

A NEW SOCIAL CONTRACT -A Manifesto for a Free Society - *

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PROLOGUE

The world is in a rapid changing era. New principles have been adapted in the transformation from a modern society to a post-modern society and the new values are forcing societies to change and leave traditional values.

When the countries in the world are observed, it is easily and clearly seen that there are essential differences in societies regarding their socio-economical, socio-political and socio-cultural conditions. Some countries with their traditional economic structure still depend on agriculture, which is the general characteristics of a pre-modern society. Other countries have the features of an industrial society. Meanwhile developed countries by stepping beyond industrialization and modernization have prepared themselves for the post-modern world of the 2000 years.

Developments in information technology and cybernetic revolution enable countries to easily realize the developments and changes in other countries and increase their desire for reform and change.

While change and reform winds are blowing in the world some societies are still looking at new emerging values with doubt and some can not save themselves from the tyranny of the status quo.

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The societies of the world must decide and agree on the main principles of a new social contract. The societies in the world needs a new vision which puts forward the main principles and objectives of change and reform.

I. HUMAN NATURE, INDIVIDUAL RIGHTS AND LIBERTIES

1. Individuals are the most important and fundamental beings in the society. Collectivities such as , “society”, “public”, “state”, “nation” can never be accepted over individuals. Individuals can not be sacrificed for any collectivity. Individual is a “concrete” being, whereas society is an “abstract” reality.

2. Individualism is a philosophical doctrine which accepts human being as the central point and the rights and freedoms of human beings as the basic purpose. Individualism is one of the basic principles of the civic order.

3. Social order occurs as a result of human act and behavior. It is impossible to form a social order without learning and understanding human nature.

4. Good and evil are available together in human nature. In the individualism philosophy, as an aspect of human nature, human being is considered as a being who thinks of his own benefits and interests.

5. Human beings have inalienable “natural rights” by birth in social order. Natural rights such as ; the right to live, right of freedom, right of property and right of resistance to force were available even during the period when the state had not yet appeared as a political organization.

6. Natural rights are not the rights granted to citizens by the state. Instead, they are the most “natural” rights of individuals. The only reason why individuals have parted from the natural living period and passed into the control of the political society, sovereignty was to protect their natural rights.

7. Genuine liberty is “negative” freedom. Negative freedom means; citizens are free in doing and not doing whatever they want without any force, obstacle or intervention from outside (from the state or other citizens) as long as they do not restrict the freedom of others. In a good social order “freedom” is a “sine qua non” principle.

8. The concept of rights has both negative and positive meaning. Negative rights are the natural rights of individuals. Negative rights are not the rights granted to individuals by the state. The right of living and the right of resistance are examples of negative natural rights.

9. Positive rights are the rights provided to individuals by the state itself. When the social security right or education right is mentioned, it is understood that these rights are provided to individuals by the state. Positive rights assigns some duties and responsibilities to the state. Rights that are named as positive rights require the state to fulfill some actions and take concrete measures.

10. The enlargement of the scope of positive rights (economic and social rights), increases the duty and functions of the state.

11. The scope of economic and social rights had especially expanded in the 19th century and has firstly been included in the United Nations Human Rights Universal Declaration along with the constitution of many countries. Including the right of education, health, social security, working, entertainment and resting, good living, traveling and other similar rights in constitutions causes the state to take necessary measures in these fields and intervene in economy.

12. Achieving “ideal”s which are expressed as rights is of course the aim of humanity. However starting to see everything as “rights” leads to the danger of enlargement of the state.

13. Humans have been created free as a result of their nature. However they do not have infinite freedom in their acts and behaviors. Freedom must be used without violating the rights and freedom of others.

14. The reason of the existence of the state is to protect the natural rights and freedom of individuals. A small state which will undertake services such as security, justice is necessary for the protection/security of freedom. The existence of a state is an obligation for the protection of freedom.

15. The individual is obliged to act according to the rules and instructions of the state and laws which were formed based on the “social contract”. This does not mean that the freedom of individuals is taken away from them and they have become slaves. In a well organized social order the use of an individual as a slave

by another individual or by the state is not acceptable. Human beings were born free and should live free.

16. The social order which takes human rights and freedom under protection is called liberal social order. The history of humanity is the history of the fight for “rights and freedom”.

17. The things accepted as the basic human rights and freedom are the elements of liberal doctrine and philosophy. Basic human rights and freedom have naturally grown with the philosophy of liberal doctrine. As a result of the struggle given on rights and freedom, the Human Rights Declaration has appeared.

18. Free individuals living in a civil society can express their emotions and ideas freely without under any pressure or force. The idea or opinion of individuals can not be punished. Restricting the individuals’ right of speaking by expressing some excuses is not correct. As long as they do not use force or attempt at violence, individuals should be free in expressing their ideas.

19. Individuals are fully free in choosing their religion and carrying out the obligations of the religion. Nobody can impose their own religious beliefs to others by force. Neither the state, nor any foundation or individual force others to worship. The civil society is against theocracy and forcing religious morality. The civil society rejects a religious morality that defends the mysticism of faith and obedience. Everyone’s religious belief is between himself and God(s).

20. The press, publishers and other mass media means should carry out their activities independently. The civil society defends free press and publication. All media means should carry out their publication and broadcasting activities honestly, truthfully and with keeping in mind their responsibilities towards the society.

