



Economic and personal freedom in Vermont

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Most of us believe that “freedom” is a good thing – that we deserve to pursue our ends without unjust interference from others, so long as we don’t use our freedom to diminish that of others. We believe the state we live in ought to conscientiously protect the freedom of its citizens, limiting their individual freedom only when it is clear that its exercise would result in greater harm to society as a whole.

But governments today regularly, sometimes aggressively, interfere with our freedoms. Two scholars at the libertarian Cato Institute have put together a Freedom Index of the fifty states using some 150 variables. It identifies those states most, and least, protective of three dimensions of freedom: fiscal, regulatory, and personal.

Any such exercise involves weighting a large number of factors. The Cato scholars readily admit that others could select different factors and different data to measure them, and that relative value of each data set necessarily depends on subjective weighting choices. What illustrates “freedom” for libertarians will not resemble the “freedom” conceived by socialists.

The Cato report, published at <http://freedominthe50states.org>, thoughtfully provides the spread sheets whereby a reader can select his or her own data and weightings. “Our index of freedom,” the authors write, “should be understood to represent each state’s relative respect for freedom, as reflected in the value enjoyed by the ‘average’ person who would otherwise be deprived of the freedoms we measure...However, each individual will value different policies differently, and for that reason, again, we encourage readers to apply their own weights and personalize the freedom index.”

Having said all that, let’s look at how Vermont ranks, and how it compares with our neighbor New Hampshire. The Cato scholars derive their overall rankings by weighting fiscal freedom at 29.8%, regulatory freedom at 38.7%, and personal freedom at 27.4%. Overall, New Hampshire ranks first; Vermont ranks 40th.

In the fiscal policy category (taxation, debt, government employment), New Hampshire is a rousing first in the nation; Vermont is 47th. Curiously, Vermont ranks 50th – dead last – for its high level of state taxation, and 1st for its low level of local taxation. Why? Because since the passage of Act 60 in 1997, all public pre-K-12 education spending has become state spending. New Hampshire is 2nd lowest in state spending and 39th in local spending.

In regulatory policy (land use, environment, labor market, licensing, etc.), Vermont ranks 32nd, and New Hampshire only slightly more free at 29th.

In personal rights (incarceration, marriage equality, cannabis, alcohol, tobacco, gun rights, etc.) Vermont and New Hampshire are neck and neck at 10th and 9th respectively. Vermont's 14th ranking for "educational freedom" is based on its school choice history, although New Hampshire (8th) comes out slightly better because of its easier regulation of independent and home schooling.

Vermont's only unique first is in a category called "gun rights". New Hampshire comes in at 5th. Vermont, says the report, "is one of the lowest states for alcohol freedom, with a state monopoly over wine and spirits retail and beer wholesaling. It is one of the better non-initiative states for cannabis, with decriminalization and a reasonably broad medical law. However, maximum penalties are rather high, [and] high-level possession is a felony." (The index deliberately omits abortion and death penalty.)

Readers may, and certainly will, take issue with some of the data selected to illustrate the various components of freedom. Nonetheless, the Cato report is useful for refocusing our attention on the moral value of freedom and the opportunities for expanding it at the state level.

A key conclusion of the report is that "Americans cannot expect personal freedom to endure without high levels of economic freedom... all three types of freedoms discussed in this index support one another."

The 18th century pioneers who founded this little republic intensely believed in freedom.. We would do well to recapture their passion for it.