

Liberal Read

# Hayek's Analysis of Totalitarianism

BOOK REVIEW Friedrich August von Hayek *Road to Serfdom* The Definitive Edition, Edited by Bruce Caldwell, The University of Chicago Press, Routledge, London, 2007; First Edition 1944

By Adam Mazik

A series of crises has put many liberal ideas under question. Inspired by a popular commercial concept, Liberal Reads are packaged in an easily accessible format that provides key insights in 30 minutes or less. The aim of Liberal Reads is to revisit and rethink classical works that have defined liberalism in the past, but also to introduce more recent books that drive the debate around Europe's oldest political ideology. Liberal Reads may also engage critically with other important political, philosophical and economic books through a liberal lens. Ideological discussions have their objective limits, but they can still improve our understanding of current social and economic conditions and give a much needed sense of direction when looking for policy solutions in real life problems.

**Liberal Read** 

## Hayek's Analysis of Totalitarianism

THE ROAD TO SERFDOM F. A. HAYEK

#### Introduction and explanations

The Road To Serfdom is arguably Hayek's most important book, and certainly the one that has had the most influence. The main thrust of the book is the demonstration that economic planning *in its last consequence* must lead to a totalitarian state.<sup>1</sup> Using both abstract and historical examples, the latter mainly from Germany, Hayek shows the impossibility of a democratic socialist system in which the freedoms and rights of the individual are respected, not without explaining the intellectual roots of the socialist and national-socialist movements. Additionally, the Austrian spends a significant amount of time disproving the notion, commonly believed even today, that fascism and socialism are two opposed ideologies; he argues that, on the contrary, both movements are the children of the same collectivist and illiberal sentiments and ideas. On the positive side, the book is a plea for democracy, the spontaneous forces governing liberal society, and the rule of law.

Especially for listeners vaguely familiar with Hayek and liberal ideas, it is important to state what *The Road to Serfdom* is not. *It is not*, from the point of view of a more purist libertarian, a radical book. It was not the objective of the author to attack the idea of a welfare state or state action per se. Despite partly also arguing against the sorts of regulations found in modern social democratic economies, Hayek uses the term 'socialism' in its *classic sense*: a system of a centrally planned economy in which the means of production are owned collectively.

As Hayek also repeatedly emphasised, the goal of the book was not to draw a naive slippery slope argument and to demonstrate the inevitability of the emergence of totalitarianism through any change in the socialist direction. The Austrian writes that there would be no point in publishing the book if any of the reforms then already under way predestined the course of the future of Britain and other European countries. The text therefore primarily is a refutation of collectivist ideas and a warning to leave the 'road to serfdom', and to return to the 'abandoned road' (Chapter 1), the road to freedom, democracy, and peace.

<sup>1</sup> For the purpose of this summary, some parts of *The Road to Serfdom* have to be explained very briefly and some omitted completely. If the reader is interested in the role of knowledge in Hayek's economic thinking, his views can be found in his essay 'The Use of Knowledge in Society' (Hayek, Friedrich, "The Use of Knowledge in Society", *American Economic Review*, 1945.). It might also be helpful to read the critiques of socialism by some of Hayek's predecessors from the Austrian School of Economics. I recommend Ludwig von Mises' Socialism' (*Socialism: An Economic and Sociological Analysis*, by Ludwig von Mises. Translated by J. Kahane, Foreword by F. A. Hayek. *Liberty Fund*) as well as Eugen von Böhm-Bawerk's 'Karl Marx and the Close of His System' (London, T.F. Unwin, 1898).

### Planning and markets

By planning, Hayek refers not to individual plans that private agents make in their daily lives and in competitive free markets, but to 'economic planning' – the deliberate planning of the economic resources and activities of a country by some kind of collective, usually the state.

