



THE TUTTLE TWINS PRESENT:

THE TUTTLE REBUTTALS

40 Responses to Popular Political and Economic Myths



There's Plenty to Rebut

As they mature, children come to learn what adults readily understand: there are a wide range of ideas that often change over time, some of which are strongly supported though totally wrong.

Enabled by a dysfunctional media and seemingly toxic culture, people tend to latch onto ideas that are deemed correct by influential people, whether talking heads on TV, celebrities, or the masses on social media.

As it turns out, what is popularly believed is often wrong.

This document is a compilation of many of those wrong ideas—popular myths that are often portrayed as inherently correct. Except they're not.

So we're here to help break it down. We first begin with 20 economic myths, and then offer 20 political myths. With each one, we offer the “Tuttle Rebuttal”—a simple analysis of why the particular myth is wrong.

Our hope is that providing you these ideas and arguments will enable you and your children to better understand the way the world works and combat the many falsehoods that its people cling to.



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ECONOMIC REBUTTALS



1. Capitalism is purely about money

It's not uncommon to hear people talk about capitalism as if it's purely about money. To put it another way, capitalism is sometimes thought to be something that is only for the rich.

This belief seems to be especially strong among young Americans who have been taught that capitalism favors only the rich and never the poor. They believe that the rich get richer while the poor get poorer.

But they're only half right. While it's true that the rich are getting richer, under free-market capitalism, the poor are also getting richer.

This is more than just a matter of who has the most dollars in the bank. It can also be seen in the lives of those whose income falls below the so-called "poverty line." For a family of four, that would be an income of \$25,465 or less in annual income.

Even "poor" families in America tend to own a car, live in a modern dwelling with indoor plumbing, running water, and heating and air conditioning, have access to the internet, and own at least one TV. This is true across racial and ethnic boundaries as well as for single- and dual-parent homes.

The fact is, poverty has been falling steadily for people all around the globe. And that is a result of capitalism allowing opportunities for entrepreneurs and small business owners. Capitalism is also responsible for bringing the cost of what were once considered luxuries down to where nearly any family can afford them.

Just a couple of generations ago, a microwave oven was something most families did not have. They were expensive and could be somewhat difficult to find, depending on where you lived. The same cooking technology that would



have cost a family \$700 or more in 1980 (when \$700 bought a lot more) can now be found for as little as \$50 at just about any big box store.

Yes, there are those who figured out how to produce microwave ovens on a large enough scale that just about anyone can afford them. The entrepreneurs who created these companies have likely become quite wealthy as a result. But the wealth didn't just stop with them.

They created jobs at the factories where microwave ovens are produced. They've provided opportunity for the truck drivers who deliver those ovens to the market and the jobs for the employees of the stores that sell them.

Most importantly, this type of capitalism has put a very useful tool within the reach of even the poorest members of society.

The same can be said for other things that used to be luxuries like computers, flat screen TVs, Instant Pots, air fryers, coffee machines, and much more.

Capitalism not only allowed people to build great wealth, it also allowed them to use that great wealth to support charitable causes of every sort. Prior to the 16th Amendment creating a direct income tax, citizens kept most of the money they earned and chose what to do with it.

For many, this was an opportunity to donate wealth in ways that supported their communities through new libraries, hospitals, museums, missions, soup kitchens, and other charitable organizations.

Capitalism is not just about making money; it's about improving as many people's lives as possible.



2. Capitalism creates winners and losers

A common myth about free-market capitalism is that it's driven by greed and that in order for someone to succeed, another person must lose. But does capitalism really create winners and losers?

Before we can answer this question, we need to be sure that we're clear about what capitalism is and what it isn't.

Some people understand capitalism to mean that laws and regulations are created to benefit the people with capital—or wealth. This could include businesses that partner with the government to create barriers that prevent competitors from being able to enter the market.

This is what's called crony capitalism and should not be mistaken for free-market capitalism, which relies on competition to allow the best products, services, and ideas to succeed. The biggest difference between the two is that the government does not interfere in with free-market capitalism.

Free-market capitalism is what makes innovation possible, and innovation is what brings new solutions to existing problems.

But do those solutions only benefit the wealthy? Do the rich just get richer while the poor get poorer?

The reality is that the greatest achievements of free-market capitalism have tended to benefit the ordinary person by giving them access to things that were once only available to the rich or powerful.

Take, for example, the smartphone.



It wasn't so long ago that a person would have needed to buy a calculator, a camera, a recording device, a computer, an alarm clock, a GPS unit, an answering machine, a digital music player, a document scanner, a TV, a flashlight, and numerous computer programs just to enjoy all the features found in a single smartphone.

Not only has capitalism made all of this and more available in a handy device that easily fits in your pocket, but it also has made it affordable for the average person to have one at a reasonable cost. The convenience and benefit of having all this technology at your fingertips is not limited to the wealthiest among us.

Likewise, anyone who has ever taken Uber or Lyft to travel in a strange city is directly benefiting from free-market capitalism that is working to create solutions for as many people as possible. A person can be picked up from any location and driven directly to their destination for a very reasonable price.

This means they don't have to worry about renting a car, finding parking, trying to find their way around in an unfamiliar town, etc.

Would people with great wealth like Jeff Bezos, Bill Gates, or Oprah Winfrey be the ones to benefit from services like Uber or Lyft? Not likely. After all, they travel by private jet and limousine and have a staff of helpers who handle all their travel arrangements.

The people who use free-market capitalism in order to create solutions for as many people as possible may achieve great wealth as a result. But the reason they are being rewarded with that wealth is because they have created great value for so many people.



3. High taxes don't cause economic problems

Most people accept the idea that taxes are a necessary part of life. We're taught from an early age that money taxed away from us is what funds a large number of important government programs that help our society.

Here's a question worth considering: Instead of making our lives better, do taxes actually cause economic problems? Most people, especially politicians, would struggle to answer this question.

It's not that they don't believe such problems might exist. It's that they have a tough time deciding just how bad these problems would have to be before we said, "No more."

The truth is, a great deal of what the government does with our tax money is not in keeping with its focus of protecting our natural rights and promoting justice. It's used, instead, for what are called entitlement programs like Social Security, Medicaid, and Medicare. It's also used to provide food stamps, education grants, farm subsidies, and foreign aid.

Taxes are used to fund our nation's armed forces, including hundreds of military bases overseas, and a gigantic army of government workers.

The people who work for the government are often referred to as the *public sector*, meaning they are paid with funds taken from the public in the form of taxes. The *private sector* refers to the business owners and workers who produce the kinds of goods and services that raise our standard of living.

The private sector has to create value in order for people to choose to spend their dollars with those businesses or individuals. Taxpayers aren't really given a choice in how much will be taken in taxes or what will be done with that money.



When the government takes a certain percentage of their money in the form of taxes, taxpayers are left with less money to spend according to their needs and wishes. If they are taxed out of 40 percent of their money, that means they only have the use of 60 percent of their income.

They must send the rest to the government rather than spending it on things they need or want like cars, education, food, starting a business, or simply saving for future needs. This means less economic activity in the private sector that would be meeting their needs by providing the things they really wanted to spend their money on.

There's also the problem of people who are employed in the public sector being dependent on those taxpayer dollars. They may be good people and sincerely want to help the people around them, but the government does not create wealth like the private sector does.

It can only take the wealth generated by the private sector and transfer it to its workers or its programs.

If those same government workers were employed in the private sector, they'd have the same incentives that drive other workers in the free market to provide real value for those who choose to be their customers.

People who were allowed to keep the money they've earned, rather than having to give up a large portion of it as taxes, would still be free to help the needy. This is how communities helped the poor and downtrodden before government created programs funded by the taxpayers.

The economic problems caused by taxes aren't always easy to recognize. But they are real and cannot be excused just because a particular program is based on good intentions.



4. Socialism helps the poor

What's the best way to help the poor? Ask this question, and it's a sure bet that someone will suggest taking from those who have and giving it to those who don't.

To be clear, they are suggesting that your money and property don't really belong to you but instead they belong to everyone and may be taken away and shared if enough people agree. It is one of the central beliefs of socialism.

Socialism is more than just an economic or political system. It is a system that relies on a tiny minority of officials who centrally plan and implement decisions for the common good. In a free society, your individual rights protect you from the power of government.

Under socialism, your individual rights are subject to the approval of the collective.

The collective is simply another way of describing a group or mass of people united under a particular government. Socialism relies on collectivism to accomplish its goals by treating everyone's money and property as a *common*, rather than a *private*, good.

When it comes to helping the poor, socialism claims to provide what they need by taking from those who have more. At first glance, this may seem like a compassionate use of government power.

After all, who could argue against caring for the poor and needy by providing them with food, shelter, medical care, and their other needs? Isn't it for the common good?



The problem is that to accomplish this goal, socialist governments must take someone else's money or property away before they can give it to the poor. Here's the moral problem with this approach.

If I take something that is not mine, especially if I take it by using or threatening force, that's still stealing. Why don't we consider it stealing when the government takes something from us by threat of force?

Just because the taking is done by the government or with the approval of the collective, that doesn't make it any less of a matter of stealing.

There's also the matter of how each of us has different interests that drive how we live and the decisions we make. This is part of human nature and it does not work well with coercion.

Unfortunately, socialism requires coercion in order to accomplish its goals.

Governments that embrace socialism will target the most productive members of their societies as a source of revenue or property to fund its programs. Inevitably, this leads to wasted resources and a powerful motivation not to be too successful, so as not to draw government attention.

This results in shortages and even more poverty than before. People who might have wanted to build businesses and to create wealth and opportunity will think twice before doing so if they stand a good chance of getting fleeced for their efforts.

This is why socialism has a very long record of failure wherever it has been tried.

So, how does a society truly help the poor?



By encouraging individuals to own private property and to voluntarily exchange with one another in order to create wealth. This is in harmony with human nature and also allows those who create wealth to freely share it as they choose.

This promotes authentic rather than forced charity and meets the needs of the truly poor without creating greater dependency on government.



5. In free markets, child labor would still exist

The words “child labor” have a very negative meaning to most people. They bring to mind third-world sweatshops or images of 5-year-olds dressed in factory uniforms being sent off to work in the former Soviet Union.

The truth is, child labor exists in societies where poverty is widespread enough that working parents are unable to meet the needs of their households. As poverty decreases, there is less need for children to help provide income for their families.

Historically, even in America, children were part of the workforce. According to 1860 Census records, roughly 6 percent of the nation's workers were children—meaning between 10 and 15 years of age. This number stayed fairly steady until about 1900.

Then it began to drop and drop, year after year. By 1930, less than 1 percent of the workforce was children.

In 1938, child labor in America was effectively outlawed when the Fair Labor Standard Act was passed. But, by this point, child labor was already a rare thing.

It wasn't the government that caused this to happen. It was the free market and the fact that the average worker's income had been steadily rising and a family could be supported without having to send their children off to work.

There wasn't a need to send children off to work any longer. Think of the relief that parents felt in knowing that they didn't have to send their children out to work in order to feed the family.



The Industrial Revolution was in full swing by 1900 and continued to expand over the next three decades. This expansion of the market brought more and more adult workers off of farms and into the cities and factories where they could make a living.

By today's standards, those factories were not always safe, but they were still far safer than farm work, which is still some of the most dangerous work that's done.

It wasn't government or laws that made people more productive and able to earn more money. It was the free market expanding to meet the needs of a growing population and customer base.

As the market expanded, so did opportunity and so did the average standard of living. In America, kids could focus on being kids rather than being providers.

Unfortunately, there are still many places in the world where child labor is still a reality. They are almost always places where there is widespread poverty. This causes great concern for many.

For instance, people sometimes urge boycotts of certain clothing manufacturers because they use child labor to keep the costs down on their products. But the vast majority of child labor throughout the world is found in agriculture or household services rather than manufacturing.

In poorer countries, manufacturing jobs tend to pay better than agriculture jobs. They're also generally less dangerous for child workers. This may sound unacceptable to those in more developed countries.

