



## No “Buts” about Freedom

BY RICHARD M. EBELING

Back in the early 1970s, the late Leonard E. Read, founder and first president of FEE, wrote a short piece in *The Freeman* called “Sinking in a Sea of Buts.” He said it was not uncommon for someone to say to him, “I agree with you in principle, *but* . . .” The “*but*” invariably referred to some exception from the principle of freedom in the form of a desired government intervention. The problem, Read pointed out, is that when everyone’s exceptions to freedom are added up, well, freedom ends up being sunk by all the “*buts*.”

We still suffer today from a big “*but*” problem. Even many friends of freedom are afflicted with the “*but*” syndrome. One example of this is the welfare state. “Sure, it would be preferable if individuals planned their own retirement and health-care needs rather than having government manage and manipulate these things, *but* . . .” “Of course it would be better if individuals were more self-responsible in taking care of the uncertainties and occasional tragedies that may impinge on life, *but* . . .” “Without a doubt it would be better if we could count on people to help their fellow men in time of need without state action, *but* . . .”

The “*but*” often arises because that person is not confident that a system of freedom would “really work” in one of these corners of social and economic life. Or it may arise because the individual thinks that in the climate of current public opinion most people will not accept a fully free system. So it is better to make the case for a supposedly partial private solution, it is said.

Part of this lack of confidence in freedom comes from the loss of historical memory. There is little understanding of how many of the “social problems” that confront members of a community successfully had their solutions either in the marketplace or through various other forms of voluntary association before government co-opted them through the modern welfare state.

For example, in nineteenth-century Great Britain many of these welfare-state “functions” were provided

by a network of mutual-assistance associations known as “friendly societies.” At first they provided insurance for the cost of funerals for workers or their family members. But by the middle of the century, they expanded their coverage to include: accident insurance that provided weekly allowances for the families of workers who were injured on the job; medical insurance that covered the cost of health care and medicines for workers and their families; and life insurance and assistance for keeping a family intact in case of the breadwinner’s death. And by the end of the century the friendly societies offered fire insurance and savings-and-loan services so members could buy homes.

Indeed, by 1910, the year before Parliament passed Britain’s first National Insurance Act, around three-quarters of the entire British workforce was covered by these private, voluntary insurance associations. Membership in the friendly societies covered the entire income spectrum, with those at the lower income ranges most highly subscribed. They also offered public lectures for members and their families on self-responsibility and the moral value of voluntarism over government compulsion.

What the modern welfare state did in the twentieth century was to undermine these free-market methods for providing what is now referred to as “social services.” The introduction of state regulation of the friendly societies, as well as the British government’s “free” national health and insurance services and the many new taxes to cover their cost, all resulted in crowding out the voluntary, market-based alternatives of the private sector.

We also need to relearn the successes of private charity and philanthropy in the glory days of classical liberalism. During the middle and late decades of the nineteenth century the state was not regarded as either

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*Richard Ebeling (rebeling@fee.org) is president of FEE.*

the proper or most efficient vehicle for the amelioration of poverty. Especially for the Christian classical liberal in Great Britain, his faith required him to take on the personal responsibility for the saving of souls for God.

Most of these Christians also believed that to help a man in his rebirth in Christ, it was essential to help him improve his earthly life as well. Soup kitchens for the hungry, shelters for the homeless, job training for the unskilled, care for the abandoned or poverty-stricken young, and nurturing of a sense of self-respect and self-responsibility were all seen as complements to the primary task of winning sinners over for salvation.

By the 1890s most middle-class British families devoted 10 percent or more of their income to charitable work, an outlay from the average family's income second only to expenditures on food. Total voluntary giving in Great Britain was larger than the entire budgets of several European governments; and half a million women worked as full-time volunteers for charitable organizations such as the Salvation Army.

A vital advantage to this world of private charity was that it enabled innovation and experimentation to discover the better means to assist people in their spiritual needs and material conditions. At the same time, the competition among charities for voluntary contributions rewarded those organizations that demonstrated the greater effectiveness of the methods they used, and weeded out the less successful ones.

As the government began to create the welfare state, many of these private charities found it increasingly difficult to compete with the "free" services supplied by the state. At the same time, the higher taxes to fund these government welfare programs reduced the financial ability of many people to contribute as much to charities as they had in the past.

Not only have we lost our historical memory about these private solutions to supposed social problems, we are ignorant about what the private charitable sector does even with the welfare state and the heavy burden of taxation. In 2003, Americans contributed over \$240 billion to charitable causes. Almost 75 percent of this total was given by individuals (the rest by foundations,

bequests, or corporations). Americans not only contribute their money, they also give of their time. Forty-four percent of the U. S. population did volunteer work for charitable causes in 2000, on average over 15 hours per month.

### No Need for the Welfare State

There is no need for the welfare state, in any shape or to any degree. It is the market economy—through innovation, investment, capital formation, and the profit motive—that is raising a growing percentage of humanity out of the poverty that has been man's tragic condition during most of his time on earth. It is the free and responsible individual who can be relied on to manifest the moral sense to assist those who may need some help to become self-supporting men and women.

More deeply, there is the fundamental issue of freedom versus coercion. No compromise is possible with the welfare state without abridging the individual's right to his life and property, and his freedom of choice. Government has only one means of funding the welfare state—compulsory taxation for redistribution of income and wealth. This has nothing to do with government as mere guardian of each person's liberty against aggression.

Indeed, the welfare state abrogates the individual's ability to act on his moral precepts by extracting from him the financial means out of which he could have made such decisions. It therefore denies him the potential of more fully acting as an ethical being.

It may very well be true that many of our fellow citizens are not yet ready intellectually or emotionally for the uncompromising and principled case for liberty. They have lived too long under the propaganda of the welfare state and have become used to taking for granted their dependency on government largess. But how will the spell of welfare statism ever be broken if those who see more clearly the logic and potential of the free society do not present to the best of their ability the principles and possibilities of freedom? The alternative is to continue sinking in that sea of "buts." 