

LIBERALISM

Liberalism includes various philosophical, social, political and economic ideas. As a matter of fact, the history of the past 400 years of the western liberal democratic Bourgeoise countries, and almost all the socio-economic and political developments in the Western World are closely associated with liberalism. The ideology of liberalism has been enriched by different thinkers and movements of the West. During the past four centuries or so, liberalism has changed with the change in time and circumstances. It has faced many challenges and crises, ideologies and has changed itself according to the needs of the situation. Hence, we witness different shades of liberalism, rather than one liberalism.

2.1 Liberalism : Its meaning and growth of the Concept of Liberalism

Liberalism is too dynamic and flexible concept that it cannot be contained in precise definition. Right from its inception, it has been continuously changing, adding something and discarding the others. Commenting upon the precise meaning of liberalism, Prof. Laski writes, "It (Liberalism) is not easy to describe, much less to define, for it is hardly less a habit of mind than a body of doctrine." To quote Hacker, "Liberalism has become so common a term in the vocabulary of politics that it is a brave man who will try to give it a precise definition. It is a view of the individual, of the State, and of the relations between them." A similar view is expressed by Grimes.....Liberalism is not a static creed or dogma.....Liberalism looks ahead with a flexible approach, seeking to make future better for more people. Basically, Liberalism stands for Liberty: Liberty means freedom of the individual from external constraints and to function according to one's belief. According to Richard Wellheim, Liberalism is the belief in the value of Liberty of the individual. According to Sartori, very simply, Liberalism is the theory and practice of the individual Liberty, juridical defence and the constitutional State." Hallowell defines Liberalism, "as the embodiment of the demand for freedom in every sphere of life—intellectual, social, religious, political and economic."⁵ Schepiro talks of Liberalism as an attitude towards life—sceptical, experiment, rational and free. According to Koerner, "Liberalism begins and ends with the ideas of individual freedom, individual human rights and individual human happiness. These remain central to the creed whatever may be economic and political arrangement of Liberal democratic society."

From the above definitions and explanations, the fundamental postulates of Liberalism are discernible. They include the liberties and freedom of the individual; freedom of speech, expression and association; and faith in the dignity and personality of man, separation of religion from politics, secular attitude towards social and political

problems and a belief in the capacity of the individual to develop. Liberalism is not merely a political concept but a social-economic, cultural and ethical concept. It can be better understood through specific characteristics evolved through its long history. John Hallowell has pinpointed the following characteristics of integrated liberalism:

- (i) A belief in the absolute value of human personality and spiritual equality of individuals;
- (ii) A belief in the autonomy of the individual will'
- (iii) A belief in the essential rationality and goodness of man;
- (iv) A belief in the existence of certain individual rights such as right to life, liberty and property;
- (v) That state came into existence by mutual consent for the sole purpose of preserving and protecting these rights;
- (vi) That relationship between State and individuals is contractual one and that when terms of contract are violated, individuals have not only the right but the responsibility to revolt and establish a new government.
- (vii) Social control can best be secured by law rather than command.
- (viii) A belief that government was limited to negative functions and government which governs least is the best;
- (ix) A belief that the individual is and should be free in all spheres of life such as social, economic political, intellectual and religious;
- (x) A belief that truth is accessible to man's natural reason.⁷

It thus becomes clear from the above analysis that the basis of classical liberalism is the principle of 'laissez faire' or 'leave man alone'. It implies that the interference of State should be as little as possible so that the man may enjoy such liberty as possible so that the man may enjoy such liberty as possible.

