**Liberalism:**

Liberalism is the oldest of the modern ideologies. Presenting an optimistic view of human nature, based on rationalism and the inevitability of human progress, it proposes liberty (particularly *laissez faire,* free market economics), individualism, tolerance and a minimal role for the state (although classical liberals and progressive or new liberals differ in their view of the extent of state responsibility for our lives).

**How did it all begin?**

Liberalism arose from the collapse of feudalism and the rise of capitalism in the West. It emerged during the Enlightenment, a period of rapid scientific and intellectual change in the 17th and 18th centuries, in which superstition and witchcraft were replaced by reason, and political reform limited the power of governments and monarchs.

Also known as the ‘Age of Reason’, the Enlightenment saw the old ideas of natural hierarchy, the authority of the established church, and the ‘divine right of kings’ swept away by radical notions of liberty, reason and individualism.

The philosophical roots of Liberalism go back the 17th century and were a response to absolute monarchy. Throughout the middle ages English monarchs had claimed absolute power and exercised the ‘divine right of kings’. This meant that decisions taken by the monarch could not be challenged, for their rule was ordained by god; thus Charles I claimed: “I owe the account of my actions to God and God alone”. Absolutism was central to a hierarchical feudal world in which the social order was fixed and unchanging.

The Divine Right of Kings was a doctrine which held that the monarch was answerable only to God and not to his people. In turn, all the King’s subjects were answerable to him. This gave absolute power to the monarch. The last monarchs to wield such unfettered power were James I, who showed religious intolerance towards Catholics, and his successor, Charles I, who suspended Parliament three times (on the last occasion for 11 years – the so-called Eleven Year Tyranny).

The English Civil War (1642-1651)(1) and the Glorious Revolution of 1688 (2) saw a seismic shift in the balance of power in Britain, asserting the sovereignty of Parliament over the monarchy (3) and lighting the blue touch paper to the liberal ideology. Its founding father, John Locke (1632-1704), contributed to this change. According to Bertrand Russell, “John Locke is the apostle of the Revolution of 1688, the most moderate and the most successful of all revolutions.” (4)

Absolutism was replaced by constitutionalism, limiting the power of government and ensuring government by consent. John Locke and others asserted the pre-eminence of rational individuals capable of making their own choices. And from that, the argument followed that if individuals are capable of reason, then they should reasonably choose how they are governed. Governments should exist by the consent of the people, but only in-so-far as they protect the individual rights of citizens.

**What are its core values?**

Like all ideologies, Liberalism has core values. So what are the core values of Liberalism?

The core values of Liberalism are:

* Liberty
* Reason
* Individualism
* Tolerance
* Rights
* Justice
* Limited Government & constitutionalism
* Free Trade

**Core Values:**

**Individualism**

To liberals, humans are rational, self-interested individuals capable of independent thought. This idea represented a radical departure from the fixed hierarchical social order found in feudal society, where everyone obediently understood their place. The collapse of feudalism and its displacement by market economies where individuals had choice spurred the growth of individualism. The liberal view is that everyone is unique with their own abilities and distinctive qualities. It follows, therefore, human beings are born of **equal worth** and achieve status through competition and merit: liberals believe in **meritocracy**.

Thus the liberal view of society is **atomistic**: society is made up of individuals, like tiny atoms. Some liberals take this view further to suggest that society does not really exist at all, that it is an illusion. At its more extreme, as Margaret Thatcher put it, “There is no such thing as society. There are individual men and women and there are families.” The view suggests that everyone is self-seeking, self-reliant and egotistical. However, others believe that such egoism is “tempered by a sense of social responsibility” (5).

Ultimately, liberals share an **optimistic view of human nature.** Individuals are capable of self-improvement (see **Samuel Smiles** below) and consequently the history of humankind has been a history of progress. In science, philosophy, medicine and the arts, the Enlightenment, in which liberalism emerged, gave weight to this optimistic view of exponential advancement. Unrestrained from government interference or absolute monarchs, the argument goes, individuals can achieve a great deal.

**Meritocracy** is rule by the able and talented, i.e. those most deserving of merit. A meritocratic society rewards hard work and talent. It is a principle of social justice and distinct from aristocracy, where status is gained by virtue of birth-right. It is therefore linked to the notion of equality of opportunity.

**Liberty/freedom**

Arguably liberty is *the* core principle of liberalism: it is the principle which gives the ideology its name. Liberalism began as a call for liberty or freedom (the terms are interchangeable) from the tyrannical power an absolute monarch. At its heart is an assertion that if set free rational individuals can achieve far more than if they are tethered by the bonds of feudal society. Liberty allows progress: it allows individuals to develop their talents and skills. This is apparent in the view that **Adam Smith** (see below) espoused of market economies. In his book, *The Wealth of Nations* (1776), he postulated that economies function best when they are free from the ‘dead hand’ of government interference. Liberals therefore believe that the role of government should be limited to that of an ‘arbiter’, as Locke put it, or referee between competing interests and allow the free market to operate freely.

However, it would be wrong to assume that liberals believe that freedom is absolute and should never go unchecked. Writing in 1859, **J.S. Mill** (see below) advocated the ‘**harm principle’**. In his book, *On Liberty*, Mill argued: ‘the only purpose for which power can be rightfully exercised over any member of a civilized community, against his will, is to prevent harm to others’. Thus Mill proposes that individuals should be free to do as they choose *as long as they do not harm others*. These principles govern freedom on the basis of social responsibility. (See the section on Tolerance, below, for a further explanation of the harm principle.)