21. Political and economic freedoms are complementary. A civil society order can not be mentioned in a country where there are no political rights and freedom but contrarily where the political rights are limited, market economy can not be applied. However, this kind of a society can not be considered as free society. The exact reverse of this can also be possible. When political freedom is available, economic freedom can be limited or not available at all. Such a society can not also be considered as free society.

II. CONSTRAINTS ON POLITICAL POWER and CONSTITUTIONALISM

22. The state has political power as a result of its sovereignty. The power of state is not unlimited and can not be arbitrarily used. The political power state has is used to protect the life and property of its citizens, and ensure justice. The enlargement of political power may be dangerous for human rights and freedom.

23. Centralization of political power is very dangerous. Political power should be distributed amongst the legislative, executive and judicial bodies. This can be called the 'horizontal separation of powers'. In achieving the separation of horizontal powers the authorities of "law" (legislation) and "implementing policy"(execution) must be definitely separated from each other and both of them must be subject to supervision/inspection through "independent courts".

24. Decentralization is essential for good governance. The merge of power and authority at the center (centralization) will increase degeneration and result in political and economic problems. Decentralization in terms of administration and finance is necessary for good governance. The distribution of political power amongst the central and local administration in this way is called 'separation of vertical power'.

25. In a good governance, one of the factors that will restrict the political power is the existence of an election system and a voting mechanism. Democracy is a form of political system that protects the general and equal voting right. Citizens will have the right of choosing their rulers for a certain period due to the voting right granted to them. Rulers which abuse their political power may not be elected in the following elections.

26. Elections and votes are the inevitable terms of democracy. However, the existence of an election system and voting mechanism may not prevent misuse of political powers. Managers who are elected for a period of 4 – 5 years may abuse their political power in the period they have been elected.

27. In order to prevent abuse of the powers and authorities, there must be transparency in management. It is of great importance that the political process operates in full transparency instead of in secrecy and opacity. For achieving transparency in governance, the right of obtaining information must especially be covered by the constitution and statutory laws.

28. Transparency means the information and documents of all the state institutions should be opened to the public and not hidden them. However, there are some information and documents (for example ones that are related to the country's defense) that can and should not be disclosed to the public. It is important that government budget, should be clear and understandable. Citizens should know how and where their taxes are spent.

29. For a proper political order and governance, the rights, authorities, duties and functions of the state which holds its political power in hand must be limited. The separation of horizontal and vertical powers and the election and voting mechanism are factors developed in order to prevent the misuse of state's power. The basic vehicle that will limit the political power is the constitution.

30. The concept of constitution has actually occurred for the restriction of the absolute power of the kings and the protection of the rights and freedom of the citizens as a result of the struggle given against absolute monarchy in Europe.

31. According to the traditional constitutionalism, a constitution is considered as a document which; only specifies the political and state structure of a country, defines the duties and functions of the legislation, execution and judicial bodies, and includes provisions such as fundamental political rights and freedoms of citizens.

32. Modern constitutionalism is an approach that defends the restriction of the power and authorities of the state through the constitution and legal norms. The constitutionalism in history, is the history of the struggle against absolute political power and authority.

33. In a free society, the fundamental means that limit the power and authority of the state are the constitution and laws. The main function of the constitution and the laws suitable to its nature and spirit is not only to specify the roles and responsibilities of the state but also to outline the framework and restrict the power and authority of the state.

34. Restricting the state with rules of law is named as constitutionalism. Constitutionalism does not only mean restricting the state with constitutional provisions. Rights and freedom can not be protected with only a written

constitution. Political culture carries great importance in the establishment of the constitutionalism in the society.

35. Constitutionalism must be dependent on a contractarian perspective which entails the participation, dialogue and consensus of social classes. This perspective is defined as contractarian constitutionalism. In a free society, social consensus must be achieved on the main principles, rules and institutions and later these should gain a formal structure which can be called “*social contract*” (constitution). The social contract should be accepted by the majority (a majority close to unanimity) of the people.

36. For a good social order, a “constitutional state” is essential. A country which has a written constitution can only be called a state with a constitution. However, every state with a constitution is not a “constitutional state”. To be a constitutional state; the power and authority of the political powers must be restricted with the rules of law. With a more correct description to be a constitutional state, firstly the conditions of the political power is restricted through legal and institutional norms. A constitutional state must mainly bear the following basic factors: (1) separation of powers (2) taking under guarantee the fundamental rights and freedoms via the declaration of rights or the constitution (3) The rule of law (4) independent judicial system (5) the limited powers and authority of state with the constitution.

III. CONSTITUTIONAL DEMOCRACY

37. The etymological root of real democracy comes from the words; “demos” (people) and “kratos” (rule). In a real democracy, the true owner of ruling is the “individuals” and likely the “people” living within the limits of a state.

38. Democracy has always been an ideal of humanity for centuries, however it has not been able to go no further than becoming a “fantasy”. The real meaning of democracy has been twisted during the history of humanity and has come face to face with a meaning of erosion. The strictest autocratic regimes in history have also found the word democracy suitable to themselves. The Marxist democracy term is such an example.

39. Even the modern western democracies of the world are not fully suitable to the nature and spirit of real democracy. True democracy is undoubtedly a grace regime. Meanwhile, taking significant steps in democracy the modern western

countries are still far away from a virtue regime with their present condition today.

