

Free Enterprise

ISSN 2094-425X

VOL. 1 NO. 2 2010



Philippines: First Step, Lower Taxes

By Joshua Lipana

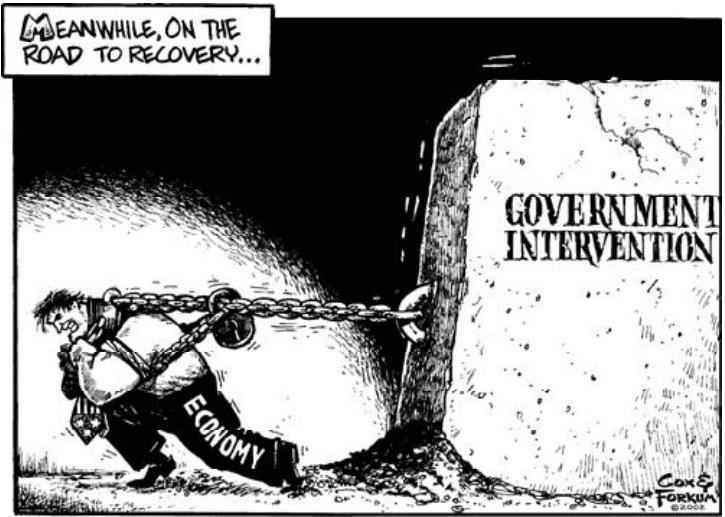
There are a lot of developing countries in the world who are looking for an answer to their woes, our country being one of them. The biggest question out there is "How do we become a 1st world country?" A great first step for us would be; lower taxes. Lower it as much as possible.

Almost all countries that took this first step towards greater freedom and capitalism reaped immediate benefits. To name a few, there are former communist states like Estonia, Poland, Russia. And then there is Ireland, which was considered the "Sick Man of Europe" but has since transformed into the "Celtic Tiger." Each and every one of these states has found a greater degree of prosperity.

This is because a low tax rate increases foreign investment, creates more jobs, lessens the government's wasteful spending(usually), encourages businesses to expand and most of all it allows people to keep more of what is rightfully theirs; the fruits of their labour.

Unfortunately, the economics of high taxes is still pretty much alive today. Countries at the cusp of making it, destroy all their potential growth by confiscating more and more of its citizens hard earned money. There is a mistaken view in economics that somehow higher taxes can result in a better country. The view is usually, to put it simply; "It's okay if the government raises taxes, so long as I'm getting good services out of it." The problem is, with the exception of the Military, the Police department, and the Courts, government has never done anything so well that the private sector can't do it better and cheaper.

If one needs a historical example, one simply needs to look at the now defunct Soviet Union. There the government sought to provide its people free education, free healthcare, free housing and free everything. The result was poverty, stagnation and misery. Not to mention the countless deaths resulting from such a Totalitarian government. And such results are shared to varying degrees by all nations who have chosen to make their government the "great provider."



In addition, raising taxes is usually thought of as necessary to fix the deficit of a country. There is a better solution to such a problem and that is to cut spending. Raising taxes hurts the economy which means such a policy would be more disastrous than helpful. Plus there have been many occasions where government revenue has actually increased after lowering taxes, this is due to the increased economic growth and productivity resulting from such a policy.

So for our nation to prosper and to be a better country over all, the first step should be clear. Lower taxes.

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An Interview with Dr. Paul Hsieh

By Joshua Lipana

Paul Hsieh, MD, is a co-founder of *Freedom and Individual Right in Medicine* or *FIRM*, a project which promotes and educates Americans about free market health care reforms. He is also a practicing physician in the Denver, Colorado area.

His writings have appeared in prominent publications such as: *The Objective Standard*, PajamasMedia, the *Christian Science Monitor*, the *Washington Examiner*, the *Denver Post*, and *Capitalism Magazine*.

Joshua Lipana: President Obama's Healthcare plan, widely called as ObamaCare, has recently passed and has now officially become law. How is the passage of ObamaCare going to affect you and the healthcare industry?

