

Chapter Eight: Ethics Beyond Left and Right: Progressive Freedom-Oriented Policies

by Mike O'Mara

Many prominent advocates of rationalism and freethought have gone beyond “left” and “right,” by promoting progressive, freedom-oriented policies as rational, practical alternatives to bureaucratic governments controlled by special interests. Governments dominated by special interests are typically inefficient and wasteful, and tend to enact counterproductive laws favoring the few while harming most citizens, resulting in poverty and extreme inequality.

Among those who have advocated such alternative policies are Thomas Paine, Thomas Jefferson, and John Stuart Mill. Other more recent rationalists and freethinkers have endorsed similar progressive, freedom-oriented policies as a more practical, humane alternative to the failed policies of “left” and “right.”

This essay will discuss two wings of the movement promoting freedom: progressive advocates of freedom and conservative advocates of freedom. Another term that could be used to describe progressive advocates of freedom might be “progressive libertarians,” but use of the term “libertarian” is problematic. From about the 1950s, many people who are fundamentally economic conservatives have been claiming the term “libertarian,” although they distort the original meaning of the word. While such conservative “libertarians” do tend to support civil liberties, they confuse economic freedom with economic conservatism, an outlook based on very different principles. As will be shown, genuine

economic freedom requires freedom from corporate welfare (subsidies and other favoritism to corporations), freedom from policies that cause concentrated ownership of land and natural resources, and freedom from other policies that involve favoritism to special interests, leading to poverty for the many and to extreme inequality between the rich and the poor.

Many people are surprised to hear that the word “liberal” originally meant the same as “libertarian.” Both come from the word “liberty.” “Liberals” used to emphasize the need to limit the power of government, because, as the old and wise saying goes, “power corrupts.” Liberals used to recognize that we need to limit the amount of power we give to politicians and government. The kind of liberals in that original tradition are now called “classical liberals.” But too many of today’s liberals seem to have forgotten the point that power corrupts, resulting in a modern liberalism that bears little resemblance to classical liberalism and its emphasis on liberty and suspicion of authority.

Although the terms “progressive libertarian” or “progressive classical liberal” might come close to describing the tradition of liberty as advocated by such progressive advocates of freedom as Paine and Mill, the common misuse of the words “libertarian” and “liberal” requires correction. This article will avoid these terms and will focus on the main points that distinguish progressive advocates of freedom from conservative advocates of freedom.

The Ethics of Government Power

Liberty is neither "left-wing" nor "right-wing." Instead of talking about "left" or "right," advocates of liberty have found it helpful to understand liberty in terms of “up” or “down, where “up” is toward individual liberty, and “down” is toward authoritarianism. Advocates of liberty base their

ethics on the principle that no person should have the right to violate another person's freedom by initiating force against them or dealing fraudulently with them. Liberty is the opposite of authoritarianism.

The Bill of Rights was written by advocates of the ethics of individual liberty, and that document reflects the recognition that the form of government most likely to protect liberty is a constitutional democracy, a type of constitutional republic which places limits on the power of government. These limits are specified in the Bill of Rights.

Advocates of liberty insist that power corrupts, which is why governmental powers must be limited. George Washington expressed this view by observing that "Government is not beauty, it is not eloquence -- it is force. Like fire, it is a dangerous servant, and a fearful master." Every law made by government is ultimately backed or enforced by police power -- the use of government force. We should therefore be very careful how far we go in handing over power to politicians and government. Governments lacking proper limitations on their power can and do use the force of law and police power to make people do what the government decides they need to do or refrain from doing, including what they are allowed to say, publish, drink, smoke, believe, choose for entertainment, and how they may spend their money and live their lives.

Progressive advocates of freedom have pointed out that seeking to maximize liberty is the most practical approach to social issues. Liberty is like a truce: an agreement to allow people to have the right to freedom of religion, belief, and lifestyle, the right to keep the products of their own labor, the right to have access to the earth's natural resources (more about that in a moment), and the right to freely exercise one's values and preferences as long as one does not violate the same freedoms which others should also have. A progressive system of liberty is the most benevolent system because it not only prohibits violent forms of oppression and persecution, it also prevents economic oppression that arises

from the concentration of economic power in special interests that seek governmental support for policies inconsistent both with liberty and efficiency.

