

Historical Notes

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The Four Freedoms

Most people these days associate the term 'The Four Freedoms' with the European Union (EU). They are central to the functioning of the European single market, relating to the freedom of movement of goods, services, capital and people throughout the countries which compose it. The existence of a large trading area, characterised by an absence of barriers to the flow of factors, has long been believed by liberal economists to facilitate the most efficient allocation of resources within it. When that area comprises not one nation-state but a group of them, its creation is assumed to drive increasing co-operation and interdependency between members, in the process promoting both the common welfare of all and progress towards political, as well as economic, integration. In the last decade and a half, since the Lisbon Treaty of 2008 if not before, the European Commission and leading politicians within the EU (especially within Germany and the Baltic States) have made it clear that membership of the Union involves acceptance of the Four Freedoms. On the one hand, from the perspective of the other nations of the EU, Britain's inability to live with freedom of movement was critical to the UK's increasing unpopularity within the group (although it was not the only reason). On the other hand, and from the perspective of the UK, freedom of movement – or, rather, the wish that there were less of that – was ultimately a key part of the 2016 Brexit Referendum vote to leave.

The salience of the term 'the Four Freedoms' in the context of debates in recent years about the development of the EU and of Britain's relationship to it has obscured the existence of another, older incarnation of the expression. This goes back to the time of World War Two when it was used in an address to Congress by President Franklin D. Roosevelt in January 1941. Although the USA was not then a belligerent, Roosevelt was keen to help the struggle of British Commonwealth and Empire and Allied forces against Nazi Germany and Fascist Italy, notwithstanding the existence of pro-neutrality legislation which limited what his administration could do to help. Already, in 1940 the US had provided Britain with 50, albeit somewhat elderly, destroyers in return for access to British bases in the Caribbean. By late that year, however, it was clear Britain was running short of the foreign currency it needed to buy vital goods for the

war effort and that more dramatic initiatives would soon become necessary.¹ To this end, talks started between officials in Washington and London which would in 1941 lead to the establishment of Lend-Lease. This allowed the USA to provide the UK with essential supplies (not just munitions but machine tools, vehicles, raw materials and food) without being paid until a final settlement, to be agreed between the two governments at the end of the war.

Roosevelt's speech to Congress therefore came at a critical juncture in the conflict. The President aimed to use the opportunity to persuade a public, whose support for isolationism and keeping out of Europe's wars was strong, that Germany and Italy presented a real threat to American values, security and its way of life. He painted a bleak and threatening picture of the international situation, arguing that it was in the US interest to turn itself into the 'arsenal' of democracy, so that it could provide material support for the democracies against the dictatorships and transform itself into a formidable military power capable of protecting itself against armed aggression. But he added that the strengthening of the democratic cause involved not just the construction of a military machine, but of a society that people would be willing to make great sacrifices to defend. This is where the expression 'The Four Freedoms', consisting of freedom of speech, freedom of worship, freedom from want and freedom from fear, made its first appearance, with Roosevelt identifying them as central to the construction of a peaceful and affluent future for humanity.

The first two of the four, freedom of speech and freedom of worship, were rooted in the nineteenth century liberal tradition. They had been central to President Woodrow Wilson's 'Fourteen Points', designed to make the 'world safe for democracy' after 1918. They would have been familiar to statesmen like Gladstone and philosophers such as John Stewart Mill. The calls for freedom of speech and freedom of worship had been integral to the fight for national self-determination in (for example) Hungary, Germany, Italy and Ireland. They had inspired the struggles for franchise extension, the establishment of a free press and the liberation of life in modern states from interference on the part of the Church, both Catholic and Protestant, throughout much of Western Europe between 1830 and 1914. The political triumphs of nineteenth century liberalism did not, however, lead to the creation of a world characterised by universal peace and prosperity, as had been hoped. The liberal democratic states which had emerged from the battles of the previous century did not cause the catastrophe of 1914-18 and the revolutions which followed. They were not responsible for the economic crises, mass poverty and unemployment of the

¹ See Scott Newton, *Profits of Peace: The Political Economy of Anglo-German Appeasement* (Oxford University Press, 1996), p. 165.

inter-war years, nor for the rise of Fascism and Nazism. All the same, they had been at best powerless and, at worst, unwilling² to prevent these disasters, which had wrecked the lives of many millions all over the globe and had now precipitated another world war.