Hayek explains how many intellectuals on the left and the right at that time believed that the competitive system of free markets was not rational and was at best a step in a steady evolution of humankind. Many people believed that, like the progress of natural sciences, the new knowledge that humanity acquired over the years would let us build a more rational, 'scientific' economic system, in which outcomes aren't determined by chance, luck, and individual talent, but which can be approached from the perspective of certain aims.<sup>2</sup>

Today we know about the horrific effects that economic planning had on the peoples of communist nations – one only has to think about the famine (Holodomor), caused by Stalin in today's Ukraine (where economic planning was used as a tool for genocide), or Mao Tse Tung's 'Great Leap Forward'. The debate wasn't new in 1944, when Hayek published his book - after all the same debate was also led by another great Austrian economist, Hayek's teacher Ludwig von Mises. However, unlike today, there weren't many examples showing the crushing ineffectiveness of 'planned economies'. Today we know about the horrific effects that economic planning had on the peoples of communist nations - one only has to think about the famine (Holodomor), caused by Stalin in today's Ukraine (where economic planning was used as a tool for genocide),<sup>3</sup> or Mao Tse Tung's 'Great Leap Forward'.<sup>4</sup> Yet in the 1940s there were multiple examples of large European countries that openly embraced planning and totalitarian systems, even though with different aims and supposedly different ideologies.

According to Hayek, the primary goal of the state should not be to plan the economic activity of market agents, but to make planning possible for them. Therefore, he says, the state has to provide a 'carefully thought-out legal framework' that essentially shows the producers and consumers what they can and what they cannot do.<sup>5</sup> The goal of the government is to make possible a competitive

<sup>2</sup> The point is repeated in various parts of the book, the two most instructive chapters in my opinion are Chapter 4, 'The Inevitability of Planning', and Chapter 13, 'The Totalitarians in Our Midst'.

B Holodomor was a man-made famine that took place between 1932 in then-Soviet Ukraine, in which 3.5 million people died due to starvation caused by the deliberate actions of the communist regime led by Stalin. For more on the subject, see: Applebaum, Anne. *Red Famine: Stalin's War on Ukraine.*, Doublesday, 2017; N. Golitsina (2017), 'Historian Anne Applebaum Details Stalin's War Against Ukraine: "I Believe It Was Genocide", *Radio Free Europe / Radio Liberty*, 25 September, https://www.rferl.org/a/historican-anne-applebaum-interview-ukraine-holodomor-famine-stalin/28756181.html.

<sup>4 &#</sup>x27;The Great Leap Forward' was a Chinese Communist Party programme executed between 1958 and 1962, resulting in terror and famines that killed up to 55 million Chinese. For more, see M. Yushi (2014), 'Lessons from China's Great Famine', *Cato Journal*, 34(3): 483–490. https://www.cato.org/sites/cato.org/files/serials/files/cato-journal/2014/9/cj34n3-2.pdf.

<sup>5</sup> Hayek, Road to Serfdom, pp. 85–86.

system that leads to the development of prices and to leave producers and consumers the liberty to use the localised knowledge that only they have, to coordinate their actions accordingly, and to foster competition, or to regulate market sectors in which competition is not possible.<sup>6</sup>

The state needs to plan for competition,<sup>7</sup> instead of acting against it. According to Hayek, the competitive price system is the only way in which we are able to deal with the sheer amount of information that modern markets contain.<sup>8</sup>

#### How planning leads to a totalitarian state

Economic planning can only be achieved through dictatorial, totalitarian means. It isn't possible to devise a plan for the entire economy democratically. People have different values and opinions, and democratic decisions can only be made where there is agreement, which slows down the process of planning and even makes it impossible to reach an agreement in some fields.<sup>9</sup> This according to Hayek creates dissatisfaction with democratic processes and institutions.<sup>10</sup> They are seen as slow and a burden. It follows that an economic plan can only be achieved by giving wide discretions and competencies to a group of experts, a group of authorities, which would decide matters according to the circumstances.<sup>11</sup> Democracy as we know it can therefore only be lived and achieved in a system of capitalism, but there can be neither socialist nor fascist democracy.<sup>12</sup>

