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# Liberty in Education: an application of Hayek and Humboldt's perspectives

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**Abstract:** This paper analyses the concept of freedom as developed by Friedrich Hayek and Wilhelm von Humboldt and examines its practical application to the specific area of education policy. To respect the spontaneous character of social orders, both authors take the view that the organization of a national education system should not be monopolized by the centralized state. By way of an alternative, different schools should be allowed to emerge and to address the different needs of children. Within this context, this paper argues that the school choice principle seems to be the most adequate to assure that personal liberty is respected when the government performs its necessary activities through its institutions.

**Keywords:** Hayek, Humboldt, education, state, spontaneous order.

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Despite the lukewarm reception it garnered when it was first published, Hayek's *The Constitution of Liberty* (CL) has long since come to be established as a major classic. Taking wing from the argument presented in *The Road to Serfdom*—i.e. a warning that the violations of individual freedom and the onset of despotism can come as a consequence of misguided central planning—Hayek articulates the form of government intervention that is most compatible with a free society.

According to Hamowy, the editor of the last version of CL, “what he attempts is nothing less than laying bare the political machinery necessary for a free society, treated in both its historical and philosophical dimensions” (Hayek 2011, p. 5). Hayek thoroughly investigates the nature of this kind of society, whose main characteristics result from the application of specific principles and values. Starting from more abstract considerations about the value of freedom and about its relation to other values such as tradition, reason, responsibility and equality, Hayek draws conclusions about the practical application of the value on actual policy options afforded by the welfare state. The main objective of this paper is to look to the practical application of this principle of freedom in the area of educational policy.

However, the concept of liberty as set out by Hayek is recognised by many as being somewhat problematic for the damaging effects it can produce in terms of individual rights. Taking these considerations into account, an alternative account is advanced by Wilhelm von Humboldt, who was considered by Hayek as “Germany’s greatest

philosopher of freedom”. In his work *The Limits of State Action* (1854), Humboldt set out to discover “the legitimate objects to which the energies of state organizations should be directed” or, in other words, the limits that should guide the operations of government so that it can be restrained within its own legitimate sphere of operations. At the same time, he praises the intrinsic value of liberty and how it is essential for the proper development of the individual, thereby justifying the limitations of state interference. Starting from the idea that the “highest end” of individual man is the greatest development of one’s own capacities, Humboldt proceeds with an extensive analysis of the different areas of state intervention—which he refers to as “the solicitude of the state”—bringing to light the harmful effects to individual liberty.

The question of how to assure that personal liberty is respected when government is performing its necessary activities through its institutions is the main concern of both Hayek and Humboldt and also the focus of this paper. After exploring what freedom means for Hayek<sup>1</sup> and Humboldt, and after explaining the theoretical framework that is considered the only way possible to have government intervention compatible with the respect for individual liberty, we will discuss the practical application of the principle of liberty in the domain of education. Given the deep impact that education has on the citizenry, it is vital to be aware of the consequences of having an educational system entirely dependent on central organization.

## I. THE CONCEPT OF LIBERTY

Liberty is defined as the prime value that determines a free society. By way of a first definition, Hayek affirms that a state of liberty is the one where “coercion of some by others is reduced as much as is possible in society” (2011, p. 57). Consequently, there are two main characteristics that assist in complementing the notion of liberty. The first concerns the practical application of the concept; a policy of liberty will be the one that “minimizes coercion or its harmful effects, even if it cannot eliminate it completely” (2011, p. 59). The second characteristic of this notion of liberty is that it always involves interpersonal relations, a violation of which will always correspond to coercion exercised by another agent.

By emphasizing this aspect, Hayek intends to clarify this often poorly understood concept: liberty is *not* coextensive with the set of real possibilities from which it is possible to choose. Hayek writes: “In this sense “freedom” refers solely to a relation of men to other men, and the only infringement on it is coercion by men” (2011, p. 60). As such, to be free is not determined by the range of choice but by the possibility of choosing according to one’s own preferences and intentions, without anyone having the power to manipulate the course of action that will assure that person’s own satisfaction. The possibility of defining the most preferred action without being subjected to any exterior and arbitrary will is possible because to be free corresponds with having “some assured private sphere”, within which each person’s decisions are sovereign and within which no one else can interfere (2011, p. 61).

The definition of liberty as put forward by Hayek, as he himself recognises, is very close to the original meaning of the word, which emerges from the distinction between free men and non-free men or slaves. Since ancient times, being not free always meant to have to act, often arbitrarily. To be free then consisted in being free from “the independence of the arbitrary will of another” (2011, p. 59).