The point was not lost on Roosevelt and the informal coalition of progressives, Keynesians, socialists, social-democrats ('liberals' in US political discourse), communists, left-wing populists, farmers and organised labour which supported his administration. They were committed to a 'New Deal' for the American people, a break from the old politics which had generally avoided (outside the emergencies of the Civil War and the First World War) government interventions designed to strengthen the economy and protect living standards.³ The New Deal, by contrast, saw the Federal government use the power and resources of the State to rescue a failed banking system, provide jobs to the unemployed (amounting to 12.8 million people in 1933, or 25 per cent of the working population), protect farmers from crop failure and starvation, guarantee a basic standard of living through universal social security legislation, strengthen the bargaining power of organised labour in its struggle against capital and undertake a pioneering experiment in regional environmental protection (via the Tennessee Valley Authority).

The Four Freedoms came from a conviction that the core principle of this New Deal, namely that liberal democracy was not enough, needed to be internationalised. Bitter and tragic experience had shown that the limited, political interpretation of freedom implicit in nineteenth century liberalism provided no secure foundation for peace and would never lead to President Wilson's 'world made safe for democracy'. If that was to have any chance of a stable and enduring existence, the concept of human rights had to be broadened in two fundamental areas. First of all, it had to embrace the universal right to well-paid work in decent conditions, and to good housing, free medical care, free education and a basic income which guaranteed considerably more than just survival. Secondly, it needed to include the right to protection from starvation, from war and from terror on the part of authoritarian governments and political movements. In short, unless the nation-states and global institutions upon which the post-war world would be constructed embraced the objectives of full employment, social security, greater equality

² 'Unwilling', to the extent that even liberals in some democracies – for example Italy before Mussolini, and Spain, France and Eire during the 1930s – were prepared to support Fascism and Nazism because they considered it to be a bulwark against socialism.

³ There have been many books about the New Deal, but the classic account remains William E. Leuchtenburg, *Franklin D. Roosevelt and the New Deal 1932-40* (New York: Harper and Row, 1963).

and world peace – and consciously planned the organisation of resources to ensure these were delivered – there was no guarantee that a democratic and prosperous new order could be sustained. It was this understanding which led Roosevelt to call not just for ‘freedom of speech’ and ‘freedom of worship’ but for ‘freedom from want’ and ‘freedom from fear’.⁴

Roosevelt’s ‘Four Freedoms’ speech was the first major initiative which recognised that the mobilisation of an entire country to fight Fascism and build a better world, required the socialisation of the democratic ideal. It was greeted with enthusiasm across the globe. From the start of 1941 onwards, similar pledges were made by democracies, resistance movements and international organisations. The Atlantic Charter, signed by Churchill and Roosevelt in August 1941, included the commitment to secure ‘freedom from fear and want’ for all, along with ‘improved labour standards, economic advancement, and social security’.⁵ The statement was then endorsed and adopted by the exiled Allied governments in London and written into the May 1942 Anglo-Soviet Treaty. In Britain, the Beveridge Report of 1942, accepted (not without qualms) by the wartime Coalition government, declared the priority of building a country after the war characterised by ‘social security from the cradle to the grave’. The ‘Resistance Charter’, produced in March 1944 by the National Council of Resistance in France, declared that liberation would be followed by the establishment of a ‘more just social order’ and ‘a true economic and social democracy’, aims agreed to by all major political parties. In May 1944 the General Council of the International Labour Organization, meeting in Philadelphia, stated that ‘all human beings, irrespective of race, creed or sex’, were entitled to ‘pursue both their material well-being and their spiritual development in conditions of freedom and dignity, of economic security and equal opportunity’.⁶ The first chapter of the United Nations Charter declared that the purpose of the organisation was the maintenance of ‘international peace and security’ and co-operation between countries in solving ‘international problems of an economic, social, cultural, or humanitarian character’. Its articles provided for the right to self-defence by groups of nations (collective security) and to the promotion of ‘higher standards of living, full employment, and

⁴ The transcript of Roosevelt’s speech can be found in the US National Archives online at <<https://shorturl.at/nsTZ1>> or <<https://www.archives.gov/milestone-documents/president-franklin-roosevelts-annual-message-to-congress#transcript>>

⁵ See David Thomson, *World History, 1914-1968* (Oxford University Press, 1969), p. 117.

