

# Progressives Have Too Much Faith and Trust in Political Power

Despite most economists accepting that value is subjectively derived, since the Marginal Revolution, there are people who still consider free exchange as always win-lose.

It's absolutely true that each person in a given trade is very different from one other. No two individuals are exactly alike. Nor do they have the same levels of knowledge and wealth.

But just because this is the case it does not follow that free exchange is not mutually beneficial. So what if the car buyer could have walked away with the car for less than what he did had he the same knowledge as the seller? The car seller could also have walked away with more than what he did had he waited for another buyer.

Every trade is made with the expectation of gain. Buyer's remorse is the exception to the rule. Each participant in a trade considers and orders his alternatives. This is where value lies. And since ordering alternatives, or preferences, is subjective, value is likewise subjective.

We all order our preferences every moment of every day of our lives. They're constantly changing. That this is a subjectively occurring phenomenon seems quite indisputable. What's less widely accepted (or even known) is the influence that individual time preference has on how alternatives are valued.

In any event, the belief that every trade is win-lose on the basis of an inequality of leverage is the foundation of the progressive belief in heavy progressive taxation. (As I've been told by progressives time and time again.)

If you're wealthy, that's proof positive that you are taking advantage, or exploiting, those less wealthy than you. By definition. In every case. (Never mind their next best alternative is less desirable for them.)

But here's the rub: in order to fix wealth inequality, progressives are choosing to increase power inequality. And which is the greater threat to every income class of mankind?

History has shown three things: 1) concentrating wealth leads to political power, 2) the more consolidated and expansive is political power, the more people are murdered by government, and 3) the greatest threat to concentrations of wealth is the free and unfettered market (the only way to truly and equitably "spread the wealth around").

These seem like corollaries to me. If power is murderous, and wealth leads to power, then

threatening wealth will temper and distribute power, leading to less murder. *This is why wealthy people infiltrate and utilize political power.*

Two ends of the politico-economic spectrum. On the one side you have total power, consolidated wealth, and thus total control (totalitarianism); on the other side, you have perfectly distributed power, higher equality of wealth, and less control (anarchism).

For the so-called problem of wealth inequality, progressives and leftists are shooting in the wrong direction. Their solution can only exacerbate the problem, as has been the case time and time again throughout history ("Let them eat cake!").

*Plus*, they think they can co-opt political power without the wealthy taking notice and using their vast amounts of wealth to steer the state in their preferred direction, ie. increasing their political power and concentrating their wealth into fewer and fewer hands? ("Rich get richer, and the poor get poorer.")

Unlikely.