2.2 Genesis and Development of the Concept of Liberalism

The basic idea of Liberalism, like so many important political ideas, can be traced to ancient Greek political thought. According to Gilbert Murray, "The Greeks were the first to establish two important principles of classical liberalism, i.e. political freedom and freedom of thought. However, these liberal principles were only available to Greek citizens and were totally denied to foreigner slaves, other nations and states. Liberalism as a political theory emerged in the sixteenth century. Liberalism rose as a reaction against the authority of feudal barons, the Government by aristocrats and the power of clergy. The stage for the rise of Liberalism was set by Renaissance, Reformation and the scientific revolution that overtook the whole western hemisphere. The individual revolution brought into being a new commercial class which designed political, social, religious and economic freedom in every sphere. The rise of the new social class of political power in the historical context always bring about racial changes in the social philosophy of the people of that period. In the 16th century and later, liberalism became the philosophy of Victorians middle class in

Europe that came into power and prominence after the eclipse of the feudal class. It emerged as an economic, social and political theory to serve the economic interests of the capitalist class. They utilised the body of liberal ideas in their ideological offensive against the land owners and against the wage earner when they feared that their interests were threatened by the proletariat. Thus, it now tended to become a defence mechanism of the capitalist class against proletarian attack.

It may be appropriate to point out that only in England which throughout the 19th century was highly industrialised country in the world, liberalism did not achieve the status at once of a national policy. Liberalism provided the principle for an orderly and peaceful transition. First to complete freedom for industry and enfranchisement of the middle class and ultimately to the enfranchisement of the working class and their protection against the most serious hazards of industry. Former known as Negative and the latter as Positive liberalism.

2.3 Positive Liberalism and Negative Liberalism

- (i) It may be recalled that liberalism in its initial stage presented itself as a philosophy of the rising middle class interests but in its late stage it developed into a philosophy of a national community. The whole ideal was to protect and conserve the interests of all classes.
- (ii) The early (negative) liberalism was the product of the revolutionary era. It championed the cause of the newly emerged bourgeoisie against the absolute monarchial and feudal aristocracy. It was highly individualistic.¹ Individual and social interests were seen as contradictory. On the other hand, the distinctive feature of the latter (Positive) liberalism was a recognition of the reality and the value of social and community interests (along with the individual interests).
- (iii) Its attempt was not only to conserve the political and civil liberties which individualism of the early era had embodied but also to adapt them to the progressive changes of industrial nationalism.

2.3.1 Negative Liberalism

The intellectual parentage of Negative Liberalism can be found in the historic movements of Reformation, Renaissance, industrial revolution and enlightenment tradition which found expression in the writings of various authors prominent among whom are Thomas Hobbes, John Locke, Adam Smith, Mathews, Ricardo, Bentham, James Mill, Herbert Spencer, Thomas Paine. Negative liberalism, also known as classical liberalism, *laissez faire*-liberalism free market liberalism or individualistic liberalism, was the product of socio-economic, cultural and political changes that emerged in Europe as a result of the above mentioned movement. Born in opposition to the world dominated by monarchy, aristocracy and Christianity liberalism opposed the arbitrary power of the kings and privileges of the nobility based upon birth. It questioned whole tradition of a society in which man had a fixed position. By contrast, it favoured open meritocracy when every energetic individual could rise to

responsibility and success. Liberalism believed in a contractual and competitive society and economic order.

Classical liberalism emphasised on the autonomous individual. It considered man as a selfish, egoistic but at the same time rational. It maintained that individual is the basis of all social, economic and political systems. At the core of negative liberalism was the theory of the individual liberty from every of authority-liberty in all spheres of human life. Liberty was viewed as a negative thing- as absence of restraint. Early liberalism emphasised that man is endowed with certain inalienable dependent upon the will of the state or society but were inherent in the personality of man. Society was seen as being composed of atoms like autonomous individual with wills and interests peculiar to themselves. It was an artificial institution meant to serve certain interests of the individuals.

The economic theory of liberalism also called policy of *laissez faire* (meaning non-intervention of the state in the economic affairs) formed the basis of negative liberalism. This theory was derived from Adam Smith's "Wealth of Nations" and was supplemented by the works of David Ricardo, Malthus, Bentham, James Mill and others. Private property was central to the definition of individual the right to freedom to own or dispose of or to buy or sell, to hire labour and make profit. Free trade, free contract, competition, free economy, free market and market society, natural right to private property were the hallmarks of this theory. It believed that if the individual is left free alone to follow his own enlightened self interest, economic prosperity would result.