⁶ Thomson (see note 5) pp. 118-20.

conditions of economic and social progress and development'.⁷

These commitments did not emerge simply from the minds of leading politicians such as Roosevelt or the representatives of Allied governments in exile in London; nor just from the idealism of resistance fighters. Their making was driven by popular pressure, notably from industrial and agricultural workers and their trade unions, without whose co-operation national governments would not have been able to mobilise resources of labour and capital for the construction of a war economy. Rearmament for the conflict generated rapid expansion and full employment in countries which, for much of the 1930s, had experienced a severe economic slump and large-scale joblessness, followed by sluggish growth. Organised labour, represented politically by socialist, social-democratic and communist organizations, became as critical to the war effort as the armed forces. This process was visible in states such as the UK which remained free throughout the war; but it could also be observed in occupied countries, such as France and Italy, as well as in eastern Europe. There, radical farmers' and workers' parties, as well as communist parties, became the core – first of increasingly formidable anti-Nazi resistance groups and then of political movements determined to make fundamental changes to the prevailing social and economic order in their countries. It was reflected throughout Europe and, perhaps to a lesser extent in the USA, in a political shift to the left during and shortly after the war, one evident in the increasing prevalence and popularity of socialist ideas and in election results and legislation in the early post-war years.⁸ By 1946, radical left parties, or combinations thereof, were in power across the continent. They all pledged to deliver their own national versions of Roosevelt's Four Freedoms.⁹ In consequence, governments sought to establish full employment with economies that were planned – i.e. not free market ones. They undertook dramatic extensions of public ownership, social and medical care (the British National Health Service being one example) and educational provision.

The coming of the Cold War and the Stalinist turn in eastern Europe after 1947 did not materially affect the trajectory of social and economic policy over the next quarter of a century or more, although local variations did emerge. Encouragement of the free market was more pronounced in the UK and USA than in, for example, France and the Scandinavian democracies. In the Soviet

⁷ The full text of the United Nations Charter can be found at <<https://www.un.org/en/about-us/un-charter/chapter-1>>.

⁸ See for example Eric Hobsbawm, *Age of Extremes: The Short Twentieth Century* (London: Michael Joseph, 1994), ch. 5.

⁹ N.B. this was after Roosevelt had died in 1945.

bloc, economies tended to be largely collectivised whereas in the West they were usually 'mixed' to varying degrees, combining private and public ownership. Nonetheless, the commitment to planning, full employment and well-financed systems of social security and education remained widespread. *As soon as it was realised that their experimental policies of returning to pro-business, laissez-faire, economic strategies were creating mass unemployment, the early 1970s Republican Nixon administration in the US and Conservative Heath government in Britain, quickly returned to planned, state-led, economic expansion.*¹⁰ Trade unions and the left of centre political movements founded upon them remained strong. Developing countries, many of them recently freed from colonial oppression, embarked on their own modernization programmes. Encouraged and materially assisted with funds and advice from the World Bank (created in 1944 as the International Bank for Reconstruction and Development) and UN agencies, they prioritised land reform and the reconstruction of their agricultural systems along with investment in transport infrastructure, industry, import substitution and education.

The world of the mid 1960s was not some kind of demi-paradise. It was divided by the Cold War and lived under the threat of nuclear annihilation, as we do today. There were marked inequalities of income between nations, a great deal of it on racial lines. Yet it was also characterised by a common pursuit of the Four Freedoms which led national governments and international organizations to try and redress these imbalances through the allocation of significant resources to programmes intended to eliminate starvation, disease, ignorance, poverty and social insecurity both at home and across the globe. The political and economic ideas characterising the New Deal and the wartime turn to the left – which had briefly become hegemonic in the mid and late 1940s – had by now lost some of their power but they remained dominant throughout much of the world. One historian, writing at that time, noted that 'the external activities of the modern State are almost as much concerned with cooperation for human welfare as with preparation for national defence'.¹¹ It was an international environment, and climate of opinion, in which the proposal of the Swedish economist Gunnar Myrdal for a 'Welfare World', geared to the redistribution of wealth both *within* and *between* nations, could be seen as reasonable.¹²

¹⁰ For Heath, see Newton, *The Reinvention of Britain 1960-2016: A Political and Economic History* (London: Routledge, 2018) pp. 79-84; for Nixon see Michael Stewart, *Keynes and After* (Harmondsworth: Penguin, 1972), pp. 285-7.

