



Free enterprise versus big government

James George
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I am on regular distribution for information from the **American Enterprise Institute (AEI)** where Arthur Brooks is President. It is a conservative “think tank,” that I appreciate for the high quality arguments they produce.

The **Center for American Progress** is a liberal “think tank” of comparable quality. There are many more.

I subscribe to receiving information from all of these sources because they are scholarly, each with a unique spin that justifies their being. I find that the best way to form judgments about issues is to listen to varied viewpoints and then draw objective conclusions. One person’s objectivity may not be aligned perfectly with someone else though we are a nation that hovers about the middle of the bell-shaped curve. Eventually, things work out.

Conservative

- American Enterprise Institute (AEI)
- [Brookings Institution](#)
- [Cato Institute](#)
- [Heritage Foundation](#)
- [Center on Budget and Policy Priorities](#)

Liberal

- Center for American Progress
- [Center on Budget and Policy Priorities](#)
- [Economic Policy Institute](#)

- [Center for International Policy](#)
- [Center for Economic and Policy Research](#)
- [Center for War/Peace Studies](#)

Here is a message I received from Jesse Blumenthal at AEI.

"In recent months, electoral skirmishes and policy debates have hinged on the meaning of fairness. Defenders of free enterprise have often shied away from moral language, preferring to rely on facts, figures, or constitutional arguments to make their case.

This trend is beginning to change.

In a [just-published op-ed](#) American Enterprise Institute (AEI) president [Arthur Brooks](#) explains that free enterprise advocates are increasingly making the moral case for free enterprise--challenging their opponents over the true meaning of fairness.

"In recent weeks, a growing number of conservative elected officials have begun contesting Obama's claim to be the arbiter of what constitutes fairness and taking the issue of fairness head-on in public policy. This signals a subtle but significant shift in political rhetoric, and one with implications for the national debate in the coming months.'

Arthur Brooks is the president of the American Enterprise Institute and the author of the forthcoming book *The Road to Freedom: How to Win the Fight for Free Enterprise* (Basic Books, May 2012). More information is available at <http://arthurbrooks.aei.org>."

Alright, here is what Arthur says about fairness. You read it, and then I will write my analysis.

"Winning the fight on 'fairness'"

For some months now, President Obama has increasingly been couching his rhetoric in the language of fairness.

He used the word "fair" 14 times in his December speech in Osawatomie, Kan., where he implored us to "restore fairness." He demanded tax reform that "makes sure everybody pays their fair share." And it is only his policy proposals that ensure "everyone engages in fair play and everybody gets a fair shot and everybody does their fair share."

From his proposed tax hike on high-income households -- the so-called Buffett Rule -- to health care reform efforts, the president has defined fairness largely in terms of government income redistribution. He has also set out to paint his political opponents as, at best, uninterested in fairness and, at worst, committed to making society less fair.

For months, free-market policymakers seemed willing to concede this term, preferring to argue against Obama's policies on the grounds of economic efficiency and constitutional first principles.

No longer. In recent weeks, a growing number of conservative elected officials have begun contesting Obama's claim to be the arbiter of what constitutes fairness and taking the issue of fairness head-on in public policy. This signals a subtle but significant shift in political rhetoric, and one with implications for the national debate in the coming months.

Take, for instance, Senate Minority Leader Mitch McConnell's recent floor speech on the effects that rising gasoline prices are having on American families. The first three-quarters of his remarks addressed domestic production and the effect of rising energy prices on the economy. These are topics one would expect from a Republican leader.

But the last part of McConnell's remarks took on a different tone -- one that suggests a newfound willingness to contest the president's fairness narrative. "The president talks about fairness," McConnell said. "But when it comes to rising gas prices, the American people don't think it's particularly fair that at a time when they're struggling to fill up the tank, their own tax dollars are being used to subsidize failing solar companies of the president's choosing."

In other words, energy policy matters for fairness, not just economic efficiency. And true fairness is not consistent with statist cronyism.

McConnell is not the only one contesting the Left on fairness. Sen. Jon Kyl, R-Ariz., recently spoke on the Senate floor giving free enterprise a robust defense -- and using fairness as the yardstick against which it should be judged. "Free-market capitalism," Kyl said, "is the most fair system in the world -- and the most moral. It is premised on voluntary transactions that make both sides happy by meeting their needs."

Kyl rightly called out government's picking of winners and losers, cronyism, bailouts, tax loopholes, and the idea of "too big to fail" as examples of unfairness.

Reps. Paul Ryan, R-Wis., and Jim Jordan, R-Ohio, Sen. Bob Corker, R-Tenn., and other leaders who take free enterprise seriously are comfortable making the ethical case for the system, placing true fairness at the center of their argument.

This view of fairness is part of what makes America unique. Alexis de Tocqueville wrote on American meritocracy, saying Americans were "contemptuous of the theory of permanent equality of wealth." More prosaically, rock singer Bono once noted, "In America, you look at the mansion on the hill and think, 'One day that will be me.' In Ireland, people say, 'One day, I'm going to get that bastard.' "

For the first time in many years, we are poised to have a great national political conversation not just on broad policy issues, but on our national values. Defenders of free enterprise should remind Americans that the choice of the system that rewards merit, promotes

individual responsibility and celebrates industry is not merely an economic decision. It is also a moral imperative.

Arthur C. Brooks is president of the American Enterprise Institute and the author of "The Road to Freedom: How to Win the Fight for Free Enterprise" (Basic Books, May 2012)."

Via Arthur Brooks, AEI