

The Humane Studies Review: A Research and Study Guide

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David M. Hart • Editor

Introduction

With this issue of the *Humane Studies Review* we would like to welcome Leonard Liggio and Walter Grinder as Senior Editors. Leonard Liggio is the President of the Institute for Humane Studies and is a historian of French classical liberal thought and an expert in diplomatic history. Walter Grinder is the Institute's Director of Academic Affairs and he brings to the *Humane Studies Review* a detailed knowledge of Austrian economics, the history of government-business relations, and the sociology of the state. Both men have profound knowledge of, and appreciation for, all aspects of the classical liberal tradition. Their insights, advice, and encouragement have helped many students and scholars of liberty over the years. We believe their particular expertise in such diverse but interrelated fields will greatly contribute to the quality and scope of the *Review*.

Also with this issue we begin a series on "The Basic Tenets of Real Liberalism." Real Liberalism is not just a political and economic philosophy but a complex and all-encompassing social theory as well. It has profound things to say about the individual and his or her fundamental rights, at one end of the scale, and the largest and most intricate network of social and economic relations imaginable, at the other. Few theories are as embracing in their scope or as attentive to the importance of the individual as real liberalism. We hope this series of short articles will give the reader some flavor of its variety and its power in integrating and interpreting social and economic phenomena.

Also in future issues, we will be continuing the "Outline of a History of Libertarian Thought" and George Smith's article on "Natural Rights."

The Basic Tenets of Real Liberalism

by Walter E. Grinder and David M. Hart

Introduction

In the following series of articles we will be examining the basic tenets of real liberalism. It is our contention that liberalism comprises a coherent body of principles which is held together and given meaning by two fundamental moral principles. The first being the right of the individual to own justly acquired property; the second being the right of the individual not to be aggressed against. All the tenets of real liberalism which we will discuss flow from these two fundamental rights of ownership and non-aggression. It is our aim in these

articles to show exactly how and why these two must be fundamental, and to outline the consequences this has for a political philosophy of real liberalism.

In Part I we begin with the twin ideas of "Individuality and Privacy," showing how the individual is defined by his or her physical uniqueness and so has the potential to develop into a mature and responsible acting individual. We will show how the individual's uniqueness forms the basic element of all social interaction and is the source of the division of labor and the exchange process. Similarly, privacy is shown to be the result of recognizing the dignity, worth, and sanctity of every individual. Only by permitting the individual to enjoy his or her property unmolested, within the protected sphere defined by the self-ownership principle and the derivative right to own property in other physical objects, can there be true privacy and protection of the private side of human life.

In a future article, the problems of "Toleration and Moral Autonomy" will be discussed. The argument is that tolerance results from the recognition that all individuals are potentially morally perfectable. As long as no property rights are violated, then all consenting, peaceful activity must be legally protected, especially if this activity is offensive or obnoxious to some groups. Tolerance is vital because it allows each and every individual to be truly humane, i.e. to exercise moral autonomy. Only by being free to choose between different courses of action can the individual learn from past mistakes and so strive for moral perfection and self-fulfillment.

Other articles will deal with the *social* consequences of the right to own property and the non-aggression principle. When people are left free to pursue their own interests it is inevitable that they will trade and exchange goods and services amongst themselves. When justly-held titles to property are freely exchanged, then we have "Social Harmony, Free Trade, and Peace," (addressed in Part II). When the State—or any other organized, coercive body—interrupts free trade amongst individuals the result is "Interventionism, Social Conflict, and War." The net result of the myriad of exchanges and voluntary associations constantly formed in the marketplace is a "Spontaneous Order," a subtle and extremely complex network of relationships that give unity and flexibility to the market process. The prerequisite for a justly- and efficiently-operating spontaneous order is a legal system which identifies and protects property rights. With "Justice and the Rule of Law" we have the legal

framework that enables the exchange process—and all voluntary relationships—to develop in a safe and protected environment.

As the market system is gradually extended and given greater protection under the rule of law, it is not surprising that classical liberals are convinced that an era of “Reason, Optimism, and Progress” will begin, where individual rights will be respected and people will be completely free of impediments to prosper and grow, both economically and spiritually. But before this age of prosperity and growth can begin, there are many hard years of struggle ahead. Part of this struggle will involve the attempt of individuals to regain their political sovereignty. It is a consequence of the ownership of one’s body and the moral autonomy that springs from this ownership that no one can act on any

Whenever a ruler makes himself a dictator, all the wicked dogs of the nation—I do not mean the pack of petty thieves and earless ruffians who in a republic, are unimportant in evil or good—but all those who are corrupted by burning ambition or extraordinary avarice, these gather round him and support him in order to have a share in the booty and to constitute themselves petty chiefs under the big tyrant. — Étienne de La Boétie, *Discourse of Voluntary Servitude*

individual’s behalf unless expressly and formally delegated to do so. This means that individuals will have to begin claiming their rights of self-determination, the right to withdraw or secede from any political organization that is not to their liking, the right to resist political intervention in their social and economic activities, and most importantly, the right to resist the ultimate theft, taxation by the state. Hence the importance of the idea of “Popular Sovereignty and the Right of Resistance.”

