

22<sup>nd</sup> Alfred and Winifred Hoernlé Memorial Lecture

# **Enlightened self-interest and the liberal spirit**

**Hobart Houghton**

**THE ALFRED AND WINIFRED HOERNLÉ  
MEMORIAL LECTURE, 1970**

**ENLIGHTENED SELF-INTEREST  
AND THE LIBERAL SPIRIT**

**By**

**D. HOBART HOUGHTON**

*Director, Institute of Social and Economic Research,  
Rhodes University, Grahamstown*



**SOUTH AFRICAN INSTITUTE OF RACE RELATIONS**

**THE ALFRED AND WINIFRED HOERNLÉ  
MEMORIAL LECTURE, 1970**

**ENLIGHTENED SELF-INTEREST  
AND THE LIBERAL SPIRIT**

By

**D. HOBART HOUGHTON**

*Director, Institute of Social and Economic Research,  
Rhodes University, Grahamstown*

**DELIVERED UNDER THE AUSPICES OF THE  
SOUTH AFRICAN INSTITUTE OF RACE RELATIONS  
P.O. Box 97  
Johannesburg**



*Mr. President,*

*I thank you for the great honour you have done me by inviting me to give this lecture in memory of Alfred and Winifred Hoernlé, two people who have made a lasting contribution to the cause of freedom, and all their lives applied the principle of reason rather than force to the solution of the problems of our land. Since this lecture was instituted many illustrious men and women have paid tribute to their memory and I humbly follow in their footsteps.*

*It is also a great pleasure that I have been asked to lecture while my old friend Quintin Whyte is still Director of the Institute. His wisdom, dedication and unstinting service have enabled the Institute of Race Relations to survive and grow in strength through difficult times. Our best wishes go with him and his wife in their retirement. In our new Director, Mr. Fred van Wyk, we have the fullest confidence that he will uphold the ideals of the Institute the creation of which was so largely the work of Alfred and Winifred Hoernlé.*

## ENLIGHTENED SELF-INTEREST AND THE LIBERAL SPIRIT

IF one flies over the Karroo in a modern jet aircraft one looks down from 28,000 feet upon an uninviting landscape in whose great spaces of brown earth and grey rocks there gleam the isolated homesteads where dams, trees and cultivated soil stand out in striking contrast to the unimproved veld. The courage of the men and women, white, black and brown, who occupied this area and transformed it, and the fortitude with which they have persisted through drought, storms, hail and other hazards is immense. What was the motive and drive behind their action? Was it some great religious zeal? Was it visions of empire and national aggrandizement? Was it some other ideological goal, or was it the need to satisfy some aspiration of the inner spirit? These may have played a part, but the matter-of-fact reason for their actions was primarily the desire to provide food, clothing and shelter for themselves and their children.

The juxtaposition of private self-interest and the liberal spirit may appear incongruous to some people, because the pursuit of self-interest is today often regarded as the antithesis of liberalism. A different view of the matter prevailed two centuries ago when Adam Smith wrote:

“It is not from the benevolence of the butcher, the brewer and the baker that we expect our dinner, but from their regard to their own interest. We address ourselves, not to their humanity, but to their self-love, and we never talk to them of our necessities but of their advantage. Nobody but a beggar chooses to depend chiefly upon the benevolence of his fellow men.”<sup>1</sup>

Smith, and the liberal economists who followed him in the nineteenth century, believed that a prosperous and free society could best be achieved by recognizing the power of man's self-interest and so framing the laws of the state that this characteristic could be harnessed and used to promote the

<sup>1</sup> Adam Smith: *Wealth of Nations*, ed. Cannan I p. 16.

welfare of all. Slavery has had its great achievements — the pyramids of Egypt,<sup>2</sup> temples of Athens, cotton plantations in the Southern States and some of the industrial development of the Soviet Union, particularly in Siberia; but the far greater achievements of Western Europe and North America were the result of expanding opportunities for personal gain and the incentive was self-interest, not the lash and the admonitions of the slave driver.

