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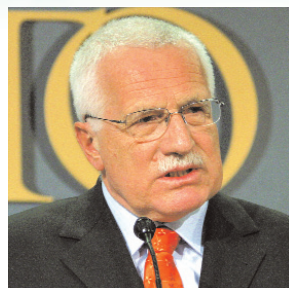
Number 3

Three Key Challenges to Freedom

VÁCLAV KLAUS

I came here today as president of the free and democratic Czech Republic; a country that succeeded more than 17 years ago in getting rid of communism; a country that quite rapidly, smoothly, and without unnecessary additional costs overcame its communist heritage and transformed itself into a normally functioning European-style parliamentary democracy and market economy; a country that is an integral part of the free world, a member of NATO and of the European Union, and a good friend of the United States of America.

Everyone has a list — mostly an implicit one — of issues, problems, and challenges that he feels and considers — on the basis of his experiences, prejudices, sensitivities, preferences, and priorities — to be crucial, topical, menacing, and relevant. I will reveal at least some of the items on my own list. All are inevitably related to something that was absent during most of my life in the communist era.



Václav Klaus has been president of the Czech Republic since 2003. As finance minister and prime minister in the 1990s, Klaus became one of the most effective spokesmen for liberty in the world. This speech was delivered at the Cato Institute on March 9, 2007.

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What I have in mind is, of course, freedom, something that Americans value very highly, in spite of the fact that they have not experienced its nonexistence or absence personally. The experience of living under communism provides me with a special sensitivity, if not an oversensitivity, to lack of freedom.

Where do I see the main dangers to freedom at the beginning of the 21st century? I will not speak about the current headlines, and I will decline to speak about our external enemies, such as the Taliban, al-Qaeda, and Islamic fundamentalism, because I have nothing special to say or add to the issue of terrorism and I don't want to just repeat well-known arguments and facts. Suffice it to say that our ability to go ahead and eventually face external dangers depends to a large extent on our beliefs, visions, convictions, internal strength, coherence, ability to function, and so on.

I consider it more important, therefore, to speak about our internal challenges, three of which are main challenges of the current era.

Neostatism

My first topic is connected to communism. The Czech Republic — as did all the other former communist coun-

tries — had to undergo a difficult transition. We came to understand very early on that the transition had to be homemade as it was impossible to im-

port a system devised abroad. We also came to understand that such a fundamental change was not an exercise in applied economics but a man-made evolutionary process and that we had to find our own path, our “Czech way,” toward an efficiently functioning society and economy.

Over the last 15 years, I spoke many times in the United States about the process of transition; about its nonzero costs; about its benefits, tenets, and pitfalls. Now, when it is over, we face a different problem. We succeeded in getting rid of communism, but along with many others, we erroneously assumed that attempts to suppress freedom, and to centrally organize, mastermind, regulate, and control society and the economy, were matters of the past, an almost-forgotten relic. Unfortunately, those centralizing urges are still with us. I see more examples of such urges in Europe and in most international organizations than in the United States, but they can be found here as well.

The reason for my concern is the emergence of new, very popular and fashionable “isms” that again put various issues, visions, plans, and projects ahead of individual freedom and liberty. There is social-democratism,

which is nothing more than a milder and softer version of communism, and there is human-rightism, which is based on the idea of mostly positive rights applicable all over the world. There are also internationalism, multiculturalism, europeism, feminism, environmentalism, and other similar ideologies.

Communism is over, but attempts to rule from above are still here, or perhaps they have merely returned.

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tries — had to undergo a difficult transition. We came to understand very early on that the transition had to be homemade as it was impossible to im-

Europeism

The second main challenge that I see is connected to our experience with the European Union, but goes beyond the EU, because it is part of a broader tendency toward denationalization of nation-states and toward worldwide supranationalism and global governance.

The special sensitivity that I and many of my countrymen have makes me view many current trends in Europe rather critically. My opponents do not seem to hear my arguments. They keep rejecting the views that they don't like *a priori*. To understand my criticism requires knowledge of developments in the EU — its gradual metamorphosis from a community of cooperating nations to the union of nonsovereign nations — and of prevailing supranationalistic tendencies. Those developments are not well-known in the United States.

