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Service in a free society

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<http://www.econlib.org/library/Columns/y2011/Seagrenservice.html>**Service in a Free Society**

Chad W. Seagren*

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Politicians, pundits, and social commentators often lament the fact that the United States has no comprehensive program for national service. Both major-party candidates in the 2008 presidential election proposed such plans, and retired General Stanley McChrystal recently proposed¹ a national service program. Although McChrystal graciously acknowledges Americans' expressions of gratitude for the service and sacrifices of those in the military, he argues, "Americans performing critical, selfless service to our country are less common than they must be."

"Enthusiastic advocates of national service tend to ignore the contributions individuals make to society as workers, entrepreneurs and capitalists."

Many people think that service to one's country must mean military service. I agree with McChrystal that this interpretation is far too narrow. But if the General would only take his own advice and widen his vision of what it means to serve, he would see that literally millions of Americans diligently serve their country every day. Simply put, in a free society, a person who participates in the market serves his or her countrymen in an immensely powerful way.

Participation in the Division of Labor Serves Society

The market so readily provides us with products we desire that we often overlook the crucial role that service plays in our lives. The fact that the shelves of your local grocery store are consistently stocked with milk surprises no one. But the process that brings milk from the dairy to your local retailer is incredibly complex and requires the cooperation of millions of individuals.

This process not only succeeds in bringing milk and myriad other products to the masses, but also, in the last 300 years, has raised the standard of living to heights that were unimaginable only a few generations ago. In industrialized countries, it has eliminated abject poverty and starvation. It has greatly increased the availability and quality of medical care, vastly extending life spans. Don Boudreaux, an economics professor at George Mason University, regularly points out² the seemingly mundane, but ultimately remarkable, ways in which the capitalist market has improved the environment for humans. The free market is responsible for the wide availability of housing structures to protect people from the elements; climate control such as heating and air conditioning; indoor plumbing; personal hygiene items such as soap and shampoo; and appliances that allow for the safe and clean storage of food, to name just a few. And contrary to popular belief, the market actually enables people to care for the environment, a luxury that becomes attainable only when societies become sufficiently wealthy.

The market is so integral to our relationships with other individuals in society and so effectively provides both necessities and luxuries that it is easy to overlook the extent to which people depend on it. Similarly, few realize the contributions that millions of people make every day to this essential social institution.

My father recently retired from his job as a test technician in the avionics manufacturing division of Rockwell-Collins, a large multi-national corporation. He performed the final quality-assurance tests and repairs on the components before delivery to the customer. Day after day, for 42 years, he worked at the same job to provide for his family's well-being. I can count on one hand the number of sick days he took when I lived at home. A few years ago, he suffered a heart attack, though he did not realize it at the time. He worked his full shift the next day and only the following morning sought medical treatment. That was just his way. Few would doubt that he demonstrated tremendous commitment and service to his family during this time of his life. But consider the service he provided to his fellow man: If you have flown anywhere on a commercial aircraft in the last four decades, there is a high probability that my father, a middle-class family man from Iowa, tested one or more of the devices in the cockpit of your aircraft.

This story is hardly unique, as there are millions of people just like my father. They repair air conditioning units, wait tables at restaurants, operate machines that make Petri dishes, build websites, and drive delivery trucks. These people contribute not only to the material prosperity of individuals in their own country and all over the world, but also to their very survival. If every household had to rely only on its own productive capacity, little beyond mere subsistence would be possible. It is no exaggeration to say that if the division of labor were to disappear, the vast majority of people inhabiting the earth would soon die of starvation.

You may think that because people make money by serving others, they are not really serving. It's true that they're not rendering *selfless* service. But as **Adam Smith** taught, people serve us very well precisely because their service is *not* selfless. Their self-interest causes them to deliver what we want and to deliver it well. High profits signal to entrepreneurs that an enterprise is successfully satisfying relatively more-urgent consumer demands. Likewise, lucrative employment opportunities send signals to people about where their talents and efforts are of most value to others. Simply stated, profits and income are both signals and rewards that direct people to satisfy the most-urgent demands of consumers. The fact that bees benefit from their relationship with the flowers they pollinate does not make their contributions to the plants' survival any less profound. Outcomes should trump motives.