“Liberty may be desirable, even though not all persons may take advantage of it” (2011, p. 68). As such, in many cases the benefits of freedom do not correspond to visible opportunities recognised by everyone as favourable effects, but rather to the imposition of a certain discipline in acting according to one’s own choices that may be considered more an obligation than an advantage. Hayek writes: “liberty does not mean all good things or the absence of all evils. It is true that to be free may mean freedom to starve,

to make costly mistakes, or to run mortal risks” (2011, pp. 68-69). To better understand this possibility it may be useful to consider certain religious orders whose members are cloistered and dedicate most of their day to prayers, or orders where fasting is a common practice. In such cases, provided these individuals have not been forced to follow such a way of life, it is not possible to affirm that either there is not freedom or that such ways of life should be forbidden in a free society. Following this rationale, coercion should be thus be understood as the elimination of free action, a function of individual exercise of intellect and knowledge. In other words, coercion corresponds to situations in which the individual is forced to act according to the purposes and intents of another rather than one’s own.

After analysing the meaning and main characteristics of the concept of liberty, the foundation of a truly free society, Hayek analyses the emergence of the value and the different interpretations of ‘freedom’ made by different theorists.

Liberty, Hayek posits, did not emerge by human design, even though it is an “artifact of civilization” and attributable to the state of nature. Institutions of liberty and all their creations were not implemented a priori regarding the advantages they would bring. Nevertheless, when the benefits of those institutions started to be recognised, and with the expansion of this “reign of liberty”, people began to examine the details of how these free societies operate.

Within this context, two main expressions of liberty were developed: one emerged in England and Scotland and the other in France. According to Hayek, these two theories were fundamentally different: the former is characterised as being “empirical and unsystematic”, the later is considered “speculative and rationalistic”. Moreover, the theory of liberty that emerged in England and Scotland understood traditions and institutions as the result of spontaneous growth, of interaction, and about which our knowledge is necessarily imperfect. This outlook was mainly associated with the Scottish Enlightenment of David Hume and Adam Smith but also to a degree included Irishman Edmund Burke. On the other hand, the tradition of liberty originating in France considered that the powers of human reason were unlimited, being thus possible for a utopian state to be achieved. Even though it was “an attempt to interpret British institutions” (2011, p. 109), the French tradition ended up having greater influence during the mid-twentieth century, perhaps due to its emotional/rationalistic appeal to perfectability and human pride.

One of the most evident differentiating characteristics of these two traditions consists in the understanding of the

essence of liberty, and what is considered to be the role of liberty in the evolution and operation of the social order. Hayek invokes J. L. Talmon to better clarify this distinction: “One finds the essence of freedom in spontaneity and the absence of coercion, the other believes it to be realized only in the pursuit and attainment of an absolute collective purpose”. Moreover, the British tradition of liberty connotes “organic, slow, half-conscious growth” and for “trial and error procedure”, while the French tradition of liberty stands for “doctrinaire deliberateness” and for “an enforced solely valid pattern” (2011, p. 111).

Given the alternatives, Hayek is emphatic in concluding that the British tradition of liberty establishes the foundations of a theory that is “profound and essentially valid” whereas the French tradition puts forward a vision that is “completely wrong” (2011, p. 112). The validity of the interpretation of British philosophers is so profound that it can actually be traced back to ancient Greek and Roman civilizations. Both Athens and Rome attained success due to the accumulated experience of many men and of many generations, allowing for successful laws, institutions and traditions to persist for general convenience and not due to the decisions of a rationalistic mind set. A multitude of actions whose objectives were frequently not very clear, ceded origin to institutions with specific purposes according to their own needs. In this context, social order emerged as “the result of adaptive evolution”, not being a deliberate product of a “higher, supernatural intelligence” (2011, p. 115). Social evolution thus happens through successive learning processes of trial and error and of imitation of the most convenient practices: “institutions whose significance we might discover by analysis but which will also serve men’s ends without men’s understanding them” (2011, p. 118). The evolution of the social order is not the outcome of intellectual or moral attributes inherited by men, and for this reason it is not possible to shape civilization as they see fit. Hayek sums it up: “For in social evolution, the decisive factor is not the selection of the physical and inheritable properties of the individuals but the selection by imitation of successful institutions and habits” (*ibid.*). This “evolutionist” British tradition of liberty is very close to the Christian tradition of human imperfection and fallibility, the idea being that intelligence is limited by one’s inclination to sin—precisely the opposite is contended by the rationalist tradition.

Therefore, the fundamental difference between both traditions of liberty can be found, Hayek asserts, on the interpretation of the importance of traditions and

other cultural products that emerged without previous deliberation. This distinction is emphasized by Hayek, who clearly affirms that rationalists will end up becoming “enemies of freedom” for not being able to conceive of the existence of institutions that serve human purposes but that were neither consciously planned nor deliberately implemented. However paradoxical it may seem, Hayek notes that the true and free society will always be a “tradition-bound society” with a strong connection to the experience of different generations and to the spontaneous growth of certain socio-cultural habits.

