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Where in the U.S. does “freedom ring”?

Not so much, according to new study

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“Live free or die” is New Hampshire’s motto. But does it have more freedom than any other state? According to a new study, the answer is yes—the most in the United States, in fact. Minnesota, on the other hand, is not so free, coming in at 35th out of the 50 states.

“Freedom in the 50 States: An Index of Personal and Economic Freedom,” was published on February 26 by the Mercatus Center at George Mason University (<http://www.mercatus.org>). You can link directly to the report at <http://is.gd/mKbA>. Its two authors are William P. Ruger of Texas State University and Jason Sorens of the University of Buffalo, State University of New York.

According to the executive summary, the report “presents the first-ever comprehensive ranking of American states on their public policies affecting individual freedoms in the economic, social, and personal spheres.” The authors argue that it improves on similar reports by including non-economic concerns, more variables (more than 170), and more accurate measurements of variables that other scholars have used.

If you decide to construct an index of freedom, you immediately confront several questions. The most obvious is “What do you mean by freedom?”

While President Franklin Roosevelt called on a vigorous and expansive federal government to guarantee “Four Freedoms,” Ruger and Sorens take a very different approach to freedom. “In our view, individuals should be able to dispose of their lives, liberties, and property as they see fit, so long as they do not infringe on the rights of others.” Not surprisingly, their work rewards states with smaller budgets and fewer laws on business and personal behavior.

The overall freedom index is made up of four major components, which in turn are represented by specific variables. Fiscal policy makes up one-quarter of the final ranking. So does regulatory policy. Personal freedom, or its opposite, paternalism, make up the other half.

Fiscal policy divided equally into spending and taxation policies. The states that do best the fiscal policy score have lower levels of state and local spending and taxation as a

percentage of gross state product and of personal income. They also have fewer debt obligations, and less state aid to local government. The rationale for that last measure, which hurts Minnesota's score, is that self-funded local governments are more accountable than those that depend on money from the state capitol.

Each state's score on regulatory policy is made up of its performance on seven different components. One is regulation on labor, such as minimum wage and right-to-work laws. Another is the extent of regulation on health insurance, including mandated benefits and guaranteed issue requirements. Occupational licensing, eminent domain laws and land-use restrictions are some of the other factors in the regulatory sector.

Personal freedom is represented by over a dozen factors, ranging from gambling and alcohol to gun laws and education, each with multiple measurements. Education is in this part of the index, based on the idea that education policies are often grounded "on the belief that parents do not know how or where best to educate their own children." Almost all the education-related variables measure the extent of regulations on private schools and home schools.

The authors punted on the most controversial issues in the personal freedom sphere—abortion and capital punishment—by including them in the data set but not in the final calculations.

Some findings are predictable, given the variables the authors chose. Aside from New Hampshire, New England ranks in the bottom 10. So do New York and California.

The authors also find that liberal states are more highly regulatory of both economic and personal behavior, but "moderately conservative states have done the best of all" in the index. One finding that some people may find curious is that within the top 10 states for personal freedom, you'll find three states in the Bible Belt—a region not known for loose laws.

Minnesota scored poorly on the index, both overall and on the subindexes. It finished a dismal 35 on fiscal policy. The authors suggest that much of that comes from the prevalence of local government aid. The state ranks far behind South Dakota (2), North Dakota (7), and Iowa (19), but ahead of Wisconsin (42) on fiscal policy.

The state scored a below-average 30 on regulatory policy, far worse than its neighbors. North Dakota, South Dakota and Iowa were all in the top 10; Wisconsin was 23.

South Dakota was the leading state in the country for economic freedom, followed closely by North Dakota (4). Iowa was not that far behind, at 12, while Wisconsin (35) lagged Minnesota (31).

Curiously, even South Dakota did poorly on personal freedoms, which, in addition to the variables mentioned above, include laws on tobacco, marijuana, and civil unions. South

Dakota scored the highest in the Upper Midwest (24) while Wisconsin brought up the rear (39). Minnesota was in the middle of the five states, at 31.

If you don't like the authors' assumptions and weightings, you can go online and construct your own index. The authors put spreadsheets and coding books online (www.statepolicyindex.com), so you can play "what if" all you want. If nothing else, it will give you the chance to contemplate the relationship between government and the good society.