There is also a dichotomy within Liberalism with regard to freedom. Classical Liberals believe in what Isaiah Berlin defined as ‘negative freedom’, that is: freedom *from*. To Classical Liberals, people are free if they are unchained. As Hobbes put it: “Liberty signifieth properly the absence of…. external impediments of motion” (6). In other words, as long as we are not physically restrained, we are free. Modern or progressive liberals have a different view. Recognising that some are trapped in poverty by the worst excesses of capitalism and therefore, although unchained, were not free, they believe in what Berlin calls ‘positive’ freedom, or ‘freedom *to*’. This can take many forms, including, for example, freedom to be educated and freedom to enjoy free healthcare at the point of access. Positive freedom therefore underpins the doctrine of **equality of opportunity**, in which progressive liberals believe, and requires a more significant role for the state than classical liberals would allow. The state, argue progressive liberals such as **T.H. Green,** has a moral duty to protect the most vulnerable in society.

**Reason/Rationalism**

Rejecting the superstition and mysticism of the middle ages, early liberal thinkers placed trust in the power of human reason (the Enlightenment is known as the ‘age of reason’). They shared an optimistic view of human nature, believing that the history of humankind is one of unlimited progress, characterised by the growth of knowledge. If people are capable of independent rational thought, the argument goes, they should be free to choose their own destiny: free from government interference, able to trade in a free market, and freely able to consent to a government. It therefore follows that government should be limited, laissez faire economics should prevail, and free and fair elections should be held regularly. Moreover, reason and debate are important principles, and liberals therefore believe that disputes should be settled through rational negotiation rather than war.

Accordingly, Liberals place great importance on self-improvement and education. Gladstone’s government introduced significant educational reforms in the nineteenth century and in the twenty first century the party has been opposed to university tuition fees. Reason and education free us from the weight of custom and tradition, allowing progress to occur.

It follows, too, that if individuals know what is best for themselves and are most likely to develop if they can make their own choices in life (and learn from their own mistakes), Liberals reject the
*paternalism* of conservative thinking.

**Tolerance**

It also follows that if humans are rational creatures capable of independent thought, there will be a diversity of views. Liberals believe that such diversity should be tolerated as debate is healthy and citizens have the right to hold divergent ideas. Locke defended religious tolerance and, championing the rights of religious and political dissenters, **Voltaire** said, “I detest what you say but I will defend to the death your right to say it”. J.S. Mill believed that the truth can only be found through discussion when people are open to criticism. He argued, “If all mankind minus one were of one opinion, mankind would be no more justified in silencing that one person than he, if he had the power, would be justified in silencing mankind.” Liberals argue that the oppression of free thought and free expression creates a stagnant society and makes progress impossible. Tolerance is therefore and important principle as it ensures the health of democratic society and is associated with **pluralism** (the idea that society is made up of diverse and competing groups). Liberalism, born of dissent, allows for dissent.

However, tolerance is not absolute in liberal thought. Mill argued that the actions of others should be tolerated as long as they harmed no one else (see Mill, below). The **harm principle** argues that, as individuals, we are free to do whatever we choose as long as we do not harm others. Mill believed that there are *self-regarding actions* (those actions which do not physically harm others) and *other-regarding actions* (those actions which may harm others). An example might be as follows: if I drink six pints of beer on my own, that is a *self-regarding* action because the consequences are unlikely to harm others. However, if I drink six pints of beer and attempt to drive, that is an *other-regarding* action as I am likely to harm others and therefore my action is morally unacceptable. This principle has informed the ban on smoking in public places. According to Mill, harm to other includes limitations to the freedom of individual, threats to states, discrimination, and incitement to criminal activity.

Tolerance, liberals believe, allows personal morality to be a matter of choice. Neither the state nor society has a place in private matters. (In contrast, personal or private morality is eschewed by Conservatives on the basis that it has the potential to threaten the fabric of society).

**Rights**

Liberals believe that in a fair and just society everyone should have equal rights. Locke argued that “every man may enjoy the same rights that are granted to others”. Among the classical liberals, Locke and Paine believed in natural rights (rights which can be deduced from nature and which are God given, such as the right to life). Indeed, Locke believed that some rights are inalienable (cannot be taken away) which included ‘life, liberty and property’ (transposed by Jefferson in writing the American constitution to ‘life, liberty and the pursuit of happiness’). Today we would consider human rights as natural rights. The concept of natural rights assumes that humans are naturally rational and good. However, Bentham and Mill dismissed the idea of natural rights, saying that the only natural inclination is to pursue our own self-interest. For them, rights are an entirely legal entity created and recognised through codified constitutions (for example, the Bill of Rights in the USA).

Liberals who believe in natural rights claim that they underpin of political morality. Individual rights are more important than collective goals and, as such, governments have a moral duty to uphold individual rights. Ronald Dworkin (1931-2013) argues that natural rights ‘trump’ other considerations.

Progressive liberals would agree that everyone should have equal rights achieved through **equality of opportunity** and realised through a meritocracy. We are ‘born’ equal and have the right to achieve self-fulfilment rather than have our lives determined by social position and privilege. To this end the modern liberals have supported the rights of minority groups.

**Justice**

Fairness and justice are themes which run throughout liberal thinking. For example, from the early twentieth century liberals have felt that the electoral system used in general elections in the UK is unjust and in coalition government they pushed for a referendum on the AV system in 2011, resulting in defeat for the AV supporters. How can it be just, they argue, than in winning 23% of the national vote the Liberal Democrats secure only 9% of the seats?