I have always been in favor of a friendly, peaceful, and mutually enriching cooperation and collaboration among European countries. However, I have many times pointed out that the move toward an ever-closer Europe, the so-called deepening of the EU, as well as rapid political integration and Europe's supranational tendencies that are not buttressed by an authentic European identity or European demos, are damaging to democracy and freedom.

Freedom and democracy — those two precious values — cannot be secured without parliamentary democracy within a clearly defined state territory. Yet that is exactly what the current European political elites and their fellow travelers are attempting to eliminate.

Environmentalism

I see the third main threat to indi-

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vidual freedom in environmentalism. To be specific, I do understand the concerns about eventual environmental degradation, but I also see a problem in environmentalism as an ideology.

Environmentalism only pretends to deal with environmental protection. Behind their people and nature-friendly terminology, the adherents of environmentalism make ambitious attempts to radically reorganize and change the world, human society, our behavior, and our values.

There is no doubt that it is our duty to rationally protect nature for future generations. The followers of the environmentalist ideology, however, keep presenting us with various catastrophic scenarios with the intention of persuading us to implement their ideas. That is not only unfair but also extremely dangerous. Even more dangerous, in my view, is the quasi-scientific guise that their oft-refuted forecasts have taken on.

What are the beliefs and assumptions that form the basis of the environmentalist ideology?

- Disbelief in the power of the invisible hand of the free market and a belief in the omnipotence of state dirigisme.
- Disregard for the role of important and powerful economic mechanisms and institutions, primarily those of property rights and prices, in an effective protection of nature.
- Misunderstanding of the meaning of resources and of the difference between potential natural resources and real ones that can be used in the economy. Malthusian pessimism over technical progress.

- Belief in the dominance of externalities in human activities.
- Promotion of the so-called precautionary principle, which maximizes risk aversion without paying attention to the costs.
- Underestimation of long-term income growth and welfare improvements, which result in a fundamental shift of demand toward environmental protection and are demonstrated by the so-called environmental Kuznets Curve.
- Erroneous discounting of the future, demonstrated so clearly by the highly publicized *Stern Report* a few months ago.

All of those beliefs and assumptions are associated with social sciences, not with natural sciences. That is why environmentalism — unlike scientific ecology — does not belong to the natural sciences and can be classified as an ideology. That fact is, however, not understood by the average person and by numerous politicians.



The hypothesis of global warming and the role of humanity in that process is the last and, to this day, the most powerful embodiment of the environmental ideology. It has brought

many important “advantages” to the environmentalists:

- An empirical analysis of the global warming phenomenon is very complicated because of the complexity of the global climate and the mix of various long-, medium-, and short-term trends and causes.
- Environmentalists’ argumentation is based not on simple empirical measurements or laboratory experiments but on sophisticated model experiments working with a range of ill-founded assumptions that are usually hidden and not sufficiently understood.
- The opponents of the global warming hypothesis have to accept the fact that in this case we are in a world pervaded by externalities.

- People tend to notice and remember only extraordinary climate phenomena, not normal developments and slow long-term trends and processes.

It is not my intention here to present arguments for the refutation of that hypothesis. What I find much more important is to protest against the efforts of the environmentalists to manipulate people. Their recommendations would take us back into the era of statism and restricted freedom. It is therefore our task to draw a clear line and differentiate between ideological environmentalism and scientific ecology.

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Cato Scholar Profile: **SIGRID FRY-REVERE**

SIGRID FRY-REVERE is Cato's director of bioethics studies. She focuses on legal and policy issues in the life sciences with a particular emphasis on the social impact of new medical developments. She has taught at the University of Virginia and George Mason University and practiced FDA and health law at *Arent, Fox, Kintner, Plotkin & Kahn*. Sigrid Fry-Revere holds a Ph.D. in philosophy (bioethics) and a law degree from Georgetown University.

How does bioethics fit into Cato's mission to promote individual freedom?

Cutting-edge developments in the health sciences provide individuals ways to advance their pursuit of life, liberty, and happiness. There is nothing more fundamental to being an individual than maintaining control over decisions related to one's physical and mental well-being. It is our personal vision of who we are, who we could be, and who we want to be that defines us. All those issues are inextricably bound up in the bioethics questions of today.

