

ITI 1202: Introduction to Global Politics

Unit 3: Realism and Liberalism (2)

Liberalism

- Liberalism is a very old idea, a philosophy, a trend, an attitude, a principle, even a way of life.
- It had its doom in the middle or dark ages when the church made man a creature of his destiny written by the finger of God.
- However, it had its resurgence in the modern age as a result of the achievements of science and rise of the trend of secularism which reinforced the tradition of humanism.

Liberalism

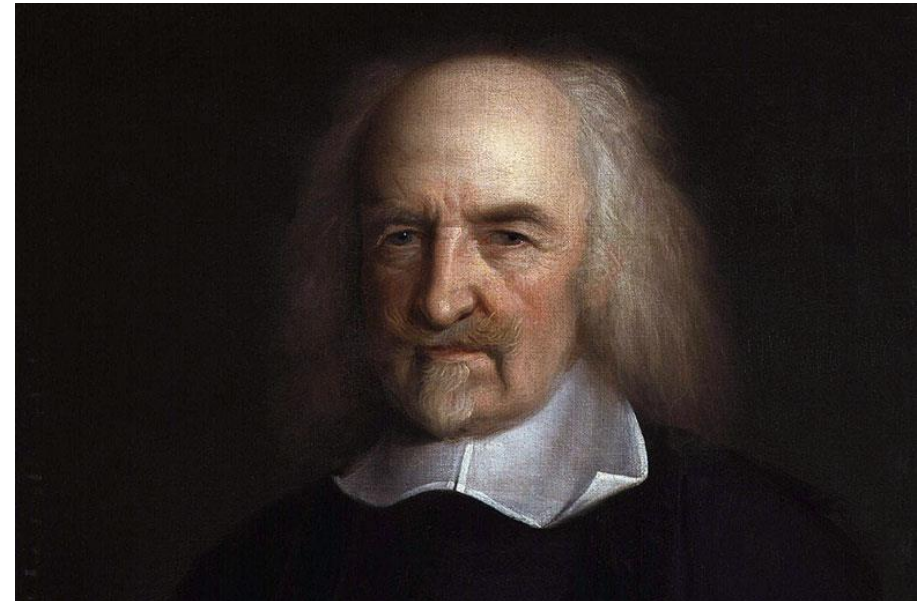
- However, Fascism and Communism that emerged after the First World War posed a potential challenge to the trend of liberalism.
- Being resilient, liberalism underwent transformation. Positive or modern liberalism of the twentieth century, that replaced classical or negative liberalism of the nineteenth century, has now been replaced by neo-liberalism or the new right, also called neo-conservatism.
- Conventionally, the liberty of an individual is the heart of liberalism

Classical Liberalism

- The worth and dignity of the personality of an individual can be secure only when he is free from coercion and oppression of any kind.
- He has the right to live according to his choice so that he may seek the best possible development of his personality.
- In short, liberalism has consistently focused on a single idea: defense of the liberty and liberties of the individual against abuses of power, premised on a view of individuals as rational, autonomous agents, each of equal value and hence worthy of equal consideration.