No nation currently comes close to being consistent about upholding liberty, although some countries at least have more freedom than others. For example, the U.S. has usually tended to have more civil liberties than most other countries, but on the other hand, it still has many violations of civil liberties and many policies that violate economic freedom by favoring special interests.

The Two Wings of the Freedom Movement

As mentioned earlier, since about the 1950s, the word “libertarian” has been increasingly used by people who are really economic conservatives. Although they support the civil liberties specified in the Bill of Rights, they promote a distorted version of economic liberty. Many conservative advocates of freedom are unconcerned with cutting corporate welfare or avoiding favoritism to special interests, although some of them do speak out against such favoritism as a violation of economic freedom. The biggest difference between conservative advocates of freedom and progressive advocates of freedom is over the question of concentrated ownership of land and natural resources, including oil, mineral deposits, valuable urban land, and TV and radio airwaves, which are also natural resources.

Progressive advocates of freedom have emphasized that economic freedom requires limitations on the concentrated ownership of land and natural resources, since such concentrated ownership results in concentrated control over the rest of the economy. These ideas are found in the writings of Paine, Jefferson and Mill, and can also be found in the writings of Benjamin Franklin, Henry George, and Leo Tolstoy. More recently, eight Nobel Prize winning economists have advocated similar policies. Current organizations promoting a progressive idea of freedom

include the Democratic Freedom Caucus (www.democraticfreedomcaucus.org) and the Banneker Center for Economic Justice (www.progress.org/banneker).

Conservative advocates of freedom include the Cato Institute and the Libertarian Party, which have both long avoided the basic issue of concentrated ownership of land and natural resources. The University of Chicago has also long been a center for the conservative wing of the freedom movement, and most Chicago School economists avoid these crucial issues. Later in this article, I'll have more to say about the differences between the two wings of the freedom movement.

Summary of Progressive Freedom-Oriented Policies

What are the basic principles of progressive advocates of freedom? They can be summarized by the following three goals:

1. Upholding the Bill of Rights, which specifies civil liberties and specific limits on the power of government.
2. Stopping favoritism to special interests (including corporate welfare subsidies and policies that cause concentrated ownership of land and natural resources).
3. Introducing incentives and customer choice to public services to improve quality and cost efficiency.

If followed consistently these three principles would achieve the aims of progressive advocates of freedom. Let's take a closer look at what is meant by those three basic progressive freedom-oriented policies:

(1) *Upholding the Bill of Rights*: The Bill of Rights consists of the first ten amendments to the U.S. Constitution.

All ten items in the Bill of Rights are intended to limit the power of government in order to protect the rights of individuals, including the rights of individuals who have minority beliefs or opinions. However, many items in the Bill of Rights are routinely violated by federal and state governments. For example, meetings of Congress are opened with a prayer, which violates the First Amendment by favoring particular religions that believe in those types of prayers. Many of the founders of the U.S. were Deists, who, while monotheists, were highly critical of state endorsement or support of Christianity that is implied by many of the prayers offered in Congress today.

Some of the most wide-ranging violations of the Bill of Rights could be said to involve the Ninth Amendment, which states that, just because a particular right might not be explicitly mentioned in the Constitution, it does not mean that individuals do not have that right. In other words, individuals have rights that are not listed explicitly in the Bill of Rights, which must not be considered an exhaustive list of rights. For example, the Bill of Rights does not explicitly state that individuals have a right to privacy but the Ninth Amendment can be interpreted as allowing that right. This interpretation is further reinforced by the Fourth Amendment, which protects individuals against "unreasonable searches," which can be related to a broader right to privacy.

Similarly, the Ninth Amendment could be interpreted to imply such individual rights as the right to freedom of lifestyle, and the right of each adult individual to decide what foods, medicines, or drugs go into his or her body. We should however emphasize that the Ninth Amendment does not protect a right to drive drunk or stoned or to cause injury to others, because exercising these "rights" would violate the rights of others.