Paul Hsieh: Much of the current discussion of ObamaCare has centered on new regulations over the health insurance industry as well as the highly-controversial "individual mandate" requiring individuals to purchase health insurance.

But for doctors, one of the most important (and least recognized) aspects of ObamaCare is that the government will gradually start imposing controls on how doctors can practice.

Physicians will be increasingly subject to various government "comparative effectiveness" practice guidelines that will specify what sorts of procedures and tests they should (or should not) perform, and what sorts of medications they can (or cannot) prescribe.

These measures will be portrayed by government officials as ways of improving quality while reducing costs. But over time, they will also be used as a way to covertly ration medical services.

JL: Does ObamaCare have any redeeming qualities? Is there anything in it that's good?

PH: Unfortunately, not. The ObamaCare plan is based on drastically increasing the degree of government control over medical practice and medical financing decisions that should instead be made by patients, doctors, and insurers in a free market. By depriving individuals of this freedom, the plan destroys any possible redeeming qualities.

Just as an example — suppose it were scientifically proven that eating carrots was good for you. Then, the government decided to require that everyone eat 3 carrots a day.

Such a law would restrict man's freedom to act on his own rational judgment — which is our basic means of survival. A government which tramples on our basic freedoms in order to achieve a derivative value (such as "guaranteed" health care) destroys the source of all such values — namely, the rational mind capable of acting on its own independent judgment.

To paraphrase Benjamin Franklin, "They who would give up an essential liberty for temporary health security, deserve neither liberty or security." And under ObamaCare, we'll end up with neither.

JL: Prior to the passage of the bill, "Death Panels" were mentioned a lot by the various news outlets in America with regards to the ObamaCare plan. Can you explain to us what the issue was all about? What are these "Death Panels"?

PH: During the 2009 health care debate, some conservatives like Sarah Palin claimed that government "death panels" would decide which patients would live or die under ObamaCare.

Although many ObamaCare supporters called such concerns "paranoia", after the law was passed they sang a different tune.

For instance, David Leonhardt praised the fact that under ObamaCare the government would finally be able to control health care costs by saying "no" to patients ("The Power Of No", New York Times, 6 April 2010).

Similarly, President Obama's nominee to head Medicare, Dr. Donald Berwick, has repeatedly praised Great Britain's National Health Service as a model for the US to emulate because it rations care in a way he finds socially desirable.

Whether you wish to call them "death panels" or not, it is true that that newly-created bureaucracies such as the Independent Payment Advisory Panel will be empowered to decide if certain procedures and treatments cost "too much" — and therefore not covered under government programs such as Medicare. If you're a Medicare patient dependent on the federal government for your health care, then this could amount to the government deciding whether you'll live or die.

JL: Finally; there's been a lot of talks in the News-media about the possibility of repealing ObamaCare in the future, could you comment on the overall efforts to repeal ObamaCare?

PH: Polls have consistently shown that most Americans want to repeal ObamaCare. The recent anti-ObamaCare referendum in Missouri, the progress of the anti-ObamaCare lawsuit in Virginia, and similar efforts in other states (including my own state of Colorado) shows that the opposition to this health care law is broad and deep.

Some Republicans understand this and want to use legislative measures to "defund" the program now, then later repeal it. Other Republicans are not yet that bold, even though they should be. If they did so, they would have the support of the American people — precisely because they would be fighting for core American values of freedom and individual liberty. The people understand that this is the real issue. Let's hope that our politicians start understanding this as well.

JL: Thank you very much for your time Dr. Hsieh. This has been a very enlightening interview. ■

Free Quotes

You cannot help the poor by destroying the rich. You cannot strengthen the weak by weakening the strong. You cannot bring about prosperity by discouraging thrift. You cannot lift the wage earner up by pulling the wage payer down. You cannot further the brotherhood of man by inciting class hatred. You cannot build character and courage by taking away people's initiative and independence.

- Abraham Lincoln

The more money government spends, the more resources it drains from the private sector.

- Peter Schiff

Every government interference in the economy consists of giving an unearned benefit, extorted by force, to some men at the expense of others.

