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The principle of one's freedom and one's choice being together intertwined is today a defining characteristic of American capitalism. Its desired application in our market is straightforward: the more choice we have, the more freedom we should experience. For example, we as Americans are unique in our freedom to fine-tune snack selections to the calorie, our freedom to choose between different utility providers and plans when one doesn't meet our standards, and our freedom to invest and grow our retirement benefits however we choose. And yet, despite the value of economic freedom persisting for hundreds of years of American history, the vast amount of choices we experience today haven't always existed, nor do they exist today in other, still prosperous nations around the world.

Milton Friedman and Barry Schwartz observed this modern expansion of American capitalism and applied widely differing views on the tension between freedom and choice. The idea of "tension" between freedom and choice implies a certain mutual exclusivity. Are the two, then, mutually exclusive? Of course they aren't, and any notion of them being so isn't shared by either of the authors. The tension that *does* exist is in regard to how closely we should correlate them. Friedman, a true liberal in its classic, libertarian sense, argues there is no true political freedom without economic freedom. That is to say, Friedman does not believe in a unilateral correlation between freedom and choice, but stipulates economic freedom is still a necessary condition of any politically free society. He notes that throughout history, greater economic

liberty has generally led to more individual liberty, and thus advocates for bilateral, voluntary trade in most situations. Schwartz, on the other hand, while believing having no economic choice is obviously detrimental to any nation's political freedom, asserts that having *too much* choice is correlated with tyranny in its own right: that of "maximization". In a market where making responsible economic decisions is becoming more and more vital, there seems to exist an overabundance of choices, to the point where an individual might become overwhelmed. Without specific and applicable knowledge to compare each and every available product, perfectionists, coined "maximizers" by Schwartz, will never be sure they made the most optimal decision in any given circumstance. While this issue may only seem to affect a small portion of the population in fairly minimal ways, a plethora of choices in a specific corner of the market, like retirement plans, may have far-reaching financial consequences for anybody caught off-guard.

In light of these opinions, we may analyze the increasingly individualistic ideas behind American capitalist expansion, as well as those ideals fueling Germanic and Swedish capitalism, through both Schwartz's and Friedman's respective viewpoints on the "tension" between freedom and choice.

The Personal Responsibility Crusade is a term used by Jacob Hacker to describe the shifting ideology fueling the expansion of American capitalism observed by Friedman and Schwartz. It stipulates American families take accountability for their own economic position, and reject systems of risk-sharing for either cost or fear of government interference, and came about during the Reagan administration of the 1980s. For a long time prior, Americans were committed to a joint union of economic security and opportunity. This commitment saw the birth of many social welfare programs like Social Security and Medicare, as well as the proliferation

of other economic fallbacks including defined-benefit pensions and employment-based health plans. However, this has eroded in what Hacker calls “The Great Risk Shift”, an age of increased American individualism brought about by the Personal Responsibility Crusade in conjunction with rising costs of living.

The effects of this shift are agreed upon by Schwartz and Hacker both as generally negative. Take, for example, the gradual replacement of defined-benefit pensions (a simple function of an employee’s salary and the time worked at a company) with defined-contribution plans. Defined-contribution plans allow for more choice by an employee in how they contribute and invest their retirement contributions, but as aligns with Schwartz’s observation on the overpresence of choice, the burden and stress of choosing the best option now falls on that same employee. A wrong choice may spell catastrophic consequences, while the employee can never be absolutely sure the most optimal choice was made. The same can be said for privatized health insurance as well. While employer-provided health insurance is tax deductible and there are usually less choices than an individual going outside their employer’s plan, the vast range of coverages means many may make ill-informed, and even detrimental choices. The degradation of traditional guaranteed pensions and private employer-based health insurance reflects an increasing demand for more economic freedom in one’s healthcare and retirement brought about by the Personal Responsibility Crusade, but is argued by Schwartz a negative symptom of the overabundance of choice. The tangible effects of this shift are apparent—millions of Americans today are working jobs without retirement plans or health coverage, creating a population of workers that are either uninsured, have no retirement plan, or both.

Friedman, on the other hand, respects the Personal Responsibility Crusade as the start to less government intrusion, but maintains much more must be done in order to realize an

accountable society where individuals are free from the constraints of shared risk and governmental overstep. He hopes the economy doubles down on the privatization of health insurance and retirement plans, despite the instances of uncovered individuals. A vast majority of Americans not currently enrolled in retirement or health plans are not simply because their employer doesn't offer them, not because of any lapse in coverage in the shift to private options by those corporations that did so. Friedman doesn't see the issue in this, as anybody is free to enroll in a private pension or health insurance plan outside their employer. Additionally, all employees not currently working a job with retirement or health benefits, according to Friedman, are just as easily able to quit and find one that does. Such is the benefit of living in a society where labor is freely traded on the market, and where Americans have unlimited choice in the coverage they receive. He instead proposes a negative income tax strategy to alleviate poverty, and thereby give the poor the cash they need in order to enroll in whatever retirement or health insurance benefits they feel best fits them.

