



OccasionalPaper 101

The future tasks of Liberalism – a political agenda

Ralf Dahrendorf

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Friedrich-Naumann-Stiftung für die Freiheit
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D-14482 Potsdam

Phone +49 3 31.70 19-2 10
Fax +49 3 31.70 19-2 16
libinst@freiheit.org
www.freiheit.org

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THE FUTURE TASKS OF LIBERALISM – A POLITICAL AGENDA

Theme Report, Liberal International Congress, Pisa,
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by Ralf Dahrendorf

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Introduction

"Constraints set limits to what can be done but do not determine what has to be done", wrote Ralf Dahrendorf more than twenty years ago.

This sentence still applies, and has perhaps become even more relevant, to the situation in which political Liberalism finds itself in Germany today. Dahrendorf headed his article *The future tasks of Liberalism* – a political agenda, and the present political discussion is also about nothing more or less than that.

The eminent Liberal sociologist Ralf Dahrendorf made this statement in a paper he presented to the Pisa Congress of Liberal International in September 1988; I came across it again by chance and was immediately struck once more by its rigour and the clarity of its content but also of its historical contextualisation and farsightedness, to such an extent that I suggested the paper be made available to a wider audience.

The crux of the matter, and the task facing us now, is not to produce an instruction leaflet for everyday political life. In the cited paper, Ralf Dahrendorf put it very aptly when he wrote, "There not only are no simple answers but there should be no simple answers. Liberals must not feel self-conscious about this fact, and must never apologise for not offering patent medicines. Accepting complexity is at the very heart of liberal thinking".

Politicians are confronted every day with constraints that demand a rapid response and quick-acting measures. In an increasingly complex landscape of challenges and structural problems, however, this very art of the possible means that it is not the root of evils which is addressed but only whatever appears on the surface. The problem, which then seems at first sight to have been solved, re-emerges in the long run, thereby nurturing growing dissatisfaction and a loss of trust in the abilities of politicians in general.

What is needed, therefore, is a form of political Liberalism that can shape a liberal civil society as well as brand management of the accompanying policy package, in this case the underlying philosophy of the Liberal political programme. What are people to think of us? How are they to see us? What are our aims? These are the questions we need to answer.

Time and again, free societies are called upon to reassure themselves and to develop a keen awareness of the foundations of freedom and of threats to freedom.

Freedom in civil society comprises individual opportunities as well as social ties and obligations. Without social obligations, without the subjection of individual freedom to the freedom of others and to the context of a community, the idea of a free society evaporates. In the words of Ralf Dahrendorf, "Human beings are social beings. They cannot define themselves except in relation to others. They cannot pursue their purposes except in the company of others. They cannot cultivate the world except with and for others".

A liberal order cannot survive without a fortified line of defence. Not least among the foundations on which free societies are built are a number of conditions which are, strictly speaking, contrary to human nature but which serve to provide for reasonably peaceful coexistence, wrote Joachim Fest – conditions such as voluntary renunciations, tolerance, respect for minorities and respect for the rights of weaker members of society and of foreigners. In fact, as Wolfgang Sofsky said, it is not in paternalism that a state finds the justification for its existence but only by guaranteeing those rights that are designed to protect individuals from abuses and their privacy from intrusion. The protection of individuals in a social environment in which they are effectively unable to exercise their rights is also a component of the rule of law, according to Carl Christian von Weizsäcker. There are traditional defensive rights which citizens possess and must retain.

It is the people, and only the people, who empower the state in difficult situations to curtail rights to a reasonable extent for the sake of the security of everyone. As Joachim Fest wrote, "There are civilising treasuries of freedom and the rule of law that must never be abandoned".

Free societies must develop a culture of dealing with differences and inequalities if they aspire to justice for everyone. Justice needs a social yardstick. "It endangers the foundations of freedom if success is a source of envy and resentment", wrote Udo di Fabio. "Anyone who makes an effort and succeeds is entitled to respect." In this context, John Rawls wrote that what a person is due or ought to be granted, for the sake of justice, is what he or she has achieved under a fair set of rules without impairing the rights of others. For some considerable time now, I have been describing this culture and this necessity as 'fairness', and I regard fairness as an attitude to which political Liberalism should attach importance, for otherwise we shall remain in a situation por-

trayed by Arthur Schopenhauer, who said that envy was the highest form of recognition in Germany.

The redistribution margin of the welfare budget is often perceived as the main gauge of the morality of social policies. Maintaining the impression of justice so as not to alienate voters is the formula that underlies most present-day political approaches to social redistribution. Particularly in the realm of social policy, the highest-bidder mentality is a frequent driving force. That is no way to measure social justice. The key must be the individual's stake in society.

Interplay between economic growth and civil rights in the form of entitlements and options is feasible, and Dahrendorf sums this up aptly, saying that it is possible to have both a well-provided table and a place for everyone at it. Freedom, however, remains imperfect unless all citizens have a stake in their society through employment and a reformed welfare state.