- Ayn Rand

Government spending cannot create additional jobs. If the government provides the funds required by taxing the citizens or by borrowing from the public, it abolishes on the one hand as many jobs as it creates on the other.

- Ludwig von Mises

Instead of continuing their partnership with the business community and embracing proven ideas for job creation, they vilified industries while embarking on an ill-advised course of government expansion, major tax increases, massive deficits, and job-destroying regulations.

- U.S Chamber of Commerce on the Obama Administration

The Enemies of Nuclear Power

By Travis Norsen

The opposition to nuclear power is based, not on science, but on a hostility to science, technology and capitalism.

As Congress ponders how the country can avoid an energy crisis like the one that has affected California, many people believe that only science-fiction can offer a long-term solution—a solution in which discoveries in theoretical physics would lead to a new energy-producing technology. The fuel for this technology, as they imagine it, would be abundantly available, safe, inexpensive and clean.

It may surprise those people to learn that the only fiction here is the belief that this is some future fantasy. Actually, the relevant discoveries in physics happened nearly a century ago, and the resulting technology—nuclear power—is now almost 50 years old. But the fact that this valuable technology is playing a diminishing role in our economy reveals something very important—not about nuclear power itself, but about the motives of its militant opponents.

Nuclear power provides a cheap alternative to fossil-fuel-based sources of electricity. With comparable capital and operating costs, and a mere fraction of the fuel costs, it can provide electricity at 50-80 percent of the price of traditional sources. It is extremely reliable, and is by far the cleanest of any viable energy source currently known.

Its safety record is also exemplary. In America today, the nuclear industry ranks among the safest places to work. It experiences only 0.34 accidents resulting in lost work time per 200,000 worker-hours, compared with a 3.1 average throughout private industry. While during the past 40 years, hundreds of thousands have died as a result, directly and indirectly, of coal mining and other means of energy production, there has not been a single fatality, or even a serious injury, resulting from the operation of civilian nuclear plants in the United States. The annual probability of radiation leakage for the newest reactors is estimated at less than one in a billion—a level of safety no other source of energy can even approach.

Why then is opposition to nuclear power so strong?

The loudest objection raised by the anti-nuclear groups is that there is “no safe level of radiation.” It is also the phoniest. The major sources of radiation are natural and ubiquitous: we are continuously bombarded with radiation from cosmic rays in the upper atmosphere and from naturally occurring radioactive elements in the earth. Compared with these background sources, the radiation from nuclear power plants is negligible.

The average annual radiation dose received by Americans is 360 millirems (or “mrems”), about 300 of which come from

naturally occurring sources like radon. By contrast, you would get only 0.01 mrems per year as a result of living 50 feet from a nuclear power plant. Even a single annual cross-country airplane flight exposes you to 3 mrems, while a medical X-ray gives you a dose of 20 mrems.

Yet the hysterical claims of the anti-nuclear activists continue to shape government policy, leading to absurd licensing standards for nuclear plants. For example, the radiation levels in Washington’s Capitol building (due to uranium in the granite walls) would legally prevent the structure from being licensed as a nuclear plant. People who work full time at the Capitol are exposed to radiation levels thousands of times higher than those produced by nuclear plants.

Similar irrational standards apply to the Yucca Mountain nuclear-waste disposal site that is being developed in the Nevada desert. In the 1980s the Environmental Protection Agency (EPA) insisted that radiation at the site cause no more than 1,000 deaths in 10,000 years—compared with the thousands of deaths *per year* the EPA was then predicting from exposure to natural radon. Yucca Mountain is now being further delayed as environmentalists demand that the time scale be extended to 100,000 or even 1,000,000 years.

