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Hayek on socialism and on the welfare state: A comment on Farrant and Mcphail's "Does F.A. Hayek's Road to Serfdom deserve to make a comeback?"

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HAYEK ON SOCIALISM AND ON THE WELFARE STATE:
A COMMENT ON FARRANT AND MCPHAIL'S "DOES F.A.
HAYEK'S *ROAD TO SERFDOM* DESERVE TO MAKE A
COMEBACK?"

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Abstract

Of

Hayek on Socialism and on the Welfare State:

A Comment on Farrant and McPhail's "Does F. A. Hayek's *Road to Serfdom* Deserve to Make a Comeback?"

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In a recent article in *Challenge* magazine, Andrew Farrant and Edward McPhail argue that the central message of F. A. Hayek's *The Road to Serfdom* is that any attempt to create a welfare state must lead inevitably to totalitarianism. I argue in my paper that this was not the central argument; that in his book Hayek was arguing against the dangers of socialist central planning, not the welfare state, and his argument was largely correct. It was only in later books, after the demise in the west of "hot socialism," that he took up the question of the dangers of the welfare state, and when he did so it was in more measured and gradualist terms.

JEL codes are B2, B31

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Hayek on Socialism and on the Welfare State:

A Comment on Farrant and McPhail's "Does F. A. Hayek's *Road to Serfdom* Deserve to Make a Comeback?"

Bruce Caldwell

The Road to Serfdom was first published in 1944. It was a steady seller over the years, but for the past three years there has been a huge upswing in interest and in sales. The trend culminated in June 2010, when (immediately following a Glenn Beck program in which he urged his viewers to buy the book) it leapt to the number one position on amazon.com. It remained number one for about ten days, then spent the next two months in the top 100. As the General Editor of the series *The Collected Works of F. A. Hayek*, I could not have been more delighted that lots of people were suddenly reading (or at least buying) Hayek's most famous book. My enthusiasm was not shared, however, by Andrew Farrant and Edward McPhail, who in their article "Does F. A. Hayek's *Road to Serfdom* Deserve to Make a Comeback?" question whether the renewed attention is warranted.

They base their judgment on what they take to be the central message of Hayek's book. According to Farrant and McPhail (F&M), Hayek argued in the book, and in fact believed throughout his life, that attempts to create a welfare state will lead inexorably to totalitarianism. They note that many respected academics from across the political spectrum – from George Stigler to Lionel Robbins to Paul Samuelson – have interpreted Hayek in exactly this way. But if this is, indeed, Hayek's argument, it seems plainly to have been falsified by the experience of the welfare states of western Europe. These countries have managed to combine high levels of taxation with high levels of welfare spending, but without having to impose totalitarian restrictions on political or personal freedoms. As Paul Samuelson once put it,

For years libertarians have been challenged to explain what appears to most observers to be the greater political freedoms and tolerances that prevail in Scandinavia than in America.... I was told that none of

this would last, active government economic policy had to result in loss of civil liberties and personal freedoms. One still waits (Samuelson 1964, 226-27).

On this reading, people like Rush Limbaugh and Glenn Beck who think that Hayek's writings are as applicable to the policies of Obama as they were to those of Stalin are interpreting Hayek correctly. They understand Hayek correctly, but (given the experience of the welfare states of Europe) Hayek was in fact wrong. So the book should not be experiencing a revival.

I disagree with fundamental aspects of F&M's thesis. In responding to them, I will make resort to my favorite field, the history of economic thought. Though heavy on quotation, F&M are very light on context, which in my mind is crucial. I will begin by explaining the context in which the book was written. I will then show, first, what Hayek was actually saying in *The Road to Serfdom*: he was arguing against socialist planning, not the welfare state, and I will maintain that his criticisms of socialist planning are exactly right. Next, I will talk a bit about his later work, where he did indeed make arguments against the welfare state, arguments that in fact come much closer to what F&M think Hayek was saying in *The Road to Serfdom*. But crucially, the process by which the welfare state leads to diminished liberty is much different. I will suggest that the jury is still out on the veracity of these particular claims. Finally, I will argue that, even if we understand that the true argument of *The Road to Serfdom* is directed at the sort of "hot socialism" that no longer exists in the west, readers of today can still learn a great deal from it. F&M ask rhetorically whether it is a tract for its times or a work of enduring relevance. There is a false dichotomy. The book is both.

What Was Hayek Responding to When He Wrote *The Road to Serfdom*?