It's important to remember that, for many child workers in poor countries, the alternatives to not working can mean going hungry or being forced into prostitution.



Laws and regulations won't solve this problem by making it illegal for children to work. What will make child labor unnecessary is simply letting the free market grow, innovate, and generate opportunities for more productive work.

For that to happen, the government needs to stay out of the way.



6. Workers are exploited by the companies they work for

Most everyone with a job has reason to complain from time to time. It's what separates a job from other activities that you can walk away from when they stop being fun.

Some people go far beyond complaining about their jobs to where they complain that they are being exploited by the companies they work for. They may not realize that they are promoting an idea from Karl Marx.

Marx believed that capitalism allows companies to exploit their workers by stealing the fruit of their labors in the form of profits. His theory was that the value of a product is based on the amount of labor required to produce it.

This would mean that the workers whose labor is used to make the product should rightfully own whatever sales revenue it generates. Since the company owner didn't do any of the actual labor in producing the product, yet keeps a portion of the profits for himself, that's like stealing from the workers.

The problem with this theory is that value isn't determined by the amount of labor that goes into a product. Value is determined by what the customer is willing to pay for the finished product.

If someone were to spend a full work week making mud pies, that doesn't mean that people are going to buy them just because a great deal of time or labor went into making them. The value of a product is determined by how much the customer is willing to pay for it.

But this is only one of the problems with the idea that workers are being exploited when their company makes money as a result of their labor.



There's also the issue of what it takes to start a company and to hire employees in the first place.

The business owner plays a critically important role in bringing the company into existence. He or she must come up with the capital or money required. Next comes finding a suitable building and purchasing the necessary equipment.

They must buy the supplies, hire, train, and pay the employees and then market and distribute the finished product. This is all done with the employer's own money.

If, for some reason, the product doesn't sell, the employer is the one who takes the hit. After all, it's his money that's at risk. This is why it's not immoral for an employer to keep part of the money earned as a result of his entrepreneurship and his workers' efforts.

After all, those workers wouldn't even have a job if not for the willingness of the capitalist to take the enormous financial risk of starting the company.

Marx was certain that the relationship between workers and the companies they work for was one of constant conflict. In reality, it's exactly the opposite.

Employers are helped when their employees are loyal and hard-working. Likewise, employees should be eager to see the companies that employ them grow and expand. The more their company succeeds, the more job security and better wages they'll enjoy.

That simply can't happen in an environment where exploitation is the goal.



7. Men are paid more than women

Does the fact that you're male or female affect how you're paid for doing a particular job?

Politicians love to talk about what they call the “wage gap” and how unfair it is. They claim that a woman makes just 79 cents for every dollar that a man makes. At the root of this myth is the belief that employers are being greedy and are discriminating against women by paying men more.

Of course, this is also a good excuse to get the government involved to “solve” the problem.

In 2016, when she was running for president, Hillary Clinton vowed that, if elected, she would use the government to force employers to pay men and women “fairly.” She even made this promise during a speech on Equal Pay Day, showing that this is a myth accepted by many.

But do women really earn less than men? And is it just because they're women?

If an employer knew that he or she could get away with paying someone 21 percent less just because she's a woman, why wouldn't that employer just get rid of all their male employees and hire only women? After all, they'd be spending 21 percent less than their competitors who hired men.

That's a pretty big advantage.

There must be more to this idea that women make less than men do.

For instance, are we comparing workers who are actually doing the same type and amount of work? For a person to be considered a full-time worker, they must work at least 35 hours per week.



Men are more likely than women to work more than 40 hours a week, and they're two-and-a-half times more likely to work 60 hours per week. Women are also more likely to choose to work fewer hours in order to have time with their children.

Is it fair that someone who works less be paid the same as someone who works more?

We also must ask, are they doing the exact same type of work?

When you compare single men and single women who are doing the same type of work, there's no wage gap to speak of. Any differences in pay will usually come down to differences in experience or education.

When it comes to comparing wages in the workplace, we must take care that we're comparing apples with apples and not apples with oranges.

And when it comes to finding the best balance of compensating employees for the value they create for their employer, the free market does a much better job than the government does.



8. The economy only exists because of government

Listen closely when a politician is explaining his or her success while in office. It's a near-certainty that you'll hear them talk about what they've done in economic terms.

That's a curious thing, since the main reason the government exists is to protect and guarantee our natural rights of life, liberty, and property and to make sure that justice prevails whenever we've been wronged. Still, a surprising number of people have come to believe that the government is responsible for managing, stimulating, and regulating the economy.

To understand why this is incorrect, let's first establish what the economy is and isn't.

The economy is not a piece of machinery that a politician can climb aboard and steer or stimulate. It's motivated people continually choosing to exchange with each other for mutual benefit.

The individual decisions which guide those exchanges are made depending upon what those individuals prefer or what they value. Because each individual has different preferences and expectations, these aren't the kinds of decisions that can be safely made by someone who claims to know what's best for everyone.

But that doesn't seem to stop politicians from trying to influence the economy through laws, regulations, and monetary policy.

Some people believe that when the economy slows—because of widespread uncertainty or some other outside factor like a pandemic—it's the government's job to step in and get things going again.



This is often done through what's called "stimulus spending" in which the government borrows massive amounts of money and then distributes it to the public in the form of stimulus checks or government programs. The idea is that when people start spending that money, the economy will be motivated to become more active.

On the surface, it's easy to see why people believe this.

After all, a \$1,200 stimulus check makes it a lot easier to justify buying that new big-screen TV or other toy.

But there are some problems that come along with this type of government intervention in the economy.

The first and biggest is that every penny that the government borrows or taxes has to be taken away from the private sector. This is because the government has no resources of its own. It can only take what others have produced and send that money in a direction that it commands.

This brings us to another problem. There's a big difference between consuming and investing.

When the government takes money from us, or borrows money that it makes the private sector pay back, it's redirecting those resources for the purpose of consumption. Had those funds remained in the hands of private individuals, they might choose to invest it instead.

Investments require that people be confident enough to save money rather than simply spend it on consumable items that don't hold value. Unfortunately, the government ends up discouraging savings when it encourages central bankers to keep artificially low interest rates.



Government also discourages investing in the creation of new businesses when it raises taxes that punish higher productivity or when it enacts harsh regulations and other barriers to voluntary exchange.

There's a big difference between the private sector and the government sector.

The private sector is where wealth is produced. When people are free to be more productive, their standard of living rises. The government or public sector produces no wealth. It can only take from those who have. This reduces our standard of living.

The economy works best when the government stays out of its way and lets us choose what is most important to us.



9. The economy prospers under socialism

The two primary economic systems found throughout the world today are capitalism and socialism. Capitalism is promoted as a system that stands for freedom and prosperity.

What does socialism stand for?

The answer you get will depend upon who you ask. A person on the street might think of socialism as a system where wealth and resources are managed or distributed by the government for the sake of fairness.

But it's not always a system where the government owns everything.

Some countries have privately-owned enterprises that are tightly regulated and controlled by their governments. Often, in those nations, the government will own what it calls "critical" industries, like television or radio stations or power or water systems.

A simpler definition of socialism, as it applies to the economy, is that economic activity is based on central planning. This means that someone in an official position, or a tiny group of authorities, makes the decisions about what should be produced and how resources should be allocated.

Many people like this approach because they don't like the risk or responsibility that comes from making these decisions on their own. They find it easier to elect or appoint authorities who will tell them what to do, where to work, and what to produce.

Proponents of socialism will often justify this approach as being more fair to the people of a particular nation, in that everyone is thought to benefit from the



efforts of industry, not just business owners. Private ownership of property is thought of as selfish and likely to lead to the exploitation of workers as well as customers.

Since the government doesn't want profits or wealth, the benefits of socialism are thought to benefit collective society rather than the individual. But this is not a system that produces prosperity. Here's why.

A socialist planner looks around and sees a world without a "plan." If everyone is allowed to make his or her own decisions, they might choose to do something other than what the planners want them to do. This is why their rules, laws, and regulations can be so numerous and strict.

Central planners tend to see the public as a collective herd that must be managed and told what to do for their own good. Government is a tool to force the public's compliance.

In reality, the public is made up of millions of individuals who each have differing needs, hopes, and desires. What makes the free market work is that these individuals must voluntarily cooperate with one another in order to get what they want.

No single central planner or group of authorities can know or understand perfectly the needs of all those individuals. It doesn't matter how well-intentioned or wise the planner may be. There is simply too much knowledge that they don't possess for them to make wise—or correct—decisions for everyone.

This is particularly true when it comes to knowing what to produce.

That's why economic socialism is synonymous with shortages and long lines of people hoping to get needed items like shoes or toilet paper. When central



planners are calling the shots, rather than allowing the free market to show what's in demand and what isn't, prosperity is not possible.

Socialism is based upon control. Not just of the economy but of every aspect of a person's life. Substituting the force of the state for the individual choices of millions of people may bring uniformity, but it cannot bring prosperity.

Prosperity can only happen when people are free to make their own decisions and use their creativity and innovation in ways that benefit them as well as those around them.



10. The rich don't pay taxes

Taxes are more than just a source of revenue for the government. For politicians, taxes provide both opportunity and danger.

They provide politicians with the opportunity to spend more money. And big-spending politicians see that spending as a source of power and job security. After all, they can brag to voters at election time about all the government-funded goodies they've provided.

On the other hand, if a politician wants to raise taxes, he or she is likely to get pushback from taxpayers who don't like to see even more money leaving their pockets. To avoid possibly angering the voters, many politicians work hard to convince them that the goal is to tax someone, or something, else.

Often, they'll try to justify a new tax by assuring the voters that it's being enacted to "get the rich to pay their fair share."

This is because there is a perception that the rich don't pay taxes like the rest of us.

Politicians sometimes claim that the rich have loopholes or shelters they use so they can avoid paying the taxes that the rest of us pay. Let's take a closer look at that claim.

People who earn more than \$480,000 a year make up the top 1 percent of income earners in the country. Yet that 1 percent pays more than 39 percent of all federal taxes.

Looking at the top 10 percent of income earners, meaning those who earn more than \$138,000 a year, we find that these taxpayers pay more than 70 percent of federal income taxes.



That doesn't sound like they're getting away with not paying their "fair share."

Another way to look at the fairness issue is to consider who *doesn't* pay federal taxes.

The bottom 50 percent of income earners, meaning those who make \$39,000 a year or less, pay just under 3 percent of federal income taxes. Meanwhile, nearly 45 percent of households in America pay no federal income tax at all.

Looking at those numbers, who has more skin in the game when it comes to paying taxes?

Sometimes politicians will call for higher taxation on corporations as a way to justify new taxes. But corporations are not the same thing as actual people. This means that whatever taxes are imposed on a corporation will be paid by a flesh-and-blood person instead.

That cost can come in the form of higher prices, lower earnings for investors, reduced wages, or even laying off workers. The bottom line is that, somewhere along the line, an actual person will bear the cost of those taxes.

Instead of helping politicians look for new, and sometimes sneaky, ways of taking more money from the taxpayers, we should be asking whether all that spending is necessary in the first place.

Taxing the rich can be tricky because what one person considers "rich" may be very different from what others consider rich. It also ignores the fact that the highest income earners are already paying nearly 40 percent of all federal taxes already.

Our national debt is not the result of failing to tax the rich. It's the product of politicians who have a serious spending problem and who aren't willing to fix their own bad habits.



11. Minimum wage laws help unskilled workers

How much should a worker be paid? Is it something the government should decide, or is it an agreement that should be made between the worker and his or her employer?

The idea that the government should require employers—by law—to pay their unskilled employees a minimum wage is often promoted as a way to help new workers earn more. With more money in their pockets, they'll be better able to afford life's necessities and to support themselves.

But a closer look at minimum wage laws shows that, however well-intentioned these laws may be, they actually harm unskilled workers who are just entering the job market.

To start with, we need to ask why certain jobs seem to pay very little compared to what skilled workers can make. Is it greedy private corporations taking advantage of new workers?

Nope. It's a matter of how markets work.

