

LIBERTY PLEDGE

NEWSLETTER

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The Art of Incremental Change

Imagining an effective strategy aimed at social transformation is an intrinsically complex matter, and no single method will succeed.

Although Libertarians want to see the complete abolition of harmful and unneeded government agencies, this author argues that there's no reason to oppose scaling them back instead. He illustrates that support can be built around that reduction, if it will substantially benefit a broad voter constituency. The key is identifying the benefits that will result, and rallying around them.

Excerpted from *Reason.com*
By Sheldon Richman
Published on July 12, 2015

My first job in the libertarian movement was as research director for the Council for a Competitive Economy (CCE). It was an organization of business owners who opposed the sorts of government interventions that business owners typically favor: tariffs, import quotas, eminent domain on behalf of corporations, and bailouts. In other words, it was to be a principled — pure — pro-free-market presence in Washington, D.C., financed by business people.

One of CCE's first causes was opposition to the Chrysler bailout, \$1.5 billion in government loan guarantees to keep the corpo-

ration from going out of business. Congress passed the bill, and President Jimmy Carter signed it in December 1979 — in other words, we lost that one.

Later, CCE joined Ralph Nader in opposing Michigan's use of eminent domain to help G.M. build a Cadillac factory on what was then the ethnic working-class Detroit neighborhood called Pole-town. I fondly recall [announcing], with CCE president Richard W. Wilcke, our opposition at a news conference; the defiant residents were so grateful. Unfortunately, we lost that battle too. No one thought CCE's mission would be easy to accomplish.

One [project] I worked on personally was trucking industry [deregulation]. Carter became president in 1977, and the powerful Sen. Edward M. Kennedy championed deregulation, on grounds that it would be good for consumers. Ronald Reagan, who didn't

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Bernie Sanders' Solar Plan: A Libertarian Perspective

Solar Needs Less Government, Not More

Excerpted from *Wealth Daily*
by Jeff Siegel
Published on July 9, 2015

Poor Bernie Sanders...

He means well. I truly believe this. But his good intentions could lay the foundation for a road to hell.

Yesterday afternoon, I read a piece published at *ThinkProgress.org* entitled, "Bernie Sanders' Plan to Make Solar Power More Accessible." Here's a snippet:

On Tuesday, Vermont Senator and 2016 Democratic presidential candidate Bernie Sanders introduced legislation aimed at making it easier for low-income families to take advantage of solar power. The bill, called the "Low Income Solar Act," came the same day that the Obama Administration announced a similar program aimed

at installing 300 megawatts of renewable energy in federally subsidized housing by 2020.

The Sanders bill would aid in this effort by providing \$200 million in Department of Energy loans and grants to help offset the upfront costs associated with installing solar panels on community facilities, public housing and low-income family homes, according a press release. The projects would also have to prioritize loans for female- and minority-owned businesses, as well as target specific regions including Appalachia, Indian tribal lands, and Alaskan native communities.

I'm probably a bigger fan of solar than [is] Senator Sanders, and I couldn't possibly back such a plan.

Public Housing

First, I'm not really a fan of public housing to begin with. Quite frankly, the private sector could provide better housing for lower-income folks than the government [can]. The only thing the government would really have to do to enable this is to get out of the way.

In the absence of burdensome taxes and fees, private companies could not only build quality housing for the poor, but do so in a profitable manner. I would add that because solar is now so affordable, it's likely many of these companies would utilize solar anyway, as to do so would be little more than a smart business decision.

But OK, if we concede that the government will continue to provide public

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Independent streak not likely to help Idaho Dems

Excerpted from *Idaho Press-Tribune*
By Phil Bridges (member of the Editorial Board)
Published on July 15, 2015

Allegiance to political parties ain't what it used to be. It's a trend both nationally and here in Idaho.

But while it's a trend that means headaches for candidates seeking your vote for president, it probably isn't one that Idaho Republicans should be too worried about, at least for now.

Those who follow Gem State politics know that it's a state with a populace that treasures independence. Now there's tangible proof—a study from pollster Dan Jones, of Dan Jones and Associates in Utah, which says that the number of Idahoans who identify as independents (38 percent) is higher than those who identify as Republicans (32 percent) or Democrats (16 percent).

What does this mean? For starters, voters don't feel obligated to march in lock step with a political party on every single issue. Gone are the days [when], if you were a Republican you were pro-life, opposed to same-sex marriage, supported increased military spending, wanted smaller government, didn't believe mankind has a significant impact on the climate, etc. If you were a Democrat, you believed the opposite on each issue.

