

Liberalism, Social Welfarism, Neo Liberalism

Liberalism:

1) Individualism 2) Liberty.

Individual is important, should reach their full potential

John Gray identified 4 essential elements of Liberalism

1) Individualism

- Individuals have rights because they are human
- Rights are pre political
- Rights are negative in nature, no state intervention
- Individuals are rational and capable, they are the best to decide what is good for them

2) Egalitarianism

- Classical liberals believed in equal opportunity
- No redistribution of wealth
- Legal and Political Equality
- Equal starting line

3) Universalism

- Liberalism to apply to all human beings irrespective of culture

4) Meliorism

- Individuals can become better just as social and political institutions can

Classical liberalism believed in harm principle and laissez faire. State was to intervene when individuals could not exercise judgment

Hobbes

- ◆ Uncompromising individualism
- ◆ Equal liberty of all men in the state of nature
- ◆ Rejection of political heredity of title
- ◆ Peace is necessary for ensuring all human good
- ◆ Govt exists to assure it

Spinoza

- ◆ Freedom is the supreme end of the individuals
- ◆ Peace and freedom are conditions of each other
- ◆ Best political organization is democracy
- ◆ Where freedom of thought, expression and association are guaranteed

Locke

- ◆ Rule of Law
- ◆ Freedom of Association
- ◆ Private Property
- ◆ Religious Toleration

Montesquieu- separation of powers, emphasis on human reason

Condorcet- Meliorist doctrine of human perfectibility

Rousseau- General Will.

English Liberalism stressed on ancient rights

American constitution stressed on Lockean statement of right to life, liberty and pursuit of happiness

Hume- draws on man's imperfection. Cites man's restricted benevolence, intellectual limitations and unalterable scarcity of means of satisfying human needs that cause the rise of justice.

He emphasizes on 3 fundamental laws of nature-

- Stability of possession
- Their transfer by consent
- Performance of promises

Adam Smith

- Human society develops through a series of distinct stages culminating in the free enterprise system
- Changes in economic system go hand in hand with political system
- Social institutions are results of actions of human individual
- System of natural liberty where each individual possesses greatest liberty compatible with the other
- This leads to increase in trade, taxation, low state expenditure

Bentham - Laissez faire and non intervention in foreign affairs, advocacy of legal reforms

James Mill provides a sound defense of democracy

J.S. Mill recognizes difference between quantitative and qualitative pleasure

Features of Classical Liberalism-

- Attacked absolutism, feudal privileges and advocated constitutional representative government
- Equal worth individuals with equal worth, separate and unique identities
- Emphasized individual freedom

- Liberals believed the world has a rational structure and it is exposed through reason and critical inquiry.
- Foundational equality- individuals are just born equals, no social equality and equality of outcome. Liberals support meritocracy.
- Toleration- believe in moral, cultural and political diversity
- Consent- authority and social relationships should be based on consent.
- Constitutionalism- believe in limited government, checks and balances, bill of rights.

Modern Liberalism

- ◆ Support for a big government
- ◆ Flourishing of individuals
- ◆ Ability of the individual to gain fulfillment and self realization
- ◆ State intervention and social welfare
- ◆ Keynes 'managed and regulated capitalism'

Conservatism

- ✧ Tradition
- ✧ Pragmatism
- ✧ Human imperfection
- ✧ Organicism
- ✧ Hierarchy
- ✧ Authority
- ✧ Aristocracy
- ✧ Property
- ✧ Paternalistic Conservatism- Disraeli- blend of market competition and government regulation.

Social Welfarism

- ❖ Sympathetic attitude towards state intervention
- ❖ Industrial capitalism generated injustice
- ❖ Exposed population to vagaries of market
- ❖ Influenced by J.S.Mill, T.H.Green, L.T.Hobhouse
- ❖ Positive view of freedom
- ❖ Individual should gain fulfillment and self realization
- ❖ State intervention in the form of social welfare
- ❖ Enlarge liberty by safeguarding individuals from social evils that blight individual existence
- ❖ Beveridge Report- A state should provide for its citizens from cradle to grave
- ❖ Abandoned believe in laissez faire capitalism
- ❖ Keynes-key economic responsibilities should be placed in the hands of the state
- ❖ Concern with the weak and vulnerable
- ❖ Want to raise the individuals to the point where they are able to take their own responsibility for their own circumstances and make their own moral choices

Criticism

- ✓ Recipients became reliant on the largess of the state, which contributed to a form of dependency
- ✓ Threatens liberty

Neo- Liberalism

- Updated version of classical political economy

- Proponents-Friedrich Hayek, Milton Friedman, Robert Nozick
- Main pillars are market and individual
- 'Roll back the frontiers of the state'
- Unregulated market capitalism will deliver efficiency, growth and widespread prosperity
- 'Dead hand of the state' saps initiative and discourages enterprise.
- Faith on self help, individual responsibility and entrepreneurship
- Advocates minimal state
- State just exist to maintain domestic order
- Ensures contracts or voluntary agreements between citizens are honored
- Provides protection against external attack
- Institutional apparatus limited to police force, courts and military
- Economic, social, cultural, moral and other responsibilities belong to the individual and are a part of the civil society

Friedrich Von Hayek

- 'The Road to Serfdom' 1944
- Formulations against Collectivism, state planning, socialism
- Government to provide law and order and basic public works
- In 'The Constitution of Liberty' he highlights threats to liberty when government pursues aims of welfare
- Objects to welfare state as it deprives individuals chances for making arrangements for old age, pension, health, housing
- Wants some form of compulsory insurance against unemployment, sickness and other aspects of social security
- Is against state monopoly
- Poverty to be dealt with cash transfers
- Critical of bureaucracy and Planning

- Welfare state does not help the poor but helps in the proliferation of administration
- Progressive income tax exploits the rich for the benefit of the middle class
- Minimum income for the unfortunate to relieve their suffering
- Hayek considers state planning, welfare schemes and excessive taxation as inimical to freedom,

Robert Nozick

- ◆ ‘Anarchy state Utopia’, 1974
- ◆ A person who acquires a holding in accordance with the principle of justice in acquisition is entitled to that holding
- ◆ A person who acquires a holding in accordance with the principle of justice in transfer, from someone else entitled to the holding is entitled to that holding
- ◆ None is entitled to anything except application of Justice in Acquisition and Transfer