¹¹ David Thomson, 'The Idea of Equality', in David Thomson (editor) *Political Ideas*, (Harmondsworth: Penguin, 1969), p. 200.

¹² Gunnar Myrdal, *Beyond the Welfare State* (London: Duckworth, 1960).

By the early 1980s this paradigm had collapsed in the face of a counter-revolution on the part of capital, one most obviously visible in the Reagan and Thatcher administrations. Throughout the post-war decades the owners of, and managers in, large private manufacturing and financial corporations had become increasingly frustrated with the controls and restrictions on the freedom of capital which had facilitated the delivery of full employment and rising living standards. Keen to maximise profits, and backed by powerful national and international media organizations, they lobbied for the privatisation of publicly owned industries and legislation to deregulate economies and weaken organised labour. These developments were particularly evident in the USA and the UK by the 1970s but could also be seen in many other advanced capitalist societies. The old commitments to full employment, and social security for all, were repudiated to allow room for free enterprise and lower taxes, especially for the wealthy.¹³

Had the case for a capitalist counter-offensive remained as crude as this its advocates might have struggled to make any progress. As it was, however, the call for the rolling back of the state was legitimised by international networks of anti-socialists. These included academics, such as the Mont Pelerin Society, and economists, notably the monetarist school, of which Milton Friedman of Chicago University was the most prominent member.¹⁴ These groups seized the opportunity provided by economic crisis during the 1970s, arguing that the phenomenon of rising prices and low growth ('stagflation') was a function of the statism and (in their view) collectivism characteristic of the post-war years. They sold pro-free market 'reforms' to anxious electorates on the basis that they were fundamental not only to a resolution of the crisis but to democracy, individual opportunity, freedom of choice, increasing personal wealth and economic growth.

It was a false prospectus. The free market reforms, carried furthest in the USA and the UK, were in essence assaults on public authority by private economic power. They limited the ability of the state to manage economies so that they continued to deliver full, or at least very high, employment. After 1980, joblessness in developed nations returned to levels not seen since the 1930s, a development encouraged by governments determined to undermine the power of organised labour.¹⁵ Vital public services, such as health and education, were either cut back or handed over to corporate interests. Both

¹³ See David Harvey, *A Brief History of Neoliberalism* (Oxford University Press, 2005).

¹⁴ There is a good account of this in Richard Cockett, *Thinking the Unthinkable: Think Tanks and the Economic Counter-Revolution, 1931-83* (London: Harper Collins, 1995).

¹⁵ Harvey, (see note 13) ch. 2.

developing and developed economies have experienced mounting poverty and real cuts in the provision of health, education, social security and municipal services. Millions have become dependent on food banks, while the permissive fiscal regimes of the last four decades have encouraged the creation of a new plutocratic class composed of multi-billionaires. In the USA, for example, the collective wealth of the twelve richest individuals, who include Jeff Bezos, Warren Buffet, Mark Zuckerberg, Elon Musk and Bill Gates, amounts to \$1 trillion.¹⁶

As was intended, *laissez-faire* and deregulation weakened the ability of national governments to control the activities of international capital. This has led to erratic economic growth and periodic crises of capital (including the spectacular financial crash of 2008-9). Financial deregulation has spread across the developed industrial world, encouraging increasing concentration and super-profits within banking systems. There has been tax evasion on a grand scale¹⁷ and failure to make serious progress towards moderating the impact on the world of climate change, driven by reliance on fossil fuels.¹⁸ The upshot has been increasing suffering by people living in developing countries, not just from devastating extremes of weather but from environmental degradation at the hands of multinational corporations – a process visible very recently in Brazil's Amazon rainforest.¹⁹ With a few exceptions (China being the most notable) the political economy of the contemporary nation-state has become increasingly characterised (albeit to different degrees) by the cultivation of private affluence and public squalor.

