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# The Voluntaryist

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Whole Number 175 "If one takes care of the means, the end will take care of itself." 4th Quarter 2017

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## Protection

By Robert LeFevre

[Editor's Note: The following two editorials appeared in the Colorado Springs GAZETTE-TELEGRAPH, page 11, on September 6, 1957. They were penned by Robert LeFevre. Although Gustave de Molinari's article in 1849, "The Production of Security," is probably the earliest description of competing defense agencies providing protective services, these sister editorials may be the earliest expression of the idea that free market insurance companies could be the major providers of defense services in a stateless society.]

### Two Kinds of Protection

Protection is one of man's basic requirements. From earliest days man has been interested in preparing against assault, whether the attack he anticipated might come from weather, beasts or other men. Man's ability to protect himself against any and all of his enemies is responsible for his survival.

At best, this is an unfriendly world, and one must prepare in peace and calm for the storm and strife which surely will come.

In very ancient times men turned for their protection to the strong. They looked about for a bandit chieftain, mighty and resourceful, on whom they could depend for safety. They knew when they did so, that the bandit was a villain. But they hoped, by paying him in taxes or in tribute, to make him their villain. It was wise, men reasoned, to have a powerful and unscrupulous leader on their side. Such a leader could be counted on, they felt, to offset the fury of some other bandit leader against whom they would be powerless.

The search for protection among the ranks of the bandit chiefs provided men with government. And so long as a particular bandit remained loyal to his own people, men felt secure. They reasoned that it was better to pay a known and limited amount of plunder to their own bandit chieftain than to be compelled in suddenness to surrender everything they had in the dark of night to some other bandit not in their own pay.

The trouble has always been that a bandit is still a bandit, however he is paid. And bandits, like their fellows, are ambitious. Hence, with dreadful regularity, bandit leaders turn upon their own people time after time. They become dissatisfied with the tribute rendered to them voluntarily for protection. They begin by raising the amounts of that tribute according to their own selfish desires of supremacy and vainglory. They end by preying upon their own supporters in a manner not unlike the conduct of the very bandits they have been

hired to combat.

When such a practice rises to its zenith, the people who pay become dissatisfied. They deem it disastrous to keep a particular bandit in power. They look back upon the good old days when their particular bandit was tractable and satisfied with smaller sums. And in the end they change their patronage.

Which is to say that by elections or revolutions they overwhelm the bandit chief of the moment to replace him by another bandit chief who gives promise of more moderate ways. But moderation is not a strong point with bandits. And so the endless story is repeated, over and over again. People rise up and do away with one particular bandit, and fly to the arms of another for protection.

Such changes in the long run provide little in the way of actual change. Only the names are different. The practice of banditry is still the general rule. And it should be noted that this reliance upon banditry is a reliance upon physical force and violence, however friendly such force and violence can be made to appear at a given moment.

In relatively recent years, a new mode of protection has made its appearance, in the market place. Foregoing force and violence, the insurance idea was born. It was and is the contention of insurance experts, that men can secure protection by translating the protection desired into terms of money. Insurance men know that people cannot be protected against the inevitable. Fire, flood, storm, drought, accident and even death are always with us. The insurance idea is that the possible amount of damage can be calculated in advance in terms of money. The person desiring insurance can pay to the insuror a sum of money which in toto will be but a fraction of the loss he might experience if one of these dread enemies should strike. Then, altho he is still subject to disaster, he can indemnify himself against the frightful financial loss such disaster might represent.

This is a free market idea. The growth of insurance companies since the first marine coverage to the present time, is ample evidence that the idea of protection is marketable on a voluntary basis. Unlike the bandit chieftains, the insuror does not make his coverage mandatory. He indemnifies only those who patronize him. Those who wish to be covered, pay in advance. Those who do not wish to be covered, pay nothing.