As these economic and political measures to restore individual rights are gradually taken, the problem of undoing past crimes and injustices must be faced. Not only must individual property rights be respected in the present and in the future liberal society, but where possible, all past aggressive actions must be corrected. This involves returning stolen property to its rightful owners (where they can be identified) or to their descendants. It also means morally assisting the just struggle of other people in their efforts to liberate themselves from their own oppressive State apparatus. And once the restrictions have been lifted, a constant watch must be made to ensure that organized violence does not again raise its head and restore the State in a new form. We will conclude “The Basic Tenets of Real Liberalism” with a section on the problems of “Liberation, Restitution, and the Revolution of Permanence.”

In short, our aim is to show that real liberalism or libertarianism is a comprehensive set of principles that explains the social world in which we now live. It also describes the manner in which one should interact with one’s fellow human beings in order to create a just and viable social order. It offers principles, policies, and broad programs to alter the existing political reality, and it points the way for the peaceful development of

the institutions that are necessary to sustain this newly-created social order, once it has been attained.

Part I. Individuality and Privacy

Recommended Reading

Wilhelm von Humboldt, *The Limits of State Action* (Cambridge University Press, 1969).

John Stuart Mill, “On Liberty,” in *The Utilitarians* (Garden City, New York: Anchor Books, 1973).

David L. Norton, *Personal Destinies, A Philosophy of Ethical Individualism* (Princeton University Press, 1976).

Yehoshua Arieli, *Individualism and Nationalism in America* (Baltimore: Penguin Books, 1966), Chapters 6, 8, 9, and 12.

Governments all around the world intrude massively into the private lives of their citizens and thereby attempt to mold their lives and minds. This is usually done in order to make the citizens conform to some broadly-defined notion of the “public interest,” and/or the desires of the ruling elite. These two disturbing facts of modern political life are in direct opposition to one of the most basic of libertarian tenets: the concept of the uniqueness, worth, dignity, and sanctity of the individual.

This central concept of individualism is derived in large part from the Judeo-Christian tradition, especially as the concept was revived by the thirteenth-century philosopher, Saint Thomas Aquinas. According to Aquinas, what makes human souls quite different from one another is their union with different physical bodies (see F. C. Copleston, *Aquinas*, Baltimore: Penguin Books, 1955, 1966). This idea of the uniqueness and worth of the individual was further developed by the Dutch humanist, Desiderius Erasmus (1466–1536); and the innerlight Protestants of the sixteenth, seventeenth, and eighteenth centuries, who believed that every individual carried the divine presence within his or her soul. For a general history of this concept, see Wilson H. Coates, Hayden V. White, and J. Salwyn Schapiro, *The Emergence of Liberal Humanism: An Intellectual History of Western Europe*, vol. 1, (New York: McGraw-Hill, 1966), especially chapter one, “The New Religious Outlook: Toleration and Intellectual Freedom,” and chapter nine, “Intellectual and Religious Freedom.”

Later, the twin concepts of individualism (which would perhaps be more properly named individuality, to avoid the often derogatory connotations of the word “individualism”) and privacy were more fully and consistently developed, both in their philosophical and political dimensions, by real liberals such as John Locke; Wilhelm von Humboldt, whose treatise *The Limits of State Action*, ed. J. W. Burrow (Cambridge University Press, 1969) is an elegant plea for the government to stay out of the lives of the people, which he argued would ensure moral autonomy and foster the richness and diversity of the individual, thus leading in his opinion to a higher civilized order; and the Marquis de Condorcet. His *Sketch for a Historical Picture of the Progress of the Human Mind* (trans. June Barraclough, New York: Noonday Press, 1955) was written while he awaited certain death at the hands of the Jacobins during the French Revolution; it is one of

the premier testimonials to the unfettered human mind and to progress.

