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# FREE TRADE: THE ETHICS OF NATIONS

"States have no morality, they have interests," remarked an overzealous diplomat. And in this same manner we sometimes see that reasons of state take priority over moral rules. A sweet young thing testifying before a committee of the United State Congress said "sometimes you have to put yourself above the law," no doubt repeating something that had been said to her. At a time when unrestrained application of the reasons of state can only lead to violence that can no longer be sustained, we can judge to what extent such remarks are without foundation.

A long and hazardous calculation of interests

The growing complexity of relationships between States only increases the difficulty of calculating interests, which has never

Translated R. Scott Walker

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entirely sufficed for determining policies. For this to suffice, in fact, it would be necessary to examine the consequences of each action and, since little things often have major effects, nothing should be overlooked. The complex analyses, to which agents of power are condemned when they obstinately persist in such calculations, slow down action and often prohibit it. We need only think of the confusion we would be in if we were obliged to calculate each one of our own actions; and we have telling examples in the too frequent and interminable studies commissioned by national and international bureaucracies, which lead to no adequate decision. These are reminiscent of the disorder and even the danger that a child, whose sense of morality has not yet been formed, can create around his actions. Morality, in most cases (with the notable exception of "matters of conscience"). offers an unequivocal rule for conduct that makes it possible to avoid hesitations and renders an act possible. Moreover, the growing complexity of existence is not compensated by technical progress. Computers, for example, have only added to the flow of papers and do not always rectify the flow of words. The need for a uniform rule of conduct that permits not only rapid decisions but also harmonizes the established activities of the State, that is the need for public morality, is felt even more when such services are modernized and become more complicated. The Irangate affair is exemplary in this respect. Left free rein to calculate the interests of the administration however they liked and with no moral constraints, the various government departments, secret services and even the White House arrived at diametrically opposed conclusions the execution of which led to the by-now historic scandal.

# The result of actions and not of intentions

In the second place, the so-called realistic formula, which makes a calculation of interests the permanent criterion for action is only valid if the hypothesis upon which it rests is itself valid. However, this hypothesis, namely that the effects of an action are in conformity with the intentions that inspired it, is false in most

cases. In fact the rarity of such conformity explains the admiration inspired by success in human affairs. To a certain degree of complexity, this success is the exception rather than the rule. Hayek has rightly insisted on the fact that the future of the world depends on the actions of human beings and not on their intentions.

Whether it be in a democracy or a dictatorship, whether openly or in secret, the Statesman is elected on a program and he has certain objectives in view. The measures he will take, either deliberately or in reaction to events that arise along his path, will perhaps reflect this program or these objectives. But what is important is not so much the conformity between these actions and promises as the equivalence that is produced—or produced—between the promises and the effect of the actions. However, the measures taken are separate from their effects, and intentions are easily betrayed. There are, first of all, the various administrative levels responsible for seeing that a given decision be implemented or not, that the rule be sanctioned or not—and if it is not, illegality is encouraged. Thus it is the ability to follow through on appropriate measures up to their final results rather than the good will involved in taking them that should be judged. But even if the action is followed through to the end, it does not necessarily lead to the desired results. The events the Statesman hopes to influence result from multiple causes among which measures of execution, even those faithful to the guiding thought, are not constantly dominant. There are a thousand particularly visible examples on battle fields where the memory of successes are preserved, like the double encircling of the Romans at Cannes by Hannibal, but also that of the failure of numerous other plans that were no less astounding originally. The element of surprise, so necessary to the success of military operations, does not depend only on the will of the assailant; and the discovery of the enemy's intentions does not always suffice to thwart them.

It is in the economic realm that lack of continuity between the intentions and the effects of an action can play the worst tricks on society. Initially the motivation is no doubt to eliminate an injustice or rectify a situation that is harmful to the collective interest, such as poverty, exploitation of workers or inflation.

However, frequently the measure taken only reinforces the evil it is meant to attack. If the government listens to the public outcry that does not wish to recognize the relationship that exists between prices and quantities, its efforts to limit apartment rents will only make the housing crisis worse and minimum wage regulations will only increase unemployment. These are obvious examples, but in more complicated cases the best economists can be mistaken. Thus an action taken to control interest rates, either by manipulating bank reserves or by buying and selling bonds on the open market, or even by tinkering with discount rates, does not guarantee either a halt to inflation or a prosperous recovery.

## The incompatibility of intentions

In order to be effective, consequently, the calculation of interests must be set off from facile voluntarism, and the mind should undertake an analysis of the consequences, which is in itself already not a small matter. But this very calculation, no matter how extensive it might be, cannot serve as guide for human behavior for the simple reason that it cannot determine the general interest from such behavior. Theoretical reason only begins to suspect the interdependence of interests, but practical reason still rejects even the idea of it. Because of this the calculations in which the latter is engaged can only deal with particular interests, and the defense of differing particular interests leads to conflicts. It was not until the period when temporal powers were subjected to the laws of a universal Church that the ambitions of States or the embryos of States were moderated by a common awareness. The sovereign spiritual realm attempted to achieve this by exercising its powers on political leaders. Public morality tended to be identified with private morality, which, as we shall see, has ceased to be the case.

At this time, as in the period that followed, let us say from the 16th to the 19th century, conflicts were but rarely avoided; but, since they could be resolved by violence—ultima ratio regis, it then was, in a very real manner, might that created right. It was not necessary to invoke morality to limit conflicts since resolving them by war was acceptable. We shall see that in fact this method of

resolution was the very basis for a generally accepted morality of State to which we still adhere to a very large extent today. The incompatibility of intentions not only rendered morality necessary but was its source. One suspects that its effect remains unfortunately the same when, for evident reasons, one refuses to consider violence as a normal means for settling conflicts. What we will seek today is not a morality that makes it possible to settle conflicts but a morality that avoids them.

