

# POSITIVE AND NEGATIVE ECONOMIC FREEDOM

JAMES A. GOULD  
University of South Florida

## I

One of the strangest debates in the literature of recent social philosophy is whether there is such a phenomenon as "economic freedom". To a man living in poverty this is a ridiculous question. He is acutely aware that his possible acquisitions and movements are extremely limited. He knows he is not free to eat or clothe himself as he wishes, nor to travel as he would like. Most of us experience envy when we read of people going to Katmandu or Bali, and the rich man, being able to do so, is seen by most people as a freer man than they.

Examining writers on the concept of freedom, one finds on the one hand that some argue there is the *experience* of freedom when a person acts with the enabling economic means to achieve his choices, or there is the experience of freedom when one has the *possibility* to realize his economic choices. Herbert Muller says "freedom" means in part "an actual ability with available means (economic, social and political)".<sup>1</sup> Mortimer Adler states that there exists "The circumstantial freedom of self-realization".<sup>2</sup> He maintains that to realize one's freedom means in part to have "propitious circumstances"—namely economic, political and social circumstances.

On the other hand, writers, such as Isaiah Berlin, de Jou-

<sup>1</sup> Muller, Herbert, *Issues in Freedom* (New York: Harper & Row), 1960, p. 12.

<sup>2</sup> Adler, Mortimer, *The Idea of Freedom* (New York: Doubleday), 1958, p. 6.

venel and Joel Feinberg, deny there is such a kind of freedom. All of these believe freedom to be mainly, if not completely, freedom from constraint or coercion. Berlin says, "I am normally said to be free to the degree to which no man or body of men interferes with my activity". He continues,

It is argued, very plausibly, that if a man is too poor to afford something on which there is no legal ban — a loaf of bread, a journey around the world, recourse to the law in courts — he is a little free to have it as he would be if it were forbidden him by law. If my poverty were a kind of disease, which prevented me from buying bread, or paying for the journey around the world or getting my case heard, as lameness prevents me from running, this inability would not *naturally* be described as a lack of freedom, least of all political freedom.<sup>3</sup>

But the issue isn't whether or not "poverty, etc." is political freedom. *The issue is to what should freedom refer.* In particular here the question is whether or not there is economic freedom. The purpose of this paper is to answer this question.

Consider the grounds for Berlin's rejection of the concept "economic freedom". He provides three arguments upon which he bases this rejection. The first is that it is grammatically incorrect to use the phrase "economic freedom". The second is that the belief whether or not there is economic freedom depends upon one's economic theory. The third is that one mustn't confuse freedom with the conditions for freedom. Berlin states his first argument as follows:

... this inability (to obtain money) would not naturally be described as a lack of freedom, least of all political freedom. It is only because I believe that my inability to get a given thing is due to the fact that other human

<sup>3</sup> Berlin, Isaiah, *Four Essays on Freedom* (New York: Oxford University Press), 1969, p. 123.

beings have made arrangements whereby I am, whereas others are not, prevented from having enough money with which to pay for it, that I think myself a victim of coercion or slavery. In other words, this use of the term (i.e. economic freedom) depends on a particular social and economic theory about the causes of my poverty or weakness. If my lack of material means is due to my lack of mental or physical capacity, then I begin to speak of being deprived of freedom (and not simply poverty) only if I accept the theory.<sup>4</sup>

It is certainly true that whether one *believes* himself to be economically free depends upon his particular economic views, and what he normally expects of the system he accepts.

Berlin's thesis is supported by P. H. Partridge:

It can be said that, at least in many cases, equating freedom with possession of (economic) power will involve a distortion of *ordinary language*. If I ask, "Am I free to walk into the Pentagon?" the question will be clearly understood: but if I ask, "Am I free to walk across the Atlantic Ocean?" the appropriate answer will be "You are free to, if you can." . . . It may be true to say that the poor man is as free to free to spend his holidays in Monte Carlo as the rich man is, and true also to say that he cannot afford to do so. These two statements . . . refer to two distinct states of affairs, and nothing is gained by amalgamating them.<sup>5</sup>

Notice first that Partridge prefers to using "free" so as not to distort ordinary language. This is similar to Berlin's calling the usage "natural". Thus both of them use the cri-

<sup>4</sup> Berlin, *loc. cit.*

<sup>5</sup> Partridge, Ph. H., "Freedom" in Paul Edward ed., *Encyclopedia of Philosophy* (New York: Macmillan Publishing Company), Vol. e, 1967, p. 22 (*italics mine*).

terion of ordinary usage to determine the meaning of freedom. *Ordinary usage, however, is not the proper test in this matter. We are searching for a concept of freedom to deal with the moral and political perplexities of our times. Ordinary language is not adequate for such a task.*

Secondly, notice that when the question is asked, “Are you free to spend your holidays in Monte Carlo?”, and one replies that he is free, but can’t afford to, the first thing to observe is that “free” here is being used to mean “non-constrained”. This is negative freedom. It is because the negative meaning of freedom is so common that this answer to the Monte Carlo question seems not only plausible but the only one. We must realize however, that the *Oxford English Dictionary* lists twenty seven meanings of the word “free”. Some of them are other than the negative sense. For example, this dictionary lists, “Free in a spiritual sense, as in ‘he who is free from conscience is a slave to fame’ and ‘the quality of being noble’.” Such phrases are not negative freedom expressions, and hence freedom has other meanings than just the negative.

