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FREEDOM IN FLORIDA

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WE CREATED *Freedom in the Fifty States* to develop an index of economic and personal freedom in the American states. Specifically, we examine state and local government intervention across a wide range of public policies, from income taxation to gun control, from homeschooling regulation to drug policy. The full index, complete with data and methodology notes, is available at <http://mercatus.org/freedom-50-states-2011>.

This issue of *Mercatus on Policy* focuses specifically on Florida and how it compares to other states in its fiscal, regulatory, economic, and personal freedom. Overall, Florida does relatively well, especially in personal freedom, although its economic policies leave room for improvement.

MEASURING FREEDOM

WE GROUND OUR conception of freedom on an individual-rights framework, following the natural-rights liberalism of John Locke, Immanuel Kant, and Robert Nozick while remaining consistent with the philosophy of rights-generating rule utilitarianism. We seek to measure how well American state and local public policies conform to this ideal regime of maximum individual freedom.

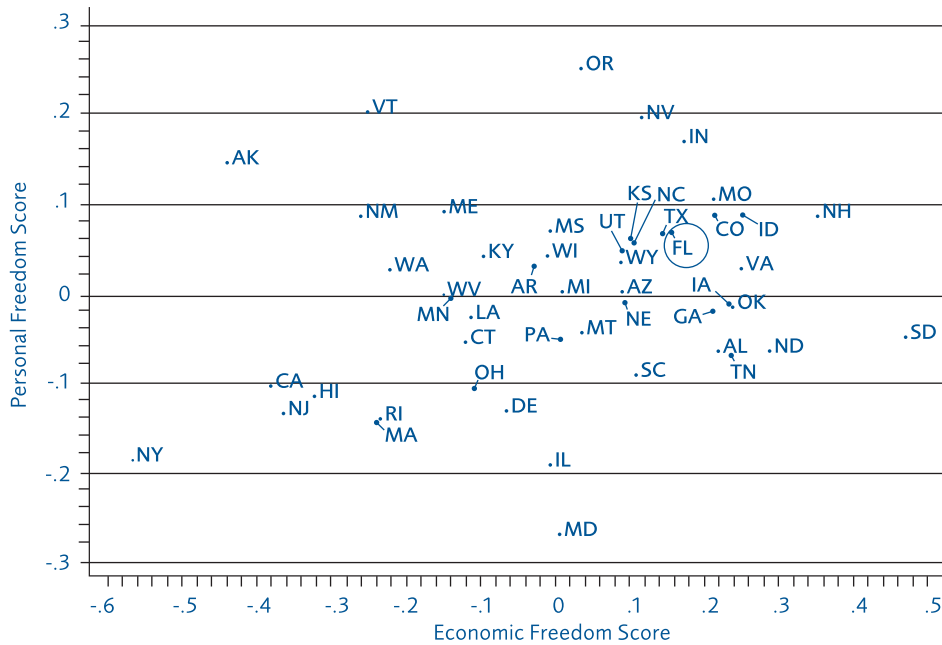
For the purposes of this study, we examine three constituent parts of freedom:

fiscal policy: spending and taxation policy

regulatory policy: regulatory questions including labor regulation, health insurance mandates, occupational licensing, eminent domain, and land use

paternalism: laws on education, marriage and civil unions, gambling, marijuana, alcohol, tobacco, victimless crimes, and firearms

FIGURE 1: FREEDOM IN THE STATES



In all, we consider over 100 variables. More information about how these variables are constructed is available in the full study.

Our approach to measuring freedom in the states is unique in three respects: (1) it includes measures of social and personal freedoms such as peaceable citizens’ rights to educate their own children, to own and carry firearms, and to be free from unreasonable search and seizure; (2) it incorporates more than 150 distinct public policies; and (3) it is particularly careful to measure fiscal policies in a way that reflects the true cost of government to the citizen.

WHERE DOES FLORIDA STAND?