## THE NATURE OF A PUBLIC MORALITY

This guide could not be the same for both societies and individuals, and States have not had time to find one adapted to the new world. In lessons from the past, however, there are elements to help us find our way.

## Public morality and private morality

Let us assume the following as definition of all morality: it is a guide that, over and above reason, ensures the material and spiritual survival of the beings to which it applies. When persons of both sexes, of different races, religions and nationalities have perfected their morality to the point of living together without harming each other too much, one wonders why this private morality cannot be applied advantageously to States. For that part of morality that has been shaped into law, the answer is obvious. Sovereign States do not recognize the laws of their peers in their own domains and do not subject themselves to international jurisdiction unless they have first consented to it. Legalized morality thus has no power over their will to ignore it. There is a whole set of laws and customs here that cannot serve as guide for all of humanity; and since this is the type of guide we are looking for, it is not in laws that we will find it.

Nor is this guide to be found in the consciences of agents of the State. In the private sphere, any employee or agent must consider the interests for which he is responsible as a moral obligation. In

civil law this obligation can be sanctioned by a contract or by statute. But in Government service, problems of conscience arising from a conflict between service to the State and respect for other common rules cannot be resolved so easily. It cannot be said that it suffices to subject the State to these common rules, for what on the one hand is morality, on the other is simply a matter of interests. The slope becomes particularly slippery for the agent of a government who discovers that the interests of State require actions that general morality condemns. He can resign, but the temptation to remain in place is strong and is generally reinforced by reasoning that someone else would do worse. A certain aide to the president of the United States manifested no regret at having juggled with budgetary regulations, with exchange legislation and with specific directives of Congress. For many he is a hero. It is obviously not in so confusing an example as this that can be found a direction for the State itself.

A final reason for distinguishing public morality from private morality is the danger of allowing agents of the State to become involved with the latter. Here it is a matter of preserving individual freedom. If these agents conceived of the exercise of their functions in terms of private morality, they would not be far from imposing their own morality, to which they themselves adhere, on their fellow citizens, that is on those people for whom they are merely mandated to manage their interests. In particular in countries where there is a tendency to attribute a universal value to morality, one would not hesitate to have the State assume a right to examine the private behavior of individuals, in the matter of abortion and prayers in school, for example. We know the consequences of such overstepping of boundaries in the so-called Fascist States too well not to miss any opportunity to reject it in the constitution of modern States.

# The foundations of an autonomous public morality

Although public morality and private morality should not be confused since they apply to two different entities, the individual and the State, they have a common origin: the need each has to find a guide for effectively supplying what is lacking in the efforts of a deficient reason. This need can be met either by the Divinity or by experience. It is useless to take a stand on this issue for, with regard to the topic that concerns us here, the results are the same. Thus can we see at one extreme a morality issued from divine revelation; and it was from such that Bossuet was able to write a political doctrine drawn from sacred Scripture. There is certainly something religious in every transcendent rule of reason, whether it concerns individuals or social groups. From a purely pragmatic point of view we can even look back nostalgically on that period in which this stamp made morality incontestable, whether it applied to individuals or to social groups. But it is necessary as well to recognize that the diversity of beliefs makes it impossible today to have an international public morality based on divine revelation. The modern scientific mind requires that the basis for morality be found in the nature of things; it cannot be anything other than a materialization of experience, the memory of things experienced by preceding generations, a memory integrated into the essence of societies that did away with actions harmful to the species and that sought those actions that can be useful to it.

Whether we accept one or the other point of view (for it is only a question of point of view and not of explanations in the philosophical sense of the term), we note immediately that the power of morality is all the greater when it has taken longer to establish itself. Divine revelation assumes its full force when it is situated in a distant past, and a period of time is necessary for the elements stored in memory to accumulate. And yet there is an obvious conclusion to be drawn from comparisons we might make between States and individuals: it is precisely time that is most lacking to the former. Whereas the origins of private morality go back at least some thirty-three thousand years, to the period when Cro-Magnon man won out over Neanderthals, the modern State only dates back a few centuries, and its contemporary manifestation, the superpower armed with nuclear weapons and with the wisdom on which depends the fate of humanity, is barely fifty years old.

Humanity has thus arrived at a critical point at which the calculation of interests is more difficult, the realization of

intentions more problematic and their incompatibility more marked than ever; in other words to the point where the need for morality is felt more keenly and where, at the same time, the basis for this morality, time, is lacking. The only resource is to invoke reason, but a reason conscious of its limits, to find in the words of the past the point of departure for our research. Krishna says in the Mahabharata that one "should act without worrying about the fruit of one's actions." It is very important that he spoke of fruits rather than of consequences, for a fruit is a desired consequence. We are free, in fact we have the obligation to foresee the general consequences of our actions when they are predictable. But what we should be wary of is "desire," for it is desire that creates the incompatibility of intentions, that complicates the calculation of interests and that is easily confused with reality. However, we note at once that public morality, inasmuch as it exists at present, seems to accept that all social ends are legitimate, precisely because they are "desired" by the majority. It is perhaps in this respect primarily that this morality is defective.

Moreover, the words of Krishna were spoken on the eve of a battle; the morality he expressed is a military morality, valid at a period in which conflicts between States could and should be settled by violence. It does not diminish the services that this morality rendered to humanity to remark that it is no longer effective today and to attempt to reconstruct the morality of tomorrow with the detachment recommended by Krishna and repeated by every religion.

