

BREXIT, TRUMP & the revolt of the masses: ESCAPE TO FREEDOM OR RETREAT TO ISOLATIONISM... ?

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- Free markets are a means, **NOT** an end
- Free markets support human liberty & personal dignity
- Free markets serve human ends within **Rule of Law**
 - ▣ Private property
 - ▣ Freedom to engage in contracts
 - ▣ All citizens have equal rights & obligations (no privileges)
- Free markets support individual sovereignty & integrity
- Free markets & voluntary trade
 - ▣ “Just” outcomes
 - ▣ Increase shared wealth without more production
 - ▣ Allow greater cultural & social experimentation
- Free markets → social order arising out of human interactions of free & responsible individuals
 - ▣ Reward honesty, cooperation, punctuality, industriousness

- A Framework to understand our Troubled Times...
 - ▣ What divides us & what can re-unite us...
- Issues that reveal citizens' anxieties → discontent
 - ▣ Concern about personal security
 - Economic distress (e.g., underemployment, no job, low wages)
 - Immigration & refugee flows
 - ▣ Income & wealth inequalities: THE biggest problem... !?!
 - Climate Change: THE biggest problem... !?!
 - ▣ Economic growth will moderate most of these problems
- Realities of human nature
 - ▣ Preference for freedom over slavery (choices not commands)
 - ▣ Purposeful behavior & self interest (goal-oriented actions)
 - ▣ Tendency to engage in exchange (means to achieve ends)
- Social order required to support human flourishing
 - ▣ Political control to support "collective" interests
 - ▣ Market solutions to individual plans & goals

- Political action: redistribution & collective goals
- Choosing goals & outcomes
 - ▣ Autocracy—life outcomes determined by single ruler
 - ▣ Oligarchy—life outcomes determined by elite
 - ▣ Democracy—life outcomes determined by majority
- Rulers decide what is best for all
 - ▣ Arbitrary values that are imposed
 - ▣ Inflexible due to lack of accountability
 - ▣ Requires force to implement
- Politics divide people, depend on force & treat individuals as means to achieve collective ends

- How to Make America (Slovakia) Great Again... !?!
- Political path
 - ▣ Redistribution of income & wealth → slow growth; less wealth
 - Involuntary transfers from productive individuals
 - ▣ Trade barriers promote special interest → less cooperation
 - Consumers compelled to serve producers
- Economic path
 - ▣ Voluntary trade → individual fulfillment & social cooperation
 - ▣ Mutual gains & increased wealth from voluntary exchanges
- Autarky is logical end of protectionism
 - ▣ Guarantees shared misery due to inefficiencies & waste
 - ▣ Serious violation of logic that a group can be made better off by ignoring constituent elements, i.e., individuals
- Competition & trade as economic equivalent of war...?
 - ▣ Seller **compete** for opportunity to **cooperate** with buyers
- Competition & trade → human **HAPPINESS**... !

Many Thanks for Your Attention... !!!

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