Thirdly, an example will illustrate the insufficiency of the negative sense. Consider the situation in which a child is dropped in the middle of a desert. He is free from constraints — he no longer has to go to school, eat spinach, do chores; but he is free only to starve. To be free he must have both negative freedom and the possibility of experiencing the enabling means to eat and be rescued.

Hence, both Berlin’s and Partridge’s rejection of positive economic freedom on this basis is wrong. Furthermore, one must be careful not to hold that this issue is a purely semantic question. If a populace — such as is the case with most Americans — comes to believe that the freedom is a negative political matter alone, then they can well believe that their economic situation is not only natural, but not a question of oppression at all — even when there is significant poverty and unemployment. It is tragic that the Amer-

ican people have internalized the belief that liberty is only a political matter.

In his second argument, Berlin states: “whether or not I believe I am deprived (economically) depends on one’s social and economic theory”. Thus he claims that freedom is a political matter alone as freedom doesn’t depend upon one’s economic theory. The truth is that whether one believes he is deprived of political and social freedoms also depends upon his socio-economic political views. Had Berlin lived in Franco’s Spain, he would have claimed to have a lack of political freedom. Yet, a member of Franco’s parliament would have said that the Spanish people had just the proper amount of political liberty. Hence, whether one believes he has political freedom or not depends upon his political theory. This same is true in the realm of social freedom. Blacks have one theory of social freedom; the segregationist has the opposite. Hence, whether or not one believes there is social freedom depends upon one’s social theory. Berlin believed that his criticism applied only to the area of economics. It has been shown that all circumstantial freedoms (political, economic, and social) involve the same assumptions. What Berlin believed was true of one area is true of all of them. All three of these freedoms have different possible fundamental theories, and these lead us to our particular beliefs concerning our freedom. Hence, Berlin’s criticism is wrong.

Berlin has a third argument related to the second one against the existence of “economic freedom”:

It is important to discriminate between liberty and the *conditions* of its exercise. If a man is too poor . . . to make use of his legal rights, the liberty that these rights confer . . . is not thereby annihilated.<sup>6</sup>

He argues that freedom from constraint is one thing, and

<sup>6</sup> Berlin, *op. cit.*, p. liii (*Italics mine*).

the conditions which ensure it are another. Thus he maintains that money is one matter, and that political liberty is another, and we mustn't confuse the concepts. Political liberty, however, surely involves conditions. To have negative political freedom is, in most cases not to be a member of the lowest class, the latter being in part the condition of the former's existence. Hence, the presence of negative freedom requires some conditions. The application of Federal declaration of war laws is required to wage war upon a repressive foreign dictator; tolerant minds are a condition for racial harmony, etc. Furthermore, political freedom is often a condition for economic freedom as well as *vice versa*. Social freedom can well be a condition for political freedom, etc. Berlin on the contrary, has argued that only political situations are concerned with freedom. He contends that economic matters aren't a matter of freedom because they are the conditions of political situations. In so arguing he defends the *status quo* because political forces usually are subordinate to the economic ones. I have shown that all three of the circumstantial freedoms (political, economic, and social) involve conditions. Hence, it is not the case that political freedom alone has conditions.

## II

Although he doesn't think so, Berlin definitely appears in the introduction to his more recent *Four Essays on Liberty* to have altered his position regarding the nature of freedom. Consider this recent criticism by Loenen:

This (usual interpretation of negative freedom) may convey the idea that the subject of this freedom is in a state of passivity or inactivity (such as a well cared for castrated household cat), which in turn can lead to an association between the ideas "negative" and "inactive" and between "passive" and "separated from". More specifically, when someone is said to be free to *do* something,

the reader or hearer could be inclined to think that it is not the negative but the positive concept of freedom which is being used. In the case of Berlin, this is quite clear: although he speaks of “the negative goal of warding off interference”, it is quite evident that in his view there is freedom with respect to “possible choices and activities” or to “opportunity for action”. It is, therefore, hardly surprising that as an example of negative freedom he mentions “the freedom of parents or schoolmasters to determine the education of children”. All this shows that what is called negative freedom has two aspects — “freedom from” and “freedom to” — and that these aspects may be called the “negative” and the “positive” aspects of (negative) freedom.<sup>7</sup>

To have “opportunities for action” or “the freedom of parents . . . to determine the education of children” implies that there exists in a society the enabling means (in this case economic freedoms) to realize one’s basic economic needs. The name for this should be, as Loenen suggests, positive economic freedom, which he has shown Berlin’s recent writings embrace. Hence, rather than having two confusing aspects of negative freedom, it would be better to conceptualize each of the three freedoms — political, economic, and social — as having negative and positive aspects. Thus, one can say that freedom from living under a dictator is the experience of negative political circumstantial freedom. If a particular society provides easily available facilities for voting, that would be an example of positive political circumstantial freedom. Hence, one can say that providing available political means to carry out political activities enables one to experience positive political circumstantial freedom.