Other liberal writers to whom the concepts of individuality and privacy were paramount include Benjamin Constant, *De l'esprit de conquête* (On the Spirit of Conquest) in *De la liberté chez les modernes* (On the Modern Concept of Liberty) ed. M. Gauchet (Paris: Livre de Poche, 1980); and John Stuart Mill, *On Liberty*. Others were Thomas Paine whose *Common Sense* and *Rights of Man* serve as two of the most passionately reasoned statements of natural law and individual rights ever written; and the individualist anarchist, William Godwin (1756–1836). Godwin’s *Enquiry Concerning Political Justice and its Influence on Modern Morals and Happiness* (Harmondsworth, England: Penguin Books, 1976), is a brilliant argument by an unreconstructed individualist for the necessity of social interaction and the absence of coercion for the full development and happiness of the individual (p. 757). For a recent analysis of Godwin’s thought, see John P. Clark, *The Philosophical Anarchism of William Godwin* (Princeton University Press, 1977).

Individuality means that while sharing with one’s fellow human beings a number of general characteristics—reason, purpose, will, rights—each individual is in fact unique, and potentially has something no one else has to offer his or her fellows (i.e., society). Although the eighteenth- and nineteenth-century liberals based their defense of individuality firmly on moral principles drawn from natural law, there is another dimension to the meaning of individuality that deserves mention. Developments since the Second World War in biochemistry and genetics have indicated that there are sound scientific reasons to support the idea of individuality. Roger J. Williams’s pathbreaking study, *Biochemical Individuality: The Basis for the Genetotropic Concept* (Austin, Texas: University of Texas Press, 1956, 1977) demonstrates, with a formidable array of evidence, that each person is genetically distinct from every other individual. This means that each individual has not only different physical characteristics, but is endowed with a mix of talents, propensities, and potential unlike any other person’s. He or

To universalize our behavior under given circumstances is not to hold that under these circumstances all persons ought to behave in identical fashion to ourselves, but rather to hold that every other person ought to act so as to express his unique personhood with respect to these circumstances, as we ourselves do. — David L. Norton, *Personal Destinies*

she is thus truly unique and irreplaceable. This is an important scientific highlighting of the real liberal tenet of individuality or individuation. Such individuation is of obvious importance to the theory of the division of labor and social integration—topics which we will discuss at length in future sections of this paper. Furthermore, Williams’s findings seem to undercut much of the typical egalitarian case for redistributivist measures. Williams should be read alongside the following: Hampton C. Carson, *Heredity and Human Life* (New York: Columbia University Press, 1963); Felix Morley, ed., *Essays on Individuality* (Indianapolis: Liberty Press, 1977); and the title essay in Murray N. Rothbard’s *Egalitarianism as a Revolt Against Nature*

and *Other Essays* (Washington, D.C.: Libertarian Review Press, 1974).

That each and every individual has something unique and valuable to offer his or her fellows is a view eloquently defended by the philosopher David L. Norton in *Personal Destinies: A Philosophy of Ethical Individualism* (Princeton University Press, 1976). Norton’s work is a modern restatement of the philosophy of Eudaimonism, the roots of which lie in the ancient Greek Stoic school of philosophy. Following the Socratic instruction to “Know Thyself,” Eudaimonism offers the further instruction to “Become What You Are,” or in other words, “Be Thyself.” It is the philosophy of self-knowledge and self-actualization. Given a proper self-knowledge (i.e., what one genetically is and can do) then the pursuit of self-knowledge is synonymous with the pursuit of happiness. This of course has been a key element of real liberal thought throughout its history. Many liberals insisted that the individual has to be free so that he or she is able to pursue his or her own happiness directed only by his or her own unfettered powers of critical choice and conscience. These liberals did not necessarily believe that each individual would choose to be a self-actualizer in this fashion, but rather that individuals have to be free of outside political constraints so that they at least have the possibility of making these choices.

One of the most interesting of Norton’s ideas is the concept of the “complementarity of excellences,” by which he means that “every genuine excellence benefits by every other genuine excellence. It means that the best within every person calls upon the best within every other person” (p. 10). This idea leads to a strong philosophical foundation for the division of labor and spontaneous order theories of social integration.

Norton can be read along with Abraham Maslow, *Toward a Psychology of Being* (New York: Van Nostrand, 1968); J. S. Mill, *On Liberty*; Herbert Spencer, *Social Statics* (New York: Robert Schalkenback Foundation, 1970); Humboldt, *The Limits of State Action*; and Auberon Herbert, *The Voluntarist Creed* (London: W. J. Simpson, 1908). All are classic statements on the uniqueness of the individual.

