

# Cato's Letter

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on Liberty

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## The Coming Century of Liberty

**DAVID BOAZ**

**I**t's a common theme among libertarians: we're losing our freedom, year after year. We quote Thomas Jefferson: "The natural progress of things is for liberty to yield and government to gain ground." We read books with titles like *Freedom in Chains*, *Lost Rights*, and *The Road to Serfdom*.

That's understandable. Government spending is up. We face new regulations on hiring, firing, accounting, smoking, eating, and more. Businesses, activists, and politicians use legislation and litigation to steal the property of pharmaceutical firms, computer networks, and other creators. Leaders of both parties rush to expand entitlements and hand out subsidies. We have been saddled with new restrictions on civil liberties since September 11, 2001, and our country is mired in an unnecessary war.

A friend of freedom could get discouraged.



*David Boaz is executive vice president of the Cato Institute. He is the author of *Libertarianism: A Primer*, described by the Los Angeles Times as "a well-researched manifesto of libertarian ideas," and the editor of *The Libertarian Reader*. His book *The Politics of Freedom* will be published in February. This is adapted from a speech Boaz made at Cato University in July of this year.*

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**B**ut is it true? Are we less free? Less free than when? I think libertarians often find it difficult to rouse most Americans with dire warnings about the state of freedom. Most Americans don't feel unfree. Maybe that's because they're "sheeple," or maybe it's because we really aren't losing our freedom.

Cast your mind back to 1977, when Cato was founded:

Jimmy Carter. Tip O'Neill.

Energy czars. Gas lines. Raging inflation.

ABC-NBC-CBS.

Mao Tse-tung. The Soviet Union. Apartheid.

That was a different world.

Since then Ronald Reagan and Margaret Thatcher have revived the ideas of free markets and limited government. The Soviet empire has fallen, and the ex-Soviet nations are struggling toward market economies and constitutional government.

We've learned a bit about inflation and energy price controls.

New media have arisen to challenge the Establishment media.

It's easy to point to the ways that government has grown and liberty has

(which just might, if not reined in by the courts and political reaction, make my optimism outdated).

The list could go on endlessly, and that's what causes lots of libertarians to deplore "the road to serfdom" and our "lost rights." But that list doesn't tell the whole story. In so many ways we are freer today than we were at various points in the past.

Depending on just when you think was the golden age of liberty, I could counter by reminding you of oriental despotism, slavery, the Dark Ages, absolute monarchy, rigid class privilege, and so on. In the 20th century, there were fascism, communism, and national socialism.

And even in our own country, in my lifetime—as I have had to explain to disbelieving younger colleagues, who deplore our declining liberties—yes, in our own country, in my lifetime, we lived with military conscription, 90 percent income tax rates, wage and price controls, restricted entry to transportation and communications, indecency laws, and Jim Crow.

I think that, on balance, Americans today are more free than any people in history. We should take a moment to reflect on our history, and celebrate what we've achieved after centuries and millennia of hard work and political struggle.

But the struggle for freedom is never over. People who value freedom will always have to defend it from those who claim the right to wield power over others.

Foreign and domestic, right and left, there are still plenty of people seeking to take our liberty, to force us into collectivist schemes, to promise us security or handouts in return for our freedom, or to impose their agendas on the rest of us.

Republicans used to accuse De-

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yielded: soaring federal and state spending; a shift to federal and presidential power; the growth of surveillance and databases; intrusive regulations on hiring, firing, eating, drinking, and smoking; expanding entitlements; and all the threats to civil liberties in the post-9/11 era

“But the war goes on. The spending goes on. American citizens are still being held in jail without a lawyer.”

mocrats of setting up a nanny state, one that would regulate every nook and cranny of our lives. They took control of Congress in 1994 by declaring that Democrats had given us “government that is too big, too intrusive, and too easy with the public’s money.”

After 12 years in power, however, the Republicans saw the Democrats’ intrusiveness and raised them. They too used the powers of the federal government to lavish money on favored constituents, summoned us before congressional hearings to explain ourselves, and intruded into our most local and personal decisions. The Bible tells us that not a sparrow falls but that God knows about it. Congressional Republicans seem to have decided that the federal government should follow the same rule. Nothing should happen in America without Congress getting involved.