## MORALITY AND OBJECTIVES

Everyday experience shows that causality is the motive for action: we act because we have a certain end in view. The problem of morality seems then to be reduced to the question of knowing whether the objectives that are set conform to morality or not. However, if this line of action is valid for isolated individuals, it is no longer adequate when we deal with States or with their agents. Since they are sovereign by definition, they cannot give up the idea that what they want is also the good, conducting themselves like

the Cocteau character who walked toward a lantern he was holding in his own hand. The causality that incites them to act is subject to no control.

## **DESIRED ENDS**

And yet it is this causality without control that seems to guide the human race; ever since it abandoned, in politics at least, belief in a future life, it is no longer concerned with anything other than terrestrial ends. In the best circumstances it allows democracy to define these ends. To the extent that Krishna's warning has been forgotten, that the affective element causing the lantern to go astray has been overlooked, there is no reason to be surprised that societies based on this rudimentary social contract that is social reform, or those inspired by it, have failed.

## Socialist moralities

We have, on the one hand, revolutionary regimes for whom social reform is the raison d'être and, on the other, reactionaries who are vigorously opposed to it. Most of the latter disappeared during the last war, while the Marxist domain has spread. The central idea of Marx—a classic economist with a particular fixation on an isolated element of economic unbalance—was that on the day when bourgeois exploitation would be ended, the market economy of Smith and Ricardo would finally begin to function. Rid of the apparatus of the State, he would establish the kingdom of Jehovah and of Christ on earth. In the course of the seventy years that followed Lenin's revolution, the secret inherited from the autocrats of Moscow has served the Soviet Union well, or at least the image that has been made of it abroad. During the great depression it was seen as the country without unemployment, for the Gulags remained hidden; later Nazi aggression put it in the camp of freedom, from which it withdrew itself afterward, taking its neighbors with it. Nevertheless, during the crucial period of decolonization, it served as an example for new countries.

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Today it would seem that the ends projected by socialist States and their imitators have not been achieved. These ends were primarily economic. No one thought that a more just social redistribution could occur without an increase in production, the economy being in any event, in the minds of the theory-makers, the determining factor in the political and cultural superstructure. However, from this fundamental point of view, results did not attain the levels of expectations. The Soviet Union succeeded in destroying a previously exporting agricultural sector without replacing it with an industrial sector capable of satisfying its consumers.

In socialist States, and particularly in China, efforts are being made everywhere to reintroduce the notion of profit, which it was thought possible to eliminate. It can be noted that the search for achieving social ends has led above all to the deployment of military and police forces that had nothing to do with the desired objective and that were only tolerated at first as a last resort.

## Other manifestations of social justice

On the other hand, the so-called free or Western countries have unceasingly proclaimed the morality of their devotion to social causes, either of their own volition or because they were stimulated by the specter of communism. To a greater or lesser extent they have taken over from Churches and private organizations the realm of tending to matters of health and education. They have established minimum salary levels, often indexed to the cost of living. They have sometimes attempted to control other prices; with varying degrees of warmth they have given freedom to their former colonies and undertaken to furnish them economic aid. They accede today to the demands made of them.

Superficially the Western world has never been more prosperous. But if its choice of governmental ends has been less ambitious than that of its rivals, its illusory attempts to establish social justice have been no less burdensome. Its agricultural sector is in a state of crisis because of the subsidies received in advanced countries and the manner in which this sector is managed in others. The West

totters at the brink of a financial crisis that cannot be resolved without tragic losses for present or future generations, and yet it persists in its attempts to redistribute wealth rather than create it. Seen in light of contemporary morality, or lack of morality, Statesmen have nothing other to offer than a form of justice, the definition of which escapes them.

## Non-Voluntary Ends

To act there must be an end, but one cannot pursue too many ends at the same time, nor ends that are too constraining. One must limit oneself to the essential. This-is the simple prescription that the morality of States must obey and that it did obey from the first manifestations of civilization down to a recent past. The first form of a State was a military one. The incompatibility of the intentions of various States was to lead necessarily to conflicts; since these conflicts could only be resolved by violence, this violence was organized and the State was formed to direct violence, the exercise of which was the State's final end, almost its sole end, at least its supreme end. Necessity imposed the use of violence and the organization of the structure through which it would be exercised, without these being subjected at all to the whims of human desires. They were capable of giving reason a transcendent morality so strong that it has continued to be apparent even down to our own times, although it has become incapable of guiding our steps.

# Military grandeur

Describing the services war has rendered to humanity alongside the horrors that have been committed in its name would be to rewrite universal history. In Antiquity war was rightly considered to be the mother of the arts and sciences. Every social organization can find its origins in the hierarchy, lines of authority and division of services, the necessity for which was imposed on the battle field. Military organization was the first to use vast contingents of men, and for this reason the only format that it could adopt,

authoritarian hierarchy, can be found in modern industry. The influence of the army on societies makes it not only an agent of political power but also a factor in the constitution of societies. Armed forces have served as guide in realms as different as art and industry, and they have inspired public morality. A statesman is responsible for ensuring the national defense; he would not fulfill his role if he could not monitor the situation closely. He cannot pass up the military honors given to him, and it is only in the realm of national defense problems that it seems possible for him to fulfill himself. Warlike virtues such as courage, discipline and denial are prototypes for civil virtues that, in any case, can never rival the former since it is only on the battle field that man is fully man. Ever since groups of men have confronted one another in increasingly organized masses, there appeared a rule of conduct independent of the will and appropriate to a non-voluntary end. The very idea of the god of battles was formed; the rules that preside over military preparation and the choice of combatants were established. The very excesses of the struggle led to limiting it and gave birth to a morality directed toward the protection of civilians and prisoners.

