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Classical Liberalism and World Peace

by Richard M. Ebeling

Since the end of the First World War in 1918, the world has been in search of international order and global peace through the political method of international organization.

The League of Nations was seen as the great hope for world peace and security. Its failure in the years between the two world wars was taken as proof that a better and stronger organization was needed if yet a third world war was to be prevented.

Out of the ashes of World War II emerged the United Nations. Once again were heard the heralds proclaiming that world peace and security were in man's reach. And, once more, mankind's hopes were dashed during the Cold War rivalry between the United States and the Soviet Union.

Now, in the post-Cold War era, the world is in search of global peace once again. The belief that international order and security could develop out of international organizations has been frustrated once again as the United States continues on its course of unilateral foreign interventionism to bring peace and democracy to the world.

But the quest for world peace through either political internationalism or unilateralism is a false path to the goal of ending global conflicts.

During the 20th century, when peace was pursued through international organizations such as the League of Nations and the UN, the world suffered from wars, civil wars, and mass murders on a scale that practically exceeds the capacity of the human mind to comprehend.

Wars and domestic political murder by governments around the world have resulted in the deaths of more than 370 million people during the last 100 years.

The 19th century

In stark contrast, during the 100 years between 1815 and 1914, when no global political organizations for world peace existed, wars were few in number, relatively short in duration, and, compared with the 20th century, fairly limited in their destructive effects on human life and property. (The American Civil War of the 1860s was one striking exception to this pattern.)

For many people in the first half of the 20th century who still had an adult's memory of the period before the First World War, that era before 1914 seemed like a golden age.

The distinguishing characteristic of 19th-century Europe and North America is that, however inconsistently and imperfectly it might have been practiced, that hundred-year period between 1815 and 1914 can rightly be said to have been the product of the classical-liberal spirit.

The guiding principle that directed much of public policy in practically all the countries of the "civilized world" was the *depoliticizing* of social life.

With the triumph of free trade over mercantilism in the early and middle decades of the 19th century and with the elimination of many of the domestic regulations, monopoly privileges, and restraints on enterprise, the state was dramatically removed from the affairs of everyday life.

In its place arose "civil society," the blossoming of the "private sector," and an extension of the network of "intermediary institutions" of voluntary association and market relationships.

The "cosmopolitan ideal" that inspired many of the thinkers of the 18th century became a reality in the 19th century.

Men, money, and material goods, as well as all the products of intellectual discovery and inquiry, increasingly traveled freely from one corner of the globe to another, with few political impediments standing in their way.

Knowledge about the arts and the sciences became internationalized for an expanding circle of the general public.

Governments of the "civilized world" did form international associations and reached various agreements with each other in the 19th century, it is true.

But for the most part (and separate from various changing political and military alliances), their associations and agreements were designed to facilitate the smooth functioning of private intercourse among their citizens and subjects.

They included international river commissions, railway and transportation agreements, telegraph and postal unions, health rules and guidelines, procedures for uniform weights and measures, and respect for patents and copyrights.

Governments occasionally still tried to influence the construction of these international standards and procedures to benefit some domestic interest and limit the commercial penetration of some foreign competitors.

But to a great extent the thinking behind them was to establish general "rules of the game" to assist in the further globalization of private commercial and cultural exchange. (Whether even these matters concerning standards, measures, and procedures should have been left to voluntary private association and agreement is a separate historical issue.)

Governments also attempted to agree upon rules for arbitration of disputes among themselves, on "civilized rules" for combat on land and sea, and for the humane treatment of noncombatants and neutrals if wars should break out.

These were meant to establish restraints on the destructiveness of modern warfare and to limit the damage to human life and private property. If wars were still to be fought, then at least the negative consequences for civil society should be confined as much as possible.

In this classical-liberal era before 1914, a vast international order was created that facilitated a globalization of trade, commerce, and investment that fostered a cosmopolitan climate in which national borders no longer inhibited the movement of either men or ideas and in which wars were considered wild things that were to be tamed, confined, and prevented from excessively harming human life.

The fundamental force behind all of this was the idea of individual liberty and the sanctity of private property as an inseparable extension of that freedom of the individual. Governments were endowed with legitimacy and authority to preserve and protect the individual and his property from violence and spoliation. Their function was negative and defensive.

International order and a high degree of international peace was maintainable because, to a greater or lesser degree, all of the governments of the “civilized world” shared the belief that this was among their most essential functions.

No special organization for world peace and security was needed, since the leading nations of the world all tended to follow the same “rules of the game” and because they all shared the same general classical-liberal-oriented outlook concerning man, society, and government.

I appreciate that I am making a broad generalization; numerous particulars concerning each of these countries could easily be used to argue against my sweeping conclusion. Yet I believe that when looking over a historical period, it is sometimes possible to see an idea or a belief that can be said to have captured the “spirit of the times” and that can be seen to have influenced the course of events in various ways.

And in this sense, the classical-liberal idea helped to restrain governments and set free the individual; and it served as the underlying conception that determined the “rules of the game” that international relationships required in an era of free men, private enterprise, and civil society.

International peace and order, in this sense, were inseparable from the classical-liberal ideas of private voluntary association, peaceful competition, and a globalized system of division of labor.

The rise of collectivism

In the last decades of the 19th century, another idea began to challenge and finally superseded the classical-liberal ideal. That idea was political and economic collectivism. In the late 19th and early 20th centuries, it took various forms: Marxian socialism, fascism, Nazism, welfare statism, social democracy, neomercantilism, protectionism, and imperialism.