To understand Hayek's message correctly, we must travel back in time to Britain in the 1930's. The British were experiencing the Great Depression, though unlike (most of) the U.S. they had also experienced a stagnant economy through much of the 1920s, as well. Capitalism appeared permanently to have collapsed.

Alternative social experiments, communism in the Soviet Union and fascisms of various types in Italy, Spain, and Germany, seemed (at least to most¹) equally unpalatable. Wasn't some sort of middle ground possible?

Almost everyone among the British intelligentsia thought that it was, and that the middle ground combined three key ideas: socialism, planning, and science.² Capitalism was to be replaced by a rationally planned society. Just as the physical sciences had allowed mankind to tame nature, the social sciences would allow us to construct a better society. As an economic and political program, socialism was the way forward. It promised to avoid the wastefulness and profit-seeking excesses of a failed capitalist system, and to promote a more just distribution of income, all while preserving democracy and individual freedom. This vision of a rationally planned democratic socialist society was shared by much of the intelligentsia, not just social scientists but by natural scientists, the press, political elites, even artists.³ Planning became the buzzword of the day. As Hayek's colleague at the London School of Economics, Lionel Robbins, put it,

Planning is the grand panacea of our age. But unfortunately its meaning is highly ambiguous. In popular discussion it stands for almost any policy which it is wished to present as desirable.... When the average citizen, be he Nazi or Communist or Summer School Liberal, warms to the statement that "What the world needs is planning," what he really feels is that the world needs that which is satisfactory (Robbins 1937, 3).

While many thought that planning was the answer, others claimed more strongly that planning was inevitable. To these people, the world had irrevocably changed. There was to be no return to competitive market capitalism. The choices, instead, were two – Britain could embrace good planning, something that was claimed

¹ There were a few British enthusiasts for fascism, with Sir Oswald Mosley's Union of Fascists being the most prominent example. Rather more intellectuals supported communism. For example, the leaders of the Fabian socialists, Sidney and Beatrice Webb, published in 1935 a gigantic two volume work, *Soviet Communism: A New Civilization?*, which portrayed the Soviet system quite favorably, especially in its apparent support of science. With a bit of bad timing, when they brought out the second two years later, just as news of Stalin's show trials broke, they had dropped the question mark at the end of the title.

² See Caldwell 2004, 232-41; Marwick 1964.

³ Caldwell 2007, 232-41. On the social relations of science movement and the British natural science socialists, see Wersky, 1978. A typical entry was the Conservative MP from Stockton-on-Tees (and later Prime Minister) Harold MacMillan's 1938 book, *The Middle Way*, in which extensive control of the economy was extolled.

to be fully compatible with human freedom,⁴ or do nothing, in which case the bad sort of planning that was on offer in places like the Soviet Union would emerge instead. This was the fundamental message of the Hungarian émigré sociologist and Hayekian nemesis Karl Mannheim, a frequent target in Hayek's book.

Hayek undertook to criticize this (in his view dangerous) complex of ideas in a great two volume work, titled *The Abuse and Decline of Reason*. In it he would first trace the spread of the idea that one can control and plan social processes in the same way that engineers can build bridges, then show the adverse consequences of adopting what he called "the engineering mentality" or "the scientistic prejudice" ("scientistic" being a pejorative, signaling ideas that claimed to be, but were not, truly scientific). Hayek finished part of the project, but then changed directions and worked instead exclusively on the second volume, which ultimately was published as its own stand-alone volume, *The Road to Serfdom*.⁵

The quote from Lionel Robbins makes clear that the popular calls for "more planning" seldom identified exactly what was *meant* by the word. Spelling that out, of course, was one of Hayek's goals in his book. It is important at this point to define "socialism." Though people have used the word to mean different things,⁶ the standard definition is state ownership, or nationalization, of the means of production. A number of academic socialists were calling for exactly this. And most of them⁷ were arguing further that such a system was fully compatible with democracy and personal freedom. More important, the British Labour Party (which had the adoption of socialism as a party plank) had explicitly endorsed nationalization in a resolution passed at the Party Conference in May, 1942. As Harold Laski put it in his speech defending the resolution:

Nationalization of the essential instruments of production before the war ends, the maintenance of control over production and distribution after the war – this is the spearhead of this resolution.... You

⁴ Karl Mannheim's understanding of what "freedom" entailed bears repeating. See, e.g., Mannheim 1940, 378: "At the highest stage freedom can only exist when it is secured by planning. It cannot consist in restricting the powers of the planner, but in a conception of planning which guarantees the existence of essential forms of freedom through the plan itself." When M&R complain about Hayek talking about "the inevitability of planning," they do not seem to realize that this was an argument that had been made by one of Hayek's opponents, so was something that he was responding to. This illustrates well the dangers of not knowing the history, of not understanding the context in which a given argument is made.

