

On Liberal and Democratic Nationhood

by Paul Gottfried*

The consubstantiality of liberalism and democracy has become a modern religious dogma. It is a doctrine transcending established political divisions, and ever since the de-Sovietization of Eastern Europe that began last year American journalists of otherwise differing ideological persuasions—Jeanne Kirkpatrick, Robert Novak, Ben Wattenberg, Michael Kinsley, Charles Krauthammer, Richard Cohen, and Jim Hoagland, for example—have urged the American government to nurture the seeds of liberal democracy in Eastern Europe.¹ The synthesis for export should consist of democratic elections, the availability of equal citizenship to all residents of a country, the separation of church and state, markets open to foreign investment, the introduction of at least limited market economies, and enthusiastic concern for the steadily expanding list of what are styled “human rights”

Distinctions between “liberalism” and “democracy” have obviously grown passé, so much so that usually intelligent political theorists blur them without hesitation. In the May 1990 issue of *Society*, the Polish scholar Leszek Kolakowski, who holds professorships at both Oxford and Chicago, warns against nationalism’s alliance with “spurious and fraudulent” concepts of democracy. Among the concepts Kolakowski fears nationalists may stray into are democratic socialism and theocracy. He thus seeks to remind his readers that democracy is incompatible with these phenomena. Rather it finds its essence in the erection of a “legal system, to guarantee both the equality in law of all citizens and the basic personal rights which include . . . freedom of movement, freedom of speech, freedom of association, religious freedom, and freedom to acquire property.”²

It may be argued that Kolakowski confounds democracy with liberalism, concepts traditionally viewed as at least discrete and possibly contradictory.

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In the nineteenth and early twentieth centuries political and social theorists, including Walter Bagehot, Max Weber, Vilfredo Pareto, and Carl Schmitt, drew exacting distinctions between the two. Democracy, for most of these thinkers, had to do with political and eventual social equality or homogeneity for all members of a particular polity. It treated self-government only as an instrumental good, directed at the removal of class barriers and the creation of material security for what Aristotle saw as the backbone of democracy: the *aporountes*, or self-identified have-nots. In *Politik als Beruf* Weber notes that modern democracy has been accompanied by the growth of managerial government, a correlation he holds to be self-evident.³ Democratic societies expect to be looked after and therefore support bureaucratic expansion as the entirely acceptable price of security. Liberals, by contrast, favor more limited government, ringed by constitutional barriers and existing only to protect life and property and to enforce legal procedures.

Carl Schmitt's distinction between liberal legality and democratic legitimacy may help to highlight this point. Liberals, according to Schmitt, accept the eighteenth-century notion of a self-ordered universe, which they transfer to political affairs. The liberal society, like the Deistic universe or the Newtonian cosmology, is designed to look after itself, once generally acknowledged rules allow people to live and enrich themselves in peace. Governance, from this liberal perspective, entails procedural norms that once properly applied produce a self-regulated civil society. Democracy, by contrast, invokes popular sovereignty, by which democratic governments legitimate themselves.⁴ Such regimes do not appeal to pale legality but work to become the total states desired by the multitudes that turn to them for security and guidance. Though I myself in a recently published book criticize the rigidity of Schmitt's conceptual definitions, there is certainly value in the contrast that he makes between democratic, i.e., popular-activist, and liberal, i.e., proceduralist-nonegalitarian, governments.⁵

In fact an act of unlearning may have been necessary—reminiscent of Heidegger's reference to bad philosophy as *τὸ ληθέν*, knowledge of being that has slipped into a "memory hole"—to speak now blithely of liberalism as democracy or of "democratic capitalism." Capitalism, like private property, strictly interpreted legal procedures, and franchises restricted to property holders, is a mere vestige of a pre-democratic age, a vestige now increasingly saddled by taxes and hiring and therapeutic regulations imposed by government. Such forms of nationalization are not "undemocratic," even when they may be imprudent. Democracies do not protect inequalities of

wealth; rather they seek ways of eliminating them, even if they rarely succeed and only produce in the end further circulations of elites. Semantical confusion may come from the fact that militant democrats have appropriated the terms "liberal," and more recently, "capitalist," to describe the welfare state. Thus Michael Novak in *The Spirit of Democratic Capitalism* devotes an entire volume to identifying capitalist men with a democratic welfare regime. The terms "capitalist economy" and "mixed economy" are here used interchangeably, and democracy is presented as the only form of government fully congruous with the "capitalist spirit."⁶