Consider the doctrine of "informed consent." Our legal system recognizes that patients, not the medical profession, not the community, and most certainly not the government, must make the quality of life and ethical decisions inherent in so many medical decisions. Only if a patient is incapacitated because of age or illness is it acceptable to have family or an appointed surrogate step in. The doctrine of "informed consent" created a fiduciary duty on the part of medical professionals to provide the information necessary to allow patients to make those parts of the medical decision that it is their right to make – those decisions integral to who they are and what options will remain for them in the future.

Now, more than ever, the doctrine of informed consent is in jeopardy. Legislatures are manipulating the informed consent process for political ends. Physicians are being legally forced to do unnecessary procedures and voice opinions that are not theirs in the name of full disclosure. Such government manipulation of the physician-patient relationship makes in-

formed consent a sham. Any bioethicist worth her salt would do everything possible to prevent politicians from injecting their personal moral judgments into the rightly venerated doctor-patient relationship.

What new or upcoming medical technologies pose challenging legal questions?

It is interesting how in bioethics, as with most liberty concerns, the principles and the issues for the most part remain the same; only the contexts change. Anything that has to do with reproduction always has posed, and always will pose, difficult ethical challenges, in part because women's rights are so fundamentally dependent on their ability to control their own reproduction, but also because manipulating reproduction and its outcomes conjures up images of "playing God." Almost all advances in reproductive technologies are accompanied by cries of "test-tube babies," "Frankenstein," "eugenics," and other science fiction horrors. Each new contraceptive method will result in ethical, political, and legal challenges, as will each advance in assisted reproduction. Closely related, and also prone to ethical and political challenge, are developments that involve reproductive tissues such as embryology, stem cell research, and genetic engineering.

In what beneficial ways can market forces deal with the shortage of organ donors in this country?

The only real solution to today's organ shortage is to allow a free market in organs. Very few people doubt that a free market in organs won't at least ease, if not solve, the organ short-

age, but unfortunately solving the organ shortage is not the primary concern of most politicians or bioethicists. There are deeply held views about the sanctity of the body and about the “commodification” of body parts – it is dehumanizing to sell body parts and degrading to the medical profession to make doctors into parts dealers.

The only real answer in a country as pluralistic as the United States is to allow individuals to decide for themselves what is and what is not denigrating. Ultimately, freedom and self-ownership go hand in hand. If individuals don’t own their body parts, who does? Anyone who believes that selling organs is an affront to human dignity doesn’t have to do it. But those who see selling organs as a win-win situation should be allowed to do so. How ironic that in the name of human dignity the U.S. government would rather have people die for lack of an organ than allow them to purchase one.

What other issues will you work on in the near future?

I currently have several irons in the fire. My Cato Policy Analysis on the stem cell research funding debate should be finished soon, and I’m working on a paper to present at the South Carolina Pitts Lectureship in Medical Ethics on the hazards of regulating industry-sponsored research. The third issue of my column in the *Journal of Clinical Ethics* titled “Legal Trends in Bioethics” is in the making, and I’m working with several non-Cato scholars on a politically feasible free-market approach to solve the organ shortage.

There are many other bioethics issues I’m monitoring and interested in working on. Some of those topics are genetic testing/ privacy, access to unapproved medications, adequate pain control, assisted suicide, gene patenting, cloning, nanotechnology, chimeras, and xenotransplantation. On many of these issues lawmakers propose bans without fully understanding the consequences of their actions. By stressing the importance of minimizing government regulation and maximizing individual choice, I hope to help medical science, and the pursuit of happiness as individuals see it, flourish.

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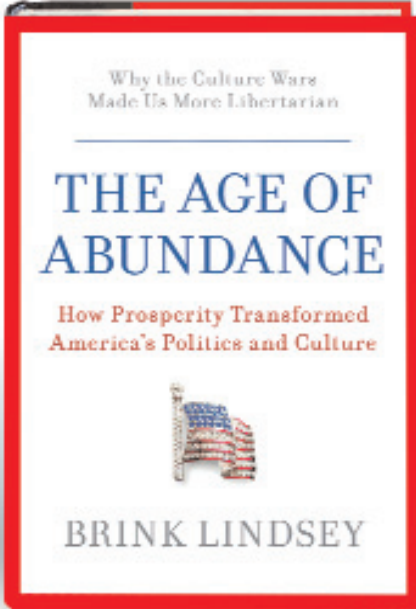
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