



A SPECIAL MEETING

# THE MONT PELERIN SOCIETY

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**FROM THE PAST TO THE FUTURE:  
IDEAS AND ACTIONS FOR A FREE SOCIETY**

CHAPTER FOUR

**REMOVING OBSTACLES ON THE ROAD  
TO ECONOMIC FREEDOM**  
EAMONN BUTLER



## Removing Obstacles on the Road to Economic Freedom: 1947-1980

Eamonn Butler

The Mont Pelerin Society was liberals' response to the political ruin that had engulfed Europe before and during World War II. Its founders believed that this ruin was the dismal result of mistaken ideas. They committed themselves, not to political action, but to recapturing the intellectual battlefield.

In the event, the Society did more than merely keep European liberalism ideas alive; it deepened and spread liberal ideas across the globe.

That is a remarkable achievement from a body that exists mainly in the minds of its members—run by volunteers with only part-time office support. It is a loose association of people who believe in freedom and believe that ideas change the world. They disagree on the precise ends and means. But the diversity of their views is a mark, not of the Society's failure, but as its fruitfulness as a forum for debate.

It was in Cambridge, to which the London School of Economics had been evacuated during the Second World War, that Hayek started asking himself how liberalism could ever be rebuilt. He thought that liberalism had to be made relevant to the times. He knew that this required the talents of isolated liberals to be brought together. So, he proposed the creation of an international liberal intellectual society.

After much effort, thirty-nine participants, from ten countries, made it to Mont-Pèlerin in 1947. They included thinkers from economics, law, history, political science, chemistry, philosophy, business, journalism and public policy. Their agenda was daunting: monetary instability; unemployment; public goods; security versus freedom; regulation; the very nature of a liberal order. And the big question of the time: Can Germany ever be rehabilitated?

Even though the participants shared a liberal outlook, there were deep disagreements on these difficult questions. "You're all a bunch of socialists!" stormed Mises famously, when others suggested that progressive income taxes were justifiable.

Such disagreements made a final communique hard to agree on; but Lionel Robbins eventually produced the *Statement of Aims* that is used even to this day. "The central values of civilization are in danger," it warns. Research is needed—to redefine the functions of the state; reaffirm the rule of law; combat the misuse of theory; and safeguard peace and freedom.

"The group," it concludes, "is politically unaligned," existing only to promote the free society by "facilitating the exchange of views" among minds with broad ideas in common. All in all, it has not done such a bad job.



## **EAMONN BUTLER**

### ADAM SMITH INSTITUTE

Dr. Eamonn Butler is director and cofounder of Britain's leading free-market policy think tank, the Adam Smith Institute, and a leading author and broadcaster on economics and social issues. Westminster insiders look forward each week to his wry online commentary on politics and politicians. Butler has received many awards in recognition of his long-term commitment to furthering the market economy, such as the UK National Free Enterprise Award and the Freedom Medal of the Freedoms Foundation at Valley Forge. He is honorary secretary of the Mont Pelerin Society.

Butler commissioned and raised the funding for the statue of the economist and philosopher Adam Smith (1723–1790), that stands in Edinburgh's High Street. He has appeared in many TV and film documentaries on policy issues, such as *Brexit: The Movie*, and produced the two-part historical documentary *Secrets of the Magna Carta*.

Butler is a prolific author of books on a wide range of subjects, from economics to psychology and politics. These include easy-to-read introductions to the economists Milton Friedman, F. A. Hayek, and Adam Smith, and a short explanation of how markets work, called (modestly) *The Best Book on the Market*, which he wrote to be "so simple that even politicians can understand it."



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