⁵ For more on this see my introduction to Hayek's *Studies on the Abuse and Decline of Reason*, Caldwell 2010.

⁶ Hayek examined some of the variants in *Collectivist Economic Planning: Critical Studies on the Possibility of Socialism* [1935] 1975.

⁷ Maurice Dobb, a Marxist economist teaching at Cambridge, was the exception – he admitted that full socialism was incompatible with consumer sovereignty, but thought that giving it up was worth it. See Dobb 1933.

must plan full production if you want full production. You must organize public welfare if you want to achieve public welfare.... We have to direct and control the banks. We have to direct and control the landowner and the farmer.... Private ownership of the mines has wrought irresponsible confusion.... Private ownership of electrical power is futile in principle and inadequate in operation...(Laski 1942, 111).⁸

Though Hayek had many targets in the book, the idea that socialism – state ownership of the means of production – is compatible with political freedom was certainly a chief one.

Hayek's Argument in *The Road to Serfdom*

Hayek's argument against socialism was straightforward. Every economic system must answer a basic question: what is to be produced? In a market system, the question is answered every day through the forces of supply and demand. No such mechanism exists when the state owns the means of production. Everyone might like the idea of a plan, but each person would have a different view about what they thought was most needed. Hayek portrays a situation in which no consensus can be gained as to what to produce, and that this leads people to become frustrated, and willing to cede their decision-making power to others.

The effect of the people's agreeing that there must be central planning, without agreeing on the ends, will be rather as if a group of people were to commit themselves to take a journey together without agreeing where they want to go.... It may be the unanimously expressed will of the people that its parliament should prepare a comprehensive economic plan, yet neither the people nor its representatives need therefore be able to agree on any particular plan. The inability of democratic assemblies to carry out what seems to be a clear mandate of the people will inevitably cause dissatisfaction with democratic institutions. Parliaments come to be regarded as ineffective "talking shops," unable or incompetent to carry out the tasks for which they have been chosen. The conviction grows that if efficient planning is to

⁸ For more on this see my "Editor's Introduction" to *The Road to Serfdom*, Caldwell 2007, 11-14.

be done, the direction must be “taken out of politics” and placed in the hands of experts – permanent officials or independent autonomous bodies (Hayek [1944] 2007, 104).

Gridlock, then, leads people to give control of the production decisions to the bureaucracy. But production decisions also determine consumption decisions (if the plan does not call for something to be made, it cannot be consumed) as well as labor market opportunities (if the plan calls for more teachers and fewer plumbers, plumbers are out of luck). Decisions that in a market system are made through the impersonal forces of supply and demand are now made by bureaucrats. In a market system, when prices go up or jobs are eliminated, people blame the market (or the greed of businesses). But under socialism, it is the government that is making the decisions. People quickly realize that those who control the plan have a huge amount of power:

As soon as the state takes upon itself the task of planning the whole economic life, the problem of the due station of the different individuals and groups must indeed inevitably become the central political problem. As the coercive power of the state will alone decide who is to have what, the only power worth having will be a share in the exercise of this directing power (ibid., 138).

The final step in Hayek’s argument is that nice people don’t like to wield such power, to make decisions that may adversely affect millions of citizens. Bad people have no such qualms. As he puts it in his chapter, “Why the Worst Get on Top”:

...return for a moment to the position which precedes the suppression of democratic institutions and the creation of a totalitarian regime. In this stage it is the general demand for quick and determined government action that is the dominating element in the situation, dissatisfaction with the slow and cumbersome course of democratic procedure which makes action for action’s sake the goal. It is then the man or the party who seems strong and resolute enough “to get things done” who exercises the greatest

appeal. ...socialism can be put into practice only by methods which most socialists disapprove... (ibid., 159).

It should be evident that Hayek's dire warnings about the future *take as their starting point* a system of full socialism, that is, a system in which there is state ownership of the means of production. His point is that if one tries to institute such a system, decisions must be made, and the inability of the system to make them democratically ultimately leads to a situation in which a totalitarian leader can take control. Hayek was talking about socialism, not welfare statism, as the road to serfdom.