(2) *Stopping Favoritism to Special Interests*: Government support for corporate welfare and other favoritism to special interests results in injustice, monopolistic power,

concentrated control of wealth and the economy, extreme inequality, and major economic problems. Also, government favoritism to special interests leads to the growth of wasteful and inefficient government bureaucracy. Historically and today, instead of addressing the root causes of economic problems many people simply treat the symptoms of poor policies by demanding more government control over the economy, exacerbating conditions which gave rise to those symptoms in the first place.

For example, in the late 1800s and early 1900s, there was rising concern about the "robber barons" who were obtaining concentrated control over steel, oil, railroads, and some other industries. Many people then called for more government regulation in order to get the robber barons under control, yet progressive advocates of freedom at that time pointed out that the root problem was what really needed to be addressed: stopping the government favoritism that gave the robber barons so much power in the first place. Railroad barons, such as the Vanderbilts and Jay Gould, were given millions of acres of land by the government. Steel companies, such as Carnegie's, lobbied for, and got, special tariff protections to prevent people from buying less expensive steel. Government also gave John D. Rockefeller's giant oil company, Standard Oil, title to huge amounts of land with valuable oil deposits under policies which, then and now, have promoted concentrated ownership of land, a topic to which we return below in our discussion of property rights and justice.

It is interesting to note that in the early days of the United States Jefferson warned of the dangers of corporate welfare and special interests. In a letter to Madison, he even suggested an additional item for the Bill of Rights: government should not promote monopoly or concentrated ownership by granting privileges to special interests. The Maryland Constitution actually adopted such a clause in its Declaration of Rights (Article 41), but that anti-corporate welfare clause is routinely ignored, partly because most

citizens are not even familiar with what's in their state's declaration of rights, or in the U.S. Constitution's Bill of Rights.

(3) *Introducing Incentives and Choice to Public Services:* Anyone who has ever spent time waiting in long lines at the government's department of motor vehicles, or the post office, or other government offices, or has heard about government agencies paying hundreds of dollars for a hammer, or has seen or read about how so many inner city public schools provide a low quality of education, knows that current government services are often inefficient and wasteful, of poor quality, and very costly in tax dollars. The basic cause of those problems is that government agencies lack incentives to perform more efficiently and cost effectively. Their customers are stuck with them and cannot go outside the government's monopoly over many important services. To address that problem of the lack of government incentive, authors David Osborne and Ted Gaebler, in their widely noted 1992 book, *Reinventing Government*, propose introducing incentives and customer choice for public services to improve quality and cost efficiency.

For example, instead of having the government run the inner city public schools as a monopoly (which has led to many of the problems in inner city public schools), an alternative would be to issue non-religious, non-sectarian school vouchers. These should not be confused with the vouchers advocated by some conservatives that can be used at religious schools, which many people consider to be unconstitutional taxpayer support for sectarian religious institutions. A non-sectarian school voucher would allow a choice among any schools that meet the same requirements as public schools: open enrollment, non-discrimination, non-sectarian, etc. Osborne and Gaebler give examples of communities successfully using non-sectarian school vouchers. In the version they advocate, the non-sectarian school vouchers can be used to allow a choice among existing public schools, but the approach could also be

broadened to allow non-sectarian school vouchers to be used for any school that meets the same requirements as public schools (open enrollment, non-discrimination, non-sectarian, etc.). Unfortunately, critics of religious school vouchers usually do not address the possibility of using non-sectarian school vouchers as an alternative to religious school vouchers and to the current government monopoly over public schools.

Osborne and Gaebler also describe ways that government could cooperate more with the non-profit sector (community sector, independent sector). For example, government might help with funding for non-profit organizations that provide social services, where the clients who use the social services could choose among a number of non-sectarian agencies who provide the services. A government agency could also help fund a clearinghouse to help people find social services they need, and could help catalyze the creation of services or organizations that are needed, such as projects or services that could be provided by the joint effort of a number of non-profit or community organizations.

Property Rights Based on Justice

As I noted above in the section on the two wings of the freedom movement, progressive advocates of freedom and conservative advocates of freedom have split over the question of concentrated ownership of land and natural resources. Progressive advocates of freedom, in the tradition of Paine, Jefferson, Mill and others, draw a fundamental distinction between two very different types of property: (a) products made by labor and human effort, such as furniture, buildings, and machinery; and (b) land, which refers to geographical locations and the natural resources available at those locations. Land and natural resources were not produced by any person, and no person can produce more natural resources or land, meaning spatial locations, not just dry land - for example, air space for tall buildings is still

land, and has a value. Obviously, for people to create manufactured property they must have access, directly or indirectly, to land and to the natural resources from which manufactured products are produced.