Government Calls for National Service are Inconsistent with a Free Society

Enthusiastic advocates of national service tend to ignore the contributions individuals make to society as workers, entrepreneurs and capitalists. The goals of such programs are typically to imbue participants with a willingness to subjugate their personal desires to the "greater good" and cultivate fealty to the collective. Their calls for government-directed service are inimical to liberty and misconstrue the proper role of the State in a free society. Adam Smith touched upon this in his *Theory of Moral Sentiments*:

Mere justice is, upon most occasions, but a negative virtue, and only hinders us from hurting our neighbour.

The man who barely abstains from violating either the person, or the estate, or the reputation of his

neighbours, has surely very little positive merit. He fulfils, however, all the rules of what is peculiarly called justice, and does every thing which his equals can with propriety force him to do, or which they can punish him for not doing. We may often fulfil all the rules of justice by sitting still and doing nothing. (paragraph II.II.9)

In other words, individuals who do nothing to hinder the peaceful pursuits of their neighbors satisfy all their responsibilities as citizens of a community. For the State to force or exhort them to take positive action, even to help the poor, is a violation of their right of self-ownership and dignity as human beings.

The only positive obligations free men and women have are the ones they voluntarily elect to undertake. These include responsibilities to their families, employer, church, community organizations, and those with whom they contract. Such relationships are initiated consensually and can be exited consensually as well, although exiting may have a cost—like the penalty for terminating a cell phone contract early. To suggest that an American owes an obligation to the State, simply by virtue of being born, is to grossly misconstrue the proper relationship of free men and women to their government. Simply put, if it is morally wrong for your neighbor to force you to spend time every weekend helping out at your local nursing home, then it is just as wrong for the government to do so. The State, after all, is really just a collection of individuals and therefore cannot possess rights or powers that the members of the collective do not themselves possess.

Consider compulsory service programs. The most familiar such program to Americans is the military draft. For more than thirty years in the 20th century, the United States government compelled a large proportion of the male youth of this nation to enter the military. A government pressing its citizens into service in the armed forces under penalty of prison is hardly consistent with the tenets of a free society. The return to the all-volunteer military force in 1973 was one of the greatest victories for liberty in the 20th century.³

Forcing young people off to war under the guise of national service is an extreme outcome and, thankfully, a dated one. However, proposals for compulsory national service of any sort do violence to the individual's right to self-determination. While an adolescent compelled to spend a year after high school as an orderly in a local hospital is not necessarily in harm's way, the fact that he has no choice but to comply with the government's wishes renders his relationship with the State closer to that between a slave and his master. John Stuart Mill reminds us "[t]hat the only purpose for which power can be rightfully exercised over any member of a civilized community, against his will, is to prevent harm to others. His own good, either physical or moral, is not a sufficient warrant."⁴

Not all proposals for national service involve compulsory participation, but all include provisions for incentives and all presuppose an improper role for government. Most voluntary programs involve a combination of a stipend and education vouchers or credits. This necessarily raises the question of what sorts of activities will qualify for government rewards? Does volunteering twenty hours a week at a local nursing home qualify? Does volunteering at your Senator's local office? How about performing clerical work at the National Rifle Association office or at Planned Parenthood? Experience teaches us that when government gets involved, the result will likely be an arbitrary political decision. If the definition for qualifying service is too narrow, then it is vulnerable to political abuse (i.e., only favored charities or

projects of those in power are supported). If it is too wide, then participants are likely to take advantage of the lax rules and obtain compensation for questionable activities.

Another way in which such programs, both voluntary and involuntary, are costly is that they delay the individual's entry into the work force. McChrystal quips that individuals who hold this view should talk to someone who built the Hoover Dam about the tremendous satisfaction he garnered from the experience. But McChrystal ignores the fact that every person who helped build the Hoover Dam did so by choice. Do we really think we'd be better off if, instead of dropping out of Harvard to start Microsoft, Bill Gates had spent a year teaching math skills to second graders? Few among us transform the world with innovations as important as those of Bill Gates. But the fact remains that forcibly preventing people from starting their adult lives is costly to the individual in terms of lost wages, but also to the rest of society in terms of lost contributions.