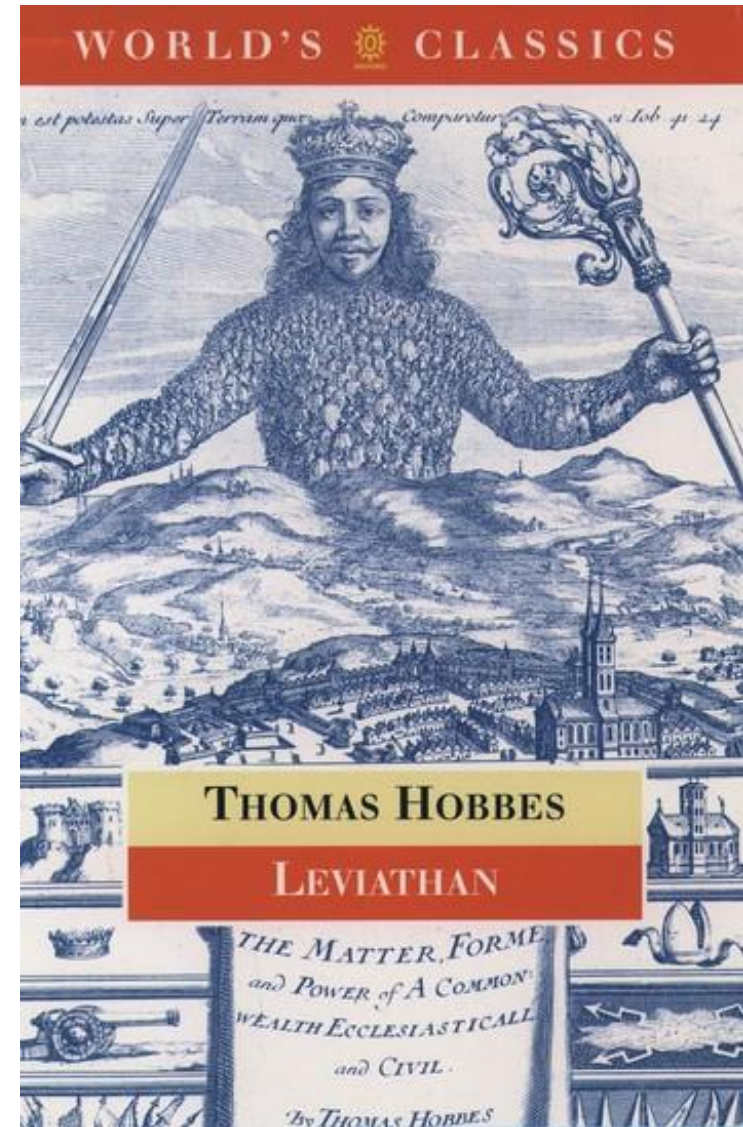
Classical Liberalism

- The seventeenth-century social contract theorist **Thomas Hobbes** is generally recognized as being the founder of modern liberalism.
- According to his philosophical anthropology, individuals in the “natural state” are constitutively free and equal; they may apply their own wills to shaping the direction of their lives.



Classical Liberalism

- For Hobbes, however, allowing people to exercise free will without any constraints would leave them in a state of perpetual insecurity—a “war of each against all” in which every individual would pursue his or her self-interests at the expense of everyone else’s.
- The state exists for no other reason than to prevent such a war.



Classical Liberalism

- In exchange for peace and security, Hobbes argued, people will rationally agree to surrender some of their natural rights and freedoms to an all-powerful sovereign, whose task is to implement the natural law on their behalf.
- In maintaining that this sovereign's authority derives not from God, but from the people, Hobbes breaks with the divine right doctrine.
- Hobbes argued that a powerful monarch, the “[Leviathan](#),” was necessary.

Classical Liberalism

- In the international realm, with a single international “monarch” (a global empire) or world government viewed as impossible, realists argue that anarchy, with all its consequences, is unavoidable.
- However, The political theorist John Locke argued, contrary to Hobbes, that free citizens could indeed live peacefully without an authoritarian ruler.



Classical Liberalism

- Locke and later liberals argued that individuals could freely join together to form governments that would protect them from anarchy without resorting to authoritarianism.
- The limitation of state power and guarantee of certain inalienable rights are still the core of liberalism.
- For Locke, the state's primary purpose is to defend the individual's **right to property**—the right to acquire and accumulate goods and the right to liberty are tightly intertwined in his conception of human selfhood.

Ideology of John Locke

- Locke's *Two Treatises of Government* (1690) provided much of the theoretical inspiration for the two great transformative upheavals of the following century, the American and French revolutions.