At the political level, liberalism emphasised the supreme importance of man and maintained that

- (a) State is not created by God but is the creation of man;
- (b) State is not a natural institution but an artificial institution;
- (c) and the basis of the state and political obligation is the consent of the individual.

According to early liberalism, state came into being as a result of contract for the purpose of preserving and protecting the rights of the individuals and that when the terms of the contract are violated, individual has not only the right but the responsibility to revolt and establish a new government.

Early liberalism considered the state as a necessary evil. The state was necessary because only it could provide law and security to life and property but was an evil because it was the enemy of human liberty. Increase in the functions of the state looked as a decrease in the sphere of liberty of the individual. The rights and liberties of the individual were considered sacred and the powers of the state as trust of the people.

The utilitarian school (represented by the ideas of Bentham, James Mill and J.S.Mill) during the nineteenth century that dominated liberal thought for more than half of a century provided a new theoretical foundation to liberalism. It argued for a

"Laissez Faire" State in the name of individual pleasure. The business of the government was considered to be the promotion of the happiness of the individual which could be achieved by minimizing the interference of the state, and leaving the individual free to pursue his own way. Minimum state interfere and the maximum of the individual happiness was their motto." Throughout the greater part of the 19th century, this formula was carried out. Minimum of state interference was considered as the precondition of maximum freedom.

2.3.2 Positive Liberalism

Positive liberalism, also now called 'Modern Liberalism' is a doctrine according to which the nature of the state is positive in character and its objective is the promotion of the welfare of the community as a whole. Positive liberalism do not consider state to be a necessary evil. Rather they view that harmony, unity and order in society can only be achieved through the state. Hence they welcome the active participation and involvement of the state in social, political, economic, cultural and other activities so that it would help in increasing and monitoring the welfare of the individual.

It may be noted that a change from negative liberalism to positive liberalism during the later half of the nineteenth century took place owing to a variety of reasons.

The rise of capitalism resulted in extreme exploitation of the working classes; led to concentration of wealth in few hands; sown the seeds of the emergence of monopoly house, which increased unemployment, poverty and hunger etc. This extreme exploitation, naturally, resulted in extreme reactions from idealistic, humanists, utopian socialists, marxists, and from those who believed in positive liberalism.

The idealists did not agree with the theorists of negative liberalism that the state was a necessary evil or an artificial thing. They maintained that the state was not a means but an end in itself. The Humanists wanted to remove the inhuman working conditions and therefore, demanded a positive role for the state. The utopian socialists pointed to the injustices of capitalism and demanded a more humane consideration of the working classes and appealed to the conscience and reason of capitalists. The Marxist challenged all the tenets, beliefs and principles of capitalism. The accumulated effect of all these reactions to negative liberalism was the growth of positive liberalism.

It may be noted that J.S.Mill, T.H.Green and D.G.Ritche in the nineteenth century and Hobson, Hobhouse, Lindsay, Cole, Barker, Laski, Keanes, MacIver, Galbraith, etc. during the twentieth century have played a significant role in the expanding the principles of positive liberalism. Positive liberalism is based on the following fundamental and these are summed up for its proper assessment :

- (i) It has a firm faith in the autonomy, rights and liberties of the individual. It considers man as a part of social whole and believes that the liberties of the individual can be secured only as they reconcile with the social good.
- (ii) Society is not an artificial institution or an aggregate of individuals but a potentially harmonious and ordered structure in which all social classes

work for the "common good". Society has its own interest and has an organic unity. It has an ethical and moral dimension and individual good cannot be achieved without social good. The pluralist concept of society became the ideal for liberals.