This leads on to an extremely important area in which political Liberalism must set out trail markers. Learning is the crucial sustainability factor in economic, cultural, social and political terms. To this end, however, it is not enough to increase education spending, nor does the answer lie in more teaching, a centralised final examination, new curricula or quality-assurance programmes. It is not a matter of sounding off loudly about innovations, as happens at many an education summit. It is about skills; it is about having the competence to manage and deal with changes and challenges. Building a good CV requires a complex combination of knowledge and ability, of character and attitude, of general education and key skills.

We simply need a system in which it is worth striving hard in a limited number of disciplines, learning how to learn and practising vital life skills. This poses a challenge, especially for teachers and parental homes. It is about the way in which knowledge is imparted in schools. Teachers must stand up for what they teach and must also be able to explain the importance of course content, its 'social relevance', to quote Klaus Hurrelmann.

There is no need for Liberalism to reinvent itself – as is apparent, for example, from the fact that we can still concur with writings such as the Dahrendorf article even after more than two decades of political discussion. It represents a significant part of the philosophical bedrock of Liberal policies.

I am delighted and grateful that Lord Dahrendorf's widow has enabled the Friedrich Naumann Foundation for Freedom to publish the 1988 article, and I recommend close and careful study of the report that follows.

Dr. Wolfgang Gerhardt,
Chairman of the board of directors
of the Friedrich Naumann Foundation for Freedom

A New Wave of the Politics of Liberty is Rising

This paper is an agenda for the politics of liberty. It offers principles and a sense of direction rather than detailed policy proposals. This is not to say that the paper is an exercise in political philosophy. It is geared to the problems out of the belief in the primacy of individual liberty.

There are some signs of dogmatism and thoughtlessness. There are those who believe that they know all answers, and many others who find it hard to make sense of the present, and harder still to map the next steps into the future. Liberals abhor dogmatism and seek a thoughtful way forward. They also recognise that politics today operates under constraints which unilateral action cannot remove. A liberal political agenda must therefore begin with recognition of these constraints and then go on to priorities for action.

This paper is written by a European. It undoubtedly betrays the limitations of this cultural bias. However, the intention of this agenda is universal. The guiding idea knows no boundaries. The dignity of the individual is best safeguarded in civil societies, and the creation of civil societies everywhere must eventually lead to the construction of a world civil society.

This paper shuns mere labels, but the agenda is intended to give substance to the new wave of a politics of liberty.

Economically, the interdependence of the world has never been more pronounced. Prosperity everywhere depends on the maintenance of free trade and stable conditions of exchange. The competitiveness of national economies requires often painful adjustments to international realities.

Constraints set limits to what can be done but do not determine what has to be done. Moreover, they can be changed, and some of them need to be changed. But they cannot be ignored. Politics, whatever its partisan complexion, begins with the recognition of realities if it is not to be irrelevant and ineffective. Liberal politics, which is about changing the real world in order to advance the life chances of real people, certainly recognises the constraints of international politics and economics as its starting point. It therefore shares with those others who acknowledge the realities certain basic orientations:

- Peace requires relations between the powers and their alliances which aim at negotiated disarmament, a plausible strategy of avoiding armed conflict, and the extension of relations between countries of different systems.
- Development requires joint efforts by those who seek to advance their economic, social and political fortunes and those who are in position to help.
- Survival requires concerted initiatives to safeguard the physical foundations of life on earth which include the protection and in part re-creation of a viable environment, the controlled exploitation of resources, and a match between population development and the potential for wealth.
- Prosperity requires an appreciation of the forces of the world economy which combines adjustment processes in order to achieve competitiveness with the search for stable rules, notably with respect to the monetary system.
- Progress requires that fundamentalist politics be held at bay and a world culture reasonable discourse be developed.

These orientations are not peculiarly liberal, but liberals are a part of a political universe which accepts them as preconditions of action.

Elementary Human Rights Are a Necessary Precondition of Liberty Everywhere

Even those who declare liberalism outdated usually admit that at least some of its tenets have become widely accepted and often constitutionally entrenched elements of modern societies. Indeed it has been argued by some that the success of liberal values has made liberal politics redundant. There is probably some truth in such statements, though scepticism is in place when the claim is made that “we are all liberals today”. History is not a one-way street. Some contemporary issues touch the raw nerves of liberty, and others raise time-honoured liberal principles afresh. It would be wrong to discuss the future tasks of liberalism without restating these principles.

Liberalism has begun its historical path as the political philosophy of civil society and the rights which are its first prerequisite. Individual human beings are inviolate, and it is the task of the political community to guarantee their integrity. This is a protective as well as an enabling task.

Individuals have to be protected from physical and mental violence, from arbitrary arrest and torture as well as from more subtle controls. Individuals have to be enabled to speak their minds and take part in the process of determining their affairs. Moreover, all individuals without regard to their sex or race or creed have these basic entitlements.

