

New Isms Endangering Liberty

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Mr. President of the Czech Republic, dear members of the Mont Pelerin Society, dear friends of liberty, it is not only a pleasure and an honor to address this distinguished audience, it is also quite a challenge to speak after such an eminent person as our friend Vaclav Klaus – but who could decline such an invitation.

As President Klaus said in his opening remarks Sunday night, it was not so long ago that there was no doubt where the threat to the open society was coming from. It originated from National-Socialist and International-Socialist ideologies. Though the challenge and the threat were big, one knew at least who the enemies of free market capitalism were. The supposed “End of History” appeared at first to be a triumph. Soon, however, insidious threats to individual liberty began to germinate.

These new isms, as I call them, include on one hand certain fundamental political-philosophical attitudes that have detached themselves from the old ideologies, like the belief that, in most cases, central solutions are better than decentralised ones, or the idea, that the fullest possible disclosure of everything and everyone is preferable to the protection of privacy. On the other hand, there are new and not-so-new isms whose worldview has a different focus from that of the old isms. This is especially pronounced in the case of environmentalism and feminism. Both of these, the more mental attitudes and the more content-related emphases, often arrive almost in disguise.

Not at all hiding its illiberal face is religious fundamentalism, above all Islamism. I skip here my remarks I make in the paper, but let me say, that fundamentalist temptations can be observed in almost all religions. They regard almost everything modern with suspicion: from Darwin’s theory of evolution to genetic research, and alongside the sciences also technology,

the media, the market economy and globalisation. This anti-Enlightenment stance is a true danger for any open society.

Many of the isms mentioned in my paper are part of the historical fabric of political ideas and thus components of more comprehensive ideologies. But nowadays they appear rather as individual movements and present themselves in a new, consciously non-ideological way. I would distinguish three groups here: those that relate to the political organisation of society; those that pertain more to political procedures; and finally - a little apart - moralism as a movement that ascribes everything to the morality of the individual.

3.1 Authoritarianism, democratism and centralism

Authoritarianism belongs to the group of political isms. It has so far not yet developed into a real threat to liberty, but the tendency to regard affluence without any political participation as an entirely valid concept for organizing a society seems to be growing, not so much among intellectuals, but among entrepreneurs or even politicians. They occasionally display some sympathy for the supposed stability of this model of governance, not only in countries like Singapore, but more recently also in the People's Republic of China. This is a real danger to liberty.

However, we should not forget that the opposite is at least as dangerous. As Swiss I certainly consider democracy – despite all the justified criticism – to be the least detrimental form of government. However, democracy belongs in its proper place, namely where matters affecting everyone and public goods are involved. Many people seem to forget that. A current example in Switzerland is the discussion about corporate governance, which a majority of the population would probably like to have regulated by law down to the last detail rather than leaving it to the shareholders. Democracy is only a more liberal way of decision-making than dictatorship – but it is a less liberal way of decision-making than individual decisions by every single person. In this sense too much democracy can also be a danger for society.

In addition to authoritarianism and democratism, centralism also expresses an idea about how society can be organised politically. It is experiencing an almost unbelievable renaissance with the EU, impressively illustrated by the measures planned to rescue the euro – such as the idea of a banking union or the pooling of debts. The underlying philosophy is

always the same: let the solution (and the financial resources) be sought at the next-higher level, in the hope that others will then take on part of your own burden and you will not really need to do your homework. Centralism is the opposite of subsidiarity. Closely related to centralism is the tendency towards harmonisation, which holds that those differences that constitute the richness of human life and culture and are the driving forces behind innovation ought to be increasingly levelled out.

You might be surprised that I mention pragmatism here. What do I mean? People like to understand “pragmatism” as being opposed to anything ideological, though it is under the pretence of pragmatism that politicians take a stand against any at least partly coherent policy aimed at creating an institutional order. Ludwig Erhard has recognized this kind of pragmatism at a very early stage as a danger to the liberal order. He said, a politician is regarded as competent, “...when he acts ‘pragmatically’, i.e. he takes into account the randomness of the moment. Pragmatists are closely followed after by mere opportunists, and ultimately by absolutely unprincipled conformists too.” Pragmatists want to solve problems – whether liberty is jeopardised makes no difference to them. And they are a danger to the free order in yet another sense: pragmatists are animated by a great belief in achievability and therefore have little in common with the almost agnostic liberal view that we can only know and shape the economy to a small extent.

In my view the call for almost total transparency is another danger to liberty. It is linguistically a little bit forced to create an “ism” here – but you may forgive a Swiss to bring the subject up. National security or mere public interest are used as justification for limiting the privacy of citizens. This leads to a creeping transformation of the state into “Big Brother”. It is certainly completely against the mainstream in Europe to assert the view that a bank account concerns nobody but its owner, and certainly not the tax authorities. Naturally, these authorities should be able to compel the owner to disclose his bank information when there is a well-founded suspicion of a serious violation of the law. But the notion that the transparent citizen is only a problem for those who have something to hide and that the citizen is a suspect and must therefore constantly prove his innocence is profoundly against the spirit of a free society.

