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# SPECIAL FEATURE

## 14TH ANNUAL BARBARA K. OLSON MEMORIAL LECTURE

By John A. Allison\*

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Good evening. It's really both a pleasure and honor to be here. I want to start by congratulating all of you as members of the Federalist Society. I've had the pleasure of speaking at a number of Federalist events over the years, and I've always found a very thoughtful and engaged, focused audience, and you've done an incredibly important job defending the rule of law and defending the Constitution, and that's very important work. And I personally thank you for your impact.

I want to tell you a minute about Cato. Many of you probably know about Cato, but some of you don't, and it's a little context from my presentation. Cato is the world's leading libertarian think tank. Our mission is to create a free and prosperous society based on the principles of individual liberty, free markets, limited government, and peace. We really do believe in limited government. We think the government should stay out of your pocketbook, but we also think the government should stay out of your bedroom. We think government has only one role, but a very important role. Government is fundamentally in the business of protecting individual rights. It's to keep me from using force or fraud to take what you've earned or deny you your individual rights, and to keep you from using force or fraud to take what I've earned or deny me my individual rights.

And in that context, we think government has three primary purposes. We need a national defense to defend us from the bad guys overseas. We need a police force to defend us from bad guys in our neighborhoods, and we need an effective court system to settle legitimate disputes, so we don't have to resort to violence. In our world, there would be radically less regulations and a much more effective court system than we have today.

The reason that we think government should be limited is because it has a unique and special power. It has a gun, and people with guns can be dangerous. Walmart can argue, they can persuade, they can do ads, they can cut prices to try to get you to come in and buy products, but they can't make you go into Walmart. The government can force you to pay taxes. It can force you to obey by its rules. They can put you in jail, or they can kill you. In fact, governments throughout history have killed hundreds of millions of people. After disease and old age, governments are the primary cause of death, so it's a very dangerous institution. This is why its powers need to be limited and controlled, which is what the Founding Fathers were trying to do.

In that context, I believe there is a fundamental philosophical fight going on for the future of western civilization, and the outcome of this fight will have a profound impact on the quality of our lives and particularly our children

and grandchildren's lives. On the one side are the classical liberals and libertarians who are defenders of the ideas that made America great—life, liberty, and the pursuit of happiness.

On the other side are the statist of all persuasions. Statists believe that smart people in Washington, D.C., elitists, can figure out how to solve human problems, and that they know what is in the common good. They know what's good for all of us, and they like to exercise power, exercising in that regard towards the common good. The statist do exist on the right as well as the left. The statist on the right largely want to control our personal lives. The statist on the left largely want our money, but they also want to control aspects of our personal lives.

The most visible form of statism today and the one I want to talk about is the progressive movement. The progressive movement is actually an old movement. This philosophical fight has been going on for over 100 years, but it has accelerated recently. The progressives have tried to grab the moral high ground and use that as leverage to advance the role of the state. They have three fundamental philosophical pillars under their ideas: altruism, collectivism, and egalitarianism.

Altruism. Altruism is not benevolence. Benevolence is a good thing. Altruism is other-ism. It says that everybody is important but you. Now, the problem with that is there are only "but you," right? There's nobody but you, which means no individual is important, and this is how altruists really see the world. Only the group, only the collective is important, but what's ironic, even though individuals don't have rights, everybody has rights. Everybody has a right to a nice house. Everybody has a right to free medical care. Provided by whom? My right to free medical care is a right to force a doctor to provide that care or to force somebody to pay for that doctor. Exactly the opposite in the American concept of rights. In the American concept of rights, you have the right to what you produce and what you create. You don't have the right to what somebody else produces and what somebody else creates. For altruists individuals don't matter. Their focus is on the collective and the so-called common good.

Now, here's one of the dilemmas. The common good to a large degree is an oxymoron. In fact, the Founding Fathers probably defined all the areas of common good in the Bill of Rights. Almost everything else is better or worse for somebody. It's good for me, bad for you, good for you, bad for me. There are very few common goods. It's an oxymoron, and what the common good means in practicality, it becomes the good of my group. Is it good for my sex, good for my race, good for the unions, good for the farmers, good for taxi drivers, good for big business? Good for my group, and so that collectivist idea leads to group warfare which is exactly what we have going on in the United States today. Group warfare in the name of the so-called common good.

Underlying this idea is the basic sense of justice that

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progressives have, and justice largely defines much of public policy, including a lot of the law, and your sense of justice. The sense of justice of progressives is egalitarianism.