Ideology of John Locke

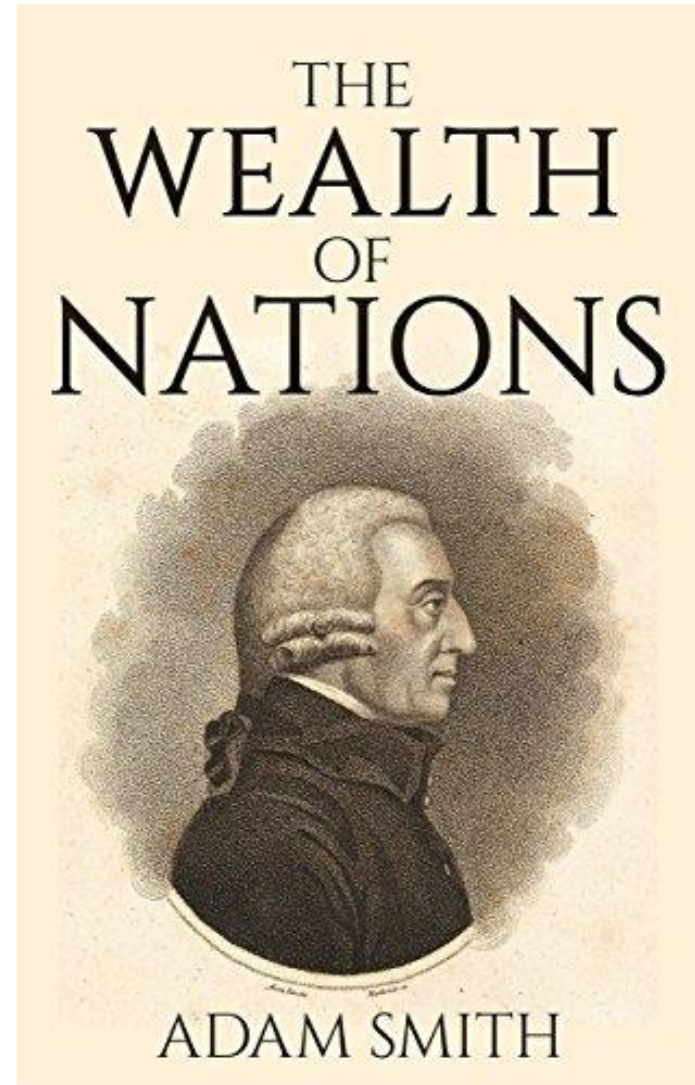
- **John Locke** (1632 – 1704) “**Commercial Republic**”
- All men are created equal, they are endowed with certain unalienable rights, including rights of life, liberty, and the pursuit of happiness; and that government exists to protect these rights –by consent. When ignored, people have the rights to alter or abolish it.
- Individuals have a right to property. Earned income or wealth acquired as a result of hard work and personal merit.
- protecting private property is one of the main purposes of government.

Ideology of John Locke

- Commercial state ► enterprise and invention would flourish ► money would serve as the universal medium of exchange ► wealth could be accumulated, reinvested and expanded ► society would prosper ► Happy Society.
- **Baron de Montesquieu** (1689 -1755) “*The Spirit of the Laws*” (1748)
- Nations trade extensively with each other ► peace ► because war disrupted international commerce. Just political order would allowed individual-self advancement.

Classical Liberalism

- Adam Smith (1723 – 1790) “*An Inquiry into the Nature and Causes of the Wealth of Nations*” (1776)
- Smith argued that the common good of the state would best be assured by allowing individuals to pursue their own interests in a free market, since by doing so they would necessarily serve the interests of others at the same time.