The elements constituting accumulated knowledge and inherited experience of past generations include not only institutions, habits and even tools, but also the rules of conduct “which have grown as part of it, which are both a product and a condition of freedom” (2011, p. 123). These types of rules allow for establishing a behaviour pattern that brings some regularity to the action of men, despite the absence of commands or coercion that determine that same action. Hayek goes a little further in this argument and explains that the general and voluntary observation of these rules of conduct will actually result in the establishment of a certain social order, and that therefore it is not necessary to coercively impose rules. Nevertheless, it is also very important for these rules of conduct to have a certain level of flexibility going to be used by individuals to test them and even to break them. Occasionally, these attempts are going to lead to changes and improvements, demonstrating the mechanism through which civilization progresses.

Nonetheless, Hayek emphasizes that his argument in defence of the British tradition of liberty does not intend to be an absolutely devastating critique of reason. “Reason undoubtedly is man’s most precious possession” (2011, p. 130), but he adds that this is precisely the motive that underlies the necessity of avoiding its abusive application. Reason must thus be used in combination with intelligence and some control essential to understanding the extent of the complexity of society and also that its healthy functioning is the result of the interaction of forces that are mostly unknown. For this reason and also because it is impossible to predict all the consequences of human interventions, any effort made to improve the social order should happen incrementally, thereby respecting the accumulated experience and knowledge.

As previously mentioned, despite having made a most salient contribution to the debate, the concept of freedom put forward by Hayek was not unanimously accepted and

gave rise to a protracted debate between Hayek and his critics, about whom we can only make brief mention. Ronald Hamowy (1981) was one of the authors who unpacked the concept and found that, although it defines a limited private area where the individual is sovereign, it may not be enough to assure that private liberty is fully respected by society. Hamowy, the editor of CL, later argued that to have freedom defined simply as the absence of coercion may be “fundamentally incompatible” with what is the best of the tradition of libertarianism.

According to Hamowy, this definition poses a difficulty in the lack of clarity in the distinction between coercive and non-coercive acts. Hayek describes the former as being the rendering of those services that are not crucial for the existence of an individual or for the preservation of that which the individual most values. However, the precise meaning of the concepts “crucial to the existence” and “preservation of what is most valued” leaves broad scope for including a number of situations in this definition of coercion that may make little sense.<sup>2</sup> Moreover, these same difficulties remain when the question of coercion is analysed under the perspective of state intervention, where freedom is to act under abstract and general rules equally applicable to all, without any form of discrimination—this form of governance is commonly called the Rule of Law. Within this context, Hayek considers that both taxation and conscription may not be seen as acts of coercion, since “they are predictable and enforced irrespective of how the individual would otherwise employ his energies” (2011, p. 210).

For Hamowy and other critics of this conception of freedom, this is precisely that which is most problematic in Hayek’s failure to clearly distinguish between coercive and non-coercive acts. It gives numerous opportunities for interference in the individual lives of each member of society, including the potential for basic rights to be violated.<sup>3</sup>

According to Hamowy (1981) “it would be just as consistent, within a free society governed by the Rule of Law, to interfere with many of our most basic freedoms ... provided such laws are applicable to all without distinction”. Faced with these critiques, Hayek promptly clarified some points he considered were misinterpreted. According to him, the first is related to the primary concern of the thesis of CL, which was not *how* to completely eliminate coercion but how to reduce it as much as possible. Hayek asserts that “to prevent people from coercing others is to coerce them”, a minimum level of coercion is always needed. In grasping

the difference between coercive and noncoercive acts an act of coercion always leaves the coerced person in a position that is worse than the position previously held. On the contrary, if a change in the environment of a person adds to his own range of choice, then it cannot be considered an act of coercion. Lastly, the boundaries of the concept are better clarified by Hayek when he emphasizes that the government is only allowed to exercise coercion to prevent coercion in those cases required by general rules, which are “known beforehand” and that are “equally applicable to all”. With these three main points, Hayek attempts to refute his critics by rejecting the idea that his analysis of coercion opens the door to numerous violations of the private sphere by government.

Bearing in mind the ambiguities and the limitations of the concept of liberty and the misinterpretation of coercion it would be useful to look for an alternative concept of freedom. Following Hayek’s lead, we now turn our attention to the German philosopher Wilhelm von Humboldt.

The concept of freedom is defined by Humboldt in *The Limits of State Action* (1854) as being simply “the possibility of a various and indefinite activity” (p. 4), which is fundamentally associated with the individual and with his respective peculiarities. Henceforth, higher levels of freedom can only be achieved, according to Humboldt, where there is corresponding progress in civilizational results from the interaction amongst an increasing variety of individual resources and capacities. Nonetheless, when taking into consideration the history of political organizations, it becomes clear that the freedom of citizens has often been limited either for reasons related to “the necessity of organizing or securing the constitution” or for reasons related to “the expediency of providing for the moral and physical condition of the nation” (1854, p. 6). It is for this reason, Humboldt concludes, there is an important correlation between the freedom of private life and public freedom, with one always increasing in exact proportion as the other declines, the causes and consequences of which need to be further analysed.