40. Today the “participation” and “representation” dependent on the general and equal vote system, is one of the basic characteristics of modern democracy. This is called “representative democracy”. Secondly, the “pluralism” principle is valid in modern democracies. Modern democracy mainly has the characteristic of pluralism. Pluralism means that the principle of majority in the election and voting mechanism is valid. Finally, another important feature of modern democracy is the principle of the superiority of the parliament. This last principle is called “parliamentary democracy”.

41. Today the representative democracy implemented in modern western democracies or semi-direct democracy is not genuine democracy. The legitimate source of power in a real democracy is the people. In today’s representative democracies the right of ruling and authority has been transferred to the representatives elected by the people. Therefore, the political power elected for office in representative democracies often mention that they represent the “general will

42. Accepting the political power, which came to office by election, as the foundation representing the will of the nation in representative democracies is a big mistake and fault. Firstly, since modern representative democracies have the features of pluralism, instead of the nation’s or people’s will, the will of the majority is valid in democracy. Accepting the majority as the will of the people and considering the use of its power and authority by the political power as is not correct. However, only the government unanimously elected or with a close majority to consent (qualified majority) can say that they represent the will of the nation. A political party which has been elected with a simple majority or parties which have composed a coalition by merging their votes can never be considered as the representatives of the people.

43. Majoritarian democracy is very far away from being real democracy due to factors named such as political irrelevance, political ignorance and political amnesia. Everybody in the society may not show interest to the political decisions. Apart from this individual ignorance and absenteeism can also keep the citizens away from political participation.

44. Another reason of the disadvantage of majoritarian democracy is lack of political knowledge. Reasons such as the low level of education and political culture, citizens may not make correct choices and decisions. Political parties may easily affect the choice of voters benefiting from their ignorance by political manipulation (lies, excessive promises, propaganda, etc..). Also, due to another factor called political amnesia, voters that were fooled in the previous election may be fooled again through political manipulations.

45. Modern democracy can actually be called plutocracy. Today the plutocracy concept, which has been composed by combining the old Greek words plutos (the rich) and kratos (rule/power), can be expressed as the sovereignty of the interest groups.

46. Today, the concepts such as; “holy/sacred parliament” or “noble assembly” are only caused by the weakness and deformity of the majoritarian representative democracy. The superiority, chivalry or sacredness of the parliament can be mentioned if the genuine rules and institutions of democracy are available and operate. An institution can only be elevated with its content. The chivalry or sacredness of a parliament can not be mentioned if it is formed with wrong decisions, choices and interest lobbies. Unfortunately, the supreme parliament concept is so rooted in today’s form of the parliamentary democracies that it has started to support the idea that proposals of the limitation of parliament authority will become antidemocratic.

47. Power and authority of state is limited in a “liberal order”. However totalitarianism is an unlimited state where power is used arbitrarily and without restraints.

48. In totalitarian regimes all of the means of production are owned by the state and there is no private ownership or it is very restricted. In totalitarian regimes the amount, to whom and how production will be carried out is decided on with a central planning in economy. In totalitarianism, there are no economic and political freedoms or they are very limited.

49. Even though in practice the totalitarian regime is called Marxist or socialist democracies, totalitarian regime is not the rule of the people but the rule of bureaucracy. Consequently, totalitarianism has nothing to do with democracy. With the collapse of the Soviet Union, it was more clearly understood how anti-democratic and non-libertarian the totalitarianism regime is.

50. Democracy is not enough for the protection of human rights and freedom. The economic rights and freedom of people can be protected only in a liberal order. In the liberal economic order there is space for free enterprises and freedom of choice for the consumer. Freedom in economy is the milestone of the liberal economic order.

51. No doubt that, without democracy liberal economic order can not survive. Free-thinking, freedom of faith and conscience can only be mentioned in a democratic regime.

52. A democratic and liberal society can only be formed through a liberal democracy or constitutional democracy. Liberal democracy is an order in which the power and authorities of state is limited and the rights and freedom of the individual is taken under security.

53. In modern democracies, there is unlimited political power. The main source of the unlimited democracy concept depends on the idea of “public sovereignty” which originated from Jean Jacques Rousseau . This idea accepts the power and choice of the majority as the power and choice of the people.

54. True democracy defends public sovereignty rather than the sovereignty of the majority. In true democracies, the idea that the authorities of the government which holds the votes of the majority should not be unlimited is supported.

55. In modern democracies elected officials have unlimited power and authorities. For real democracy, the power and authority of the ones ruling the state in the name of the people must surely be limited to the rules of law. A state administration which has been limited and depends on rules of law is demarchy. Demarchy is a better political system than democracy.

56. Consensual democracy (direct democracy) is just a utopia for today. However, unconsensual democracies can never be an excellent political system. Today, a representative democracy dependent on the majority sovereignty exists as “reality”. The majoritarian representative democracy is not “ideal” but it is “the best of the worst” regime. The majoritarian representative democracy implemented today is a political system which has to be accepted because there is not a better alternative for it. In order for preventing the democracy in becoming

an oligarchic regime depending on despotism the important thing is to be able to implement a system close to participation-accordance-unanimity.

57. Democracy is against all authoritarian regimes. Starting from the old ages till today the administration and sovereignty of one person (monarchy, despotism, tyranny, kingdom, empire, dictatorship, etc..) or a group or the administration and sovereignty of a class (oligarchy, theocracy, aristocracy, plutocracy, etc...) has been seen. In democratic regimes where it is claimed that the sovereignty of the people is being used through the representatives (representative democracy, semi direct democracy) the majority is sovereign and dominant and the rights of the minority have been exploited.