But the same terminological difficulty can likewise be found in the works of two indisputably liberal theorists, Ludwig von Mises and F.A. Hayek. A classical liberal economist and critic of social equality, Mises states that "political democracy and economic democracy condition one another. A democratic constitution is the political corollary either of a primitive community of the owners of family farms or of a market economy." Significantly, Mises characterizes a market economy based on the inviolability of property as "the full and only possible realization of the principle of economic democracy," whose "corollary is political democracy."⁷ This assertion is historically untrue. Political democracy has resulted in a weakening of the liberal constitutionalism that Mises admires and which prospered with electoral restrictions and greater social stratification in the nineteenth century. As for calling a market economy "economic democracy," most industrial democracies have moved away from Mises and his followers. "Democratic economies" are those that characterize political democracies, which are usually social democratic in their economic form. Mises here takes his own fine point, that socialist economies may be more oligarchic in practice than liberal ones, for the way in which the world actually works. In the real world, for better or worse, democratic peoples do not take seriously Mises's observation, and show their democratic character differently from the manner in which he would like. John Lukacs, in a recent *Harper's*, uncovers the consequences of modern democracy more accurately than Mises when he writes, "traditional capitalism is gone in the West, even from the United States. The universal attribute of every country in the world is the welfare state, administered by large bureaucracies. We are all socialists now whether we call ourselves that or not."⁸

Hayek tries to hide precisely this truth by presenting a self-limiting democracy in *The Constitution of Liberty*. Hayek, who quotes Schmitt

without doing justice to his view, there defends democracy as the indispensable foundation of a liberal society. Democracy contributes popular legitimacy, a mystique that voters can then bestow on liberal institutions.⁹ Hayek considers but also dismisses the unsettling hypothesis that democratic electorates may change the rules to favor *their* interests or to plunder the wealthy. He prefers to contemplate a happier, albeit more fanciful, situation: a society of liberal legalists that uses democratic means to affirm its liberalism. Hayek assures his liberal readers that they may have their cake and eat it at the same time. Democracy will be there to provide popular sovereignty, but legal procedures and reverence for inherited laws will keep both lives and property protected.¹⁰ Like Luther's view of Catholic grace, Hayekian democracy is a super-added merit that enhances without changing substantively what it touches. And, like other arguments made by classical liberals in our century, Hayek's comments on democracy are a strategic response to an accomplished fact. It is one that real liberals dislike but hope to manipulate *faute de mieux*.

The dialectic between liberalism and democracy and the latter's gradual victory over the former throughout the Western world has determined many political questions, including the fate of nationhood. Nationhood in a democratic age will naturally be different from nationhood as understood by liberals. To be sure, few nineteenth-century European advocates of national unity were libertarian legalists; nor have all twentieth-century natinalists been raging levellers and brutal collectivists. But there have been critical social and cultural differences between spokesmen for nation states in the two centuries. It was the bourgeoisie that, by and large, defined nationhood in nineteenth-century Europe and combined it with constitutional frameworks and a principle of limited sovereignty. The European bourgeoisie did not create nation states. Kings and royal ministers did, from the late fifteenth century down to the unifications of Italy and Germany in 1870 and 1871. What bourgeois constitutionalists and the professional and commercial classes did was to link nationhood to the political representation of the educated and propertied. The followers of Vittorio Emmanuele and Count Cavour in the Italian *Risorgimento*, the *haut bourgeois* backers of the July Monarchy, and the National Liberals, Right and Left, in the German *Reichstag* after 1871 all exemplified, in varying degrees, the liberal concept of nationhood.¹¹

Such liberals did not trust the lower classes and were demonstrably happier to leave power with kings and princes than with handworkers. They

also rushed to compromise at critical junctures with those in authority, and thus have not been spared the tirades of those on their left. The English historian Denis Mack Smith has written voluminously on the parliamentary corruption of the liberal monarchists who unified Italy. The same kind of exposé has been applied to the Protestant liberal nationalists who dominated Hungarian politics after the establishment of the Dual Monarchy in 1867. And an entire library would be necessary to house the books and pamphlets published on the antidemocratic iniquities and sellouts to Prussian authoritarianism ascribed to the German National Liberals.