One needs but mention this fundamental tenet of liberalism to become aware of the fact that much needs to be done to make the principle real. Several violations of elementary human rights require special attention:

- In a frighteningly large number of countries people are arrested without trial, detained without recourse, maltreated and tortured. Human rights groups have emerged in these countries, but their agenda remains vast. It is a liberal agenda.
- In a small number of countries, constitutional and legal barriers prevent a majority from exercising its civil rights. Where such privilege – and consequent discrimination – is built into the legal system, the very principles of free societies are challenged. The rules obtaining in sovereign countries are not easily changed from outside, but one can try. The rights of the oppressed must be safeguarded.
- In fact, though generally not in law, full civic participation is still denied to important groups even in the most civil societies. Entrenched social obstacles stand in the way of effective equal rights for women, and of racial, ethnic, religious minorities. Social movements have sprung up to advance these causes. They are liberal causes.
- Science and technology offer great opportunities, but they also involve new threats to individuals. These are partly threats to physical integrity and partly to human autonomy. Possibilities of manipulation have increased enormously since the age of totalitarianism and open up frightening prospects. The new risks of genetic engineering in particular require the attention of liberals.

The list is alas! very incomplete. Censorship, police powers, administrative abuses, the denial of voting rights, freedom of information and many other issues have not even been mentioned. The "rights of man and the citizen" are not only never completely achieved but above all never achieved once and for all.

It has become a widely accepted practice to relate civil rights and social position to each other. Poverty is described as a violation of human rights which is

no less abhorrent than arbitrary arrest. Liberals must beware of such confusion of language. Perhaps extreme poverty is as abhorrent as arbitrary arrest. It will be argued that poverty and unemployment are an unacceptable denial of citizenship for some. But human rights are human rights and economic or social position is economic or social position. It is misleading to confuse the two or attempt to balance one by the other. There is no excuse for violations of civil rights. The liberal demand for elementary human rights is unconditional and non-negotiable.

Human rights are not a Western cultural prejudice either. The dignity of man knows no boundaries. Cultural differences impinge on many spheres of life; the right to be different is itself worth defending. Insistence on basic human rights however is universal. It is therefore the common cause of liberals everywhere.

Accepting Complexity and the Commitment to Internationalism are Defences Against a New Fundamentalism and All Forms of Protectionism

The constraints of the time listed above all tend to push people in one direction. They compel us to accept international links and responsibilities, and by the same token they force us to live with complexity. They are neither unilateral nor simple answers to major political and economical challenges. Politics today requires mature and self-confident action if it is to advance the cause of freedom. Many however are not prepared or not able to take such action. They try to escape the demands of a complex, interdependent world. Unilateralism and fundamentalism have become popular political philosophies from the nationalist right to the left.

There is no shortage of examples. Again, only the most striking – and those most in need of countervailing action – can be mentioned:

- At a time of effective internationalisation of economic activity, economic nationalism is spreading. This can take many forms. Of course countries must be free to increase their competitiveness by positive economic, social and educational policies. But when they seek gains by creating barriers to the goods and services of others, or artificial advantages for their own, they violate rules of the game which are a necessary condition of prosperity for all.

- The needs of developing countries are greater than ever. The combined effect of population growth, the debt burden, epidemic diseases, the frailty of indigenous elites, internal and external wars creates a nearly disastrous predicament. At the same time, a mood of withdrawal and benign neglect seems to spread in the OECD world. This is morally unacceptable. It is also likely to undermine the world order in the medium term. A new approach to development is high on any liberal agenda.
- Along with economic nationalism, the spread of what might be called social protectionism is a problem. In many countries, important groups have refused to continue attempts to live together with others who are different by creed or race. Demands for homogeneity have taken the place of civilised heterogeneity. Often, these demands give rise to violence. In any case, they are one instance of the apparent inability of many to cope with complexity.
- The debate about modernity is a part of the same trend. Among intellectuals it takes the form of a search for a "postmodernity" which is often anti-modern, that is anti-individualist and anti-rational. Others turn a justified scepticism in view of the moral ambiguity of science and technology into absolute demands for the rejection of technology which would lead, if granted, to severe restrictions not only of prosperity but of people's room for manoeuvre. The debate about nuclear energy offers examples, as does the dogmatism of "alternative life-styles". The "politics of cultural despair" is en vogue again.

In the face of such trends, the politics of liberty requires the reassertion of two critical tenets. One is that the world is not simple. It never was; but the greater the potential of civilisation is, the more necessary it is to acknowledge complexity. Let there be no misunderstanding: acknowledging complexity does not mean that we try to master a complex world by an equally intricate system of political organisation. On the contrary, it means that autonomous forces should be allowed to operate, constrained only by rules which are designed to protect individuals. Complexity means that we listen and watch as much as we try to organise and intervene. Very often the "market" society finds its own ways better than any planner could. What is needed is an old liberal attitude. There not only are no simple answers but there should be no simple answers. Liberals must not feel self-conscious about this fact, and must never apologise for not offering patent medicines. Accepting complexity is at the very heart of liberal thinking. In that sense, liberalism remains a distinctly modern view.

