

## The Road to Serfdom and Liberalism in Hayek's Eyes

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**Abstract:** According to Hayek's book *The Road to Serfdom*, this article discusses and comments Hayek's liberal views. *The Road to Serfdom* was written in 1944. Its ideological content is not only influenced by the background of the industrial revolution, the Second World War, socialist thoughts and other times, but also has Hayek's own educational experience, growth process and the shadow of his thoughts of teachers and friends. Hayek's liberalism thought is negative freedom, deeply impressed by Berlin and others, and has a certain correction effect on the positive freedom view of the society at that time. Hayek also talked about the relationship between freedom, responsibility and the rule of law, thus constructing the main framework of his freedom view. *The Road to Serfdom* is Hayek's achievement of social reflection and prediction at that time, and it is also the peak of Hayek's works. It is of great significance to study Hayek and his thoughts by studying this book.

### 1. Hayek and His Liberal Background

#### 1.1 Hayek's Personal Experience

Hayek was born in Austria in 1899. Hayek received a doctorate in law from the University of Vienna at the age of 22, a doctorate in political science the following year, and a doctorate in economics from the London School of Economics at the age of 44. Hayek hunted extensively in academic research and made great achievements in many fields such as psychology, political science, law, political philosophy, ideological history and methodology of social science. Hayek was praised as "intellectual aristocrat".

In the 1920s and 1930s, the western society launched a great debate on socialist economic accounting. Mises's "Economic Calculation in the Socialist Common Wealth" and Oskar Lange's "Lange mode" were the important contents of this debate. Hayek took part in the controversy in 1935, including Mises and his own thoughts in his book *Collectivist Economic Planning*, and criticized Lange's plan. At this time, Hayek also appeared in the academic field as a professional economist. His currency theory and business cycle theory-related ideas posed considerable challenges to Keynes, but then Hayek turned to his non-economic social field. Exploration.

In 1944, Hayek published "The Road to Serfdom", which was a peak for him as a political scientist. Since then Hayek has published "Individualism and Economic Order", "Freedom Charter", "Law, Legislation and Freedom" and other works, some of which can be regarded as the extension and expansion of the idea of "The Road to Serfdom".

Hayek believed in a social concept similar to Fabian socialism in his early years, but Mises's "Principles of National Economics" and Mises' thoughts on socialism directly led Hayek's "Pipa Biexiang" to become a firm advocate of liberal capitalism.

Hayek's research in the political and social fields did not make him abandon his original position and continue to carry out a large number of theoretical studies in the field of economics. Hayek won the Nobel Prize in economics in 1974 for his ideological contributions related to monetary theory and economic cycle theory, and proposed the free banking and monetary competition scheme in 1976.

## **1.2 Liberalism in the era**

The Road to Serfdom was published in 1944 at the height of the Second World War. Since the Communist Manifesto was published, the spread of the workers' movement, the outbreak of the October Revolution, the world economic crisis, the establishment of the Soviet regime, and the Soviet Union's arduous performance in World War II have all led socialism to gradually enter the stage of the mainstream western society and set off a rising tide. On the other hand, the Nazis held high the banner of "national socialism" in World War II, causing confusion and chaos in the socialism in front of the public.

The sweeping of socialist ideological trend has not been smooth sailing. Just as the great debate on socialist economic accounting started in the early 20th century, some liberal scholars also discussed the similarities, differences and development between liberalism and socialism, and made predictions and warnings about the future of socialism. The Road to Serfdom is one of the most representative works.

After the Second World War, the overall situation in various countries in the world tends to be peaceful. In the economic field, the memory of the 1929 economic crisis is still fresh. Countries to varying degrees reject laissez-faire economic ideas. Keynesianism was once in full swing. Behind the state's intervention in the economy lies the shadow of socialist ideas. But in the 1960s and 1970s, Keynesianism failed, the economies of western countries plunged into stagflation, and the voices of economic liberalism began to amplify. Hayek was first famous in the world for his economic theory. At this stage, Hayek won the Nobel Prize in economics.