Smith's belief in "the harmonious order of nature under divine guidance", and his faith in "the invisible hand" that guides the course of events so that in the pursuit of their own self-interest men promote the common good although it was no part of their intention to do so, may have been over-optimistic. Indeed from the reports of factory conditions in Britain in the early nineteenth century, or looked at through the eyes of Jon Dos Passos or Upton Sinclair, economic advance may appear to have been based upon the law of the jungle rather than upon natural justice.

Smith of course recognized that men could not live in a society without restraints; but he believed that restraint should be kept to the minimum necessary to protect others from injury. Later on, John Stuart Mill was tormented by the difficulty of drawing a line between personal freedom and social restraint, and he returns to this problem time and again.

"The distinction here pointed out between the part of a person's life which concerns himself, and that which concerns others, many persons will refuse to admit. How (it may be asked) can any part of the conduct of a member of society be a matter of indifference to other members? No person is an entirely isolated being; it is impossible for a person to do anything seriously or permanently hurtful to himself, without mischief reaching at least to his near connections, and often far beyond them. If he injures his property, he does harm to those who directly or indirectly derived support from it, and diminishes, by a greater or less amount, the general resources of the community. If he

<sup>2</sup> Herodotus states that it took 100,000 slaves thirty years to build the great pyramid.

deteriorates his bodily or mental faculties, he not only brings evil upon all who depended upon him for their happiness, but disqualifies himself for rendering the services which he owes to his fellow-creatures . . . Finally, if by his vices or follies a person does no direct harm to others, he is nevertheless (it may be said) injurious by his example; and ought to be compelled to control himself, for the sake of those whom the sight or knowledge of his conduct might corrupt or mislead.”<sup>3</sup>

In spite of these things, however, Mill is reluctant to impose undue restraint upon the individual. More than most men, Mill was animated by the liberal spirit, and much as he feels moral disapprobation towards human frailty, his love for liberty is such that he believes that force should only be resorted to when an individual's action impinges directly upon the freedom of others.

“No person should be punished simply for being drunk; but a soldier or a policeman should be punished for being drunk on duty. Whenever, in short, there is a definite damage or risk of damage, either to another individual or to the public, the case is taken out of the province of liberty, and placed in that of morality or law.”<sup>4</sup>

Under the influence of Kant and Hegel English philosophers at the end of the last century tended to stress the fulfilment of man in and through his association with his fellows.<sup>5</sup> The “general will” transcends the wills of the individuals. Man-in-society is the reality, and the isolated individual merely an abstraction. Thus Mill's dichotomy between the individual and society was based on a misconception. If man-in-society were the reality there could be no problem of conflict, because society's restraints were imposed to expand the life of the individual; but, from the nature of goodness (which had to be willed by the individual man), there were some things which the state could not do. The use of force was *in pari materia*

<sup>3</sup> J. S. Mill: *On Liberty*, Everyman ed. p. 136, 137.

<sup>4</sup> *ibid.*, p. 138.

<sup>5</sup> T. H. Green: *Lectures on The Principles of Political Obligation*. Bernard Bosanquet: *Philosophical Theory of the State*.



with the positive promotion of the good life, and the role of the state was therefore limited to creating a situation in which the individual could find a full life — in Bosanquet's terminology to "the removal of hindrances to the good life". It must be remembered that Bosanquet was writing before the full development of mass media of communication which gives the state a power not only to control the actions of men, but also in some measure to control their minds through current affairs talks on radio and television and all the techniques of persuasion and "Big Brother is watching" intimidation so closely linked with "new-speak" and "new-think" in 1984.<sup>6</sup> The removal-of-hindrances approach does not really offer a solution to Mill's problem. Is prohibition of drugs or alcohol an attempt to promote the good life positively or is it a removal of hindrances?

Another approach to the relationships between the individual and society is the distinction drawn by A. C. Pigou<sup>7</sup> between the wants of individuals, as such, and collective wants of society. He makes the point that private and public interests do not necessarily coincide if for no other reason than that society's expectations extend over a longer time-span than those of an individual. For example, it may be to a private individual's economic advantage to cut down an indigenous forest at least cost and without regard to the regeneration of the forest, whereas society's interests are best served by an immediately less profitable exploitation of the timber which provides for regeneration. In matters such as soil conservation, protection of rivers and lakes from pollution, afforestation, factory effluent, industrial location, and even town planning, private and public interests may diverge. This being so the state may have to place restraints upon the individual following his own self-interest.