Liberals are committed to internationalism. This means in the first instance an attitude of mind which informs political decisions. It means beyond that a commitment to the strengthening of hitherto rudimentary attempts to create international law. This in turn implies the acceptance of international organisations. Some of the bodies created after the Second World War are in need of reform; but withdrawal from them, to say nothing of their abolition, is inappropriate. A world order respected by all countries remains an important objective even at a time at which the existing organisations are under pressure and in many cases need reform.

Varied and Diverse Provisions for Human Choice by Economic Growth and Political Pluralism Are a Condition for Liberty...

The central issue on the agenda of liberalism is also the thread that links contemporary liberals with their origins in the great revolutions of the eighteenth century. It can be put in one question: How can we have economic growth and citizenship rights for all as well? The question has more general implications. How can we have a wide range of choices and effective opportunities of access to this range for every person? I shall call these choices, which involve a variety and a diversity not just of economic goods and services but also of cultural and political alternatives, provisions; and I shall call the entry tickets to these choices, the opportunities of access, entitlements.

There is no necessary trade-off between the two. It is possible to have both a well-provided table, and a place for everyone at it. Eighteenth-century liberals fought for both, entitlements and provisions. They demanded, and achieved civil rights, beginning with equality before the law and the right of contract, and they created growing industrial economies as well as multi-party states. From Adam Smith through Wilhelm von Humboldt to John Stuart Mill, important authors have developed this agenda. In the nineteenth century, and to some extent to the present day, the two original objectives of liberalism fell apart. Liberals remained advocates of choice, of varied and diverse provisions, but many of them tended to support attempts to close the doors of access. Even the battle for universal suffrage was not always fought by liberal parties, let alone the struggle for adding social guarantees to the rights of citizenship. It could be argued that if liberals had remained the party of entitlements, socialism would never have gained ascendancy. Only American liberals – the Democratic Party

– have managed this feat; most others have succumbed to the lure of privilege for those who had made it and thus the exclusion of those who had not.

This weakness was based rather on interest than thought. Indeed, most thinkers did not share it. After all, John Maynard Keynes was a liberal. His notion of "effective demand" combines the creation of entitlements to participation in the market with a strong stimulus for economic growth. The same remedy may not be applicable today, but its history shows that there was no need to choose between entitlements and provisions. William Beveridge was a liberal. He designed a free society which guarantees every citizen a certain social position as of right. Again, the idea was that giving everyone access in this way would enhance rather than reduce choices. Again also, the problem today is different, though the trust of the answers of Keynes and Beveridge – the combination of changes in entitlements and provisions – defines like no other single idea the future tasks of liberalism.

Liberalism is nothing if not a political theory of innovation and change. Individual life chances cannot be served by stagnation; they require the untiring exploration of ever-new opportunities. In the nineteenth century and beyond, those liberals who turned their newly gained position into one of privilege betrayed the entitlement element of liberalism. But more recently there have been those who thought that the consensus of all relevant groups within corporatist arrangements was a liberal objective, and they betrayed the choice, or provisions element of liberalism. Corporatism strengthens bureaucracy and weakens liberty. Either way, closing doors and preventing new ideas or people from entering can never be a liberal objective.

The consequences which flow from this analysis for the tasks of liberalism are numerous. Economic growth is not an objective in itself, nor is every kind of growth acceptable. But encouraging innovation and growth including greater opportunities for individual earnings enhances life chances. In that sense, the economic and political measures described above as characteristic are liberal tasks. Choice moreover is not confined to the economy. In many countries there are important debates about variety and diversity in education, and in the media. These are complex issues, but liberals should be found, in such debates, on the side of variety and diversity rather than regimentation.

This is also true with major respect to one of the main issues, the welfare state. However, before this issue is taken up, the argument has to be turned on his head. So what has been said so far about new problems is only one half of the story. Increasing provisions have created new issues of entitlement. Not all have

benefited from the choices which have been opened up; indeed, some have been pushed to the margin and beyond.

Times of choice have also been times of a growing precariousness of citizenship. New barriers to access to the opportunities of society have been erected, and unless liberals tackle them with the same fervour as the miseries of stagflation, they fail to accomplish their task.

... But Liberty Remains Incomplete Without Entitlements of Citizenship for All By Full Employment and a Reformed Social State.