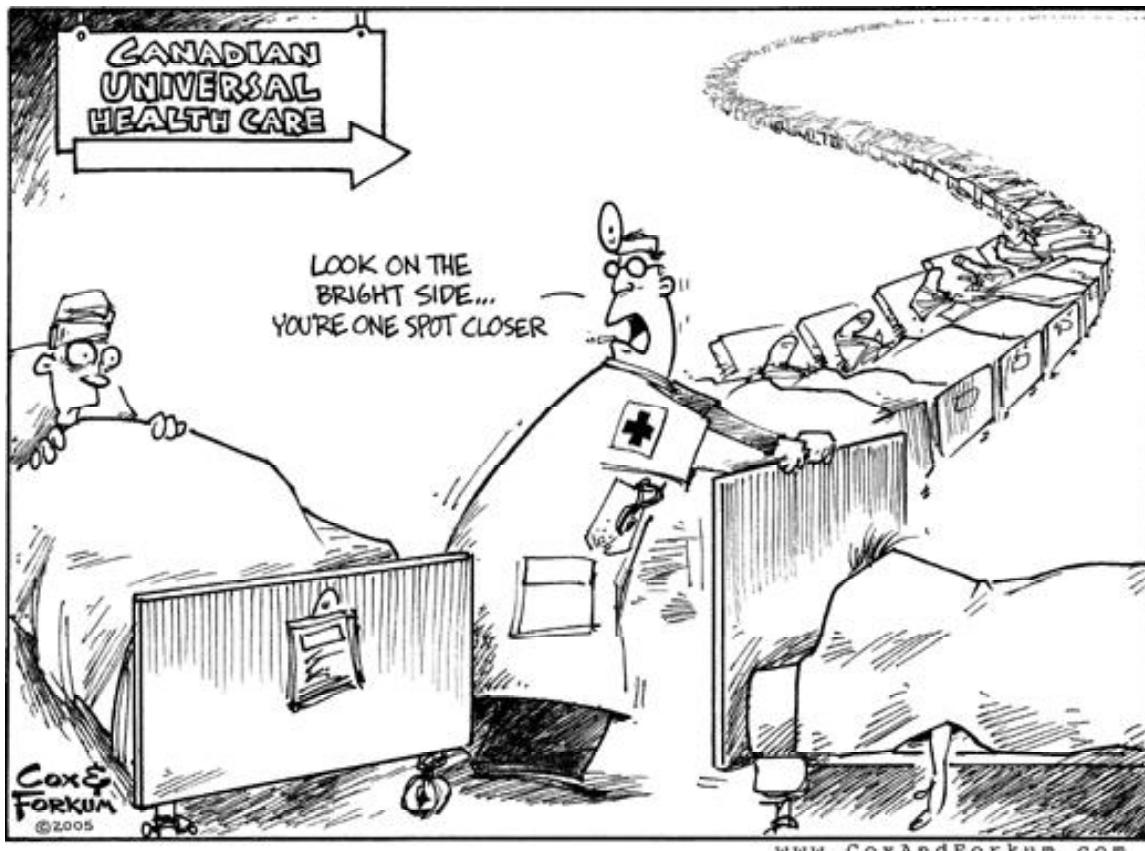
No wonder not a single license for a new nuclear plant has been granted in over two decades—and no wonder the country faces insufficient supplies of electricity.

The opposition to nuclear power represents a political, not a scientific, viewpoint. The anti-nuclear groups, and the broader environmentalist movement of which they are a part, are fundamentally hostile to capitalism and production. They are against nuclear power, not on any sound scientific grounds, but for the same reason they consistently oppose logging and oil drilling and dam construction—because they want to reverse the progress we have made in conquering nature to serve man’s interests.

They do not seek a better means of generating energy—they want us to “conserve” and to do with less. Their goal is to turn out the lights on our industrial society. What the defenders of nuclear energy need, therefore, is to defend that industrial society—by upholding man’s moral right to produce the wealth on which his values and life depend.

*Travis Norsen, a Ph.D. candidate in theoretical nuclear physics at the University of Washington, is a senior writer for the Ayn Rand Institute in Irvine, Calif. The Institute promotes the philosophy of Ayn Rand, author of *Atlas Shrugged* and *The Fountainhead*.*

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The Evil of Socialized Medicine

By Andrew Bernstein (*Washington Times*, September 26, 2004)

That Bill Clinton could get the emergency heart care his survival required within 3 days underscores a life-and-death difference between medicine under capitalism and under socialism.