Now, what's interesting is in some ways, the United States is an egalitarian society, the Founding Fathers in the Declaration of Independence, said "All men are created equal," but they were talking about equality before the law. Just because you are the son of a baron doesn't give you any special rights. The progressives have redefined egalitarianism as equal outcome.

Here's an interesting observation. We all should be equal before the law, and every human being deserves dignity and respect simply because they're a human being, but it is not true that everybody is equal. In fact, I have never met two equal people. Every person in this room is a unique, special individual. We all have different strengths, different weaknesses, different ambitions, different talents, different goals. We're all unique special individuals. That's actually the great news. That's what makes life so interesting. Every person in this room is a unique special individual, but we're not equal. At the extreme, Thomas Edison and the Boston Strangler are not equal.

The only way to get equal outcomes from unequal people is to use force, is to use a gun, and egalitarians are in the business of using force, of using a gun to take what somebody has produced and giving it to somebody that has not earned it. That's what they do.

I want to concretize egalitarianism for you with a story. The story will tell you a little bit about my age and where I went to school. One of my heroes was Michael Jordan. I thought Michael Jordan was a great basketball player, and he was a real inspiration to poor kids. Now, this will surprise you, but I am not as good a basketball player as Michael Jordan. There is a serious differential in performance. What is interesting is I cannot get to be as good a basketball player as Michael Jordan. It's not possible. I don't care how hard I try and how hard you try to help me. I cannot be as good a basketball player as Michael Jordan. Can't do it. You cannot make the average great. You can make the average better. That may be a very productive, very noble thing to do, but you cannot make the average great. However, you can make the great average, and egalitarians by definition have to be in the business of making the great average. That is the only way you can make people equal.

It's easy to make Michael Jordan as good a basketball player as me. Just cut his legs off.

You say we wouldn't do that, but we've been pretty tough on great people throughout western history. We poisoned Socrates, imprisoned Galileo, burned Joan of Arc. We're more sophisticated today. We do it with lots of balls and chains. We do it with lots of taxes. One percent of the population pays 25 percent of the taxes, 5 percent pays 50 percent, and 50 percent of the taxpayers pay no income tax. It's a great way to run a democracy. Lots of government rules and regulations are designed in many ways to create controls over the productive, the innovative, and the creative. What people fail to realize is that great people make a disproportionate contribution to human well-being. Everybody in this room—your children, your grandchildren—have a better life, thanks to Thomas Edison. He not only invented the light bulb; he invented electrical generation. He invented the research laboratory itself.

Put balls and chains on great people, and reduce the quality of life for all of us.

But here's what the egalitarians want to do. They want to claim the moral high ground, and this is important to remember. Whoever owns the moral high ground at the end of the day wins the argument. They want to claim the moral high ground because who can argue with everybody being equal. However, I think the egalitarians do not have the moral high ground. I think what motivates them is the absolute, most destructive of all human emotions, and watch it in yourself. It's called envy. It's hatred of the good for being the good.

And by the way, egalitarianism is a lot worse than I just described. Think about this. Any attribute you want to pick, half the people are below average. It's the math, right? Or technically below the mean.

I love music, and I am a horrible singer. I was raised in the Baptist church. If you've ever been in the Baptist church, the preacher is trying to get everybody to sing but me—but me. "Please don't sing." It would be horrible to make everybody have to sing as badly as I do, and I would actually lose in that process, right? That's how bad egalitarian really is. Well, egalitarians claim they don't want to go that far, but if you want to understand a philosophical idea, you need to see where it ultimately ends.

And I'll say this with certainty, and this certainly defines the Obama administration and egalitarians in general. They would far rather us all be poor and more equal. Their sense of justice which drives a lot of their behavior is about equality, not the overall quality of life.

On the other side of this argument are those classical liberals and libertarians that believe very strongly in life, liberty, and the pursuit of happiness. Each individual's fundamental, unequivocal moral right to their own life, each individual's moral right to the pursuit of their personal happiness, each individual's moral right to the product of their labor, if you produce a lot, you get a lot, including the right to give it away to whoever you want to for whatever reason you want to. If you think about that moral prerogative, it demands personal responsibility, because there is no free lunch. It also demands rationality and self-discipline. It creates the principles that underlie a successful society.

Life, liberty, and the pursuit of happiness. As classical liberals and libertarians, we are primarily defenders of liberty. Now, a lot of people talk about liberty, and a lot of people think of liberty as a nice thing. Well, liberty is a nice thing, but it's a lot deeper than that. Liberty is essential for human flourishing. It's essential for human flourishing economically in the physical world, but it's also essential for human flourishing spiritually. Economically, in order to be productive, a producer must be able to think for himself. He must be able to pursue his truths, what he thinks is right and explore and make innovations, make choices. If somebody makes you act like two plus two is five, you literally cannot think, and lots of government rules and regulations make people act like two plus two is five.