One of the elements of the liberal democratic state is the rule of law. Hayek characterises this as a system in which the government needs to abide by a framework of fixed and general rules.<sup>13</sup> Those rules are neutral and open-ended, meaning that they do not aim to create certain outcomes in order to favour particular groups or individuals. They are also supposed to work in the long term, meaning that it is impossible to foresee who will ultimately profit from them.<sup>14</sup> This ensures legal stability. Individuals in the market are able to predict the situations in which the state will intervene – they know what is allowed and what is not. Therefore they are able to plan their actions, taking into account their circumstances.<sup>15</sup>

A system of economic planning has no neutrality. The very point of planning is to not allow individuals to do as they wish, but to coordinate their efforts to reach a higher goal, such as social equality or social justice. The details of an economic plan, therefore,

<sup>6</sup> Ibid.

<sup>7</sup> One of the arguments for the inevitability of planning that Hayek rejects in *The Road to Serfdom* is the assertion that markets lead to the monopolisation of the economy and thus destroy competition. Hayek argues that according to the data at that time, the evidence doesn't suggest the latter to be true and demonstrates that the monopolisation in countries like the US, the UK, and Germany more likely was the result of deliberate government policy. For example, Hayek argues that since the nineteenth century, the German political class followed such a policy. For more on that issue and the history of German antitrust law, see M. Schmoeckel and M. Maetschke (Mohr Siebeck, 2.Auflage, 2016), *Rechtsgeschichte der Wirtschaft*, pp. 279–308, particularly 281–293 (pro cartel policy) and 301–307 (antitrust policy in the German Federal Republic).

<sup>8</sup> Hayek, Road to Serfdom, p. 96.

<sup>9</sup> Ibid., pp. 101–102.

<sup>10</sup> Ibid., p. 104.

<sup>11</sup> Ibid., p. 107.

<sup>12</sup> Ibid., p. 110.

<sup>13</sup> Ibid., pp. 112–113.

<sup>14</sup> Ibid., pp. 114-115.

<sup>15</sup> Ibid., p. 114.

Because the outcomes of the economic game are no longer determined by factors such as talent, ability, and skills, this creates a different kind of incentive than a market economy. The goal is no longer to serve and please the consumers of one's product, but to influence the political powers to direct economic forces in the right direction. cannot be achieved through general rules, but only by conscious direction. For this reason, very broad terms replace the clear legal rules that provide entrepreneurs with the means to plan their endeavours reliably. Typically, those terms include words and formulations like 'fair', 'common good', 'reasonable', and so on. Through this technique, all economic decision-making is concentrated with the government.<sup>16</sup>

Similarly, decisions are no longer taken by producers and consumers. Outcomes aren't determined by the impersonal market process of competition, but the radically personal process of government coercion. Of course, as Hayek and most economists of today argue, the reason why our economic system was able to reach the kind of complexity and advancement it has today (or had in 1944), was the decentralisation of decision-making.<sup>17</sup> The processes of the modern economy are so complex and dynamic that no single person or entity can comprehend them in their entirety. The fact that entrepreneurs on the market can use their respective specialised knowledge is what makes the system so effective. Only they are able to understand their fields, the circumstances, and thus the risks and chances that arise by choosing either outcome. No group of experts, no matter how distinguished, no

matter how intelligent and selfless, can be a substitute for the decentralised handling of knowledge through free competition and the price system.

By replacing competition with economic planning, the collectivist thus creates a new force, a source of unlimited power. As Hayek says, the combined influence of market actors isn't comparable to the power of the state in a planned economy. In a market, no individual, company, or even a cartel or syndicate can utilise as much power as the totalitarian government.<sup>18</sup> Control of the economy via planning gives the government control over the entirety of human lives and aims. The state can control what is produced and how, how many products should be sold and for how much. It can and has to take into account all of the possible individual and collective aims of the people, meaning that it has to choose among their various aims.<sup>19</sup> The individual isn't restricted by the price system anymore – instead, their whole life is directed from the rooms of the planning committee. Of course, as production is also controlled, the individual can also no longer choose their occupation according to their dreams and talents.<sup>20</sup> If it is a higher goal that determines the outcomes, peoples' efforts need to be coordinated too – this is what was

20 Ibid., p. 129.

<sup>16</sup> Ibid., p.116.