But there is a notable difference in the manner in which each of these protection agencies functions. Surpluses collected by bandit chiefs are spent in a vast and lordly fashion on all sorts of silly and irresponsible

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# The Voluntaryist

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## Potpourri from the Editor's Desk

### No. 1 "A Disaster for Human Liberty"

"The centralizing tendency of war has made the rise of the state throughout much of history a disaster for human liberty and rights. ..." This observation leads to an even more fundamental question: What makes anyone think that government officials are even trying to protect us? A government is not analogous to a hired security guard. Governments do not come into existence as social service organizations or as private firms seeking to please consumers in a competitive market. Instead, they are born in conquest and nourished by plunder. They are, in short, well-armed gangs intent on organized crime. Yes, rulers have sometimes come to recognize the prudence of protecting the herd they are milking and even of improving its "infrastructure" until the day they decide to slaughter the young bulls, but the idea that government officials seek to promote my interests or yours is little more than propaganda - unless, of course, you happen to belong to the class of privileged tax eaters who give significant support to the government and therefore receive in return a share of the loot. For libertarians to have lost sight of the fundamental nature of the state and therefore to expect its kingpins selflessly to protect them from genuine foreign threats, much as a hen protects her chicks, challenges comprehension. Imagine: people who recognize full well that they cannot rely on the government to do something as simple as fixing the potholes nevertheless believe that they can rely on that same government to protect their lives, liberties, and property. ...

During wartime, governments invariably trample on the people's just rights, disseminating so much

[L]iberty, or the absence of coercion, or the leaving people to think, speak, and act as they please is in itself a good thing. It is the object of a favourable presumption. The burden of proving it inexpedient always lies ... on those who wish to abridge it.

- John Morley, ON COMPROMISE (1888), pp. 253-254.

propaganda to the abused citizens that they believe they are trading liberty for security. Yet time and again after the dust has settled, the U.S. government's wars have yielded the net result that Americans enjoy fewer liberties in the postbellum era than they enjoyed in the antebellum era. This ratchet effect must be expected to accompany every major military undertaking the U.S. government carries out. In every war with a decisive outcome the people on both sides lose, the government on the losing side loses, and the government on the winning side wins. In light of these realities, what sort of libertarian wants to support the warfare state?

- Robert Higgs, "Are Questions of War and Peace Merely One Issue among Many for Libertarians?" Excerpted from the Fall 2011 issue of THE INDEPENDENT REVIEW.

### No. 2 "The Presumption of Liberty"

The presumption of liberty ... is analogous to the presumption of innocence. Both have a common epistemic feature. To be required to prove that one is innocent of a charge is to ask for the near impossible. Each time one managed to show, if that were possible, that one was innocent of a crime, another charge could be brought, and the burden would be on the accused to demonstrate a negative yet again. Similarly, one cannot show why one should be allowed to do every single thing one might wish to do - to wear a hat or not wear a hat, or to wake up at 7:30 a.m. or at 7:15 a.m., or to read this book rather than that; it would be impossible.

Instead of being required to justify and ask permission for all of the possible things we could do, the presumption of liberty requires that the burden rest not on the one who would exercise freedom but on the one who would restrict it. In the permission society, everything that is not permitted is forbidden, whereas in the society of liberty everything that is not forbidden is permitted.

- Dr. Tom Palmer, "Is Liberty an Asian Value?" in the Atlas Network's FREEDOM'S CHAMPION, Summer 2016, pp. 7-8.

### No. 3 "Why Do We Measure Air Conditioning Capacity in Tons?"

Here is a perfect example of voluntarism which demonstrates that government need not establish units of measurement. When Willis Carrier invented modern air conditioning in 1902, the most common method of refrigeration and cooling buildings was the use of ice. Blocks of ice were cut in the winter, and stored in specially constructed ice houses in which sawdust was used as insulation. So when Carrier's new units were first used, engineers equated their cooling capacity to the cooling power of a ton of ice. The American Society of Mechanical Engineers adopted this standard in 1912, and modern cooling units are still rated in the same way. 

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## Protection

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projects. Surpluses collected by insurers are invested in free enterprise, thus enhancing the market place, increasing financial responsibility and otherwise strengthening freedom and voluntarism. The bandit chiefs still rely on force. The insurers rely upon arithmetic and logic and use no force. Yet, both sell protection. To us the voluntarism of insurance is vastly superior to any kind of banditry.