Reflect on this fact. All human progress, by definition, is based on innovation and creativity because unless somebody does something better, which will be different, there can be no progress. Creativity is only possible to an independent thinker. Somebody that thinks like the crowd, cannot be creative, cannot

contribute to human progress. That is why entrepreneurs are so important. Entrepreneurs take the ideas of scientists and engineers and turn them into reality. Without entrepreneurship, there is no progress, and what characterizes entrepreneurs? They are independent thinkers. They are free thinkers. They come up with ideas that the rest of us don't see. They explore, and they fail. For every Google, there's a thousand failed Googles. For every Walmart, there are 10,000 failed Walmarts. But entrepreneurship is only possible to somebody that is free.

We published a book last year called *Poverty and Progress* that looked at human well-being from time immemorial, and it's very interesting. From the evolution of *Homo sapiens*, 250,000 years ago, until the late 1700s, life expectancy for humans was basically flat. There was some improvement in the quality of life, but people lived to about 30 years old on average. That was the human life expectancy. And then something happened in the late 1700s that transformed the quality of life and life expectancy first in western civilization, and the same thing is happening in the rest of the world now. There was an invention in the late 1700s, more important than fire, more important than the wheel. It was the invention of the rule of law, of individual rights, of free markets, of capitalism. That invention transformed the planet. It's because people could think for themselves. They could explore. They can invest. They could create and innovate. Capitalism was the source of physical human well-being and the improvement of life expectancy on the planet. So liberty is not just nice in an economic sense. It's essential for human well-being in a physical sense. It's essential for innovation and creativity, which is the source of all progress.

But liberty is also essential for something that you can argue is even more important. It's essential for spiritual well-being in the context of the pursuit of happiness. The real pursuit of happiness, not having a good time on Friday night, although it's good to have a good time on Friday night, but in the sense of a life well lived, in the Aristotelian sense of the pursuit of happiness, hard work, blood-and-sweat-and-tears happiness. When you're 80 years old, you look back and say, "Man, that was hard, and I'm glad I did it." When you think about happiness in that context, it has to be earned. You cannot be entitled to be happy.

Something I tell students, you have to take personal responsibility if you're going to earn happiness. If you view yourself as dependent, as entitled, you give away the opportunity to be happy because you are dependent on somebody else, and you don't control your own life. To be happy, you have to set goals for yourself. You have to live consistent with your values, what's important to you. You pursue your truths as a free person.

Now, being free doesn't guarantee you will be happy, but if you aren't free, it guarantees you cannot be happy. So liberty is essential for human spiritual well-being.

Let's talk a little more about the pursuit of happiness. That to me is the world-changing idea in the Declaration of Independence. Before Jefferson, before the thinkers of the enlightenment, everybody existed for somebody else's good, good of the king, good of the state, good of the church. Nobody existed for their own good, but Jefferson said that each of us has a moral right for the pursuit of our personal happiness, not guaranteed success in that pursuit, but we have that right.

That idea created the most successful society and, interestingly enough, the most benevolent society in human history. When people have the right to their own life, they are naturally nicer to other people. In communist and socialist societies, everybody ends up hating each other because they're all slaves to each other. And by the way, communist and socialist societies also at the same time destroy innovation and creativity. Make a list of all the innovations from the Soviet Union, North Korea, and Cuba. It's a really short list.

I want to talk about the pursuit of happiness at even a deeper level because, by the way, isn't that a very selfish idea, and isn't it bad to be selfish? Isn't that a very strong belief in our society? I can see Johnny in the sandbox, 3 or 4 years old, playing with his truck, not bothering anybody, having a good time. Along comes Fred. Fred would like to have Johnny's truck. Johnny doesn't want to give him the truck. Discussion, debate, argument ensues. Mom, dad, Sunday school teacher, kindergarten teacher get involved in the argument. Mom says, "Hey, Johnny, give that truck to Fred. Don't be selfish. Don't be bad." Two great moral lessons being taught in the sandbox, right? Number one, where did Fred get the right to Johnny's truck? Do you want to know where our social welfare system comes from? There it is. So Fred is now 30 years old, and he wants a Ford Ranger. Okay.

But the real damage is done to Johnny, and I'll bet almost everybody, probably everybody in this room is Johnny. What lesson did you learn in the sandbox? That for some reason, somehow that scoundrel Fred has a right to your life, that you have some kind of obligation to Fred for some unknown reason, or you will be a bad person.