The military morality that has endured to our own times finds its expression in the term "national honor." The mutual respect that States have for one another, priorities, even diplomatic procedures themselves have issued from the battle field, establishing kinds of figurative combats that avoid the need for actual combats. Moreover, the resolution of conflicts by violence has served to guide humanity by redirecting its path *in extremis*. The greatest enemy of civilization and the cause of the decadence of nations is, as Olson has shown, the accumulation of obligations and coalitions of interest that inhibit the play of natural forces. War destroys these coalitions, these too comfortable arrangements in which a country slumbers, offering the possibility for a renewal: out of death war recreates life.

#### Decadence

We still live among manifestations of military supremacy. Holidays celebrate victories, armed parades mark great occasions;

there are military decorations and honor guards. But if, in the past, the military instrument moralized societies, today it corrupts them. This observation is not exceptional, but we rarely draw all the full conclusions. We are experiencing an unprecedented arms race; military power has never been more expensive because, in its most sophisticated aspects, it has not been put to use since the middle of this century. At a time when the power of States depends primarily on the dynamism of their economy, the arms race destroys this dynamism by making many companies dependent on unproductive activities. Brains are monopolized in the service of the work of death; and, in their relationships with the monopsony of the State, the arms dealers forget the secrets of competition.

Under the pretext of reducing the cost of their military material, developed countries have not hesitated to sell their surplus supplies to recently liberated countries, who rushed at the opportunity to outstrip one another as they had seen their elder cousins do. Moreover, a part of this material has disappeared from the not always well guarded arsenals of new countries to find an easy path into the hands of the anarchist groups that tend to occupy center stage in troubled areas of the globe, such as the Middle East or Central America and, recently still, Indochina. Instead of openly waging war to settle declared conflicts, the major powers harass one another through intermediate States in the name of an antagonism they would be hard put to define. By doing this they provide the world with an image of violence that, instead of settling definitively supreme differences, inflates all petty quarrels, spilling over every television screen and perverting popular opinion. Arms and images of violence have given birth to acts of terrorism and hostage-taking episodes that leave the State in its omnipotence incapable of bringing the perpetrators, who in any case are but a tiny minority, to justice, but perfectly capable, as Irangate has shown, of compromising the very dignity of its function through its clumsy efforts.

The tawdry remnants of former military grandeur that we still possess no longer cover any more than a corruptive power that can no longer be counted upon. The abuse of clandestine efforts and the nuclear presence show us to what point the role of violence has changed. For a long time States that desired to make plans for

protecting themselves from their neighbors or for dominating them felt it necessary to be informed about what these same neighbors, for the same reasons, wanted to hide, and intelligence services were for a long time an appendage of the armed forces, sometimes rendering services to political agencies as well. The secrecy with which these intelligence services surrounded themselves teased public imagination and lead the public to believe that similar methods, but this time in the realm of action, would make it possible to avoid the use of military measures. Progress in communications technology has, to a great extent, diminished the role of secret intelligence, whereas "successes" in clandestine actions have often led to harmful results, as has been seen occasionally. Nevertheless, it is still possible to point with pride to apparent triumphs and to keep failures hidden. It is also possible to count on the aura of romanticism that surrounds espionage. It is not surprising, consequently, that clandestine services have invaded the workings of States. Based on falsehood, they represent one of the gravest obstacles to the establishment of a public morality, for they encourage both sides of the political spectrum to mutually reinforce a system that seeks to be beyond all convention. Taking the place of traditional armed forces, they have set themselves up as guides before the State, fallible guides because they are untruthful. For forty years the existence of nuclear weapons has made it impossible, and will continue to make it impossible for an undetermined period, for there to be a war between the major States. At the same time, however, violence has been made available to lesser States, the war of the secret services has been amplified, and above all the former criteria for morality that originated in war have lost their meaning, especially for the United States and Russia who, without having been able to eliminate the causes of their conflicts, no longer have the means to regulate them.

And so neither the multiple voluntary ends that address themselves to us nor the bellicose end any longer offers us that certain guide that so many peoples found, or thought they had found, in the past. Living without this guide seems a hopeless task. Fortunately the very nature of our affliction can give us the means for rediscovering our path.

## THE RETURN TO LIFE

To escape this impasse, let us admit, no matter how painful it might be, that the actions of the State are too unpredictable in their results for morality to be able effectively to influence the choice of its ends or to impose itself in the operation of its means. The human race can find this sure guide for its behavior nowhere other than in something that clearly leaves no doubts. Yesterday it was the certitude of possible conflicts; today the guarantee of ultimate destruction. On this point both sentiment and daily experience, the sciences and mathematical language declare without hesitation: all things in this world are tending toward death, but life is the great exception to this general rule.

#### EVIL AND ITS REMEDY

Scholars call this tendency toward death "entropy," expressed in the second law of thermodynamics; and they see in life the exception that they must explain. Statesmen do not have to explain, but they must take into account a very general truth: if the examination of the biological paradigm suggests a morality the existence of which is suspected but cannot be stated, is this not a good reason for overcoming this scruple? The theorem of Clausius that stated the law of entropy only appeared in 1865, and its converse, negative entropy, does not seem measurable physically. It is no doubt dangerous to leap from these partially imprecise notions to the even greater imprecision of politics and economics. But for lack of something better and faced with an urgent need, we must reason by analogy.

What then is this entropy? How can we move from mathematical formulas to everyday language? Through an example, perhaps. Let us say we make a fire to warm ourselves. Only a few cinders remain, but after numerous experiments, several generations of scholars tell us—broadly stated—that if the heat units or calories given off by the fire are now found in the cinders and in the environment, a great change has taken place. The energy has become unavailable; we can no longer make a fire. This is entropy.

The most important observations are based on the simplest facts.