### Superior Protection

In the preceding editorial we have discussed two types of protection: that provided by bandits who make their protection mandatory once they have been hired and that provided by insurance companies which use voluntary, free market practices and protect only those who wish to be protected. And we have commented that to us the voluntarism of the insurance idea is superior to the involuntarism of banditry.

We might also show that with the passing of the last half century, the bandit idea, while sustained in most minds, has resulted in a mammoth debt of such magnitude that serious students are wondering if the sum can ever be repaid, whereas the insurance idea, while not universally adopted has resulted in such surplus that insurance companies are now among the largest repositories of funds throughout the world. Bandits, relying on physical force, have constantly betrayed their own payees. Insurers, relying on nothing but honesty and the voluntary way, have met their obligations cheerfully and promptly. This provides a curious contrast.

It is clear that insurance is a successful and worthy enterprise. Grave questions have still to be answered as to the success and the worth of universal plunder even when such plundering is sponsored by our political friends.

So, in very recent times, the bandits have recognized the value of the insurance idea. And, having recognized it, they have turned to it to practice it. But in so turning they have retained their basic character. Thus nowadays, certain of our group of world bandits have sought to employ the insurance idea as their own. But they cannot rid themselves of the curse of compulsion. Thus, when our own group of political thugs undertook the largest and most expansive program of insurance in world history - the Social Security scheme - they brought to it their own ideas of banditry and made Social Security a matter of compulsion. Most were not asked if they wanted such government insurance. Instead, at the point of the tax gun, they were compelled to take it. And the money collected by our bandits was used just as any other money they collected. It was poured into any number of the numerous rat holes of political expediency maintained by the bureaucracy of banditry, so that our bandit insurance is naturally dependent upon its income from banditry and not at all upon its investments, which are nil.

Thus we see that a merger of an insurance idea with banditry is of little merit. But such a merger gives rise to the thought that it might be possible for the insurance idea, maintained without banditry, to be expanded into the areas now presumably protected by bandits. In other words, might we not ask if it is ... possible that some of the vaunted protection we are still paying for from bandits could ... be purchased in a voluntary manner from insurers?

If protection against fire, flood, accident and death can be purchased by those who wish such protection; why cannot those who wish it, purchase protection from the thief, the liar and the cheat? Perhaps, if we put our minds to it, we might even devise a type of protection which could be purchased from an insurer against banditry itself. Here is a thought to conjure with.

Perhaps it would not be so difficult an accomplishment as it now seems. If the protection furnished us by our bandit friends were to be placed on a voluntary basis, with each person paying for exactly the type and amount of such protection he deemed useful and wise, then the insurance idea would have, in large measure, supplanted the bandit idea. And what would be wrong with that?

It seems to us that civilization itself is a voluntary association. Barbarism is involuntary association. Civilization begins with the first voluntary action. If it ends, it will end with the last voluntary action. And if we wish civilization to expand as well as continue had we not best be advised to study ways and means of supplanting compulsion with voluntarism?

Perhaps there are areas of protection open to us thru voluntary means which we as yet have not explored. Surely, it would pay us to commence the exploration. In the end, if necessary, we can always go back to the bandits. Why not try a superior way first? You know, it might work. V

### From Conservative to [Free-Market] Anarchist (Voluntaryist)

By Steve Patterson

[Editor's Note: Although the author does not describe himself as a voluntaryist in this article, in latter correspondence with me he related that he was "equally comfortable identifying himself as a voluntaryist as I am a market anarchist." His evolution from constitutional, limited government statist to free-market anarchist points to the many diverse ways people are turned onto voluntarism.]

Four years ago, I became an anarchist, and I've never looked back. My political philosophy now runs through my veins. But this wasn't always the case. I used to be a young, apathetic conservative. Then, I was introduced to libertarianism, which slowly turned me into an anarchist. This might sound crazy, but I assure you, it's quite reasonable, and many people share my same story.