- (iii) Positive liberalism believes in regulated capitalist economy. In the overall interest of the society, the state can check the individual capitalists through social and economic reforms, the conditions of working class can be improved; poverty, illiteracy, unemployment, exploitation can be checked. The gap between the rich and the poor can be bridged through positive actions of the state.
- (iv) It believes that the state as a social agency is committed to the promotion of moral and natural material well-being of its members. The state is an instrument for the development of individual personality through welfare measures. The state has a positive character and is capable of performing socially useful functions. However, while believing that the state is the chief agency of the community and it is concerned with the function of good life, liberalism believes that the state does not have the duty to make man good. Law can create conditions necessary for the moral development of its members, it cannot instil morality because force and morality are contradictory terms. While the state expands its role and functions is still remains negative in its role, i.e., to hinder hindrances.
- (v) Liberty is essential for man's moral and spiritual development and is not to be regarded as empty social ideal like justice and equality, liberty, according to positive liberals, implies adjustment of mutual claims that are made possible through a system of rights, which are at one both restraints and liberties. This is a positive view of liberty. Liberty is not merely the absence of restraints but includes those conditions that are necessary for free and full development of the individual which a state, true to its own moral purpose must ensure.
- (vi) Positive liberalism affirms that not all restraints are evil and seek to show that restraint in some context is not antagonistic to liberty but is its guarantee. Freedom through compulsion, however, paradoxical it may appear, is justified and practically valid. Only on this ground it justifies social and welfare legislation. The foundations of the state, though restrictive, are directed towards the development of man, welfare of the community and safeguarding the rights, liberties and qualities.
- (vii) According to positive liberalism-liberty implies equality. There can be no liberty without equality. Liberty, when stated in democratic terms becomes real when it is rooted in equality. Equality provides that basis through which liberty comes to acquire a positive meaning. Liberty and equality are complementary. Equality is not only equality before Law or of more

opportunity or of being treated as human being but economic equality commensurable with political liberty to modification through state action of the excessive disparities of wealth and of opportunities that follow.

- (viii) The institutional arrangement for achieving the good of the individual and society are democracy, representative government, constitutionalism, parliamentary methods and universal suffrage organisation. The liberal government in one which protects the rights of the individual as well as of the community. The state is to coordinate the different interests and classes in the society. It does not belong to a particular class but to the society as a whole.
- (ix) Positive liberalism leads to the development of the theory of welfare state. It is significant to note that philosophy of positive liberalism during the twentieth century developed as the theory of welfare state. President Roosevelt in U.S.A. and Joseph Chamberlain in U.K. gave practical shape to the ideal of welfare state and they took steps to enlarge the welfare measures in their respective countries. Soon their ideal spread to many other European states. Accordingly, these states took measures to protect the weaker sections of the society, provided economic and social securities, initiated steps to reduce gap between the poor, etc.
- (x) According to the political thinkers supporting the ideal of welfare state, the state is regarded as the servant of the whole community. It believes in regulated capitalist economy. The welfare state, indeed, is a mixture of individualism, democracy, evolutionary socialism and English idealism. Some describe the welfare state as a compromise between conservatism and unbridled individualism. The concern of the state for the welfare of the weaker sections of the state (including coloured minorities) has served the state from welfare and the concerned minorities from total alienation. At the same time, the welfare state has strengthened the capitalist democracy. Less affluent classes being in large majority dominate through voting power and the elite minorities are forced to bring forward progressive legislative measures aimed at general welfare of the society. Indeed, the concept of welfare state has served it from the thunderstorms of socialism. The liberal capitalist state continues to operate largely owing to the positive role of the state for protecting the rights and interests of the individuals.

2.4. Contemporary Liberalism and Contemporary Liberal Political Theory

Contemporary liberalism or contemporary liberal is the outcome of the transformation of liberalism from the status of an ideology of the rising middle class to that of an ideology speaking for the mankind as a whole. It is the outcome of the merger of two currents more or less completely into one in modern times. These currents were those of political democracy and the reformist socialist current in the takeover movement. The current of democracy had been the battle cry of the

philosophical radicals, the utilitarians and those who specifically called themselves liberals. The reformist social current had its origin in utopian socialism. Marxism stood for a radical transformation of the capitalist order. Contemporary liberalism is the outcome of the drive of liberal and socialist theorists for a world free of tyranny and exploitation. It aims at the protection of the individual, the development of his personality and the welfare of the society. It aims at the harmonious development of individual liberty with social equality.

