

# WELFARE STATES AT WAR

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THE NEW international crises sparked in the Middle East, and the constant danger of another world war, need not surprise the student of contemporary international relations and economic policies. The ideology of socialism and interventionism has swayed our foreign relations, and the policies of Welfare States have destroyed international peace and order. . . .

Absence of individual freedom and free enterprise makes for economic nationalism and international conflict. By fundamental nature and objective, the Welfare State controls private property and limits individual freedom in order to distribute economic spoils and privileges to pressure groups. . . .

Pressure groups of producers expect the government to increase the prices of their products or services, with utter disregard for the economic interests of the vast majority of their own countrymen and of many foreign producers. In most cases of welfare legislation the favored group's foreign competition is either eliminated entirely or severely curtailed. This is economic nationalism, the most important source of international conflict. . . .

In sharp contrast to the international conflict between socialist governments in this Mideastern affair is the peaceful coexistence of laissez-faire nations, which realize the ideals of personal freedom of choice, private ownership and control of property, and peaceful exchange in a competitive market. Under this concept, the sole function of government is the protection of its own people from domestic peacebreakers and from foreign aggressors. Such a government would wage war only to defend the lives and property of its own citizens. This means that it should not participate in foreign wars that grow out of economic nationalism. For such warfare only destroys and

does not protect life and property.

While an individual peacebreaker can easily be punished and isolated in a penitentiary, a collectivist nation conducting policies of economic nationalism can be disciplined and subjugated only through a full-scale war and subsequent occupation of its territory. To discipline a nation that refuses to embrace the doctrines of freedom and free enterprise is an endless and hopeless task.

A citizen of a free country who goes abroad should know that he travels at his own risk. Crossing the border of his state and entering socialist or interventionist territory is to leave law and order behind. He risks transgressions by the foreign state upon his life, liberty, and property. A businessman who invests his funds in collectivist territory must consider the risks of expropriation, foreign exchange control, confiscatory taxation, and many other "welfare" measures. He is beyond the protection of his capitalist government. He is on his own.

## **The Principles of World Leadership**

Despite curbs and checks on its power, and its inaction in a world of conflict, a government designed for freedom is a natural leader. The creative power of a free nation by far excels that of socialist or interventionist countries of similar size. And it is productive strength that lends the position of leadership to a country in a world that is always fighting or preparing to fight.

But true leadership that exerts potent influence toward world peace and prosperity springs from a far more important source than material and military might. True leadership grows out of impeccable behavior and moral conduct. . . .

Above all, such a nation must refrain from any act of economic nationalism. It must not harm any other nation through "welfare"

policies of its own. It must adhere to its own design for freedom. To reprimand other nations for policies of economic nationalism while waging economic war upon its own neighbors would be hypocrisy and sanctimony. . . .

A leading nation must also reject the immoral principle that one act of economic nationalism by one government sanctions the nationalistic policies of all other governments. This is the principle that crime becomes righteousness if a previous crime has remained unpunished. But this very assumption underlies many prevailing notions concerning foreign affairs.

## **Things We Can Do**

World leadership demands that we should openly judge world events and explain the fallacy of every act of economic nationalism. If a foreign government contemplates or embarks upon economic aggression through "welfare" legislation, we should call attention to the inevitable harm inflicted upon other nations. We need not intervene forcibly, for nations cannot be coerced to peaceful coexistence. Only a change in political and economic outlook can bring this about.

Naturally, we would sign no treaty with a government that has disregarded its own agreements and torn up its own charters. Nor would we assist any government that nationalizes private industries, for then we would be helping to promote collectivism and ultimate destruction. There could be no point in our extending diplomatic recognition to any government that indulges in economic nationalism.

Finally, world leadership requires that we constantly defend the principles of individual liberty and free enterprise. At every opportunity we should call out to the world that only competitive private enterprise can lead to peace and prosperity. We have a glorious history of individual freedom and safety of property — the absence of nationalization and confiscation by an omnipotent state. Our recent excursions toward the Welfare State endanger our record — and ourselves. But if we will correct that trend, then with pride we can demonstrate to the warring world that individual liberty is the only durable foundation for peace and prosperity. . . .

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