Progressive advocates of freedom maintain that each individual has the right to own the products of his or her labor. However, since no person made the land and its natural resources, and no person can make more land or natural resources, there should be limits on concentrated ownership of land.

Usually, the most valuable land is either urban land or land that contains valuable natural resources, such as oil or mineral resources. We should also consider TV and radio airwaves as a natural resource requiring similar limitations to concentrated ownership. This is especially important since control of these resources directly impacts the freedom of citizens by allowing control of what views they are permitted to hear.

Today, even in a country like the U.S., ownership of land and natural resources is very concentrated. This has the effect of skewing the whole economy by causing artificially high prices for land and natural resources, which in turn raises the cost of consumer goods, makes housing much less affordable, and hinders job creation, leading to job shortages. With fewer job choices, wages are lower and working conditions poorer.

If progressive freedom-oriented policies were applied to prevent concentrated ownership of land and natural resources, and to stop government from handing out huge amounts of corporate welfare, then highly concentrated control of wealth and industry would cease. For example, suppose some corporations started to obtain concentrated control of a particular industry and particular types of machinery or industrial equipment. Without policies restricting concentrated ownership of the land and natural resources, a small number of companies could come to dominate control of the land, energy, and materials needed to

produce those products, and so prevent access by alternative companies. Policies restricting concentrated ownership of land and natural resources would allow fair competition, by lowering the cost of land and natural resources so companies could compete on an even playing field. Companies are entitled to the revenue from products or services they produce, but they did not produce the land or natural resources, so they should not be allowed to obtain dominance over the market by gaining concentrated control over land and natural resources such that competition from other interested companies is precluded.

The distinction between ownership of land and ownership of human-made products is crucial to understanding the progressive approach to freedom, and can be illustrated in these remarks from key writers on the subject:

Whenever there is in any country uncultivated lands and unemployed poor it is clear that the laws of property have been so far extended as to violate natural rights. The earth is given as a common stock for man to labor and live on.¹

[I]t is the value of the improvement, only, and not the earth itself, that is individual property. Every proprietor, therefore, of cultivated lands, owes the community a ground-rent (for I know of no better term to express the idea) for the land which he holds; and it is from this ground-rent that the fund proposed in this plan is to issue...out of which there shall be paid to every person, when arrived at the age of twenty-one years...a compensation in part, for the loss of his or her natural inheritance, by the introduction of landed property....²

¹Thomas Jefferson, Letter to James Madison, Oct. 28, 1775. (Available on line at www.let.rug.nl/~usa/P/tj3/writings/brf/jefl41.htm) In another letter, to Hayes, Jefferson endorsed using a land tax to fund the federal government.

²Thomas Paine, *Agrarian Justice*, 1797. Note that Paine's point applies just as much to urban land.

[Landlords] grow richer as it were, in their sleep, without working, risking, or economising... [It is] a kind of income which constantly tends to increase,³ without any exertion or sacrifice on the part of the owner.³

Practical Applications of Property Rights Based on Justice

In order to put limits on concentrated ownership of land and natural resources, the most common proposal by progressive advocates of freedom is to require that, if a landowner owns more than an average amount of land value (based on the value of the location, not the buildings or improvements on it, which are products of human effort), then that landowner should pay an annual rent, based on the value of the extra land value that person owns. The annual land rent paid by large landowners could either be paid in the form of a land value tax, used to fund basic government services, or as Paine proposed in the quote above, it could be used for direct compensation to people who do not own any land, or who only own a small amount of land of low value. The point is to pay compensation for displacing other people from having access to land (locations and natural resources), which no person produced, and no person can produce more of.