According to David G. Smith, contemporary liberalism implies

- (a) A valuing of the free expression valuable to themselves and society;
- (b) A belief in men's ability to make that expression valuable to themselves and society;
- (c) The upholding of those institutions and policies that protect and foster both free expression and confidence in that freedom.

It may be appropriate to point out that F.A. Hayek, Karl Popper, Ralman Milton, Friedman, John Rawl , Robert Nozie and I. Berlin have made significant contribution to the development of the theory of contemporary liberalism.

As a programme, contemporary liberalism stands for the following principles :

- (i) It enjoins that the social channels of communication should be kept always open and as wide and deep as possible so that people can be adequately informed on all issues. The people should have the right to form political parties and elect those representatives who support programme of action with which they are in agreement. It denies the right of any group to suppress any other group which may be in disagreement.
- (ii) It accepts the Marxian view that the economic problems of society will be solved only when the major industries which are today either monopolies or oligopolies are owned and run by the state. All the economic resources of the world should be regarded and operated on a scale world planning.
- (iii) It believes that this can be achieved by those countries where a political system exists in sufficient proportion to permit the process of popular education in economic realities to be completed.

A part from this rather abstract programme, there is no common agreement among the liberals as to the means to achieve their end.

To conclude, contemporary liberalism advocates change which is gradual and incremental. The state can experiment with a new legislative measures aimed at changing the structure of society, but the process has to be slow, a gradual transition without infringing in the domain of personal liberty and on those values which have received control to the liberal philosophy. However, liberalism is essentially not a theory of social or political change like Marxism. There is no built in mechanism like the principles of dialectics. Contemporary liberalism is positive and it believes in state control and social control, it believes in positive liberty, pluralist elitist democracy,

plural society, and incremental change.

2.5 Critical Assessment of Liberalism

During the past four hundred years, the theory of liberalism has been predominant. Negative liberalism remained popular doctrine till the last quarter of the nineteenth century. Thereafter, it transformed itself into positive liberalism a liberalism, which is practised in many states in the contemporary world.

It has transformed itself from a watch to an all pervasive welfare state. In the sixteenth century, it was associated with Reformation and Renaissance, in the seventeenth century, it allied with the doctrine of natural rights. Enlightenment, rationalism and democracy were its basic tenets in the eighteenth and nineteenth century whereas piecemeal social reforms and welfarism are its main features in the current century. Liberalism gave many humanistic ideas like liberty, equality, fraternity, rights of man, democracy, development of human personality. Its economic philosophy played a decisive role in the industrialization of England, Europe and America. It is a social philosophy that helped in establishing a society based upon merit rather than caste, creed, religion or birth, its political philosophy based on the consent of the governed and paved the way for democracy.

However, against the rising tide of socialism, liberalism as an ideology became defensive. Particularly after the 2nd World War, it became a conservative ideology concerned with the maintenance in Western Europe, North America, Japan and Australia.

The main points of criticism of contemporary liberalism (positive liberalism) are summarised as under :

(i) Philosophy of the Capitalist Class

Liberalism is a philosophy of the capitalist class and its object is to maintain the socio-economic and political system required for capitalism. It supports neither abolition of private property nor the socialism socio-economic affairs of the society, its purpose is to safeguard the capitalism economy from crisis. State interference is needed in the economic affairs for solving the crisis-ridden capitalist economy. By purchasing some of the sorrows of the working classes, their revolutionary political power is also purchased. Thus, in spite of all its support to welfare state, positive liberalism is the philosophy of the capitalist class.

(ii) Faith in the Power and Effect of the State

Positive liberalism has a faith in the capacity of the state for social service. However, the power of the state has now been acquired by the capitalist class. The powers of the states are on the increase in all the Western societies and started monopoly capitalism is becoming strong. Because of this, in every liberal society, the danger of fascism is emerging and when the state and its 'welfare measures' will fail in satisfying the working class and when working class will threaten the capitalist socio-economic system, then the state will shed off its democratic posture and emerge in its naked fascist role. Thus, increase in the power of the state poses threat of

totalitarianism.