Most other topics of choice resulting from the Personal Responsibility Crusade have a similar outline, and a similar position is thus taken by both sides. For instance, on the issue of education and the recent proliferation of choices in where to send children to school, Schwartz believes allowing such options will lead to inevitable dissatisfaction from the "what-if?", undermining the educational experience. Friedman, on the other hand, is an obvious proponent of free choice in where to send a child to school, though he differs in his usual stance on government participation and favors at least partially subsidising K-12 education because of its positive externalities on society.

While both Schwartz's and Friedman's perspectives on the "tension" between freedom and choice were both born of observations in the shifting ideologies of America, it's not to say

they can't be applied internationally as well. Applying a set of ideals to all aspects of any one capitalistic system is a monumental task in itself, so in comparing German and Swedish capitalism we may look more specifically at how public health insurance options and pension plans interact with the economic and political freedom of their citizens compared to America.

In Germany, "sickness funds" dominate the insurance world, pooling the population such that high and low-risk individuals pay the same rate. While there are different kinds, and the price and management of each is kept separate, the general idea is the same: they all combine premiums, define benefits for their members, and pay private providers for care. Premiums are based on a set, standard rate to discourage shifts from one risk pool to a more healthy one in search of lower out-of-pocket cost, and participation is mandatory (universal coverage). The German pension system, however, has moved much closer to America's contemporary defined-contribution structure, though the plans offered are limited and most are public options. The government defines a set contribution depending on one's income, and, like health insurance, is mandatory. In Sweden, both health insurance and pension plans are universally required as well, but the management of them is much more public. Swedish counties (regional government, as opposed to federal) provide the bulk of health care, starkly contrasting both the US and Germany in their (sometimes) publicly subsidized private care. As such, paying for health care comes through local-level taxes, an entirely public process. Recently, however, citizens have been allowed more choice in opting into private coverage due to the high waiting times required by public options. Sweden's pension options are even more closely related to America than Germanic options. Defined-contribution plans can be chosen from many different insurers (includes the use of a notational account to record individual contributions), with a caveat in that a "guaranteed pension" is provided to supplement those who aren't covered or

receive inadequate benefits from income pensions. This modern system of pension, like Germany, was derived as a result of the rising level of individual contributions that came with the more social-democratic centered pension policy of the mid 20th century. It is somewhat akin to America in its freedom of choice on the kinds of individual retirement accounts employees contribute to, but any contributions you presently make are divided between current beneficiaries, rather than placed in a personal fund.

Friedman's view on the nature of compulsory programs is clear—they have no place in a free society. Though Germans and Swedes both provide some options for individuals in choosing private or public options, enrollment into health insurance and pension programs are mandatory, and in the case of Germany, the contributions for each are defined as a function of income by the government. This leaves little room for the individual employee to choose how their earnings are allocated in retirement. That is to say, a healthy employee who doesn't feel they need health insurance are still forced to pay for not only themselves, but are also forced to indirectly pay the health care costs of more at-risk individuals either in their sickness fund or in the population at large. While it's incorrect to say all aspects of choice are vacant here, Friedman strongly believes in freedom brought about by personal responsibility, that individuals are more free to take risk and participate in the economy when they don't have to worry about risk-sharing programs in healthcare. Swedish retirement benefits, however, seem to depart from their contemporaries to fit a more individualistic approach. Friedman would be much more willing to accept the range of choice offered in this regard than he would the range offered in Germany, but would not necessarily agree with government intervention in the form of guaranteed pension based on government income as opposed to individual contribution.

Schwartz, opposingly, would welcome the limited amount of choice required in the German and Swedish systems of healthcare. He would argue the freedom of individual citizens is not threatened by these risk-sharing programs, as there is still considerable choice in choosing between private and public options. This applies double in Germany particularly, where opting into private health insurance has no impact on the proportion of income they pay. A typical German or Swedish citizen, in not having to worry about the minute details of their health coverage like American citizens, is more free to invest themselves into other exploits. The same goes for retirement benefits in Germany, as a set contribution and vast requirements of benefits for all sickness funds means little relative economic fallback from making an erroneous decision. Additionally, this ideology decreases the required knowledge of the health and retirement systems necessary in order to be satisfied in the long term. This newfound freedom, in conjunction with the psychological impact the proliferation of choice brings with it, according to Schwartz, is worth any 'decreased' freedom that might come about as a result.

We conclude Germany and Sweden are restricted in the amount of economic freedom they generally exercise, but the amount of personal freedom they experience is what's up for debate. In that they are made to be more reliant on their peers through these countries' systems of risk-sharing, they are, factually, less free overall. But to what detriment? Schwartz establishes again and again that Americans are experiencing less freedom in different ways due to the proliferation of economic choice, and while Friedman would argue anybody committed to their own success will research these choices effectively. Economically 'restrictive' countries like Sweden and Germany, on the other hand, are more free to exercise financial risk because of the institutions in place to act as a fallback. They've managed to keep many of the safety nets cut away from American society due to the Personal Responsibility Crusade, and as such, perhaps

they can serve as role-models for implementing one of the first cost-effective solutions for contemporary economic insecurity in America.