The ideology behind the politico-economic shift since 1980 has been given the name of 'neoliberalism' by many commentators. Neoliberalism amounts in practice to the return of nineteenth century liberalism, where personal and political freedom and national and international peace and prosperity are deemed inseparable from the political economy of *laissez-faire* and the small, non-interventionist state. Admittedly, governments throughout much of the

¹⁶ See Alan MacLeod, "'A disturbing milestone": America's top 12 plutocrats now own \$1 Trillion in wealth', *MROnline*, 21 August 2020 <<https://shorturl.at/bL137>> or <<https://mronline.org/2020/08/21/a-disturbing-milestone-americas-top-12-plutocrats-now-own-1-trillion-in-wealth/>>.

¹⁷ The subject of tax evasion by big capital is well covered in Nicholas Shaxson's excellent *Treasure Islands: Tax Havens and the Men Who Stole the World* (London: Vintage, 2012).

¹⁸ See Naomi Klein, *This Changes Everything: Capitalism vs the Climate* (London: Penguin, 2015).

¹⁹ Jonathan Watts, Patrick Greenfield and Bibi van der Zee, 'The multinational companies that industrialised the Amazon rainforest', *The Guardian*, 2 June 2023, at <<https://shorturl.at/druIM>> or <<https://www.theguardian.com/global-development/2023/jun/02/the-multinational-companies-that-industrialised-the-amazon-rainforest>>.

developed world have on occasion resiled from the implementation of neoliberal policies, as shown by their willingness to take large parts of their national banking systems into public ownership following the 2008 crash. However, there has been wide acceptance of the *values* of neoliberalism, which has led to the marginalisation of Roosevelt's Four Freedoms, notably 'freedom from want' and 'freedom from fear' – the central freedoms of the post-1945 era of reconstruction, socialism and social democracy. Neoliberalism remains hegemonic throughout much of the West, notwithstanding its manifest failures. Attempts to develop alternative, pro-socialist or social-democratic political syntheses have struggled to make much headway. Apparently progressive presidencies in the USA, for example those of Clinton and Obama, supported by the same political forces as Roosevelt's New Deal coalition, ended up pursuing economic strategies geared to keeping the bond markets and the banks happy.²⁰ The Labour governments of 1997-2010 in Britain followed the Conservatives in privatising public services and enacting policies designed to win the support of corporate capital, designating this a 'Third Way' between capitalism and socialism.²¹ Social-democratic administrations have come and gone within the EU but their ability to commit significant public resources to poverty reduction, housing, transport and the environment, for example, has been constrained by the European Central Bank's 'fiscal rules'.²²

The material and popular roots of neoliberalism are located in the USA and its key allies in the advanced capitalist world, namely the EU, Japan and Australia. These nations make up the core of what is frequently known as 'the rules-based international order', which seeks to project free markets and political liberalism globally. The very diverse ideological complexion of the UN's membership makes it an inappropriate vehicle for this project. Leading members of the 'rules-based order' have therefore frequently acted outside the framework of the collective international institutions established at the end of World War Two. They have, instead, projected their values through unilateral

²⁰ See Bob Woodward, *The Agenda: Inside the Clinton White House* (New York: Simon and Schuster, 2005), pp. 73-74, notably Clinton's outburst to a group of economic advisers in 1993 that 'You mean to tell me that the success of the (economic) program and my reelection hinges on the Federal Reserve and a bunch of fucking bond traders?'; and Ken Silverstein, 'It's Deja Vu All Over Again: Wall Street and Bill Clinton', *Harper's Magazine*, March 24, 2009, at <<https://harpers.org/2009/03/its-deja-vu-all-over-again-wall-street-and-bill-clinton/>>.

²¹ Newton (see note 10) ch. 7.