<sup>17</sup> Ibid., p. 87.

<sup>18</sup> Ibid., p. 165.

<sup>19</sup> Ibid., p. 113.

routinely happening in countries such as the German Democratic Republic, Poland, and the Soviet Union just a little more than thirty years ago. Thus it is naive to believe that the economy can be separated from all the other aspects of our lives – the economy controls our life and those who have the means to control it can control everything that we do.<sup>21</sup> Hayek repeatedly makes the point, using different words, that the concentration of power makes the absolute amount of power greater, while decentralisation reduces it.<sup>22</sup>

Because the outcomes of the economic game are no longer determined by factors such as talent, ability, and skills, this creates a different kind of incentive than a market economy. The goal is no longer to serve and please the consumers of one's product, but to influence the political powers to direct economic forces in the right direction.<sup>23</sup> It's not the person that can give other people the greatest products or services who wins the competition now, but the person who has the best connections among government authorities. Naturally, this breeds corruption and disincentivises innovation: if the only way to get rich is to have influential friends, then coming up with new solutions is a waste of time. This aspect is a part of another problem: socialism is supposed to be the government of the proletariat, which in itself proves that the policy is aimed at a specific group. However, the proletariat is not a homogenous group either.<sup>24</sup> The needs and interests of workers in one industry might be different, and opposite to the interests of workers in another. A worker in the automobile industry wants high wages, but also wants to be able to buy products, clothes for example, at a low price. This is the complete opposite of the interests of the worker in the textile industry. Everyone's interests cannot be taken into consideration – some have to be given priority over others.

The means that socialists want to use in order to achieve their egalitarian dreams also do not necessarily need to be used to achieve those aims. Hayek argues that it is precisely how national socialism and fascism emerged in Germany and Italy respectively. Instead of the working class, however, the old pauperised middle class took the control of the economy and created an economic plan suited to their interests.<sup>25</sup>

#### Why totalitarianism drifts towards nationalism and brutality

Hayek argues that any hopes about a benevolent dictator are naive. In the chapter 'Why the worst get on top', the Austrian elaborates, that the cause of the brutality of the regimes of Hitler and others isn't the character of the dictator, or the people of Italy, Germany, or the Soviet Union. While Hayek acknowledges that there are different kinds of totalitarianisms and that a British totalitarianism might be different from the German version, he also explores some mechanisms that might have led to the brutality of the Nazi system. According to him, there is a high probability that the reason for the atrocities isn't the character of the Germans or even Hitler.

This is due to the moral values that a totalitarian system creates and promotes - on the

<sup>21</sup> Ibid., pp. 125-129, 132.

<sup>22</sup> For example, ibid., pp.165–166, 124-133.

<sup>23</sup> Ibid., pp. 143-146.

<sup>24</sup> Ibid., p. 143.

<sup>25</sup> Ibid., p. 144.

one hand, by promoting the qualities that lead to success in a totalitarian society, and on the other, by the tools used for totalitarian government.<sup>26</sup> Not only does the promotion of a higher aim require the breaking of general moral rules at some point, something that only a person with a very flexible approach to morality can do, but the entire process relies on personalities and parts of society with questionable motives and beliefs.

Dissatisfaction with democracy often leads to the search for a strong leader, someone who can solve issues in a quick and determined manner.<sup>27</sup> As Hayek points out, it is not about a numerical majority: 'What they will seek is somebody with such solid support as to inspire confidence that he can carry out whatever he wants. It is here that the new type of of party, organised on military lines, comes in.'<sup>28</sup> Essentially, in order to gain the support of society, the leader first needs to gather a group of loyal followers willing to act as his private militia to show strength.

