australia, Hong Kong, Japan, and Taiwan, are far richer and have greater human-rights protections than people in countries with limited markets, such as Russia, Albania, China, and most countries in Africa and South America. That should tell you something.

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