Theorists of a new entrepreneurship believe that by growth all other problems can be resolved. Many still think that economic development will in due course reduce and even remove unemployment and poverty. They apply, as it were, a "trickle-down theory" to OECD countries. But the signs are that they are wrong. Just as in the developing world, wealth did not trickle down beyond certain barriers of access, but remained a privilege, so the new prosperity of the OECD world leaves some out altogether. Unemployment turns into long-term unemployment, poverty into hard-core poverty. The difference is that in developing countries a minority is privileged and the majority remains excluded, whereas in the OECD countries the majority can hope to benefit from a new flowering of provisions. Those who remain outside are a minority of, say, ten per cent, perhaps fewer in some though rather more in other countries.

The problem is nonetheless serious for that. A society which allows the persistence of an underclass of systematically disadvantaged people not only betrays the principle of citizenship for all but creates a group which has no stake in its values. The resulting challenge to institutions is made more serious still by the growth of a "grey area" between those who are in and those who are out. Special problems arise for young people who in such a world see no future for themselves and turn to drugs, crime or mere withdrawal instead.

In policy terms this means that there are new entitlement problems which have to be resolved as such. They require action which does not follow automatically from economic growth and more varied positions. Social and political measures are needed which the majority may regard as painful, because they involve the redistribution of privilege. The objective is the reassertion of citizenship rights for all. Differences, including inequalities, of social and economic position are

acceptable – in fact they are often sources of innovation and progress – as long as access to full economic, social and political participation is universal; but new barriers to access require new policies of citizenship.

In other words, income differentials, differences in educational attainment and even in political authority are bearable if and when there is a common floor for all men and women to stand on. This common starting point is once again at risk.

Two main areas of action stand in the forefront. One is work and employment, the other is the welfare state. The two are related and may ultimately require one set of policies. In theory, the European problem of unemployment could be resolved by the downward flexibility of real incomes (declining real wages and lower non-wage labour cost), but if this path was chosen, it would have the (American) effect of creating jobs but paying the price of growing and increasingly impenetrable poverty. Accepting social as well as economic conditions as given, the issues of employment and social policy can therefore be treated separately.

Employment and unemployment reveal a paradox. For a century, if not more, much organized effort was put into reducing the burden of work. Not having to work was the dream of generations which envied the privileges of the "leisure class". All of a sudden, people's aspirations seem to have been reversed. "Workaholics" populate the top of social hierarchies, whereas the less fortunate find themselves unemployed or in precarious employment. We should not forget this paradox, or the knowledge that employment is not a purpose in itself. However, it remains a fact that people's livelihood, self-respect and organisation of life depend to a considerable extent directly or indirectly on employment. For this reason, if for no other, unemployment is unacceptable. It is a question of access to social participation that there are opportunities of employment for all. Their creation for those who are now excluded requires a complex set of measures:

- While flexibility of real incomes merely shifts the problem from unemployment to poverty, there are elements of labour market flexibility which offer new employment opportunities. New forms of contract correspond to people's wishes as well as the needs of enterprises and organisations. Mobility, especially within firms or organisations, can make redundancy unnecessary. (...)
- There is a need for re-distributing work itself. It would be wrong to imply that there is a fixed quantity of work which can be distributed in different

ways, but even if one takes into account the dynamics of job creation, there is a risk that those who have work will monopolise additional opportunities and those who have no work will be left behind. This is not acceptable. Apart from the limited possibilities of job-sharing, this means that those who have work will have to relinquish some of it in favour of those who do not have work. There is one major method to achieve this end: in future an even larger part of productivity increases has to be translated into ("free") time rather than money. Shorter working hours provide new employment only if they release resources for it. Since organised labour guards the privileges of the employed, and employers are afraid to take on more labour, this is a demand with high social cost, but it is nonetheless important.

- The most vicious and consequential form of unemployment is youth unemployment. Experience shows that a combination of vocational training and apprenticeships is the only effective general remedy. The high cost of such a system is well spent.
- Normal measures of employment and social policy do not reach the hard core of unemployed. They require approaches which are geared to their often complex condition in which personal misfortune and social disadvantage are inextricably intertwined. The objective must be to reconnect people as citizens to the values and opportunities of the world around them. The most effective reconnection is brought about by training and education, though this has to be directed to the peculiar problems of those concerned.
- One of the apparent puzzles of high-unemployment countries is that so much remains undone while ten or fifteen per cent appear to have nothing to do. The measures recommended here may make some difference, but it will probably be necessary also to offer generous opportunities for social service. Such programmes need not, and perhaps should not be compulsory; their content can range from environmental improvements through care for the needy to Third World assistance.

Even full employment in tomorrow's world will mean that people have much "free" time. Employment starts late, includes long periods of vacation, does not fill the week or even the day, and ends in early retirement. One of the major tasks of a policy of entitlements, and of choices, is to prepare people for a new combination of activities. This is a challenge to education. Clearly, skills are needed for people to make their way in the world of employment. Moreover, a general core of knowledge and the motivation to learn are a condition of flexibility in a changing world. But education is also needed to enable people to

make sense of the time gained by the reduction of work, in periods of leisure, in the "third age" of retirement. Education has become the master key to work, to the wider activities of life, and to the maintenance of a culture of shared values. Re-thinking its content as well as its institutions is therefore urgent.