Although the relationship between the individual and the state is no new problem, and was a recurrent topic in Greek philosophy, the problem has assumed a new dimension. The individual was more meaningful in a Greek city state of

<sup>6</sup> George Orwell: 1984.

<sup>7</sup> A. C. Pigou: *The Economics of Welfare*.

between 25,000 and 30,000 persons than when he is one in a hundred million or more. Although mass media of communication have made it as easy for the President of the United States to address the whole nation as it was for Pericles to address the Athenian assembly, the change in scale has introduced a new situation, for the give-and-take between people who all knew one another personally is no longer possible. Similarly the self-interest of Adam Smith's butcher, brewer and baker was a very different type of thing from the self-interest of the Imperial Cold Storage, S.A. Breweries or S.A. Milling companies. It may also be that much of the unrest and frustration among students stems from this change in scale. When the older members of this audience were undergraduates they had the advantage in small classes of personal contact and discussion with their professors who knew most of the class by name. Today the large numbers, especially in the formative first year, make this impossible or extremely difficult. Instead of knowing Professor le Roux or Mr. Smith as human beings the students tend to think of them as "members of the Faculty"; and the staff, who used to know Tom Jones or Gerrit van der Merwe, and were able to share their hopes and fears, now speak of that amorphous and rather terrifying thing "the student body".

Because of this change in scale we live in a world of aggregates and computerization. Aggregation is the great curse of the modern world because it de-humanizes men and women. "The labour force" is an aggregation of some millions of men and women each with their own hopes and fears, loves and hates, and virtues and frailties. In the study of economics it is now a convention to speak of macro and micro economic studies, and the former has arisen because of the need for aggregates which can be fed into computers to give answers that often overlook the real needs of men and women. Some of them, such as a figure for "the per capita income of the population of the Republic of South Africa", become "a tale of little meaning though the words are true".

The insignificance of the individual in the modern state (which for South Africa may be expressed by the fraction  $\frac{1}{20,000,000}$ ) has given rise to attempts by individuals to strengthen

their position and uphold their status by membership of lesser groups within the community. These range from employer's associations and trade unions to smaller and more specialized groups with a more limited objective. Nevertheless all these groups are in some measure pressure groups aiming to advance sectional interests. Unlike more homogeneous communities, South Africa's structure is further complicated by racial, linguistic and cultural diversity and groups based on these factors tend to demote still further the status of the individual, as such, and to label him as a member of his specific race or language group.

For a variety of reasons, therefore, Adam Smith's simple model of a society composed of individual men and women seeking their own advantage and needing restraint only to protect the individual from harm by his neighbours appears to have little relevance in the modern world. Greater size and advanced technology necessitate a much greater role for the state. Some democrats welcome this and believe that a system of universal franchise will insure that state action can never be against the interests of the people. Communists even speak openly of the dictatorship of the proletariat. "The people", however, is another aggregation within which are various pressure groups with divergent aims, and the individual may count for nothing. The dominant group, especially if it represents the majority wish, can be the greatest of all tyrants. As Mill pointed out, the tyranny of the majority is to be especially feared because the majority is so all pervasive. "The injustice and violation of principle are not less flagrant because those who suffer by them are a minority".<sup>8</sup>

The Economic Society of South Africa has as its motto *vade ad formicam o piger*. "Go to the ant thou sluggard" may be a fitting motto for an economic society, but it should not be regarded as an exhortation to the people of South Africa lest it reduce the rich diversity of human life to a uniformity which in death is symbolized by a plastic tombstone engraved "Citizen 003 919518 W".

Thirty years ago Alfred Hoernlé spoke about the role of the liberal spirit in relation to South Africa's race problems.

<sup>8</sup> J. S. Mill: *Representative Government*, Everyman ed. p. 257.

In 1939 (on the eve of the Second World War) he wrote:<sup>9</sup>

“A liberal, if the word means anything, is a lover of liberty. Unfortunately not all lovers of liberty are ‘liberals’. The world is full of individuals and groups who demand liberty for themselves, but deny it to other individuals or groups.”

