

The National Book Foundation

Established to Serve America Libraries

THE NATIONAL BOOK FOUNDATION *was established to promote, in a modest way, the unhampered flow of knowledge and ideas. THE FOUNDATION makes books of unusual interest available without cost to college and university libraries. This is its only function. THE FOUNDATION takes special pains to find and offer books which might otherwise escape attention. Any or all of the books reviewed below will be sent to you on request. A postage paid return card is enclosed for your convenience.*



Sources of Our Liberty

The Constitution of Liberty, by F. A. Hayek. (Chicago: University of Chicago Press, 1960, 570 pp.)

A Humane Economy: the Social Framework of the Free Market, by Wilhelm Roepke
(Chicago: Henry Regenery Co., 1960, 312 pp.)

Sources of Our Liberties, edited by Richard L. Perry and John C. Cooper. (Chicago: American Bar Foundation, 1959, 456 pp. Distribution by Associated College Presses, New York)

REVIEWED BY JOHN CHAMBERLAIN *Journalist and Author*

MORE AND MORE our economists are becoming set apart by two views of the nature of man. The economists who like to arrange things in "macroeconomic" categories tend to think of people as integers to be manipulated. On the other hand, economists who think of man as an individual whose rights to property and income are to be respected find themselves pondering the sanctions of freedom. If people are not to be manipulated for the sake of such statistical devices for measurement as the Gross National Product, they need the defenses of philosophy.

Accordingly, the second type of economist is driven to break open the old boundaries of his subject. Ludwig von Mises uses a big word - praxeology - to designate a "general theory of human action" and then endeavors to set his own particular discipline of economics into a larger frame, the "science of human choice." Eschewing "metaphysics," von Mises is content to assume the practical reality of the human will as something that picks its way into an uncertain future by weighing choices and deciding between or among them. The human will must be regarded as more basic than statistics.

Some of von Mises' followers are more willing than the master to risk preoccupation with metaphysics. Hayek, for instance, assumes that there is a proper, a "right," framework for choice-in-action, one that is governed by something beyond force or majority vote. We are all moral agents, assuming responsibility for our acts - and the acts require a scene, a stage, that is supported by a natural "constitution of liberty."

The certainty, whether "metaphysical" or not, that liberty, including economic liberty, is more suited to the grain of man's particular universe than coercion or slavery, is what links all three books listed at the top of this review. As a post-Misean economist, Roepke is as certain as Hayek that there are "right" or "ideal" laws to which "positive" law should conform in providing a proper framework for human action. And as post-Misean editors, the Messrs. Perry and Cooper have had to assume that the nature of man is best served by governments that are compelled to admit there are limits to what the State may do in hobbling the "options" open to citizens. Hayek's own particular proposition is that liberty requires the protection of a law that is the same for everybody. He doesn't say that such an idea has been made "self-evident" by "nature's God," but he might as well have said it. Different natures, in choosing different avenues of expression under the law, will naturally create a society in which some men own more than others and in which some are more influential and respected than others. But, since everybody depends on human differentiation if he is to have the benefit of goods and services produced by many talents, the "unequal" society must make for a wider diffusion of riches than would otherwise be the case.

How to maintain the "same law for everybody" in those extreme instances where people may be unemployed, or old and broke, or hopelessly sick? How to keep the "neighborhood effects" of one man's deteriorating property from ruining the value of the property owned by the man across the street? These are hard questions, and to solve them Hayek does not quite dare to trust to the idea that human beings might handle them under the principle of voluntary association. He insists on general freedom for producers and consumers, but with the proviso that the State must tax and redistribute wealth in an industrial society if only to protect the well-to-do against "acts of desperation on the part of the needy." And there must be zoning and some measure of politically directed slum clearance if the value of private property in real estate is to be protected.

If these are exceptions to his general contention that government should not dispense favors to some at the expense of or by the coercion of others (an unequal application of law), it must be admitted that Hayek has at least limited his inconsistencies to the most knotty cases. For the rest, his book is a magnificent defense of the free market system operating in the limited constitutional state under rights that are best described as "self-evident." Moreover, Hayek's Austrian origins and background have enabled him to draw upon a whole body of supporting

literature and experience from continental Europe that do not normally come within the ken of Anglo-Saxon readers.

Roepke's book, like Hayek's, concentrates on the idea that freedom is not anarchy. The proper frame involves "decentrism" in government and a Willingness to let people undertake their own economic "planning" through voluntary agencies of their own devising. Giving his argument a justification beyond economics, Roepke remarks that a people that accede to "planning" in economics will soon discover that it is being planned for in all things, from speech to education and religion.

In attacking the "enmassment" that flows from Big Government, however, Roepke does not let "democracy" off scot-free. He devotes many paragraphs to excoriating what free men have chosen to do with their leisure. They have freely chosen to have cheap gadgets, mass spectacles in entertainment, and unprepossessing environments. This is a Galbraithian contention, but it does not lead Roepke to suppose that politically imposed tastes would ever be superior to what individuals choose for themselves. The hope for an improvement in mass tastes is that the individual will somehow improve himself. As for the "social framework" of the free market, it demands the sort of federal system that is common to Switzerland and America.

In other words, Americans should hold fast to the wisdom embodied in the documents presented (with commentary) in *Sources of Our Liberties*. This is a magnificent anthology of basic charters and petitions, ranging from Magna Carta to the Resolutions of the Stamp Act Congress of 1765, from the Mayflower Compact to the Northwest Ordinance, and from the Charter of Maryland to the U. S. Constitution and the Bill of Rights. Men have been writing the "constitution of liberty" in the West from 1215 on, and Hayek's and Roepke's books are the latest contributions of note to an enduring quest.

ADVISORY COUNCIL

JOHN CHAMBERLAIN, *Journalist and Author*

DONALD J. COWLING, *President Emeritus, Carleton College*

EUGENE DAVIDSON, *Editor, Yale University Press*

HENRY HAZLITT, *Business Columnist, Newsweek*

FELIX MORLEY, *Author and Educator*

ROSCOE POUND, *formerly Dean, Harvard Law School*

BYRON TRIPPETT, *President, Wabash College*