58. From the old ancient ages till today “power” was always in the hands of the “powerful”. In history the sovereignty of kings, sultans, empires and dictators was seen. However, for real democracy it is important that an administration which actually represents the people comes to power.

59. According to real democracy in principle instead of “representative proxy” , “ordering proxy” is valid. This means: the real owners of sovereignty that is the people give their representatives a proxy for them to manage themselves. This is not an empty/non functional proxy. More clearly, in the proxy given to the representatives through the elections by the people it is requested that they use their power and authority within the framework outlined in the constitution. In case the administrators violate the constitution they may be dismissed as a requirement of the ordering proxy.

60. In order for the free market economy to fully operate, the duty and functions of the power and authority should be identified by taking into consideration the factors of time and place and the socio-economic conditions of a country.

IV. LIBERAL ECONOMIC ORDER

61. The liberal economic order is the free market economy. A genuine liberal economic order is parallel to the competitive market economy. Competition is one of the most significant and main elements of the market economy.

62. The fundamental principles of the liberal economic order are; competition, private property, and liberties that includes the political and economic freedom of the individuals. Liberal economic order supports the economic (their right to

enterprise and freedom of choice) and political (freedom of speech, religious and conscience, right and freedom to elect and to be elected) freedom of the individuals.

63. In the liberal economic order, private ownership where competition is possible is supported in order that the business operates in the framework of the effectiveness, efficiency and profitability principles. When compared to the state ownership, private ownership order generally has the advantages with respect to the criteria of effectiveness, efficiency and profitability. The individual is more zealous to protect and to develop the property which he owns considering his/her nature. A business where the issue is the state ownership can also be successful. However, the managers of the state property and its workers are not the owners of the property so they might not be putting as much effort as the private property owners, managers and workers.

64. In the free market economy, the structure of the competition is also very important. The market, which has competition, is undoubtedly superior to the monopolies, oligopolies and other imperfect competition markets. In the free market economy where competition exists, effectiveness, efficiency and profitability is again higher than the state ownership order.

65. The liberal economic order supports that the international economic transactions operate in full freedom. In the liberal economic order, it is argued that the countries will benefit from the mutual free trade. While freedom of trade is fundamental for the international trade, it might be necessary to protect the newly developing industries and other sectors for a period of time. Yet, protectionism should never be supported instead of the free trade policy as an economic policy. Protectionism is nothing but a narrow-minded commercial mentality.

66. Market economy is a self established order which comes into existence as a result of an exchange where mutual profits matter. In market economy, the economic effectiveness is sustained by price mechanism rather than centralized planning.

67. In the liberal market economy, the main motivation for the individuals to work, to produce and to consume is private interest or private benefit. The major motivation for the sellers to produce is "profit", and for the consumer, it is "utility". For a producer, the main purpose might not be the production of the most beneficial goods or services for the public. For the producer, the most

important thing is to produce and to sell the goods and the services which provide the highest profit. In the liberal economic order, the economic individual (*homo economicus*), who pursues his personal benefits, is the impulsive force and dynamism for the market economy.

68. The fact that the individual is a *homo economicus* does not mean that he cannot be useful for the society. On the contrary, while the individual is pursuing his personal interests, an “invisible hand” provides benefits for the society.

69. It is not correct to consider the liberal market economy as an economic system based on the principles of “pragmatism”, “selfishness” or “egoism”. The individual, in accordance with his nature, is a creature who refrains from inconveniences and costs as much as possible and who focuses on his own benefit and interest.

70. The liberal market economy is based on a utilitarian philosophy. The individual, in accordance with this nature, demands and does what is beneficial for him; on the other hand, he refrains from doing the things which does not provide any direct or indirect benefits but put burden and costs on him. The fact that the individual is inclined to go for his interests and benefits does not mean that he is evil.

71. Liberal economic order is totally against altruism which supports the individual’s sacrifice for the others. In altruism, collective entities such as society, congregation, country, nation, state or homeland are always ahead of the individual. In altruism, what is sacred is not the individual but the collective entities. The individual can sacrifice himself and his property for those collective entities. The civil society is completely against the trends such as fascism, excessive nationalism which support the individual’s sacrifice for the altruistic values. The individual cannot be sacrificed for the society and the nation by a forcing power. The individual should make his own decision about the sacrifice by using his free will.

72. State is in a place where she can make out the rules of the play in liberal market economy, without interfering with the game but can make restricted interventions when necessary. In the liberal market economy, one of the major tasks of state is to establish competition law. The activities which ignore the rules of the game, which causes unfair and destructive competition and which harms the moral values of the individual and the society are punished by the state.

73. Liberal social order, principally relies on equity or fairness of the market activities. This is called “negative justice”. The “positive justice” (distributive justice) means the personal efforts of the state to correct the inequality and injustice in society. Liberal economic order supports a market justice which entails a limited state intervention. In the liberal economic order it is stated that the social justice policies which entail excessive and functional state interventions can increase the injustice in the society. In order that the policies regarding the redistribution of income are fair, it is crucial that they are limited and are implemented in transparency.