The fact of individual uniqueness becomes especially important when we consider the process of social integration. Individual uniqueness implies differences, and it is these differences that establish the natural conditions of exchange, which in turn leads to the division of labor, specialization, comparative advantage, and the socio-economic exchange process. This important insight into the motives and conditions for mutually beneficial exchange and social integration was first made by the classical economists of the late eighteenth and early nineteenth centuries. It became a key insight of David Ricardo in his theory of comparative cost in the chapter “On Foreign Trade” in *The Principles of Political Economy and Taxation*, first

published in 1817 (London: J. M. Dent and Sons, Everyman edition), ed. Ernest Rhys, pp. 77–93. On Ricardo's contributions, see Samuel Hollander, *The Economics of David Ricardo* (University of Toronto Press, 1979), "Comparative Cost and Specie Distribution," pp. 459–473.

Ludwig von Mises also stressed the idea that individual differences are the basis for social cooperation. His term for the economic aspect of the complementarity of excellences is the "law of association," by which he means that through the division of labor both the less endowed, as well as the more talented, the more industrious, the more able, will mutually benefit from exchange. In fact, like William Godwin, Mises goes so far as to argue that not only is the individual better off by trading with his or her fellows, but actually *requires* society as the means for attaining all of his or her individual and personal ends. See *Human Action* (Chicago: Henry Regnery, 1949, 1963, 1966), "The Ricardian Law of Association," pp. 159–164, and "The Individual Within Society," pp. 165–166.

The real liberal doctrine states that since each individual is unique and has the potential of practically unlimited growth and self-development, he or she is of inestimable worth both as an individual and as a member of society. Furthermore, each individual is an end in himself and therefore must be treated as such, never involuntarily serving as merely a means to another's ends. The classic formulation of this position is given by Immanuel Kant in the *Groundwork of a Metaphysic of Morals*, H. J. Patton, trans. and ed. (New York: Harper Torchbooks, 1964).

Although it is true that we all make use of others as means in our social and economic relationships, and although it is true that occasionally we "use" others "involuntarily" (for example, a member of one sex often derives pleasure from the welcome "externalities" emanating from the passing-by of a member of the opposite sex), we must always bear in mind Kant's warning: under *no* circumstances must we really involuntarily (i.e., by means of force or the threat of force) use another to achieve our ends. Each person is and must remain an end in him or herself.

Each individual, being potentially morally perfectable, deserves to be treated as an equal by his fellows and by the law. (On human perfectability, see Condorcet's *Sketch for a Historical Picture of the Progress of the Human Mind*. In particular, the Tenth Section deals with the struggle between reason and superstition and power throughout history. It ends, in the Tenth Epoch, with a poetical vision of the future, a future of the free human mind, of science and a future worthy of optimism.) Each person, being a potentially dignified human being, deserves to be treated in a dignified manner (i.e., that one's rights and privacy be respected). As long as a person refrains from infringing upon the equal rights of others, he or she must be accorded the rights to think, to act, and to exchange as he or she sees fit.

This then is the essence of the real liberal doctrine of individuality and privacy. There must be a protected space around each individual which is reserved and protected for that individual's unique enjoyment. An individual's thoughts (whether religious or secular), property, and peaceful actions must be beyond the reach and jurisdiction of any individual or institution

whatsoever. Unless the individual engages in some violent, criminal activity, he or she should on no account be interfered with.

There are many histories of individualist thought and, unfortunately, they are of very uneven quality. A useful modern introduction is Steven Lukes, *Individualism* (New York: Harper and Row, 1973), and "Types of Individualism," by the same author, in *The Dictionary of the History of Ideas: Studies in Selected Pivotal Ideas* ed. Philip P. Wiener (New York:

In this respect, living in America is like serving in the army; ninety percent of conduct is prescribed by law and the remaining ten percent by the esprit de corps, with the consequence that opportunity for free choice in conduct is practically abolished. — Albert Jay Nock, On Doing the Right Thing

Charles Scribner's Sons, 1973), Vol. 2, pp. 594–604. Lukes's works must be used with caution because the author is too tied to the ideas of egalitarianism and democracy to be sufficiently sympathetic to the subject of individualism. A far better, but much older work is by Albert Schatz, *L'Individualisme économique et sociale* (Social and Economic Individualism) (Paris: Armand Colin, 1907). Schatz, being a classical liberal, is far more sympathetic than Lukes to the subject at hand, and is far more knowledgeable of the more radical strain of individualist thought that existed in the late eighteenth and nineteenth centuries. For example, he is one of the few historians of liberal and individualist thought to give space to pioneer thinkers such as Jean-Baptiste Say, Charles Comte, Charles Dunoyer, Gustave de Molinari, and Benjamin Tucker. It is with Schatz's book that any serious researcher of individualist thought must begin.

Another classic presentation of individualism is Warner Fite, *Individualism: Four Lectures on the Significance of Consciousness for Social Relations* (New York: Longmans, 1910, 1924), although it should be used with caution because Fite does not always draw real liberal conclusions from his work.