It all started in 2007. I was casually aware of politics

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at the time. My parents were conservative, so I was conservative. YouTube was still relatively new, and I remember one day stumbling across a video of Ron Paul. I was immediately intrigued. Here was this funny old man saying the opposite of his fellow Republicans on stage, and he called himself a “Constitutional conservative.” This sounded appealing. He would say all these fascinating things I’d never heard before, and the more videos I watched, the more excited I became. After only a few weeks, I was fully on-board with the platform of this Ron Paul guy. Little did I know this resonance with a political philosophy would change my life.

If you know anything about Ron Paul, you know he’s an exception to the rule. He was a politician, yes, but only in title. Politicians are (rightly) known as slimy, spineless, unprincipled folk whose political ambition overrules any shred of integrity they possess. Ron is the opposite. He defies the oxymoron “principled politician.” He’s been called the one exception to the gang of 535. And it shows when he talks. He doesn’t appeal to rhetorical flourishes or woo the crowd with empty platitudes. He really believes what he says and speaks out of conviction, something nonexistent among politicians.

But to me, ultimately, Ron Paul is a charming, principled nerd. He’s an extremely well-educated man in every area of political thought, especially Economics. He puts philosophic ideas above politics or elections. In fact, he used his presidential campaigns as educational platforms. Ron didn’t think he could win, but he knew more people would discover the power of free-market ideas if he ran for president.

But as he would tell you, Ron Paul’s ideas are more important than his person. Millions of people were swayed by the philosophy of freedom, not just his charming personality. The core principles of limited government resonated through all political upbringings, whether you identified as a liberal, conservative, or were apathetic.

Given my conservative ideology, I knew that lots of people gave lip service to the Constitution, but rarely did they defend it consistently. They supported military intervention overseas, but balked at the idea of requiring Congress to formally declare war. They complained about the Department of Education, but would only support gentle budget cuts, at most. Ron said what conservatives were too afraid to say: get the government out of education altogether. We don’t need a 10% budget reduction; we need to abolish the whole department! Conservatives say they support individual responsibility and don’t want a nanny-state. Then how can they support the War on Drugs? If an adult decides to peacefully smoke pot in his basement, and not hurt anybody, we don’t need a nanny-state to micro-manage his life and throw him in jail. Conservatives supposedly want you to be free to make bad decisions, as long as you pay the consequences for them.

Probably the most controversial position Ron held was on the U.S. military. He thought, as old-school conservatives did, that we should be extremely cautious before intervening in foreign affairs. He also thought the Pentagon wasn’t infallible; they are prone to the same egregious waste and mismanagement as the Department of Education. This ruffled a lot of feathers. It shouldn’t have. Ron simply applied the same principles across the whole spectrum of government.

Opposition to political authority does not entail opposition to social order.

- Aeon J. Skoble, DELETING THE STATE (2008), p. 6.

He was consistent, and he kept coming back to the following principle: what is the proper role of government? Before we argue about cutting 10% of the Department of Education’s budget, shouldn’t we discuss whether or not it should exist in the first place? Is it appropriate, or even Constitutional, for the Executive Branch to send troops into foreign countries for an extended amount of time without Congressional declaration? Before we nibble around the edges of government spending, we need to talk about what government should do in the first place.

To me, he was precisely correct, but it revealed an unsavory truth: Republicans and Democrats aren’t so different from each other. One party might want to raise spending 5%; the other might want to cut spending 5%, but both favor the status quo and support big government in their respective areas. Liberals and conservatives are like two sides of the same coin. Constitutional conservatism, I thought, represented a real alternative.

But my journey didn’t stop there, because Ron implanted a little seed in my head. When he spoke, he often mentioned the “Austrian School of Economics.” I never heard of it, but eventually, I decided to Google around. What I discovered changed my life. I came across the Mises Institute, which had a number of free books and lectures online about Austrian Economics. I was immediately enamored. The explanatory power of Economics was breathtaking. After diving into the literature, I didn’t simply believe government was inefficient, I understood why. This had an enormous impact on my political philosophy, and it started my transition to radical libertarianism.

