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# How “Free-Market Roads” Can Restrict Freedom

Posted by JOE CARTER on THURSDAY, MARCH 29, 2012

In a political climate dominated by debates about individual mandates and restrictions on religious freedoms, an issue like road privatization isn't likely to be on the top of anyone's list of major concerns. But the excellent post on "[The Mirage of Free-Market Roads](#)" by Timothy B. Lee, a writer with *Ars Technica* and the Cato Institute, is worth reading even if you don't care about toll roads. Lee provides an intriguing example of why we need to think clearly about how we apply principles to policy:

While I'm generally sympathetic to the idea of privately-managed roads, I've become convinced that the broader vision of "free-market roads" is a conceptual confusion. In the abstract, the idea of competing, privately-owned roads has a lot of appeal. But the more I think about it, the less sense it makes. Roads are deeply intertwined with governments. They always have been and as far as I can see they always will be. This means that they'll never be truly private in the sense that other private companies like restaurants or shoe factories can be.

Assembling the land needed for a long-distance road is prohibitively expensive without government assistance. Unsurprisingly, private roads almost never come into existence without extensive government assistance. And that means that the profitability of a "private" road depends crucially on how many competing roads the government allows to exist.

It's unsurprising, then, that real-world privatization schemes are often explicitly protectionist. A 2004 GAO survey found that four of the five privately-funded toll road projects started or completed in the preceding 15 years included non-compete clauses that restricted the creation of competing freeways nearby. It's much easier to turn a profit when would-be competitors are barred from entering the market.

[. . .]

To be clear, this isn't to say libertarians should oppose road privatization. To the contrary, private road management can be an excellent way to bring private capital and technical expertise to the provision of a public service. **But it is to say that private road operators should be viewed as providing a service to the government, rather than operating an ordinary private business.**

[emphasis added]

Lee touches on one of the disturbing ironies of modern politics: purportedly "free-market" approaches can sometimes lead to more government involvement and greater restrictions on freedom. Those of us on the right side of the political spectrum have always been wary of government. But it's refreshing to see that many of us are also becoming more aware of the dangers of rent-seeking behavior by **crony capitalists**.