The practical superiority of markets over governments has become readily apparent. Only the most dogmatic of state apologists continue to deny this obvious fact—at least with respect to the production of many goods and services. Free-market economists and libertarians go much further, of course. They affirm the market’s superiority in nearly all realms. Yet only a handful of anarchocapitalists, most notably Murray Rothbard, have dared claim that a free market could also do a better job of providing protection from foreign states.1 National defense is generally considered the most essential of all government services.

This widely conceded exception to the efficacy of markets seems to have irrefutable empirical confirmation. If private defense is better than government defense, why has government kept winning over the centuries? Indeed, the state’s military prowess has more than seemingly precluded the modern emergence of any anarchocapitalist society. At one time, as far as we know, all humankind lived in stateless bands of hunter-gatherers and had done so since the emergence of modern man some fifty thousand years ago. But beginning around 11,000 B.C., a gradual transition to

---

Jeffrey Rogers Hummel is an adjunct associate professor in the Departments of Economics and History at Golden Gate University, San Francisco.

1. See particularly Rothbard 1974 and 1978. My own contributions to the argument for denationalizing defense include Hummel 1981, 1984, 1986, 1990, and Hummel and Lavoie 1990. Other works advocating private defense against foreign aggressors are Wollstein 1969, Tannehill and Tannehill 1970, and Hoppe 1998. Although Ayn Rand believed that national defense was a proper government function, she held that it should be funded voluntarily; see Rand 1964. A work by one of her followers who agrees is Machan 1982. In contrast, Friedman 1989 presents the views of an anarchocapitalist who questions whether a stateless society could provide effective national defense.

plant cultivation and animal husbandry—in what is variously identified as the Neolithic, Food Production, or Agricultural Revolution—fostered a steady increase in population densities. These denser, settled populations became susceptible to what the distinguished historian William H. McNeill (1992) has aptly termed microparasites and macroparasites. Microparasites are the assorted diseases and other pests that have constantly plagued civilization until (and to a lesser extent since) the development of modern medicine. And macroparasites are governments, which arose either through conquest or in reaction to the threat of conquest, until they now dominate every corner of the globe.²

Radical libertarians, such as Rothbard (1974, 1978), explicitly acknowledge the historical triumph of governments over primitive stateless societies when they embrace the conquest theory of the origins of the state.³ Yet this acknowledgment boxes them into an apparent paradox. How can they attribute the origins of government to successful conquest and simultaneously maintain that a completely free society, without government, could prevent such conquest?

In the following pages, I attempt to resolve this paradox. Doing so obviously hinges on establishing a crucial difference between the conditions that permitted governments to arise in the first place and those that would characterize a future free society. So let us initially turn our attention to the first set of conditions, to ascertain exactly what aspects of the Agricultural Revolution created such fertile soil for the growth of coercive monopolies.

**Population Growth and the Emergence of the State**

Unlike the state, warfare predates the Agricultural Revolution. It was endemic among bands of hunter-gatherers. But it never led to permanent conquest. Why not? The explanation is simple enough. Hunters and gatherers could easily exit to new land. “Where population densities are very low,” writes Jared Diamond, “as is usual in regions occupied by hunter-gatherer bands, survivors of a defeated group need only move farther away from their enemies” (1997, 291). This option ceases to be viable only with the higher concentrations of population supported by food production. “No doubt, if tax and rent collectors pressed too heavily on those who worked the

---

² The literature on what I prefer to call the Agricultural Revolution is immense, but the three works that I have found most insightful are North 1981, 71–112; McNeill 1992, 67–100; and Diamond 1997. Of the three writers, North has the best grasp of economics and yet ironically maintains the most favorable view of the state. I have followed Diamond in using calibrated radiocarbon dates, which put the beginning of the Agricultural Revolution two thousand years earlier than the more conventional, uncalibrated radiocarbon dates put it. The date of fifty thousand years ago for the emergence of modern man refers to the appearance of the Cro-Magnons in Europe. The origins of our species, *Homo Sapiens*, can be pushed back much further, to half a million years ago.

³ The conquest theory of the origin of the state is most notably expounded in Oppenheimer [1914] 1975, but it resonates throughout more recent studies of this quintessential anthropological question, including Carneiro 1970 and 1981; Cohen and Service 1978; Otterbein 1997; and Diamond 1997, 53–66, 265–92. For an engaging account of the role of warfare in the rise of one state that occurred late enough for Europeans to observe and record it, see the first half of Morris 1966.
fields,” admits William H. McNeill, “the option of flight remained. But in practice, this was a costly alternative. It was rare indeed that a fleeing farmer could expect to find a new place where he could raise a crop in the next season, starting from raw land. And to go without food other than what could be found in the wild for a whole year was impractical” (1992, 82).