The organisations, according to Hayek, that are needed for the establishment of a totalitarian system would consist of individuals willing to 'submit' to the same kind of totalitarian regime that is proposed for the entire society.<sup>29</sup> He points out why it is unlikely that those organisations will consist of the finest and most humanitarian individuals in the society. Hayek states that the higher the level of education, the more differentiated people's values and views become.<sup>30</sup>

It is a corollary of this that if we wish to find a high degree of uniformity and similarity of outlook, we have to descend to the regions of lower moral and intellectual standards where the more primitive and 'common' instincts and tastes prevail.<sup>31</sup>

However the group of the aggressive and tribal isn't enough. Another group of people that totalitarians can build on is the group of 'docile and gullible',<sup>32</sup> people easily manipulated through propaganda. The most important aspect, according to Hayek, however is groupthink,<sup>33</sup> specifically negative groupthink. Finding a common enemy, unfortunately, has the power to unite individuals under one banner. Hayek names the Jews in the example of Germany and Austria – representatives of the capitalist system who became the scapegoats for the collectivists there.<sup>34</sup>

Continuing his argument to show the general tendency of all kinds of collectivism to drift towards nationalism and other particularisms, as well as to show 'why the worst get on top', Hayek calls into question whether a collectivist programme can be put through on the international scale, due to the lack of a community aspect. Collectivism cannot be international and cosmopolitan, it needs a certain group loyalty, which can only hardly be achieved across nations.

32 Ibid.

<sup>26</sup> Ibid., p. 159.

<sup>27</sup> Ibid.

<sup>28</sup> Ibid.

<sup>29</sup> Ibid., p. 160.

<sup>30</sup> Ibid.

<sup>31</sup> Ibid.

<sup>33</sup> Ibid., p. 161.

<sup>34</sup> Although Hayek does not touch on this, it is an important lesson for those who, in the fight for liberal values, want to employ a version of 'liberal populism'. Populism cannot exist without a certain group mindset and a common enemy. Liberalism, however, is a cosmopolitan and individualist idea. It is the opposite of collectivist populism and does not represent particular interests. We see the same tendencies in modern populist parties..

If the other members of one's group cannot all be personally known, they must at least be of the same kind as those around us, think and talk in the same way and about the same kind of things, in order that we may identify ourselves with them.<sup>35</sup>

He points out that this technical and moral issue is a problem for all socialists, which is why most of them concentrate only on one country. Even modern socialists and social democrats show how right Hayek was. One only needs to remember Bernie Sanders' critique of open borders:

<u>Sanders</u>: Open borders? No, that's a Koch brothers proposal ... I mean, that's a right-wing proposal, which says 'essentially there is no US'.

Vox: But it would make a lot of the global poor richer, wouldn't it?

<u>Bernie:</u> And it would make everybody in America poorer. Then you're doing away with the concept of a nation-state, and I don't think there is any country in the world, which believes that.<sup>36</sup>

As Hayek argues, there is a contradiction in the collectivist philosophy: 'while basing itself on the humanistic morals which individualism has developed, it is practical only within a relatively small group'.<sup>37</sup> He shows that while people in poorer countries such as India could make the same claims theoretically on the basis of collectivist morals, socialists practically do not invoke the same arguments when they come to power.<sup>38</sup> He sums up with one of the most important statements in the book:

Indeed, the very concepts of humanity and therefore of any form of internationalism are entirely products of the individualist view of man, and there can be no place for them in a collectivist system of thought.<sup>39</sup>

