

Life, Liberty and Property: Private Ownership and Economic Prosperity

Young Patriots Essay Contest

by Isabella Penola

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If a random sampling of modern-day Americans were asked to complete the phrase, "Life, liberty, and ---," chances are that the vast majority, if not all, would answer by saying, "The pursuit of happiness." That phrase, taken from one of the most eloquent and historic political documents ever written, is ingrained into



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the minds of Americans as early as their elementary school years and is quoted fiercely at them by every election campaign, so much so that it is often forgotten that, before Thomas Jefferson wrote those words into the Declaration of Independence in 1776, there was a different way to complete the phrase. John Locke, famed English Enlightenment philosopher, advocated that man's inalienable rights included rights to life, liberty, and property, or the fruit of one's labors (Spielvogel). So strongly did he believe in the importance of the individual right to property, in fact, that he wrote that the "preservation of property" itself is the "end of government" (Locke). Without that preservation of individual ownership and the freedom to do what one wishes with his property, a society will fail economically.

The pursuit of happiness and the right to property might sound like very different things at first glance, but in reality, they are directly related. True social and economic prosperity – commonly referred to as the "American Dream" of pursuing happiness – are contingent upon the right to property, the ability to individually own the things for which one has worked and to reap the benefits of his labors. Man's naturally self-ambitious tendencies make

real the phenomenon known as the "tragedy of the commons," in which economic (and therefore social) well-being dramatically declines when individual rights to property are trumped sharing property among a collective.

America's own history contains examples of this; the genesis story of her second permanent settlement reflects the stark contrast between a society that values individual property rights and one that shares property communally. Many trials plagued the people of Plymouth and contributed to their high percentage of deaths – freezing winter, deadly illness, the lack of knowledge that comes with living on an entirely new continent. Yet one cause of starvation that is often overlooked is how, for the first two and a half years of the Plymouth colony, no one was allowed to own land individually. Food was grown, harvested, and distributed equally, regardless of the amount of work one person performed in comparison to another – and this method wasn't working. Without incentive and with the knowledge that regardless of whether or not they worked, they would still be given the same amount of food as everyone else, the Plymouth colonists simply did not produce what was needed in order to survive as a community. In 1623, the leaders of the colony realized their mistake, allowed for individuals to own private plots of land, and required settlers to work their land in order to eat. The result, according to Governor William Bradford, was a sharp improvement

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in work ethic, an increase in productivity from all members of the community, and an overabundance of corn. The Pilgrims had discovered what the failure of every socialist, communist, or supposed “utopian” commune pointed toward: ownership of the fruits for which a person has worked is a powerful incentive that encourages economic growth within a community. (Minitzer)

In his article “What is Classical Liberalism?”, John Goodman discusses how the “collectivist notion of rights,” including the refusal to acknowledge personal property rights, is contradictory to what Locke and the American Founding Fathers found to be so crucial to a thriving society and economy. This idea, he says, implies that others are responsible for taking care of an individual – a disturbingly undefined obligation that can only be supervised and managed by the government, thereby granting unclear and unrestrained power to the government to intervene in the economy. Taken to the extreme, this concept of collectivism over individual rights causes financial devastation to a society. For example, in the Communist-ruled East German government of the 1950s, the nationalization of industries led to the flight of most skilled, educated, and innovative workers to West Germany, where they could labor more efficiently and reap the benefits of their efforts – thus leaving behind an even more ailing economy and causing the leaders of East Germany to construct the Berlin Wall in 1961 (Spielvogel). In other words, the lack of individual property rights led to such a devastating exodus of so many of the most productive workers that the only way the government could keep them from continuing to leave was by physical coercion.

Without the opportunity to legally possess property and use that property as the owner sees fit, a society will face stagnation in technological progress – and subsequently, as the East Germans feared, there will be stagnation in economic success and societal prosperity as well. Steven Landsburg writes of the impressive strides humanity has made in recent years in economic and technological innovation, concluding that the continued economic growth in America is “fueled by technological progress.” So much of that technological progress arises out of a vacuum; some creative individual sees a need, comes up with a solution that would fill the void, and works to make that solution a reality. Yet without property rights, such a process would be significantly more difficult. Ownership includes the right to use and trade what is owned; when somebody owns something, including money, they are careful to spend it on that which they need and want the most. This causes the creation of prices and fulfills the concept of supply and demand – producers and suppliers know what to make and how much to sell it for based on the market composed of owners using their property according to their greatest needs and wants. Without such a market, technological progress and economic growth are severely stunted.

Goodman’s commentary on collectivism versus individual freedom – and the consequences of prioritizing the former above the latter, as demonstrated by communistic Germany – are important to remember when discussing hot-button issues of today, such as higher taxes for the rich and the forced redistribution of wealth. Both of these ideas put the fuzzily defined “needs” of the collective over

the natural rights and freedoms of individuals, thereby causing positive obligations of individuals that are not only unfair, but also serve as a negative incentive to work more and to work harder. A lack of individual freedom, specifically the absence of the right to earned property, causes a lack of individual – and subsequently, an entire society’s – prosperity, and vice-versa. The example of communistic Germany and that of the Pilgrims’ experiences point to an important reality: Humans, with their selfish, ambitious nature, require incentive in order to work and produce, and the best incentive is being able to own, use, and profit directly from one’s own labors. To disregard that by putting the so-called “rights” of the collective over the natural rights of the individual would be to decimate the prosperity of both the individual and the collective.

Isabella Penola is the third place winner of the 2015 Young Patriots Essay Contest.

Citations available upon request.