**Limited Government & constitutionalism**

If individuals capable of free thought and reason, it follows that they are best able to make their own choices in the world. People should be free to choose what is best for them in life and in commerce. The role of government should therefore be minimal, for liberals would ask what right a government has to interfere in the lives of rational citizens. John Locke proposed that it is the duty of the state, to safeguard the basic rights of its citizens, but governments have no role beyond that duty. Citizens **consent to be governed** only as long as the government protects their basic rights, and failure to do so would lead to a withdrawal of popular consent. This facilitates **democracy** in which governments require the consent of the majority, yet in which the **rights of minorities** are upheld.

***Fascinating fact***: Many early liberals, including Rousseau, Locke and Madison, feared the rule of the majority, believing it could create a tyranny of the majority or mob-rule. Instead they argued that government was the business of a property-owning class.

Thus governments should be limited in their powers. This is best done by a constitution which codifies the **separation of powers** and the rights of its citizens. Liberals therefore believe in **constitutionalism** (the limiting of government power by constitutions). This also accords with the classical liberal view that governments should not interfere with the market place. Free trade should be allowed as governments cannot control the forces which govern commerce. As Thomas Jefferson remarked, “That government is best which governs least.” According to classical liberals like **Adam Smith**, governments are best served by adopting a ***laissez faire*** approach to the economy.

So who are the key philosophers?

**Liberal thinkers**

**John Locke** (1632-1704) is widely regarded as the founding father of liberalism, although his writings predate the formation of liberalism as an ideology. He was heavily influenced by the philosopher Descartes and in turn influenced other contemporary philosophers, including Voltaire and Montesquieu. Associated with Lord Shaftesbury, a radical who believed in religious tolerance and who was fiercely critical of absolutism, Locke fled with him to Rotterdam for a short while in 1682 when Shaftesbury’s political influence waned in England. Locke supported the Glorious Revolution of 1688 which saw the removal of the Catholic monarch, James II.

Locke believed in ‘natural laws’, which ensured that most men do not harm the lives, health, liberty or property of others. From these he discerned ‘natural rights’ which he believed were *inalienable* (i.e. cannot be taken away), which he defined as the right to ‘life, liberty and property’. Locke believed that governments should only be created with the consent of the people. It was the job of government to protect the individual rights of citizens and failure to do so would result their consent to govern being withdrawn. Governments should be limited in their role to that of an arbiter between competing individual interests and rights, or what he called the “nightwatchman” state. From his works emerge the liberal principles of individualism, rationalism, rights, limited government, a social contract, government by consent, the separation of powers and checks and balances.

***Fascinating fact:***

Locke would not have been considered a democrat in the modern sense. Although he accepted that humans are born free and equal, he believed in property franchise as a way of ensuring only those who are most capable of reason should have the vote.

**Montesquieu** (1689-1755) was a French philosopher who articulated the theory of the separation of powers. He feared that political power was too potent to be held by one authority. Accordingly, he identified three functions of government which he believed should be held separately: to make laws (the legislature); to implement laws (the executive) and to interpret laws (the judiciary).

***Fascinating fact:***

Ironically, he mistakenly discerned these three functions from his examination of the British parliamentary system, which, in fact, displays ‘fused’ or ‘overlapping’ powers.

**Adam Smith** (1723-1790) was an economist who emphasised free market economics. He believed that the market was governed by an ‘invisible hand’ which was beyond the understanding of mortals. He therefore advocated *laissez faire* (meaning ‘let it be’) government, arguing that the state should have no role in regulating the economy which should be left to the whims and fortunes of the market. The lack of regulation which he envisioned also applied to employment law. His theories were described in his influential work, *The Wealth of Nations* (1776). A classical liberal, Smith’s ideas were revived by neoliberals in the 1970s.



**Adam Smith’s tomb, Canongate Kirk, and statue in Edinburgh**

***Fascinating fact:***

A portrait of Adam Smith currently appears on the back of the £20 note.

**Jeremy Bentham** (1748-1832) was the founding father of **utilitarianism.** He saw humans as self-interested creatures who seek to maximise their utility (or happiness). Individuals are best able to judge for themselves what is in their own interests. We seek pleasure and avoid pain and should be allowed to make those decisions for ourselves (unless we harm others). This is enlightened self-interest and fits with free market capitalism. He believed it is possible to measure utility (happiness) arising from consuming goods. Governments should make decisions on the basis of whether the total utility is increased or reduced: ‘the greatest good of the greatest number’. He disagreed with Locke on the issue of natural rights, describing them as “nonsense upon stilts”. He believed that rights were a human invention and therefore not natural at all. They could only be justified if they promoted greater ‘utility’ or human happiness.

***Fascinating fact:***

In accordance with his wishes Bentham’s body is preserved as an ‘Auto-icon’. It is on display at University College London and is still occasionally carried to the meetings of the College Council where it is recorded as “present but not voting”.

**Samuel Smiles** (1812-1904) was a Scottish author and reformer whose contribution to Liberalism was to advocate the individualistic notion of self-help. In a speech in 1845, later developed into his book, *Self Help*, he declared that ‘Heaven helps those who help themselves’.

***Fascinating fact:***

Unable to find a publisher for his book, Smiles eventually published it at his own expense in 1859. It sold over 20,000 copies in the first year and catapulted Smiles to riches and Victorian celebrity status.