The German case is the one I know best and will discuss for the purposes of clarification. Aside from the sanctimonious and frenetic tone of much of the invective against the National Liberals, the attacks on them have often been anachronistic. We are made to believe that Rudolf Bennigsen and other National Liberal parliamentary leaders of the 1870s and 1880s were reckless reactionaries because they sided with Bismarck against the Socialists. National Liberals, for example, voted mostly with the imperial government to ban the Socialist Party after the attempted assassination of the German Emperor by a Socialist in 1879. Though the Socialists spoke of class conflict and social revolution, according to Fritz Stern, Hajo Holborn, and other German historians, the German middle class should have backed them as the party of social progress. The Socialists, we are told, were a democratizing force in the Second Empire, and the liberals erred by not rallying to them.¹² But the term "liberal" in the nineteenth century was not synonymous with "democratic," and connoted something entirely opposed to socialism. Nineteenth-century continental liberals saw themselves as the party of property and education, defending the political *juste milieu*. Many of them opposed international free trade while favoring the removal of custom barriers within their own countries, though the German National Liberals were less supportive of tariffs than most other parties in the *Reichstag*. German liberals also generally favored academic and religious freedom, with more restraints, though, than might today seem permissible to the A.C.L.U.¹³

In a sweeping misstatement Alfred Cobban has contrasted two forms of nineteenth-century nationalism, the "liberal democratic" associated with France and the U.S. and the "authoritarian reactionary" embodied by Imperial Germany.¹⁴ Though the empire forged by Bismarck was not quintessentially liberal (certainly less so than Victorian England) and left undoubtedly too much discretionary power to the Emperor and his cabinet,

it was in significant ways less of a total state than the democracies of the twentieth century. It was, first of all, a federal union, in which various kingdoms, duchies, and free cities continued to rule themselves internally after 1871. The other German governments united under Prussia to form the German Empire; they were willing to recognize the Hohenzollern King of Prussia as the German Emperor, but never as Emperor of Germany. And German jurists and civil servants revelled in the view of their regime as a *Rechtsstaat*, a government in which all subjects were equally under the same law.

In World War I, the German record of allowing dissent compares quite favorably with that of Republican France and of Woodrow Wilson's America.¹⁵ Unlike France, in which political leaders were jailed for merely proposing a negotiated resolution to the war, or the United States, in which the government whipped up hysteria against German Americans before entering the conflict, outspoken opponents of the war in Germany sat in the *Reichstag* unmolested. The imperial government allowed debate on how the war might be ended, and it even encouraged socialists to use foreign contacts in pursuing a peaceful outcome. With good reason, Carl Schmitt observed that Imperial Germany fought World War I as a *Bürgerstaat*, though the control of the state fell by default to the military command.¹⁶

These remarks are not intended to whitewash German blunders leading to that struggle. Nor is it being denied that Imperial Germany, Victorian England, and other pre-democratic, constitutional states accepted social and sexual inequalities that are quite unsupportable in a democratic age. Though legal equality was part of their constitutional thinking, the state was not seen as a tool to equalize the condition of its citizens. The point, in any case, is that democratic nations, once mobilized, behave more intol-erantly than even defective German liberals or Junker caretaker governments. Democratically elected leaders, as conscious bearers of a democratic mandate, have invoked popular sovereignty in waging global crusades and in implementing vast social change. And democratic bureaucracies, which Wilson extolled as instruments of "public service," have claimed effectively to represent the "general will."