The demand of businesses who need workers and the supply of workers who are willing to do a job for a certain amount of pay, meet at the exact point where wages are determined. How much the employer is willing to pay and how much the employee is willing to accept for doing the work is something both must agree upon.

If an employer wants to pay too little for a particular job, the employee is free to walk away from the opportunity and find something better. Likewise, if an employee wants more than what an employer is willing to pay, the employer should be free to say, "No, thanks."



Minimum wage laws bring the state into the situation and impose a legally required wage that the employer must pay. This can actually harm the unskilled employees that the laws are supposed to be helping.

Here's why.

An employer must be able to make a certain amount of profit for the work that is done by the employee. That amount of profit must be higher than what is being paid to the person who is doing the work.

Otherwise, the employer will be losing money every time they pay the employee, no matter how good of a job that employee is doing.

When the government steps in and makes a law requiring employers to pay their unskilled employees more, those employees don't magically become more skilled or productive.

In fact, the cost of doing business goes up for the employer, and they must now decide whether or not they can afford to hire new employees or even keep existing jobs. In other words, the very same laws that were supposed to help unskilled employees make more money end up putting them out of work.

It's not a matter of greed that makes such tough decisions necessary on the part of the employer. It's the fact that they don't have access to unlimited amounts of money. This means that an employer has to choose between paying workers more than their labor is actually worth, raising their prices, eliminating jobs, or even going out of business.

This doesn't help unskilled workers. It hurts them by making it harder for them to find entry-level work where they can begin to build their skill sets and their work habits. These are the things that allow them to earn higher wages by creating greater value for their employers.



12. Price gouging is immoral

Every time a disaster like a fire, a hurricane, or an earthquake happens, something very predictable occurs. The price of essential items like gasoline, bottled water, generators, or canned food goes up.

And every time those prices rise in response to how many people are wanting to buy those items, you'll hear complaints about "price gouging."

A merchant is often accused of price gouging when he or she charges a significantly higher price for a particular item than what it would usually sell for. To some people, the higher price reflects a desire to make more money because others are desperate to buy that item.

Raising prices is not only considered immoral, but in some cities or states, it can be a criminal offense. It's not uncommon for authorities to set up hotlines for people to call and report price gouging so the merchant can be punished.

But is raising the price on items that are in very high demand really an immoral thing?

Prices rise and fall all the time. They are a signal that provides valuable information to suppliers and buyers. This signal tells suppliers what their customers need the most.

The more needed an item is, the more scarce it will become. And the more scarce an item is, the more it will cost. This is what's known as supply and demand.

High demand means that more people are competing for a limited number of goods, and the price goes up.



This sends a clear message to suppliers to make more of what is needed and to get those items to the customers as quickly as possible.

This means that a case of bottled water that may have sold for \$5 in normal times could cost \$30 when it is in very short supply. It's not that the water is suddenly 6 times more useful. It's that the demand for it is so high that its scarcity causes people to place a higher value on it.

Laws that treat these higher prices as price gouging can actually create more problems than they solve.

If prices were to remain at their normal low level, the very first buyers might just buy up all the bottled water, even if they don't really need it at the moment. When prices are allowed to rise according to the demand of the market, a customer will think about whether or not they really need that water so badly.

If they're not willing to pay the higher price, then the water is still available for someone who does have that greater need and who values it enough to pay more for it.

More importantly, the higher price sends a clear signal to the suppliers of bottled water that there is a need in that area for more of their product. This gives them a reason to ramp up production of bottled water and to quickly get it to the place where it's needed.

Price gouging is not immoral. It's a necessary signal through which the free market provides real incentive for suppliers to step forward and deliver what is most needed. How can that be a bad thing?

Laws that prevent prices from rising don't do anything to fix the underlying scarcity that caused demand to rise in the first place.



13. Monopolies are evil

The biggest experience most of us have with monopoly is playing a board game that goes on and on until someone ends up flipping over the game board in frustration.

In economics, however, monopolies are the source of a whole different kind of controversy.

By most definitions, a monopoly is when a seller is the only supplier in the market for a product or service. This exclusive control means the seller enjoys the power to set his or her own prices since there is no competitor that can provide a close enough substitute.

Of course, not all monopolies are the same.

Some monopolies are the result of a company or industry partnering with the government in such a way that competitors are prevented from entering the market. Often, the government creates legal obstacles to ensure that a particular seller has a clear advantage over any potential competitors.

These barriers can include things like professional licensing, regulations, taxes, or incredibly high fees that make it difficult for potential competitors to access the marketplace. This kind of monopoly is the product of government intervention.

A good example of this are the taxi companies that have operated for many years in large cities. For decades, these companies operated with virtually no competition to speak of. Local governments protected their monopoly on taxi services by requiring all taxi cab companies to have a government-issued license or medallion to legally carry passengers.



Many local governments also enacted regulations that restricted the number of cabs that could be on the road at any given time. This created artificial scarcity that allowed cab companies to charge higher prices for cab fares since there was no competition to speak of.

When innovative ride-sharing companies like Uber and Lyft came along and provided an affordable alternative to expensive, sometimes less-than-sanitary cab rides, local authorities tried to shut them down. Without the taxi license or medallion issued by those cities, the ride-sharing services were said to be untrustworthy or dangerous and could not be allowed to operate.

Of course, the real reason for this opposition wasn't passenger safety. It was about upholding a government-backed monopoly that transferred money to the government through fees and licenses.

As a result, Uber and Lyft drivers were ticketed, fined, and threatened by police for driving willing passengers around in their own vehicles. It wasn't because they were harming their customers.

Their prices were lower than the taxis. Their cars were cleaner, and their service was excellent. They were targeted for the sole purpose of preventing competition.

And competition is a good thing in the free market.

This doesn't mean that we won't ever encounter monopoly conditions in the free market. Sometimes a seller's product or service is so good or unique that no one has yet found a way to effectively duplicate or compete with it.

The main difference between this kind of monopoly and one enforced by the government is that one requires coercion and the other does not. Peaceful and voluntary cooperation combined with competition is what drives the market to



provide the best quality goods and services to the most people and for the best price.

Without government barriers preventing new entrepreneurs and innovators from entering the market, genuine monopolies will be rare. And those that do exist will still have to serve the needs of the customer or face authentic competition from a company that will.



14. Value comes from how hard you work

We've all heard the advice to "work hard if you want to succeed." On the surface, this makes sense, right?

A person with a solid work ethic is more likely to be a hard worker, and that means they'll likely be more productive than someone who is just going through the motions. However, there's a common misunderstanding that a worker's wages should be based on how hard his or her job is.

In other words, the value that you bring to your employer comes from how hard you work.

This is one of the reasons that opponents of free-market capitalism are absolutely convinced that workers are being exploited by their employers. But should people be paid based on how difficult their job is?

When it comes to how much to pay a worker, the primary consideration for an employer always comes down to how much value that worker creates for the company. If the job is something that can be easily done by most people, and there are plenty of people willing to do it, it's going to pay less.

On the other hand, if it's a job that requires considerable skill, long hours, or dangerous conditions, fewer people will be willing or able to do it. This means that an employer will usually have to pay more to fill that position.

The value that can be applied to a particular job is affected by more than just the supply and demand of how many workers are available and willing to do it. The effectiveness of the worker can also play a role in how his or her compensation is determined.



For instance, salespersons are often paid commission on their sales. This means that the value that they bring to the company can be directly measured by how much money they bring in through their sales. A business owner who pays his or her salespeople a generous commission is giving them incentive to earn more by selling more.

If they are being well paid, it's because they are bringing money into the company at an impressive rate. It's a win-win situation for both the employee and the employer.

Of course, the flip side of this is that a person who lacks sales skills will make very little money if they are being paid on commission and not generating sales for the company. More often than not, they'll become frustrated and move on to find another type of work.

It's also important to make the distinction between people who are working hard and those who are effective workers. Just because a guy has sweat pouring off his face and is working at a fever pitch doesn't mean that he's necessarily being productive and creating value for the company.

Often, employers will set the wage for a given position by making an educated guess about how much value the average worker brings by performing a specific task. This is why certain positions within a company will pay pretty much the same rate for the same job.

Employees who show themselves capable of working more efficiently or who gain additional skill sets will find opportunities for advancement in position and pay that workers who do the minimum required of them will not.



15. Without regulations, consumers would be harmed

What motivates a person to start a business? To make money would be a reasonable answer. But is making money such a powerful motivation that a person would knowingly harm others in order to do it?

Some people believe that greed is so common among business owners that, without strict government regulation, businesses would harm consumers in their haste to turn a profit. This belief has given rise to a large number of laws and regulations that are supposed to protect us from dangerous or inferior products.

Without such regulations, it's assumed that we would face serious risk from tainted food, exploding appliances, or unsafe toys. In other words, the regulations are the only thing that keeps companies from making or doing things that could harm us while the business owners are laughing all the way to the bank.

To believe this, we'd have to accept two very questionable ideas.

First, we'd have to believe that a business that caused provable harm to its customers could continue to stay in business indefinitely. Second, we'd have to accept the notion that, without someone in authority telling us what was safe and what wasn't, we are not smart enough to figure such things out for ourselves.

Let's think about that first idea.

There are two ways in which we can interact with others. We can persuade them, or we can force them. Government is the only institution in our lives that claims legitimate authority to use force to make people do what it wants.



Churches can't do this. Families can't, either. Neither can communities, the media, teachers, or businesses. All of these institutions must persuade people to join them, to visit them, to live within them, to learn from them, or to buy their products.

For a business to succeed, it has to provide a product or service that meets a need in the customer's life. It's not enough to simply make something for others to purchase. The customer has to choose to purchase that product or service.

If they walk into the store and don't see something they like, the business owner or an employee can't just pull a gun on them and tell them to buy it—or else.

The customer has complete authority to walk away from a potential purchase because it doesn't fit their needs, it costs too much, or they simply don't like the color. No transaction can take place if it's not agreed to by the customer.

If a company tries to sell a product that is harmful or that doesn't perform as advertised, the consumer can withhold his or her consent and refuse to buy it. Since the company cannot force the public to buy that product, they have strong incentive to either improve it or to stop selling it.

Better still, in the free market, another person or company might see an opportunity to create a better, safer product and use that improvement to compete for those customers. No outside regulation is required to persuade the company that it needs to get its act together if it wants to stay in business.

As for the idea that we're just not smart enough to know what's best for us, we must remember that no politician or bureaucrat can know our needs better than we do. As long as we have access to good information, we are more than capable of deciding what is best for us.

And that includes knowing which products to buy and which companies deserve our business.



16. Experts know things the rest of us can't

Who is better suited to make decisions about your life, you or some expert? It's shocking how many people have to stop and think hard before answering this question.

The reason they pause is because they've been taught to think of experts as people who know things that the rest of us can't.

A person who is an expert in a specific area may be able to provide us with insights or information that helps us to gain a more complete picture of a particular subject. There's nothing wrong with that.

The problem comes when we allow experts to make crucial choices for us or we blindly follow whatever an expert is saying.

It's not that expert advice isn't a good thing. But expert advice, when combined with arrogance, can become a source of misinformation if we're not careful.

We sometimes forget that experts are human beings, just like us, and are capable of being wrong.

One of the best examples of this can be seen in how experts in 1876 responded to the invention of the telephone.

The president of Western Union Telegraph is quoted as saying: "This 'telephone' has too many shortcomings to be seriously considered as a means of communication."



The chief engineer of Britain’s post office also dismissed the new technology, saying: “The Americans have need of the telephone, but we do not. We have plenty of messenger boys.”

Similar predictions have been made about things like the automobile, motion pictures, nuclear energy, space travel, and the computer. All of them turned out to be deeply mistaken.

The problem becomes greater when expertise is combined with authority.

We’ve seen this happen when health experts make predictions, based on faulty computer models, that a virus will infect and kill so many people unless society is shut down. When governments follow the advice of these experts and forcefully require that businesses close and people stay at home or avoid gathering in groups, many lives are negatively impacted.