But regardless of its permutation, its conceptions of man, society, and government opposed those of classical liberalism. Individual liberty, civil society, and market relationships were made subordinate to political ends and, in the extreme forms of political and economic collectivism, suppressed by them. Man and society were *repoliticized*.

It was the new idea of collectivism that set the world on the course that led to the First World War. Leading up to the war were the drive for monopolized markets; domestic regulation of trade and commerce; militarization of international relationships; the ascendancy of “great-power” politics to which individual interests were to be subservient; individual obedience to the interests of the state; and welfare statism, with its nationalization of income and redistribution of wealth.

The First World War dramatically reinforced these tendencies in a way that permanently brought an end to the classical-liberal era. It also ended the particular conditions that were conducive to international peace.

In the collectivist era of the 20th century, everything became an affair of state because nothing was outside of political consideration. Trade and commerce were no longer matters of private individuals searching for mutually advantageous gains from trade; instead they became issues of national prosperity, national employment, national industrial development, and national standards of living.

Ownership and control of resources and raw materials in various parts of the world became matters of “national security,” as they had been under the older mercantilism, before classical liberalism had freed and privatized the economic and international affairs of life.

Every aspect of life, every human relationship, every form of commerce, enterprise, and exchange was politicized once again. Once more they were made affairs of state, rather than matters of private agreement and competition for improvement of the human condition.

What motivated the shift from classical liberalism to the collectivist era?

Two forces came into play in the 20th century. First, the power of special interests and, second, the appeal of the social engineer.

The principle of the equality of individual rights for all before the law was replaced with the idea of group privileges and entitlements for some at the expense of others at home and abroad.

And Adam Smith’s conception of a system of natural liberty under which every man was free to peacefully follow his own interests, with the cumulative results of men’s interactions generating a spontaneous order of human relationships, was replaced with the hubris of the planner who considered himself wise and knowledgeable enough to reorder society according to his higher vision of the proper, fair, and just relationships that should prevail among men. (See [“Planning and Social Engineering at Home and Abroad”](#) in *Freedom Daily*, July 2003.)

The fetish of the social engineer did not pass away with Nazism in World War II or with the collapse of communism in the Soviet Union in the early 1990s. It is the essence of the welfare state and has been the implicit agenda behind America's military interventions around the world both during and since the end of the Cold War.

Whether such foreign intervention is undertaken unilaterally by the United States or jointly by several nations under an aegis such as NATO's or even in the name of the entire world with authorization from the UN, the attempt to bring peace and order in the present era will invariably fail to achieve all that is hoped from it.

The fundamental reason for this continuing failure is that such peace and order can be established on a permanent basis only in a world in which classical-liberal ideas once more predominate.

Restoring liberty

But an understanding of a free society and ultimately its establishment cannot be socially engineered, centrally planned, or coercively imposed. It must grow within each individual.

When a sufficient number of people within a society come to share that common vision of a free civil and market society, with government simply the protector of those "rules of the game," then the institutional changes will develop to transform that society into a community of free men.

This is made more difficult when the leading nation espousing the forceful restructuring of the world has itself lost any real understanding of the meaning of freedom. How can America teach other countries and remold them into models of freedom when America itself has lost an understanding of what freedom means?

Can freedom mean government-supplied health care, government standardization of education across the nation, politically motivated favors and privileges for special-interest groups, government surveillance of and intrusion into the private affairs of ordinary citizens, regulation of industry and commerce, arrests and indefinite imprisonment without charges, and growing tax burdens to pay for the costs of domestic and foreign interventionist policies?

How can freedom be taught and planned for others when in these and many other areas neither Americans nor Europeans have any real and clear understanding what freedom means and requires in everyday daily life?

And can how foreign political and military intervention be free of both justifiable and false suspicions concerning the motives of the interventionists on the part of those being "liberated" when the intervening governments involve themselves in various domestic and international affairs precisely to use their power to benefit some at the expense of others?

Only a real and successful rebirth of the classical-liberal ideas of individual freedom, private property, impartial rule of law, freedom of trade at home and abroad, and strictly limited government can bring about a world of peace.

Only when these ideas are once again believed in, direct men's choices, and are established will the world reduce and eliminate the primary reasons that governments go to war with each other or that men fight civil wars against each other within their own countries.

Only then will the preconditions be present for the type of world community of peaceful nations that the 18th- and 19th- century classical liberals envisaged and partly brought into existence in that earlier epoch of human history.

Until then wars and civil wars will continue to break out and wreak havoc upon the world. And even the might of the most powerful nation in the world cannot prevent them from happening or eliminate their causes.

If America is to have a role in bringing about world peace, the finest and best path for it to follow is to rediscover and practice freedom within its own borders.

By reestablishing strictly limited government; by freeing the individual from the social and economic regulations, restrictions, and controls under which the people in the United States now live; by restoring the spirit of individual self-government and responsibility for the affairs of life, America will do more for world peace and order than any misguided and counterproductive political and military intervention abroad could ever hope to achieve.

By following such a course, America can serve as a model and ideal for millions around the world of what freedom and peace can achieve. There would be a respect for the American example and a legitimacy would be given to it, as people in other lands saw that America actually practiced the noninterventionist policy that it often preaches but which it continually violates in both domestic and international affairs.

The classical-liberal ideal that provided more freedom and prosperity to more people than has ever been known before can be restored, if only the idea of individual liberty is more widely understood and appreciated.

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This article was originally published in the August 2003 edition of *Freedom Daily*.