Today, the time has come to restate the purpose, and the implications, of social policy. The purpose remains to enable every citizen to take part fully in the opportunities offered by society. It is, in other words, a general, even universal purpose. All attempts to reduce social policy to a new form of poor law, to targeted measures for stigmatised groups, are unacceptable. The implications of a social policy of citizenship however are not that existing arrangements can remain unchanged. Rethinking the welfare state in the light of the objective to advance individual life chances leads to a number of reforms.

- From a certain point onwards, the simultaneous increase of direct incomes made nonsense of the welfare state. Put positively, higher incomes justify greater individual contributions to social provisions. Every country seems to have its "sacred cow" in terms of public provisions; in one country, it is the educational system, in another, the health system, in a third, social security for the old. It would be wrong therefore to make specific recommendations applicable to all. But everywhere, greater individual contributions are indicated. They may take the form of subsidised insurance or of purely private contributions, but they should lead to a ceiling on public expenditure in important areas.
- The welfare state has led to the emergence of vast bureaucracies. These are costly, they deter clients, and they constitute impersonal responses to highly personal needs. Three directions of change are indicated. One is the simplification of procedures. Standard entitlements are preferable to bureaucratic judgement, with all the fact-gathering and means-testing which it involves. The second is decentralisation. Responsibilities have to be devolved to be truly effective. The third direction of change is greater participation of small social groups – not just families – in the provision of services, notably in areas of care which transcend the capacity of public agencies.
- Most countries have developed systems of public assistance or social security which define a minimum level under which no one is allowed to fall. Frequently, however, this system is complicated by transfer payments from a variety of sources for a variety of purposes, such as child allowances, housing subsidies, sick pay etc. In the light of the intention to define a general level

of entitlements associated with citizenship, there is a strong case for examining methods of providing basic income guarantees, notably of a kind which can be linked to the tax system ("negative income tax"). If practical difficulties and reasonable objections to the system could be overcome, a basic income guarantee would clearly come closest to the principles of a liberal social state.

This section of the agenda for liberalism is informed by one overriding principle. There are those (some of them in Liberal and many of them in Conservative parties) who believe that the extension of provisions, notably by economic growth, should have priority, because it is a necessary, and perhaps even sufficient condition of solving all other problems. There are those (again some in Liberal, though more in Social Democratic Parties) who insist that entitlement issues must come first, because only people whose citizenship rights are safeguarded can sustain a prosperous modern society. Both have some arguments and evidence on their side, but in practice both pay the price of neglecting the legitimate concern of the other. If a political agenda can be defined which achieves, by related policies, increased choices and more access at one and the same time, it will serve the cause of liberty better than any other.

Common Citizenship and Cultural Difference Can Exist Together

Citizenship has so far been treated as an issue of stratification, that is, of privilege and deprivation. However, the original legal meaning of the term has to do with membership, that is with the question of who belongs and therefore enjoys the blessings of a country, and who does not. In recounting the secular maxims of liberalism the point has already been made that citizenship in this sense is far from general. In all societies, important groups are still fighting for full civic participation. New issues have arisen as a result of world-wide mobility.

Refugees and migrants seek a haven in more fortunate countries, but more often than not they remain human beings without citizenship. In the absence of a world civil society, those who are stateless are in important respects rightless too. After the First World War, the "Nansen passport" was invented to give such people elementary rights of mobility. Since then, further rights of the homeless have been defined by international conventions and by the practice of countries. A new initiative to codify such rights might well be helpful.

Far and away the most important issue of citizenship is however the apparent inability of people of different race or creed or ethnic origin to live together. Heterogeneity has always been difficult for people to accept; but today the nearly ubiquitous fact has become explosive. Examples of the successful combination of common citizenship and cultural difference are rare. Instead, we find the violent pursuit of territorial claims which gives rise to terrorism and in some cases to civil war. The challenge to liberals is evident, and it requires the re-statement of principles.

- The suspension of civil rights in order to uphold the domination of one section of the population over another is never acceptable. Where heterogeneity leads to violence, liberal sensitivities are challenged to insist on basic rights for all.
- Difference enriches the world. Within civil societies it can be made fruitful for all. On a world scale, the acceptance of common rights and opportunities for people of different cultures is the only hope of peace in freedom. The principle is no less applicable within societies. Full citizenship rights never rule out cultural autonomy. Indeed cultural diversity within a society of free citizens is a liberal ideal.
- Thus the fight for civil, political and social rights has precedence over the fight for territorial autonomy. The self-determination of people must not be allowed to override citizenship rights. There may be cases where the partition of countries or regions has become inevitable, but by itself this does not solve the issues of liberty.

