

**A QUARTERLY
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Cato's Letter

Social Entrepreneurs and the Future of Liberty

CHARLES KOCH

My goal for this book from the beginning was that it would help people benefit from the principles of human progress that transformed my life and enabled me to accomplish more than I ever dreamed. And these principles are doing exactly that today for many others. It was these ideas, articulated by great thinkers throughout history, that enabled social entrepreneurs over the last 200 years to transform the world. They did this by moving societies toward equal rights and mutual benefit, where people can succeed by assisting others, by creating value, and where many more people had the opportunity to realize their potential.



CHARLES KOCH is a businessman, a philanthropist, and a cofounder of the Cato Institute. In February he spoke at a Cato book forum for *Believe in People: Bottom-Up Solutions for a Top-Down World*.

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his Great Enrichment, as Deirdre McCloskey has aptly called it, started when societies began to believe in people and therefore began empowering them to discover their gifts, to recognize that they could contribute and succeed and then take the next step and turn those gifts into valued skills, which they in turn use to succeed by helping others succeed. So, what we hope for this book is that it will help many, many more people take action to move us toward this ideal, toward our North Star that, as Peter Goettler said, “helps everybody rise.”

I took to heart these lessons. And in learning these principles, I studied the whole range of ideas and philosophies, including Karl Marx. And one piece of genuine wisdom from him was that philosophers only interpret the world, but the point is to change it. And so that’s what I’ve done on all of this—not just learn these ideas but apply them. That’s what we hope this book will help do, as our contribution to that important goal.

One person we talk about is Frederick Douglass and how he is a role model for social entrepreneurs. And not only because he overcame so

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much—and in spite of that, accomplished so much—but also because he described his “Aha!” moments and what inspired him to action. There are lessons for all of us. Not that we’re all going to be like Frederick Douglass or accomplish what he did, but we can learn from his greatness.

The first of these moments was that when he was eight years old, he learned that he wasn’t a slave. Although he was born into slavery, he wasn’t a slave because he was inferior but because the system of slavery deliberately kept people ignorant. Throughout the South there were laws against even teaching slaves to read for fear that ideas about liberty and freedom would inspire them. Even Bibles were produced that edited out passages that were seen as anti-slavery because that’s how afraid of these ideas that people were.

And so Douglass was determined to change that. Through ingenious

methods, he taught himself to read. And then the next big moment for him was when he was 16 years old and got the opportunity to teach Sunday school to others who were enslaved. And he would use that to surreptitiously teach them to read as well. So from the start, Douglass was motivated by finding ways to contribute and to help his fellow man. He was looking for ways to do that. And he was punished brutally for violating those rules, breaking the laws that said you're not allowed to teach slaves to read. But he couldn't take it anymore, and so he fought back and beat up the "slave breaker" they sent him to.

“ He used that gift not to get vengeance . . . but to eliminate the injustices. ”

He reached the point where he said he didn't care if they killed him—he wasn't going to take this anymore. So he fully began to believe in himself and resolved to escape, no matter the cost. And when he escaped, he got a job in the North. At his first one, he earned a dollar and later wrote beautifully about what that moment meant to him, to be not just a man but a *free* working man. He wanted to produce and contribute. Then he started going to abolitionists' rallies where William Lloyd Garrison and all the other top abolitionists were speaking, and he was deeply moved and inspired by them. Once again, his desire to contribute to the well-being of others combined with the power of ideas and persuasion.

They called on Douglass to speak and quickly found, to their astonishment, that he was the best speaker of them all. So he found his gift. And he used that gift not to get vengeance against the horrors done to him and his people but to eliminate the injustices against them. And not only for them but for all other people who were suffering injustices: women, immigrants, and so on. So to me, Frederick Douglass is a guide for all of us, that all of us can become social entrepreneurs, that anybody can be a social entrepreneur, no matter how bad your conditions are. And if you can do it by following and developing your gift, this will help you become successful.

The message about anyone being able to contribute, I think, is an

important one. I think one of the challenges we always have is that when you look at someone like Frederick Douglass, he's a crucial reminder of the best of humanity, the kind of person we should all aspire to be.

I think the major problem today is we've got the wrong paradigm: it's all left versus right, this tribalistic politics. And then you see, as the leaders in these tribes change their opinion on policies and what to do, then the whole gang flows with them. It's hard to have a discussion about principles in that environ-



ment. The real contest that's going to make a difference is about whether we have a bottom-up society that empowers people, or do we have a top-down society that has power over people?

We recognize that our society needs a paradigm shift. Culture precedes politics, and you're not getting anywhere in politics until people change their underlying framework of ideas. So what's involved in somebody changing their paradigm? Well, what is a paradigm? It's a worldview. It takes a lot of heavy lifting to change that.