I now believe it’s impossible to have a clear understanding about how the world works without Economics. The coordination of prices, profits, and losses in a market is awe-inspiring. No exaggeration – it is almost miraculous. I will write extensively about this at a later time. But suffice to say, Economics became a pillar around which I would develop my other political beliefs.

The more I learned – the farther I went down the rabbit hole of Austrian Economics – the more “radical” I became. Not only was government inefficient at delivering mail, but they were inefficient everywhere

they intervened. The same economic principles apply to the Post Office as apply to the Patent Office. Of course, this wasn't radicalism for the sake of radicalism, it was just consistency. And if you apply economic principles consistently across the board, you are left with a very grim perspective on government. However, I was no anarchist.

I firmly believed in small-government libertarianism. Markets could handle everything except a few core services: the courts, military, and police. Of course, this would be considered wildly limited government compared to today's standards.

My first interaction with an anarchist, ironically enough, was as an intern in Ron Paul's congressional office. I was given the opportunity to be his intern in DC for a semester, and one of his staffers considered himself an anarchist. He was a nice guy, but I didn't take his ideas too seriously.

But that changed in the summer of 2010. I was fortunate enough to attend a conference for students at the Mises Institute – the organization I held in such high regard. The conference was called “Mises University,”

Bruce Benson points to the fact that medieval commercial law, the Law Merchant, evolved, and has existed for centuries, independently of the States in which international merchants operated. This “shatters the myth that governments must define and enforce ‘the rules of the game.’ ... [T]he Law Merchant developed outside the constraint of political boundaries” and political rulers. Another observer of the Law Merchant describes it as a shining piece of historical evidence that cannot be misinterpreted. The Law Merchant was the classic experiment to test what happens when states do not (because for physical reason they cannot) impose their own organized, tax-financed order. It supports the reasonable belief that the trouble with the emergent order is not that ‘in practice’ it does not emerge, but that ... states stop it from emerging, and intrude upon them when they do emerge. Benson concludes that “our modern reliance on governments to make law and establish order is not the historical norm.” Nor is the nation-state a prerequisite for law and order. Neither is the state a biological necessity. Men and women have survived and sometimes even flourished outside its purview and power. It is true that people must have rules to live by, but it is not true that these rules must be provided by and enforced by the government. ... Human beings require food, shelter, and clothing in order to survive and trade with one another. However, it does not follow that the only way to provide food, shelter, and clothing is for the government to produce them. The market place requires voluntary cooperation, “but cooperation does not... require government.”

- Excerpts from THE VOLUNTARYIST, Whole Number 151, pp. 5-6.

and it was a week long, focusing solely on Austrian Economics. I was elated, and it turned out to be one of the most intellectually stimulating weeks of my life. I was surrounded with the smartest peers I've ever met.

A few lectures hinted at the possibility of complete statelessness – the idea that private entrepreneurs could better provide all the services of government, including courts, military, and police. Supposedly, for the same reasons we don't want government to monopolize the production of shoes, we don't want them to monopolize the court system or the production of national defense. I wasn't convinced.

During the middle of the week, I was forced to adjust my beliefs a little bit, so I called myself a “Secessionist” for a few days. But I was no anarchist. I agreed with some core ideas – that taxation is fundamentally coercive and is therefore theft. I agreed that markets were based on voluntary, peaceful human interaction, while governments were necessarily based on violence or threats of violence; and I agreed that, in a perfect world, we wouldn't need any coercion whatsoever – voluntary decisions would reign supreme. But, I thought, we don't live in a perfect world, and surely in some circumstances, large groups of people wouldn't care about the “rights” of an individual. Statelessness might sound nice in theory, but in practice, people wouldn't respect the property rights of a lone anarchist, declaring his independence in the middle of a city.

Until one night, when I was challenged by a fellow student named Dan. He was a pretty burly guy, former Air Force I think, and we were hanging out at one of the local bars after the lectures. (Of course, “hanging out at the bar” at Mises University really meant “talking loudly about nerdy ideas in public places.” I remember some locals dancing at the bar, but they were outnumbered 3-1 by sweaty geeks talking about monetary history.)