**Jean Jacques Rousseau** (1712-78) was a Geneva-born French philosopher, identified with the French Revolution, whose greatest contribution to liberalism was the idea of the Social Contract. He was influenced in his thinking by Hobbes, but his view of human nature is less pessimistic than that of Hobbes. Rousseau distinguishes between man as a natural being (free and innocent, a ‘noble savage’) and man as a social being (corrupted by education and social influences) saying, “Man is born free, yet everywhere he is in chains”. He believed that citizens forfeit their natural freedoms and rights for the freedom and rights of civilised society. He argued that the state is created by individuals for individuals, and that true freedom can only be found in communal life where everyone is equal. People should therefore forfeit their rights unconditionally to the community and the will of the people is expressed through the General Will of society (which is greater than the sum of ‘petty self-interest’).

***Fascinating fact:***

Mary Shelly’s novel ‘Frankenstein’ was inspired by Rousseau’s idea of the ‘noble savage’ (the individual free from the chains of civilization) and her description of Frankenstein is said to resemble Rousseau wandering through Europe in exile.

**Tom Paine** (1737-1809) was a political activist who contended that “government, even in its best state, is but a necessary evil”, arguing for the rights of man above the rights of the state. He was a proponent of the American War of Independence (“We have it in our power to begin the wold over again”) and of the French Revolution, writing The Rights of Man in 1791 as a defence of the French Revolution.

***Fascinating fact:***

Ironically Paine fell out of favour with those in power in post-revolutionary France. He was arrested and imprisoned in Paris in 1793 and narrowly escaped the guillotine.

**James Madison** (1751-1836) was one of the Founding Fathers of the United States who was responsible for drafting the first ten amendments of the United States Constitution, which became known as the ‘Bill of Rights’. Madison believed in pluralism, and was a strong proponent of federalism, bicameralism, the separation of powers and the importance of checks and balances to prevent tyranny. He was the fourth president of the United States.

**J.S. Mill** (1806-73) was a political philosopher and politician whose ideas provided a transition between classical and progressive liberalism. Mill contributed the notion of the ‘harm principle’ to liberal thinking: the notion that an individual should be free to choose their own actions as long as they did not harm others. Mill also espoused laissez faire economics and individualism, famously saying, “Over himself, over his own body and mind, the individual is sovereign.” He was also a proponent of Bentham’s utilitarianism.

***Fascinating fact:***

Ahead of his time, Mill was a fierce advocate of female suffrage. In 1866, Mill became the first person in the history of Parliament to call for women to be given the right to vote.

**T.H. Green** (1836-1882) was a moral philosopher who is regarded as the founding father of progressive or new liberalism, believing that humans were essentially altruistic. He argued that poverty was not simply a matter of idleness. Economic freedom can lead to exploitation. Therefore the state should provide opportunities, through education and welfare, to enable those trapped in poverty to escape their condition. It should be an ‘enabling’ state. He was therefore a proponent of **equality of opportunity** and positive freedom. His influenced extended to other ‘new liberals’ such as L.T. Hobhouse (1864-1929) and J.A. Hobson (1854-1940).

***Fascinating fact:***

T.H. Green was a descent of Thomas Cromwell.

**Lloyd George** (1863-1945) though not a political philosopher, Lloyd George was responsible for the early implementation of progressive liberal ideas. He introduced the People’s Budget (1909), which laid the foundations for national insurance and pensions. It was the ensuing constitutional battle over the budget that saw the power of the unelected House of Lords diminished.

**J.M. Keynes** (1883-1946) was commissioned by Lloyd George in 1927 to consider ways of tackling unemployment. The resulting economic theory, known as Keynesianism, became the economic orthodoxy throughout the middle of the twentieth century. It involved state funding on infrastructure projects to ‘reboot’ an ailing economy, the best example of which is Roosevelt’s New Deal scheme and the building of the Hoover Dam. He argued that the market fails to take into account the social costs of economic activity, and that, given that no other agents have the capacity to do so, it is the responsibility of governments to regulate the social costs. Keynes’ ideas heavily influenced the post-war Attlee government.

***Fascinating fact:***

Keynes’ view on economic management partly arose from his experience as a delegate at the Versailles conference. He unsuccessfully sought to prevent Germany's reparation payments being set so high that they would cripple the German economy, damaging Germany’s ability to pay and limiting her ability to afford imports from other countries, which would harm not just Germany's own economy but that of the wider world.

**William Beveridge** (1879-1963) was briefly a Liberal MP (1944-45) and the architect of the NHS and the welfare state. His ideas, outlined in the Beveridge Report of 1942, were adopted by Clement Attlee in the post-war Labour government. In his report he recommended that the government should find ways of fighting the five 'Giant Evils' of Want, Disease, Ignorance, Squalor and Idleness.

***Fascinating fact:***

In his early career Beveridge was heavily influenced by the socialist Fabian Society with whom he worked closely.

**Robert Nozick** (1938-2002) was an American academic and political philosopher who is regarded as a libertarian and who influenced New Right thinking. He believed in upholding legitimate property rights and the importance of minimal government and minimal taxation, undermining state welfare and wealth redistribution.

**John Rawls** (1921-2002) was an American academic and political philosopher, whose most important work is A Theory of Justice (1970). Rawls sought a fair society based on the concept of a ‘veil of ignorance’ (if those who shaped society knew nothing about themselves, they would ensure that their policies did nor prejudice one social group in favour of another: they would regard an egalitarian society as ‘fairer’ than an unequal society). He proposed the ‘difference principle’, according to which ‘All social primary goods – liberty and opportunity, income and wealth, and the bases of self-respect – are to be distributed equally unless unequal distribution of any or all of these goods is to the advantage of the least favoured.’ Social inequality, therefore, could only be justified if it benefitted the poorest in society (a position adopted by Blair and Mandelson in New Labour’s ‘enterprise culture’). His work has therefore influenced modern social democratic thought.