When those predictions turn out to be greatly exaggerated and the death toll and infection rate is far lower than the experts said it would be, those authorities who followed their advice have caused unnecessary harm.

Businesses, especially small businesses, struggle to stay open, and many of them close their doors forever. Families are prevented from being together for life’s most important moments. Individuals who struggle with mental or emotional well-being are plunged into despair, substance abuse, and sometimes suicide.

Meanwhile, in countries where authorities gave their citizens the best available information and let them make their own informed decisions as to how best to protect themselves, the virus ran its course and their economies didn’t crash.

The key takeaway here is that no single expert or authority figure has enough information to make decisions for everyone else. They can make



recommendations or suggestions based on their field of knowledge, but they don't know enough to tell us what is in our best interest.

Just because someone has a PhD, doesn't mean that you have to respect his or her opinion on *everything*. You have a mind of your own, and it's essential that you use it to learn what you can in order to make the choices that best meet your needs.

The key is learning to think like an expert without allowing your mind to become confined by thinking you have all the answers.



17. Everyone should pay their “fair share”

If you and your friends were having a movie night and someone suggested ordering a pizza, it wouldn't be hard to figure out how to cover the costs fairly.

Those who want to eat pizza could each be encouraged to pay for the portion they consume. If someone didn't want to eat pizza, he or she wouldn't be required to contribute to the purchase.

If someone was feeling generous, they might offer to pay for another person's portion or possibly even the whole meal. It's doubtful that anyone would end up losing sleep worrying that everyone had paid his or her fair share.

However, when it comes to how the costs of a society are paid for, there are plenty of people who make it their business to worry about who is or isn't paying their “fair share.”

Politicians seem especially concerned with making sure that we're all paying our fair share. This is because politicians specialize in spending other people's money.

We all have motivation to earn money so we can purchase the things we want and need. We end up exchanging our work for whatever it is we don't have.

Politicians have a slightly different motivation.

In order for politicians to get what they want, they have to create tax laws so they can pay for it. At every level, government pays for the programs and departments it runs through money taken from the people who worked to earn it.



Whatever tax laws a politician writes, the purpose behind those laws is to help them get their hands on a portion of what we've worked for. Even when a politician talks about how those taxes are only there to "help" people, there is a benefit to the politician as well.

The money in his or her paycheck is taken from people who are working and producing things of value in the market. And there's also power that comes from controlling the various government programs that are paid for by taxes.

If a politician wants more money, more power, or simply more reasons to brag to the voters who elected him, he's not likely to come right out and say so. More likely than not, he'll take a different route and talk about how important it is that everyone is paying his or her fair share.

This is how politicians try to convince us that they're not really out to tax us, they only want to tax the "rich" who we're told can easily afford it. If a person is not well-informed on tax issues, he or she may take those politicians at their word without considering whether there's something more taking place.

Considering that 86 percent of the taxes paid in the U.S. are paid by those who earn at least \$73,354 each year, the odds of ending up being one of the rich who is taxed for his or her "fair share" is high.

And unlike the pizza that we ordered for movie night, you have no say in whether or not your money is spent on something you actually wanted. Even if you didn't eat any pizza, you still end up paying for what some politician wants. That doesn't seem very fair, does it?

The truth is that none of us owes anyone anything except for our goodwill and a willingness to respect each other's rights. Be careful when someone comes around demanding you cough up your "fair share."



18. We can spend our way to prosperity

Which is more likely to make a society wealthy, stable, and prosperous: consuming or investing?

How we answer this question tells us a lot about how well we understand the difference between spending and saving. This question can also help us understand why politicians are so eager to spend other people's money.

Let's start with an example of spending versus saving in the private sector.

Imagine that there's a family whose income is \$80,000 a year. After all of their expenses and taxes have been paid, they still have \$10,000 left over. What's the best use of this extra money?

Some would say they should spend it to stimulate the economy by going out to dinner, buying a big screen TV, or taking a vacation. After all, that spending that money would support the owners and workers at restaurants, retail stores, and tourist businesses.

If they really wanted to help the economy, they could also take out their credit cards and borrow an extra \$5,000 in order to keep their spending up and keep the economy humming.

After 10 years, this family would have enjoyable memories and some nice toys to show for their consumer spending. Of course, they'd also have \$50,000 in debt that needs to be paid off.

On the other hand, if this family were to take that \$10,000 and put it into a savings account. After 10 years, they'd have at least \$120,000, plus whatever interest it earned.



Which family did more for the economy?

The family that spent and borrowed certainly helped the economy in the short term. By purchasing meals, retail goods, and traveling, their spending benefitted those businesses and their workers.

But what about the family that saved its extra money? Did they fail to help the economy by putting the money into savings?

Actually, their savings didn't just sit there. Their bank or credit union put that money to productive use by lending it out to others. The bank then makes money by charging interest on the loan.

Let's say a business wants to invest in updated equipment for its workers. The business can now borrow money from the bank to make that purchase.

The new equipment now makes it possible for the company's workers to have greater productivity which means the company can earn even more money, even after repaying the loan with interest. That means it can expand and create more jobs or pay its workers more.

The customers also benefit because that higher productivity increased the amount of goods in the market.

And last, but not least, the family that saved benefits by having that money available for any needs that may arise, and they're also earning interest from the bank.

This is the difference between consuming and investing.

When we apply this to government spending, it's not so different.



Government can only get its money from either taxing, borrowing, or printing money—which lowers the purchasing power of every dollar out there through inflation. The government doesn't go out and create value like the private sector must do to earn money.

This means that government borrowing and spending don't really help the economy in the long run. Stimulus checks and government loans may cause people to spend money, but they don't encourage savings or building wealth.

Because of this, government spending results in consumption rather than savings and investment.

Prosperous societies reject consumption and debt in favor of saving and building capital.



19. Private property creates inequality

Some philosophies, like socialism, are based on the idea that it's okay to use government force to take away from those who have in order to give it to those who don't have.

A common argument against private property is that private ownership of property creates inequality. Listen to those who push the hardest for socialism, and you're guaranteed to hear them talk about how they're working to get rid of inequality.

But is there anything that even comes close to equality in the real world? For that matter, is inequality always a bad thing?

Look around and you'll notice that no two human beings are exactly alike. Each of us has characteristics that make us one-of-a-kind, and there's nothing wrong with that.

The human race is not a giant anthill. We're not simply interchangeable parts of a gigantic mass. We look different. We all have different talents and abilities.

We want or we reject different things based on our own individual needs and wants. Some people are smarter, faster, stronger, taller, or more creative than others. These differences are what make life interesting and the world a better place.

If everyone thought and was physically capable of pretty much the same thing, we'd never get to experience all the variety that life offers. We'd also miss out on the brilliance of those who come up with solutions to the problems we face.



The only place where inequality should not be tolerated is in how the government treats the people. Equality before the law is essential, if you wish to have a free society.

Let's examine how private property relates to inequality.

A lot of the concern over inequality centers around differences in income. Keep in mind that poverty isn't the same thing as inequality.

Socialism seeks to solve income inequality by making it difficult, if not impossible, for anyone to earn more than another. Under socialism, the government owns and operates the factories and companies.

The government also determines what is to be made, how much to make, and the price it may be sold for. Workers are paid the same whether they do a good job or a bad job because their pay is determined by what the government says it should be, not by how much value they create.

There may not be much inequality amongst the workers, but they're almost perfectly equal in the misery and lack of opportunities they share.

Something very important has been taken from them—the incentive to excel. Why would a person break his back building something remarkable when it will never belong to him and he'll be paid exactly the same as the person doing the crappiest job of building it?

The inequality of wealth and income in a free market is what inspires people to work harder, to be more creative, and to push themselves to make something better. Those who create value this way also create opportunities for the people around them.

A person who invents a better lawn sprinkler can take her idea and use it to create a business that provides job opportunities for the workers who build the



sprinklers, the truck drivers who deliver it to market, and the stores that sell it to their customers.

She has the incentive to succeed because she owns her product, her factory, and her income.

Yes, there is inequality throughout this process. But there's also incentive for others to do what she has done for themselves.

This is how free markets and the ownership of private property lift the living standards of everyone in ways that socialism never will.



20. Government must protect us from corporations

What would happen if the government didn't protect us from corporations? To hear some people tell it, it would be a disaster.

We'd all be working ourselves to exhaustion for a nickel a day. Or we'd be deathly ill from industrial pollution or maimed by faulty products. But this doesn't exactly square with the facts once we understand the essential difference between government and corporations.

Corporations aren't people. They're made up of people who are subject to the same temptations and failures we all are. They are, however, an institution in society.

The seven main institutions you'll find in a free and healthy society are family, community, academia, clergy, media, business, and government. Only one of those institutions claims the authority to use force to get people to do what it wants.

That would be the government.

All the other institutions must use persuasion instead of coercion to get people to voluntarily do what they ask. When a free society is operating as it should, all of these institutions work in harmony with one another.

All have significant influence, yet no single institution dominates the others. But once one or more institutions become the main powers in society, they can quickly cause problems.

Societies that live under a theocracy—where clergy and government are basically the same thing—can become extremely intolerant of ideas that fall



outside their belief system. A system dominated by corporations may become a “corporatocracy” where government is controlled by business interests.

In this instance, the government isn’t protecting the people from corporations so much as it is joining forces with them.

Government combining with business is what gives some corporations more power and less competition than they’d have with a truly free market. This is where bailouts of failing companies are paid for with taxpayer dollars.

This means that money—earned by people who actually worked for it—is directed into a non-productive or failing part of the economy at the order of the government. Had that money remained in the hands of those who earned it, they likely would have chosen to put it to work in more productive parts of the economy.

This kind of corporate welfare enables corporations to survive the kind of bad business decisions that would cause other, less well-connected businesses to close forever. And it can only happen when the government is picking winners and losers instead of allowing the market to reward good business and letting bad businesses fail.

Sometimes, corporations will lobby for, or even write, legislation and then seek out legislators who are willing to pass it into law. In return, the corporations offer large donations that support the politician’s efforts to remain in office.

This creates an unhealthy union of government and business that makes it very difficult for the average voter to have any influence on public policy.

In the free market, a business or corporation can only make offers to consumers or suppliers—including its workers who supply labor. Without coercion, the consumers and suppliers are free to accept only those offers that they believe will make them better off.



If they don't like the offer, they can reject it and look for a better offer. Obviously, those corporations and businesses that want to stay in business will respond and make better offers. Otherwise, they will go bankrupt and fail.

Corporations and businesses also face constant competition from other businesses and entrepreneurs who have discovered a way to improve a product or service. This means that these corporations must be competitive in quality and price if they wish to earn and keep a customer's business.

They are best regulated by what the market will support rather than what the government tells them to do. This is because the market responds quickly and accurately to what consumers and suppliers really want.



POLITICAL REBUTTALS



1. People are not good and must be restrained by government

What makes someone a good person? Is it a willingness to obey rules, or is it something else?

How a person answers these questions will reveal a lot about his or her understanding of what the government is and what it should do.

Another way to think of this is to consider why we have laws in the first place.

Some people believe that people are not good and must be forced by the government to do the right thing. Otherwise, they think, we'd be little more than animals who live by the law of the jungle where only the strongest survive.

But is this really the only way that there can be peace and order in a society?

All dealings between human beings can be placed in one of two categories—voluntary cooperation or coercion. In other words, we can either use persuasion or force to get our way.

This is true whether we're talking about getting a child to eat her broccoli or getting an adult to purchase a particular item. Persuasion takes more effort because we need to convince the other person to *voluntarily* do what they are being asked to do.

Force is simply a matter of telling someone to do something or be punished.

But is a person who is being forced to do something, even if it's supposed to be good for them, really acting like a good person? Or are they simply doing whatever it takes to avoid punishment?



For a person to be good, he or she must be able to freely *choose* to do good things. This means that this person must also be able to choose *not* to do those good things.

This is a very frightening thought for some people.

They worry that if it weren't for laws telling us exactly what we can and cannot do, others would steal, lie, and harm one another in order to get what they wanted. But laws alone are not enough to make us good people.