More than a century ago Newman in *The Idea of a University* suggested that the true meaning of liberal was clarified by considering its opposite, which both logically and by etymology is *servile*.<sup>10</sup> The task of the liberal spirit is therefore to devise a society in which men may be free without making other men servile. Of course, in any organization some men must give orders and other men must obey, and the difference between a free society and a servile one depends not upon the mere giving of orders, but upon their purpose and the manner of issuing them. Men are not equal in their ability and power of leadership, and it is important that every society should be governed by the best men available. The difference between Plato’s guardians, who were a dedicated class of civil servants, and the *herrenvolk* mentality lies not in their power, but in the spirit animating their exercise — so too the difference between the philosopher king and the tyrant. It is the persuasive influence of the liberal spirit, and the belief that human beings matter, that makes the difference between a free and a servile state.

A rising standard of material well-being is an important objective of society and the removal of poverty and disease are laudable aims, but the welfare state can easily degenerate into a dispenser of bread and circuses in which boredom and lack of opportunity for individual initiative invite alcoholism and drugs and the suicide rate rises to new heights. Socrates outlined his version of the welfare state:

“Will they not produce corn and wine, and clothes, and shoes, and build houses for themselves? And when they are housed, they will work, in summer, commonly stripped and barefoot, but in winter substantially clothed and shod.

<sup>9</sup> Alfred Hoernlé: *South African Native Policy and the Liberal Spirit*, 1939.

<sup>10</sup> Quoted by R. F. Currey in *Rhodes University 1904-1964* (not yet published).

They will feed on barley-meal and flour of wheat, baking and kneading them, making noble cakes and loaves; these they will serve up on a mat of reeds or on clean leaves, themselves reclining the while upon beds strewn with yew or myrtle. And they and their children will feast, drinking of the wine they have made."<sup>11</sup>

At this point Socrates is interrupted by the devastating comment of Glaucon.

"Yes, Socrates, he said, and if you were providing for a city of pigs, how else would you feed the beasts?"

The building of Cities of Pigs is an occupational hazard for economic planners whether in Athens, Western Europe or emergent Africa. *Brave New World* is not enough!

A danger to which men of high moral principle are prone is that zeal for their objective, good though it may be, may lead its advocates to adopt coercion. It was the highest of motives (reinforced perhaps by subconscious sadism) that led to the burning of heretics at the stake to save them from damnation. If a classless society is one's goal — and as a reaction against privilege and oppression it is very understandable — the use of force to promote it may be a denial of the individual's right to be different, and a step on the road *ad formicam*. Similarly enforced prohibition is as poor a substitute for temperance as the Immorality Act is for chastity. "Coercive liberalism" is a contradiction in terms.

The liberal spirit, however, should not lead to the "permissive society", as this is currently understood with its amoral attitude to human conduct. Men and women, if they are to lead meaningful lives in a free society, must be made aware of the necessity of social constraint and the wisdom that has been distilled and matured through the ages in man's faltering attempts to live in a free society. The teaching of the young should be the noblest and most important calling in any community, and teachers have the duty to use their wisdom and powers of persuasion to convince the young of the value of social norms tested by experience. If they condone self-indulgence in the name of freedom, they substitute licence for liberty.

<sup>11</sup> *Republic of Plato*, Jowett ed., p. 53.

People have different and sincerely held notions of right and wrong. "Both read the Bible day and night, but thou read'st black where I read white."<sup>12</sup> Each of us naturally believes our view to be correct and the other man's to be false, but the liberal spirit would require a recognition that the other man has as much right to his views as we have to ours until such time as one of us by reason has convinced the other. In a recent interview<sup>13</sup> Barbara Castle, speaking of her father, said:

"My father used to say it always cost something to turn theory into action, and say how important it was to face the cost, and pay the price. Ideals are your own and have perfect integrity so long as you do nothing about them. But once you try to act on them you are mingling acting and counter-acting upon other people. . . . Once you act, you leave the splendid simplicity of your own vision of truth and find that it has its own contradictions and ironies at the heart of it."

In a multi-racial, multi-cultural society like ours in South Africa, these problems are particularly acute. Alfred Hoernlé posed the following question some thirty years ago,<sup>14</sup> and it sounds as fresh now as when he asked it:

"How then is a caste society on racial lines to be avoided? What transformations of it are conceivable, consistently with the ideals of the liberal spirit?"