3.3 Moralism

Another opposing standpoint to liberalism is moralism. Its underlying assumption is that there exists a morally correct course of action that holds true for everyone. Therefore, the morally correct behaviour should be enforced in society – indeed it must be – if necessary with coercion. Among the most radical moralists are the animal rights activists, some of whom consider attacks on people to be justified in order to put an end to experimenting on animals. Nowadays, moralism is expressed particularly in the context of the financial sector. Anyone who thinks the origins of the financial crisis lie almost only in the greed of senior executives is blind to the errors in regulatory and economic policy at the start of the crisis. Closely related to moralism is “Political correctness”, the tendency to suppress the open expression of thoughts, opinions and feelings because they could hurt the feelings and opinions of others, or because they are simply “morally wrong”.

4. Content-based isms that endanger liberty

4.1 Paternalism

A marvellous example of the false labelling with which the new isms operate is the description “libertarian paternalism”. One may detect a certain liberalism in the fact that people are not compelled to behave in a particular way. But fed by the discoveries of behavioral economics, that people often display (time-)inconsistencies and that they frequently act irrationally, the supporters of paternalism conclude that a “better” course of action exists, that the state can recognise it and that it should guide the public to this “better” course of action. However, the inconsistencies of which they complain are neither astonishing nor negative; they are a part of the liberal “right to be irrational”.

The book *Nudge: Improving Decisions on Health, Wealth and Happiness* by Thaler and Sunstein is an inducement to gentle compulsion. It seems to me that this nudging is unproblematic when it involves eliminating information asymmetries, e.g. with regard to the effects and side-effects of medicines, or when the state can not avoid framing anyhow. On the subject of tax honesty, for example, it does seem to make a difference whether the declaration, that one has completed one’s tax return truthfully, comes at the beginning or the end of the document. In that case there is nothing to say against putting it in the correct place. And what about nudging if society regards it as its duty not to allow people to perish on the street

– even if these people have failed to provide for themselves or have brought themselves into a difficult situation through their own imprudence? If the society wants to use government funds to comply with this duty, the right of individuals to act irrationally has to be restricted. If the taxpayers pay for the consequences of alcoholism or smoking of others it seems legitimate for the government to try to prevent “damaging events” as far as possible. And then nudging is preferable to compulsion. Somehow we are here - in the real world - in a vicious circle.

But the dividing line between informing, gently nudging and openly manipulating is a thin one. "Soft" paternalism can rapidly mutate into “harder” paternalism. One shocking example, following on from tobacco taxes and warnings about death from cancer, is the way the smoking ban is taking hold throughout Europe. The decision as to whether or not a restaurant is non-smoking could safely be left to the manager, the decision as to whether one wants to eat in such premises to the customer, and the decision about working there to the employee. The reaction on the smoking-ban among liberals has been surprisingly weak. It would therefore not surprise me if, some day, the state would dictate us not only what, for our own good, we should eat and drink, but also encouraged us to take our daily exercise in the morning - not so far distant from the gymnastics in Chinese factories.

4.2 Environmentalism

Environmentalism is a particularly hard nut for the friends of liberty. Of course, the topic of the environment must also occupy liberals. Failure to take seriously this and other concerns of the new isms seems to me to be neither objectively justified nor politically astute. However, these concerns, no matter how important they may be, have to be subject to a cost-benefit calculation. And costs include opportunity costs. In a world of scarce resources, the achievement of an objective always implies that some other objective cannot be realized. Through his Copenhagen Consensus, Bjørn Lomborg has attempted to make this concept of opportunity costs empirically comprehensible.

Hardly anywhere else does one find so little understanding of this concept as among those who are convinced that we are heading towards a climate catastrophe and that the environment will become increasingly damaged. Everything else, even the individual wellbeing and self-determination of those, who live today, is subordinated to environmental protection and prevention of global warming. I see three reasons for this:

First, environmentalists appeal to scientific facts whose validity they scarcely doubt. It is more difficult to doubt knowledge than to call belief into question, particularly when experts make such "truth" immune to doubt. This is happening in the climate debate where the so-called consensus among climatologists is anything but undisputed outside this circle.

Secondly, environmentalists base their arguments on interests of generations that will live a hundred years from now. There is something slightly totalitarian about the idea, that in a hundred years' time the world should look very much like it does now. If that idea had been implemented at the turn of the 20th century, we would now be living without cars, phones, penicillin, contraceptive pills or flush toilets.

Thirdly, environmentalists claim, that in the absence of countermeasures the lives of hundreds of millions of people would be at stake. If one adopts an opposing view, as Vaclav Klaus has done with remarkable courage, one easily exposes oneself to the accusation of cynicism.

The liberal parties in Europe have scarcely the courage to tell the story from the liberal point of view: that climate change, irrespective of whether or not it is man-made, need not necessarily be a bad thing in itself, that it involves internalising external effects, both negative and positive, that the preservation of the status quo is in no way particularly humane, and that throughout its history, the human race has responded to major changes with a mixture of adaptation and resistance. This is exactly what distinguishes humans from other forms of life: they are able to live both in Siberia and in the desert.