Mala en se laws are laws that prohibit actions which are easily recognizable as morally wrong. They punish things like murder, theft, assault, and arson—acts that clearly create a victim who has been measurably harmed.

On the other hand, *mala prohibita* laws are rules that are used to punish things that may or may not harm anyone else. These are sometimes called “victimless crimes.” For example, in some places it is punishable, by law, to fish from horseback.

If you were to see someone sitting on a horse as they fished, would you immediately recognize that as a harmful act with a victim?

Those who believe that people are not good and must be restrained or forced by the government to do what they consider the right thing are very fond of *mala prohibita* laws. They believe that, with enough laws, they can make people be good—or at least their version of what's good.

In reality, the best they can do is make people obedient to their rules. And obedience is not the same thing as being a good person.

The line between good and bad is found in our hearts. Each of us can choose to act on our best or worst desires. When we freely choose to reject actions that



would harm another or infringe on his or her natural rights, we are truly being good.

When we do something because we fear the threat of force and punishment being used against us if we don't, we're simply being obedient.

See the difference?

Government can punish actions that have harmed others and can help ensure that justice is done. But it cannot make us good people by forcing us to do what someone else considers to be the right thing.



2. Overpopulation is destroying the world

When you stop and think about how many people are currently living on this planet, it's a bit mind-blowing.

A crowd of 20,000 at a sporting event is remarkable. A concert with 100,000 or more is hard to comprehend. It's no wonder we have a hard time processing how billions of people could be living on earth right now.

As earth's population has grown, so has the concern of those who worry that the planet is like a lifeboat that can only handle so many people. They fear that too many humans will quickly use up all of the natural resources, like food and water.

Once the planet has been stripped bare of its resources, they imagine that the rest of humanity will quickly die of starvation, thirst, or disease.

Another concern from those who worry about overpopulation is the fear that too many people will lead to massive pollution and the destruction of the environment.

While it is amazing to think about how much the world's population has grown in the past 50 years or so, the idea that overpopulation is destroying the world hasn't proven true.

Of course, concerns about overpopulation have been going on for a lot longer than most people realize.

More than 200 years ago, an economist named Thomas Robert Malthus wrote an essay warning that food production could not keep up with population growth. Malthus had some good reasons to be gloomy.



Famines and plagues were still very much a challenge in lots of places. There were instances where hungry people would harvest and eat the grain crops before they were ripe. People starved to death where there was no food.

Malthus warned that reducing the population was required if humanity was to be able to keep feeding itself.

But Malthus was wrong about something very important.

He underestimated the ability of people to innovate, to solve problems, and to change their ways when they had the personal and economic freedom to do so. When farmers were able to exercise individual property rights, their farms became more productive.

As nations began to trade and engage in commerce with one another, new avenues were opened up to bring foods to their people that were previously unavailable. The food supply grew more rapidly than the population did.

This is the power of personal freedom, private property, and free markets at work.

The predictions of earth's population outgrowing the food supply have continued to pop up from time to time in the past 200 years. But they've always been wrong.

A valid connection between how many people live in a densely populated area and how much poverty and hunger exist there hasn't proven true either.

If anything, we can look at some of the poorest and most food-deprived areas on the earth like North Korea and certain areas of Africa and see that the number of people per square mile is quite low. On the other hand, in places like South Korea and Singapore, where there are incredibly high numbers of people per square mile, starvation and poverty are rare.



It's not a coincidence that those nations or areas that limit economic and personal freedom and private property rights are usually the places where the greatest amount of human suffering is found.

Where there is personal and economic freedom, human beings turn out to be incredibly valuable resources rather than a drag on the world around them. The more minds we have working on a particular problem, the greater the likelihood that the problem will be solved.



3. Global climate change can be reversed by law

Once upon a time, there were people who believed that the earth was flat. Or so we've been told. In reality, the knowledge that the earth is a sphere was understood thousands of years ago by Greek and Egyptian mathematicians.

In our time, when travel by airplane and satellite images can clearly show us the curve of the earth's surface, we find it hard to believe there could ever have been any doubt or disagreement.

While we don't see much disagreement on the earth's shape in our time, we do see a great deal of debate on whether the earth's climate is changing because of man's activities. Along with this disagreement is a related argument as to whether global climate change can be reversed by man-made laws.

Let's start with the question of whether the earth's climate is, in fact, changing.

Scientists have a remarkable variety of instruments available to them to measure and track even small changes in the earth's climate. This data, combined with weather records kept over the past 200 or so years, seem to indicate that there are changes taking place in the global climate.

What's not so clear is whether these changes are the product of natural climate cycles or whether they are related to man-made causes like air pollution. Even within the scientific community, there is clear disagreement as to the causes of global climate change.

For instance, some scientists warn that continued warming, at the modest rate that they've observed, could be catastrophic for growing seasons or water levels along highly-populated coastal areas. Other scientists point out that it would



take nearly 500 years to reach the kind of temperatures that could spark such drastic changes.

This hasn't stopped politicians from stepping forward with a plan to reverse these observed changes in the global climate. Unfortunately, their plan always seems to come down to giving them greater power to tax and regulate as many aspects of the economy as possible.

If this seems like a pretty big stretch, you're seeing the real problem.

The planet operates according to natural laws and does not respond to the demands of politicians or the words they write on paper.

Most political solutions start with reducing what government scientists call carbon emissions. This includes some of the air pollution that is produced by factories and modern methods of transportation.

This means that fossil fuels—which power so much of modern industry through generating electricity and powering the various trains, ships, and trucks that deliver goods to the market—must be done away with. But what will take their place?

Green technologies like wind and solar power are promising but still very expensive by comparison. Forcing a sudden shift away from the fossil fuels that drive so much of our world today would cause a dramatic increase in the cost of nearly everything we buy.

The good news is that the amount of energy a business needs to make its products is a large part of its operating costs. There is an incentive for businesses to find ways to lower their energy consumption to save money.

Lower energy use means less pollution, and that is a positive for everyone involved.



Another thing to keep in mind is that our world is far cleaner today than it was when people traveled by horse and carriage and factories burned mostly coal. Whatever particles your automobile may put into the air, your chances of stepping into something nasty is far lower.

Our homes and our water are cleaner and safer than ever.

And it wasn't because of a politician's orders. It was because the free market allowed us to solve problems creatively.



4. Government exists to do what we cannot do as individuals

What is the purpose of government? It's a question that mankind has been debating for many thousands of years.

To understand why this has been a subject for discussion for so long, we must understand how and why we organize ourselves as human beings. It all begins with the individual.

Because living our lives as single individuals would be very difficult—and lonely—we first come together with members of our family. This is the first type of grouping found in a society.

When several families are gathered together, we have a tribe or a community. When several communities are brought together, you have a village, town, or city.

Cities combine to create a county. When counties come together we get a state. And when states combine, you have a nation. Each of these groupings, from the family on up, represents a different level of government.

So, why do people organize themselves and cooperate at these different levels?

Think about how hard it would be to provide for every need you have—like food, water, clothing, and shelter—if you had to do it all yourself. Sure, it *can* be done. But by voluntarily coming together with others, we can accomplish much more than we might be able to on our own.

This means we must be able to work with others and resolve any differences that may come up. Laws are a reflection of the rules that societies create to make this happen.



Of course, laws must be enforced. This is why governments are created. Government is an organization built on force. Without force, it wouldn't be the government. This is what makes it different from every other human organization.

Government force must be limited to a protective role that is used to uphold the laws.

For laws to be reasonable and fair, they must not be used in ways that violate anyone's rights.

Here's why.

Each individual has natural rights that should be respected by those around them. Put very simply, no one has a right to hurt another person or take their stuff. These rights apply to every individual and should be respected by every other individual.

Government is organized and is given authority by the people whose rights it will protect. The important thing to remember is that anything that would be wrong for an individual to do to another, is still wrong for the government to do as well.

It would be wrong for you to take one of your neighbor's cows just because he has several and you have none. Taking what belongs to someone else is stealing.

If you were to get together with your other neighbors and take a vote where everyone said it's okay to take that cow from your neighbor because you need it, it would still be stealing and it would still be wrong. It doesn't matter if a majority of people voted for it or even if they elected representatives who voted for it.

Taking the neighbor's cow against his will still amounts to stealing it.



Just because the stealing would be done by the government after taking a vote and writing words on paper saying it's okay to take the cow, it still isn't right. What is immoral for us to do as individuals is immoral for us to use government force to do, too.

This means that we must be very careful in how we allow government force to be used. We should take care that our laws don't ask the government to do something that we should not do ourselves.

If you wouldn't want the government to do it to you, you shouldn't support the government doing it to someone else.



5. In order for one person to succeed, another person must fail

What do you think when you see someone driving a really nice car? What comes to mind when you pass by an especially beautiful home?

Some people think to themselves, “That’s impressive. One day, I’m going to be successful enough to have one just like it.”

Other folks tell themselves, “Nobody needs something that fancy. They don’t deserve that.”

One person sees the world as filled with abundance and opportunity. The other sees it as a cruel competition where in order for one person to succeed, another person has to fail.

This mindset often carries over into government as well.

For instance, some people see those who have worked and achieved great material wealth as having done so by taking it away from others who they believe deserve it more. A successful business owner, for example, is viewed as a greedy exploiter of his workers.

How dare he reap the rewards of a successful business when his employees make just a fraction of his income?

But is he really succeeding at their expense? Is he taking advantage of their willingness to work?

Remember that this business owner has put a huge amount of work into building a successful company. It started with coming up with an idea of how to create value for his customers.



Then he had to either borrow or save up the necessary money to purchase what was needed to start the business. Entrepreneurs invest their money in a facility and equipment with no guarantee that the business will be a success.

Getting a business started takes many hours of work and sacrifice. Keeping it going requires constant effort. There's no such thing as working a 40-hour week and calling it good.

Most business owners work as many hours as it takes to develop their product or service, to market it to the right customers, and to stay ahead of their competitors. If they fail to remain competitive, their business will fail.

They provide jobs for those who are willing to work for what they are willing to pay. No one is forced to labor for them.

With all this in mind, why should someone feel it necessary to look at the businessman's success and to feel as though it has robbed them of a similar opportunity. Even worse, some feel that those who succeed should have what they've earned taken away from them.

They plead with politicians to make the successful "pay their fair share" by having the government take a portion of their wealth away. Some politicians are happy to do this.

It's bad enough to want what someone else has for yourself. That's what it means to covet.

But to *envy* what that person has means that you want to destroy their happiness in it by simply making sure that they can't have it.

The free market isn't driven by envy. It's driven by a desire to create greater value and success.



Unlike societies where success meant a person had to be from the right family or had inherited great wealth, the free market places opportunity within reach of anyone willing to work for it. Great ideas pave the way for more great ideas.

Success isn't like a small pie with a limited number of pieces for those lucky enough to be first in line. It is a pie that grows with the market to reward all those who are willing to provide real value.

Yes, there is also the possibility of failure in the free market. But that's because we must be free to fail if we are to enjoy the freedom to succeed. Mistakes are among our most powerful teachers.

Whenever someone succeeds, that is an indication that there is opportunity for others to succeed, too. That's cause to rejoice, not a reason to feel cheated.



6. We owe the state our gratitude and our allegiance

A person's allegiance is more than just his or her willingness to declare their approval of something. Our allegiance reflects a personal sense of loyalty and commitment to a group or a cause.

There are many things that can compete for our allegiance. One of our greatest challenges is choosing those that are worthy of it. We can give our allegiance to God, family, country, culture, money, self, or any number of other competing interests.

One of the most serious questions that we can answer is who or what deserves our highest and truest allegiance.

This is especially true when it comes to the state.

Currently there is a powerful demand coming from many different places for allegiance to government and to society. But what should we do when these things stop deserving our support?

Do we owe the state our gratitude and loyalty *no matter what*?

Most of us have taken part in reciting the Pledge of Allegiance at the start of a public meeting or at the beginning of the school day.

We know the words to the pledge by heart. But do we really stop to consider what it means to pledge our allegiance?