Under the system of socialized medicine in Canada and Europe, people die because waiting lists to see doctors are too long to permit them to receive cardiac care in time to save their lives. In Canada, for example, a patient typically must wait 24 days for an appointment with a cardiologist—and 15 additional days for the type of emergency bypass surgery that saved Bill Clinton's life. Similarly, a Swedish government survey showed that Swedes can be forced to wait as long as 11 months for a diagnostic heart X-ray and up to 8 months for essential heart surgery. The upshot, according to one research cardiologist, is that at least 1,000 Swedes die each year for lack of heart treatment.

The moral belief in the right to health care beyond what an individual can afford—health care at other people's expense—leads inevitably to demand for unnecessary or superficial care that clogs doctors' offices, overfills hospitals and tasks the health care system beyond its capacities. The predictable result is the endless waiting lists of socialized medicine.

The choice facing Americans is stark: the rights-respecting free market of capitalism, where goods and services are produced in abundance, including health care—or the chronic disasters of socialism, where thousands die because of continuous shortages.

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Censorship Strengthens Islamists

(Published in Capitalism Magazine, Sept. 2010)

By Joshua Lipana

The prospect of another semi-free country falling to Islam is in danger of happening. In the Philippines a bill that would criminalize the use of words like "Muslim" and "Islamic" to describe criminals has been filed by Sen. Ramon Bong Revilla Jr. The Senator wishes to pass this bill while the Philippines is facing down numerous Islamic insurgencies in its southern islands.

The Southern Islands of the Philippine are infested with violent Islamic Totalitarian groups such as the Moro Islamic Liberation Front (MILF), the Moro National Liberation Front (MNLF), the Abu-Sayaf and even elements of Al-Qaeda are present.

Unfortunately such bills that run contrary to the principle of Freedom of speech is a worldwide trend. At the start of the 21st century the world witnessed the U.N pass resolution after resolution condemning the "Defamation of Religion." And even now many member countries of the U.N are pushing for global "Blasphemy Laws." Censorship it seems is gaining ground the world over.

The biggest beneficiary of all this is Totalitarian Islam. For example in the Philippines, the country where I live, and much like the U.S, the army is incredibly capable of crushing the various pipsqueak terrorist insurgencies. Whether they be communist or Islamist in nature. But due to the fact that "sensitivity" and "respect" is shown to our enemies, the military has had to pull its punches time after time. The prevailing ideas of the culture have led to this prolonged struggle where many innocents have died. Now the nail in the casket is being hammered, once censorship becomes widespread and good ideas are no longer possible to advocate, once Sen. Revilla's bill passes; we're all open for slaughter.



The war with Totalitarian Islam is not just a conventional war, it is also an ideological war. Bills like the one Sen. Revilla wants to pass will accomplish what is most crucial in this war, the ideological disarming of Islam's opponents. Things like this basically say to the Islamists "keep spreading your deadly ideology, you will encounter no resistance."

Burke once said "Evil will triumph when good men do nothing." What happens to a country when good men are barred from doing something? The victory of Totalitarian Islam will not come because of its violent attacks of murders and bombings. Their victory, if ever such a tragedy would befall the world, will come because of censorship. If we seek to keep our freedoms and advance the cause of liberty; the primary evil we must defeat is censorship. Till good men can talk, good ideas can still win. If we lose the ideological battlefield to Islam, we will also lose militarily. We must fight censorship, like our life depends on it. Because it does. ■

The Radicalness of *Atlas Shrugged*

By Onkar Ghate (*Orange County Register*, May 6, 2007)

For most people, reading *Atlas Shrugged* is an unforgettable experience. The story is gripping, involving numerous mysteries and unexpected but logical plot twists. The characters are unique—what other book contains a philosopher turned pirate? And the writing is that rarest of combinations: at once clear and deep. But for many readers, *Atlas* is even more: it's life-changing.

Fifty years after its publication, how can a novel still exert this powerful an effect? Because in its pages Ayn Rand forces you to look at the world anew.

