Topic: Libertarianism - Discussion led by Terry Glover

Summary

The essence of the thinking underlying Libertarianism is the inviolable right to individual liberty provided the individual rights of others are unaffected. The application to various political themes was discussed.

Discussion

Brief background

Based on religious and intellectual traditions of ancient Israel and Greece was the idea of a higher moral law that applied universally and that constrained the powers of even kings and governments. Throughout the centuries that followed, proponents of liberalism and libertarianism action thwarted numerous attempts at curtailment of these natural rights. During the 19th century, governments based on traditional liberal principles emerged in England and the United States and to a smaller extent in continental Europe.

Principles of Libertarianism

The main principles of libertarianism which are covered are as follows:

- Natural rights and liberty
- The role of government
- Taxation
- Free markets (Laissez Faire)
- Property rights
- The Welfare State

Natural rights and liberty

Every one of us has the inviolable right to provide for our family, choose our religion, not have to call anyone Master, but not the right to insist others call us Master.

The role of government

Libertarians resent the encroachment by government on their natural rights; some of which are extremely intrusive, for example the obligatory wearing of seatbelts, cyclist helmets and more recently the oppressive Covid-19 regulations. Government argues that these steps are necessary to protect the 'common good'.

Governments therefore should be concerned only with:

- Protecting their populations from external threat (through the armed forces and security services)
- Protecting their populations from internal threat e.g., physical harm, coercion, theft etc (through the police force and the criminal courts)
- The enforcement of contracts (through civil law and the civil courts)

The Libertarians contend the role of the state should be limited to only that which is necessary to discharge those responsibilities.

However, government laws and services (like state funded healthcare, education, infrastructure and planning laws) normal in Western democratic countries help to create a civilised society for the benefit of all.

The real threat is the extent of powers given to the state and how to prevent those powers becoming excessive. Once power is given to the state, it tends to remain there. No MP seems to be interested in cancelling or curtailing existing laws, but only in adding to them. After all, their livelihood is at stake. Furthermore, the House of Lords should be reformed and changed into a part-elected, part-appointed chamber. The latter to ensure well grounded expertise is not wiped away at the whim of electors at the polling booth.

Taxation

The libertarian regards taxation as a form of slavery enforced by the state. Of course, the bigger the state, the greater the need to impose high taxes. How do we decide when taxation is too high and what do we consider is the role of government? We all accept that some level of taxation is required to fund state-provided services, national and personal protection, welfare, education and the like.

We do wonder, though, why petrol taxes, raised because of a 'green issue', are not ringfenced to fund 'green' projects. The same might be suggested in respect of National insurance contributions.

Free markets

The libertarian regards free markets as fundamental to individual liberty and any state interference in markets is a violation of liberty, discourages entrepreneurial activity and business enterprises.

Others argue that free markets are illusionary as there can be no true 'equal' competition between the economically strong and the weak, and consequently the rich get richer and the poor get poorer.

The balance lies in the strength of regulation. What happened with Greensill is an example of failure of regulation likely to cost the UK taxpayer £5bn. Where billionaires become billionaires from laxity of regulation then they are rightly criticised. Others like Bill Gates of Microsoft achieved this status through hard work and inventiveness (although at the same time ruthlessly acquiring competitors to eliminate them on the way up). Yet, Bill has used his wealth to fight against poverty and fund other good causes.

Property rights

Libertarians believe individuals have the absolute right to retain all their legally acquired property. It is a violation of personal sovereignty for anyone (including governments) to dispossess people of any or all of their lawfully owned assets e.g., through wealth taxes, inheritance taxes or financial transaction taxes etc. etc.

However, property rights create far more freedom for property owners than for those without, and in order to rebalance this inequity should governments have the right to redistribute wealth? Some say yes! Inheritance tax is a perfect example of taking away wealth from the rich and confiscating it to alleviate the hardship of the less well of. One of us argued that inheritance tax should be at the rate of 100%; another condemned it as being wicked and should be abolished. If it were levied at the proposed penurious rate, everybody would spend all their resources and even mortgage their property to go on holiday.

Compulsory purchase of property by the state is sometimes necessary in order to build railways, or a new motorway.

The Welfare State

The libertarian principle finds that the Welfare State is ineffective and divisive because it has failed to reduce poverty, it provides reverse financial incentives which trap the poor in perpetual, passive dependency (a permanent underclass) and overburdens the hard working citizens in order to subsidise those less willing to work or who manage their affairs irresponsibly.

A powerful argument against the above statement says that the state has a moral duty to protect the weak and disadvantaged. Social democratic governments discharge this responsibility by adopting a range of welfare policies which help to ensure a minimum acceptable standard of living for all. There is an ethical imperative to require those who are comfortably off to contribute via taxes to help the poor. It is unrealistic to expect mutual aid, charity and philanthropy to provide a comprehensive system of welfare in the way that governments are equipped to do.

Conclusion

Libertarianism is a minority contemporary view of possibly limited moral value, used as a principle enabling us to criticise government if they exceed their powers.

We agreed with the concept of a well-managed Welfare State and that we all have a duty to care for those in less fortunate circumstances than ourselves. We do not necessarily find that the state carries out their duties, in this respect, always very efficiently. It should also not be left to charities alone to perform these diverse caring tasks, even though they contribute massively to community welfare and, in lots of instances, more effectively than the state does.

We should encourage people to grow and achieve self esteem but we do not do that by making them reliant on benefits or handouts. We help those that cannot help themselves and encourage those who can.