This is the answer which he gave:

"There would seem to be *three possibilities* each of which might claim the support of liberal-minded men. . . .

(1) *Parallelism*, which maintains the multi-racial society as the inclusive unit, but substitutes within it *co-ordination* of racial groups for *domination* of the rest by one group. . . .

(2) *Assimilation*, which also maintains the multi-racial society, but abolishes race differences within it by the completest possible fusion, or amalgamation of the races with each other.

(3) *Separation*, which breaks up the multi-racial society

<sup>12</sup> William Blake: *The Everlasting Gospel*.

<sup>13</sup> *The Observer*, 28 Sept., 1969.

<sup>14</sup> R. F. Alfred Hoernlé: *South African Native Policy and the Liberal Spirit*, 1939.

and organizes the several racial components as mutually independent social units."

It is not the aim of this lecture to attempt to weigh the relative merits of these three, but the more modest objective is to indicate how in any one of them the liberal spirit might be effective in bringing greater freedom for men to follow their own desires. We start, if we are to be realistic, from the fact that political, economic and military powers are at present almost exclusively in the hands of the minority white group through whose initiative South Africa's resources have been developed to make it the most economically advanced country in Africa. Further it must be frankly admitted that severe restrictions are imposed upon other groups which are not easily reconciled with any notion of a free society. It is unlikely that the dominant white group will now, or in the foreseeable future, voluntarily surrender their powers to the non-white majority by granting universal franchise in a unitary state. To do so seems to them likely to install rulers who would be less likely to maintain law and order and ensure the peaceful progress of the people of South Africa of all races than those who govern at present. This, of course, is a matter of conjecture, and if other countries in Africa can make a success of governing a multi-racial society in peace and justice this attitude might be revised. Till then the white group will strive to remain in control.

There are, however, always wiser and less wise methods of striving for a particular end; and the intelligent harnessing of individual self-interest can give men and women a feeling of willing participation in great events instead of feeling themselves to be merely unconsidered cogs in a vast machine. Industrial psychologists are well aware of the importance of developing a sense of commitment and participation among all associated with the productive process. By an intelligent appeal to enlightened self-interest, the Bantu Wages and Productivity Association has conferred benefits upon employers and upon millions of African workers, but much more is still to be done. In a recent publication of the Association, E. Raymond Silberbauer writes of an investigation into the motivation of African workers that in general:

"they work for food and clothing; no aspirations and ideals

to achieve, no dreams to fulfil, no self to express or realize through the medium of their work.

These words indicate, not that the Bantu worker lacks the capacity to be motivated at the higher social and egotistical levels, but that we are failing to put him in a work environment in which these motivational levels are stimulated."<sup>15</sup>

It is generally recognized that a shortage of skilled workers is the chief hindrance to a more rapid expansion of the South African economy. But this is a contrived scarcity, not a natural scarcity; for there are tens of thousands of coloured, Indian and African workers clamouring for greater employment opportunities who, it is generally conceded, are capable of efficiently performing more highly skilled jobs, either now or when they have received the necessary training. These men are prevented from making their full contribution to the country's progress by custom and legislation which has culminated in the job reservation policy and aspects of the Physical Planning Act. That job reservation has not had a more crippling effect upon production is due to the widespread granting of exemptions and to job reclassification. One is reminded of Adam Smith's "unknown principle of animal life which restores health and vigour to the constitution, in spite not only of the disease, but of the absurd prescriptions of the doctor".

Admittedly these are sensitive spots, and memories of the events of 1922 show that the skilled white workers would have to be reassured that their position was not in jeopardy, but this is surely a case where the enlightened self-interests of employers, white workers, and non-white workers can be reconciled to the benefit of the whole nation.

The location of industrial activity is a highly involved technical matter involving economic considerations of costs, markets, availability of the necessary inputs, and transport and the infrastructure generally. Social advantages, difficult though it is to measure these in quantitative terms, are also relevant, and it should be conceded that it may sometimes

<sup>15</sup> *Development Aims and Expansive Motivation: Bantu Wage and Productivity Association.* p. 18.



be necessary for the state to interfere with the decisions of industrialists in the general interests of society. The liberal principle would indicate that, as far as possible, this should be done by persuasion and the offering of incentives to make it advantageous for manufacturers to do as the social interest demands. Proposals for greater decentralization of industry in South Africa would probably have met with more general acceptance had they been advocated in terms of the economic interests of the country and the need to bring industry to the concentrations of population in the reserves, and had it been less associated with the doctrine of apartheid.