The changes in the economic sphere also affected the political sphere, and it was the collapse of the Soviet Union that eventually made Hayek famous in the first world war with the Road to Serfdom. The Road to Serfdom predicted the development and estrangement of this kind of "socialism" and centralization of power as early as 40 years ago. At last, the "socialism" of the Soviet Union was defeated in 1991. China, Vietnam, North Korea and other countries belonging to the same socialist camp also fell into the mire of Cultural Revolution, Khmer Rouge terrorism, centralization and poverty successively. The performance and thought of western socialist parties tended to be moderate From the doctrine to usher in their own era.<sup>1</sup>

## **2. Hayek's Liberalism**

### **2.1 The concept of freedom**

"The Road to Serfdom" has the following expression: "For the great advocates of political freedom, the word freedom means freedom from coercion, freedom from arbitrary power of others, and freedom from various restraints. These constraints leave individuals with no choice but to obey their officers. "

Throughout The Road to Serfdom, Hayek did not put forward a clear concept of freedom, but it is still obvious that freedom means "freedom from coercion" and freedom corresponds to coercion. Coercion is "to use some force or action to deal with resistance or inertia to oppress, drive, achieve or influence others to obey their own will". In the political field, "coercion" is usually applied by the strong to the weak, such as the powerful individual to the weak individual, the group to the individual, the state to the individual, and the social contract to the individual. Under "compulsion", the weak need to give up their original rights or wishes and turn to obey the requirements and control of the strong. This kind of abandonment has the meaning of "materialization", which makes the weak lose the subject's ideology, value judgment and the significance of emotional existence. In the real society, due to the interaction and coincidence of individual survival field, this kind of "compulsion"

is inevitable in fact, but the meaning of freedom lies in "the minimization of compulsion state and people can act according to their own will".

So Hayek's concept of freedom is negative freedom. The concept of negative freedom and positive freedom was put forward by Ilya Berlin. Active freedom is "the individual expects to be his own master". It has the power of choice and decision. It is driven by the individual's rationality and opposes the materialization and instrumentalization of self. Negative freedom refers to the territory of free action that is not obstructed by others. This territory is widely available to everyone, and it is the minimum and sacrosanct. "The essence of negative freedom is absolute rights, not power," and negative freedom respects the dignity of individuals as human beings. Hayek puts special emphasis on the position of "freedom from coercion" in his concept of freedom. The existence of such negative freedom can help correct social concepts, prevent those in power and the public from overstating the practical significance of the concept of freedom, and sanction multiple concepts and values from the "moral high ground". This is also an important reason why Hayek opposes socialism (especially the famous "national socialism"-Nazi).

## **2.2 Freedom and responsibility**

The key to Hayek's concept of freedom lies in "minimizing the state of coercion." This is a correct understanding of the practical significance of liberalism. As individuals in society, people depend on each other, and their own territory is dynamic and prone to interaction and friction. However, everyone's territorial rights are sacrosanct and equal. In order to avoid wars and spend too much time on such matters, some basic principles on the exercise of freedom have been put forward and widely recognized, which is the "responsibility" mentioned here.

Freedom is associated with responsibility, or inseparable. Due to the existence of responsibility, the individual's activities in the field of freedom must also consider its consequences and influence. But this kind of basic responsibility can not be transferred, and the responsibility of individuals should not be transferred to other individuals or groups, which is also related to the part of Hayek's concept of freedom about the collective. The concept and content of "tragedy of the common" are well known. Hayek believes that there is no "collective responsibility" in a free society. If the responsibility can not be implemented to the individual, then the responsibility will fall into space. "Everyone's responsibility is no responsibility", so it is necessary to establish a basic understanding of responsibility and individual internality.

Since written laws can be made artificially, the legitimacy of responsibility here mainly refers to natural law, and this legal responsibility is a shackle. Another shackle is the responsibility to internalize "morality". "When the material environment forces us to make a certain choice, we have the freedom to decide our own actions and to be responsible for arranging our own life according to our conscience. These two are the only atmosphere in which moral concepts can be cultivated and moral values can be recreated day by day in individual's free decision. It is not responsible to the superior but to one's own conscience, not the responsibility coerced by force. This kind of decision is the necessity of sacrificing something for others among the things that individuals attach importance to, and is responsible for the consequences of their own decisions-these are the essence of any real morality. " That is, people's reason and emotion have the ability to produce this sense of responsibility called "morality" and to judge the behavior itself and its consequences in terms of value, so as to take some actions to protect the freedom of individuals and society, which is also what we often call "Dancing in chains".