I told Dan about my hesitations with anarchism, and he said he understood. “But,” he said, “let me ask you this: if I want to opt out of government services, should I be able to?” It's a simple question, but I didn't know how to respond. I wanted to say, “Of course you should be able to opt out of government services! If you don't want to pay, you don't have to, but then you don't get to use the services.” But alas, such an admission would be tantamount to anarchism. After all, government services are by definition tied to taxation, and you can't opt out of taxation. Doing so would be opting out of government, which is precisely what these anarchists were talking about.

On the other hand, I couldn't say with a straight face that indeed, Dan should never be able to opt out of government services. I'd have to be willing to put him in jail if he tried. Even if his decision to opt out was poor – if he'd be better off by using the services – I couldn't justify forcing him to pay for something he didn't want. So, I was perplexed. I didn't have a good response, and I

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remember slowly responding, “I think I might be an anarchist now.”

I wrestled with that question for the next few months, as I kept trying to justify the existence of involuntary government. I read a book called CHAOS THEORY by Bob Murphy, which has a section on the private production of law. My list of necessary government services dwindled. Then it happened: I became a closet anarchist. After playing devil’s advocate so much with myself – being an annoying anarchist – I couldn’t find a proper counter-argument to my critiques of limited government.

I was shocked. I couldn’t believe I’d ended up so far away from where I started. I thought anarchists were bomb-throwing hooligans who smashed in windows for recreation. But this type of anarchism was about private property and peaceful, voluntary cooperation. I saw the contradictions and inconsistencies in popular conservatism, and I couldn’t stomach it any longer.

By the end of 2010, I came out of the closet. But I didn’t know what to call myself. “Anarchist” seemed too dramatic and hot-button. (Believe it or not, people dismiss you rather quickly upon identifying as an anarchist.) I toyed around with labels like “anti-statist” or other nonsense, but I’ve recently settled on the term I find most appropriate: market anarchism.

You can sum up market anarchism succinctly: all the services which are currently provided by governments can be more efficiently and ethically provided by private entrepreneurs. Granted, there’s a million different ways to phrase it, but that’s what I prefer. Really not so radical, is it?

Four years later, and my conviction has become stronger. The explanatory power of market anarchism is unparalleled. Politics finally makes sense when you throw out the romance surrounding government and patriotism. But what’s surprising to me is how my own justification for anarchism has changed. I still wholly subscribe to Austrian Economic theory, but now I am even more compelled by the ethical and philosophic arguments for anarchism. To an anarchist, it’s clear as day: taxation is theft. Theft is immoral. Therefore, taxation is immoral, which condemns government as immoral. Simple and profound.

Upon taking the leap to anarchism, it appears preposterous and naive to try and manage the lives of a hundred million people from a central planning board. Social problems involving 300 million people aren’t resolvable by one tiny group forcing everybody to act a certain way, threatening them with jail time if they don’t comply. It seems clear.

On a philosophic level, proponents for government run into trouble: what exactly is a government, anyway? Upon inspection, “governments” are only grandiose, harmful abstractions; they have no tangible reality. We live in a world inhabited by humans – not “governments” or “countries.” This might sound absurd – and I won’t defend the claims right now – but I intend

to give rigorous explanations for these ideas in the future.

The anarchist worldview is radically individualist, not because it views people as isolated decision-makers, but because individualism is the most philosophically critical way of viewing the world. It helps us avoid dramatic abstractions and opens up the world of economic thinking. And at this point, I can’t imagine turning back; anarchism has gone to my core.

If anybody is intrigued by this story, I only ask they pursue the topic sincerely. Hold on to your objections as long as you can, and see if your beliefs can withstand the criticism of market anarchist arguments. I humbly suggest starting with Austrian Economics and see where it leads. I, for one, sought political truths as a young conservative, and I believe I’ve found them in market anarchism.