The American social-cultural critic Irving Babbitt was properly struck by the Rousseauistic roots of Woodrow Wilson's American national state. Commenting on Wilson's "democratic imperialism," Babbitt viewed it as an example of the politics of romantic imagination, the will to power

disguised as humanitarian expansiveness and democratic reform.¹⁷ It may be argued, however, that the overshadowing theme in Wilson's writings and career from the 1880s on is the identification of the general will with bureaucratic democracy. From his volume *The State* in 1887, through his expansion and empowerment of the federal civil service during his first Presidential term, and down to his wartime control of public opinion and the economy, Wilson pursued relentlessly the same political vision: a state that knows what all the people should want and proceeds to impose it.¹⁸ It thereby solves the quandary posed by Rousseau in *The Social Contract*, a public desiring the Good that it cannot properly see: "les particuliers veulent le bien qu'ils rejettent; le public veut le bien qu'il ne voit pas. Tous ont également besoin de guides. Il faut obliger les uns à conformer leurs volontés à leur raison; il faut apprendre à l'autre à connaître ce qu'il veut." Whence the need for the legislator as the plebiscitary interpreter of the "general will."¹⁹

The social thinker Robert Nisbet sees as another characteristic of modern democratic nationhood since Wilson's Presidency public mobilization for either war or its "moral equivalent." The public, says Nisbet, must be repeatedly made aware of its democratic mission at home and abroad lest individuals become insufficiently political or excessively private. Wilson's crusade for democracy in World War I led into other governmentally orchestrated campaigns for enhancing public virtue (for example, temperance), perfecting democratic equality (civil rights and feminist revolutions), and remaking the world (those measures undertaken to spread American democracy abroad). The result, Nisbet argues, has been a war against all spheres of life that are resistant to politicization. Even more ominously, the line of separation between public and private has steadily eroded so that embattled special interests have invaded the state while government bureaucrats interfere in formerly private educational, religious, and social institutions.²⁰

A final observation may be in order about the descent of democratic nationhood. An overriding concern of America's Founding Fathers was the creation and preservation of countervailing branches of government. In *Federalist 47*, tyranny is defined as "the accumulation of all powers, legislative, executive, judiciary, in the same hands, whether of one, a few, or many, and whether hereditary, self-appointed, or elective."²¹ This definition of tyranny betrays the classical liberal rudiments of American

republicanism; and not surprisingly, Carl Schmitt mocked America as a mere society whose founders had insufficient regard for the principle of undivided sovereignty. Without such sovereignty, Schmitt (quoting Thomas Hobbes) contends, the executive cannot protect its subjects from outside violence or internal disorder. Whether Schmitt is right or wrong on this point, America has moved toward concentration of power in the hands of the few, but not for Hobbesian reasons. The growth of the American administrative state has not occurred as a protective response to violence or the threat of it. It has developed as a democratizing instrument, overlapping and engulfing all branches of government. As Benjamin Ginsburg and Theodor Lowi observe, moreover, this bureaucratic entity rules before, after, and during elections and establishes policies for politicians who come and go, unlike itself.²² Nisbet considers this administrative state as the sine qua non of modern democratic nationhood. Resting on implicit consent and committed to an egalitarian ethos, it mobilizes the increasingly isolated members of a dissolving civil society for public sacrifice and civic activity. But Nisbet wrongly compares it to Hobbes's Leviathan. Though this regime views itself as a "mortal god" and tolerates no power but its own, it is neither capable nor willing to stop the war of all against all. If America's soaring and largely unpunished violence is any indication, the democratic nation state in its most recent therapeutic manifestation may actually be returning us to the most fearful state of nature.

Notes

1. For expressions of support for this democratic mission, see Charles Krauthammer, "Is History History?" and "The Conservative Crackup," *Washington Post*, August 15 and 22, 1989; Ben Wattenberg, "Heading Back Toward Isolation," *Washington Times*, September 29, 1989. On any weekday, the *Washington Times* Commentary section is likely to run at least one column presenting this point of view.
2. Leszek Kolakowski, "Dangers to Democracy," *Society* 27, no. 4 (May and June 1990): 77.
3. Max Weber, *Politik als Beruf* (eighth edition, Berlin: Duncker & Humblot, 1987), pp. 36-38.
4. Carl Schmitt, *Political Theology: Four Chapters on the Concept of Sovereignty*, translated and introduced by George Schwab (Cambridge, Mass.: MIT Press, 1988), pp. 46-49.
5. Schmitt, "Der Gegensatz von Parlamentarismus und moderner Massendemokratie," in *Positionen und Begriffe im Kampf mit Weimar-Genf-Versailles* (Berlin: Duncker & Humblot, 1940), pp. 127-32.