Let's talk about acting in one's rational self-interest. Immutable, non-negotiable fact of reality. Everything that is alive must act in its self-interest or die. Immutable, non-negotiable fact of reality. Everything that is alive must act in its self-interest or die. A lion has to hunt or starve. A deer has to run from the hunter or be eaten. Trees shade out other trees to get sunlight. Amoeba take chemicals that other amoeba would like to have. Life is by definition self-sustaining action. Anything that doesn't self-sustain its life dies. That's how Mother Nature designed the system. Sorry.

To say that man is bad because he is selfish is to say you're bad because you're alive. We get two really destructive false alternatives, and here are the false alternatives, to take advantage of other people or to self-sacrifice, neither one of which make any sense. In fact, a lot of people think that selfish is about taking advantage of other people. Here is the irony. Taking advantage of other people is not selfish. It's self-destructive. It's self-destructive in two ways. First, you might fool Tom, Dick, and Harry, but they're going to tell Sue, Jane, and Fred, and nobody is going to trust you. And you know people like that. If you're not trusted, you're certainly not going to be successful, and you're not going to be happy.

There's a deeper cause. We all want to influence other people. I'm hoping to influence you today, but when you let go of reality, when you let go of the truth to manipulate somebody else for your advantage, you do a whole lot more damage to your psychology than you do to theirs.

My career, running a large bank, I got to meet a lot of

successful people. However, I never met anybody that was both successful and happy that I think got there taking advantage of other people. Now, I've met some people that had a lot of money that I think got there taking advantage of other people, and they were the most unhappy people I ever met. Taking advantage of other people is not selfish. It's self-destructive.

How about self-sacrifice? That is the moral code of our society, right? You hear it in school. You hear it in the newspapers. You hear it on TV. You hear it in church. We're all supposed to self-sacrifice. I want to ask you to ask yourself what I think is the most important question you can ask yourself, and particularly think about this question in terms of how you would like your children and your grandchildren to answer. Do you have as much right to your life as anybody else has to their life? Do you have as much right to your life as anybody else has to their life? Of course, you do. Why would you believe anything different than that? And think about what not believing that means, because in this room, there is only I's, I, I, I, I. If none of the I's, if you do not have a right to your own life, if I don't have a right to my life, nobody has a right to their life, right? And that's where the collectivist power shows up because we don't have a right to our own lives. You have to be willing to defend your right to your life to the pursuit of your personal happiness if you're really going to defend a free society. So neither taking advantage of other people nor self-sacrifice makes any sense. But there is a rigorous, demanding moral code that underlies free and prosperous societies. We are fundamentally traders. We trade value for value. We get better together.

In our business, when I was running BB&T, our goal was to help our clients be economically successful and financially secure, and we expected to make a profit doing it. Life is about figuring out how to get better together. There are only two stable relationship conditions, win-win and lose-lose. Whenever you get greedy and you set up a win-lose—and you see this in spousal relationships—pretty soon, your partner is going to get bitter, and you're going to end up in a lose-lose. Whenever you get self-sacrificial, interestingly enough, and you set up a lose-win, you'll get bitter, and you end up in a lose-lose relationship. So in any meaningful relationship in your life, you should ask, "What's in it for me?" That's a fair question, but you should also ask what's in it for them because if it's nothing in it for them, at the end of the day, there will be nothing in it for you.

Now, of course, it's in your rational self-interest to help the people you care about, your family, your friends, people you work with. If you love your children, helping your children is not a sacrifice. In fact, love is the ultimate expression of selfishness. Now, most people don't think that way, but I'll tell you a story I tell college students. You are getting ready to get married, a big event in your life. Your future spouse comes running up to you and says, "Honey, I'm so excited about marrying you. This is the biggest self-sacrifice I've ever made." Not exactly what you wanted to hear, is it? Not exactly what you wanted to hear.

If you really love somebody, you might be willing to die to protect them because they're so valuable in a very selfish sense to you. I believe it's in my rational self-interest to support the United Way. The United Way is an umbrella charity organization which does lots of good in the community in

which I live. I wouldn't want to live in the kind of community that would exist without a United Way, and I wouldn't want my children to live in that community. So I suppose the United Way because I believe it is in my rational self-interest.