The new concept of separate development of the Bantu homelands is an improvement on the old state of stagnation of the "native reserves" because it is more positive and forward-looking, but nevertheless a more effective harnessing of individual self-interest might accelerate the process. The transformation of traditional agriculture, for example, requires not only the dissemination of knowledge about modern farming methods and capital for ploughing, seed and fertilizers: it also requires an effective transport system and a market for the farmer's produce untrammelled by Control Board regulations with which the peasant farmer is unable to cope. More than anything else it requires that the inhibiting effects of traditional land tenure be removed so that the ambitious, industrious and progressive farmers have the opportunity to expand their operations and increase their well-being. Similarly, restrictions on the investment by white entrepreneurs should be further relaxed. If the government supplies the capital, the white taxpayer is likely to object, but if it is provided by the entrepreneur in search of profit this is his own affair. Dr. Anton Rupert's idea of industrial partnership should be further considered.<sup>16</sup> Separate development of the homelands is more likely to succeed the greater the emphasis placed on *development* and the less on *separate*.

Another manifestation of the beneficial influence of self-interest is the growing concern that is being displayed by both distributors and manufacturers in the rapidly expanding market which sixteen million non-white consumers represent.

<sup>16</sup> A. Rupert: *A Plea for Economic Democracy*, p. 14.

Their preferences as consumers are being scientifically studied, and the improved courtesy with which they are served (not perhaps from benevolence, but in the shopkeeper's own interest), has done much to improve race relations.

Finally, there is the much more general case for the application of the principle of intelligent self-interest for, if the four million whites in Southern Africa wish to retain an honourable place for themselves and their children, it is essential that they should enlist and retain the support of the whole population. It is in their enlightened self-interest to create a society, whether unitary or an association of lesser states, about which the majority of the people feel that it offers whites, coloured, Africans and Indians expanding horizons and a better way of life than they could find elsewhere. Towards this end the liberal spirit can do much by insisting upon the ultimate importance of individual men and women.

Twelve years ago Professor B. B. Keet delivered the Hoernlé Memorial Lecture<sup>17</sup> and opened his address with the words:

“Believing as I do that the colour problem is basically a moral one I have confined myself to this approach in an attempt to analyse the policy of apartheid.”

This lecture has been cast on a less exalted level, but it should be regarded not as an alternative to facing the basic moral issues but rather as a complement to them.

<sup>17</sup> B. B. Keet: *The Ethics of Apartheid*, 1957.



# The Hoernlé Memorial Lectures

The IRR is republishing the text of the Hoernlé Memorial Lectures, a series of talks which started in 1945. The original introductory note to the lecture series reads as follows:

*A lecture, entitled the Hoernlé Memorial Lecture (in memory of the late Professor R. F. Alfred Hoernle), President of the Institute from 1934—1943), will be delivered once a year under the auspices of the South African Institute of Race Relations. An invitation to deliver the lecture will be extended each year to some person having special knowledge and experience of racial problems in Africa or elsewhere.*

*It is hoped that the Hoernlé Memorial Lecture will provide a platform for constructive and helpful contributions to thought and action. While the lecturers will be entirely free to express their own views, which may not be those of the Institute as expressed in its formal decisions, it is hoped that lecturers will be guided by the Institute's declaration of policy that "scientific study and research must be allied with the fullest recognition of the human reactions to changing racial situations; that respectful regard must be paid to the traditions and usages of the various national, racial and tribal groups which comprise the population; and that due account must be taken of opposing views earnestly held."*

## About the IRR

Since 1929, the Institute of Race Relations has advocated for a free, fair, and prospering South Africa. At the heart of this vision lie the fundamental principles of liberty of the individual and equality before the law guaranteeing the freedom of all citizens. The IRR stands for the right of all people to make decisions about their lives without undue political or bureaucratic interference.