V. LIMITED GOVERNMENT

74. An unlimited state is the major violator of human rights and liberties. In the civic order, power of a state is well defined and put into a framework. The best state is the one which is restricted and bound with rules and institutions.

75. An unlimited state continuously expands and widens. Enlargement of the state means the continuous increasing inclination of public and the enlargement of the direct and indirect state interventions on economy. The political and economic corruptions caused by the enlargement of the state destruct the operation of the civic order. With the enlargement of the state, political corruption such as bribery, embezzlement, favoritism, fraudulency, partisanship, rent seeking etc. becomes widespread.

76. An unlimited state causes economic corruption and problems as well as the political ones. As a result of the continuous increase in the public expenditures, tax burden increase gradually too. Consequently, economic problems such as inflation and budget deficit are aroused and the macro-economic balance and economics stability completely destroyed.

77. In a social order where authority of state are not restricted, it is not possible to talk about the individual rights and liberties. The civil society aims at the formation and institutionalization of a social order where authority of state are restricted and individual rights and liberties are protected.

78. The limited state approach supports the limitation of the tasks and the functions of the public economy within the national economy as much as possible, and the enlargement of the market economy activities. The tasks and functions

which limited state at least should do are composed of security, justice and jurisdiction services. But, it is not realistic to limit the tasks and the functions of the state in this way with this minimal state functions. The tasks and the functions of the limited state are changed according to the time, place and the socio-economic conditions of the country.

79. An effective state is the state mentality in which the state takes over some tasks and responsibilities in the areas where the market economy is inefficient or unsuccessful. Services for the education, health, prevention of environmental pollution, aid for the homeless, elderly and mentally retarded people are among the tasks and functions of an effective state.

80. Contrary to the expectations, the excessive interventions of the state into the market economy and its regulations and precautions to maintain the social justice causes serious economic, political and social problems in the operating of the market economy. As a result of the excessive state intervention, economic balance and the economic stability are broken. State's utilization of the economic policies as an excessive intervention means with the aim of sustaining economic development and enlargement and its enlargement of the scope of this intervention aggravate the economic problems.

81. The welfare state entails the comprehensive state interventions for the optimization of the social welfare. The major aims of the social welfare state are the enhancement of the individual's economic and social rights with the help of the precautions and interventions performed by the state for the purpose of increasing the living and welfare standards of the society in the country and removal of the problems caused by the operation of the market economy. Social welfare state supports that the imbalances in the distribution of income and wealth can be corrected by the policies of the redistribution of income.

82. The social welfare state supports that the economic and social rights (right to work, social security right, collective bargaining right, right to establish unions, right to entertain and rest etc) should be provided by the state directly. In this respect, the social welfare state provides social and economic rights.

83. In order to form a good state model, it is necessary to take the social cost put by the social welfare state on the society into consideration. The first problem caused by the social welfare state is about finance. In the social welfare model, there is an increase in the state intervention and in public expenditures and as a

result, the tax burden increases, too. The heavy tax burden has a negative impact on the total savings, investments and work effort. As a result, of all these the economic enlargement slows down, and there appears a productivity crisis. The impact of the heavy tax on the total investments makes the problem of unemployment worse. Because of the increasing public expenditures, the budget deficits increase gradually. It would become necessary to apply to then non-tax resources (public debt and money creation) in the finance of the public expenditures.

84. Social welfare state results in the exploitation of the social and economic rights gradually. The number of economic and social rights has a tendency of increasing. The fact that everything is put into agenda as a “right” increase the state’s tasks and responsibilities towards the citizen. In the welfare state understanding, the mentality is institutionalized in the way that everything is expected from the state. It is possible that the political government expand the scope of the economic and social rights in order to gain more votes during the political competition.

85. The social welfare state increases efforts in the society. The efforts to gain a transfer from the state and the expenditures for this purpose increase in the individual level, and by means of the interest and pressure groups. The social welfare expenditures make extravagance widespread. The state becomes prodigal and the one show do not need social welfare expenses start to make use of them.

86. The regulation, direction and the maintenance of the market economy by the government through the comprehensive interventions and precautions is called dirigisme. In principle, the state should neither be commanding as in the centralized, socialist economies, nor be excessive directing and regulating as entailed in the models such as state socialism. Dirigisme refers to the latter state model. The limited state model which is a good one supports the interventions in the economy when necessary and if limited.

87. Paternalism on the other hand is not an ideal government philosophy. In fact, the state should be a limited state which is responsible for the protection and supervision of the citizens’ lives and properties. However, apart from these, it might be necessary for the state to take over the services which have paternalistic character in the society and/or to support the private institutions and foundations which do not pursue any profit in these areas, and to regulate their activities. It might be possible that the state takes over the services such as society for the

protection of children, mental institutions, home for the elderly people; and also the prevention for the children from drugs, smoking alcohol or sexual perversion and that the state audits such activities in the market. However, apart from such limited activities, paternalistic expenditures should be restrained.

88. The major task of the state is to sustain the protection of the citizen's lives and properties. But, the state should never be considered as the sole trustworthy protector and the guardian of all. In the civil society, the individual is accepted to the most trustworthy protector of his own rights and freedoms. Nobody can protect the other's benefits before his own. Even the state protects and guards her own benefits before the benefits of the people. In fact, the state is formed by the implicit union of a group of administrators who value their own interests as much as the ones who are governed.