Liberty is an essential precondition for personal growth that permits the development of one’s own capacities and singular characteristics and that ultimately results in “the decreasing necessity of acting in large, compacted masses” (1854, p. 5). For Humboldt, the “true end of man” is precisely this process of self-cultivation and self-realization, “the highest and most harmonious development of his powers to a complete and consistent whole” (1854, p. 12). An end that can only be achieved within society since that

this individual potential can only be realized when citizens freely relate to or cooperate with other fellow citizens. These free interactions benefit not only the individual, who becomes more valuable to himself for being able to live a satisfying life, but also the society as a whole, because others can take advantage of and learn from each one's unique talents.

Nonetheless, for this "self-culture" arrangement to produce the expected positive effects, it is important for the state to have a reduced sphere of intervention. Any extended form of state action will end up imposing a pattern of uniformity and hindering the variety of situations crucial for individual flourishing and for self-realization. Therefore, the role of the state as understood by Humboldt is simply "the maintenance of security, as well with regard to the attacks of foreign enemies as to the danger of internal discord" (1854, p. 54). This legitimate public realm must constitute the purpose of the state action in a free society, for without security, individuals will not be able to develop their own capacities nor to live a fulfilling life. Freedom cannot exist without security and to maintain that security is the purpose of the state. Any other interference in private affairs, even if aiming at facilitating the process of self-realization "should be absolutely condemned" (1854, p. 20).

## II. LIBERTY APPLIED IN EDUCATION

Having analysed the theoretical framework that surrounds the value of freedom in both Hayek and Humboldt it is now important to understand the way in which these authors see the operation of state agencies compatibility with respect to the sphere of the individual. For the purposes of this paper, we shall only focus on the emergence of social order in the field of education.

According to Hayek, education was made compulsory following the recognition of the value of knowledge and of the benefits of expanding its use to tackle ignorance. A minimum standard of compulsory education was thus established taking into consideration two main arguments: a) that the entire community would be exposed to less risks and to more benefits if everyone shared a common basic level of knowledge, and b) that literacy is an essential element for the healthy functioning of democratic institutions and of the democratic regime itself (2011, p. 499). However, education is not a mere tool for transmitting concrete skills and knowledge, it is also a mechanism for providing a common set of values and behaviour patterns. For Hayek, this later role actually constitutes the main function of

education and it is precisely here that the public system of education may also constitute a real danger to the principle of individual liberty. Despite the general acceptance of the idea that education would bring "additional knowledge" that would thus encourage "the conquest of ignorance", Hayek contends that there is no single proof that the general availability for all of a higher level of knowledge would result in a better society. He writes, "knowledge and ignorance are very relative concepts, and there is little evidence that the difference in knowledge which at any one time exists between the more and the less educated of a society can have such a decisive influence on its character" (Hayek 2011, p. 500).

Regardless of these reservations, Hayek accepted the general argument in favour of compulsory education but reflects on the fundamental necessity of deciding how it is to be provided. As for the details of education provision, Hayek asserts that even though it might be difficult to impose a general level of education on people that are not completely convinced of and familiarized with its benefits, there should be absolutely no motive nowadays for having education institutions fully managed by the government, despite being funded publicly. Taking into account the arguments in favour of compulsory education, the role of the government may be limited to a part of education; namely, on what determines the common set of values and patterns of behaviour. A wider and more centralised role from government poses a serious possibility of transforming education into a sphere "dominated by the theories of a particular group who genuinely believe that they have scientific answers to all problems" (Hayek 2011, p. 502). This situation would be very similar to that described under the French theory of liberty, where reason is regarded as the tool to achieve perfection and which will ultimately transform its defenders into "enemies of freedom".

Where the government has the monopoly of the management and provision of educational services, there are plenty of opportunities for enforcing that which is considered the only valid and supposedly perfect pattern of conduct, defined by what Hayek had previously called "doctrinaire deliberateness".

Bearing in mind that education may be an instrument through which the human mind can be deliberately shaped, it urges the government to assume, at least in the field of education policy, a function of supervision and protection rather than of provision. Hayek (2011, p. 503) writes: "Indeed, we may soon find that the solution has to lie in

government ceasing to be the chief dispenser of education and becoming the impartial protector of the individual against all uses of such newly found powers” (Hayek 2011, p. 503). As such, to have the government as the “dispenser of education” is the only arrangement compatible with the British theory of liberty, a social order that respects the spontaneous growth of certain habits that have been resilient over the passage of time. To avoid the central and deliberate planning of every single aspect of the education system constitutes the most adequate arrangement for respecting personal liberty in providing this service. Leaving the government solely with a supervisory role allows for the durability of the most convenient institutions, i.e. those that better address the needs and purposes of the members of society and not those decided by a hardened rationalistic mind.