So how might we test Hayek's claim? We would need to have a case in which nationalization of the means of production was democratically voted in; we could then inspect what happened afterwards. Unfortunately for the test, though evidently fortunately for the people who might have lived under the regime in question, we do not have any such examples. What we do have are places like the Soviet Union and the East Bloc countries, North Korea, and Cuba, all of which engaged in full blown socialist economic planning. I think that few would disagree that these examples support Hayek's thesis about the effects that planning has on political expression and personal liberty, even if the processes by which such regimes came into existence did not include democratic elections. Equally clearly, the examples of western Europe do not fit: none of them embraced a comprehensive system of planning. Perhaps needless to say, I stand by my statement (one that F&M explicitly disavow) that "a welfare state is not socialism" (Caldwell, in Hayek 2007, 31). The distinction is absolutely essential if we are to understand the logic of Hayek's argument correctly.

Hayek on the Dangers of the Welfare State

If further evidence is needed that *The Road to Serfdom* was an attack on socialist economic planning (that is, planning under a regime of nationalization of the means of production), rather than on the welfare state, we need only to look at what Hayek wrote later about the two. Though Britain experimented with an increase in nationalization in the immediate post-war period, and maintained many of the controls (e.g., price controls on many goods, prohibitions on taking currency out of the country) that had been put into place during the war, as

the Cold War progressed and the horrors of life under Stalinism became apparent, enthusiasm for a planned society faded rather rapidly in the west. In 1956, in his Foreword to the American paperback edition of *Road to Serfdom*, Hayek accordingly acknowledged that his argument in the book was somewhat dated, that “the hot socialism against which it was mainly directed – that organized movement toward a deliberate organization of economic life by the state as the chief owner of the means of production – is nearly dead in the Western world” (Hayek [1956] 2007, 44). But the fact that “hot socialism” was nearly dead did not mean that the danger was over. Elsewhere in his Foreword he talks darkly about some of the initiatives taken by the British Labour Party in the immediate post-war period (ibid., 46-51), then concludes with these words:

...in Britain, as elsewhere in the world, the defeat of the onslaught of systematic socialism has merely given those who are anxious to preserve freedom a breathing space in which to re-examine our ambitions and to discard all those parts of the socialist inheritance which are a danger to a free society. Without such a revised conception of our social aims, we are likely to continue to drift in the same direction in which outright socialism would merely have carried us a little faster (ibid., 52).

Four years later, Hayek would offer his own vision of a new society founded on liberal principles in his book *The Constitution of Liberty*. In chapter 17 of that work, in his precisely titled “The Decline of Socialism and the Rise of the Welfare State,” a chapter that rather remarkably, given their thesis, F&M ignore, Hayek asserts that the welfare state had replaced socialism as the chief enemy of liberty. He begins by noting that “socialism in the old definite sense is now dead in the western world” and that “If, fifteen years ago, doctrinaire socialism appeared as the main danger to liberty, today it would be tilting at windmills to direct one’s argument against it” (Hayek 1960, 254). But what had taken its place, enthusiasm for “the welfare state,” was in many ways more dangerous. Hayek notes that, “unlike socialism, the conception of the welfare state has no precise

meaning” (ibid., 257). It has no distinctive principles, other than some amorphous desire to increase social justice.⁹ But this makes the task of fighting against it much more difficult:

The current situation has greatly altered the task of the defender of liberty and made it much more difficult. So long as the danger came from socialism of the frankly collectivist kind, it was possible to argue that the tenets of the socialists were simply false: that socialism would not achieve what the socialists wanted and that it would produce other consequences which they would not like. We cannot argue similarly against the welfare state, for this term does not designate a definite system (ibid., 258-59).

Hayek paints a portrait in which, slowly and over time, the accretion of interventions in the economy gradually and unintentionally lead us to the kind of centrally planned system that all now rightly regard as something to avoid. I will quote at length from a paragraph where he lays it all out:

...though socialism has been generally abandoned as a goal to be deliberately striven for, it is by no means certain that we shall not still establish it, albeit unintentionally. The reformers who confine themselves to whatever methods appear to be the most effective for their particular purposes and pay no attention to what is necessary to preserve an effective market mechanism are likely to be led to impose more and more central control over economic decisions (though private property may be preserved in name) until we get that very system of central planning which few now consciously wish to see established. Furthermore, many of the old socialists have discovered that we have already drifted so far in the direction of a redistributive state that it now appears much easier to push further in that direction than to press for the somewhat discredited socialization of the means of production. They seem to have recognized that by increasing governmental control of what nominally remains private industry, they can

⁹ “...we approach the new tasks set by the ambition of modern man as un-principled, in the original meaning of this word, as never before” (Hayek 1960, 256).

more easily achieve that redistribution of incomes that had been the real aim of the more spectacular policy of expropriation (Hayek 1960, 256-57).