Hayek strengthens his arguments with the historical example of Germany and the Third Reich. One of the misconceptions about the nature of national socialism in Hayek's time, and even in our own, is that 'Nazism' was a reaction against socialism. Interestingly, as the Austrian argues, both ideologies are simply two sides of the same coin. In the chapter 'Socialist roots of Nazism', Hayek elaborates how the national socialist movement and system in fact developed not just with the help, but on the basis of socialist thought. The argument is that while socialists and Nazis seemingly were in opposition to each other, they had a lot in common, especially regarding the ultimate ideological enemy: the liberal and commercialist individualist.<sup>40</sup> It is not state control that Nazis opposed. It wasn't socialism and the working man. What Nazis opposed, and oppose to this day, are the liberal values that Hayek urged us to defend in his book. Logically, in the conflict with socialists, it was the liberal elements of socialism that Nazis despised.<sup>41</sup>

The examples of esteemed Marxist intellectuals such as Werner Sombart or Johann Plenge arguing in favour of 'organisation' and 'heroism' instead of freedom, painting Germany as a revolutionary, socialist state in the fight against outdated English values such as individualism, commercialism and freedom, and their embrace of national socialist ideas very clearly show the socialist-to-national-socialist pipeline.

<sup>35</sup> Hayek, Road to Serfdom, p. 161.

<sup>36</sup> See: https://www.youtube.com/watch?v=vf-k6qOfXz0

<sup>37</sup> Hayek, Road to Serfdom, p. 162.

<sup>38</sup> Ibid.

<sup>39</sup> Ibid.

<sup>40</sup> Ibid., p. 183.

<sup>41</sup> Ibid., p. 182.

The same can be said of the works of the SPD politician Paul Lensch, whom Hayek quotes: 'The state has undergone a process of socialization, and Social Democracy has undergone a process of nationalization<sup>42</sup>.

The extensive examples that Hayek presents, too many to list here, demonstrate quite well how the interplay of socialist and nationalist ideas in Germany created a monster that in the end could not be contained by democratic procedures, institutions, and civil society. I do not add the example of Lensch specifically to denounce the SPD, and I am sure that Hayek didn't either. After all, the party even today, in 2021, remains a part of the democratically elected government. On the contrary – while I disagree with the SPD on many issues today and historically, I regard the party as a symbol of German democracy, at least to the largest part. Just as national-socialist elements were a part of the SPD in the Weimar Republic, today the party struggles with an embarrassing relationship with Russia and its dictator Vladimir Putin, showing clearly that even democratic parties can turn a blind eye to collectivism and totalitarian ideas and that the consequences can be quite surprising and drastic – one of the messages of *The Road to Serfdom*.

In conclusion, Nazism and fascism are not the opposites of socialism. The link between the ideologies is state control in economic matters, which in both cases ultimately has to lead to the control of the entirety of human life and experience. While different in the choice of particular aims, and of enemies, both collectivist and populist movements oppose the liberal and commercialist nature of the capitalist system, as well as the controlling function of democratic institutions such as parliaments and independent courts that base their rulings on clearly established, precise rules. While in theory, socialists can pretend to be internationalist and cosmopolitan, the practical problems of the collectivist system create a steady drift towards nationalism and groupthink. While communist and fascist elites use different words and enemies to manipulate their respective populations, the outcomes for the individual citizen are surprisingly similar. *In both systems, the individual ends up as a small part of an oppressive and all-encompassing machine that enforces its control with brutal, anti-humanitarian methods, in which only the most morally corrupt and ruthless acquire positions from which change can be effected.* 

#### Final thoughts and conclusion

The Road to Serfdom is not a modern book. It uses a lot of examples only understandable through the lens of the time of its publishing. It aimed to reach the citizens of 1940s Great Britain. Luckily, thanks to the helpful footnotes by Bruce Caldwell, the editor of the definitive edition, I was able to follow and understand many of the examples that Hayek offered, which is why I wholeheartedly recommend the edition to anyone willing to dive a little deeper into this influential book.