Classical Liberalism

- Pursuit of happiness and social harmony is closely tied to the way goods and services are produced.
- Commercial society prosperous without government regulation or planning.
- In market place, self-interest force individuals to work.
- “Invisible hand” of the law of supply and demand.
- *Laissez-faire* (“Let the people do as they wish”)

Assumption of Classical Liberalism

1. The absolute value of human personality and the spiritual equality of all individuals,
2. The autonomy of the will of the individual,
3. The essential rationality and goodness of man,
4. The existence of certain inalienable rights like those relating to life, liberty and material possessions,
5. The creation of the state of mutual consent for the sole purpose of preserving and protecting the natural rights of the individuals,

Assumption Classical Liberalism

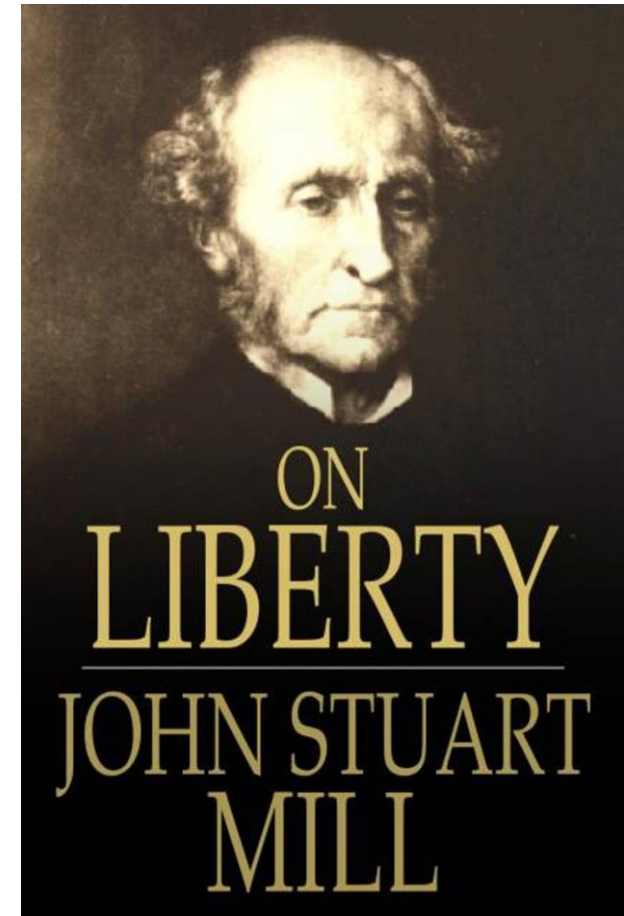
6. The contractual relationship between the state and the individual and that when the terms of the contract are violated, individuals have not only the right but the responsibility to revolt and establish a new government,
7. The law being superior to command as an instrument of social control,
8. The limit and negative functions of government, which is the best if it governs the least,

Assumption Classical Liberalism

9. The affirmation that the individual is, and should be, free in all spheres of life, such as political, economic, social, intellectual, religious, and
 10. The existence of a supreme truth based on reason which can be achieved by individual thought and conscience that plays an important role in man's choice between order and anarchy.
- John Stuart Mill (1806 – 1873) defense of three fundamental freedoms: **the freedoms of speech, public assembly, and individual taste.**

Modern Liberalism

- He argued against the tyranny of majority rule and insisted that those with minority and dissenting opinions should not merely be permitted to air their contrarian views publicly—they in fact had a moral obligation to do so.
- Mill, the state is justified in restraining the individual's basic freedoms in instances where the only harm to others results from their expression.



Modern Liberalism

- The change took place after 1860 when even Mill revised his views in a way that became the basis of the philosophy of **English socialism**.
- The idea that desired more and more state interference in the liberty of the individual in the name of public interest. Thus, Mill supported state regulation of private property according to the principle of economic rent and he went to the length of sanctioning public ownership and control of natural resources of the country.