In other words, hunting and gathering tends to prevail when land is relatively abundant. Yet this very abundance condemned hunting and gathering to a Malthusian dilemma. Without any serious land scarcity, hunting-gathering societies had little incentive to establish or enforce clear property rights in natural resources. Population therefore expanded, ultimately subjecting this most basic form of production to diminishing marginal returns. The most extreme manifestations of the resulting overutilization of common resources are the species extinctions that many authorities now attribute to primitive hunters. Such extinctions have their modern counterparts in the current inefficient harvesting of whales and other resources from the commonly owned oceans.

Whether humans were the primary agents in the disappearance of woolly mammoths and some two hundred other species of large mammals in the late Pleistocene is still debated, but the lack of enforceable property rights in land indisputably created a free-rider or negative-externality problem among competing bands of hunters and gatherers that caused their numbers to steadily expand. At some point, the growing population drove returns to hunting and gathering so low that settled agriculture and animal husbandry became more productive. This change in relative productivity then provided incentives for the necessary innovations in plant cultivation and animal domestication. Thus, rising population densities became both the most important cause and one of the most important consequences of the Agricultural Revolution. Migratory bands of scattered hunters and gatherers were supplanted by larger, relatively sedentary populations of farmers and herders.4

Property rights in land now emerged as the spread of agriculture made this resource increasingly scarce. At the same time, however, settled populations became increasingly vulnerable to both microparasites and macroparasites. Macroparasites could take the form of marauding raiders who plundered their victims and perhaps exterminated them. But “[a]daptation between host and parasite always tends toward mutual accommodation,” as McNeill (1992, 87) puts it. The most successful macroparasites were the warriors and rulers who stumbled into some kind of long-run equilibrium with their coerced subjects. They extracted enough resources through tribute and taxation to be able to ward off competing groups of macroparasites, but not so much that they killed off their host population. They, in short, usually operated within the range of the Laffer curve apex, for those rulers who seized too much or too little wealth often suf-

---

4. This economic analysis of the causes of the Agricultural Revolution basically follows North 1981, 72–89, who considers and critiques other hypotheses.
fered military defeat at the hands of other rulers. In this fashion, egalitarian bands evolved first into tribes and then into chiefdoms and finally into hierarchical states.

The free-rider problem, which economists have long presented as a normative justification for the state, is in reality a positive explanation for why the state first arose and persisted. All the earliest governments about which we have any knowledge had relatively small ruling classes dependent on wealth transfers from a much larger subject population. Why did not the more numerous subjects ever rise up and overthrow their masters? The free rider is the key. Revolutionary activity is always extremely risky, but nearly all subjects would benefit from a successful revolution, regardless of whether they participated in it or not. This condition remained an enormous obstacle to organizing the masses. Small, concentrated ruling classes, in contrast, faced fewer free-rider problems in carrying out their conquests. The history of the state, therefore, over the millennia from the Agricultural Revolution to the present has become an always dreary and sometimes horrific litany of special interests triumphantly coercing larger groups.

Numbers are not utterly irrelevant, however. All other things equal, bigger armies have an advantage over smaller ones. As governments continued the hallowed human tradition of waging war, they found it useful to motivate their subjects to fight for them. This quest helped bring about the oft-cited alliance between state and religion, between throne and altar, between Attila and the Witch Doctor. All states promote some ideology, whether religious or secular, that legitimizes their rule. Legitimization makes the state’s subjects more docile generally but in particular provides more willing fodder for war. It “gives people a motive, other than genetic self-interest for sacrificing their lives on behalf of others. At the cost of a few society members who die in battle as soldiers, the whole society becomes much more effective at conquering other societies or resisting attack” (Diamond 1997, 278).

Governments ruling over greater populations could more easily defeat their rivals. Even today, it is fairly obvious who would win a war between Germany and Luxembourg, between China and Hong Kong, or between the United States and Grenada. Recall, moreover, that the state owes its origins to the rising populations of the Agricultural Revolution. When ancient governments intruded on remnant bands of hunter gatherers, the population difference was severe. Couple that with the devastating impact of the microparasitic diseases spawned and spread by denser agricultural societies on peoples not exposed long enough to have developed some natural immunity, and the population difference became even more overwhelming. Whether it was the indigenous San (Bushman) of South Africa being driven to the marginal lands of the Kalahari Desert by the cattle-herding Bantu, or the Aboriginal Australians being decimated by the guns and diseases of the invading Europeans, stateless societies of hunter gatherers were always displaced.