The principle of conservation is important for exact measures that would be out of place here. On the other hand, however, entropy illustrates the break down of energy in a system that, in the case of a State, is equivalent to errors in leadership, to moral bankruptcy of the State. As in physical nature, the phenomenon occurs each time there is a transaction in the system considered; the transactions little by little tend to balance out the energy levels and, when the levels are equal, the possibility for the release of energy, for work, no longer exists. The system becomes chaotic, energetically dead. Let us note that the term energy is here conceived in a very broad sense including the notion of information.

## Life: the essential exception

All of this, as scholars tell us, remains true in a closed system, that is in a system that has no transfers with the outside. However, if the system, whether it be a machine, a biological entity or even a social group, is open to the outside and engages in exchanges with neighboring environments, the two laws of thermodynamics continue to apply but their effect is lost in the results of these exchanges. Thus, in the preceding example, rays of sun will heat up the cinders and energy will be recuperated from the outside.

But this is not yet so. At this point life, the famous exception to entropy, comes into play. In order to avoid the pitfalls of language, let us first of all recall that "low" entropy is something favorable and that reducing the rate means increasing potential energy releases. Let us examine our example more closely. If the wind blows a seed into the cinders and if a few drops of rain fall from the sky, the seed can sprout thanks to its low entropy (the information it contains), and, assimilating low-energy nutrition from the environment, it can bring down the rate of entropy, creating a plant, setting up new differences in energy which, in turn, will make production and individual and collective action possible. We will not ask what life is, for we experience it every day of our existence. Instead let us ask why, in the actions of

nations, we had not noticed the importance of this before and why we let ourselves fall into the traps of entropy so often. Only life is able to overcome these traps, to resist death. Since it is an open system, the earth and its inhabitants receive from the sun the energy that will create living beings, both vegetable and animal. It is within this system that the human race developed along with the groups that make it up. They are constantly subject to entropy, but life makes it possible for them to overcome its effects, to diminish the rate. Alongside a tendency toward mortality, physical nature gives us the example of a creative tendency sometimes called negative entropy.

This negative entropy is exercised in two manners; on the one hand by conquest and, on the other, by exchange. The struggle for existence between species is an example of the first. It is efficient but entropic or destructive, whereas the second, the exchange that we see all around us, in relationships between animals and vegetables, for example, leads to a net increase in available energy since every participant in the exchange profits from it, whereas only the conqueror comes away winner after his conquest. An exchange makes it possible for each participant to apply to the absorbed substance the vital mechanisms that ensure its growth and to give full significance and power to this essential part of the substance—information. A broad definition of energy that includes the concept of information makes it possible to understand the infinite wealth of exchangeable matter found in abundance, even in countries that apparently are the poorest. As the economists, with their law of comparative advantages, like to say, there is always something to exchange. Natural phenomena suggest, therefore, that the exchange process is always superior to the conquest process.

## A DIAGNOSIS OF DECOMPOSITION

Unlike heat, social energy cannot be measured. But its existence cannot be doubted, and the best proof of this is the difference that can be observed between the ends desired and the results obtained, between the efforts of revolutionaries and of reformers and the relatively minor changes that accompany these efforts, between the talents employed and the activities performed in international conferences and the meager results achieved. We are aware of an immense reservoir of available energy poured out into the void and wasted because the action it nourishes has taken a false direction. This social entropy has always been present throughout the history of humanity and has developed alongside the loss of morality in the observed failure of ends and means.

## In international relations

Entropy manifests itself first of all in the military apparatus of a society. For a long time the victor expected salutary effects from a war; it is doubtful that since the Trojan campaign such results have ever been obtained. The military activity of the conquered—and even that of the conquerors—thus led to increased entropy in their societies, but since this activity served at the same time as the basis for morality, it in effect guided their activities and was largely responsible for their progress. For a long time war could have a neutral or even a positive effect, as was seen after 1945 in Germany and Japan where war eliminated nefarious coalitions and institutions whose weight pressed down heavily on these societies at mid-century. Since that time the principal examples of dynamic transformations imposed by war on nations are those found in Indochina and Afghanistan for the major powers, Indochina and Algeria for the medium powers and the Middle East for the others. In each of these cases the results are conclusive. There is no longer any positive result to compensate for the loss of human lives, the wasting of material goods and the inflation inflicted on the economy. War today is thus essentially "entropic," and in the case of a nuclear war the entropy would be infinite.

However, for the major powers war has been replaced as primary source of waste by the production and export of weapons. The consequences of such practices are unfortunately all too familiar to us: inflation resulting from production destined not to be used, diverted research, loss of a sense of competition, incitement to violence, diversion of weapons to terrorist networks,

hostage-taking and their consequences. All of these phenomena, characteristic of our times, are a loss of available energy for a State that nothing is able to correct. Military morality, to which homage is still paid in speeches, is no longer capable of providing inspiration for the conduct of States ever since the administration of affairs in the bodies where this morality had its source has taken precedence over human government.

#### Within

The loss of energy that is so evident in the external activities of a State is no less manifest within its borders, in pursuit of multiple ends and under the influence of selfish means. Monetary depreciation, which has accelerated during this century, is a primary example and serves as symbol of social entropy and the snares it lays for States. Contrary to what is often said, inflation does not mobilize wealth: it makes wealth less available. Whereas credits invested in future production create the instruments for producing this wealth, no profits ever ratify takeover transactions. The facility inherent in the privilege of printing money invites a sovereign to pass on the burden of his expenses to future generations. Parkinson's law prevails: the services of a nation increase in inverse proportion to their usefulness, and the multiplication of services adds to the entropy of the system since each of them applies only a part of the energy it receives to its official objective.