This doesn't mean that patriotic rituals are always a bad thing. The problem is that they become such a routine thing that we do them almost automatically, as



if we were robots. If someone declines to take part in saying the pledge, they are at risk of being seen as ungrateful or unpatriotic.

Someone who takes his or her allegiance seriously wouldn't just chant in unison with the crowd because of social pressure. They would only give their allegiance and gratitude to those people or causes that actually deserve it.

In the case of government, that shouldn't necessarily be an automatic thing. Government is not our master. It is supposed to be the *servant* of the public. As long as it is acting within this properly limited role, it deserves our support.

When the government is protecting our natural rights to life, liberty, and property, it is doing its job of guaranteeing that we remain free.

When it moves beyond this role and begins to do things it was not intended to do, we do not have to continue to give it our allegiance. This is especially true when it begins demanding our loyalty and obedience like a ruler would.

If your government told you to do something that went directly against your allegiance to moral truth, you would face a choice of which allegiance matters more to you.

At times like this, we may choose to withdraw our allegiance from the state. This almost always carries some risk.

You might face legal consequences for failing to do something that the state demands. You may face punishment for doing something you know to be right, but that the state forbids you to do.

You'll also likely face social pressure and retaliation from your fellow citizens who see you as being disloyal or unpatriotic. This can be a really uncomfortable place to find yourself.



Historically, there are many people who have risked being attacked for refusing to give their allegiance to things that they could not morally support. At the time, they were considered traitors, and many were punished severely.

What's interesting is how, many years later, they're often viewed as having been courageous and heroic for remaining true to their highest allegiance. They are often held up as examples of personal bravery.

The great lesson we can learn from them is the importance of being at peace with your conscience by knowing what your highest allegiance is.



7. Elections ensure that the government reflects the will of the people

Most Americans feel a sense of pride when they step out of the voting booth on election day. It's not just because of the "I Voted" sticker that many proudly wear afterward.

It's the belief that they have done what responsible citizens do and helped to steer their government in the right direction through electing good candidates to public office. Many of them have grown up believing that casting their vote is among the most important things a citizen can do.

They've been told that elections are the best way to ensure that the government reflects the will of the people. Candidates who win their election will treat the results as if *everyone* within their district, city, or state fully approves of their agenda. They call it a "mandate."

But here are a few things that must also be considered.

Getting elected is the equivalent of winning a popularity contest. It does not give the winner permission to do whatever he or she wants.

They have been elected to be the *servant* of those who elected them, not the *ruler* over everyone within their geographic area. This is why they are required to swear an oath before taking office.

In that oath, they promise to represent everyone equally and to follow the rules of their state or national constitution. They are being trusted with power that comes from the people.

In most elections, the winner is determined by whoever gets a simple majority of votes. These votes only represent those citizens who showed up to vote in the



election. In off-year elections, that could be as little as 20 percent of registered voters.

That leaves an awful lot of people who either didn't vote for the winner or who didn't vote at all.

This means that, in many elections, the government is more likely to reflect the will of those who showed up and voted rather than the will of even a majority of the people.

And when it comes to shaping public policy, it's not the voters who have the greatest influence. Researchers have found that the average citizen has far less influence on public policy than lobbyists and other special interest groups.

This is one reason many people are skeptical about voting. They don't believe that their vote can make a measurable difference.

Those motivated voters who do show up are often motivated by incentives to use government power to take money from some and to give it to others or to punish their political rivals. Essential principles like limited government, free markets, private property, or even right and wrong aren't nearly as important to them as keeping their preferred candidates in power.

There are four things we can do, outside of voting, to have a measurable influence for good.

1. We can develop our personal character. Truly good people tend to become an inspiration for those around them through quiet service to others.
2. We can free ourselves from ignorance through thoughtful and regular study. The brilliance of the founding generation was earned in this way.



3. We can become more involved in civic matters through communicating with our elected leaders at every level. This is especially effective at the local level.
4. We can make our influence felt by sharing our advice after becoming informed. Once we understand an issue clearly, we can share what we know by speaking, teaching, and informing those around us.

Simply voting isn't as important as what we do outside of the voting booth between elections.



8. Collectivists care more about the poor

Every human society, no matter how advanced or primitive it becomes, will have social problems to solve. It will also face a choice of whether to seek voluntary solutions through individuals and the private sector or to impose collective solutions through the force of the state.

Take the problem of poverty, for example.

Collectivists approach this problem as they do most other ones. They look for ways to have the government throw money at it to solve it. Of course, any money the government spends is other people's money.

If someone questions whether this is a proper use of government authority or taxpayer money to create such a program, they will almost certainly be accused of caring about money more than they care about the poor.

But let's think about what they are opposing. When the government sets out to spend money on programs to help those in poverty, is it really solving the problem? Or is it creating other problems?

Is that money being used wisely or is it being spent without regard to the outcome? Is it enabling people to get out of poverty or causing them to be dependent upon the government to supply for their needs?

How much of that money is used to fund the large bureaucracies necessary to administer the programs? By taking that money away from productive taxpayers, will it prevent some of them from starting businesses that could provide job opportunities for the poor?



Claiming to care about the poor doesn't justify ignoring these concerns. Results matter more than good intentions.

A major objection to not using collectivist policies backed by government force is that some people might not choose to donate money voluntarily. History says otherwise.

Would it surprise you to learn that, traditionally, before the income tax and the welfare state, it was private charities that tended to the needs of the poor in our communities? Before government-sponsored welfare became the norm, there were soup kitchens, hospitals, libraries, and charitable foundations that eased the burden of the poor through voluntary donations.

This means that private individuals, without any coercion whatsoever, willingly donated a portion of their hard-earned money to care for the poor among them.

There are two remarkable lessons we can learn from how this approach worked.

First, the people who received this help were provided with what was needed to help them get back on their feet and to provide for themselves. They were not expected to remain on assistance for longer than was absolutely necessary.

This meant that most people receiving charity had incentive to stand on their own and become truly self-reliant rather than expecting others to care for them indefinitely.

Under the current welfare state, it's not uncommon for 3 or 4 generations of a family to be receiving benefits paid for by taxpayer money. They are given little incentive to improve their situation.

The second lesson is that once caring for the poor became a government matter, people no longer freely gave to the poor because it was the right thing to



do. Their money was taken from them through taxes, and they would be punished if they failed to pay them.

That money was then distributed to the needy as well as to various levels of government employees who oversee the programs.

It became easier for people to turn off their individual consciences and to ignore the poor among them because they assume that the collective will take care of it. Forced charity is not the same as the kind that is freely given by choice.

In this sense, collectivists care less about the poor than they care about having access to other people's money and the control that comes with it.



9. It doesn't matter who makes the laws

Most of us take the law pretty seriously. That's because we understand that behind every law is a threat that men with guns may come and punish us if we don't obey it.

Have you ever thought about why we have laws? Some would say it's to keep us safe or to prevent people from harming each other. Others might say laws are there to ensure that we have a way to settle disagreements without resorting to violence.

A 19th-Century economist named Frédéric Bastiat may have had the best answer of all. In his book *The Law*, he explains that man-made laws exist “to cause justice to reign over all.”

Through much of the history of Western Civilization, laws were how people established what was just in their society. The laws were based on customs and whether the people considered them reasonable and fair as well as how effective they were.

Laws reflected the combined wisdom of many generations rather than only the opinions of the ruling class. Only those laws that met this standard and that stood the test of time deserved to be called law.

A key difference between their time and ours is that their laws weren't handed down by a king or some other lawmaker. Laws were developed mostly at the local level through the decisions of trusted judges who knew how to apply reason.

This began to change in the early 1800s when professional law-making bodies like legislatures, representatives, and police began to appear. The main



difference between laws and legislation is that legislation is mostly about a politician's words on paper rather than based on tradition and wisdom.

This also resulted in an explosion of new legislation being added to our legal codes every year. With hundreds and hundreds of new laws being added all the time, knowing exactly what the laws say has become virtually impossible.

With this shift in how we approach law-making, there was also a shift in how we view the laws on the books. People became more concerned with whether something was legal or illegal rather than whether it was right or wrong.

This is true even for those who work within the legal system like judges, attorneys, and police. How can a person obey the law and avoid punishment if no one is precisely sure what the law says?

If the laws are too numerous and too difficult to understand, people will be tempted to ignore them as best they can. Or they may be tempted to create legislation that becomes the weaponized edicts of politicians.

There's also concern about keeping law-making authority within the legislative branch of government. Other branches of government, like the executive branch, have been issuing orders that are expected to be followed as if they were laws.

The courts also are tempted sometimes to "legislate from the bench" in how they uphold certain laws and policies and strike down others.

There's also a large number of regulatory agencies at every level of government who create rules that are strictly enforced as if they were laws.

The problem with these unelected executives, judges, and bureaucrats issuing orders that carry the power of law is that they are not directly accountable to the



voters. This makes it very difficult to correct problems or mistakes that result from their directives.

It matters who makes the laws because for laws to be just, they must be based in wisdom, tradition, and what has worked throughout the years. Laws cannot simply serve the people in government.

The laws must serve the people from whom all the politicians, judges, legislators, and bureaucrats get their legitimate authority.



10. Freedom and liberty are unnatural

Freedom has long been thought of as a good and desirable thing. It is honored in songs, poems, and stories. There are public holidays and festivals that celebrate it.

We have statues and monuments to remind us of those who gave their lives in its defense.

Most any person you ask will agree that it's much better to be free than not.

With all the good feelings that people have towards liberty and freedom, it's strange that it has been such a rare thing historically.

Throughout recorded human history, there have been remarkably few times that mankind has enjoyed authentic freedom. Even then, that freedom was limited to a few brief times and places and, in most cases, was only present for a short time.

How can something considered so good and valuable be so difficult to earn?

Constitutional Attorney Harold W. Pease has a useful illustration of how fragile freedom and liberty can be.

He explains: "Freedom can be likened to a butterfly landing for a time here and there for a season as it passes through the centuries, and it has only been the most cautious and perceptive peoples who permitted it to remain with them long – hence their greatness."

When people understand that their freedom is a rare and precious thing, they are less likely to take it for granted or waste it. Unfortunately, it is human nature to take valuable things for granted when we have not had to work for them.



This is true with freedom, too.

If people don't understand and apply the principles freedom is based on, they will not have it for long. These are principles that great minds have discussed and debated for many centuries.

They can also study history to learn of mankind's successes and failures with freedom over thousands of years. These aren't secrets that are only available to a few. Anyone can know them if they are willing to learn.

Freedom is also faced with opposition. This has often taken the form of different tyrants or systems of government that view freedom and liberty as an obstacle to their control.

The opponents of freedom tend to see it as something unnatural that must be overcome with control, threats, and commands. They don't see people as individuals who can make their own choices but as objects to be controlled and ordered about.

But this kind of physical force is in direct opposition to morality, and it discourages people from exercising their own moral choices about how they should live their lives.

Free people understand that there are natural laws which govern the world we live in and that any laws mankind makes should be in harmony with them. Among these natural laws is the understanding that every human being has natural rights that belong to them.

No other person can limit or take away those rights. They exist whether there is organized government or not. In fact, governments are created to protect those natural rights.



As long as a person's behavior is peaceful and isn't harming another person or his or her property, they should be free to choose their actions. It is immoral to use force against another person except in defending one's natural rights.

Government powers are limited to protect our freedom and liberty from those times when the majority of people might support using government force for things that are morally wrong.

Our liberty and freedom are a natural part of our human rights. But we cannot enjoy them if we aren't the kind of people who are fit to be free.



11. Our government has the consent of the governed

Consent is a more powerful word than most people realize. It's not just a matter of being in agreement.

Consent is when we give our deliberate permission for something to happen. This means we understand what we are agreeing to and have freely given our approval to be a part of it.

Here's why this is such an important thing.

Human beings have only two ways that they can achieve their goals: by force or by persuasion. When consent is a part of the equation, things would be considered crimes if they were done by force alone magically become worthwhile.

With consent, what might have been slavery becomes service to another person. Consent is what transforms stealing into sharing.