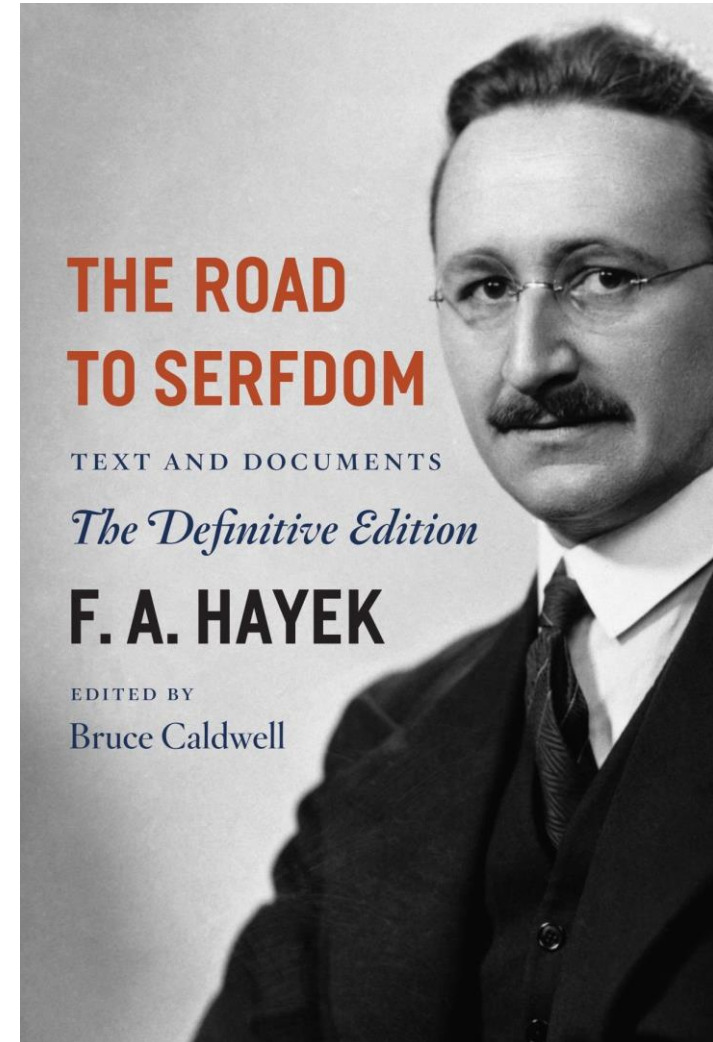
Neoliberalism

- known by different names as ‘new individualism,’ ‘neo-conservatism’ and ‘New Right,’ neoliberalism is an economic doctrine that promotes free markets, the deregulation of industry, the privatization of state-controlled assets and services, tariff reductions, and other pro-market policies.