As F&M document, Hayek continued to make arguments like this in his later work. And these are indeed the sort of slippery slope arguments that F&M want to associate Hayek with in the *The Road to Serfdom*. So why does it matter that Hayek did not make this argument in *The Road to Serfdom*, if in fact he was making it soon thereafter, and for the rest of his life?

It matters in a fundamental way. In *The Road to Serfdom* Hayek makes claims about what will happen if one tries to make “hot socialism” work. Some of the effects are quite dramatic. In his later work, the slow but steady growth of the welfare state appears from the outside as much more benign, and precisely because of that, from Hayek’s perspective, is much more insidious. No jackboots or gulags accompany the growing power of the welfare state – at least not until later. Rather, the death of liberty is that of a thousand small cuts, each aiming at correcting some apparent flaw in the system. This is a very different argument from the one in *The Road to Serfdom*, and one should not mix them together. Those who might wish to dismiss all of Hayek’s arguments are, of course, happy to do so with the claim that the absence of jackboots and gulags mean he was wrong. In doing this they fail to deal with his actual arguments.

So where does this leave us?

First, it is evident that Road was directed against anyone (and there were many people in the 1930s who were calling for just this) who thought that real socialism – nationalization of the means of production – could work. Hayek claimed that any attempt to put it into practice would lead to totalitarianism, and provided a graphic step by step process by which it would do so.

Next, there are no examples of democratically elected governments that tried to put such a system into place.¹⁰ So we cannot directly test to see if he was right or wrong. We do, however, have examples of such systems that were not democratically elected. And Hayek's description of life under such regimes is spot on.

Third, he did in later writings rail against the welfare state, which he thought had the potential of bringing about severe restrictions on our liberties, only more slowly. It was his fear of the gradual encroachments of welfare state that accounts for his frequent attacks in his later work on the idea of social justice, a concept that is often invoked as a justification for interventions in the economy. Hayek's perennial emphasis on the limitations of our knowledge, particularly when we confront complex orders for which prediction and control are so difficult, provide another element of his argument that often our attempts to improve conditions by intervening in the market order have adverse results. Finally, when his arguments are combined with those of the public choice school – these are economists who note that, even when we know what the right intervention might be, the chances that the political process will yield it, rather than some policy that simply rewards well-organized special interests, is small – one can see why Hayek tended to be pessimistic about the prospect of an expanded welfare state. And these are indeed the sorts of arguments that would resonate with people who worry about the increases in government intervention in the economy, and the abrogation of individual liberties, that have occurred most recently under the Bush and Obama administrations. As such, people who have such concerns can rightfully look to Hayek as someone who shared their fears. But if they want a description of how the state of affairs comes about, they should probably look to books like *The Constitution of Liberty* or *Law, Legislation and Liberty* in which he describes the rise of the welfare state, rather than to *The Road to Serfdom*.

Can Hayek's thesis about the welfare state be tested? Open-ended predictions (“if we do not mend our ways we will go to the devil, someday”) can be verified but never falsified, so Hayek's claim is not really a scientific prediction. Indeed, what Hayek has offered us is a warning rather than a prediction. I suspect that those who like welfare states will point to their successes, while those who distrust them – particularly those in

¹⁰ Hugo Chavez' Venezuela may at some point provide an example.

the U.S. – will point to the unprecedented recent growth in the size of the federal government and its deficit, and the gradual erosion of liberty that they have entailed. I would think that the jury is still out on this.

Should We Still Read *The Road to Serfdom*?

In his Foreword to the American paperback edition of *The Road to Serfdom*, though admitting that the danger of hot socialism was behind us, at least in the west, Hayek told his readers that nonetheless, it still might contain some worthwhile insights (Hayek [1956] 2007, 44). And I agree. It is both a tract for its time, one that dealt with specific arguments of the day, and a book that contains some timeless lessons. Only if one believes that its central message is that if one tries a little bit of planning one will end up in a totalitarian state, a claim that has often been made simply to dismiss it, can one miss them.