**Schools of liberal thought:**

**Classical Liberalism**

Classical Liberals, from Locke to Mill, emphasised the importance of natural rights, free trade economics, *laissez faire* government proscribed by constitutionalism, rational thought and individualism. Mill, in particular, emphasised the importance of individual freedom. Such freedom would maximise self-reliance, self-fulfilment and entrepreneurial activity: unfettered by government interference individuals would be able to take full advantage of the market place and expand economic activity, thereby benefitting society as a whole. These ideas were particularly evident in the writings of the Classical liberal economist, Adam Smith.

As Isiah Berlin argued in Two Concepts of Liberty (1958), classical liberals support the notion of ‘negative liberty’, freedom from government interference, as opposed to the progressive liberal belief in positive freedom (freedom to do something). Negative liberty implies that the individual is ‘left alone’ to choose whatever action they desire. They are free from external constraints.

Classical liberals strongly believed in pluralism and that the freedoms of others should be tolerated. They believe that humans are rational, autonomous agents of equal value and therefore due equal respect. Tolerance was therefore important to the classical liberals and as we have seen, shocked by the suffering caused by religious turmoil at the time Locke was an advocate of religious tolerance. However, many classical liberals, including Locke, did not accept universal suffrage, fearing that it would lead to ‘mob rule’.

The constitutionalism espoused by classical liberals arose from the injustice of absolutism and demanded government by consent, the separation of powers and the rule of law. The power of government should be limited by constitutional limits agreed by the people. Individual rights, including the right to private property, outweighed the rights of the state. It was an idea which provided the basis of revolutionary thought in America and France.

**Progressive/New/Modern Liberalism**

Progressive liberalism (sometimes known as ‘new’ or ‘modern’ liberalism) emerged as a response to the inequality which resulted from unregulated free market economics. Poverty, unemployment and relative deprivation as a result of the worst excesses of capitalism challenged the principles of [classical liberalism](http://en.wikipedia.org/wiki/Classical_liberalism). Hard work and talent alone would not guarantee success in the world. Progressive liberals, such T.H. Green, recognised that there were those trapped in poverty through no fault of their own. Self-reliance and self-improvement could only occur providing that people had the opportunity for self-improvement in the first place. Central to progressive liberalism is the promotion of **equality of opportunity**. This could only occur by the provision of greater state intervention in welfare and education, exemplified by Gladstone’s education reforms and Lloyd George’s pension scheme. Progressive Liberals believed that the conditions of the poor could be ameliorated only through collective action coordinated by a strong welfare-oriented interventionist state. Classical Liberals support economic freedom and limited government, whereas progressive liberals emphasise the need for the state to protect the poor and to provide a safety net through welfare.

Thus, whereas classical liberals support negative freedom, progressive liberals support positive freedom (‘freedom to’). This includes the freedom to enjoy the same opportunities as others which allows self-realisation. In short, the difference is over the degree of state intervention: classical liberals believe there should be none, whereas progressive liberals believe that some state intervention is necessary to protect the poor.

**Differences between Classical & Progressive Liberalism**

|  |  |  |
| --- | --- | --- |
|  | Classical Liberalism | Progressive/New Liberalism |
| On the economy | Supports free market capitalism | Supports some regulation of the economy to ameliorate the worst excesses of capitalism |
| On the equality | Humans are born unequal | Promotes equality of opportunity |
| On Freedom | Promotes negative freedom | Promotes positive freedom; accepts the harm principle |
| On the role of the state | Believes in limited government | Believes in some state intervention to help the poor |
|  |  |  |

**Welfare liberalism**

In many respects, welfare liberalism is an inevitable development of progressive liberalism, providing a response to the economic downturn of the 1930s. The comprehensive welfare state built in the UK after the Second World War, although work of the [Labour Party](http://en.wikipedia.org/wiki/Labour_Party_%28UK%29), was largely designed by two liberals, [John Maynard Keynes](http://en.wikipedia.org/wiki/John_Maynard_Keynes), who laid the economic foundations, and [William Beveridge](http://en.wikipedia.org/wiki/William_Beveridge), who designed the welfare system. Welfare liberalism seeks to provide a more extensive interventionist state to provide ‘cradle to the grave’ care for the most disadvantaged in society.

**Neoliberalism**

Neoliberalism is more associated with Thatcher’s Conservative Party than with the Liberal Party. It was inspired by the economist Friedrich von Hayek (see Chapter 3: Conservatism) and revived a classical liberal approach to the economy. It advocates a reduction in the size and role of the state by promoting privatisation (Thatcher privatised the public utilities) and deregulation (Thatcher deregulated financial services). Harking back to Adam Smith, neoliberals support limited government which adopts a laissez faire solutions to economic problems.

**Libertarianism**

Libertarians, such Robert Nozick, believe in a still more minimal role for government. They advocate extreme individualism, believing that the rights of individuals ‘trump’ those of the state which, they suggest, should not interfere in the lives of citizens. Libertarians are committed to the notion of private property and the freedom and privacy of individuals. They argue against redistributive taxation and an interventionist, welfare state. At its extreme, libertarians would argue that even law and order and the execution of justice is the responsibility of private individuals and not the state. Such views have gained popular currency amongst some citizens of southern states in the United States.