(iii) Un-scientific View of the State

Liberalism considers state as a super class institution, belonging to the whole of society. But in final analysis, state is an organ of dominant economic class, and it is closely associated with the mode of production of society. Liberalism maintains that the state can bring unity and stability in society, it can maintain equilibrium resolve conflicts and pave the way for peaceful change in the society. But in fact, the state can neither resolve social conflict nor it can maintain social equilibrium in the society because the source of social conflict and tension is the exploitative capitalist system.

(iv) Wrong view of the Relation of Economic and Political Power

Liberalism maintains that political power can equate the economic power in the overall interest and welfare of the society. But it is untrue because it is the economic power which controls political power, wherever political power tries to control or regulate the economic power against the interests of the economically dominant class, political power is over thrown by the economic power. Political power in the final analysis, is based on economic power and it cannot meaningfully control the economic power.

(v) Views of Equality

Liberalism maintain that through progressive taxation, income distribution political and economic measures of the state, economic equality can be achieved by the fact remains that without abolishing private property, in a class divided society economic equality together with other equities will remain unreliable.

(vi) Wrong Theory of Social Change

Liberalism maintains that through social reforms and incremental change society can be changed. But social change in a class divided society is introduce through an intensification of class struggle through revolution. During the course of development of liberalism itself, the change from the feudal to capitalist society was not brought about by incremental changes or through social reforms. This change came through the English, French and other revolutions. A new society comes out the womb of the old society and revolution acts as a mid-wife in the historical process Liberalism reflects this scientific process of revolutionary change.

(vii) It is a Conserative Philosophy

Contemporary liberalism emphasises stability and rather than human values mass movements are suspected as they create an imbalance in the system. Liberalism with its "equilibrium model" tries to resist all revolutionary change. The primary concern at present is the maintenance of the existing socio-economic system.

(viii) View of Individual

Although the views of contemporary liberalism have undergone change from an egoistic and atomised individual now it considered individual as a social being its basic concept still is that of the possessive individual. With this concept of individual, it is very difficult to coordinate the interests of the individuals in society.

2.6 Conclusion

Being a philosophy of bourgeoisie, liberalism in the post-war has lost its progressive character and turned into a reformist ideology, trying to save the capitalist socio-economic and political order. However, its contribution to human progress and civilization cannot be undermined. In fact, the best of liberalism is too good to be let to the liberals. It is noticeable that even radicals and socialists fight for what can be called liberal battles = personal liberty, human rights, equality of status for human beings regardless of race or sex. The socialist movement is nothing but a fulfilment of liberalism. Marx regarded emancipation through liberalism as a big step forward, though a limited one. The role of socialism is not to negate liberalism but to transcend it.

We continue to need liberalism, though it may not be enough. The drift towards authoritarianism and the decay in civil liberties, the increase in the police power and the curtailment of rights of trade unions and workers are developments underlying the fragility of liberal achievements even in its traditional heartlands and makes a firm commitment to the best of liberal values and institutions all the more necessary.

2.7 Questions

Discuss Genesis and development of the Concept of Liberalism.

2.8 BOOKS FOR FURTHER READING

1. Popper, Karl : *The Open Society and its Enemies*
2. Laski, Harold : (a) *The Rise of European Liberalism*
(b) *The State in Theory and Practice*
3. Embenstein : *Great Political Thinkers*
4. Ernest Barker : *Political Thought in England*
5. Sabine, G.H. : *A History of Political Theory*
6. Sartori, G. : *Democratic Theory*
7. Johari, J.C. : *Contemporary Political Theory*
8. Deol, D : *Liberalism and Marxism*
9. Hacker : *Political Theory*
10. Hallowell, J.H. : *Main Currents in Modern Political Thought*
11. Freedom, M. : *The New Liberalism—An ideology of Social Reform*