This is not to make a case for traditional forms of intervention. It is on the contrary one for breaking the cycle of violence which is so often associated with the question of where people should belong. Asserting liberal principles in the face of civil wars may seem hopeless at first sight, but it is the only key to long-term solutions. Many free societies will be multiracial, multiethnic, multicultural societies. This is as it should be. It requires a complex combination of effective civil rights for all and opportunities for expressing difference. Good societies are not homogenous societies, but civil societies, and heterogeneity is their strength.

Constitutional Liberals Look for a World Civil Society

Throughout their history, Liberals have shown a strong constitutional interest. Their concern was with the framework within which freedom can flourish, the constitution of liberty. The Act of Settlement and the Bill of Rights, the Declaration of Independence and the American Constitution, as well as the Declaration of the Rights of Man and the Citizen, are documents cherished by liberals. From John Locke to the contemporary "constitutional economists", the rules of the game have been a major preoccupation of liberal political theorists. (This is an important difference between liberals and socialists: liberals are often primarily concerned with constitutional matters, socialists are always primarily concerned with policy. Conservatives on the other hand are split in this respect.) The future tasks of liberalism inevitably involve a constitutional element.

This is in part a matter of the fundamental rules which provide safeguards against tyranny. Such rules are as important today in the developing world as in already developed countries. Newly industrialising countries in particular are groping with mixed success for constitutions which promise change without revolution. As a minimum, such constitutions should establish the rule of law and create political institutions which allow the removal of incumbents from office. A constitutional task force to advise those who seek appropriate ways forward would be a useful contribution which those with experience in the field can make.

In the developed world, two main issues of a constitutional nature require attention. One has to do with the role of the state. Several trends in recent decades, including the development of the welfare state, have led to significant increases in government activity. "Big government" was of necessity, also bureaucratic government. Thus the executive gained in size and power, often at the expense of parliament, and always at the expense of citizens. Liberal minds, from Max Weber onwards, have described the bureaucratic and the corporate state as a nightmare. Indeed two counter-trends are unmistakable. One tries to wrest powers from the state in the name of democratisation. Insistence on direct participation of citizens, often coupled with the organisation of social movements ("citizens' initiatives") is used to reduce state power. At the other end, as it were, several theorists have advocated the reduction of state functions to the bare essentials ("minimal state"), and some political leaders have actually begun to reduce public expenditure (most have merely stopped its increase), to abstain from state interference in economic and social processes, stabilise and even cut the public service.

For individual liberty, these are developments of great significance.

Clearly, "big government" supported by inescapable bureaucracies and stifling corporatist arrangements with major organisations is contrary to the constitutions of liberty. At the same time, the minimal state, confined to the protection of law and order and very little else, would conflict with the tasks of liberalism in regard to both provisions and entitlements. (It is also a very unlikely prospect, a theoretical model rather than a political objective.) The need is for an enabling state which is open to the input of citizens and social movements and encourages individuals as well as enterprises and groupings to do their own thing, but which accepts all the tasks which arise from the need to guarantee full citizenship rights for all.

The other constitutional issue in the developed world is if anything more difficult to tackle. It has to do with democracy. Democracy is the political system which corresponds to the condition of uncertainty in which we live. No one can know all answers; it is there for necessary to explore ever-new possibilities. This means that some must be put in a position to try their theory, but if they err, or are thought to err, it must be possible to remove them. Elected governments and parliaments have served these purposes well as long as there was a socially based political conflict between those whose interest was in preserving the status quo and those who wanted change. The interplay of government and opposition was a part of the democratic process, and it was founded in social groupings. The constitution of liberty worked because it gave an expression to what has been called the "democratic class struggle".

Today, the old class struggle is more. A large majority of people in the OECD world can hope to realise their aspirations within the existing order. New problems, like those of the environment, affect all. Little more than nuances separate the main parties. In any case it is no longer so easy to define government and opposition, let alone their social foundations. Coupled with corporatism and bureaucratisation, this development raises questions about the role of parliament, the conditions of innovation, and the possibilities of control, to which there are no easy answers. Some constitutions, like that of the United States, may be better adapted to the new condition than others. Generally, however, there remains a constitutional desideratum to which liberals must address themselves: what constitutional arrangements can safeguard political change and popular control once the familiar interplay of government and opposition has given way to the heavy hand of bureaucracy on behalf of the silent majority?

In the developing world, a different set of issues of a constitutional nature requires attention. It has to do with civil society. Creating civil societies may well be the most important single liberal task of development. On the one hand, this requires the entrenchment of basic rights. On the other hand, civil society is most clearly expressed by the growth of intermediate institutions which protect the individual from direct control by the state, and offer opportunities for expressing varied interests, views and aspirations. Encouragement to build such intermediate institutions can come from within developing countries and from without.

Ultimately, constitutional liberals everywhere will look for a world civil society. They will favour the development of international law and institutions not merely as an expression of factual interdependence, but as a framework for national action. Support for rules and systems of sanctions on the international plane – the UN Committee on Human Rights, the International Court of Justice, the European Convention etc. – is therefore a liberal objective.