5. The allusion to Attila and the Witch Doctor comes from the introductory essay in Rand 1961. For a scholarly explication of the same theme, see chap. 14, “From Egalitarianism to Kleptocracy,” in Diamond 1997.
Resource Mobilization, Warfare, and Competition Among States

Population is obviously not the only factor influencing military outcomes. A casual perusal of the intermittent warfare that has characterized the long history of governments helps us identify several others. Wealth and technology are at least as important, with wealthier or more technologically advanced societies enjoying a clear advantage. This was another factor that worked against primitive stateless societies.

The concentrated populations of the Agricultural Revolution also fostered the emergence of trade and cities, and the resulting mutual gains, as McNeill observes, “are as much a part of the historic record as are [the] exploitation and lopsided taking” by governments (1992, 75). To this contemporaneous development of markets we owe all the accouternents of civilization. “For centuries,” McNeill continues,

exchanges of goods and services, which were freely and willingly entered into by the parties concerned, flickered on and off, being perpetually liable to forcible interruption. Raiders from afar and rulers close at hand were both perennially tempted to confiscate rather than to buy; and when they confiscated, trade relations and voluntary production for market sale weakened or even disappeared entirely for a while. But market behavior always tended to take root anew because of the mutual advantages inherent in exchange of goods coming from diverse parts of the earth or produced by diversely skilled individuals. (75)

Over the long run, those governments that permitted trade, with its concomitant wealth creation and technological innovation, had more and better physical resources to devote to war.

Geography is another determinant of war. Rivers, bodies of water, sea lanes, and ocean barriers can play diverse roles in military maneuvers. Some countries are endowed with more easily defensible terrain because of mountains, forests, deserts, disease environments, or other natural obstacles. The geographical unity of China—bound together by two long navigable river systems, partly hemmed in by high mountains, and with a rather uniform coastline—has favored both its political unity for much of the time since 221 B.C. and its vulnerability to the barbarian invasions of horse-mounted nomads. China stands in stark contrast to Europe, which is fragmented by an irregular coastline, mountain ranges, and water obstructions that have left it politically, linguistically, and ethnically divided to this very day. The importance of geography is underscored by its role in the survival of a few isolated enclaves of hunter-gatherers well into the twentieth century, long after the world’s states had staked out their territorial claims to the entire land surface of the planet.

A final factor affecting warfare is, as we have seen, the motivation of the people themselves. Ideas ultimately determine in which direction they wield their weapons or
whether they wield them at all. Morale not only has directly affected military operations but also has affected indirectly the capacity of governments to impose their rule. Much successful state conquest has been intermediated through local ruling classes, who retain legitimacy among the subject population. This relationship is well exemplified in the cases of British rule over India and the Spanish conquest of Mexico. The effective dominance of would-be conquerors who possess military superiority but face the implacable hostility of an ideologically united population is more problematic. The English hold on Ireland was, owing to this factor, always tenuous, and one can find similar instances into the modern era. Cultural coherence is another advantage that hunter gatherers and primitive agriculturists sometimes possessed in their struggles with more centralized societies. Contrast Spain’s fairly rapid conquest of the Indians of Central and South America, already habituated to indigenous state rule, with the much more drawn out European campaigns against the North American Indians, who were slowly expropriated, expelled, and exterminated over several centuries but never really fully subjugated until the twentieth.6

We can analyze the waging of war, therefore, in a manner somewhat analogous to the economic analysis of production. The same three categories of productive factors—labor (human resources), land (natural resources), and capital goods (wealth and technology)—serve as inputs into any military endeavor, with the labor applied having both a quantitative dimension and a qualitative (human capital) dimension. The combatant who can marshal a greater input of any one of these factors, ceteris paribus, has a military advantage, although there will be numerous situations in which governments decide that actually allocating these resources to war is not worth the potential gain in territory and revenue. One might wish to expand this analysis into a fully articulated theory that allows us to predict the size and shape of states. (Preliminary attempts to do so are Boulding 1962 and Friedman 1977.) Alas, we are not even close to such knowledge, but nonetheless we can detect some crucial relationships.

