

private lives and accumulate wealth and property. The early Liberals, John Locke, Montesquieu, David Hume, Adam Smith, James Mill and Jeremy Bentham accepted democracy because it was the best way to protect individual liberty from growing power of the State. Liberals first believed that the right to vote and to hold office would be restricted to those individuals who owned a certain amount of property, but 19th century liberals such as John Stuart Mill and Alexis de Tocqueville expanded the definitions of equality, freedom and democracy (Opello and Rosow, *op.cit.*).

The New Classical Liberals such as Vilfredo Pareto, Max Weber, Emile Durkheim, Ludwig von Mises and F.A Hayek also advocated a drastic reduction in the role of the State to that of maintaining a free market in goods and labour. However, these thinkers, for instance, Pareto divested the market mechanisms of most of the moral advantages that the earlier Liberals had talked about. The utility of the market lay in its being a less corruptible and more neutral mechanism than democracy for revealing individual preferences and achieving the optimal degree of satisfaction (Billamy, 1993).

The Austrian School (von Mises and Hayek) insisted on the analytical priority of macro-economic theory and denied its validity questioning all governmental attempts to interfere in the economy. Max Weber's perspective on the State, about which we have read earlier on in this Unit, was in consonance with the Austrian School. The Liberals, towards the end of 20th century tried to combine the Liberal values of liberty and equality with a concern for social justice keeping in view the requirements of efficiency. John Rawls and Robert Nozick wrote on these lines. It is from this premise that the Neo-liberal or the New Right philosophy takes over (*ibid.*, *emphasis added*).

Talking of the early Liberals, it can be seen that thinkers like Thomas Hobbes were the first to comprehend the nature of public power as a permanent, sovereign, rightful and authorised representative to exercise powers. Hobbes saw human relationships as those of mutual suspicion and hostility and attributed this predicament to human nature. As a result, the individuals surrendered all their powers through a contract to a third party who was not a component of the contract, but nevertheless received all the powers that were surrendered. It created a 'Monist State' and a 'government' at the same time.

John Locke's state of nature was a state of perfect freedom and equality. But since, he did not rule out the possibility of disputes among individuals, a rational and limited agreement, which assured obedience for the preservation and enhancement of life, liberty and property was envisaged. In fact, it was the social character of property that enabled Locke to defend a minimal State with limited government and individual rights (See: Mukherjee and Ramaswamy, *op.cit.* and David Held *et al.*, *op.cit.*).

The state of nature in Jean Jacques Rousseau's writings comprised individuals guided by instincts of self-preservation and compassion. For Rousseau, vanity among human beings and difference in property and possessions led to conditions of inequality. Civil society degenerated into a state of war and a social contract ensued. He propagated participatory democracy instead of representative parliamentary government. Rousseau's conception of self-government has been among the most provocative, challenging at its core some of the critical assumptions of liberal democracy, especially the notion that democracy is the name for a particular kind of State, which can only be held accountable to citizens once in a while (See: Held *et al.*, *op.cit.*).

Jeremy Bentham believed in greatest happiness for greatest number of people. He regarded the notion of modern State as an ideal. State was a legal entity with individualism as its ethical basis. He stipulated happiness and not liberty as the end of the State and called for institutions that would support the legal system namely bureaucratisation of public service and legalisation as a continual process,