

Report on the Progress Foundation Symposium on «Envy and economics» in Schwarzenberg

1. Content

We discussed Helmut Schoeck, «Envy», Gonzalo Fernández de la Mora, «The equalizing envy», John Rawls, «Theorie of justice»; Fred Hirsch, «The social limits to Growth», Friedrich August von Hayek, «The injustice of progressive taxation»

The discussions were most lively, but as expected there were no definite answers to any questions. Quite often we agreed to disagree. There was however a strong tendency to maintain that redistribution increases envy and jealousy instead of reducing it. One of the arguments was, that the more basic needs are satisfied, the more positional goods get important. Positional goods however can – almost by definition – not be increased.

Another argument developed was, that in Europe envy leads to more redistribution, whereas as well in the United States as in Asia envy leads to the will to succeed – in business and in society.

We had a long discussion on the concept of justice. Is the same absolute tax for everybody (e. g. 5000 \$) just, is a flat tax (25% of income for everybody) just or is a progressive taxation just? Obviously there are cases, where almost everybody accepts the first concept of justice, for example in military service, where in many countries every male has to serve the same time. Most of the participants however hesitated between the second and the third concept of a just taxation, with a strong tendency for the idea of a flat tax.

2. Organization

The symposium was a much bigger success than expected. All the participants complemented us on the choice of the subject of discussion as well as on the organization and the whole atmosphere of the symposium. The fact that Vaclav Klaus wrote a letter three days ahead of the symposium to tell us that he would not participate was by hind-sight most welcome. All the participants – many important professors from various fields – felt more or less on the same level. This helped to have a harmonious and still very engaged discussion. To invite a «Star» like Vaclav Klaus is therefore probably not a good idea for further symposiums.

A few hints for further symposiums:

– *Language:* German might be an advantage, especially for more philosophical subjects. On purely technical economics English might be fine. Besides this, Liberty Fund organizes conferences in Europe always in English. We therefore might try to differ a little bit.

- *Time:* A symposium like this has to be organized about one year to ten months ahead. We were too late to invite in May for October.

- *Participation:* 15 participants plus one or two Progress Foundation representatives is a fine number. In order to have not more than 15 and not less than 13 participants invitations have to be sent out in waves. Sometimes you even will have to invite a participant who is at the same time a close friend one or two weeks ahead.

- *Texts:* The reading should not surpass 250 pages. An exception can be made for belletristic texts.

- *Setting:* A nice and cosy atmosphere is most important. The leisure part of the whole symposium - which is actually not really leisure, since the discussion is normally continuing - is as important as the formal sessions. Smaller hotels are better than large hotels. The hotels should definitely be outside big cities, so that people don't have any other distractions. Good food and good drinking is important.

3. Finance

We tried to get along with 30 000 Swiss Francs for the whole symposium and finally needed only slightly more than this budgeted amount. Liberty Fund has for absolutely the same formula a budget of about 60 000 SFr. In the future we certainly won't get along with 30 000 or 35 000 SFr. The reasons for this:

a) Robert Nef and me didn't charge anything for the organizational work and the leading of the discussions. Liberty Fund calculates about 10 000 SFr. for the preparatory work, the selection of the texts and the whole organization during the three days. Also the secretarial work was done free of charge by my secretary or by Robert Nef's secretary.

b) We didn't charge photocopies, letters, postage a. s. o.

c) The Hotel chosen in Austria was extremely good value for money. In Switzerland we would have to calculate 15-25% more.

d) We invited only one participant from overseas and payed only part of the air-ticket.

e) Some saving can be done on the milage. There we where a little bit to generous.

4. Marketing

Given the lack of secretarial infrastructure for the educational part of our work we used letterheads from Liberales Institut or NZZ. It certainly would be good to have a booklet to hand out - and e. g. a book with some of the economic conference speeches.

5. Future

Together with about five Liberty Fund conferences this was my sixth participation in a symposium of this type. Not because I organized it – this made it on the contrary a little bit more difficult – this was the best symposium out of the six. I explained to all participants, that this was a prototype which we would like to develop further – if successful. The success certainly was given. Two or three of the participants wrote to me afterwards or called me up to tell me, that they would be glad to organize something along the same lines.

I strongly recommend to continue and to organize in 1999 at least two seminars of this type with a budget of 45 000 SFr. each. Given that we are a Swiss-American Foundation I would suggest to organize at least one of the two seminars in Switzerland and at least one of the two seminars in English.

6. Philosophy

I am quite convinced, that this is a very slow dissemination process, but on the other hand a very intensive and successful one. The participants of the symposium will certainly not forget Progress Foundation. Each of them is an opinion leader in his field and will use the ideas discussed and heard in his work. It certainly needs more patience than organizing a big congress or conference, but it will be in the long run the more sustainable process for fostering freedom.

G. S., 4. Dezember 1998