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## A Companion Volume to I MUST SPEAK OUT

*(Continued from page 8)*

economic calculation and the division of labor are forms of private governance. Both are key elements in the success of capitalism, and neither depend on the state for their existence. All of the activities described in PRIVATE GOVERNANCE, from the London and Amsterdam stock exchanges of the 17th and 18th Centuries, to credit cards, PayPal, and ebay of the 21st Century, hinge on the fact that property owners are exercising their right to determine how best (in their judgment) their property shall be exchanged, used, and protected.

Stringham’s book reminds me of the point made in John Hasnas’ essay, “The Obviousness of Anarchy,” in which Hasnas writes that he advocates a society without government, not a society without governance. Societies do require some way of “bringing order to human existence,” but, as Stringham explains, it is false to think that this can only be accomplished by the state. “Rules are an essential part of life, but making them” does not require the existence of coercive governments. [5] The baseline for an orderly human existence is respect for human life and property. Do not kill. Do not steal. People figure out how to best use and protect their property and from this we see the growth of all kinds of social mechanisms that insure social order.

The activities, organizations, and associations that Stringham highlights range from the world’s stock exchanges to private policing in San Francisco and North Carolina, to private insurance adjudication and the American Arbitration Association. He devotes a chapter to individual self-governance, which he describes as “one of the most important sources of governance.” [6] How do people act when no one is around to watch them? Do they refrain from stealing other people’s

property even when there is no chance of being caught? Traditionally, the values of strong character and honesty were taught by one's family and the religious institutions to which one was exposed. Government cannot teach people how to be virtuous because government depends on force. Force eliminates choice, and without choice there can be no virtue. "No act to the extent that it is coerced can partake of virtue or vice." [7]

Creativity, among many other things, suffers when people are locked into government solutions. If they are required to use the mostly monopolistic mechanisms supplied by government (money, police, courts, fire departments, etc.), they have little desire and few funds left to explore alternatives. However, a form of Gresham's Law operates in the absence of the state. The best, rather than the worst, wins out. Since no one would be forced to do things in a particular way, businesses would compete for peoples' patronage. Those ways of best satisfying property owners in the protection and use of their property will be the most successful and most widely adopted.

Creativity comes to the fore when people are able to figure out what is the best way to use their property peacefully in conjunction with others. One example, which Stringham does not mention, is the creation of time zones by the railroads in the early 1880s. No federal laws were passed requiring individuals or communities to use railroad time. People saw the benefit of having a way to coordinate their temporal activities and adopted the plan provided by the railroads. Similarly, the railroads saw the benefits from standardizing their track gauges and did so without government involvement. (See THE VOLUNTARYIST, Whole Number 10, "The Noiseless Revolution," on time zones, and Whole Number 115, "History Assumed," on rail standardization.)

Lots more could be said about this theme, and the reader is directed to the short list of articles I have written. In closing I would like to refer to John Hasnas' comments in "The Myth of the Rule of Law." Government purposefully conflates political law with social order, thereby hoping to justify its existence by predicting total chaos if government disappeared. The truth of the matter is the exact reverse. Government actually negates property rights (by collecting taxes and monopolizing protection services). Governments interfere with the peaceful social order which would evolve in its absence.

Voluntaryism occurs if no one does anything to disrupt the peaceful activities of individuals, and history confirms that private property can and does exist in the absence of government. Part VI of I MUST SPEAK OUT is devoted to "voluntaryism in history." There I explore other examples of private governance, such as health freedoms, libraries, private gold coinage, weights and measures, and private philanthropy. Stringham concludes his book by summarizing the importance and benefits of allowing these and all forms of private

governance to exist. He writes that:

Private governance, in all of its forms - driven principally by the reliable engine of self-interest - brings people together to cooperate and to expand the scope of mutually beneficial exchange. With so much at stake and so much to gain, providers of private governance constantly experiment and collaborate to discover ways of eliminating problems. The mechanisms of private governance are potentially limitless. They facilitate cooperation in close-knit groups and among relative strangers. They facilitate cooperation between billions of people across political boundaries and anywhere the government legal system is not capable of or uninterested in facilitating exchanges. Private governance is responsible for cooperation in simple informal markets as well as the most advanced markets: stock markets, insurance markets, futures markets, and electronic commerce. Private governance makes markets work. Private governance replaces threats of coercion with numerous noncoercive mechanisms that expand the scope of trade, and it should be seen as one of the most successful peace projects in the history of the world. [8]