What about people who are pro-life, support same-sex marriage, want to reduce the size of the welfare state but believe military spending needs to be cut, too?

Enough discontent in the two-party system...could conceivably lead to the formation of successful additional parties or make the Libertarian Party more viable than it is today.

Modern voters don't feel the sort of party allegiance they once did, and that complicates life for candidates in close races. They will have to tailor their campaigns to indicate that, while you might disagree with them on this issue or that one, they will work to understand your perspective and craft legislation that respects it. For example, the candidate who supports same-sex marriage but

also supports the right for businesses providing non-essential services to adhere to their religious principles.

Enough discontent in the two-party system—especially if the nation eventually faces a fiscal crisis like the one in Greece—could conceivably lead to the formation of successful additional parties or make the Libertarian Party more viable than it is today.

Good news for Idaho Democrats?

Left-leaning Idahoans might be tempted to see this as a sign that more of their neighbors are beginning to see things their way. Not necessarily. There's a split within the GOP right now, and some are unhappy with the party because they believe it isn't conservative enough. About a quarter of those identifying as independents are in this camp, and it's

New and renewing Liberty Pledgers

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Benjamin Jasper	Steve Tong
J. Shayne Jones	Arvin Vohra
Eric Klinker	Kermit Wallace
Keith LeValley	Harlan Young

hard to imagine them voting for the liberal party, even in protest.

The 38 percent of independents who see the GOP as too conservative will often still vote Republican, largely due to the party's stance on limited government and taxation—always big winners here. National trends clearly indicate a leftward movement socially, but Idaho voters tend to put economic issues ahead of social ones, and younger people with socially liberal values don't vote in the percentages that older, conservative ones do.

The political landscape is in a major state of flux today, and candidates will have to adapt. Still, it's hard to imagine independent Idahoans flocking to the Democrats any time soon.

The Art of Change

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take office until 1981, [had] a reputation for [being a free-market champion], but as his economic adviser William Niskanen wrote, “Deregulation was clearly the lowest priority among the major elements of [his] economic program.”

In 1978, however, thanks to the efforts of a coalition spanning the political spectrum, the airline industry was significantly deregulated: routes, fares, and entry were no longer under government control and the Civil Aeronautics Board (CAB) was abolished. Abolished! Can you imagine it?

Before deregulation, the government determined which airline could fly where and how much it could charge. If an airline wanted to fly a route already flown by other airlines, they could object before the CAB, [who would argue] that no new carrier was needed. [CAB] usually prevailed. This squelching of competition obviously harmed consumers. Deregulation put an end to all that: airfares plummeted; budget airlines emerged; and flying suddenly was open to the rest of us. It is hard to overstate the change in lifestyles this ushered in for ordinary people.

The success in airline deregulation boosted the cause of trucking deregulation. As with the airlines, a government bureau — the Interstate Commerce Commission — regulated entry, routes, and prices, with the predictable consequences: stifled competition, high rates, and inefficiency. Again,

a diverse coalition assembled to lobby for deregulation.

At these meetings, Hill staffers updated us on what was going on in the congressional subcommittees, and we suggested ways to make the emerging legislation better. What impressed me was how all those folks, despite their many differences, worked together. Most of the time I might have been the only libertarian there.

As a result of the coalition’s work, Congress passed the Motor Carrier Act (1980)

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and Carter signed. The benefits of competition soon kicked in. By 1996, the iconic ICC — [the] oldest national regulatory agency — was no more.

Were these perfectly libertarian reforms? Not by a long shot. CAB is gone, but government remains in control of airline safety (FAA), and at some level still operate[s] airports. The ICC is gone, but many functions were transferred to [DOT’s] Surface Transportation Board or the Federal Motor Carrier Safety Administration. [Governments] still operate roads. So these were hardly pure libertarian measures.

But that doesn’t mean they were worthless reforms, much less counterproductive. Loosening government’s grip on those in-

dustries made ordinary people’s lives better. Further, they provided lessons that libertarians could use to push for competitive free markets.

Did a libertarian group compromise its philosophy by supporting that partial deregulation? I cannot see how. Compromise would have consisted in passing up the chance to win radical deregulation to achieve partial deregulation. Or it would have meant being satisfied with partial deregulation and giving up the radical free-market cause. But no libertarian organization that I’m aware of did either of those things. CCE certainly did not. Rather, we took the advice of radical libertarian Murray Rothbard, not known as a compromiser, who used to say, “Take what you can get,” then press for more.