Some people voted for President Bush because he campaigned across this country telling voters, “My opponent trusts government. I trust you.” And what did they get?

Spending is up *one trillion dollars* under the Bush administration. Education has been further federalized in the No Child Left Behind Act. Bush pulled out all the stops to get Republicans in Congress to create the biggest new entitlement program—prescription drug coverage under Medicare—in 40 years.

President Bush’s Project Safe Neighborhoods transfers the prosecution of gun crimes from states to the federal government. The administration went to court to block state initiatives on medical marijuana in California and assisted suicide in Oregon.

President Bush and conservatives are working for a constitutional amendment to impose one uniform

marriage law on what conservatives used to call “the sovereign states.”

The Bush administration is pushing secret subpoenas, secret searches, secret arrests, and secret trials. American citizens are being held without access to a lawyer, and without access to an impartial, civilian judge. The Great Writ of habeas corpus is denied.

And perhaps most outrageously, they want to turn our American republic into an empire. We have American troops in 135 countries. They tell us we’re going to have troops and military bases in Iraq for as long as we’ve had them in Korea. Intellectuals with close ties to the administration write articles titled “The Case for American Empire.”

So, not surprisingly, after 6 or 12 years of this, the voters turned out the Republicans and put the Democrats in charge.

As Dr. Phil would say, “How’s that working out for ya?”

Within two months of the Democratic takeover, the *Washington Post* reported that Democrats were charging lobbyists big bucks to meet Nancy Pelosi and the chairmen of, you know, the congressional committees that write tax laws, regulations, and spending bills—including, they noted, some of Jack Abramoff’s favorite clients.

After six months, we’ve had hearings and press conferences and all-night slumber parties.

But the war goes on. The spending goes on. We’re up to 32,000 earmarks in the latest spending bills. American citizens are still being held in jail without access to a lawyer.

The Democrats should get The Who to sing at their next convention—“Meet the new boss, same as the old boss.”

But if you need an antidote to depression, rent the new DVD *Amazing Grace*. This beautifully made British movie tells the story of William Wilberforce, a member of Parliament who fought for 50 years to abolish slavery. I walked out of the theater feeling inspired—and also feeling that I should work harder.

Or just remember a small band of farmers and lawyers and merchants on a colonial frontier 3000 miles from the civilized world who took on the greatest power in the world in defense of their rights.

More than 200 years ago Thomas Jefferson and the other signers of the Declaration of Independence committed themselves to the cause of American liberty with these words: “And for the support of this Dec-

laration, with a firm reliance on the protection of Divine Providence, we mutually pledge to each other our Lives, our Fortunes and our sacred Honor.”

And they weren’t kidding. Twelve signers had their homes ransacked and burned by the British. Nine more died from wounds or hardships of the Revolutionary War. None, however, lost their sacred honor.

We honor that legacy when we devote our time and money to the defense of freedom in our own time.

So, how can we stop all the government expansion and intrusion on in-

dividual freedom, so we can just live our lives in peace? I’m afraid there’s no magic bullet. There’s never been a golden age of liberty, and there never will be. There will always be people who want to live their lives in peace, and there will always be people who want to exploit them or impose their own ideas on others. There will always be a conflict between Liberty and Power.

But we have it easier than some. On a Saturday morning in the summer of 2000, eight young people met in a shabby apartment near Beijing University and started a study group to debate the need for political reform in China. Some were students. Others were recent graduates. Not one was over 30.

One of them was Yang Zili, a computer whiz who was inspired by reading Vaclav Havel and F. A. Hayek. He set up a website, “Yangzi’s

Home of Ideas,” where he posted forceful essays condemning communism and arguing for democratic reform. “I am a liberal,” he wrote, “and what I care about are human rights, freedom and democracy.”

“You don’t have to do all this,” his wife told him. “With your education, you could have a better future. You should think of your parents, your family, our economic situation.” But Yang brushed aside the complaint. “He told me that someone had to stand up and work for social progress, and he had decided to stand up,” his wife said.



On March 13, 2001, state security agents detained five study group members, including the young Hayek fan Yang Zili. They have been in jail ever since.

Another freedom fighter is Kareem Amer, 21 years old, who attended a Cato seminar in Cairo. Raised in a repressive Islamist family, he finally decided that he did not want to live in a cave with no music, internet or television.