While many of the examples of the book stem from the 1940s and the years leading up to the forms of totalitarianism that wreaked destruction in the world at that time, its message and conclusions remain true and timeless. Economic planning might not be as much of a danger as it was back then. Most intellectuals reject at least the state versions of socialism, many of the self-proclaimed socialists do not argue for the imple-

<sup>42</sup> Paul Lensch, Three Years of World Revolution, with a Preface by J.E.M. (London: Constable and Co. Ltd., 1918), p.210; cit. from Hayek, p.189 (Ed.).

mentation of economic planning, instead proposing an extensive and large welfare state with high levels of redistribution and progressive taxation. However, the violations and further dangers to human freedom remain: one of the most pressing issues of our time is continuing and inherently nationalist immigration restrictions, present even in the most liberal of modern states. With Donald Trump, protectionism came back into fashion and the intellectually weakened Democratic party unfortunately reacted by adopting parts of the Republican policy and rhetoric. The two major powers, USA and China, use protectionist measures to lead a conflict of political power, and even Europe doesn't open its borders to workers, products, and services from many countries, leaving them and itself poorer than both have to be.

Populist parties of all sorts are gaining influence around the world, even holding power in countries such as Poland, Hungary, Spain, and Italy. While Viktor Oran or Jarosław Kaczyński aren't fascists, it is not because of strong intellectual differences with collectivist movements, but rather the intensity of their convictions, as well as the civic culture and their dependence on the international order. But like fascists, they are influenced by a mix of collectivist ideas from both the left and the right. Great liberal countries such as the UK have fallen for the manipulations of nativist and anti-globalist propaganda, leaving the path of multilateralism that led to the progress of the developed world since the early 1990s.

But even the 'hard' collectivists are not gone. The socialist movement is alive and well. Just a few days prior before I completed this article, the German youth organisation of the left party officially came out in favour of a 'planned economy'; they should probably read some Hayek. But even the SPD, a party with many wings and groupings, doesn't have a problem governing in a coalition with the Linke (e.g., in Berlin), a party that openly supported the expropriation of corporations that own apartments. Additionally, radical parts of the Green movement argue for systemic change, stating that climate change cannot be stopped in a capitalist economy. At the other end of the spectrum, the far-right AfD and its supporting organisations eagerly take part in the culture war between the left and right, and it regularly performs in German parliamentary elections on both the state and federal levels. Interestingly, once again the 'liberal' parts of the greatest friction.

This is not to say that the situation in Germany is the same as it was in the 1920s and '30s. It is also not to say that we are necessarily moving in that direction. What I am trying to show is that there are certain parallels and similarities. We must stay vigilant, as there is a lot at play.

In times of relative wealth and peace, it is very easy to become arrogant and self-assured when thinking about possible dangers to the social order. Atrocities like Gulags or concentration camps, and young men losing their lives, limbs, and souls in senseless battles for the higher cause seem like a barbaric and improbable remnant of the past. After all, we have reacted and our societies learned their lessons. We have different constitutions and different values; the world is more connected and the economy is more globalised.

For those who, despite the historical evidence, remain sure about the peacefulness of our times and who blindly believe in the power of written law and institutions, forgetting the influence of ideas and psychopathic dreams of power, I offer a quote from another Austrian, one of my favourite German-speaking authors, Stefan Zweig, who wrote in his autobiography, *The World of Yesterday*, about the generation that lived before the First World War:

Despite the propriety and the modesty of this view of life, there was a grave and dangerous arrogance in this touching confidence that we had barricaded ourselves to the last loophole against any possible invasion of fate. In its liberal idealism, the nineteenth century was honestly convinced that it was on the straight and unfailing path toward being the best of all worlds. Earlier eras, with their wars, famines, and revolts, were deprecated as times when humankind was still immature and unenlightened. But now it was merely a matter of decades until the last vestige of evil and violence would finally be conquered, and this faith in an uninterrupted and irresistible 'progress' truly had the force of a religion for that generation. One began to believe more in this 'progress' than in the Bible, and its gospel appeared ultimate because of the daily new wonders of science and technology<sup>43</sup>.

Nobody needs to be reminded of what happened in the twentieth century. Stay vigilant, my liberal friends.

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<sup>43</sup> Stefan Zweig, The Wrold of Yesterday, The Viking Press, New York, 1943, p.2.

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