Institution Building Has Become a Liberal Task

In some respect the future tasks of liberalism are like those of the past. Defence of the rights of man and the citizen is a persistent liberal theme. In other respect new problems require new solutions in the light of accepted principles. Past descriptions do not help much when it comes to fighting long-term unemployment. So far as the underlying vision of society is concerned, however, the objective has not changed, though the needs of tomorrow differ significantly from those of yesterday. History never stands still. What is necessary in order to advance individual life chances in a civil society at one time, may be wrong at another.

For decades, liberalism was for many synonymous with emancipation. It still is, and in some ways it will be forever; after all, the Latin word *emancipatio* describes the release of individuals from external (actually: paternal) power, thus a form of liberation. Emancipation from traditional dependence, from deprivation and discrimination, from arbitrary power, remains a passionate concern of liberals everywhere. None of the following considerations can detract from this purpose.

The experience of Europe and North America suggests however that the process of emancipation can reach a point at which the normative foundations of society are put in question. If and when this happens, the reliability of social relations suffers along with the cohesion of groups and people, and individuals find it increasingly difficult to attach meaning to their lives.

Human beings are social beings. They cannot define themselves except in relation to others. They cannot pursue their purposes except in the company of others. They cannot cultivate the world except with and for others. A social contract is needed which establishes norms and threatens transgressors with sanctions. We need institutions to advance liberty.

This is not new, but it is worth restating after a period (i.e. in the 60s and 70s) in which the dismantling of institutions was the effect of an increasingly widespread public mood which many have associated with liberalism. Liberals are sensitive to the thoughtless and mechanical use of concepts like law and order. Police and prisons are no substitute for self-discipline and accepted norms. But the process of "liberalising" criminal law and criminal justice has at times led to the abandonment of any notion of individual responsibility in favour of social causation, and as a result to an unwillingness to enforce norms which are a necessary basis of civilised existence. A notion of civil society has become fashionable which sets it against the state, its monopoly of violence, and its task to guard the normative rules of the game. Against this trend, it is important to reassert a concept of civil society which includes the law and the organisation of its enforcement.

Other institutions have suffered. The family, local communities, religious groupings, even customs of celebrating festive occasions and codes of behaviour, are examples. It is unlikely, and possibly undesirable, that they should be reconstituted in their old forms. But the incipient state of anomy, of normlessness, in some advanced countries is not bearable for long. It leads to disorientation, insecurity and vacuousness as well as situational violence and crime and drugs. Indeed many of the worrying mechanisms of escape from the alleged modern world, including the false ecstasies of drugs and television preachers, are responses to anomic social conditions. Institution-building has therefore become a major task of the time.

How does one build institutions? The term is misleading, for it suggests the conscious activity of construction. In fact, institution-building is a process which goes on all the time. In the interstices of bureaucracy, people have begun to look after others, and after their own interests in quite effective ways.

Social policy in particular could not work without such initiatives. With regard to them, state interference is threatening rather than helpful. But there is need for some activity by those who have responsibility. Institution-building often means giving reasons why laws and organisations should be there at all. People have to understand them in order to accept them. Here is one of several moral tasks of political action.

It is clear then that institutions are more than laws. It could be argued that the plethora of laws enacted by our parliaments has itself contributed to institutional disorientation. Institutions are norms anchored in people's minds and above all, in their everyday behaviour. They are accepted norms for which reasons can be given and which are observed as well as protected by sanctions and sanctioning instances. Institutions in this sense are the very core of civilisation.

Do we really want political parties involved in this process? The answer is yes, if they know their limits. After all, politicians are highly visible, representative figures. They can set the tone of their societies, and their attitude to institutions is very much a part of setting the tone.

Beyond that, there are practical ways of dealing with norms and sanctions. Between mechanistic observance and fearful disdain there is a confident, non-hysterical, but regular and reliable application of the law and its penalties which could itself be described as institution-building. Great judges are justly praised for setting an example. Moreover, governments can pursue policies which leave space for autonomous and spontaneous institution-building. Constitutionally, this is the most important aspect of the reform of the welfare state. It requires self-denying reticence on the part of ministers who were brought up in the tradition that government can and should do everything.

The vision of society emerging from the agenda of this paper is not a utopia, because it is not a static system. There is no state of affairs in which liberalism has been completely realised. Liberalism is forever process, the process by which human beings explore new opportunities for more people. Every now and again, this process requires a new impetus to give it new momentum. Liberalism has always been a set of ideas which transcended the confines of particular parties. This agenda was not conceived as the programme of any particular party. More than that, it is understood that some parties which are called Liberal will not accept some parts of the agenda, whereas others with quite different names will discover their intentions in it. There is never a perfect match of ideas and organisations. But the ideas suggested in this paper may provide one answer

to both the thoughtless pragmatism and the new dogmatism of the time. The objective is individual life chances, and the method is civil society.

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