One should not forget the contributions of F. A. Hayek, whose essay "Individualism: True or False," in *Individualism and Economic Order* (Chicago: Henry Regnery, 1948, 1972) forms chapter one. It is provocative although fundamentally flawed because Hayek is excessively enamored with English utilitarian social philosophy and misunderstands the nature of the European (especially the French) natural-law defense of individualism and individual rights.

Other useful histories of aspects of individualist thought include K. W. Swart, "'Individualism' in the Mid-Nineteenth Century (1826–1860)," *Journal of the History of Ideas* vol. 23, 1962, pp. 77–90; W. Ullman, *The Individual and Society in the Middle Ages* (Baltimore: Johns Hopkins Press, 1966); and C. B. Macpherson, *The Political Theory of Possessive Individualism: Hobbes to Locke* (Oxford: Clarendon Press, 1962).

An important contribution to the history of individualist thought as it developed in the United States is

the work of the Israeli historian Yehoshua Arieli, *Individualism and Nationalism in American Ideology* (Baltimore: Penguin Books, 1964, 1966), especially chapter six, "'Natural Society'—The Evolution of a Social Ideal," pp. 88–120; chapter eight, "The Jeffersonian Ideal—Social and Political Democracy," pp. 156–178; chapter nine, "A European Concept Crosses the Atlantic," pp. 179–206; and chapter twelve, "Foundations of the American Ideal of Individualism," pp. 242–272.

Crosscurrents

Resource Ownership and Pollution

When one reads John Locke's *Second Treatise of Government* one is immediately aware that here is a powerful theoretical tool which explains and justifies how men and women come to own property. Basically, whoever is the first user becomes the first owner—this right to ownership being limited to what is actually used in some manner. Given this "Doctrine of Prior Appropriation," it is not always clear how this principle may operate in practice, and considerable work needs to be done in elucidating the operation of Locke's principle in complex real-world situations.

Recently, some very important papers have been written on the practical application of Locke's powerful insights on the justice and usefulness of the prior appropriation principle. With regard to the ownership and control of water, Alfred Cuzán (University of West Florida) completed a paper on "Appropriators vs. Expropriators: The Political Economy of Water in the West" while a Liberty Fund Fellow at the Institute for Humane Studies in 1981. Cuzán shows that until the turn of the century, the law on water use and ownership developed spontaneously, in tune with the needs of farmers and consistent with the voluntary Lockean notion of ownership. He also traces the twentieth-century history of the Bureau of Reclamation and the Department of Water and Power of the City of Los Angeles to show how vested interests used the power of the State to destroy that system of private ownership and development of water in the west, replacing it with a system of subsidies and privileges for a few at the expense of the taxpaying many. Cuzán concludes with a call for a return to the older, more Lockean system of ownership and use.

The second paper which has come to our attention has been published by the Cato Institute in their *Policy Analysis* series. Milton Mueller has written an excellent piece on "Property Rights in Radio Communication: The Key to the Reformation of Telecommunications Regulation." Unlike previous efforts to formulate a Lockean approach to the use and ownership of radio and television, Mueller argues that individual broadcasters do not "own the airwaves" *per se* but rather own the right to use particular "channels of communication." Using a Lockean "prior appropriation" approach to the problem, he describes a system in which the first user of a particular frequency at a particular signal strength thereby stakes out a property claim to the channel of communication that is developed between the transmitter and the receiver. New-comers have the right to enter the market only as long as they do not interfere with the first user's rights. Mueller makes a convincing case for this new approach to

property rights in radio communication and we look forward with great interest to his forthcoming book on the subject.

The *Cato Journal*, ed. James Dorn, continues to put out interesting essays on public policy questions. The most recent issue presents the results of a symposium on pollution which was held in Palo Alto in December, 1981. Although all the essays are interesting and important contributions to a little-worked area in libertarian thought, the most important contribution is made by Murray N. Rothbard in his essay "Law, Property Rights, and Air Pollution." Rothbard adopts a strict Lockean view of the nature of property (including the right of first use and homesteading unowned property) and combines this theory with the idea of strict liability of the aggressor in cases of injury to third parties. (On strict liability see the innovative work being done by Richard A. Epstein, "A Theory of Strict Liability," *Journal of Legal Studies*, January, 1973). In the case of pollution, the transgression of an individual's rights occurs when one property owner directly causes material of a noxious and unwanted nature to intrude upon the property of another. His solution for the problem of pollution is to allow individuals to sue for damages under tort law. Indeed, this solution was in fact first used in the early years of the Industrial Revolution, but was abandoned when the courts intervened on behalf of the polluters. It is hoped that Rothbard's piece will stimulate others to look more closely at the requirements of a legal system which will adequately and justly defend property rights. It is also imperative that the historical reasons for the legal protection of polluters, at the expense of other property owners, be analysed in more depth.