**A Very Brief History of Liberalism in the UK**

*I often think it’s comical*

*How Nature always does contrive,*

*That every boy and every girl,*

*That’s born into the world alive,*

*Is either a little Liberal,*

*Or else a little Conservative!*

*(W.S. Gilbert, Iolanthe, 1882)*

**The Liberal Party**

In the UK liberalism has found its expression principally, though not exclusively, through the Liberal Party and latterly the Liberal Democrats.

The Liberal Party was officially formed in 1859. Its roots lay in the Whigs, a radical parliamentary grouping inspired by the Glorious Revolution which sought to limit the role of the monarchy and proposed religious tolerance and electoral reform. In 1832 the Whig Prime Minister, Earl Grey, had passed the Great Reform Act, beginning the process of widening the franchise.

The newly formed Liberal Party enjoyed being in government throughout much of the second half of the nineteenth century. It sought to promote free trade in order to improve the prosperity of all. However, early on in the history of the party the tensions between the classical liberal position on free trade and laissez faire government and the progressive liberal position on government intervention to create greater equality of opportunity emerged. Gladstone was the Liberal Prime Minister throughout much of this period and among his reforms were the introduction of a progressive income tax and the first education act in 1870. Towards the end of the century divisions within the party crystallised around those who believed governments should keep out of economic affairs and those who argued that state intervention was necessary to relieve poverty, unemployment and ill-health. There was also growing disunion over the question of Home Rule in Ireland.

The Liberal Party entered a secret electoral pact with the newly-formed Labour Party in the 1906 general election, winning another turn in government. It was during this period of government that Lloyd George, a progressive liberal Chancellor, introduced the 1909 People’s Budget which partly aimed to establish pensions and national insurance. The subsequent conflict with the House of Lords was one of the defining episodes of twentieth century British politics and the ensuring constitutional reform established the primacy of the House of Commons.

Already divided over the Home Rule question and facing the emergence of class-based politics, which favoured the Labour party, the Liberal Party was thrown into further turmoil by the First World War. Leading a wartime coalition government, the Liberals found themselves implementing conscription (which runs counter to the liberal values of liberty and individualism) and nationalisation of key industries (which runs counter to their free market principles). By the end of the war, the Liberal Party was a spent force, its electoral base spread too thinly.

Although the Liberal Party no longer enjoyed sufficient electoral support to win a majority in parliament, the influence of liberals on British politics remained significant throughout the middle of the twentieth century. In the late 1920s Lloyd George commissioned John Maynard Keynes to consider how to tackle an ailing economy. Keynes developed an economic theory which proposed spending public money on infrastructure projects to alleviate unemployment and thereby boost the economy. Keynesianism became the economic orthodoxy of the mid-twentieth century and informed much of the programme of Attlee’s post-war Labour government.

Another influential liberal throughout this period was William Beveridge who briefly served as a Liberal MP for Berwick-upon-Tweed between 1944 and 1945. In 1942 Beveridge produced a report to tackle the ‘Five Giant Evils’ of ‘Squalor, Ignorance, Want, Idleness and Disease’ and the ‘Beveridge Report’, as it became known, influenced the formation of the NHS and the welfare state under Attlee’s government.

The fortunes of the Liberal Party nosedived in the 1950s. In the general election of 1957 it returned just five MPs and there was speculation that the party was being driven to extinction. In the late 1950s its leader, Jo Grimond, called for Britain’s membership of the Common Market and opposed nuclear deterrence, and in the 1960s he sought a realignment of the left, proposing a new non-socialist alternative to the Conservatives. However, the first-past-the-post electoral system continued to confound their chances of significant influence in Westminster.

Their revival, when it came in the 1970s, was produced by building up support in local elections. Community politics, or ‘pavement politics’ as it was called, became a hallmark of the Liberal strategy and the number of Liberal councillors mushroomed. In February 1974 there was talk of a deal to keep the Conservative Party in government, but their condition of electoral reform was rejected by the Conservatives. Instead, in 1977, they entered a brief pact with the ailing Labour government which was ended over their failure to extract sufficient concessions from Labour.

The fate of the Liberal Party took a new and surprising twist in the 1980s. Four high-profile members of the Labour Party resigned over its leftward drift and formed a new centre-ground party, the Social Democratic Party, or SDP. Attracting further MPs from both the Labour and Conservative parties the SDP quickly grew in size and, in 1983, it formed a formal electoral alliance with the Liberals. They shared common principles around Europe, electoral reform, and a mixed economy. Some polls excitably predicted that the SDP would win over 600 seats in 1983. In fact it won just six. Overall the Liberal SDP Alliance won 25% or the votes, but just 23 seats in the House of Commons (Labour secured 28% of the vote but 209 seats). Yet again the electoral system worked against the Liberal Party.

In 1988 the Liberal Party and the SDP merged. Under its new leader, Paddy Ashdown, the Liberal Democrats, as they became, they positioned themselves around progressive liberal ideas. In particular they supported worker and consumer rights and the rights of minority groups. They sought to raise income tax to invest in education and they entered into secret negotiations with New Labour in order to end the Conservative hegemony of British politics, thereby ending their stance on being equidistant from the two main parties. If the Liberal Party’s values led them to an affinity with another mainstream British party it would be Labour. The several arrangements that have previously been made with Labour, for example in 1906 and 1977, would certainly suggest this. As the progressive liberal, L.T. Hobhouse noted in 1908, “The ideas of Socialism, when translated into practical terms, coincide with the ideas to which the Liberals are led when they seek to apply their principles of Liberty, Equality and the Common Good to the industrial life of our time.”(7)

When Blair’s New Labour Party won the general election of 1997, they supported the government’s constitutional reforms, particularly devolution and the reform of the House of Lords. A prominent Liberal Democrat, Lord Jenkins, was also commissioned by Blair to undertake a review of the electoral system, but the recommendations of the Jenkins Commission, presented in 1998, were quietly dropped in the wake of New Labour’s landslide victory.