The entropy of the system likewise increases when members of a society attempt to modify or reform structures. Mancur Olson has demonstrated the influence of coalitions of interests, all the more effective when they are small. Olson sees in this a principal cause for the decline of nations. These coalitions introduce a rigidity in the social body that prevents it from achieving its full capacity. Marx considered bourgeois exploitation of society to be the primary obstacle to progress. This example of entropy has since been widely surpassed by groups that call themselves proletarian and that today divert social profits to the advantage of a small number of privileged workers. The agreement reached between

classes to exclude the competition of foreign labor plunges the economy of protected countries into a false sense of tranquillity that causes it to lose its productive energy. Moreover, when the harmful effects of coalitions of interests become too evident so that a need for reforms is born or a revolutionary wind begins to blow, social energy is dissipated in arguments or in violence. The nation will perhaps survive the upheavals, but it will take it decades to recover, provided that the revolution itself does not give rise to a system even more entropic than the previous one.

## Reform and entropy

Reforms and revolutions are undertaken in the name o equality. However, in thermodynamics equality is the synonym for energetic death. Does this mean that a society moves naturally toward its decline when it follows its most praiseworthy inclinations? The question is a disturbing one, and it merits a pause for our consideration. First distinctions must be made since the word equality can be used to buttress many claims. There is first of all equality before the law that prohibits the legislator from deliberately creating privileges (we have seen that privileges. particularly privileges of groups, contribute to entropy) and that is a factor in social morality. The same is not true for the redistribution of wealth or the efforts that have been made to equalize chances, which necessarily tend to reduce the motivations for individual progress and, consequently, the energy available to a society. In fact we can consider the very aspiration for equality to be a form of social entropy. This aspiration will introduce entropy into the closed system of the State, in the system that takes cover behind national pride in order to exclude foreign influences. But this guite natural tendency can be overcome when the country opens itself up to the rest of the world.

# A FIRST STAGE: REASONING

Nature provides us with an example of this. The terrestrial system is an open one, with the sun at every instant offering the planet

much more energy than the earth gives off. Life is able to assimilate energy and to make it available, which literally speaking means bringing down the rate of entropy. It would be interesting for us to continue with this example; but that would imply reasoning, and we are convinced that reason alone is not sufficient to guide us. A system of morality is essential. Nevertheless, perhaps reason will help us to find this guide, this morality.

## An economy of social forces

If reason were sufficient, the State would recognize—I think so at least—that in a world subject to entropy, where every action sacrifices more available energy in its means than it regains in its effects, it is necessary to avoid useless actions. This means we must not thoughtlessly apply a private morality or a pseudo-morality of desired ends. It is quite clear that such a form of mistrust would not be understood; the example of hostages is proof of this. Negotiating with terrorists means, for a State, jeopardizing its prestige in vain; and since the only weapon in the hands of its adversaries is the certainty that the State will have scruples, the only defense available to a State is simply not to have any. But what government today would so confront its public opinion?

Another limit to reason is the fact that even the most disastrous experience is not capable of guiding political activity. The United States for nearly thirty years had laws prohibiting alcoholic beverages; other countries followed suit. But in every case prohibition only encouraged criminal organizations and reinforced the very attraction it was intended to eliminate. Reason, or even common sense, tells us in fact that prohibition, by increasing the cost of merchandise out of all proportions, creates a profiting "mafia" whose survival requires maintaining the restriction in place. Today other States in the world are repeating the American experiment, applying to cannabis, heroin and other substances the same restrictions that failed with regard to alcohol. This is a capital error, whose human and financial consequences are worsened by intravenous injections contributing to the spread of AIDS, but an error that cannot be corrected through reasoning, even though

reason leads us to see the State as the creator of the forbidden fruit.

More generally, the persistence of measures with perverse effects adopted in order to rectify the "injustices" of the market emphasize the impotence of common sense. We can immediately think of the shortage of apartments caused by taxing rental income. of joblessness brought on by minimum wage laws and by wage indexing, of the abandoning of the countryside resulting from agricultural prices being deliberately reduced in third world countries and by euthanasic subsidies in developed countries. Nevertheless, the myth of the failure of "laissez-faire" continues to hold sway. Consequently one does not dare speak of other measures that seem indispensable for the survival of societies, but which have only practical arguments in their favor, such as cooperation between police forces in the struggle against terrorism, the internationalization of diplomacy (with diplomats linked to a government by contract and so relieved of any bond of allegiance and capable of objectivity), the limiting of the social right to punish by the right to self-defense, etc.

Until now reasoning has only allowed us to glimpse the various aspects of an ideal public morality but also the obstacles that oppose its being put into application. We see in each example that it is necessary for the State to do less and, at the same time, we are aware of the pressures that oblige it to attempt to do more. We return to what was discussed at the beginning of this essay: a moral system is necessary; reason cannot replace it. All reason can do is to point out the direction for us. At this point it is evident that a rational economy of social forces cannot resolve the problem; these forces must be restored. Like nature itself, societies must have recourse to an opening to the outside.

## AN OPENING TO THE OUTSIDE

In all times human groups have had recourse to this, first of all through conquest, the ancient foundation of public morality. Since conquest through the organized violence of warfare has lost its effectiveness and its destructive effects have come to outweigh its creative possibilities, an opening to the outside can only take place through trade. This can and no doubt must be the source of the

morality of tomorrow. Trade cannot have its full effects unless there is free circulation of persons, goods and capital and, more generally, of information, which is the common element in all the factors of the life of societies. Information, like an organic seed that only develops in the field and under the influences that are appropriate for it, can only acquire added value and can only create available energy if it can cross over the defensive boundaries that States, still remaining in the age of conquest, have erected around their territory. Trade causes every nation to be the "outside" for every other one, an outside ready to be exploited peacefully and mutually, for the benefit of all.

## Opening and morality

Freedom of circulation is thus suggested through a biological analogy as the transcendent guide for human behavior, as the foundation for a morality that is the condition for survival.

