

# HAVELOCK NEWS

## Hood: Freedoms expand in North Carolina

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While election scandals, national issues and candidate announcements for 2019 and 2020 races have dominated the political headlines, North Carolina is continuing to head in the direction of greater freedom. That's welcome.

I believe state and local governments have important responsibilities. They finance or deliver critical public services. Their regulatory authority can be used to protect public health, combat fraud and resolve disputes.

But government power is inherently coercive. That's literally what a government is, a social institution that enjoys a monopoly on the legitimate use of physical force in a given geographic area. It's necessary. It's also dangerous, which is why we constrain the day-to-day exercise of governmental power with written federal and state constitutions, explicit grants of state authority to localities, and the common law.

To the extent government is limited to its essential powers, expenditures and exactions, we enjoy the freedom to make our own decisions, to form our own private agreements and associations according to our own personal values. I believe such freedom — the freedom to live as we choose as long as our actions do not endanger the equal freedom of others to do the same — is both a natural right and a practical solution to many social problems.

Among the 50 states, North Carolina is relatively free. There are various ways to measure this. One reasonable and consumer-friendly tool is the Cato Institute's "Freedom in the 50 States" project. On its website, you can compare state performance on the overall index as well as on specific criteria.

North Carolina currently ranks 18th in Cato's overall freedom measure. We earn better-than-average scores in economic freedom, a bundle that includes taxes, spending and regulations. We do even better, ranking 17th, in a bundle of personal freedom measures that includes educational freedom (6th), regulations on tobacco (8th), property rights for those accused (but not convicted) of crimes (11th), and overall incarceration rates (17th).

In the category of regulations on alcohol production, marketing and consumption, North Carolina ranks below average at 35th. But it looks like that ranking is going to be improving soon. The state's beer wholesalers and emerging craft beer industry, at loggerheads for years, have just announced a compromise that, if enacted by the General Assembly, will loosen the state's tight restrictions on direct distribution by breweries.

Other proposed legislation would reform North Carolina's archaic and counterproductive system of ABC stores.

Another problematic ranking for North Carolina is in the area of health insurance regulation. We impose too many mandates on what health plans must cover, and how they can be structured and sold. Again, however, there is room for optimism.

A bill to strengthen the market for association health care plans, which allow businesses and individuals in the same industry to band together to get better deals on health insurance, has passed the N.C. Senate with a bipartisan vote and now awaits action in the House.

When it comes to property rights protections, our national ranking isn't horrible at 20th. But protections are stronger in our neighboring states of South Carolina (2th), Tennessee (4th), Georgia (11th) and Virginia (12th).

The General Assembly could improve the situation this session by placing a constitutional amendment on the ballot that would limit the abuse of eminent domain and by putting a final nail in the coffin of the state's unconstitutional Map Act, which had deprived property owners of the just compensation to which they were due as part of the process of planning and constructing state roads.

I don't favor expanding freedom in North Carolina because I think North Carolinians always make the right decisions for themselves. We are flawed creatures, subject to temptations and prone to mistakes. But politicians are no less flawed than the rest of us, to put it charitably.

I prefer to trust the wisdom of crowds, as reflected by the outcomes of free choices by millions of people over time. We try, we err, we learn from each other. That's freedom in practice. It works.