Prior to the Industrial Revolution, no region of the globe experienced the sustained economic growth that has now come to be viewed as ordinary. Some places and times, perhaps ancient Rome, might have enjoyed a temporarily higher level of average wealth per person than others, but general economic stagnation, without any regular, long-run increase in output per capita, remained the prevailing condition for thousands of years after the outset of the Agricultural Revolution. It was a stagnation, moreover, in which the state’s expropriations “tended to keep the peasant majority of civilized populations close to bare subsistence” (McNeill 1992, 74). Disparities among states in wealth and technology, besides those that inevitably resulted from disparities in population, consequently played a secondary role in warfare. Only with the unprecedented advances accompanying sustained economic growth did military

capital become so decisive that it outweighed mere numbers and permitted handfuls of Europeans to subdue hordes of natives.

It has now become almost a commonplace observation that the Industrial Revolution occurred first in Western civilization because of Europe’s political pluralism. In nearly all prior civilizations, imperial states came to encompass the entire area within which significant trade was conducted. Only in Europe did the trading area and a common culture extend beyond the borders of many small states, creating a truly polycentric legal order. The disadvantage of Europe’s political fragmentation was frequent and fratricidal wars that reached their fateful culmination in the mass destruction of the two world wars. But, fortunately, every military attempt to consolidate the continent—whether by Philip II of Spain, Napoleon Bonaparte, or Adolf Hitler—proved abortive. The benefit of the competition among various jurisdictions was that it encouraged innovation, as competition always does, in this case the institutional innovations with regard to property and markets that were the prerequisites for capital accumulation and sustained economic growth.7

A simple way to model what happened is to conceive of long-run shifts in the Laffer curve. The short-run Laffer curve depicts the immediate trade-off between tax rates and tax revenue—or, more broadly, between the state’s rate of expropriation, aggregating all forms of its exactations, and the total revenue it manages to extract from the economy.8 Only by reducing the expropriation rate well below what will generate maximum revenue can governments lay the preconditions for secular increases in output. Over time, ironically, this leniency will shift the Laffer curve upward so that even at the same expropriation rate the government will capture more total revenue. Just as private savers must give up consumption in the present to gain more consumption in the future, governments had to give up revenue in the present in order to stimulate the growth that would make them wealthier and stronger in the future.9 In the intensely competitive political environment of Europe, some states were finally able to discover this formula for eclipsing their rivals.

The same political competition has more recently exposed the utter economic failure of socialism. Without the dramatic comparison with the more prosperous


8. There seems to be no firm convention among economists about which variable belongs on which axis for the Laffer curve. I have seen texts present it both ways: with tax rates on the horizontal and tax revenue on the vertical, and vice versa. I have worded my discussion on the assumption that revenue is on the vertical axis. If one puts it on the horizontal, then the long-run curve would of course shift outward rather than upward.

9. An empirical study of the relationship between government revenue (as a percent of gross domestic product) and the rate of economic growth (Gwartney, Lawson, and Holcombe 1998) finds that the rate of economic growth rises as government revenue falls over the entire range of observed government revenue.
West, the collectivist economies of the Soviet Union and China might have survived politically for cons, despite the inescapable increasing immiseration of the masses and retrogression to the stagnation of the ancient world. But, by itself, competition among states cannot account for either the Industrial Revolution or the collapse of socialism. Something must generate variation in government policies in the first place, which brings us back to the realm of ideas, culture, and legitimization. What I am suggesting is a process of natural selection among states, similar to the natural selection among living organisms. Whereas genetic mutations cause the changes and adaptations that drive the evolution of living species, the decisive causal agent for governments is ideology.¹⁰

**A Critical Variable: Ideology**

Ludwig von Mises was the first to explain and predict the collapse of socialism, but that forecast was just one part of his comprehensive, utilitarian defense of laissez faire. The other part was his critique of what he called interventionism, or what economics texts used to refer to as the mixed economy and what became known historically in Europe as social democracy. Although central planning was clearly incompatible with the prosperity wrought by the Industrial Revolution, even a more limited welfare state was, in Mises’s view, inherently unstable. Each specific government measure would cause such social disruption that it would either bring on further intervention or force its repeal. Society would ultimately end up with either pure socialism or laissez faire, and because, of the two, only laissez faire could support the living standards to which Europeans had become accustomed, the choice was obvious.¹¹

Events proved Mises to have been absolutely right about central planning but wrong about interventionism. Indeed, the truth about the client-centered, power-broker state is diametrically opposite to Mises’s prediction. Rather than being inherently unstable, interventionism is the gravity well toward which both market and socialist societies sink. And public-choice theory, which (in Mises’s terminology) works out the praxeology of politics, has provided us with the reason. Because concentrated groups face fewer free-rider problems in seeking and maintaining government transfers and other privileges, they have an inordinate influence on policy. Today, just as at the dawn of civilization, the state’s strongest incentives are to benefit special interests at the expense of the general public.¹²

---

¹⁰ But see Steele 1988 for some potential pitfalls in concepts of cultural evolution.