Berlin divided the general concept of freedom into two parts: negative and positive. These he conceives to be oppo-

<sup>7</sup> Loenen, J. J., “The Concept of Freedom in Berlin and Others”, *The Journal of Value Inquiry*, Summer 1977, p. 282.

site, and together representing by far the most important aspects of freedom. He defines negative freedom as “freedom consisting in not being interfered with by others”. Such freedom depends upon the absence of external forces, and is historically referred to as “freedom from” external forces. The opposite of negative freedom is positive freedom, which Berlin defines as “the freedom to be one’s master”. He holds this freedom to be the opposite of negative freedom because it is conceived to be the freedom which depends purely upon yourself and not upon the existence of external forces. These external forces, according to Berlin, have no effect if one conceives freedom in this “positive” way. Berlin however doesn’t like positive freedom as it can become perverted as one searched for his “real” self.

Leonen has shown that Berlin’s recent discussion of negative freedom is confusing. Berlin must talk of positive negative freedom, and of negative negative freedom, i.e., two types of negative freedom. Hence the following distinction is better: negative freedom refers to the absence of obstructions, interference, or coercion. It also refers to indirect or non-conscious manipulation or control. Positive freedom refers either to the experience of or to the possibility of experiencing the means to meet one’s basic needs in one’s political, social, and economic life. What Berlin himself refers to as positive freedom is actually a type of what Adler calls acquired freedom, which is a freedom achieved by living according to an ideal. My position is not only semantically better, but it also better refers of freedom experiences.

Is my distinction between positive and negative freedom feasible as well as fruitful? Can one distinguish between restraint (negative freedom) and enabling means (positive freedom) without confusion? If enabling means are provided for people, then can’t this be interpreted as one wishes — as positive or negative? Or is there a way of interpreting these means in a single definite mode? For example, are facilities by which one can readily register to vote a lack of con-



straint or are such facilities positive enabling means? Is this a purely semantical debate in which the feasibility of this distinction relies on arbitrary definitions? If, for example, registration facilities are open but one hour per month, is that constraint? If the number of such facilities is doubled, is that positive freedom? The correct answer to these questions is dependent upon whether the means to vote, etc. provide an opportunity to solve the given problem. If the means restrict voter registration, as in the case of exceedingly limited registration hours, then the result is a lack of negative freedom; if the means make it relatively easy to register to vote, then it is a matter of experiencing positive political freedom.

Can one make a similar distinction in the realm of economics? Can one distinguish between negative economic freedom and positive economic freedom? Consider the following situation. If one is not restricted in earning whatever money he is able to obtain, then he benefits from negative economic freedom. Such can be the case in a capitalist society. On the other hand, if one is himself impoverished, but provided by his government with the certain amount of basic needs to sustain himself, then he experiences positive economic freedom. Hence, it would appear that this distinction is valid. One final point. Freedom is not always a good — especially economic freedom. This is shown by the famous paradox of freedom, viz, the absence of any restraining control must lead to very great restraint, since it makes the bully free to enslave the meek. Freedom hence must be evaluated in relation to other values such as equity, etc. But we must discard the common Western belief that freedom is only a negative matter — especially economic and political freedom. To do so is to defend the *status quo*.

## RESUMEN

Uno de los debates más singulares en la literatura reciente sobre filosofía social se refiere al hecho de que exista un fenómeno tal como la "libertad económica". Al examinar el concepto anterior en varios autores, uno encuentra, por una parte, que algunos escritores arguyen que existe la *experiencia* de la libertad cuando una persona obra con los medios económicos que lo posibilitan para obtener los objetos de su elección, o que existe la experiencia de la libertad cuando uno tiene la posibilidad de llevar a cabo sus elecciones económicas. Por otra parte, algunos autores, tales como Isaiah Berlin, de Jouvenel y Josef Feinberg, niegan que exista tal tipo de libertad. Ellos creen que la libertad es esencialmente —si no completamente— libertad ante la violencia o la coerción. El propósito de este artículo es mostrar que el primer grupo está en lo correcto.

Berlin proporciona tres argumentos sobre los que basa su rechazo. El primero es que gramaticalmente es incorrecto usar la frase "libertad económica". El segundo es que la creencia sobre si hay, o no, libertad económica depende de la teoría económica que se sustenta. El tercero es que uno no debe confundir la libertad con las condiciones para la libertad. Se muestra que todos estos objetivos son inadecuados y se presenta una mejor teoría. En consecuencia, debemos desechar la creencia usual en el Occidente de que la libertad es sólo una cuestión negativa, en especial la libertad política y económica. El hacer esto es defender el *status quo*.

[J. A. G.]