## Libertarianism and the State

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Original link

This is a parody of a post by Alex Tabarrok defending employer tyranny.

Over at Marginal Revolution, Alex Tabarrok and Tyler Cowen are upset about what they call lack of freedom in the country. They give a grab bag of peculiar examples such as how people can be arrested for smoking drugs, not paying debts, and, once in prison, can be forbidden from reading books, and more.

In other words, the MRers have discovered that the most basic governments are sovereign which means that citizens can be put in jail for just about any reason. Simply put, an government can arrest you if they don't like you. This is a surprise?

The MRers do not adequately acknowledge that citizens have the same rights as politicians. Citizens can leave the country for any reason and they can refuse to enter any country. If you don't like the politices of the United States, or Australia or Venezuela you don't have to live there or even visit. Indeed, citizens have more rights than politicians since citizens are not subject to judicial review; that is, politicians are typically prohibited from passing laws against certain political viewpoints but citizens are not prohibited from only entering countries where those viewpoints are marginal.

If you think that the freedom to leave is without value, bear in mind that under dictatorships and totalitarian states governments could prevent citizens from leaving and from moving. The freedom to leave was hard won. We should not disparage the liberation brought by the right to exit.

Turning to the economics, the MRers are so outraged by an government's legal possibilities that they fail to notice that most governments do not in fact arrest people for smoking drugs or for failing to pay debts. Why not? The reason is that these rights are often more valuable to the citizen than to the politician and thus both citizen and politician can be made better off if the citizen keeps the rights. If the politician values the right more than the citizen then the politician buys the right with lower taxes or less regulation in other areas. If the citizen values the right more than the politician then the citizen retains the right at an otherwise higher tax rate. The politician gets the right only when the politician pays.

This is not to say that abuses do not occur, they do, as in all relationships and on both sides, but the MRers lump abuses and mutually profitable exchanges together—that's dangerous because in regulating abuses it is very easy to do away with mutually profitable exchanges.

The greater the productivity of citizens and the higher their incomes the less citizens will be willing to sell rights for lower taxes (i.e. the more willing they will be to pay for better regulatory conditions). Citizens gain more autonomy as they and their society become more productive. Thus, the best protector of citizen autonomy is high productivity and economic growth.

To understand freedom and true coercion let us remember that American citizens have the freedom to leave and visit other countries, a freedom that gun, barbed wire and electrified fence deny to many millions of less fortunate citizens from around the world.