CLASSICAL LIBERALISM (NEGATIVE LIBERALISM)

Elements of Classical Liberalism:

Some of the basic elements of classical liberalism are stated below:

(1) The classical liberalism emphatically stresses the extreme form of **individuals interests or individualism**. It treats each individual as a separate unit which seeks to maximise his interests laboriously. Political scientists have called it a type of egoistical individualism. It is the atomist interpretation of society. It is based on certain presumptions. It believes that individuals are rational and reasonable and these two qualities lead them to take decisions which are sufficient to protect their interests perfectly.

It also says about the self-reliance of individuals. They need not be dependent on state for the realisation of interests. Classical liberalism further says that individuals are self-interest seeking units no doubt but since they are rational and reasonable they do not intentionally inflict injury or harm on others. The defenders of classical liberalism viewed individuals in this light.

(2) Classical liberalism fiercely argued for independent activities in economic field which is called **economic liberalism** or **laisez-faire¹**. It says that it would never be the policy of government to impose restrictions upon the economic activities of individuals. They will have absolute freedom to frame economic policies and to adopt them. If they are obstructed in the name of better management of economy or further greater benefit of society that may create chaos in economic sphere and lead economy to degeneration.

There are large number of proponents of this view and **Adam Smith** perhaps ranks first. His *Wealth of Nations*, published in the year of American independence, confidently argued for economic liberalism. Though Adam Smith's views were subsequently challenged by many up to the middle of nineteenth century its progress was rampant. T.H. Green, J.S. Mill and many others were very disturbed by the growing miseries of the working class and abnormal disparities in income and wealth between the classes. To save the society from these the state must interfere. Economic liberalism was, however, not rejected.

(3) Negative freedom was another hallmark of classical liberalism. Classical liberalism advocated that for the all-round development of the qualities of individuals it would be prudent to leave them alone. State would not impose unnecessary restrictions on the activities of them. **Negative liberty means absence of restrictions.** External constraints would curb the freedom of individuals.

The liberalism in its classical formulation thus advised the state to refrain from interfering with the liberty of individuals. Negative liberty is generally called the extreme from of liberty.

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- (4) Classical liberalism viewed the state with a different outlook. Thomas Paine (1737-1809) was a noted advocate of classical liberalism and he believed that the "state is a necessary evil". He admitted that the importance of the state is undeniable but this does not mitigate its evil nature. He argued that the state would be allowed to perform minimum functions and beyond this the state would have nothing to do. Paine and many others have specified the functions of the state which include the maintenance of law and order and to hinder the hindrances which stand on the way of the development of individuality. Some others have added one or two to this short list. The fact is that according to the classical
- liberalism that state is best governed which is least governed. The central idea of classical liberalism about state is it is minimal state and it respectfully remembers Locke's famous phrase (and nowadays it is frequently used) state is night watchman.
- (5) In classical liberalism civil society has a very crucial place. It is a society comprising free and independent individuals who pursue their own varied interests and in such society voluntary organisations are formed with individual's initiative. These are engaged in moulding the character of the individuals. Both individuals and organisations pursue their policies and discharge responsibilities keeping themselves free from state interference.
- In fact, classical liberalism cannot be imagined without any reference to civil society. Marx was quite aware of it and he in several places of his writings mentioned about it. Later on, Gramsci threw light on it. Our point is, classical liberalism believes that civil society will be allowed to act without outside interference.
- One important part of classical liberalism is economic liberalism whose core idea is to (6) allow the market forces to act freely. Today we call it market economy. Government activities in respect of economic matters have nothing to do with the operations of business houses, industries, export import agencies.

In the opinion of the advocates of classical liberalism restrictions would destroy the spontaneity of investors and operators. The moot point is economy will have freedom of activities and it is the broadest way for the progress of economy. Several authors in latter periods pointed out the devils of unrestricted economy but they never stood for state controlled economic system.

CRITICISM. It is conservative philosophy of the capitalist class The claim of the liberal democratic State that endeavours to secure benefits to the majority society is incorrect. The classical liberalism limits the claims of authority and thus paves the way for anarchy. It is rather amorphous both as a doctrine and as a movement. Liberties failed to bring perfect equality. It has failed to protect the interests of working class.