The importance of consent is not limited just to our personal association with others. It is also a foundational principle of good government. At the time of the American founding, the colonists who were declaring their independence from Great Britain wrote: "Governments are instituted among Men, deriving their just powers from the consent of the governed."

Why would they state this as one of the reasons for separating themselves from their existing government? The answer is because, over time, King George had come to rule by lawless compulsion rather than by consent.

His government had become destructive to the natural rights of its citizens, and they were withdrawing their consent to be governed by it. Instead, they



declared, they would create their own system of government that could be counted on to protect their rights.

That's something they were willing to give their consent to.

Governments that rely upon force rather than consent are rightly considered tyrannical. After all, it is impossible to freely give our consent when we are not free to refuse to consent.

But what if someone chooses not to do what the government is telling them to do?

This shouldn't be a scary thought to anyone except a tyrant.

Because the government claims the ability to use force to get people to do what it says, we should be very careful about allowing it to make us do things without our consent. Sometimes, politicians mistake the results of their most recent election as the citizens giving their consent to do whatever they are told to do.

Can you see where this could lead to the abuse of power?

For instance, does the fact that you voted mean you consent to any war that your political leaders may choose to start? Does it mean you gave your consent to laws that punish people for selling raw milk or who wish to do business from their homes?

Does the act of voting show clear consent for political leaders to borrow and spend money they don't have and to require future generations to pay off the debt they've run up?

Does buying an airline ticket represent your consent to have your belongings searched and your body touched or electronically scanned by the government?



The answer to all of these questions is a clear, “No!”

But they still take place on a regular basis. The reason they take place is that too many people have forgotten that they have the right to withdraw their consent when the government isn’t following the rules.

The Bill of Rights is a list of very specific things that the government is never allowed to do regardless of who the voters have elected.

Just because you may have voted for a particular candidate, he or she does not have your consent to ignore or take away your rights.

The politicians who need our voluntary cooperation to maintain their power aren’t likely to give us permission to withdraw our consent.

That’s a choice we have to make on our own.



12. Rights are created and enforced by law

What is a right, and where does it come from? The answer to these questions will depend a great deal on who you ask.

Ask a person on the street, and they're likely to be unable to describe what a right is. But they'll almost always be able to name what they consider their favorite rights. Things like a right to a job, a right to an education or health care, or a right to be accepted for who they are.

Ask a politician, and his or her answer will likely be that rights are privileges that the government extends to us in order to make our lives better. This could include the right to start a business or the right to vote.

A better definition of rights would describe them as permanent standards or rules that limit the power of government over us. This means that rights are not legal creations which the government gives to us. They are natural and belong to every person.

Genuine rights do not require that we ask permission in order to exercise them.

An example of natural rights would include the right to defend your life from those who would take it from you or the right to believe as your conscience directs you. They could also include the right to speak freely and to travel without having to first seek permission.

These rights include most peaceful behavior that does not interfere with another person's ability to exercise his or her rights. Anything that places a requirement or duty on someone else is probably not an authentic right.



Sometimes our natural rights create limits on what the government can do. The right to equal treatment and due process before the law means that the government cannot just accuse someone of being a criminal and throw them into jail.

The government must first prove that the accused person actually did something wrong before punishing them. It must also provide equal treatment to every person who stands accused of wrongdoing.

This means that before the police can investigate a person for a suspected crime, they must have probable cause that a crime has actually occurred and whether or not that person was a part of it. If a person is charged with a crime, the government must hold a trial and allow the person to defend himself and to face his accusers in court.

The accused has a right to be tried before a fair-minded jury of common people. He cannot be forced to testify against himself. Only *after* a jury has convicted the person of the crime can he be punished.

If this sounds like this puts a burden on the government when it comes to holding someone accountable for a crime, that's because it does. And the reason it places that burden on the government is to ensure that state power is not misused or abused to deny people their natural rights.

This is because our rights are inalienable or non-transferable and can only be limited or taken away by due process of law.

The reason that an honest government exists is to protect and guarantee our natural rights. When it does this, we are able to enjoy our life, our liberty, and our property without fear of them being wrongly taken from us.

Laws exist to protect our rights and to help make us whole when someone has caused actual damage to us or to our property. This is what is meant by justice.



It's not enough to simply understand that natural rights aren't a creation of the state. We must learn what our rights are and then claim them, use them, and defend them. This is what keeps the government from abusing its power.



13. Democracy is good

If there's a word that politicians love to throw around, that word is "democracy." It's a word that can mean many different things to different people.

It can mean a system of government where each person has a voice through his or her vote. It can also refer to a state where the will of the majority determines what the government may or may not do.

Another way to describe democracy is a system where the majority rules.

That's not necessarily a bad thing. For instance, suppose your family is going out to dinner and can't decide whether to have pizza or Chinese food. A simple majority vote can solve the problem.

Of course, if you're in the minority when that vote is taken, you might not be thrilled with the result, but you're not being punished either. At the very worst, you may have to choose a dish that's not your favorite. No one will force you to eat what you don't want.

When democracy is applied to government, however, there's a lot more at stake. This is because government claims authority to use force to get people to obey.

When the government can compel people to do what a majority of voters support, there is real danger that your natural rights could be at risk. This is because in a pure democracy, whatever the majority wants is what goes.

If the majority takes a vote and wants to take your home from you so they can destroy it and build an amusement park in its place, they can do so and claim to be acting with legal authority. Your private property rights would have to surrender to the will of the majority, which is backed by government force.



If such a thing were done by an individual, it would be seen as a form of stealing.

Contrast that with a republic, where the laws limit the power of government to protect the individual's personal and property rights from the mob. If a person could not take your property from you by force and against your will, then neither can the government.

Most instances of democracy in action are not this severe.

Instead, you're more likely to see politicians making promises that if they are elected, they will enact government programs that will take money from some, through taxes, and give it to others. Politicians do this often and they claim that the support of a majority of voters gives them the necessary moral authority to take what is not theirs.

Even though this takes place through an official process of electing politicians who then pass legislation, it doesn't change the fact that a person's property—their money—is being taken by the threat of force through taxes. The person whose taxes are taken has no say in how those taxes are used. They are expected to pay them, or else.

The great danger of a pure democracy is that the majority can impose what it wants on the minority. This is why it's so important to limit the powers of the government to very specific tasks and to protect the personal and property rights of all individuals.

The free market provides an effective alternative to political democracy. Property rights are respected, and individual rights are protected as well. People can voluntarily choose where to spend their money regardless of what the majority prefers.



This leaves most of our decisions in our own hands rather than making them subject to the approval of the majority or the government.

It allows us to govern ourselves rather than be governed by a majority of the people around us.



14. There is a social contract

What would you do if someone approached you and insisted that you do exactly what they tell you to do or be punished? Would you jump right to it and do what they say, or would you have a few questions for them?

Perhaps you'd ask, "Who exactly are you, and where do you get the authority to make such demands?"

What if they then told you that you agreed to do whatever they say when you moved into your neighborhood? Would you want to know exactly where and when you said you'd be willing to do such a thing?

This is how many people learn about something known as the "social contract."

The social contract is said to be a list of unwritten rules that everyone in society agrees to follow if they live within the boundaries of a particular community. The idea is that in order to live in a community, we choose to give up certain freedoms in exchange for the benefits of that community.

Some aspects of the social contract seem reasonable, like raising your hand before speaking in a crowded room. But other parts are troublesome.

For instance, do we really agree to give up our personal freedoms in order to obey unwritten rules or laws simply because of where we live? If so, the social contract is unlike any other binding contract known to mankind.

A contract is a legal agreement between two or more parties in which both agree to do certain things. Typically, a person signs the contract in order to show that they are willing to obey it.

Contracts can be used in a number of different situations.



When a sports star or a musician is placed “under contract,” they have agreed to play ball or to make music for a specific team or company. When a person sells a home, they enter into a contract with the buyer in which both parties agree on the price and the conditions under which the home will be sold.

If one party or the other breaks the agreed upon conditions of the contract, they can be held legally responsible for not holding up what they agreed to.

For a contract to be legitimate, there are two things that are absolutely essential.

1. The people who are part of the contract must clearly understand and fully agree to its conditions. In other words, things are spelled out so there can be no deception.
2. They cannot be forced or otherwise bullied into signing the contract. The person who signs it must give his or her voluntary consent.

If either of these things are missing, then a contract is not legitimate. A person cannot be forced to obey something that they never read, signed, or agreed to obey.

Suppose someone says, “You must agree to park your car inside your garage or be fined \$50 a day for each day it’s parked in your driveway.” Do they have legitimate authority to be making such a demand, or are they just pretending to have it?

For that matter, when did you agree to such conditions? If your car is parked on your property, why is it someone else’s business to insist that it be parked in your garage?

For the government to get involved and to start threatening fines or jail time—backed with force—it first needs to be able to show a victim who has suffered a



measurable amount of harm. If it cannot do so, then who is the victim? And what will protect you from other unreasonable demands?

The best way to protect against the official abuse of power under the so-called social contract is for more people to openly ask, “Where is this contract? And when exactly did I sign it?”



15. Government should keep us safe

When it comes to human nature, people can be highly unpredictable.

However, as our friends in Texas might say, there's one aspect of human nature that you can hang your hat on: Anytime something really bad happens, someone will suggest that lawmakers "do something" to prevent such a thing from happening again.

It's understandable that no one wants to see a repeat of a tragic event, whether it's the result of a horrific crime or just a terrible accident.

But does the government have the ability, or the rightful authority, to keep us safe at all costs?

Governments can become very powerful and controlling. They can have incredible amounts of resources available to them. But to expect any government to keep us perfectly safe at all times and in all places is unreasonable.

In fact, the desire to expand government powers to keep us safe often leads to some undesirable things as well.

Let's use seatbelt laws as an example of why this is so.

When lawmakers pass legislation that requires every person in a vehicle to wear a seatbelt, they usually claim that they are trying to save lives. If seatbelts have been shown to improve a person's chances of surviving an automobile accident, then making it mandatory should make everyone safer.

The problem is that while seatbelts may provide a degree of safety in some instances, it is still possible to be seriously injured or even killed when wearing



one. That said, most people could be persuaded to wear one without the threat of being punished by law if they don't.

By making it a law, we try to force them to do what someone considers the right thing.

But what happens when we make not wearing a seatbelt something that can bring the police into your life to write you a ticket and require you to appear in court to answer for your offense? If you fail to appear in court or to pay your fine, you will be arrested and possibly jailed.

In other words, the state will use its organized force to come after you for not obeying its safety rule. That's exactly what you'd expect if you had just committed a crime.

Now, consider this. Suppose you were to travel in a vehicle without wearing your seatbelt, and you arrive safely at your destination. Has a crime been committed?

In order for a crime to have occurred, there must be a victim who can show proof that he or she was harmed. Who is the victim if you arrived safely?

By sending police officers out to look for and ticket people who've chosen not to wear their seatbelts, the police are distracted from catching genuine criminals and solving actual crimes that have real victims. The law that was meant to promote safety turns out to have a number of unintended consequences that can make us less safe overall.

There is no law that could be passed or enforced by a government that will remove the possibility of a human being making a mistake or behaving stupidly.



Because of this, laws should be used to protect and restore someone who has been measurably harmed rather than as a threat to force people to do something that might make them safer.

Laws that try to prevent bad things from happening almost always require taking away some of our freedoms. Laws that only punish after harm has occurred do a better job of protecting our rights by focusing only on the person who caused the harm and leaving everyone else alone.

Keeping us safe requires wise use of our individual responsibility rather than government force.



16. In a crisis, government should be the primary problem-solver

Life has a way of throwing curveballs at us. Sometimes, they are fairly minor things that can be easily dealt with, and sometimes, we find ourselves with a crisis on our hands.

It could be something relatively minor, like when there aren't enough parking spaces for people attending a college or university, or it could be something major, like flooding or a pandemic.

Whatever the crisis may be, a great many people have been trained to believe that government should be our main problem-solver. To be fair, there are some areas in which the government can play a positive role by helping to organize people and resources.