89. The unlimited state and the unlimited democracy causes the dominion of the interest and pressure groups. The interest and pressure groups compete for gaining the relief and money from the state through the parliament and government which have unlimited authorities. These plundering and theft are very common in modern democracies.

90. In the liberal economic order, which is supported by the civil society, the fundamental source for the wealth and welfare is production. In its essence, market economy is a productive economy.

91. The state is the main origin and the reason for the rent economy. In the rent economy, there is the case of making money through some speculative transactions without working or producing. Rent economy is a transfer economy. In the rent economy, the existent income is transferred from one side to the other without an increase in the total market production.

92. "Laissez faire-laissez passer" in fact, is the slogan of physiocrats pronounced against the narrow and closed commercial mentality of mercantilism. This thought expresses the wish for the removal of the limitations and restrictions put on trade by the state and the unions in the mercantilist period. This slogan, pronounced under the conditions of the day, has unfortunately been deformed later on and it was identified with the liberal doctrine. In the liberal economic order, the main thing is that the economic units are responsible for the economic decisions and activities by themselves. Again, in the liberal economic order the main thing is the

“natural” course of the market economy. State should be in a position to interfere minimally when necessary.

93. Anarchism is not against the state but is against all organized institutions. The civil society rejects anarchism totally.

94. The civil society rejects the “society without a state”, “minimal state” and “ultra-minimal state” projects of anarcho-capitalists and libertarianists. The civil society accepts that the state will always and everywhere have positive and legal tasks. The free market economy which defines the economic model of the civil society sees the state theory and philosophy of anarcho-capitalism as utopia.

95. In a liberal society order the ideas and slogans such as ; “The state is not a required evil, it is an unnecessary evil. “The state is a compulsory harm”, “the state is an inevitable evil” are rejected. Liberal society defends the fact that a minimal state is an obligation whereas the limited and responsible state has legal and acceptable tasks.

VI. RESTRAINING ECONOMIC POWER OF THE STATE

96. A state has economic power and authorities. These are; the right to spend, tax, budget, get into debt, issue money. If power and authorities of the state are not limited, it may be misused by the political powers authorities.

97. The production of private goods and service by the state is not correct. The state should actually supply only the goods and services that can not be produced by the market economy. The unlimited authority of the state to make expenses will lead to the increase in economic problems. Public expenditures should be made on only the services the private sector can not provide and the increase of public expenditures must be restricted with constitutional and/or statutory norms.

98. In public finance, the balanced budget principle which entails the equality of public revenues and expenses is necessary for fiscal responsibility.

99. As individuals spend their money according to their incomes, likely the state should make expenses according to their revenues. Spending without taxation will ruin the balances in public finance. Therefore, balanced budget should be the main principle and the conditions in which this principle may be avoided shall be specified beforehand.

100. The “*spending without taxation*” trend of the governments within the political process causes increase in economic problems. The main reason for spending without taxation is because citizens accept taxes as a burden or load. While political authorities increase public expenses they try to finance these through resources other than taxes in order to maximize votes.

101. Unlimited taxation is nothing but “legal robbery”. In liberal economic order, taxes should be neutral and should not influence the decisions and activities of the economic units much. The tax rates should not be very high and consequently the tax burden should not be heavy. Heavy taxes will cause destructive results for the market economy.

102. When the state spends without taxation, there are two main financial resources it uses. One is borrowing , the other is issuing paper money. The right and authorities of the state to borrow debt and issue money should be definitely specified and limited with constitutional and/or statutory norms.

VII. AUTHORITARIAN AND TOTALITARIAN SOCIAL ORDERS

109. All authoritarian and totalitarian regimes (socialism, communism, fascism, national socialism, despotism, etc..) are anti-liberal and anti-democratic social orders.

103. In authoritarian and dictatorial regimes, one is ordered to obey and respect the state and its representative “chief”, “military junta” ,”dictator”. The aim of fascism, one of the authoritarian regimes, is the interest of state not the individuals. In fascism, the integrity of the people and their gathering around the authority is supported. Fascism is a dictatorship regime in which the state is considered sacred and the individuals are the slaves of the state. Liberal society adopts a social order which supports freedom rather than authority and discipline and legal equality rather than hierarchy.

104. A liberal society is against any trend dependent on Marxist and socialist roots. A free society considers Marxist and socialist as an anti-liberal and anti-democratic doctrine. The economic and political rights and freedom of individuals are either not available or very little in Marxist and socialist systems. Economic freedoms such as freedom of property, freedom of inheritance, freedom of exchange are not available in Marxism and socialism.

105. A free society is against socialism, which rejects private property and entails everybody to work for the state and then divide the production amongst them. The saying, “the state’s property is the people’s property”, is not correct. Some of the goods and properties of the state could be shared. Dams, bridges, roads, streets and similar infrastructure facilities may be supplied for consumption under public property. In a liberal economic order apart from this kind of state property the fundamental one is private property.

106. Free society supports the following ideas; the success of trends such as corporatism and syndicalism/unionism which support “corporative property” and confederation property” systems are low and none of these can be considered as the alternative for private property systems. Syndicalism is the name of the trend which supports the idea that all economic activities should be carried out by unions in an economy. Also the merge of the trade unions that are dependent on the common property of workers to form confederations is supported in this system. A similar system to this one named “self-management model” is the guild system which is supported by some socialists.