Humboldt recognizes that modern states, following the concrete demands of the population, are increasingly directing their efforts to the improvement of the positive welfare of the nation. The means used for this purpose, laws and regulations that aim at promoting economic activity or remedying and preventing natural disasters, all have a common feature: “they are positively hurtful in their consequences, and wholly irreconcilable with a true system of polity” (1854, p. 22).

The institutions through which the state exercises its power to improve the physical welfare of people are characterized by a number of elements that limit the “variety of situations” that are fundamental for the development of human capacities. Humboldt enumerates the characteristics by explaining that these institutions are subjected to a “spirit of governing” that imposes on individuals a certain pattern of behaviour that is uniform and unnatural. Humboldt writes (1854, p. 23): “The very variety arising from the union of numbers of individuals is the highest good which social life can confer, and this variety is undoubtedly merged into uniformity in proportion to the measure of state interference”. This uniformity, or “common resemblance”, the result of the constrained actions of individuals, can be identified not only in the performed activities themselves but also in the results of such activities. A second consequence is the impact they have on the resources and will-power of an entire population. When the state agency prescribes a law or implements a measure, individuals tend to perceive it as an external imposition, as something somehow distant even though it may affect them directly, and they do not feel a special attachment either to its content or to its

consequences. And this carries over to the future: “the man who frequently submits the conduct of his actions to foreign guidance and control, becomes gradually disposed to a willing sacrifice of the little spontaneity that remains to him” (Humboldt 1854, p. 26). As such, there is a dangerous promotion of dependency on the state and a consequent reduction of active energy and effort that individuals put on their daily lives. Humboldt explains that “he now conceives himself not only irresponsible for the performance of any duty which the state has not expressly imposed upon him, but exonerated at the same time from every personal effort to ameliorate his own condition” (*ibid.*). An additional pernicious consequence of institutions designed by the state to improve the positive welfare of citizens is related to their general character, which prevents individual cases from being addressed. Within this context Humboldt includes the topic of national education, which he quickly identifies in the title of the chapter as “an institution for reforming the mind and character of the citizen”. According to Humboldt, all the difficulties that result from institutions that are designed to promote the positive welfare of the citizen are also observed in the case of education. However, the case is more serious and its implications are more complex if we consider that the main purpose of education is to develop the individual. As such, national education promotes a single form of development and imposes a definite form on personal development, which constitutes a strong contradiction in itself, since that will form individuals that are merely social clones.

National education, Humboldt claims, “leads at once to utter torpidity and stagnation, or a depression or deficiency of energy” (1854, p. 69) and instead of supporting the diversity of peculiarities, ends up repressing individual impulses and produces a general sedateness. On the contrary, private education is seen by the Humboldt as a better alternative, since it takes into consideration and shows greater respect for the characteristics of individuals. A multiplicity of relations and combinations between individuals and their peculiar features can only emerge without the unity of organization by via state agency.

Despite clearly failing to comply with the objective of developing the individual by imposing a uniform behaviour pattern and repressing the spontaneous development of faculties, Humboldt suggests that a system of guardians or family training would suffice, provided that the state would be able to intervene to prevent lack of resources or negligence (1854, pp. 69-71). Humboldt reiterates that even if admitting that national education would achieve

the proposed objectives, “it effects too much” and, for that reason, it lies “wholly beyond the limits within which political agency should be properly confined” (1854, pp. 71-72).

As indicated, whenever the state positively promotes the welfare of its citizens, the spontaneous development of individuality is significantly hindered. Humboldt writes: “A political community, organized and governed according to this system, resembles rather an accumulated mass of living and lifeless instruments of action and enjoyment, than a multitude of acting and enjoying powers” (1854, p. 42). The government should be restricted to the protection of individual characteristics: a spontaneous cultural order is encouraged to emerge.

The political structure as defended by Hayek and Humboldt’s spontaneous order embodies the values of cooperation and formal equality between individuals. Being an element of civil society, education not only allows for the generation of spontaneous orders but is also assisted by them.