In recent decades Alaska has taken a step towards implementing Paine's proposal by providing for each citizen of Alaska an annual dividend from oil revenue. Paine's proposal should be extended further to include compensation based on the value of any valuable land, including urban land as well as land with mineral resources, and access to the airwaves, which are another natural resource. A variation on Paine's proposal, closer to the views of John Stuart Mill,

³John Stuart Mill, *Principles of Political Economy*, bk.5, ch.2, sec.5. Note that Mill is referring to the part of a landowner's income that comes from renting or selling land, in contrast to income from renting or selling a building, which is a product of human effort.

would be to allow each person to own a certain amount of land that would remain exempt from owing land taxes or compensation even when the value of that land rises to more than the average value of land per person.

Progressive advocates of freedom point out that taxes could be greatly lowered by stopping corporate welfare and other favoritism to special interests, including favoritism to owners of large amounts of land and natural resources. Taxes could also be lowered by introducing incentives and customer choice to public services, as discussed above. In any event, if taxes are used for government services, progressive advocates of freedom point out that only a tax on land value avoids the disincentives of taxes on labor or production. Taxes on labor and production punish productivity, raising the cost of consumer products and services. If you tax labor, buildings, sales, or other productivity, you get fewer jobs, less housing, and less productivity. But if you tax land, the land is still there, because no person made the land. This is why eight Nobel Prize economists have endorsed shifting to a land tax, and minimizing all taxes on labor and production.

Currently about twenty cities in the U.S. are trying this approach, shifting taxes away from buildings and production, and over to taxes based on land values. Studies of these efforts show that they lead to more job creation, more affordable housing, lower costs for consumer goods, and less urban sprawl.

One way of putting it is: "Tax Bads, Not Goods". We shouldn't tax good things like jobs, housing, consumer products, or productivity, because taxing them results in having less of them. Instead, we should tax bad things, such as pollution, resource depletion, and concentrated ownership of land and natural resources.

Comparing the Two Wings of the Freedom Movement

Unlike progressive advocates of freedom, conservative advocates of freedom do not address the issues of concentrated ownership of land and natural resources, and as a result wind up contradicting themselves. On the one hand, they say they are for limiting the power of government at all levels, including federal, state, and local. But what they do not address is the fact that some corporate landlords control more territory than some town governments. Such corporate landlords are similar to town governments, for the following reasons:

Within the territory (property) it controls, a corporate landlord makes the equivalent of local laws by imposing "lease conditions" (similar to a local government's charter), and collects the equivalent of local taxes from its tenants in the form of rent. All advocates of liberty are for limiting the power of government, including local governments, so they should also be for limiting the power of corporate landlords and other large landowners which function like local government when it comes to controlling access to land and resources.

Another similarity between major landowners and local governments is the fact that, just as a lot of town governments use the county's police and courts to enforce their local laws and taxes, corporate landlords and other large landowners use the county police and courts to enforce their local laws (called "lease conditions") and their local taxes (called "rent"). Just like those town governments, large landowners enforce the equivalent of local laws and taxes.

Some conservative advocates of freedom claim that no limits should be placed on large landowners, because those landowners paid for the land. But the fact that the U.S. government paid for the Louisiana territory when it bought it from France does not mean that there should be no limits on the power of the federal government. Obviously,

conservative advocates of freedom are contradicting themselves again.

Most conservative advocates of freedom avoid addressing the issue of concentrated ownership of land, but a few of them have been willing to try to address the points made by progressive advocates of freedom. Economist Murray Rothbard, a leading conservative-leaning advocate of freedom, was willing to try to address the question. According to Rothbard, the first person to "mix his labor" with a plot of land (such as by building a cabin or tilling the soil) has the right to become the owner of that land, unconditionally, with no limits on how much land he can claim. That person can later make others pay him, as an absentee owner, to allow them to use some of "his" land.

Rothbard's view is actually a modified (and distorted) version of the principle presented by the philosopher John Locke. The difference is that Locke concluded that there is a limit on how much land a person can rightly claim -- each person is obligated to "leave enough and as good" land for others. Rothbard did not explain why he omitted that part of Locke's principle. In fact, Rothbard's view becomes self-contradictory, because if the landowner moves away, his labor will gradually become unmixed from the land -- for example, a cabin will gradually crumble, and tilled soil will return to its former condition. As a result, even starting from Rothbard's own principle, the proper conclusion would be that there is a limit on how much land an absentee owner could rightfully claim unconditionally and with no obligations to others.