107. Corporatism is a slight different from syndicalism. Corporatism is a property system which entails cooperation, solidarity and sharing between the employer and employees. In a co-operative economic order economic activities are carried out by co-operatives instead of unions. Co-operatives are a foundation which is structured as professional organizations. The outcome obtained from the production of co-operatives is shared between the workers and managers.

108. In the market economy, which is the economic order model of free society, private property and private enterprises are fundamentals.

109. Free society is not only against scientific socialism but also utopic and state socialism. Free society rejects state socialism. Free society considers excessive etatism as the extension of socialism. Liberal society order does not accept the ideas such as the glorification of the state and social prosperity can be reached only through the state.

110. Free Society is against revolutionary socialism which is dependent on Marxism, as much as it is against the trend called democratic socialism.

111. Revolutionary socialism depends on the class struggle thesis and in order to reach its' aim it supports the concepts of reform and proletariat dictatorship.

112. Democratic socialism believes that the economic life will take the shape of socialism not by violence and revolution instead by evolutionary means (through parliament, by an election mechanism convincing the people using peaceful methods). In time, democratic socialism has changed into a trend called social democracy.

113. Social democracy is a concept, which was born dependent on Marxism and socialism but in time changed into an interventionist social state understanding in which active and functional intervention is entailed in economy.

114. Social democracy is not an economic and political doctrine actually, it is the action of the parties established with the name "social democrat" in Western Europe. Social democrat parties which used to defend socialist and excessive etatism in the beginning now have changed into parties that support the market economy and implement liberal politics.

115. Free society is against racialism. Ultimate and aggressive Chauvinism will cause fascism. The German national socialism (Nazism) is a typical example for ultimate and aggressive chauvinism.

116. In the liberal social order, individuals are accepted as equal and free at birth. The liberal society rejects racial, religious, lingual, ethnical discrimination. No race is superior to the other. The fact that people from the same race who also have the same religion, language, history and culture want to live together is natural. However, the others should not be despised or looked down on. Even if the race, religion, language of people living in a country is different from each other they should not be disturbed or annoyed in any way. A liberal society is totally against xenophobia, racism and fanatical religious groups. Undoubtedly individuals like their own country and people. However, patriotism dose not mean that one must become a fanatical nationalist. A liberal society order supports the principle of internationalism that is solidarity, tolerance, peace and cooperation between nations.

117. Free civil society, rejects self-sufficiency (autarchy). Free society does not accept closed economy dependent on mercantile mentality. In the global world, cooperation between countries in economy, politics and culture and free trade is

important. Open market economy in international economy is significant for the development of prosperity.

118. Free society rejects political chauvinism. Supporting a state which depends on people is of course the free decision and choice of individuals and the people. However, political chauvinism is always dangerous since it may cause authoritarianism, fascism and racism. In the political chauvinism trend the state and people are considered sacred while the individual has minor importance.

VIII. CONSERVATISM, CHANGE AND REFORM

119. Conservatism supports the idea of the protection of “*status quo*.” Conservatives doubt radical reform and change. The main concept of the free society is against classical conservative and is closer to reform. The civil society order does not deny, but instead gives honor to the importance of the rules and institutions and experience gained from evolution. Experience, traditions and customs are undoubtedly very important however evaluation should be done by mostly taking innovations into consideration.

120. The present institutional structure that is, the need of a reformist approach proposing the change of “*status quo*” without ruining it completely is required. Although free society believes in the importance and necessity of “reform”, the fact that reforms can cause deformation in social structures and institutions should not be avoided. Reform is necessary and inevitable.

121. Demands on “change”, “reform” and a democratic “revolution” depending on peace should occur automatically and should be accepted by the people. Reform and plans for change can not be carried out without taking political and social culture into consideration. Changing the society and reform is a serious task which should not be left to intellectual groups or elite. Change and reform should be implemented according to the demands of the people.

122. A genuine “reform” is necessary in the political decision process. There is also an urgent need for a project to restructure politics and public management. A real reform project depending on the basic principles of liberal democracy must carry a political evolution characteristic. This reform should take into consideration the social-economic conditions of the country and should be carried out without destroying the traditional values.

123. In general the ones against change and reform are groups that are satisfied with their position and conditions. Though bureaucracy supports change and reform it is still in a structure which hinders it. Minimizing the state and bureaucracy will of course not be approved by government managers and bureaucrats.

124. In the free society, contractarianism and the concept of rationalism lying behind it are not only supported but also the fact that the human mind and knowledge is limited is not avoided. Human knowledge is actually limited. Therefore, the social structure and institutions can not be perfectly organized and planned with human knowledge. For example, all economic activities can not be organized by individuals through central planning. A significant portion of the economic activities has not been consciously and intentionally formed although they have occurred as a result of human action and behavior. Instead a part of the economic activities have been formed spontaneously. For instance, the market is a spontaneous order. In short, humans can not perfectly organize economic activities through a central planning office. The market is a spontaneous order which naturally operates. However, the people can solve the market problems and insufficiencies with the help of their mind and knowledge. Since human mind and knowledge is limited this has increased the importance of conformity and contract in the free society. All humans are behind the veil of ignorance therefore the changes and reforms must be made through a widespread concurrence.

125. The free society is against pragmatism. Pragmatism does not give importance to philosophical, theoretical and empirical studies. Pragmatism is a practical implementation approach. Pragmatism is the application of an idea or a trend in fashion (popular trend) independent from intellectual and philosophical basis, scientific knowledge and empirical studies. Civil society gives importance to knowledge and especially scientific knowledge.