## **2.3 Freedom is governed by the rule of law**

Among the responsibilities of the laws mentioned in the previous section, the laws are regarded as natural laws for the moment. But in real life, the written law is the model of practical application, and what we need to do is to make the written law more in line with the spirit of natural law.

In the third chapter of "The Road to Serfdom," Individual Versus Collectivist, Hayek advocates "the liberal view is in favor of using competitive power as much as possible as a tool to coordinate human efforts, rather than allowing things to drift." And that the preservation of freedom or

liberalism requires a carefully designed and strictly enforced legal system. The design of this kind of law on responsibility is not consistent with the common "plan" nature of socialism. The plan is more specific and detailed, and usually takes the form of "what needs to be done". The law is more basic and universally applicable. It is usually presented in the form of "what can't be done". It can be done without prohibition. Moreover, Hayek is not totally opposed to the plan, when market competition is not enough to achieve the goal or development is not sufficient. Hayek said: "The country will never stand idly by when there is no system that can be reasonably maintained. An effective competition system, like other systems, needs a well-planned and constantly adjusted legal framework. "

As mentioned earlier, there is dynamic overlap and interaction between individuals and their territories, so the role of the law is to delimit the boundary and ensure the authority and safety of the boundary. The role of the rule of law is to reduce the influence of human factors and to ensure the freedom of each individual as fairly and objectively as possible. Therefore, the law should have the following three characteristics: generality or abstraction, certainty and equality in application.

"The generality or abstraction of the law lies in that it does not aim at a specific person, nor does it consider some situations such as time and place, but involves some situations that may occur at any time. It stipulates some conditions that an individual's behavior must meet and applies to all people. The certainty of laws lies in the fact that these laws must be known and confirmed, and most importantly, the judgment results of laws are predictable, which obviously avoids arbitrary rule. Hayek believes that it is impossible to achieve complete equality for the equality of laws. Laws have to be distinguished in some cases, but people know that this law may also be applied to themselves when making laws. In this way, they will not enact laws restricting freedom, and in some cases the distinction pointed out by the laws is also recognized by both parties. Therefore, even if there is some inequality, it will not cause any harm. Starting from the equality of laws, Hayek believes that although equality cannot be fully realized, the rule of law will give people the greatest degree of freedom under the existing conditions. "

Generally speaking, Hayek believes that the real freedom is the freedom under the rule of law, which is very necessary and important. "Only in the era of liberalism, the rule of law can be consciously developed, and it is one of the greatest achievements in the era of liberalism. It is not only the guarantee of freedom, but also the embodiment of freedom in law."

### **3. Summary**

The road to serfdom, as its name implies, shows Hayek's dissatisfaction with the society at that time, from ideological trend to system to world situation, which he regards as the social retrogression and the decline of civilization. As one of the basic values of human society (perhaps the first value of human society in Hayek's view), freedom has incomparable significance and importance of civilization, and it is an important sign of human being's progress from animals to human civilization. But in Hayek's era, whether it is economic crisis or war, whether it is social order turbulence or socialist ideological trend, the overall sense of chaos and even a trend of social "slide", all make Hayek and other liberalist scholars feel a sense of urgency, and thus spawned a great and small ideological debate on Liberalism and socialism.

Hayek believes that the decline of the market and the decline of freedom, as opposed to the prosperity of socialism, especially the prevalence of radical and even extreme national socialism, will bring irrational and unwise fanaticism and eventually lead to enslavement. Hayek himself said in his introduction: "After the year of his own, the author spent some general years in his hometown Austria, having close contact with the spiritual life of Germany, while the other half was in the United States and Britain. In the latter period, the author is increasingly convinced that at least some forces that destroyed freedom in Germany are also at work here, and the nature and origin of this danger may be less known than in Germany. "

However, there are also various problems with the liberalism advocated by Hayek himself, such as being too extreme individualism, too biased towards negative freedom and neglecting the significance of positive freedom ... His understanding of socialism is not absolutely correct. First of

all, the "socialism" he witnessed in Germany and Austria during World War II is not true socialism, and socialism also keeps updating and developing with the development of history.

Hayek's prediction became famous with the disintegration of the Soviet Union. However, we still have to look at Hayek's thoughts as objectively as possible. Whether it is freedom, justice or terms such as liberalism and socialism, it bears the imprint of the times and has historical development. "The Road to Serfdom" is certainly worth studying, but the most important thing is not to lose your direction in learning.

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