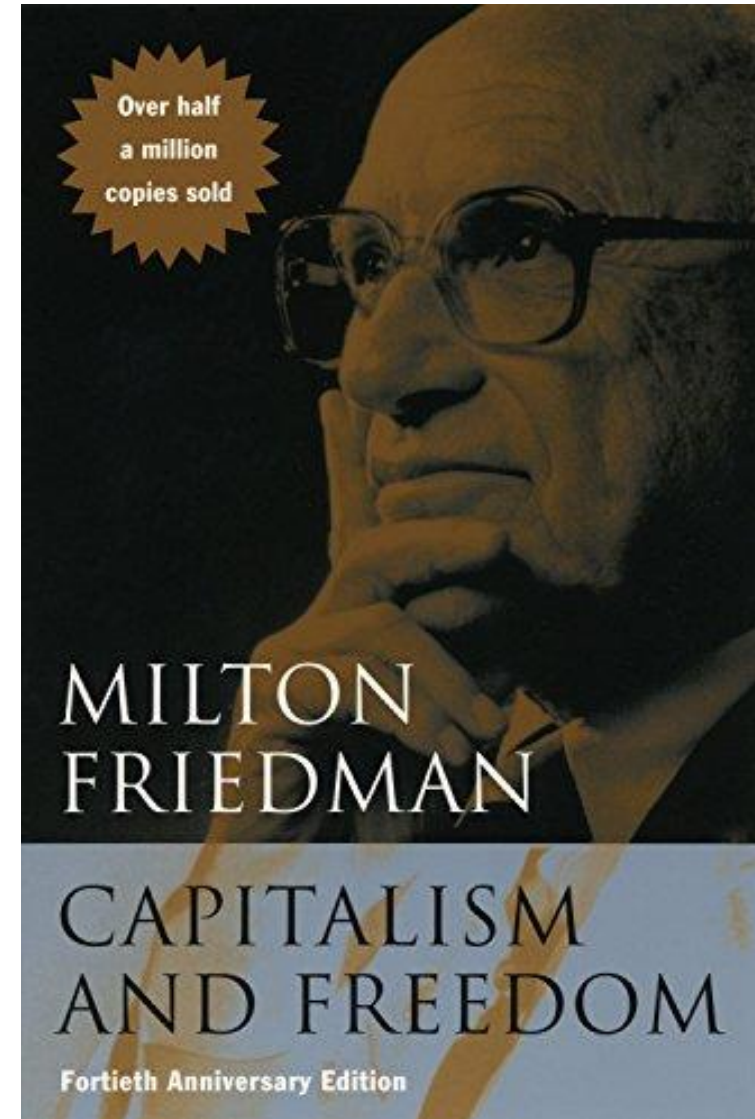
Neoliberalism

- Friedrich Hayek's 1944 book *The Road to Serfdom*, a critique of statism and planned economies.
- He argued that the state should not simply get out of the way, but rather take an active role in promoting the growth of the free-market economy and preventing the development of state monopolies.