“I started blogging,” he told an interviewer, “because it was a way of expressing my disapproval of many issues in society, specifically the ill treatment of women in the Muslim world. I saw Muslim riots against a Christian church in Alexandria. What I witnessed during these riots also inspired me to write. The truth as I saw it and nothing else.”

“That freedom didn’t last long. I launched my blog in August 2005 then I was arrested two months later on October 26, 2005. Blindfolded, I could see a man’s shoes as he approached me. I then saw his hand and he said, ‘I want you to tell me everything or I will gradually torture you like there is no tomorrow.’”

On February 22, 2007, Kareem was sentenced to four years in prison: three years for “contempt of religion” and one year for “defaming the President of Egypt.” His own father has called for him to be executed for his criticisms of Islam.

A website has been set up to bring attention to his case and demand justice for him, [Freekareem.org](http://Freekareem.org). Another, [Newyouth4.org](http://Newyouth4.org), rallies support for the Chinese students.

We have it easier. No one will put us in jail for speaking out. All we have to do is write letters to our public officials—and letters to the editor—and speak out at public meetings—or speak up

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against subsidies and regulations in trade associations and chambers of commerce—give a book to a friend—give money to a candidate—or to a think tank that keeps the ideas of the American Founding in the national media—or join a group working for tax cuts or school choice.

But we do have to do that. We’re here in this room because we know that freedom isn’t free. Sam Adams made that point very forcefully in 1776: “If ye love wealth better than liberty, the tranquility of servitude better than the animating contest of freedom—go from us in peace. We ask not your counsels or arms. Crouch down and lick the hands which feed you. May your chains sit lightly upon you, and may posterity forget that ye were our countrymen!”

We’re proud to be *your* countrymen. And as we read the papers and watch the television and despair about the corruption and collectivism in Washington and the far worse tyrannies in so many lands, let us remember that the human spirit flourishes in freedom. Thomas Jefferson’s revolution did succeed, and William Wilberforce and Frederick Douglass did end slavery, and the Soviet empire did dissolve one fine day. And if we commit ourselves to that legacy, we can make the 21st century the freest century yet.



## Cato Scholar Profile: MICHAEL CANNON

MICHAEL F. CANNON is the Cato Institute's director of health policy studies. Cannon is coauthor of *Healthy Competition: What's Holding Back Health Care and How to Free It*. He holds master's degrees in economics (M.A.) and law & economics (J.M.) from George Mason University.

**A lot of people, especially after Michael Moore's film *Sicko*, have described the U.S. health care system as "free market," in contrast to the "socialized" systems in Canada and Western Europe. Is that description accurate?**

Hardly. One distinguishing feature of socialist economies is that the government decides what individuals may produce, what they consume, and the terms of exchange. That is largely true of America's health care sector. Government controls production and consumption by determining the number of physicians; what services medical professionals can offer and under what terms; where they can practice; who can open a hospital or purchase a new MRI; who can market a drug or medical device; and what kind of health insurance consumers may purchase. Government sets the prices for half of our health care sector directly, and indirectly sets prices for the other half.

The private sector delivers so much of our health insurance and medical care that it may seem odd to say America already has socialized medicine. But it doesn't matter whether the dollars and the hospitals are owned publicly or privately. What matters is who controls how they are used. Using that yardstick, our health care sector is already more than half-socialized. Probably two-thirds.

We certainly don't have socialized medicine of the Canadian or British variety, or borne of some deliberate plan. All that distinguishes the American approach to socialized medicine is that it has been haphazard, with no serious attempts at bureaucratic rationing. Yet.

**You recently started the Anti-Universal Coverage Club. Can you explain the idea behind that project?**

Government financing and provision of medical care threaten the rights to life, liberty, and property that government exists to protect. Yet the assumption that government should provide health insurance to everyone pervades the debate over health care reform. Even some prominent conservatives belong to what I like to call the Church of Universal Coverage. I

started the Anti-Universal Coverage Club to challenge that assumption.