Robert Bradley, Jr. has a work in progress for the Cato Institute, the essay "Government and Energy: The U.S. Experience." It will not be published until late 1983. The first drafts we have seen indicate that it will be an important contribution to the debate on the so-called "energy crisis." Bradley has chapters on the history of state intervention in the production, exploration, sale, and conservation of energy resources. He convincingly demonstrates that the inevitable result of this intervention is chaos. To overcome these seemingly intractable problems, he develops a Lockean homesteading theory for the ownership of energy resources and is able to push this theory into completely new areas in a section entitled "The Advantages of Sub-surface Homestead Law."

With all these examples we have mentioned, a powerful theory of property which was first presented in the late seventeenth century has been found to produce very rich results when applied to problems of ownership in the late twentieth century. In ways that Locke could never have envisaged, Lockean ideas of homesteading and first use have been used to untangle problems created by government intervention and the prevention of spontaneous market solutions to changing technology and economic growth. Cuzán, Mueller, Rothbard, and Bradley have shown that water, radio and television, pollution, and oil and natural gas can all be rationally and justly owned and exchanged—if only people are permitted to do so. The research into these questions has really only just begun. These papers indicate that it is a good beginning.

English Individualism

In trying to understand why the Industrial Revolution began in England rather than on the continent of Europe, one is faced with the problem of trying to understand why English society was so different from that of Europe, only a few hundred miles away across the channel. The Cambridge historian and social anthropologist Alan Macfarlane, in a provocative book on *The Origins of English Individualism* (Cambridge University Press, 1979), argues that (unlike the traditional view of the peasantry put forward by Max Weber, Karl Marx, and Thomas Babington Macaulay), from the late thirteenth century onwards England did not possess a peasantry along the lines of the classic European model. Instead, there existed a vigorous market in land, considerable social and economic mobility, a large, landless workforce, practical equality in private law between men and women, and, most importantly, a spirit of independence and individuality.

According to the classical definition of peasantry, land is not held by individual property-owners (who can bequeath it, sell it, or otherwise dispose of it as they will), but rather by families or kin groups. Macfarlane argues that it was the absence of this kind of familial land ownership which marked off the English "peasantry" from the peasantry of Europe and Asia. The lack of restrictions on the ownership of property, a relatively free market in land, and the growth of an independent land-owning class laid the groundwork in England for first the commercial revolution of the fifteenth and sixteenth centuries and finally the Industrial Revolution in the eighteenth, many centuries before the standard accounts admit. The accepted view is that it was not until the sixteenth or even seventeenth centuries that the traditional peasantry began to disappear and capitalism and its intellectual offshoot, individualism, began to emerge.

Macfarlane's thesis seriously challenges this older interpretation and is particularly destructive of Marxist interpretations of the origins of English capitalism. According to Marx, the transition from feudalism to capitalism requires violent class struggle in order to move from one mode of production to the next. If Macfarlane's view is correct, then the presence of "capitalist" institutions as early as the thirteenth century leads one to seriously question the common view of the origins of capitalism based upon Marx and Weber. For those who would like a summary account of Macfarlane's thesis his article, "The Origins of English Individualism: Some Surprises," *Theory and Society*, September, 1978, can be recommended.

The Literature of War

The first principle of real liberal philosophy is the non-aggression principle: that no person shall initiate force against a non-aggressor. Why then should a person espousing libertarian views want to know anything about war, especially the literature on warfare? For the reason that those we oppose—those believing in a strong State—have found that a state of war enables them to accomplish their goals, to make the State ever stronger. In our own defense, we need to know how they have accomplished this in the past.

All of us know a piece of literature that illuminates best the tragedy and pointless destruction of warfare.

It seems that the brute facts of lives lost, houses and factories razed to the ground, the profiteering of war contractors, and the posturing and power-wielding of politicians is not enough to satisfy our curiosity about war. Furthermore, we can read innumerable histories, the unforgiving economic analyses of the great liberal opponents of war, and view the depressing sights of homeless and hopeless refugees in documentary films to gain insights into the nature of war. However, neither the written words of the history books nor the images of the documentaries are as compelling as fiction in recreating what it was like to engage in the ultimate use of force. So we turn to poetry and novels to experience that which none of us hopes ever to live through or participate in.