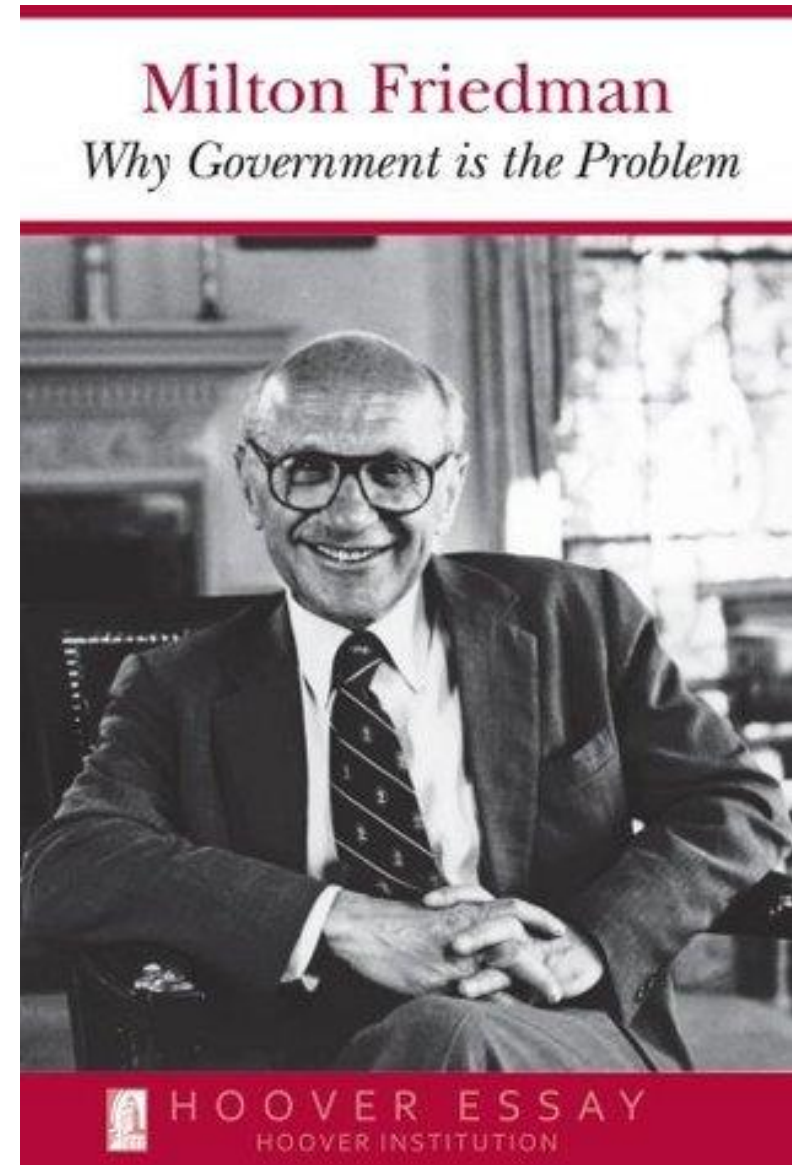
Neoliberalism

- Building on Locke, Montesquieu, and Smith.
- Milton Friedman – *Capitalism and Freedom* (1962) – The secret to political and social freedom is to place strict limits on the role of government in the economy—in other words, **capitalism is the key to democracy.**



Neoliberalism

- It is desirable to minimize government by assigning the public sector only those few functions that the private sector can-not do on its own—namely, to enforce contracts, spur competition, “provide a monetary framework,” and protect “the irresponsible madman or child.”



Neoliberalism

- In the late 1970s and early 1980s, American President Ronald Reagan and British Prime Minister Margaret Thatcher, with the support of supranational financial institutions such as the [World Bank](#), the [International Monetary Fund](#), and the [World Trade Organization](#), neoliberal governments demanded that the decolonized nations of the Third World cut down their state-led development paradigms.
- However, in the late 1990s, the neoliberal policy consensus began to encounter staunch opposition from various social movements around the globe.

Neoliberalism

- This is because recipients of international loans were bound to strict repayment schedules and ‘structural adjustment’ policies, which obliged them to undertake fiscal austerity measures, privatize state functions, liberalize trade, and deregulate markets.



Neoliberalism: Institutions and Interdependence

1. During the 1950s and 1960s Western Europe and Japan developed mass-consumption welfare states, as the United States had done already before the war. That development entailed a higher level of trade, communication, cultural exchange, and other relations and transactions across borders. This provides the basis for **sociological liberalism**, a strand of neoliberal thinking which emphasizes the impact of these expanding cross-border activities.

Neoliberalism: Institutions and Interdependence

- In the 1950s, Karl Deutsch and his associates argued that such interconnecting activities helped create common values and identities among people from different states and paved the way for peaceful, cooperative relations by making war increasingly costly and thus more unlikely.
- 2. In the 1970s, Robert Keohane and Joseph Nye further developed such ideas. They argued that relationships between Western states (including Japan) are characterized by **complex interdependence**.

Neoliberalism: Institutions and Interdependence

- There are many forms of connections between societies in addition to the political relations of governments, including transnational links between business corporations. As a result, military security does not dominate the agenda any more and military force is no longer used as an instrument of foreign policy.
- 3. When there is a high degree of interdependence, states will often set up **international institutions** to deal with common problems.

Neoliberalism: Institutions and Interdependence

- Institutions promote cooperation across international boundaries by providing information and by reducing costs, such as World Trade organization (WTO) or European Union (EU) or Organisation for Economic Co-operation and Development (OECD).
- 4. **Republican liberalism** is the idea that liberal democracies enhance peace because they do not go to war against each other. It has been strongly influenced by the rapid spread of democratization in the world after the end of the Cold War, especially in the former Soviet satellite countries in Eastern Europe.

Neoliberalism: Institutions and Interdependence

- An influential version of the theory of democratic peace was set forth by Michael Doyle (1983). Doyle finds that the democratic peace is based on three pillars: the first is peaceful conflict resolution between democratic states; the second is common values among democratic states—a common moral foundation; the final pillar is economic cooperation among democracies.
- Republican liberals are generally optimistic that there will be a steadily expanding “Zone of Peace” among liberal democracies.