According to the characteristics of a spontaneous order as put forward by diZerega, the face-to-face cooperation that emerges within this arrangement “enables individually and tacit knowledge to be employed effectively in pursuing new plans and goals” (diZerega 2008, p. 3). This is precisely what happens if education is organised following the arguments defended by Hayek and Humboldt: parents and children are allowed to follow the plans that better address their interests and necessities by deploying their own knowledge in decision-making. Another important feature identified by diZerega is the fact that, despite being biased towards some concrete values, the abstract rules that structure spontaneous orders, do not define any specific objective to be pursued within their arrangement. In the case of education, when the government abstains from monopolising the management and provision of education, the respect for individuality and the equality of status, guide the educational process of children. Nonetheless, the combination of these two values does not define every single feature of the education system. There is a large number of possibilities to be chosen according to individual knowledge about the most adequate plan to address different needs and interests identified by those involved in the process. In diZerega’s work, actors define the success or failure of a spontaneous order by providing feedback signals to other actors to assist them in operating within the system. A similar dynamic takes place when a diversity of schools is allowed to implement their own projects to

compete with other schools, with the most successful being those that are able attract more students by offering a programme that better fits their interests and needs. However, this system of education is not a pure spontaneous order. It is founded on an organization that defines the general operating rules and then monitors them to provide a service that cannot be understood as a mere consumed product. Education does not have a client in the simple sense of consumers as in diZerega’s pure spontaneous order. The clients are students and children who need to be defended against some features of the market, which would be the result of its natural impersonal character, through the implementation of different mechanisms. On the one hand, these mechanisms may be of a procedural nature, such as independent inspections to evaluate the conditions of schools and national-based exams to assess the academic performance of students or the legal protections of teachers that are employed at schools.

On the other hand, they may have deep moral concerns, so as to avoid the establishment of schools with projects that segregate children according to irrelevant distinguishing characteristics.

Lastly, it is also important to note that to develop as a spontaneous order, education may also be affected by the misapplication of local knowledge, which can leave individuals in a least-favoured position to achieve their objectives. As diZerega (2008, p. 5) rightly points out, when actions are based on misleading information “coordination breaks down because the order becomes disconnected from the concrete circumstances that sustain it”. In order to avoid these informational asymmetries in the spontaneous order, that integrate the education system, there are conditions that must be taken into account when implementing concrete education policies based on the ideas advanced by Hayek and Humboldt.

### III. CONTEMPORARY EXAMPLES OF LIBERTY IN EDUCATION

For the past several decades, in respect of personal freedom, different mechanisms which fall under the umbrella of “school choice” were developed and implemented. Milton Friedman is considered the theorist most associated with school vouchers, one of the most well-known mechanisms to implement choice. Following the acknowledgement that the tasks of funding and providing education could coexist separately, Friedman suggests the government issue parents vouchers to be spent at the school of their choice (Friedman

1955). In providing an equal opportunity for every child to attend any school, the principle of liberty in this mechanism is reflected in two different dimensions. On the one hand, new and different schools will arise and individuals will be able to choose from a set of different schools for the kind of education they consider to better fits their own needs and interests. On the other hand, such diversity will act as a bulwark against the imposition of a uniform and collective pattern of conduct.

In addition to these positive aspects, there other advantages inherent in the operation of the free market identified in these education mechanisms. If individuals or parents, have the freedom to choose any school and if the school only receives funding on a per-pupil basis, then schools will compete with each other to attract as many students as possible. Choice has both an instrumental and an intrinsic value, in that it gives a strong incentive to providers to improve the quality and efficiency of their services so as to not be financially penalized due to the loss of students at other schools (Le Grand 2007). Another important advantage of an educational system based on the idea of individual liberty is the gains on the level of equality of opportunity since the most disadvantaged children get the opportunity to attend different schools and to improve their educational performance.

Despite these advantages, a system of education that is not fully managed by the government and that allows for the participation of private actors in the provision of services does have its critics for whom this arrangement raises serious moral concerns. Their main concern is associated with social justice and lies in the risk of racial segregation that they assume will take place when the most advantaged families which have more resources to take more informed decisions, secure places at the most popular schools, leaving the less successful schools to the most disadvantaged children (Tooley et al. 2003). In an article empirically testing the assumption that schools privately managed provide higher quality education, Smith and Meier (1995, pp. 475-476) conclude that there is “strong support for the cream-skimming hypothesis and nothing to support the demand for quality assumption” and that “choice has real potential to exacerbate the already considerable problems of de facto segregation in the public system”. Moreover, school choice is usually strongly opposed by teachers and their unions with the argument that the pressure of market-mechanisms is going to have a negative impact on their own performance. According to educators, teaching is a vocation and an activity that should not be concerned solely with

financial gain or financial efficiency and, for this reason, to use economic criteria to assess a teacher’s performance will not assure the quality of the service provided. As a result teachers argue that this means reduced job security, lower salaries and fewer opportunities for career progression (Hill, Rainey and Rotherham 2006). Another criticism often made that is often made is related to the possibility of choice fundamental to the concept of liberty as put forward by Hayek and Humboldt. According to such critics, people are not genuinely interested in making such choices, as long as the quality of the service is good; choice is a concern for those who have the resources to choose carefully, they argue (Le Grand 2007). This possibility of choice and the exit mechanism associated with it raise a concern about private interest being put ahead of public interest, since by choosing to leave a certain school, parents “weaken[ing] those schools for everyone else by taking away money and reducing the school’s political capital” (Hill and Jochim 2009, p. 11).