In 1999 Charles Kennedy was elected leader of the Liberal Democrats. An ex-SDP MP, Kennedy positioned the party to the left of New Labour. Their policies included increasing taxes to help fund public services, a new 50% top rate income tax and a new local income tax to replace the council tax. The Kennedy years saw opposition to a number of New Labour policies, notably the introduction of university tuition fees and proposals for introducing a national ID card scheme and a DNA database and for increasing detention without trial for terror suspects. They were also the only mainstream party in Westminster to oppose the Iraq War, gaining Muslim voters in the 2005 general election, and to promote environmentalism.

In a fringe meeting of the 2004 party conference a group of young Liberal Democrats launched a book which was to have a profound influence on the dichotomy between the classical and progressive liberal perspectives that jostle to inform party policy. Among the authors of *The Orange Book: Reclaiming Liberalism* were Nick Clegg, Vince Cable, Chris Huhne and David Laws, all of whom were later to hold positions within the 2010 coalition government. *The Orange Book* called for classical liberal solutions to the issues of today, including private sector involvement in public services, including the prison service, and a return to economic liberalism. Arguably this book helped to facilitate the possibility of the Liberal Democrats entering a coalition with the Conservative Party in 2010, signalling a shift from the left of centre position which Kennedy espoused.

Despite this, Liberal Democrat policies since the publication of *The Orange Book* have demonstrated a continuing commitment to progressive liberal ideas and in coalition government the Liberal Democrats claim to have been a moderating influence. Under the brief leadership of Menzies Campbell they proposed green taxes to penalise high-polluting companies. In 2007 Nick Clegg was elected leader. Under his leadership the Liberal Democrats supported Labour’s nationalisation of failing banks and the proto-Keynesian policy of ‘quantitative easing’ in the financial crash of 2008.

In the 2010 general election the party’s manifesto included a commitment to scrapping university tuition fees (their failure to honour this policy in government led to Nick Clegg’s much parodied televised apology), a banking levy, a mansion tax, an amnesty for illegal immigrants, a rejection of the building of new generation nuclear power stations (a policy which they subsequently overturned at their 2013 party conference), investment in schools, and raising the income tax threshold to £10,000. Of these progressive liberal policies the last two have been successfully implemented.

On the economy, they have supported Keynesian-style infrastructure spending on broadband and the building of new homes, but were forced to accept the more stringent public sector cuts which the Conservatives argued were necessary to tackle the deficit. On constitutional reform there has been Liberal Democrat success in introducing fixed term parliaments, but in coalition they have not been successful in reforming the House of Lords or introducing the recall of MPs or in persuading Parliament to comply with EU rulings on extending voting rights to prisoners. They have, however, staved off Conservative proposals to write a British Bill of Rights and withdraw from the Human Rights Act and strongly supported legislation to introduce same-sex marriage.

They entered the 2015 general election promising to guarantee education funding from nursery to 19 with qualified teachers in every class, new laws to protect nature and combat climate change, investing in the NHS and ensure greater equality of care for mental health and physical health, and balancing a budget through a mixture of public spending cuts and taxes on higher earners. However, the result of the 2015 election was devastating for the Liberal-Democrats, reduced to just 8 MPs (although still with a significant presence in the House of Lords). Their electoral disaster prompted Nick Clegg to claim that ‘Liberalism was needed now more than ever’. A leadership contest will provoke much soul-searching over a new direction for the party.

Despite their defeat, under their new leader, Tim Farron, it is evident that progressive liberalism, requiring the state to play a regulatory role in ensuring greater social justice and in extending equality of opportunity, has had a profound and continuing influence within the Liberal Democrats. Commitment to individual liberty and tolerance remain central to the party’s philosophy. It is within the Conservative Party that classical liberal values, particularly free market economics, have been most influential.

**Liberalism and the Conservative Party**

In 1974 Margaret Thatcher became leader of the Conservative Party. Her economic thinking was influenced by two influential figures: Friedrich von Hayek, an Austrian economist who had dismissed the state intervention of Keynesian economics in his book *The Road to Serfdom*, and Milton Friedman, an American economist, who shared Hayek’s scepticism of the growing role of the state. Neoliberalism, which Hayek and Freidman espoused, sought to reverse the twentieth-century trend towards ‘big’ government and revive the *laissez faire* economics of Adam Smith. When she became Prime Minister in 1979, Thatcher set about realising these ideas and creating a more limited role for government, claiming that she was “rolling back the frontiers of the State”. Thus, she privatised previously state-owned industries, such as British Steel, British Airways, and British Telecom, as well as the public utilities, including British Gas and the Electricity Board (a move which prompted a previous Conservative prime minister, Harold Macmillan, to complain that she was “selling off the family silver”). In seeking to create a ‘property –owning democracy’ she also sold off council houses, and in 1986 she deregulated the financial markets (a move which became known at the ‘Big Bang’) believing that markets are best served by free and open competition (supply-side economics).

In her observation that “There is no such thing as society” Thatcher was also endorsing the individualism evident within classical liberal thought. She emphasised self-reliance, echoing Samuel Smiles, and dismissed the ‘nanny state’ for encouraging dependency rather than individual responsibility.