²² Sebastian Mang and Dominic Caddick, 'New EU Fiscal Rules Jeopardise Investment Needed to Combat Climate Crisis. Limits will hit poor countries hardest', *New Economics Foundation* 31 August 2023 at <<https://shorturl.at/fkuvy>> or <<https://neweconomics.org/2023/08/new-eu-fiscal-rules-jeopardise-investment-needed-to-combat-climate-change>> and Yanis Varoufakis, *Adults in the Room: My Battle with Europe's Deep Establishment* (London: Bodley Head, 2017).

action (for example NATO's interventions in the Balkans during the 1990s and Afghanistan after 2001, the US and UK-led invasion of Iraq in 2003 and the interventions in Syria after 2011 and Libya in 2012)²³. These interventions have all been failures. They have contributed greatly to huge political instability throughout Central Asia and the Middle East. The resulting death toll runs into hundreds of thousands.

In economic affairs, the states committed to the 'rules-based order' have continued to operate through international institutions such as the IMF (and the EU), which they continue to dominate. This position of power and influence has allowed them to wrench both developing countries and nation-states in economic difficulties onto the path of liberal capitalist development, using the imposition of economic 'adjustment programmes' composed of drastic public spending cuts and sweeping privatisations. The first indications of this were visible in the fate of the 1980 Brandt Report. Chaired by the former West German Chancellor Willy Brandt, this was actually called *North-South: A Programme for Survival*. It represented an attempt to build a world economic order rooted in the Four Freedoms and based on the social-democratic principles which had guided post-1945 reconstruction throughout much of the world. Although greeted with a great fanfare, it was quickly marginalised by the Reagan administration which took over in Washington in January 1981, committed, along with the British Thatcher government, to the promotion of international development through free markets and small states.²⁴ The process has continued over a period of forty years, with perhaps the most notable recent example being the experience of Greece at the hands of the IMF, the European Central Bank and the EU.²⁵

Are there any signs of developments to challenge neoliberalism and the 'rules-based order' and reviving Roosevelt's Four Freedoms in the process? The power and wealth of China and its growing political and economic co-operation with states outside the western liberal system, notably the BRICs (Brazil, Russia, India and China), points to the possibility that in coming years the West

²³ This point is discussed in Richard Sakwa, *The Lost Peace: How the West Failed to Prevent a Second Cold War* (New Haven and London: Yale University Press, 2023). See for example, pp. 56-65 and 166.

²⁴ Scott Newton, *The Global Economy 1944-2000. The Limits of Ideology* (London: Arnold, 2004), pp. 116-18; Marcin Wojciech Solarz, 'North-South, Commemorating the First Brandt Report: searching for the contemporary spatial picture of the global rift', *Third World Quarterly*, vol. 33 (2012), p. 562 at <<https://shorturl.at/aPR04>> or <https://www.researchgate.net/publication/254353063_North-South_Commemorating_the_First_Brandt_Report_searching_for_the_contemporary_spatial_picture_of_the_global_rift>.

²⁵ See Varoufakis (see note 22).

may face a powerful bloc of countries committed to an alternative politico-economic ideology. This does, however, seem some way off given major divergences between the BRIC countries.²⁶ The ability of the working class movement to pose a threat is limited. Along with the socialist discourse, it has been in retreat since the 1980s. This was assisted by the dissolution of the USSR in 1991. Despite some very recent evidence of a returning militancy in the USA, the UK and within the EU ²⁷ – as yet no alternative politico-economic project has developed. There are, of course, the EU's Four Freedoms, but these are rooted in the nineteenth century liberal tradition which Roosevelt's formulation was designed to supersede. A century ago the limitations of that philosophy led to global wars, economic crisis, poverty, starvation and revolution. Now, its return has intensified the danger, making for a world characterised by growing political instability, exploitation, insecurity and the real prospect of catastrophic climate change.

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²⁶ Zoltan Zigedy, 'Brics: be careful what you wish for', *Morning Star*, 22 October 2023 at <<https://morningstaronline.co.uk/article/brics-be-careful-what-you-wish-for>> makes some good points about this.

²⁷ Possibly driven by working class self-confidence arising from its indispensability to the fight against Covid-19. See Scott Newton, 'Coronavirus and the end of neo-liberalism', 8 April 2020, in the *All that is Solid* blog of Phil Burton-Cartledge at <<https://shorturl.at/yANY5>> or <<https://averypublicsociologist.blogspot.com/2020/04/coronavirus-and-end-of-neoliberalism.html>>.