In contrast to market transactions, where prices emerge as the result of mutually beneficial and voluntary trades, government transactions do not result in a price. Since government bureaucrats and functionaries are unable to perform economic calculation, the government can never perform an appropriate cost-benefit analysis and, therefore, can never be sure that resources they commit to a policy are efficiently spent. Thus, while the State may produce a great many "public goods," they can never be sure that the resources were well spent because they don't have a market test. Economic calculation makes it possible to determine when resources in the market (including labor) are effectively employed to satisfy consumers' most-urgent demands. Thus, only service to ones' countrymen through the voluntary transactions in the market can be validated after the fact. The costs and benefits of service in support of government initiatives will always be shrouded in mystery.

So far I have argued that when we rightly understand the nature of service, we must conclude that the millions of people in this country participating in the market serve their countrymen and the others around the world in a remarkably beneficial way. But, you may wonder, what about those truly in need of assistance from others? Aren't government programs aimed at inducing youths to help them appropriate and righteous? No—because the ends do not justify the means. Yes, there are truly needy people in this country and all over the world, but helping them by coercing others is an inappropriate way to deliver charity. Besides, the aim of national service is most often to improve the servers and to inculcate in them a sense of responsibility to the State. The beneficiary of their service is of secondary importance. With private charities, the primary aim is more often to alleviate the suffering of the beneficiary. Charities that do so effectively and efficiently tend to attract donors, while donors tend to avoid charities that squander their donations.

Policy Implications: Greater Freedom

Numerous policy implications follow from the appropriate understanding of service in a free society. Broadly, government policies that inhibit the ability of individuals to serve each other through the market should be eliminated.

The most obvious implication is that barriers to competition in the labor market should be struck down. Occupational licensing,⁵ minimum-wage laws,⁶ closed shops, and prevailing-wage laws prevent people from participating in the division of labor. Eliminating such barriers enables more people to devote their

talent and energy to serving their fellow man. Second, all barriers to free trade should be unilaterally dropped.⁷ Expanding trade with foreign partners increases prosperity on both sides by increasing wealth-enhancing trading opportunities. In essence, it enlists more people from around the world to serve Americans. The final policy prescription is that barriers to immigration should be discarded.⁸ Allowing more people from foreign lands to enter our country greatly expands their opportunities to serve Americans, as well as profoundly benefiting the immigrants themselves. Americans benefit from the array of products and services immigrants provide, while immigrants enjoy an incredible opportunity to improve their well-being. The single best way to help the poorest inhabitants of our planet is not to send them money, but to allow them to come here and work.

None of what I write is meant to diminish the contributions and sacrifices those in uniform have made throughout this nation's history. I myself am an officer in the U.S. Marine Corps and have spent my entire adult life in the military. I only wish to point out that military members by no means have a monopoly on service to their country.

Those who advocate comprehensive national service programs err in terms of either means or ends. A program whose purpose is to inculcate the nation's youth into service of the collective is inimical to liberty and unbecoming to a free society. If their aim is to render assistance to those in need, their purpose is better served in removing the political barriers that discourage people from serving others voluntarily.

Footnotes

1. Stanley McChrystal, "[Step Up for Your Country](#)," *Newsweek*, January 23, 2011.
2. On his web site, [Cafe Hayek](#).
3. For a telling of the role of free-market economists in helping end the draft, see David R. Henderson, "[The Role of Economists in Ending the Draft](#)," *Econ Journal Watch*, Vol. 2 (2), August 2005: 362-376.
4. "[On Liberty](#)," Chapter I, paragraph I.9.
5. See S. David Young, "[Occupational Licensing](#)," in David R. Henderson, ed., *The Concise Encyclopedia of Economics*, 1st edition.
6. See Linda Gorman, "[Minimum Wages](#)," in David R. Henderson, ed., *The Concise Encyclopedia of Economics*, 2nd edition.
7. See Alan S. Blinder, "[Free Trade](#)," in David R. Henderson, ed., *The Concise Encyclopedia of Economics*, 2nd edition.
8. See "[Caplan on Immigration](#)," EconTalk, October 4, 2010.

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