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Individual Liberty vs. Government Authority

By Richard Spencer, Ph.D.

While teaching graduate level Economics in Delaware during the 90's, I used *The Road to Serfdom* by F.A. Hayek as a required secondary reading. Hayek was the 1974 Nobel Prize winner in Economics and a proponent of the Austrian school that free markets enhance mankind's liberty. Every week my students were to write a one-page summary of each chapter, and to report about personal discussions they had with others.

Throughout the semester the students consistently expressed their amazement that this extraordinary published work had never been brought to their attention during their undergraduate years. This was their first academic encounter with a political philosophy that established one's individual freedom and economic freedom as being inseparable. Diminishing one diminishes the other and that became personal, very personal.

Milton Friedman and many others surmise that *The Road to Serfdom* may be the most influential book of political philosophy written in the past 75 years. Its message was a revelation particularly to the young men and women who were in the armed forces during WWII. Their recent experiences with fascism and Nazism enhanced their appreciation of the value and meaning of individual freedom. They saw the horrors of socialism as not leading to a utopian State, but to a State besieged with tyranny and criminality.

The Road to Serfdom was first published in England in March 1944, followed by its American debut later that year. In the years since its publication, more than a quarter million copies have been purchased. Hayek dedicated the book "To The Socialists Of All Parties." He noted that in America those intellectuals within the academic institutions and the New Deal rejected it out of hand as a malicious and disingenuous attack on their finest ideals. He also noted that a large part of the American intelligentsia had caught "the infection" in spite of the failed experimentations of the New Deal. That has not changed.

Ten years later, these same countries that officials had held up as a model for central planning were now being called "totalitarian" and we had entered into the "Cold War." William Rehnquist, a future Chief Justice of the U.S. Supreme Court, read it as a sergeant in the Army Air Force and deemed it probably the most influential book of his professional career. During the post war years, it led him and others along the route of knowledge and understanding that personal freedom and economic freedom can be achieved only through individuals pursuing their own objectives. And, most importantly, the free market is the only mechanism that has ever been discovered for achieving participatory democracy. Remarkably, modern Democracies have never been known to pursue a war with one another

The present hope and striking success of globalization that largely rejects protectionism in favor of free market capitalism obtains its driving force from the principles that Hayek elucidated. The concept of free markets continues to infuriate those who believed in the simple and seductive false argument that collectivism (socialism, central planning) would create a utopian world order. In 1945, here and throughout the world, it seemed there would be a continuing and steady growth of the state at the expense of the individual, and a steady replacement of private initiative and planning by the state.

However, this socialist road led only to abject poverty for the ordinary man. Central planning sacrificed

individual liberty; and, collectivism was too inefficient to manage even small enterprises. Government failed then, as it does now, by becoming mired in bureaucratic confusion.

Those countries that continued to pursue socialism had to build “walls” to keep their citizens from leaving. Presently, “reformers” in old core western societies, including the U.S., have created a "hodgepodge of ill-assembled and inconsistent ideals" that has largely replaced socialism with The Welfare State. Hayek suggests that achieving (by coercion) these ends is not compatible with the preservation of a free society, as it tends to subordinate personal and economic freedom to the demands of the State.

Almost all elections, including the recent U.S. presidential election, are about the redistribution of personal and business income by the State and that restricts one's liberty. *The Road to Serfdom* rose to new heights from a cry in the wilderness for individual freedom to now become an integral part of the philosophy and governance of the newly freed Iron Curtain countries throughout Eastern Europe. Most have overthrown past collectivist failures to become free market democracies with rapidly growing economies propelled by individuals pursuing their own economic and personal objectives.

Unfortunately, in the current economic downturn, collectivism and coercion have reared their ugly heads once again. Altruistic ideas, alas, lead not to a better world, but misery, suffering, poverty, and the hatred of fellow man. This is because successful man, as civilization, is founded upon the philosophy of self-interest and individual rights. Civilization can endure the false promises of altruism only when they can afford them; but capitulation to charlatan ventures based upon anti-democratic platitudes leads one down an endless road that, slowly but surely, eradicates our personal and economic freedoms. That is precisely the road to serfdom.

Not expected, even while the semester was young, the study of Hayek's writings inspired immediate student confidence in their professional and political decisions. They almost all regarded the learning experience as a concrete leap in their understanding of the significant relationship between Capitalism and Democracy. Further, it provided an intuitive leap in their understanding of personal liberty and the nation's obligation to preserve it. At the end of the semester, each of them thanked me for bringing *The Road to Serfdom* to their attention as they felt its message would serve them well in the face of the many difficulties they would subsequently confront. Students were simply stunned by the enduring truths clarified for them in *The Road to Serfdom* along with their personal applications.

Lastly, I urge you to read Hayek's 50th Anniversary Edition with its new introduction by Milton Friedman. Hayek's compelling and timeless message of struggle between individual liberty and government authority became the great worldwide fight during the life of many of our citizens, as it evolved into the Cold War. With our present tax rates and regulations estimated to consume in excess of 50 percent of the economy; with many urging that another one-sixth become government controlled through healthcare reform; with a \$100 trillion unfunded liability existing for our soon to be bankrupt Social Security and Medicare programs; Hayek might be more relevant today than ever.

Further reading on this topic can be found at the following Web sites: [Economic Freedom and Representative Government by F.A. Hayek](#); [Hayek Center](#); [Mises Economic Blog](#).

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