We have seen that reason could not be the ultimate guide for behavior because the realities of life are too complex to be subjected fully to its judgement, because human actions only rarely achieve their intended effect, because reason follows desires that are antagonistic and leads, in the pursuit of its desired ends and under the control of selfish means, to conflict, formerly resolved but that the nuclear presence no longer allows us to tolerate. On the other hand, public morality, the necessary substitute for failures of reason, must be compatible with private morality and ensure the connection between the good and collective utility.

Now it happens that trade suggests a morality that satisfies all these conditions rather well. First of all freedom raised up as a fundamental principle makes it possible to eliminate the influence of pressure groups that block the functioning of societies. We can imagine the simplification that will come about on the day when, in the name of morality, it will be possible to set aside demands that are apparently legitimate but costly to other groups or to society as a whole. All that the State will have to do is to ask those making such demands that they formulate them in terms of exchange, that is by showing not only the benefits they expect from

the requested measures but also the disadvantages that may result. In this way sham demands will quickly be uncovered; and by ridding itself of many activities that are desirable in appearance alone, the State will free itself of the perverse effects that so frequently result from them.

Moreover, the substitution of a spirit of exchange for a spirit of conquest could make it possible to develop in the world a common desire reflecting an interpenetration of interests that would leave a large position for reason in the establishment of relationships between countries. We need only think of the behavior of "advanced" countries with regard to their former colonies. The remorse of presumed exploitation leads to meager assistance, often diverted from its objective, whereas the former subjects above all have need of free access to a common market.

And if, as experience suggests, morality should be beyond the test of time, no morality is more so than the freedom of trade about which Montesquieu remarked more than two centuries ago, a long time before such freedom became common, "Wherever there is trade, there are gentle customs." A morality of trade, that makes the benefits for the two parties involved mutual and eliminates any vain hopes of conquest, spares the agent of the State trials of conscience that cause him in fact to invoke reasons of State. Fortunately demilitarized states such as Japan have given the example of methods for managing companies that have transformed formerly hierarchical relationships, based in military traditions, into relationships with more respect for human dignity and more conducive to productivity, and it seems that competition brought on by freedom of trade will contribute to a spread of the application of these methods. Finally, the freedom of trade, by channeling human efforts toward economic ends rather than letting them pursue political ends that generate violence, makes them come back under the aegis of an older and more effective morality and subjects them to laws accepted by all. States no longer need to look-often in vain-for means for imposing limits on human aggressivity. The latter turns spontaneously toward activities capable at the worst of a lesser evil and at best of the progress of all humanity.

## ARCHIMEDES' LEVER

Archimedes, with great trust in his lever, is said to have declared, "Give me a place to set my fulcrum and I will move the earth." I think that the new morality will be based on freedom of trade. But the concept of exchange is a diverse one; it can touch on ideas, persons and capital. With regard to ideas, there is general agreement that they should be free; capital has found the means for overcoming all obstacles. As for individuals, free circulation is desirable in itself rather than for its consequences. On the other hand, the consequences of the freedom of the exchange of goods and services are the source of a new morality. Consequently we must begin with the freedom of trade.

In fact trade brings out best the basic principle of the morality of openness: exclusion harms those it claims to aid and later makes them pay dearly for the pleasure it gave them temporarily. Protecting an industry through tariffs not only costs consumers and other industries, whether they export or not; in the long run such protection is fatal to the protected industry itself. This protected industry may find a temporary advantage in the tariff duties or the quotas, voluntary or not, established at its request by the State. It profits from the difference that these arbitrary measures create between the price on the internal market and its own cost price. Unfortunately its profit then no longer results from its technical or commercial efforts, but only from the will of the State in which the company has just placed all its hopes, thereby losing the motivation for its progress. The apparent security achieved by the exclusion of foreign competition thus counters the very interest it was intended to protect. The history of textiles, steel and automobiles, among other things, in the country that was formerly the most "competitive" in the world, the United States, provides striking examples.

The lesson is all the more provocative in that it leads to a revision and, as Derrida said, to a "deconstruction" of the language. Trading goods is a very ancient practice, and the prejudices attached to it are rooted in the vocabulary. If a fairer appreciation of the realities of commercial life manages to demonstrate the contradictions inherent in certain currently

accepted expressions, it will be necessary to change the behavior that these expressions imply. Free trade will then become the necessary first level of a new system of morality. For example, ever since it has been measured, an import surplus, or in other words the real wealth acquired by a nation, is called a "trade deficit," whereas a loss of substance becomes a "surplus." People talk of export profits and of the "threat" of imports, whereas as far as accounting and bookkeeping are concerned these expressions are neutral, and in terms of real wealth and of information and stimulus received, they are the opposite of the truth. Negotiators engage in bitter combats to ensure the "advantage" of a larger export market and to limit a "concession" to the acquisition of a "reciprocal advantage," which in reality is a profitable opening to the outside. In itself and even in language, freedom of trade alerts us to the danger of desired ends that mislead us and reveals itself consequently to be alone capable of creating the morality of the future.

The deconstruction of economically false expressions will make it possible to clarify diplomatic language and to give life to disarmament agreements. As long as we consider that laying down arms constitutes a "concession" that does not contain its own advantages, disarmament cannot occur other than on the basis of an absolute reciprocity that is practically impossible to attain. But the established nature of the concept of national defense does not allow agents of the State to espouse the opposite point of view. namely that disarmament includes benefits of its own, as long as this has not been proven and new habits created from the normal transactions of life where the role of the patriotic taboo is more restrained. Economic disarmament, therefore, must precede military disarmament in order to make the latter possible. Without this, still in the realm of international relations, every hope of putting out another fire point, that of international debts, must be abandoned. Moreover, the hypertrophy of the Welfare State began with the supposed protection of national labor. It was necessary for the facts to demonstrate how such protection turns against its object before this hypertrophy could be reduced. The touchstone of liberalism, free trade can open the path to behavior that until now appeared utopian to us: refusing to deal with terrorists and

drug merchants, forgetting the false scruples that prevent the State from making full use of the market and—who knows—the internationalization of customs and diplomacy. As for future problems, such as the environment, agriculture and maritime and extra-terrestrial space, it is hard to see how they can be dealt with in a spirit of exclusion, that is outside the realm of a morality of openness.