So what would be required really to act in your rational self-interest? The first thing you'd have to do is hold the context. Sometimes when people talk about selfishness, they talk about people that take advantage of other people, but also people that are what I call linear thinkers, they have this kind of focus-on-themselves world view. The irony of that, that's not selfish. That's irrational because you have to hold the context, and the context is what kind of world would you like to live in, and what would you enjoy doing helping create that kind of world? It doesn't have to be grand. Maybe you want to open a restaurant and have better food, lower prices. What kind of world would you like to live in, and what would you enjoy doing to help create that kind of world? You'd have a sense of purpose. You'd take care of your body. You'd eat properly. You'd exercise. You'd take care of your mind. You'd read, study, think. You'd work hard to create healthy human relationships with other people that share your values, and you'd have a rational value system. What if everybody had a sense of purpose, did the best they could to take care of their body, did the best they could to take care of their mind, worked hard to create healthy relationships with other human beings and had a rational value system? I would argue that 90 percent of the world's problems would go away.

You hear it over and over again. The problem is that people are selfish. My observation is very few people consistently act in their rational self-interest. Most people are self-destructive in some aspect of their life. I had a brother-in-law who drank 24 beers a day, got cirrhosis of the liver, drank 24 beers a day and died. People say he's selfish. No. He was self-destructive. Bernie Madoff stole hundreds of millions of dollars from his family and friends over 30 years. Can you imagine spending 30 years stealing from the people that are closest to you? The guy was miserable. He said the best thing in his life was when he got arrested. They say Bernie Madoff was selfish. No. He was self-destructive. He was self-destructive.

If we're going to defend a free society, we must defend each individual beginning with your right to the pursuit of personal happiness in the right kind of context, in working towards a better world through a sense of purpose, but doing things that you enjoy for you because you have a fundamental right to your own life.

One last thought about the pursuit of happiness or happiness in general. By the way, happiness is the end of the game. Sometimes business people get confused. They think money is the end of the game. Nothing wrong with money. Money is a good thing, but money is not an end. Happiness in that Aristotelian sense that I described is the end of the game. And the foundation for happiness is rational self-esteem, real self-esteem.

A couple thoughts about real self-esteem. First, real self-esteem is fundamentally confidence in your ability to live and be successful given the facts of reality. Therefore, real self-esteem is earned by how you live your life. Nobody can give you self-esteem. You cannot give anybody self-esteem. You cannot give your children self-esteem. Live your life with integrity; raise

your self-esteem. That's why integrity is important.

Second thought about self-esteem. In order to have a high level of self-esteem, you must believe at a very deep level, you are capable of being good, and you have the moral right to be happy. That whole conversation that we just had about the pursuit of happiness, if you don't believe you have a right to earn happiness, you can't have a high level of self-esteem.

Final thought about self-esteem. In the real world, self-esteem primarily comes from productive work. As human beings, we survive by production as part of our nature, and I use productive work in the broadest context. Raising children is very productive work. For everybody in this room and most of the people on this planet, the single biggest driver of your self-esteem is your work, because you spend a disproportionate amount of time, effort, and energy at work. That's what makes work important. Something I said many times to the employees of BB&T, "It's really important to BB&T that you do your job well, but it's far, far more important to you. You might fool me about how well you do your job. You might fool your boss about how well you do your job, but you'll never fool you. If you don't do your work the best you can do it, given your level of skill, given your level of knowledge, you can't do the impossible. If you don't do your work the best you can do it, you will lose your self-esteem."

Now, here's the good news. The flip is also true. Do your work the best you can do it, given your level of skill, given your level of knowledge, and you will raise your self-esteem, which is more important than whether you get more money, or a promotion, because it's about your character. It's about who you are as a human being, and there's actually a very important societal message in that issue that I think is relevant to this group.

Take a construction worker, a bricklayer. He has a really tough, hard, grinding life. My granddad had that kind of life, tough, hard, grinding life. The bricklayer has a tough, hard, grinding life, but he and his wife successfully raised their children. Maybe his granddaughter becomes CEO of a publicly traded company. Maybe not. He has a tough, hard, grinding life, but he gets something very precious from his work. He gets to be proud of himself. He gets to have self-esteem. Take that same bricklayer and give him welfare. He may have more money, but he loses part of his soul. He loses his pride. He loses his self-esteem.

You know, with the Obama administration, there's a lot of general talk in Washington about security, and it's a false talk about security because what they want us to be secure from is the laws of reality, which you can't be secure from. But even if it were true, it would be off mission for America. People didn't get on a boat and come to Jamestown to be secure. The United States is the land of opportunity, opportunity to be great, opportunity to fail and try again, but most importantly, the opportunity of that bricklayer to live life on his own terms, to pursue his personal happiness based on his beliefs, his values, to pursue his personal happiness as a free and independent person. I think that's what the Founding Fathers were doing when they wrote the Declaration of Independence, defending that ideal. I think that's why what you are doing at the Federalist Society is very important work. You are defending the ideal of the right

to pursue your personal happiness, which is a unique American sense of life that is so important for us to protect.

Thank you very much.