However, it often falls short when it comes to solving problems.

One of the biggest reasons for this is that government officials tend to seek solutions with a one-size-fits-all mentality. If something works for New York City, they figure it should work just fine for Bozeman, Montana.

One reason for this centralized way of approaching problems is that the politicians and bureaucrats are using a top-down approach. This means that someone at the top of the chain of command makes a decision, and everyone on down the chain is expected to carry it out.

If the person making the decisions is far away from the place where the crisis is occurring, they may not have a clear understanding of what is actually needed. The ability to understand what's needed and to make quick decisions is most likely to be found where the people are most affected by the crisis.



A good example of this was when Hurricane Katrina devastated much of New Orleans in 2005. Hundreds of thousands of people were homeless and hungry. The Federal Emergency Management Agency was brought in to provide relief and help for the hurricane victims.

Because the federal government was in charge of the relief effort, they required many of the thousands of first responders and volunteer aid workers who showed up to first undergo mandatory sensitivity training. This training took time and resources away from solving the problem at hand and used them to make sure the rescuers didn't hurt anyone's feelings.

Can you see how that top-down approach missed the mark when it came to solving the problem in a timely manner?

Contrast that with the Cajun Navy, which formed in response to Hurricane Katrina and has since responded to numerous disasters including flooding and other hurricanes. The Cajun Navy is made up entirely of private volunteers who use their fishing boats and all-terrain vehicles to rescue and bring relief to victims.

They organized themselves and provided needed food, communications, and first aid within hours of the start of the crisis. This freed up government resources for those areas where they were most needed.

Why were they able to respond so quickly and effectively? Because they were from the affected areas and knew exactly what needed to be done.

Because it relies on taxpayer money to fund everything it does, the government has a habit of throwing money at problems in an effort to solve them. While that money may be appreciated, there's often a lot of waste in how it's spent.

This is because we're never as careful with someone else's money as we are with our own.



The other thing that the government brings to every crisis is a tendency to take control of everything it can. People in authority will often use force where it's not really needed to impose their one-size-fits-all solutions on everyone.

A better approach is to solve problems at the lowest possible level and to only seek help from higher up when it's absolutely necessary. People are resourceful and can solve an astonishing number of problems when the government simply stays out of their way.



17. Bad ideas should be censored

Bad ideas aren't exactly uncommon. You don't have to buy garlic flavored breath mints or a solar powered flashlight to know this.

But what about ideas that we think are really bad? Maybe even dangerous?

Are some ideas so bad that we should forbid people from thinking them? This is a question that has come up many times throughout human history.

Sometimes, the way people have responded to unpopular ideas has been extremely harsh. For instance, there was a time when people who spoke out against their religious leaders weren't just told to be quiet. They were burned at the stake.

Under some systems of government, people weren't just forbidden to say or write things that questioned their leaders, they were forbidden to read or listen to anyone else doing it.

What these leaders considered bad ideas were removed from their society by destroying works of art and even burning books. These are the more extreme examples, but the bottom line is that someone was making a decision for everyone else as to what ideas they were allowed to consider.

The tyrannical leaders who made and ordered the enforcement of such rules were afraid that their people could not be trusted with what those in charge considered bad ideas. They worried that if the people were able to hear and discuss competing ideas, they might stop believing whatever their leaders were telling them.

In other words, it came down to a desire to control the people by controlling what they were allowed to think.



In our time, there are similar efforts to protect us from what some people consider bad ideas.

The people who wish to control what others are thinking and saying may not be dressed like a military dictator or go goose-stepping around with a funny mustache. But by trying to choose what people should be allowed to think, they are denying the people around them an essential freedom.

Let's suppose that someone holds unpopular ideas about people with a certain religion or skin color. Do we have a right to tell them what to think? How about what they can say?

In a free society, as long as a person's behavior is peaceful, they should be free to hold whatever opinions they wish. Even if those opinions aren't shared by hardly anyone else.

But should they be free to speak their minds?

Again, in a free society, the answer is yes. Let them peaceably put forth their ideas in the court of public opinion. This doesn't mean that anyone *has* to agree with them or even listen to them.

What we don't have is the right to punish them for unpopular thoughts that we don't share.

Instead of trying to silence them, either by law or by threatening them with violence, we should be sharing our own ideas to whomever will listen. If we are speaking the truth, we don't need to force people to believe it.

People must be free to voluntarily accept it or reject it as they choose.



For those who worry that others might be misled by bad ideas, just remember that the truth will always come out on top eventually. It doesn't require that falsehoods be silenced. They need to be corrected.

This can only happen when people can freely speak their minds and decide for themselves which ideas are best. In the same way that competition brings the very best businesses to the forefront, good ideas will also rise to the top.

Restricting free speech makes that less likely to happen because it can stifle good ideas as well as bad ones.

More free speech is always the correct answer to bad ideas.



18. Labels are the same as reality

Do you believe in word magic? In other words, do you believe that speaking a word or calling someone a name somehow magically transforms them into whatever was said?

Most of us would say, “Of course not.”

Yet, when someone is discussing ideas or issues on which they disagree, it’s very common to hear people resort to using labels as a weapon against each other. The label is a handy way to avoid having to listen or to think about what the other person is saying.

For instance, let’s say two people are having a discussion about whether the minimum wage helps or hurts workers who are just entering the workforce. Now suppose that the discussion gets a bit heated.

The person who opposes minimum wage laws might be labeled as a “heartless capitalist” or a “corporate bootlicker.” Likewise, the individual who supports minimum wage laws could be labeled as a “socialist troublemaker” or a “bleeding-heart liberal.”

Have the labels given either participant more information and understanding than they had before? Of course not.

In fact, by labeling each other rather than sticking to the topic at hand—minimum wage laws—both participants have given themselves the perfect excuse to stop listening to one another.

That’s a very poor way to ever learn something new.



What they're doing by applying these labels is assigning each other membership in a particular group like "capitalists" or "socialists." If a person has decided that they are opposed to anything a capitalist or a socialist may have to say, they haven't won the argument.

All they've really done is succeeded in slamming their own minds shut.

By sticking our labels on another person, we are basically saying, "You have nothing of value to offer." But we cannot know this until we've actually heard what they have to offer.

It's a lazy way to try to counter ideas we don't agree with. The label is being used as a substitute for actually observing and weighing the merits of an idea before rejecting it.

This is why labels are of such little value when it comes to actually understanding another's point of view. The label becomes a convenient excuse to close our minds because we assume that we already know what someone thinks.

It's pretty tough to find common ground with people we believe we can't talk to.

If you're serious about sharing ideas that you consider worthwhile, you must be able to persuade others to consider those ideas. This means you need to listen to them, too.

None of us likes to be wrong. It can be uncomfortable to hear ideas or even truths that we don't want to hear.

If you're simply calling someone else names or sticking labels on them to try to shut them up, you're only putting them down. The label becomes an attempt to reduce that person to an object that matters less than we do.



We stop seeing the value in that person and only see them as whatever label we've tried to stick on them.

That's not the same thing as helping someone recognize new truth. Problems are not solved by people who arrogantly think they have all the answers. Problem-solvers don't rely on labels.

They understand that labels aren't the same thing as reality and that treating others with the same respect we'd want for ourselves is a better way to promote truth.



19. What's legal is more important than right or wrong

Can something that's wrong become right just because the government says it's okay?

A surprising number of people have come to believe that this is the case.

If our laws are a system of rules made by the government, then a person who breaks those rules is a criminal, right? But what if the laws don't accurately reflect what's wrong and what's right?

This creates a problem for those who believe that whatever is legal must be right.

To illustrate the difference between legal and right, here's an example.

If you were to visit the Anne Frank Museum in Amsterdam, you'd have the opportunity to see the home where a young Jewish girl and her family hid from Nazi persecution during World War II. The family hid for two years in a tiny annex at the back of a home to avoid being captured by the Nazis.

Unfortunately, an informer told the authorities about them, their hiding place was raided, and Anne and her family were arrested. They were sent to concentration camps where Anne and most of her family died. Only her father, Otto, survived the camps and the war.

The fate of Anne Frank can teach us a number of things about the difference between what's legal and what's right or wrong.



At the time of her ordeal, the law required that all Jews be rounded up and turned over to the authorities. To fail to do so was considered a very serious offense.

Anne and her family, as well as the people who were hiding them from the authorities, were all breaking the law. The informer who turned them in and the soldiers who arrested them and eventually deported them to the concentration camps were all following the law.

Who was doing the right thing?

The law-breaker who helped hide Anne and her family? Or the person who snitched on them to the authorities?

There are lots of other examples of things that were legal yet failed the test of right and wrong.

The Fugitive Slave Law required law-abiding citizens to turn in runaway slaves or face jail time and expensive fines. Jim Crow laws prevented merchants from allowing whites and people of color to sit at the same lunch counter or use the same drinking fountains.

Civil asset forfeiture laws have allowed police to steal money or property from people who have never been accused of or convicted of a crime.

In each of these examples, the law became a substitute for the moral limits of the individual.

This is why it's so important to have a clear sense of what's right and wrong, at a personal level, rather than relying upon laws to tell us what those boundaries are. Laws cannot inspire us to do the great and noble things that a well-developed conscience can.



Laws are only as moral as the people who enacted them. This means that what's legal can sometimes become a tool for doing evil things.

The law is always changing, with new laws and rules being added and taken away every year. What was permissible under law today may be forbidden tomorrow.

Rather than relying on laws alone to guide us, we need moral clarity.

A person who clearly understands right and wrong is not likely to harm or victimize another person, accidentally or on purpose.



20. Intentions matter more than results

It would be nice if our intentions were enough to make the world a better place. For instance, let's say you *intended* to pick up your trash every time you made a mess but, instead, just left it lying there for someone else to clean up.

Or maybe you had every intention to show up to work on time and do your job as reliably as possible but, instead, decided to sleep in and then goof off with your coworkers when you finally did come to work.

In spite of all the trash blowing around and the unfinished work that keeps piling up, you'd still be a good person, right?

It's one thing to make mistakes. We all make them.

But the trash-filled community and the frustrated employer are solid proof that results matter more than intentions.

This is especially true when it comes to government programs and laws.

Take, for instance, the welfare programs enacted by the government at the state and federal levels. These programs began with the best of intentions: to lift the poor out of their poverty.

Who could possibly disagree with such a noble goal?

But when we analyze the results of more than 50 years of the government providing food, housing, and medical care for the poor, it's clear that poverty and dependency have been expanded rather than reduced.

When you pay people not to work, it shouldn't be surprising that they stop working. When you tell them that they'll lose their welfare benefits if they try to find work, that's even more incentive to not work.



The intention was to make life easier for those who lacked abilities that would allow them to find jobs that paid well enough to support them. Instead, the disability checks, food stamps, and welfare payments provide more benefits than what an entry-level worker could hope to earn by working.

This makes it a much easier choice to simply not work and keep on collecting those benefits for as long as possible. It also provides incentive for young women to have children but to avoid marriage.

With each new child comes an increase in welfare benefits. If the mother were to marry the father of her children, he would become responsible for providing for the family, and the government benefits would stop.

This is how it becomes possible for generation after generation to become welfare recipients who collect regular monthly benefits and sometimes even live in government-funded housing.

The programs that started with the good intention of ending poverty and dependency have, instead, magnified them greatly. So what do politicians do about those programs?

They expand them and take more money from the taxpayers in order to pay for them. Now the taxpayers have less money to work with to provide for the needs of their families.

The good intentions did not translate into good results.

This is also of great importance when it comes to laws. A law that bans people from using a handheld cellphone while driving has not resulted in fewer crashes from people who text while they drive.

It has actually driven *up* the number of crashes because people who are texting now hold their phones below window level so they won't be spotted by a police



officer. This takes the driver's eyes even further off the road and contributes to an even greater level of unsafe driving than before.

This doesn't mean that good intentions are a waste of time.

It means that when it comes to good laws and wise public policy, those good intentions are not nearly as important as the kinds of results they produce.

