
Arthur Seldon's Contribution to Freedom

BY NORMAN BARRY

Some politicians, so important today, are forgotten by next year. Events that seem so cataclysmic in our own times are soon but distant memories. But the great ideas live on long after their authors' death. We must put into that category the work of Arthur Seldon—cofounder, with Lord Harris of High Cross, of the Institute of Economic Affairs (IEA), London—whose death last October 11, at age 89, we mourn.

From obscurity and complete intellectual unfashionability throughout the 1950s and 1960s, Seldon and a distinguished cadre of writers managed to influence a whole generation of economists and writers on the market and limited government. At a time when the intellectual world was dominated by the Keynesian-collectivist consensus, Seldon successfully educated a new generation into a fresh way of thinking and introduced to a British audience such “foreign” economists as Milton Friedman and F. A. Hayek. And though not naturally a conservative—he always called himself an Old Liberal—he was a great influence on Margaret Thatcher, and indeed many of her policies originated in Lord North Street, Westminster, London, home of the IEA.

Born in 1916 into relative poverty to Jewish immigrant parents in the East End of London, Seldon worked his way into the London School of Economics (LSE), where he came under the influence of Hayek, a recently appointed professor. It was an influence that was never to desert him. He quickly learned that almost everything the government does the market and the private sector

could do better. Most important, he realized that if you want to advance the interests of the working class, free-market capitalism always beats the government. This was the beginning of a lifelong campaign against state welfare. From his earliest days he understood that spontaneous working-class organizations like the friendly societies provided better health care, old-age pensions, and unemployment benefits than the vast state bureaucracies that replaced them.

The IEA was set up in 1957, with the backing of a prosperous chicken farmer, Antony Fisher. Fisher, a convinced free-marketer, had learned from Hayek that to influence events, it is better not to go into politics, but rather to produce ideas. That is why he financed the IEA and many other free-market think tanks throughout the world.

As editorial director, Seldon quickly set about recruiting some of the best names in free-market ideas. He created a “house style” that was remarkable: he managed to persuade writers to communicate in simple, concise prose without in any way sacrificing the rigor of their arguments. As one who was a little frustrated at seeing his virginal text almost violated by the red pen of Arthur Seldon, I quickly came to realize that he was right all along and that he had transformed yet another dreary academic paper into something that might even attract



Arthur Seldon (1916–2005)
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Norman Barry (norman.barry@buckingham.ac.uk) is a professor of social and political theory at the University of Buckingham, UK, the country's only private university. An earlier version of this article was published in the Financial Times, London, October 25, 2005.

the attention of the conventional leftwing press.

Someone very receptive to Seldon's approach was Milton Friedman, who always had a genius for conveying complex ideas in lucid prose. Friedman led the IEA's onslaught on Keynesianism from the early 1960s. One of the many reasons for the "New Right's" eventual triumph over the Old Left was the clarity, as well as the perspicacity, of its arguments. Compared to the turgid and incomprehensible style of the typical unreadable Oxbridge academic publication, a piece from the IEA was always intellectually exciting and extraordinarily well-written.

Ever anxious to keep his readers up to date with new thinking, Seldon quickly saw the significance of Public Choice theory, which was emerging in the 1960s. Distrustful of politicians, he never believed that they were disinterested promoters of the public good, but rather were self-interested utility maximizers beholden to interest groups that made their careers possible. So naturally he was attracted to American theorists like James Buchanan (a Nobel Prize winner in 1986) and Gordon Tullock. In fact, some of their book-length works were published in easily accessible form by the IEA.


Seldon was a natural anarchist who delighted in offending the statist establishment. This reached its apogee in 1968 with the publication of Mike Cooper and Tony Culyer's *The Price of Blood*. This presented the quite shocking idea that shortages in hospitals would be solved if that precious human commodity were bought and sold like any other good. This argument offended the sentimentalists, who believed that an inexhaustible supply of altruism was just

waiting to be tapped, and the welfare establishment, which did not want the intervention of the tasteless and unruly market into an area that was the exclusive preserve of the well-meaning state.

Seldon himself was a prolific writer. His best work was probably on welfare policy, in which he relentlessly exposed the denial of choice and the dull inefficiency that the state produced in health and pensions. His first paper for the IEA was a stunning piece on the inequities and inefficiencies of the state pension system, a subject that was to bother him all his life. In the 1980s he published some remarkable research

which indicated that the British public preferred more choice and private provision in welfare and was prepared to pay for it. All this is concealed in the vote-maximizing practices that go on in regular elections. He was an indefatigable proponent, with his wife, Marjorie, of Friedman's idea of vouchers in education. Again, this illustrated his desire that state bureaucracies and trade unions should be removed from decisions that affect ordinary people and their families. But perhaps his finest work was the sadly neglected book *Capitalism* (1990). Here he celebrated not only the market system's efficiency, but also its contribution to human freedom. He was working to the end against the state. His seven-volume works are being completed by the

IEA, and only then will a full evaluation be possible.

Seldon was a prominent member of the Mont Pelerin Society and an honorary fellow of the LSE and the private University of Buckingham, which was fathered by the IEA. He will be sadly missed. 

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