To give a taste of its radicalness, consider that today it's bromidic that the man of virtue is Mother Teresa-like; he selflessly lives to serve others and demands that you do the same. The man of vice is selfish; he pursues his own interests and demands that his actions bring him a profit. Whenever a television show or movie needs a stock villain, one whose evil motivation will require no setup, you can be sure a businessman erecting an office building on treed land or a corporation testing an experimental drug will be penciled in. Simply to point out that they are pursuing profit is sufficient to damn them. More murders on television are committed by businessmen than by mobsters and gang members.

This entire viewpoint, entrenched for centuries by religious and secular thinkers alike, *Atlas* challenges. What emerges from its pages is that the moral man is in fact truly selfish: he chooses to embrace his own life by choosing to purposefully, systematically, and unwaveringly do the thinking and take the actions necessary for happiness.

On this approach, ruthless rationality and the ever-increasing production of profit—the core of what it takes to be successful in business—become the essence of the moral life.

There is a scene early in *Atlas*, in which the industrialist Hank Rearden looks back over his creation of a metal superior to steel, that perfectly captures the novel's new portrait of moral greatness.

“...the nights spent at scorching ovens in the research laboratory of the mills . . . —the meals, interrupted and abandoned at the sudden flash of a new thought, a thought to be pursued at once, to be tried, to be tested, to be worked on for months, and to be discarded as another failure . . . —the one thought held immovably across a span of ten years . . . the thought of a metal alloy that would do more than steel had ever done . . . —the acts of . . . driving himself through the wringing torture of: ‘. . . still not good enough . . . ’ and going on with no motor save the conviction that it could be done—then the day when it was done and its result was called Rearden Metal.”

No one had ever before thought of men like Aristotle, Newton, Edison and Vanderbilt as moral exemplars. But this—the man alone in his lab or office, who chooses to exert the effort necessary to think and to create his values—is *Atlas*'s image of a moral saint.

What then of an entrenched moral code that demands that, in the name of the “poor in spirit,” a man like Rearden selflessly sacrifice his creation, profit and happiness to those who have not earned them?

This whole code, *Atlas* declares, is immoral. What the story's logic reveals is that the very purpose of the code is to get the good voluntarily to surrender to evil. *Atlas* is the story of the rebellion of men like Rearden, who are in reality moral, against a moral code that damns selfishness and demands the sacrifice of those rich in spirit to those poor in spirit.

With the 1957 publication of *Atlas Shrugged*, Ayn Rand became the most remarkable of individuals: a moral revolutionary. For anyone interested in ideas, it's a book which deserves to be read and re-read.

Dr. Ghate is a resident fellow at the Ayn Rand Institute where he teaches in the Institute's Objectivist Academic Center. He has lectured on philosophy and Objectivism throughout North America.

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Free Enterprise

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Special thanks to
Cartoonists John Cox
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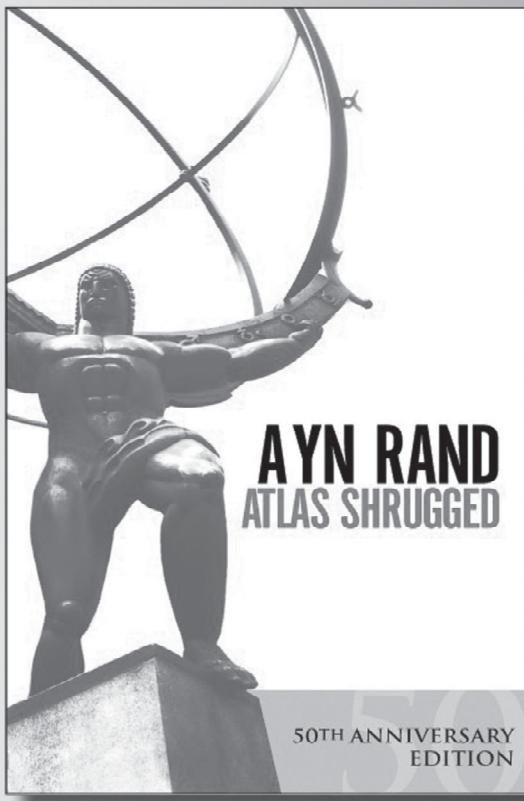
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