The club is basically a running tally on the Cato blog ([www.cato-at-liberty.org](http://www.cato-at-liberty.org)) of notable thinkers who reject universal coverage as a goal, whether because a better goal would be to make medical care ever-better and increasingly affordable; because universal coverage inevitably would result in an undesirable level of government intervention in health care; because people have a right to refuse health insurance; or because government should be free to intervene in ways other than promoting "insurance."

The Anti-Universal Coverage Club includes such heretics as former Medicare trustee Tom Saving, journalist Andrew Sullivan, the editors of *National Review* and an awful lot of state think-tankers. The club has already received coverage in *National Journal*.

**What is the worst proposal for changing American health care coming from Washington right now?**

Fortunately, the worst plans (e.g., "Medicare for All") are political nonstarters. So my vote for the worst plan—in the sense of being the most dangerous—is Clinton's. As will become evident, her new plan is every bit sweeping as her last one. Yet this one is much shrewder: it is cloaked in the rhetoric of expanding choice, and it appears to buy off most of the special interests that helped sink her last effort.

**On the other hand, what is the first thing you would do if you could change our health care system?**

Give workers ownership over every dollar of their health benefits, not just the few thousand dollars that health savings accounts let them control, and let them choose how to spend it.

Over time, the "standard deduction for health insurance" that President Bush proposed and Rudy Giuliani endorsed would get us there. I've put forward a proposal for "large" health savings accounts that would get us there faster.



# Jack Wenders's Legacy of Liberty

Jack Wenders was a scholar, an activist, and a patriot. And when he died last November—just a week after another great libertarian economist, Milton Friedman—he made sure his contributions to the cause of freedom would live on long after his own death. He made the Cato Institute the beneficiary of his Individual Retirement Account in which he had accumulated \$1.9 million.

In a letter to Cato Institute president Ed Crane just two weeks before his death, he had noted that he had just turned 70-1/2 and thus was required by law to begin making withdrawals from his IRA. “In order to avoid having to pay taxes on these funds, which I am loath to do,” he wrote, he was passing along his annual withdrawal to Cato. In addition to the annual withdrawal, he also named Cato as the beneficiary of any balance remaining at death.

John T. Wenders received his PhD in economics in 1967 from Northwestern University, and taught at Middlebury College and the University of Arizona before settling at the University of Idaho in 1981. He became a noted expert on regulation and published books such as *The Economics of Telecommunications*. He also took a great interest in the quality of education, in particular the shortcomings of bureaucratic, monopolistic school systems, and how they could be overcome through parental choice and market incentives. Among his many publications were articles in both *Regulation* and the *Cato Journal*.

After his retirement from active teaching in 1998, his interests shifted toward local activism. When the government of Moscow, Idaho, planned to build a public pool, Wenders took the unorthodox approach of suing the city officials for taking his (and the public's) money to pay for, as he wrote in a letter to the

local newspaper, “their own children’s summer recreation.”

But few issues raised his ire more than the government monopoly over education. Wenders served as a member of the board of Idahoans for Excellence in Education, and he was often busy making presentations about the wasteful nature of public schools in Idaho as well nationwide. In an article in *Cato Journal* in 2005, Wenders demonstrated that 36 percent of the expenditures of public schools is wasted.

His precise debating style—especially when it came to refuting irrational economic arguments—was with him up to his death. An AP report in 2006 claimed that, “the U.S. must borrow more than \$2 billion per day from foreigners to finance its huge trade deficits.” Wenders’ response on an Idaho website was succinct: “Maybe a better way of putting this would be to say: ‘Foreigners must sell the

U. S. more than \$2 billion per day in goods and services to finance their huge purchases of U.S. assets.’”

Wenders’ philosophy on the role of government in society was perhaps best summed up by a line in one of his essays, “Politicians are people who have what it takes to take what you have. Politics may not be the world’s oldest profession, but the results are the same.” Indeed, “I voted for Lyndon Johnson in 1964 because I thought he would keep us out of Viet Nam. I haven’t voted since.”

Because of his generous bequest to the Cato Institute, Jack Wenders’s commitment to sound economics and individual liberty will live on for many years, not just in his scholarly books and articles but in the activities of the Cato Institute. For information on planned giving opportunities at Cato, contact [Gayllis Ward at \[guard@cato.org\]\(mailto:guard@cato.org\) or 646-717-2080.](mailto:GayllisWard@guard@cato.org)



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