

# A Revised American Dream: Social and Economic Prosperity

Young Patriots Essay Contest

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February 4, 2015

*The American dream is defined as the ideal that every citizen should have an equal opportunity to achieve success and prosperity through hard work, determination, and initiative. Citizens then have the liberty to exercise their fundamental rights to this end.*



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America's original promise of capitalism has seemed to make the rich richer and the poor poorer. Many lump social and economic relations together when they actually share very distinct relationships with individual liberty; during original practices of free market capitalism, many were economically prosperous because others were socially oppressed. With recent advancements in technology, however, the game of capitalism has been revised to give anyone the ability to win. In order to understand this new relationship between individual freedom and social and economic prosperity we must first engage the variety of literature written on the subject. Then, we will examine interpretations and past applications of individual liberty. Finally, we will analyze recent technological advances to truly explore individual freedom's current relationship with social and economic prosperity.

This discussion inevitably begins with freedom and its definition. Drawing from John C. Goodman's analysis of liberty in his work "Classical Liberalism," freedom is synonymous with "liberty," or the autonomy to exercise rights. Goodman explains that individuals possess rights that allow them to pursue their own interest which

creates negative obligations for others to restrict their interference with the interest of others. Renowned social scientist, Milton Friedman, expands on Goodman's analysis, saying that "the fundamental threat to freedom is power to coerce, be it in the hands of a monarch, a dictator, and oligarchy, or a momentary majority. The preservation of freedom requires the elimination of such concentration of power to the fullest possible extent and the dispersal and distribution of whatever power cannot be eliminated" (Friedman). Friedman explains that focused government power unavoidably leads to an abuse of liberty. Extending on Goodman's analysis, liberalism is not anarchy, but an organization of laws that administers all citizens and protects their individual rights. Government is an external force that exercises principles of freedom by establishing laws that protect individual rights, arbitrate disputes between individuals, and enforces the established rules while existing at the behest of the people and in service to their fundamental rights, which derive from a higher source than government.

The United States was founded on the notion that individual liberty is achieved through a free market. This capitalist approach endeavors to allow for individuals to act autonomously in the market. It is commonly misunderstood that capitalism is synonymous with a "laissez-faire" or a "hand-off" approach to the market. Friedman, however, disagrees with this

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misconception. The free market is like a game; players engage with each other knowing (in advance) the rules and that any quarrels will be settled by a third party. Free market capitalism does not eliminate or diminish a government actor but rather has the state act as a facilitator for determining the “rules of the game” and as an adjudicator to interpret and enforce the rules decided on it (Friedman).

An important distinction to establish is the independent relationship individual liberty shares with social prosperity and economic prosperity. For example, one may be free and poor. Instead of assuming that freedom shares a similar relationship with prosperity, we will be examining the relationship of individual liberty in regards to social benefits and economic benefits independent from each other.

In free market capitalism, individuals are, in theory, completely liberal in regards to the market and the economy. Individuals have the ability to create, run, and market their own business and reap and distribute the benefits they garner from their business. Economic prosperity, then, can be achieved by any individual. Historical figures such as Henry Ford, Andrew Carnegie, and John D. Rockefeller mastered the game and created monopolies that made them prosperous.

When we examine capitalism through a social lens, we see that social prosperity shares a different relationship with individual liberty than economic prosperity does. While Ford, Carnegie, and Rockefeller were successful individuals, their businesses relied on the workings of a lower class. Their monopolies were dependent upon poor working conditions and cheap labor. Without

competition, the poor were put an inherent disadvantage and could not leap the hurdles of capitalist oppression. By analyzing capitalism through a social lens, we see that economic prosperity and social prosperity come in conflict; liberty is extended for the former and constrained for the latter. In theory, capitalism is supposed to allow for social mobility, but through its application, massive prosperity is contingent upon the oppression of the poor. In relation to individual freedom and social prosperity, capitalism, previously, has liberated few and oppressed many.

Society, however, has definitely evolved since the days of the industrial revolution. Steven E. Landsberg specifically notes in his article, “The Greatest Story Nobody Knows About,” that there has been a technological revolution within the past two hundred years that have led each generation to become more advanced. He specifically states that “among the poorest of the poor... almost half have personal computers, and most of those have Internet access” (Landsberg). This evolution in technology has reinvented the game of capitalism in which players from the lower class have an opportunity to compete. An Internet economy has been created that “account[s] for 21 percent of the GDP growth in mature economies over the past 5 years.” The Internet economy doesn’t benefit the rich but also “individual consumers and small, upstart entrepreneurs [who] have been some of the greatest beneficiaries from the Internet’s empowering influence” (Manyika, James). The growth and necessity of the internet has led to both economic prosperity and social prosperity. The internet has been driving economic growth when “today two billion

people are connected to the Internet, and almost \$8 trillion exchange hands each year through e-commerce” (Manyika, James). When we further examine how the internet has revised the game of American capitalism, we see that there are social benefits as well. A majority of people, including the poor, have access to the internet and can participate in the Internet economy. The Internet gives the poor an avenue to advance themselves to better social and economic conditions.

Steven Landsberg foreshadowed the current technological revolution when he said, “all... growth [is] fueled by technological progress.” Original applications of American capitalism have made few economically successful and many socially oppressed. But when we examine how technology has reinvented how and who can participate in the market, we see that social and economic prosperity are not mutually exclusive anymore. The Internet has fostered a market where everyone has the ability to be successful. Technology has made it possible for individual freedom to share a harmonious, mutually beneficial relationship with social and economic prosperity.

*Emily Nguyen is the second place winner of the 2015 Young Patriots Essay Contest.*

*Citations available upon request.*