The Grumbler: . . . One would be horrified by the inconceivable crime perpetrated by the scoundrels who engendered the war and are prolonging it—this inconceivable crime which is terrible enough in its effect on even a single destiny, but which is inflicted upon millions—the tearing apart and trampling of every individual's happiness, the torture of expecting disaster for years, of a tension that trembles at the silence and dreads that it will be broken by a message of death from either the trenches or the home front. — Karl Kraus, The Last Days of Mankind

Amongst the large number of guides and anthologies of war literature, the compilation by Lucy Dougall, *War and Peace in Literature* (Chicago, Ill.: World Without War Publications, 1982) is outstanding. It introduces the reader to the incredible diversity of writings on the subject of war, ranging from the exaltation of Ernst Jünger's *Storm of Steel* (1929) to the rage and sustained horror of Dalton Trumbo's *Johnny Got His Gun* (1939).

In a book of this size, it is inevitable that some works would have to be left out. One of my favorites, which unfortunately did not make the grade, is Karl Kraus's *Die letzten Tage der Menschheit* (München: Deutscher Taschenbuch Verlag, 1926, 1964, 1980), abridged and edited by Frederick Unger in English, *The Last Days of Mankind: A Tragedy in Five Acts* (New York: Frederick Unger, 1974).

The Austrian literary critic, Karl Kraus, was a remorseless and savage social critic of the declining Hapsburg empire. His massive documentary drama of the war (perhaps the first of its kind to interweave real documents, reports, and newspaper articles with the dialogue of fictional and non-fictional characters) describes the "spiritual and moral misery" which always accompanies the loss of life and property occasioned by war. He relentlessly attacks those in positions of authority—the army, the royal family, and the politicians of Europe—who called down this disaster upon the heads of innocent bystanders. A good introduction to Kraus and the Vienna in which he lived is Frank Field's *The Last Days of Mankind: Karl Kraus and his Vienna Circle* (New York: St. Martin's Press, 1967). For those who wish to read of another aspect of Kraus's thought, see Thomas Szasz, *Karl Kraus and the Soul Doctors: A Pioneer Critic and his Criticism of*

Psychiatry and Psychoanalysis (Baton Rouge: Louisiana State University Press, 1976).

Liberal Sociology

The classical liberal tradition consists of more than just the political philosophy of individual rights and limited government and the economic theory of the market. Whether one refers to Adam Smith's interest in the political economy of mercantilism and the sociology of vested interests, or to Herbert Spencer's desire to create a massive, unified theory of society and the individual, one is struck by the continual effort of the great classical liberals to extend the theory of individual rights and the market to the broader field of society itself.

The sums which the ruling class appropriates illicitly, thanks to protective duties, from premiums on navigation, on sugar, and many related products, to enterprises subsidized by the State, the syndicates, trusts, etc., are enormous and certainly comparable to the sums which, during other periods, were exorted by other ruling classes. The only advantage for the nation is the fact that the method of clipping the sheep has been perfected. — Vilfredo Pareto, The Rise and Fall of the Elites

The Italian classical liberal Vilfredo Pareto (1848–1923), one of the giants of economic thought, also made fundamental contributions to sociology. Although best known for the exchange criterion known as the Pareto optimality, he was also a well-known commentator on Italian political and economic affairs, frequently writing for the French *Journal des économistes*.

Pareto's magnum opus is the *Trattato di Sociologia Generale* (1916) where he develops at some length his theory of classes based upon what he called "residues" and "derivations." The complete English translation of the *Trattato* was published in 1935 in a four-volume edition, *The Mind and Society*, ed. Arthur Livingstone (New York: Harcourt, Brace, 1935). It was later issued in a two-volume edition as *The Mind and Society: A Treatise of General Sociology* (New York: Dover, 1963). Because these editions are out of print and somewhat unwieldy in their length and complexity, it is welcome to have a shorter edition, the *Compendium of General Sociology*, abridged by Giulio Farina, ed. Elisabeth Abbott (Minneapolis: University of Minnesota Press, 1980) in print. The lengthy introduction by Joseph Lopreato provides a useful guide to Pareto's thought and to the considerable secondary literature on his economic and sociological ideas. However, the best general introduction to Pareto remains the collection edited by S. E. Finer, *Vilfredo Pareto, Sociological Writings*, trans. Derick Mirfin (New York: Praeger, 1966). Along with his introduction to this collection, Finer has also written "Pareto and Pluto-democracy: The Retreat to Galapagos," *American Political Science Review*, vol. 62, 1968, pp. 440–450.