6. Michael Novak, *The Spirit of Democratic Capitalism* (New York: Simon and Schuster: 1982), pp. 111–12, 253. Though Novak criticizes socialism per se, he defends “social welfare programs” as integral to democratic capitalism. He finds nothing contradictory in the phrase “social welfare democratic capitalism.”
7. *Money, Method, and the Market Process: Essays by Ludwig von Mises*, selected by Margit von Mises and edited by Richard M. Ebeling (Norwell, Mass.: Kluwer, 1990), p. 263.
8. John Lukacs, “The Stirrings of History,” *Harper’s*, August 1990, p. 48.
9. F.A. Hayek, *The Constitution of Liberty* (Chicago: University of Chicago Press, 1960), pp. 248, 148, and 489.
10. The attempt to treat democracy as a docile but necessary hand servant of liberal legality is already present in Hayek’s “Entstehung und Verfall des Rechtsstaatsideales,” in Albert Hunold, ed., *Wirtschaft ohne Wunder* (Zurich, 1953), pp. 33–46.
11. Guido de Ruggiero, in *The History of European Liberalism*, translated R.C. Collingwood (Boston: Beacon Press, 1959), particularly pp. 93–157, offers the view of historical liberalism presented above, though with more emphasis on its individualistic component.
12. See, for example, Fritz Stern’s *Dreams and Decisions* (New York: Knopf, 1988), and Hajo Holborn’s introduction to Fritz Fischer’s *Germany’s Aims in the First World War* (New York: Norton, 1967).
13. For a revisionist portrait of German middle-class liberals, see Paul Gottfried, “History or Hysteria,” *The Alternative: An American Spectator*, January 1975, pp. 16–18.
14. Alfred Cobban, *The Nation State and National Self-Determination* (New York: Thomas Y. Crowell, 1970), pp. 41–46.
15. Even Fritz Fischer, in his often savage denunciation of Germany’s quest for world power before and during World War I, demonstrates that the German imperial government treated socialist critics with remarkable tolerance. See *Germany’s Aim in World War One*, pp. 388–90 and 506. For the American wartime record of intolerance, see David M. Kennedy, *Over Here: The First World War and American Society* (New York: Oxford University Press, 1980); and on France’s treatment of political “defeatists” and those favoring a negotiated peace, see Leslie Derfler, *The Third Republic 1870-1940* (Princeton: Van Nostrand, 1966), pp. 67–69.
16. Carl Schmitt, *Staatsgefüge und Zusammenbruch des Zweiten Reiches: der Sieg des Bürgers über den Soldaten* (Hamburg: Hanseatische Verlagsanstalt, 1934).
17. Irving Babbitt, *Democracy and Leadership* (New York and Boston: Houghton Mifflin, 1924), pp. 239–317.
18. For two extensive critiques of Wilson as a social collectivist, see Murray N. Rothbard, “World War I as Fulfillment: Power and the Intellectuals,” *Journal of Libertarian Studies* 9, no. 1 (Winter 1989): 81–125; and Paul Gottfried, “Wilsonianism: The Legacy that Won’t Die,” *ibid.* 9, vol. 2 (Fall 1990): 117–26. For an examination of Wilson’s “revolutionary rhetoric,” see Paul Eidelberg, *A Discourse on Statesmanship* (Urbana, Ill., Chicago, and London: University of Illinois Press, 1974), pp. 312–62.
19. Jean-Jacques Rousseau, *Du Contrat Social* (Paris: Flammarion, 1966), p. 76.
20. Robert A. Nisbet, *The Present Age* (New York: Harper & Row, 1988), pp. 20–40 and 61–63.

21. *The Federalist Papers*, introduction by Clinton Rossiter (New York: Mentor, 1961), p. 303.
22. See Benjamin Ginsberg, *The Consequences of Consent: Elections, Citizen Control, and Popular Acquiescence* (New York: Random House, 1982), pp. 27–59; and Benjamin Ginsberg and Theodore J. Lowi, *American Government: Freedom and Power* (New York: Norton, 1989).