#### Footnotes

- [1] Peter Boettke in the "Foreword" to PRIVATE GOVERNANCE, pp. ix-x.
- [2] Stringham, PRIVATE GOVERNANCE, pp. 3-4.
- [3] Attributed to Milton Friedman.
- [4] George Smith, Part 5, "Ayn Rand and Altruism."
- [5] John Blundell and Colin Robinson, REGULATION WITHOUT THE STATE ... THE DEBATE CONTINUES, London: The Institute of Economic Affairs, 2000, p. 13.
- [6] Stringham, op. cit., p. 147.
- [7] Frank Meyer, IN DEFENSE OF FREEDOM (1962), p. 66.
- [8] Stringham, op. cit. p. 236.

#### Also of Interest

John Hasnas, "The Myth of the Rule of Law," THE VOLUNTARYIST, Whole Numbers 97 and 98.

John Hasnas, "The Obviousness of Anarchy," THE VOLUNTARYIST, Whole Number 140.

Carl Watner, I MUST SPEAK OUT: THE BEST OF THE VOLUNTARYIST 1982-1999, San Francisco: Fox & Wilkes, 1999.

Carl Watner, "Why Voluntaryism and Liberty Don't Depend on Taxes or Government," THE VOLUNTARYIST, Whole Number 134.

Carl Watner, "K.I.S.S. A Pig! - Anarchist or Minarchist?" THE VOLUNTARYIST, Whole Number 149.

Carl Watner, "Which Came First - The Chicken or the State?" THE VOLUNTARYIST, Whole Number 151. 

The idea that the state is necessary is the biggest scam that has ever been perpetrated.  
- Doug Casey

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## A Companion Volume to I MUST SPEAK OUT: Comments on Voluntaryism and Peter Stringham's book, PRIVATE GOVERNANCE

By Carl Watner

Peter Stringham's book, PRIVATE GOVERNANCE (New York: Oxford University Press, 2015), focuses on voluntaryism in history the way no other book I know of does. That is why I call it the perfect companion volume to my anthology, I MUST SPEAK OUT. Stringham, a fellow voluntaryist, sub-titled his book, "Creating Order in Economic and Social Life," and in it he describes "the amazing capacity of diverse individuals to realize peaceful cooperation and productive specialization without the explicit threat of violence by a geographic monopoly" of coercion. [1] "Private governance," in his words, "describes the various forms of private enforcement, self-governance, self-regulation, or informal mechanisms that private individuals, companies, or clubs ... use to create order, facilitate exchange, and protect property rights." [2]

All the various forms and facets of private governance depend on private property and the voluntary exchanges that take place among property owners. Owners of private property determine "who, what, when, where, and how" their property shall be used and transferred to others. This means "that no

Voluntary institutions such as surety and assurance embody norms of reciprocity, trust, honesty, fellowship, and thrift without which no stable social order is possible. The evidence shows that when these norms are articulated and expressed through voluntary action, they are enhanced and strengthened to everyone's benefit. Attempts to mimic the invisible-hand process that has generated them will not only fail, they will actively undermine and destroy these norms. Theory and empirical research combine to suggest four things: first, that such norms and institutions are needed for the successful functioning of any society; second, that the more complex the social order, the greater the need for them; third, that such institutions may appear spontaneously but cannot be deliberately created; finally, that much state action will undermine or destroy these norms and institutions, with potentially catastrophic effect.

- Albert Loan in the concluding paragraph of "Institutional Bases of the Spontaneous Order: Surety and Assurance," 7 HUMANE STUDIES REVIEW (Winter 1991/1992).

exchange takes place unless both parties [expect to] benefit," otherwise their exchange would not take place. [3] The flip side of this statement is that coercion only occurs "when one cannot persuade others to act as one thinks they should." [4] Although we don't usually think of them as such, the ability of people to engage in

*(Continued on page 6)*

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## The Voluntaryist

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