Some of these limitations are recognised as potential problems by those who defend the respect for personal freedom in the provision of publicly funded education. Racial segregation is usually discounted by school choice advocates in that this problem is not caused by market mechanisms but derived from the traditional concept of ‘catchment areas’.<sup>4</sup> Empirical evidence collected by Jay P. Greene and Nicole Mellow (1998) suggest that in not attaching attendance to residence, private schools are more likely to succeed at promoting racial integration than public schools. In a more recent analysis regarding the Swedish system, Kristian Tiger stated (Hlavac 2007) that competition policies and open access actually reduced racial segregation at schools, by contrast to what the old centralised system was fostering.

Furthermore, choice offers an opportunity for children who are usually limited to a poor-quality schooling to attend another school their parents consider to be a better fit. In fact, even in those cases where segregation remains, there are studies suggesting that its impact is mitigated by the benefits those children enjoy from attending a school with additional resources (Jones-Sanpei 2006). As for the concerns raised by teachers, those who argue in favour of school choice reject the idea that working conditions will be worsened and argue that teachers employed under a market-logic will have the very same legal protections. Moreover, they also argue that under this arrangement, teachers will have stronger incentives to invest more in their skills, since that their hiring and career-progression will be

based on specific competences and performance. Choice proponents recognise that the mechanisms of choice may result in lower salaries because they will be paid according to a fixed-budget, dependent on the number of students enrolled, and because these schools face the necessity of being financially viable. However, this is seen only as a temporary setback which will be offset with the increase in the number of students attracted (Hill, Rainey and Rotherham 2006). Finally, the argument about the conflict between private and public interests is easily contradicted even by the self-evident view that no public interest can be served with children being trapped in poor-quality schools.

Additionally, choice advocates have developed a set of conditions that must be respected and implemented to have unintended consequences reduced to a minimum. As Le Grand (2007) describes: firstly, competition must be real and that implies not only the existence of a set of valid alternatives (and no barriers to access the market) but also that the funding follows the children, so that schools can feel the consequences of not being chosen as an incentive to improve. A second condition is related to the process of choice itself: in order for parents to make as informed decisions as informed as possible, and also to mitigate potential information asymmetries, they must be provided with assistance through school catalogues or advising offices. Finally, Le Grand argues that in order to assure that deliberate selection of students does not take place, every school should adopt a first-come-first-served based admissions policy.

Another important pro-market proposal associated with school reform is the creation of charter schools, a movement that has been established in the United States for more than two decades. Charter schools are public schools that emerged from the development of a contract (or a charter) between the official state body responsible for education and the community. This charter defines the objectives to be achieved and criteria for which the school will be held accountable in terms of student achievement, but also allows for schools to have a considerable degree of autonomy and independence concerning their own organization.<sup>5</sup>

Charter schools bring teachers, parents and students together to provide the most adequate educational tools for children to be able to learn according to their own necessities, characteristics and interests. Teachers and school leaders are allowed to be more innovative and to adjust the curriculum and the materials in the service of students' special needs. Moreover, parents are also invited to be more involved in the education of their own children,

being able not only to contribute to the design of the school curriculum, but also to participate on the development of the school culture and ethos. For this reason, diversity is a key characteristic of charter schools, it being thus possible to find schools dedicated to specific themes or subjects, which find schools dedicated to specific themes or subjects, which go from STEM to the performing arts or college/vocational preparation.

As public schools, charter schools are free and funded by local, state and federal taxes according to the number of students they attract, and are forbidden to charge tuition fees. Moreover, these schools cannot apply any special entrance requirements.

Similar to the voucher system, the creation and current expansion of charter schools is controversial, its critics being mainly concerned with social justice and social segregation. In addition to the criticisms previously described, opponents of charter schools usually accuse philanthropists of promoting free-market ideology, with the supposed intention of destroying public schools and destabilizing teachers' unions.

Another criticism frequently made of schools managed or created by groups of individuals driven by different motivations is the concern about the values that will compose the ethos of the school and that will guide the education provided. Taking these arguments into consideration, central governments are responsible for the crucial initial step in the whole process of establishing schools under this model. As already mentioned, state authorities run a thorough check on applications for new schools in order to avoid the establishment of schools that may endanger the set of basic and common values that sustain a liberal-democracy.