FLORIDA ENJOYS A decent place in our ranking and moves up one place from its ranking in the last index. Compared to all other states, Florida ranks 11th overall and comes in 14th in both personal and economic freedom.

Florida outranks its neighbors as well. Its closest competition is Georgia (#15), followed by Alabama at #19 and Mississippi (#24). Florida considerably outstrips South Carolina (#26).

Here are a few reasons why Florida does so well in the ranking.

FISCAL POLICY

DESPITE LACKING a personal income tax, Florida is average in

almost all fiscal categories, rising well above average only on decentralization, local budget constraints, and government employment. Property and general sales taxes are higher than average.

Regulatory Policy

LAND-USE PLANNING HAS gone very far in Florida, and greater room for local flexibility in development plans is probably warranted. To its credit, Florida has gone further than any other state in reforming eminent domain. Florida has improved in its rankings by allowing the federal minimum wage to catch up, and the state also benefits from right-to-work laws and a relatively good workers’ compensation regime. Health-insurance coverage mandates have gotten much worse, with an 8.5-percent jump in policy-attributable premium costs between 2007 and 2009.

Paternalism

FLORIDA’S GUN LAWS are about average nationally but below average for the South. Marijuana laws are generally quite restrictive, and there is a *Salvia* ban. Smoking bans exist, but there is some local flexibility for bars, while cigarette taxes are low. Florida has a Religious Freedom Restoration Act (RFRA) and bans raw milk.

Florida is one of the few states to mandate personal injury coverage in auto-insurance plans. Other than mandatory registration, Florida’s regulation of private schools is minimal, and home schools are also lightly regulated apart from recordkeeping requirements. Contribution limits on grassroots PACs are unnecessarily restrictive for such a large state.

FREEDOM IN FLORIDA AT A GLANCE: HOW DOES FLORIDA COMPARE TO NEARBY STATES?	
Florida	11th Freest Overall
Georgia	15th Freest Overall
Alabama	19th Freest Overall
Mississippi	24th Freest Overall
South Carolina	26th Freest Overall

FREEDOM IN FLORIDA AT A GLANCE: HOW DOES FLORIDA COMPARE OVERALL?	
Fiscal Policy	15th Freest
Regulatory Policy	21st Freest
Economic Freedom	14th Freest
Personal Freedom	14th Freest
Overall Freedom	11th Freest
Change in overall freedom ranking since 2007	+1

POLICY RECOMMENDATIONS

EVEN THOUGH FLORIDA does well in our ranking, it still has room for improvement. To become more free, Florida should consider the following recommendations:


1. Stop adding health-insurance coverage mandates and consider repealing the existing ones.
2. Raise limits for campaign contributions to candidates, particularly for individuals and grassroots PACs.
3. End mandatory registration of private schools.

CONCLUSION

A READER MIGHT ask if a state's placement in this ranking really matters. After all, variance in liberty at the state level in the United States is quite small in the global context. Even New York, the lowest ranked state in our index, provides a much freer environment for the individual than the majority of countries. There are no Burmas or Zimbabwes among the American states. Still, we do find that our federal system allows states to pursue different policies in a range of impor-

tant areas. The policy laboratory of federalism has been compromised by centralization but is still functioning.

Two of the most intriguing findings of our complete statistical analysis are that Americans are voting with their feet and moving to states with more economic and personal freedom and that economic freedom correlates with better income growth. As Americans grow richer in future years, quality of life will matter more to residence decisions while the imperative of decent employment will decline by comparison. High-quality information on state legal environments will matter a great deal then to those seeking an environment more friendly to individual liberty and to states interested in attracting such people.



The Mercatus Center at George Mason University is a research, education, and outreach organization that works with scholars, policy experts, and government officials to connect academic learning and real-world practice.

The mission of Mercatus is to promote sound interdisciplinary research and application in the humane sciences that integrates theory and practice to produce solutions that advance in a sustainable way a free, prosperous, and civil society.

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