126. Free society is against dogmatism. In the restructure of social structure “taboo”s should not be seen as immune maelstrom and should be able to be criticized. In free society there should not be any principles that are more significant than any rejection or doubt. Individuals may express their free thoughts on taboos and dogmas and request these taboos to be removed. Things that are accepted as taboos and sacred chain freedom.

IX. ETHICS AS A SOCIAL CAPITAL

127. Ethics is a complete system of culture including customs, habits, norms and rules valid (or expected to be valid) for certain persons, groups or societies at certain times and at certain places in social life.

128. Code of ethics is culture effective for a certain person, group or society. Code of ethics do not have general effectiveness. In other words concepts such as good and bad, right and wrong may change from person to person, group to group and from society to society. In short, code of ethics are subjective and visible.

129. Code of ethics is culture effective in a certain area/region. As there are no rules that are generally valid for everyone also there are also no rules that are valid everywhere.

130. Code of ethics is the culture valid for a certain time. A moral rule valid today may lose its importance in time and actually become ineffective.

131. Code of ethics is the system of culture which shows us how we must behave in our inter-human relations (or how we must not act) and “naturally occurs on its own” (spontaneous) and are “ready” aspects. Code of ethics occurs on their own.

132. Ethics, specifies the rules that are expected to be followed and the responsibilities to be carried out. Therefore, we must firstly discuss individual ethics as one kind of morality. In individual ethics the rules expected to be followed by social members (individuals) are important. These rules, customs and traditions form social ethics.

133. Ethics does not only specify “these rules” but it also shows the responsibilities that must be carried out (or are expected to be carried out). In this regard, the family and the whole society has a responsibility. Actually responsibility is work ethics.

134. Free society is totally against cynic understanding of ethics such as “a snake that does not touch or bother me may live one thousand years”, “do not shadow that is all I want from you”. The free society is also against hedonism. An individual only aim should not be to satisfy his pleasures or to reach the highest level of delight. Individuals should be sensitive towards social problems that do not directly involve him or that they do not directly benefit from.

135. Government ethics are the code of ethics that the politicians and bureaucrats must act according to in their decisions and actions. Undoubtedly, there are moral norms and measures for voters/electors and interest groups.

136. Government ethics should depend on the rule of law. In a good social order both the state and the people should believe in the rule of law and respect it. In free society rules and institutions have great importance.

137. In a good social order, the prior determination of the rules of the game depending on social conciliation is important for the improvement of politics. When the rules are determined beforehand this prevents/hinders the misuse of the power and authority of politicians. Today, in many societies politics has unfortunately lost its esteem. The politician image of the people is identified as human types such as “fiddlers” “intriguers” and “liars”. The mentality of “not keeping away chicken from a place where a goose will come from” “give your vote, get what you want” is becoming widespread day by day. The corruption observed in the political decision making process, has made ordinary citizens uninterested, indifferent and confused about politics. Politics is actually an esteemed institution. The free society supports the idea that politics will gain esteem by outlining and limiting the power and authority of the politicians.

138. The rights and wrongs in the production of goods and services and consumption processes in the business world compose the subject matter of business ethics. The duties and responsibilities expected from the firms during the production process and the rules expected to be followed by the firm identify the ethics of producers. The duties and responsibilities expected from consumers and the rules expected to be followed by them is called the ethics of consumers. Business ethics also includes the rules that must be followed by the owner of the firm, the manager and the employees. In this regard, we are faced with three new concepts: Ethics of employers, workers and managers. The employers and producers have responsibilities towards consumers, workers, the environment and the state. Similarly, the workers have responsibilities that they must carry out and rules they must follow in the facilities. In the free market economy, which expresses the civil society economic model, the basic principles of business ethics must be formed.

139. Ethics of the media requires all the means of media such as news, advertisement, commercial and sales promotion to have responsibilities towards the consumer and society in honesty and based on truth. News publication in the

ethics of the media should depend on rights that are guaranteed with proper evidences. Comments are subjective but they should be within the measures of honesty and ethics.

140. While rapidly advancing to the age of information and information society, the importance of the media is increasing more every day. However, corruption and degeneration makes the development of ethics of media inevitable. In modern democracies, the power of the media which is considered as the fourth power and its effect on social life are increasing inconceivably rapid. Therefore, the composition of the rules regarding media ethics is of great significance.

141. Training, education and scientific research should have moral standards and norms. The rules expected to be followed by scientists working in universities and research institutions in scientific researches form the base of scientific research ethics. Training and education activities should also be carried out according to certain moral norms. In the basis of a good social order there is science, research, training and education.

EPILOGUE

A new social contract based on universal values, rules and institutions is necessary for building a more peaceful and prosperous civic society in all nations. Limited democracy (demarchy), rule of law, individual liberty, mutual respect, tolerance for those different faith and beliefs, social justice and equality, honesty, truth and human dignity, a world at peace, protecting the environment, responsibility, a society with a strong social capital and all others are very important universal values, rules and institutions gained throughout the history of mankind.

Universal values, rules and institutions are not there to serve philosophers or theologians, but we need them to live in a more peaceful and prosperous world.

Universal values, rules and institutions are more acutely needed, in this age of globalization, than ever before.