If one carefully reads the Finer introduction and the relevant passages from the *Trattato* on classes, it is

possible to reconstruct a coherent Paretian class theory. The most sustained effort by Pareto to outline his theory of class can be found in a little-known essay, "Un'applicazione di teorie sociologiche," which appeared in the Italian sociological journal, *Rivista Italiana di Sociologia*, in 1901. Fortunately, this has been translated as *The Rise and Fall of the Elites: An Application of Theoretical Sociology*, introduced by Hans L. Zetterberg (Totowa, New Jersey: Bedminster Press, 1968). In this essay, Pareto attempts to explain why one ruling élite is replaced by another one. It is his view that no élite remains forever in power. Rather, there is constant motion as new vested interest groups try to oust the old guard, to replace them with "new blood" more sympathetic to their particular needs. This process of the "circulation of élites" is especially important in times of considerable social and economic change, such as was the case when Pareto was observing and writing about Italian and European society in the late nineteenth and early twentieth centuries.

Pareto is a complex—and sometimes confused—thinker who should be seriously studied by those seeking to understand the wider implications of classical liberal social theory. The best place to begin is with the Finer collection for an overview of Pareto's thought. One is then in a better position to tackle the complex *Trattato*, either in its abbreviated form, or at length.

Voluntary Servitude

There seems to be a reawakening of interest in the subject of obedience to authority. The current issue, both here and abroad, is involuntary military service. Perhaps occasioned by this debate, there has been a spate of books in French, German, and English on the sixteenth-century French humanist, Etienne de La Boétie. We have already mentioned La Boétie in the first issue of this *Review*, where we cited the Kurz/Rothbard and William Flygare editions of *The Discourse of Voluntary Servitude*. Since then, the following works have come to our attention and deserve to be mentioned.

The collection by Miguel Abensour, *Le Discours de la Servitude Voluntaire* (Paris: Payot, 1978) includes a modern French transcription of the sixteenth-century original (which can be found in Flygare's edition), reprints of important nineteenth-century introductions to reeditions of La Boétie's essay, as well as some very useful essays on the problem of obedience to authority by Simone Weil, Pierre Clastres, and Claude Lefort. This French edition is very similar to a recent German edition which likewise includes introductions to previous editions and extracts from discussions of La Boétie's work by eminent political philosophers such as Bacon, Spinoza, Seldon, Montesquieu, Rousseau, Tolstoi, Landauer, and Nettlau. The German Edition by Horst Günther, *Von der freiwilligen Knechtschaft* (Frankfurt am Main: Europäische Verlagsanstalt, 1980) is particularly well done, with its reproductions of old woodcuts and its bilingual reprinting of La Boétie's essay on voluntary servitude.

Having read La Boétie's essay, one must then be able to place it in the political framework of its time. Pierre Mesnard's *L'Essor de la philosophie politique au XVI^e siècle* (Paris: Boivin, 1936) was previously the

best guide; it is out of date and can be partly replaced by the recent overview of French renaissance political thought by the Stanford political philosopher, Nannerl O. Keohane, *Philosophy and the State in France: The Renaissance to the Enlightenment* (Princeton University Press, 1980). The entire chapter three of Part one, "Individualism and Humanism," deals with La Boétie and his times. It can be profitably consulted by those wishing to know more of this important political philosopher.

Recent Dissertations

Don C. Lavoie, recently appointed a professor of economics at George Mason University in Fairfax, Virginia, completed his dissertation under Israel Kirzner at New York University on "Rivalry and Central Planning: A Re-examination of the Debate over Economic Calculation under Socialism" in May 1981. We have had occasion to mention Lavoie before (*HSR*, vol. 1, no. 1, "Critiques of Socialism") as the editor of the special issue of the *Journal of Libertarian Studies* on Socialism. His essay in that issue, "A Critique of the Standard Account of the Socialist Calculation Debate," is taken from his thesis and is a review and critique of the important literature that arose in the 1920s and 1930s, as the failures of the Soviet experiment became apparent. For those who wish to learn more about this historic debate on the viability and rationality of socialism and central planning, Lavoie's thesis is must reading.

Lawrence H. White completed his dissertation on "Free Banking in Britain: Theory, Experience, and Debate, 1800-1845" under Axel Leijonhufvud at U.C.L.A. in early 1982. Larry White has uncovered a fascinating history of a completely free banking system in Scotland prior to the restrictive regulations introduced by Peel's Act of 1844. With the freedom to establish banks and to issue currency, the Scottish banking system was remarkably stable and was very efficient at serving the needs of its customers. White's thesis is both an attempt to present a theoretical model of free banking and an excellent piece of intellectual history of Scottish and English economic thought. The monetary turmoil and instability of the post-Second World War era strongly suggests that we have much to learn from the eighteenth-, and nineteenth-century defenders of free banking, such as Samuel Bailey, Thomas Hodgskin, and the American, William Leggett. We also look forward to seeing White's compilation of Leggett's writings, tentatively entitled, "Essays in Jacksonian Political Thought."

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