First and foremost, *The Road to Serfdom* offers an effective rebuttal to those who think that socialism – state ownership of the means of production – and democracy can be joined. Not many people in the United States identify themselves as socialists. But many in Europe do. Do they understand the implications of putting such a system into place? After *The Road to Serfdom*, the impetus is on those who would argue for socialism to tell us exactly what they mean by the term, how it would work, and why it is not susceptible to the problems that Hayek identified. Historical memories often are incredibly short. Hayek's book will continue to play an important prophylactic role into the future.

Perhaps the most enthusiastic audience for the book consisted of the tens of thousands of people who read *samizdat* copies of it while living under repressive communist regimes. “Hot socialism” may have been dead in the west by the 1950s, but it was of course very much alive in eastern Europe, Russia, China and elsewhere for many decades beyond that. The book offers a cogent analysis of the logic of the regimes under which they suffered. Part of Hayek's message in the book, addressed to a British audience, was that the classical liberal tradition that had grown up in Britain, a tradition that socialists were eager to discard, should be reclaimed. This was why, by the way, that John Maynard Keynes, on reading the book while on a ship on his way to the Bretton Woods meetings, could say to Hayek that it was “a grand book” and that “morally and philosophically I find myself in agreement with virtually the whole of it; and not only in agreement with it, but

in a deeply moved agreement” (Keynes [1944] 1980, 385).¹¹ Surely in describing the liberal tradition Hayek also offered some hope to those living behind the Iron Curtain that things could, in fact, be different.

Jacob Marschak, a socialist economist who read the book in manuscript form for the University of Chicago Press and who enthusiastically recommended its publication, opened his reader’s report with the sentences, “The current discussion between advocates and adversaries of free enterprise has not been conducted so far on a very high level. Hayek’s book may start in this country a more scholarly kind of debate” (Marshak, in Hayek [1944] 2007, 251). The sentences apply equally well today. My rebuttal to F&M is meant to clear up a long-standing controversy about the book’s meaning. But I also hope that it may help to bring some clarity into how we use words. In particular, the terms “socialist” and “socialism” are often rather casually tossed around by some opponents of the welfare state. It is an abuse of language. Though his administration did indeed undertake the (usually partial) nationalization of particular firms, Obama has not called for the nationalization of entire industries as a general policy. As such, it is inaccurate to call him a socialist. He is, rather, a proponent and supporter of the extension of the welfare state. If one wishes to criticize him, those are the grounds on which one should do so.

When I was writing my editor’s introduction for the book, George W. Bush was in office, and the United States government had only recently launched the “pre-emptive” war in Iraq. One of Hayek’s warnings in the book concerned the dangers that times of war pose for established civil societies. I put it this way in my introduction:

...for it is in such times when hard-won civil liberties are most likely to be all too easily given up.
...War enables leaders to ask for sacrifices. It presents an enemy against which all segments of society may unite. This is true of real war, but because of its ability to unify disparate groups, savvy politicians from all parties find it effective to invoke war metaphors in a host of contexts. The war on drugs, the war on poverty, and the war on terror are but three examples from more recent times (Caldwell 2007, 32).

¹¹ It is interesting that in a piece that is about *The Road to Serfdom* F&M provide a quotation from Keynes in which he is highly critical of an earlier book of Hayek’s, but do not show their readers what Keynes had to say about *The Road to Serfdom*! See F&M 2010, 100.

Each generation always has its own set of problems with which to contend. But seeing how others dealt with their own problems – especially problems of the magnitude that confronted Hayek and his compatriots in interwar Britain – is not a bad way to gain some perspective.

A Few Words in Closing

In his review of *The Road to Serfdom* for the *Journal of Political Economy*, Joseph Schumpeter called it “a polite book that hardly ever attributes to opponents anything beyond intellectual error. In fact, the author is polite to a fault...” (Schumpeter 1946, 269). Politeness in political discourse is something that has been missing from recent debates. We can learn something from Hayek in this dimension, as well.

This doubtless was why such people as Jacob Marshak and John Maynard Keynes, who disagreed with many aspects of the substance of the work, might still think that reading it would be worthwhile. In this I join with Marshak, Keynes, and Glenn Beck, an unexpected troika to be sure, to urge you, dear reader, to disregard the warnings of Andrew Farrant and Edward McPhail. Go to the library or to amazon.com and pick yourself up a copy. You will not regret the decision.

For Further Reading

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