## THEORY AND COMMITMENT

In truth today everything seems to be headed in the opposite direction. The world thinks only of its wounds and bruises, while arms budgets increase, openly justified by the needs of defense but assured of popular support because of the jobs they create; local conflicts formerly confined to continents now invade the seas, and each day States invent ingenious new methods for closing their borders to foreign competition. Thus are devised so-called voluntary quotas that ensure the cooperation of the countries threatening them but who in turn find an advantage by increasing costs when quantities are limited.

But, if we think about it carefully, these disastrous facts demonstrate, paradoxically, the necessity for a morality of openness. Two new facts, one of which is unrecognized and the other poorly interpreted, provide proof that humanity is already engaged in the formation of such a morality.

The unrecognized event is the change in attitude of protectionist countries themselves. Frequently the General Agreement on Tariffs and Trade (G.A.T.T.) or the establishment of the European Economic Community are cited as signs of a post-war free-trade trend, which then gave way to a new protectionist wave in the Seventies and Eighties. In fact the message of G.A.T.T. and that of the Common Market is not clear. The latter does not do away with protectionism but merely raises it up to a European level, while the former is tainted with mercantilism and leaves unresolved the very important question of agricultural products. On the other hand, the arguments proffered today by protectionists to buttress restrictions are not at all what they stated in the Thirties

when their doctrines led the world to ruin. At that time free trade was consigned to the rank of outmoded ideas, and from his professorial rostrum John Maynard Keynes, renouncing his early beliefs, condemned it in its very principle. Along with President Roosevelt it was stated that each nation had first to put its own house in order before thinking of establishing international relationships. Economists made themselves the theoreticians of autarky and, seemingly having done away with unemployment, the countries that practiced autarky—Germany and the U.S.S.R.—were the object of universal admiration. None of that is true today. The direct "advantage" of restrictions is no longer claimed; now they are only proposed as a means of inviting or of forcing other States to open up their borders. Present protectionism is a shameful protectionism and a left-handed compliment to free trade.

The second phenomenon, more apparent, is the trade "deficit" of the United States. No doubt the import surplus, a sign of affluence, has awakened American tendencies toward exclusion to such a degree that a bipartisan agreement was reached in their favor in a Congress that lacked the courage to address the real problems. But in reality this surplus proves exactly the opposite of what politicians want it to prove, and there is the beginning of an awareness of this. First of all, the trade "deficit" is not an evil in itself; it is instead somewhat of a positive thing, not only because it is a sign of affluence. It can rightly be said that this affluence is borrowed and that it will have to be paid back by future generations. If the deficit had not occurred, these future generations would have perhaps been spared, but only in the doubtful event that they would have been able to avoid the repercussions of the catastrophe inevitable to the present generation: largely the result of inordinate military and social expenses, encouraged by a recycling of oil profits. Third world debtors would have become totally bankrupt if the American market had been completely closed to their exports in distress. This bankruptcy would have had repercussions on all the principal banking institutions of the world, and a general crisis would have taken place. Despite existing restrictions, commercial trade has retained a stabilizing effect. Obviously this result would have been more effective and more prompt if trade had been free. In any event, the United States played the essential role of "last resort" market, serving the interests of others but also its own. Thanks to the deficit, we see that freedom of trade, even limited, is indicating the direction to be followed in order to find a public morality in which what is good will also be what is useful for society.

On the other hand, the protectionist measures proposed today can only strengthen the proof of their ineffectiveness, all the more evident in that the very authors of these measures admit that they will barely bite into the deficit. And studies made of the causes of Americans falling behind in their ability to compete bring out clearly the deleterious effects of past restrictions. It seems, then, that the protectionist position is in fact quite fragile today, on the one hand because the arguments that serve it are contradictory and, on the other, because the cause that gives birth to it is amenable to the exactly opposite remedy to the one it implies. The moment has thus come for pursuing efforts that should lead to the construction of a public morality worthy of man.

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The term "free trade" seems to have a musty odor of the past, but it is a harbinger of the future. In the last century, when precursors such as Cobden and Michel Chevalier, for example, thought they had established the merits for its case, a moral necessity for it did not yet exist. Certainly the system constituted an effective policy, the adoption of which led to several good years for the world around 1860, but it remained fragile so long as maintaining it could only be justified by its effectiveness. It disappeared later, swept away by the increase in demanding coalitions, all the more powerful in that they were closer to the people of the land and of the factories and because they hid themselves behind the traditional morality of national honor. But now this traditional morality no longer satisfies us, for since war can no longer be the final end of the State, service of this morality can no longer act as guide.

Certainly this does not mean the end of national defense and of the burden it imposes on people, a burden that must be borne and tolerated like so many others but from which, thanks to technological progress and in particular to the nuclear bomb, we know at least that we have nothing positive to gain. This perhaps is the opportunity for a veritable public morality to be formulated. Up until now it was kept aside by the heritage of the past. If we wish to aid it, we need only examine our own innermost selves, the most intimate instincts of humanity that are only beginning to reveal themselves in hatred for discrimination and apartheid. If tolerance is the law of the future for men and women, they must first of all forget their national selfishness and cease to exclude the labor of their neighbor.

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