

Atomic Libertarianism

by Carl S. Milsted, Jr.

Liberals and conservatives create new government solutions to solve various problems. These big-government solutions create new problems. This leads to yet more calls for new big-government solutions, which lead to more problems *ad infinitum*.

In such fashion free societies slowly spiral into tyranny. What should libertarians do? Do we simply attack every tax, every social program, and every regulation that is not needed in a free society?

I say *no*. This is the path to political irrelevance. Many of these “unnecessary” government laws and programs were put in place to solve real problems. Most of these programs work to some degree. They may be inefficient, destructive, dangerous to liberty or downright stupid in their implementation, but they “work.” The mail usually gets delivered; old people get their Social Security checks; poor people get fat on Food Stamps; a majority of students learn something in the public schools; and so on.

Taken as a whole, the market-based solutions are vastly better. If we get rid of the mortgage deduction (which only helps the upper classes—to bid up the price of land), tax land instead of the improvements thereon, use tradable property rights instead of zoning, and implement other such measures, affordable housing would be plentiful. The need for government-subsidized housing would vanish.

If we didn’t make so many enemies, we wouldn’t need to spend so much on defense. If we legalized drugs, we would greatly reduce the funding of most terrorist organizations. If we set a better example at home, we could spread freedom through persuasion instead of periodically sending in soldiers to stop genocide or take out the cult-of-personality dictator *du jour*.

If we spread freedom around the world, there would be less immigration pressure. If we scaled back the welfare state, then immigrants would be more of a blessing and less of a curse. (Hard-working immigrants drive wages down for manual labor, which makes welfare more attractive to the native born.)

If take-home wages were higher, then charity could replace welfare. This requires simplifying the hiring process, cutting labor taxes, making it easier to start a business, and eliminating deficit spending (which drives up capital costs).

I could go on and on. The advocates of Big Government have given freedom-lovers a Gordian knot to untangle.

Harry Browne tried slicing through the knot in one bold stroke. He asked, “Would you give up your favorite government program in return for ending the income tax?” He called for eliminating *all* of the problem-causing/solving government programs in one fell swoop. The problems caused by eliminating one program would be solved by the elimination of three other programs.

Alas, this pitch failed at the ballot box—and for good reasons:

1. Showing how so many problems are caused by other programs requires conveying a huge amount of information, more than even a major-party candidate could get across during election time.
2. Such a huge simultaneous cut in so many programs could not be achieved, anyway. The U.S. Constitution prevents drastic changes, for good or ill. The checks and balances put in place two centuries ago are still mostly working.

Since drastic comprehensive change is not possible under the U.S. system, platforms in this country are best evaluated plank by plank. When evaluated this way, the Libertarian Party platform comes off terribly! It calls for starving off the old and the poor, allowing giant cartels to monopolize the resources of the land, national bankruptcy, and inviting attack by the many enemies that have accumulated over the years.

This is not a prescription for political success! The LP platform was written from the wrong perspective. It evaluates all current laws, taxes and programs from the point of view of having an ideal minimal government in place. If we already had such in place, we wouldn’t need an income tax, a huge military, Social Security, etc. From this Platonic perspective, the LP platform is mostly good.

But from the perspective of the U.S. ca. 2005, the Libertarian Party platform is full of horrors! And for this reason the LP remains a barely significant factor on the political playing field.

It is time for Libertarians to realize that political platforms are evaluated in the context of their times.

It is time for Libertarians to realize that the order of dismantling government programs is very important.

To achieve victory, we need an appealing platform and message. To do this, we need to go through the platform and ask: is this plank “atomic.” That is, does the plank stand on its own merits? A plank is atomic if it would cause a net benefit to society within the next term of office *even if said plank was the only plank implemented.*

(When I use the term “atomic,” think nanotechnology, not nuclear power. The individual planks are the atoms. If we can justify the current platform atom by atom in arbitrary order, then the platform is atomic. Planks that require other planks to be implemented concurrently, or even prior, are “molecular.” Complicated molecules are difficult to sell as sound bites.)

Consider that Libertarian favorite: tax cuts. Are federal tax cuts atomic? *No!* The federal government is running a huge deficit. And the Baby Boomers will be retiring soon. Outlays will then increase and revenues will decrease. We desperately need to be running a federal surplus now. National bankruptcy looms on the horizon! Thus, if we take the tax issue by itself, a strong case can be made for revenue *increases* now. Today’s deficit is tomorrow’s higher tax rate, with interest.

It is only *after* we make some *huge* decreases in government spending that tax reductions are a good idea. This requires successfully implementing many other planks in the platform. Calls for tax cuts, if any, should be visions of the future, not promises for the near term. Running a budget surplus now results in less taxes taken in the long run. (As for using high deficits to force spending cuts, this was tried during the Reagan years; this tactic did not work.)

On the other hand, tax simplification *is* atomic. It is possible to put forth a replacement for the hated income tax that brings in as much or even more revenue, yet is still a huge boon for freedom and prosperity. The current tax code causes almost as much damage from *how* the taxes are collected as by *how much* tax money is collected.

Fortunately, many spending cuts *are* atomic. There are plenty of government programs out there which are doing more harm than good. Ending farm price supports, the war on marijuana, many pork-barrel projects, and more can each be justified on their own merits.

Another important example is Social Security. Eliminating Social Security would put millions of people into poverty, people too old and feeble to do anything about their situation. Quickly ending Social Security is not atomic. On the other hand, there are many options for phasing out Social Security that stand on their own merits. I particularly like the idea of replacing payroll taxes with consumption taxes. This provides an implicit IRA deduction and eliminates the sense of entitlement. The Fair Tax people (www.fairtax.org) propose using a national sales tax. I have proposed using a carbon tax for this purpose (www.holisticpolitics.org/GlobalWarming).

How about going to a gold standard? Definitely *not* atomic! Our nation is deep in debt, both publicly and privately. Interest rates on that debt were set on the assumption of future inflation. Eliminate inflation and we go into a deep economic depression. We need to pay down the national debt and stop encouraging private debt through our tax code first. Then a gold standard becomes a good idea.

America is not ready for the complete libertarian package, but it is ready for a lot: legal marijuana, legal prostitution, tradable property rights instead of zoning, tax credits for private school tuition, huge amounts of tax simplification, fewer wars on the other side of the planet, major simplifications of corporate law, compensation instead of jail time for property crimes, fees instead of quotas for dispersed pollutants, and the elimination of many grants. These can all be justified *by themselves* for their *near-term* benefit.

Once these and other reforms are accomplished, then the country will be ready for a second wave of liberation. Some of the current planks which fail the atomic test today will later be atomic so they can be safely put back into the LP platform. Then, we can launch a third wave, putting back more planks, and so on. Eventually, most the planks in the LP platform which are radical today will seem reasonable, even moderate.

But to get there, we need to fix the LP platform today. Please look at each plank, and decide if it stands on its own merits, *today*. If so, vote to keep. If not, vote to reject. Then consider if the LP should have a replacement for the offending plank, or if the LP should be silent on the subject until other reforms are accomplished.

We have a huge knot to unravel. We need to start with the outer loops.