But that's how movements are built. Look at all the great successful movements in the history of this country: the abolitionist movement, the women's rights movement, the civil rights movement, the gay rights movement. They all happened the same way: one person at a time joining others to create a movement because they were persuaded of the justness of their ideas.

It's like a weightlifter wanting to become a marathoner. It takes effort, strenuous effort, and desire and time. Our job is to give enough evidence and enough motivation to people to make that effort. To do that, we've got to show these stories, to show how the principles of liberty and equality work, and that the opposing ideas from both left and right don't work. It's a message about how we can make your life better, and also the lives of those you care about. This is the cause that will eliminate the injustices and help build a better world. And I hope we've been able to contribute to that. ■

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—VERNON L. SMITH, NOBEL PRIZE—WINNING ECONOMIST



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CATO PROFILE

Paul Meany

Paul Meany is the editor for intellectual history at Libertarianism.org, a project of the Cato Institute. He specializes in the early and pre-modern influences that predate classical liberalism. Meany studied ancient and medieval history and culture at Trinity College Dublin.

What attracted you to writing about libertarian ideas, and how did you come to work at Cato?

Ever since I was a child, history has occupied my thoughts. I used to love reading about the big battles and great generals like Julius Caesar, but as I got older, I realized most of history's so-called great men were nothing more than murderers and robbers on the largest scale that humanity's ever seen.

When I initially started reading about libertarianism, I visited Libertarianism.org. After a few years, I applied for an internship at the Cato Institute and was lucky enough to get a spot. I had one of the best summers of my life working at Libertarianism.org. A year later, a position opened up—editor for intellectual history—and I was happy to accept it.

You host a podcast, *Portraits of Liberty*, that explores some of the lesser-known figures in the history of freedom. Who are some of your favorite historical figures you've covered?

I think it might be the episode on Maria Montessori, the famous educator who pioneered a way of thinking about education that emphasized the importance of granting freedom to children. She believed that to “stimulate life, leaving it free, however, to unfold itself, that is the first duty of the educator.” Compared to her contemporaries of the early 20th century, she stands out for her humaneness and reverence for children's potential. I also like to think of it as a tribute to my mother, who was a Montessori teacher of years.

What role does intellectual history play in understanding contemporary issues?

Too often we fall into the habit of relying on cultural norms instead of reflecting on our actions. For much of history, the great injustices we're now horrified by were the standard. At its best, intellectual history aids us in understanding how contemporary issues originated not in a purely mechanical sense but also in an ideological one—the role of ideas and how they influenced actions. In this process, we can analyze the past more accurately and uncover and challenge our hidden assumptions.

One of your areas of focus has been the American Revolution and its influences. What do you think libertarians should understand about the Founders and their legacy?

Often when discussing the Founders, libertarians can fall into the trap of placing John Locke above all else. But the Founders were voracious readers deeply influenced by a mixture of influences: Enlightenment philosophy, the Classical past of Greece and Rome, the English Civil War, and of course the Bible.

It is comforting to think of the past as something we own, but the reality is that the past owns us. We cannot change the past, but the past can easily change us. John Maynard Keynes was right when he said that “the ideas of economists and political philosophers, both when they are right and when they are wrong, are more powerful than is commonly understood.” Studying the Founders' influences reveals how America is indebted to a long history of ideas. ■



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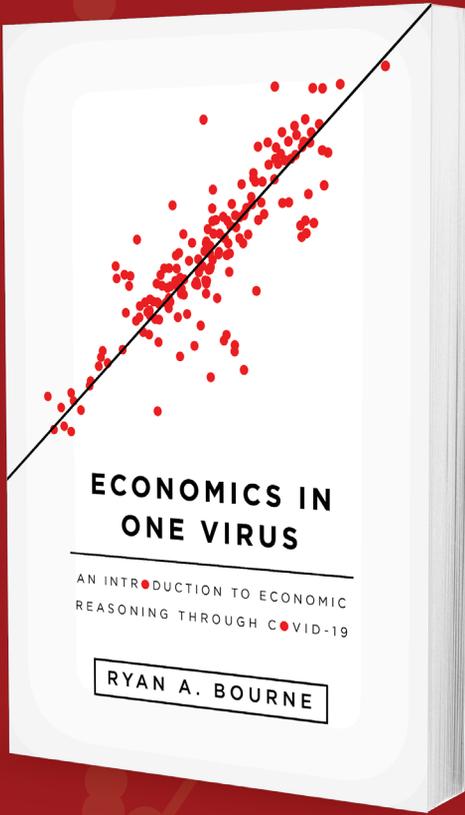
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