Rothbard's views should be replaced with a more consistent and clear principle. Paine, Jefferson and Mill offer a more consistent alternative: While an individual does have the right to claim some land and have private control over its use, there needs to be a limit on the power of large landowners to prevent concentrated control over land and natural resources. The progressive freedom advocates quoted above suggested some methods for accomplishing that.

Another aspect of freedom that many conservative advocates of freedom are often too quiet about is the principle that no one has the right to pollute the air and water that others must use, because that is a violation of other people's bodies. In fairness, however, not all conservative advocates of freedom ignore this issue.

All advocates of freedom agree that consenting adults should have the right to engage in any mutually agreed upon activity, including buying and selling products and services from each other, as long as such trades are honest and do not involve fraud such as false advertising. Such economic freedom also precludes government favoritism to special interests as discussed above. While some conservative advocates of freedom do take an explicit stand against corporate welfare they fail to see the inconsistency of this position with concentrated control of land and natural resources.

Freedom, Science, and Communication

It's no coincidence that in the Age of Enlightenment (the late 1700s to early 1800s), the same authors who advocated science and freedom of ideas (such as Jefferson, Paine, Franklin, and Mill, among others) also advocated economic freedom in the progressive sense described above, understanding that genuine economic freedom is inseparable from freedom for scientific inquiry and freedom of ideas generally. Economic freedom empowers consenting adults to form voluntary organizations and to try voluntary economic experiments aimed at finding more efficient ways of producing products and services. This freedom is impossible if such activities are precluded by powerful economic monopolies. Progressive freedom-oriented policies create a level playing field, where different organizations can try different voluntary economic experiments to see which types of organizations and methods are more efficient and more satisfactory.

Revisiting "Left" and "Right"

Originally, the political terms "left" and "right," with which we began this essay, came from the French Parliament, where those who sat on the king's right supported concentrated power, monopoly, and privilege, while those who sat on the king's left opposed it. The original "left" thus tended to be anti-authoritarian and against concentrated power and favoritism to special interests. This original left opposed both concentrated ownership of land and natural resources and the bureaucratic control of the economy which leads to control by special interests.

In more recent times, too many people on the modern "left" have strayed far from their origins, and now favor bureaucratic control of the economy. Besides overlooking the classical liberal principle that power corrupts, such people often make the misguided assumption that concentrated power in the hands of government is somehow not a problem as long as there is democratic control of the government. However, both progressive advocates of freedom and modern economic theory support the observation that the more functions that government takes on, and the greater and more concentrated its power, the more difficult it becomes for voters to keep track of all the issues involved, a situation created and made worse by excessive legislation and lobbying. Voters have limited time to deal responsibly with overwhelming amounts of information, thus defeating the democratic concept of the people themselves making responsible choices about how they are to be governed.

Equally as important, the problem is not confined to the practical inability of ordinary citizens to keep up with the issues. Special interest groups and large corporations do have the time and resources to concentrate on their areas of special interest, and can afford to spend time and money focusing on the one law or subsidy that can more than pay back the cost of their lobbying and campaign contributions.

Voters do not realistically have the time to study the enormous amount of detailed information involved in complex legislation, and therefore cannot be effective watchdogs over the conduct of their government, even if it is a “democratic” one. When government takes on too many functions, it is inevitable that special interests will wind up controlling much of the legislation and policies, introducing corporate welfare and other special interest legislation. This, as progressive advocates of freedom have long pointed out, is exactly what has happened. Progressive freedom-oriented policies as advocated in this essay offer a far more rational and practical alternative.

Far from arguing for simply a theoretical position, progressive advocates of freedom have always been at the forefront of those seeking realistic ways to enhance freedom and democratic processes. Readers who would like to find out more about progressive, freedom-oriented views should visit the websites for the Democratic Freedom Caucus, at www.democraticfreedomcaucus.org, and the Banneker Center for Economic Justice at www.progress.org/banneker for more information and for links to the positions and policies of progressive advocates of freedom today. It is long past time to move beyond traditional ideas of left and right, liberal and conservative, and rediscover the core principles of progressive liberty.

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