Thatcher’s legacy is significant within the Conservative party and discussed in more detail in Chapter 3. Here it is worth noting that Thatcher’s successor, John Major, finally privatised British Rail. David Cameron, who became leader in 2006, has been recognised as one of the most liberal of the Conservative party leaders. He has voiced support for diversity and multiculturalism in Britain, supported same sex marriage, attempted to position the party as one which is supportive of environmentalism, and emphasised a reduced role for the state, cutting public spending.

The impact of liberalism on the Conservative party has been significant. However, the spread of liberal values in mainstream British politics has not only been confined to the Conservatives.

**Liberalism and the Labour Party**

The impact of liberalism on the Labour Party is evident from the mid-twentieth century with the post-war implementation of the Beveridge Plan for a welfare state and Keynesian economics. Throughout the 1960s and 70s Labour also championed the rights of minorities and civil liberties, passing legislation on issues such as racial discrimination, equal pay, homosexuality and unfair dismissal. However, it was in 1994, when Tony Blair became party leader, that further liberal influence became apparent. He chose to abandon the old Clause IV of the Labour Party constitution, which had committed to party to common ownership (or nationalisation) since 1918, and to accept both the free market and the idea, derived from Rawls, that inequality could be justified if it improved the general wealth of society. Blair believed in an ‘enterprise culture’ and Third Way economics, which embraced schemes promoting private finance in the public sector (the Private Finance Initiative or PFI) and used private expertise to support the public sector (Public/Private Partnerships or PPP).

In other liberal moves, Blair legislated for referendums on devolution for Scotland and Wales, ultimately signed Britain up to the European Convention on Human Rights by passing the Human Rights Act, reformed the House of Lords by reducing the number of hereditary peers to 92, and paved the way for greater separation of powers in the UK by passing the Constitutional Reform Act (2005), which paved the way for a Supreme Court separate from the House of Lords. While the detail of Labour’s liberal reforms will be discussed in Chapter 4, it is worth noting that his successor, Gordon Brown, briefly implemented the proto-Keynesian policies of quantitative easing and state ownership of failing banks in the financial crisis of 2008, while Ed Miliband unashamedly seized upon the Liberal Democrat proposals for a Mansion Tax.

**Conclusion: Liberalism in the UK**

It is undoubtedly true that liberalism has been hugely influential in shaping British politics. In the post-Thatcherite age of consensus, liberalism has become the dominant ideology of the three main parties, particularly in their approach to economic management. Free enterprise has become the cornerstone of the British economy. Moreover, Britain is largely a tolerant society which promotes social and legal justice, free speech, free and fair elections, and, despite the protestations of the Leveson inquiry, a free press. Yet it is equally true to say that unelected institutions still wield enormous political power, there is still scope for an ‘elective dictatorship’ (8), and a sovereign parliament, unrestrained by a codified constitution, has the power to erode civil liberties. The tensions between the role of the state and the liberty of citizens remain.

**Useful websites:**

[www.libdems.org.uk](http://www.libdems.org.uk) This is the official website of the Liberal Democrats.

[www.adamsmith.org](http://www.adamsmith.org) The Adam Smith Institute promotes free market economics.

**Further reading:**

Heywood, A., *Political Ideologies: An Introduction*, Palgrave Macmillan, (London, 1992) fourth edition 2007, Chapter 2.

Woodley, D., Political Ideologies, Philip Allan, (Oxford; 2009), Chapter 1.

Hoffman, J., *Liberalism*, Philip Allan, (Oxford; 2006).

**Accessible primary sources:**

Mills, J.S., *On Liberty*, (1859)

Smith, A., *The Wealth of Nations*, (1776)

**Endnotes:**

1. The English Civil War was a conflict between the supporters of the crown, the Cavaliers, and Cromwell’s Parliamentarians, the Roundheads, which helped settle the long-running dispute between the crown and parliament in parliament’s favour.
2. The Glorious Revolution saw James II removed from the throne by parliament and the installation of his daughter Mary and her husband William of Orange on the throne.
3. Unhappy with his rule, Parliament passed the Grand Remonstrance against Charles I in 1641, a list of grievances again him. Its publication resulted in Charles entering the House of Commons (the last time a monarch has ever done so) to seek out the five perpetrators of the document. Asked to point out the five rebellious MPs, Speaker Lenthall famously replied: “May it please your majesty, but I have neither eyes to see nor tongue to speak in this place but as the house is pleased to direct me.” The gauntlet was thrown down to absolute monarchy, and the subsequent English Civil War and the Glorious Revolution sealed its fate. (S. Schama, *A History of Britain, The British Wars, 1603-1776*, (BBC Worldwide Ltd, London, 2001), p 123.)
4. Russell, B, *History of Western Philosophy*, (Unwin; London, 1946; 1979) p 584.
5. Heywood, A, *Political Ideologies: an introduction*, (Palgrave, London, 1992); 4th edition 2007, p 28.
6. Hobbes, Thomas, *The Leviathan*, Chapter XXI, (London, XXXX 1651; XXXX;) p**xxxx.**
7. Brack, D, *The Dictionary of Liberal Quotations*, (Biteback, London, 2013) p172. It is worth noting, however, that the National Liberal Party (1931-1968), a breakaway group from the Liberal Party, affiliated to the Conservative Party in 1947 and sponsored MPs, including Michael (now Lord) Heseltine. Their stance was closer to the protectionism of the Conservative Party and they sought a broadly non-socialist alliance.
8. The BBC Dimbleby Lecture, Lord Hailsham, 1976