In 1980 libertarians were in no position to abolish all trucking regulation, which would require divestiture of the interstate highways and other roads. [Should] libertarians have been silent about partial deregulation — or even opposed it — on the preposterous grounds that supporting it constituted an endorsement of the remaining regulation? Some might think so. But that “strategy” would not have been an act of uncompromising purity. It would not have been a blow for radical libertarianism. It would have been mere posturing and ideological self-gratification.

Imagining an effective strategy aimed at social transformation is an intrinsically

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How a Libertarian views raising the minimum wage

Excerpted from *The Michigan City News-Dispatch*

Published on July 22, 2015

By Nick Hamill, La Porte Libertarian Party (Vice Chair)

I was among the people who turned out for the NAACP's Raise the Wage gathering at the Michigan City Public Library last week. Over the course of the program, it became apparent the majority of the attendees in support of raising the minimum wage didn't fundamentally have a problem with the minimum wage at all. Their problem is simply not having enough money.

The core issue [is] a lack of financial resources, and the perpetual minimum wage "debate" is a smoke screen obscuring a larger issue of confiscatory taxation, compounded by government waste and corruption, causing the financial hardship these people face.

One speaker, a local pastor, briefly mentioned how 40 hours per week at \$7.25 an hour [isn't] enough to live on, and, almost as an afterthought, "that's before taxes." Most wages are taxed 20–40 percent right off the top, depending on income. Then you have the everyday taxes like the sales tax, liquor and cigarette taxes, and the road tax on every drop of gasoline you use. Don't forget taxes for public education, property, and the "Affordable [Care] Act," which costs thousands a year, and we can't opt out.

Add in the shadow taxes on services like cable, satellite, and internet, the utility companies, trash collectors and innumerable other services who pass their tax burden along to the customer. When it's all said and done, a person is probably lucky to have 40 percent of their earned income to actually spend as they wish. This is why a person can't live on \$7.25 an hour.

But, at least we have a strong infrastructure and quality pub-

lic services to show for this incredible tax burden, right? Please. Schools are in financial turmoil; streets and bridges are in perpetual disrepair; and city departments are constantly crying "poverty." So where does all of our money actually go? This is the problem. \$12 per hour isn't the answer. It just gets taxed and wasted, too!

Why force local business to shoulder (and pass on) the burden created by the system itself? It's a shell game created by those in the two-party system, to distract the poor from realizing they're begging government for scraps of their own hard-earned money, while that same government promptly flushes it down

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the toilet. Government is like a vehicle that runs on diamonds to deliver gravel. It's inherently inefficient and unsustainable.

Libertarians have always affirmed that no one knows how to use your money better than you. What we need is economic freedom. Freedom from excessive taxation. Freedom to control what you earn.

The American taxpayer doesn't need a parent doling out an allowance.

Nick Hamill is Libertarian candidate for Mayor of Michigan City.

Sanders on Solar

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housing instead of letting the private sector do it, then why would a \$200 million loan guarantee even be necessary? Again, the economics of integrating solar into such a building already make sense. There's no need to subsidize it. In fact, by doing so, you actually slow the price reduction curve. What solar provider wants to cut costs, if the government's willing to pick up the price premium?

The Government will Save you

Also worth noting is Sanders' desire to prioritize loans for female- and minority-owned businesses.

While I will not deny that white men in this country tend to enjoy certain benefits not often shared by women and minorities, giving them discounted solar isn't going to level the playing field. In fact, it actually suggests that women and minorities are so ill-suited to run successful businesses that they need the government to save them.

This has been [an] agenda of Democrats

for decades, and look how far women and minorities have come. Women are still paid far less than their male counterparts, and black folks are still getting lynched for being in the wrong place at the wrong time.

Truth is, I've always questioned why more minorities don't embrace the Libertarian Party, as it's far more supportive of

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empowerment for minorities than anything offered by the jackass or the elephant.

I still maintain that Sanders is a good guy with intentions that are a lot more honorable than anyone else running for president. Unfortunately, his policy agenda is severely flawed, in that it relies too much on government intervention and too little

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complex matter. A viable strategic mix must include efforts to roll back the size and scope of the state incrementally. Government is unlikely to vanish all at once, so it is illegitimate to object that incremental changes can be reversed. (Of course they can — eternal vigilance, you know.)

This doesn't mean that everything billed as [a] step in the right direction is actually such a step; that must be judged case by case. This is an art, not a science. But it is not the case that because *some* proposals don't really serve the cause of freedom, *no* proposals can do so.

Sheldon Richman is the proprietor of the blog Free Association (where this article appeared originally) and chairman of the board of trustees of the Center for a

on individual responsibility. This "Low Income Solar Act" is the perfect example.

I do love Bernie, and I do love solar, but that love cannot withstand my contempt for statism.