School choice mechanisms have lately been the subject of many studies and cross-country empirical analyses to assess their value. One of the most recent evaluations of school vouchers in the United States was conducted by Miron and Urschel (2016), who made an analysis of 14 studies of the impact of voucher programmes on students' achievement. According to them, there is a general "moderate" effect on the academic achievement of the participants in the voucher programmes. Seven studies presented mixed findings<sup>6</sup> and the other seven presented positive findings, with none of the studies finding a negative impact on students covered by voucher programmes. Moreover, Shakeel, Anderson and Wolf (2016, p. 2) found "positive and statistically significant achievement effects of school vouchers" from a meta-analysis of evidence from selected international randomized

controlled trials evaluating the test scores of participants in such programmes. They concluded that this positive impact varies according to a number of factors, being more evident in reading tests, for programmes outside the US (Colombia or India) and for publicly-funded programmes. Currently, in the United States, nearly 3 million children are being educated in schools established under a charter. The latest academic studies published concluded that students in charter schools perform better than their peers in traditional public schools with a better job being also done with least advantaged and minority background children.<sup>7</sup> Berends (2015) found that the studies on the effects of these schools show mixed results in terms of school achievement, but are consistently positive in terms of school attainment. In an article reviewing 25 years of these types of school, Berends concluded that despite great variations, charter schools are a positive experience, particularly in increasing high school graduation rates and college retention rates. In England, schools funded by the government but managed privately are called Academies or Free Schools and due to their relatively recent implementation, the data regarding their performance is still scarce. Nonetheless, by looking at the inspections made by Ofsted,<sup>8</sup> it is possible to infer that this school choice mechanism has been very important in improving the quality of English schools: 27% of Free Schools inspected in September 2015 were rated as Outstanding, comparing to only 17% of maintained schools. Since 2010, 65% of schools that were rated as Inadequate and closed as a maintained school are now rated Good or Outstanding after being converted in an Academy (Bolton 2016; DfE 2017).

#### IV. CONCLUSION

The main objective of this paper has been to consider the concepts of liberty as put forward by Hayek and Humboldt in understanding how liberty could be applied in the context of a specific public policy—education—respecting the spontaneous character of social orders.

Both Hayek and Humboldt agree that there is no plausible justification for having a centralized national system of education and that education models should be allowed to develop more spontaneously, provided that some basic criteria are assured. The individual, in order to maintain his single characteristics and faculties, needs to be able to freely interact with other individuals, to establish relations and to be exposed to “a variety of situations”. In the provision of education, this can be facilitated when

some of the main characteristics of spontaneous orders are adopted, with individuals using their local knowledge to achieve the objectives they consider the most essential to their necessities and interests. By contrast, when the state assumes a monopoly based on doctrinaire deliberateness, these conditions so important for individual development, are unlikely to be achieved. Individuals thus become mere social clones without energy and willingness to work on their own betterment.

In order for personal liberty to be respected, schools must have the opportunity to diversify their offering and to address more closely the different needs of children, as well as to provide them an appropriate environment to cultivate their own talents and peculiarities. The mechanisms of school choice in this article provide some examples of how the provision of education can be organized in order to respect individual liberty as defended by Hayek and Humboldt. There are many other mechanisms of decentralised governance that contribute to increased school autonomy and to parents’ and to students’ satisfaction—magnet schools, different systems of tuition tax credits or of competition between municipalities—which can also be analysed under this perspective. And despite the moral concerns and the critiques of their efficiency, the general evaluation of these tools is positive, with the most recent studies on the subject not finding any harmful consequences for children.

The interaction and cooperation between individuals, which result from the combination of freedom with diversity, is fundamental in allowing the emergence of a spontaneous social order that respects individuality and that allows each one to pursue their own life-plans. As Humboldt (1854, p. 23) recognises, “the very variety arising from the union of numbers of individuals is the highest good which social life can confer, and this variety is undoubtedly merged into uniformity in proportion to the measure of State interference”.

## NOTES

- 1 Given that Hayek's political philosophy was constantly evolving, it is important to note that for this paper we are taking into account his views in the the 1960s.
- 2 Hayek provides us with examples such as dress code conventions.
- 3 Under Hayek's proposal, Hamowy explains, it would be compatible with individual freedom to be covered by a piece of legislation prescribing enslavement of each single male citizen for a given period of time and during a certain age.
- 4 See UCL 2017, where it is argued that government policies failed for the past decades to reduce racial segregation and continue to fail.
- 5 Cf. Nathan (1999) for a detailed and useful description of the emergence of the charter school movement and of the characterization of these schools, as well as of the reasons behind their creation.
- 6 Of these, three concluded that the school voucher system tends to favour African American students, while one concluded that it tends to favour low-performing students (Miron and Urschel 2016).
- 7 Information regarding the latest data and studies on charter schools and their operation in the United States may be found on the website of the National Alliance for Public Charter Schools.
- 8 The Office for Standards in Education, Children's Services and Skills is responsible for inspecting and regulating of educational services in the United Kingdom.

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