4.3 Feminism

When talking about feminism as a movement that endangers liberty, we are not referring to the fundamental principle that men and women in an open society must have equal liberties, equal rights and equal obligations in the eyes of the state. In the history of political thought, liberals have propagated this understanding of equal rights at an early stage. There is a liberating force in this side of feminism.

There is another feminism, however. Its characteristic features are, first, that it wants equality of treatment for what is unequal, for example with the demand that promotion in the

professional world should not take into account career interruptions due to pregnancy, childbirth and child care. Secondly, it attempts to socialise the costs of motherhood. Because the provisions for old age in most countries are based on a pay-as-you-go system, children have a significant positive external effect on old age provision for the active generation of today. To compensate it is suggested that crèches, kindergardens and schools should be almost free of charge. Thirdly, illiberal feminism is prepared to use the argument of discrimination to intervene in free contracts between free persons, and to disadvantage men, e.g. by introducing all kinds of quotas.

5. A few common features

The isms discussed here – this list makes no claim to be exhaustive, for example I did not mention. humanrightism – have a few features in common, some of them share with the old isms, some are typical of the newer movements.

5.1 Parallels with Socialism and National Socialism

Like Socialism and Fascism, a characteristic feature of the new isms is a distinctly normative concept of Man. Their aim is the New Man, and in this respect they are closely related to Christianity, the only difference being that the latter realistically does not expect the hoped-for perfection of human beings until the hereafter. Ultimately they want to turn everyone into an “ideal” human being – ideal according to their own definition. The liberty most of them do mention in their programs is a conditional one. All are free to do whatever they want, provided they want to do just what they ought to do in the opinion of the paternalists, ecologists and feminists.

Closely related to this normative vision of humanity is the denial of any kind of subjectivity. Like the old isms, the new isms postulate something like an objectivity of moral and knowledge, or at least a single collective will like Rousseau’s “volonté générale”, to which all citizens must submit. There is no place for deviations from this norm, for the right to be (supposedly) irrational and for the right to self-harm, two pillars of classical liberalism.

Finally, like the old isms that were hostile to freedom, an inherent element of the new isms is the “pretence of knowledge”. They completely fail to grasp the humble view that neither any single person nor any authority can have at her disposal the amount of knowledge that

would be needed to understand society in its complexity, and certainly not enough to steer it. Against the background of the financial and economic crisis, there is a growing, almost blind belief that the economy and the society could be planned by a central state that is unselfish and endowed with foresight and competence. The sympathy for bigness, centralisation and harmonisation that is characteristic of most of these isms is an expression of this lack of humility. Intellectual hubris and a belief in achievability are among the biggest dangers facing liberty today. Antitoxins are: separation of powers, non-centralisation and smallness.

5.2 Differences in comparison with Socialism and National Socialism

But what is different about the new isms? First, they act less comprehensively. Their action is instead aimed selectively at a single topic to which everything else is subordinated. One could argue that the situation is not much different in liberalism, with its fixation on liberty. However, to a much more pronounced extent than with the new isms, a comprehensive, largely coherent concept for the shaping of politics, the economy and society can be derived from this orientation to liberty.

Therefore - second observation - the new isms consider themselves to be less political and more non-ideological than movements with traditional doctrines. This is especially true for basic attitudes such as centralism with its love of harmonisation, and for pragmatism and transparentism. Advocates of such schools of thought frequently claim that it is merely a question of efficiency – as if this were a value-free concern. They say they are “only” concerned with unblinkered solutions to problems, such as protecting the climate. They say the distinction between left and right is obsolete. It would be marvellous if problems could be solved in a liberal way, they say. But if not, one must simply resort to those instruments that are appropriate, even if they are interventionist.

Thirdly, and directly linked to this, is the effort being made by the new isms to portray themselves as less radical than the old parties. To some extent this is clever packaging. However, many paternalists, environmentalists and feminists entirely out of inner conviction praise values such as liberty, democracy and the market. They are simply not aware of the fact that of necessity there are contradictions between their core concerns (and the impatience with which they assert them) and a spontaneous system.

Fourthly, the outcome of all of this is that the erosion of the liberal order by the new isms occurs almost unnoticed. The new isms do not claim to turn the existing order completely inside out; they act within the order. They signal no revolutions, and they always involve issues that are at first glance legitimate, even important, which is why liberal ground is too readily surrendered for them.

6. Conclusion

For all these reasons the new isms are seductive – and we need a clear conviction and a great vigilance to protect us against them. At the same time, we liberals should take seriously the legitimate interests of these newer movements. We should make clear that we do not reject the concerns of environmental protection as such, only the liberty-endangering, sometimes almost totalitarian aspects of it. Women, the environment and the socially weak would fare better in a society with greater liberty than they do in Western society today. However, in an open society every concern – except that of liberty – is in competition with other concerns and cannot be made absolute. Therefore liberals can only enter into coalitions, both political and intellectual, with new isms if these are willing to compromise. That is why liberals must remain vigilant towards these new isms, because their liberty-endangering tendencies may well go unrecognised until it is too late.

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