¹¹ This analysis of both socialism and interventionism is in Mises [1949] 1966, that author’s magnum opus; see particularly pages 855 – 61 for a summary. Mises’s book-length treatment of the socialist calculation problem is Mises [1922] 1951.

Because of the rent seeking that this incentive structure encourages, not only did Britain and the United States recede after 1900 from perhaps the apogee of limited government in world history, but also Russia’s rulers retreated in practice from the pure Marxist goal of abolishing all markets long before the Soviet Union’s disintegration in 1991. The Brezhnev-era reign of the apparatchiki and nomenklatura was a far cry from the systematic central planning of Stalin’s Five-Year Plans and even farther from the fanatical assault on all monetary exchange of Lenin and Trotsky’s War Communism. The macroparasitic governments in both cases had been extracting revenue well below the potential maximum of the short-run Laffer curve. And whereas Soviet special interests found that they could gain greater transfers with bribes, corruption, and other practices that in effect relaxed the government burden on the economy, the temptation for British and U.S. rulers to exploit the short-run gains in revenue by moving up the Laffer curve was too great, even at the possible cost of long-run growth.

Public-choice analysis, however, is in the awkward position of raising an across-the-board theoretical obstacle to any changes that drive the economy off this social-democratic, neomercantilist equilibrium. There must be some force causing perturbations and oscillations in government policy, or else nearly all humankind would still be slaves groaning under the Pharaohs of Egypt. Most public-choice theorists simply rely on such historical accidents as wars, revolutions, and conquests to sweep away existing distributional coalitions. But attributing changes to accident is simply saying that the changes are unexplained. “[T]he economic historian who has constructed his model in neoclassical terms has built into it a fundamental contradiction,” concedes Douglass C. North, “since there is no way for the neoclassical model to account for a good deal of the change we observe in history” (1981, 10–11).

The missing variable is ideas. All successful states are legitimized. No government, no matter how undemocratic, rules for long through brute force alone. Enough of its subjects must accept its power as necessary or desirable for its rule to be widely enforced and observed. But the very social consensus that legitimates the state also binds it. Ideology therefore becomes the wild card that legitimizes the state and also binds it. Ideology therefore becomes the wild card that accounts for public-spirited mass movements that overcome the free-rider problem and bring about significant changes in government policy, for ideology can motivate people to do more to effect social change than the material rewards to each individual would justify. “Casual observation . . . confirms the immense number of cases where large group

13. Steele 1993 does the best job of charting this Marxist retreat.
14. Olson 1982 exemplifies this approach. I am reminded of a conversation I once had with Gordon Tullock in which he attributed most British liberty to the unintended effects of the completely random and therefore unexplainable adoption of trial by jury in England.
15. My discussion is deliberately vague about how many subjects is enough and how tightly they bind the state. Our theoretical understanding of government requires much development before we can systematically answer those questions. For a fascinating argument that a single social consensus may create multiple stable equilibria with respect to state power, see Kuran 1995. Such a situation would create for government policies the kind of path dependency that free-market economists have rejected as significant on the market.
action does occur and is a fundamental force for change,” writes North (1981, 10). Russia was driven to the excesses of Bolshevism by a secular ideology, not by mere rent seeking. At the other end of the spectrum, classical liberalism had to generate similarly potent ideological motivation that overcame free-rider disincentives in order to roll back coercive authority in many Western nations.

We know even less about what causes ideologies to succeed than we do about what determines the size and shape of government jurisdictions. The famed zoologist Richard Dawkins has offered the intriguing proposition that ideas have striking similarities to genes. Many apparent paradoxes in biological evolution disappeared once biologists recognized that the process was driven by the success with which “selfish” genes (rather than individuals or species) could replicate themselves. Dawkins suggested that the term memes be applied to ideas whose capacity to replicate in other minds likewise determines their spread (1989, 189 – 201). No matter how useful this parallel between cultural and genetic evolution may ultimately prove, it at least helps to disabuse us of the illusion that the validity of an idea is the sole or primary factor in its success.

Those who doubt that false belief systems can be tremendously influential need only glance at the worldwide success of so many mutually exclusive religions. It is not simply that they cannot all be true simultaneously; if one is true, then many of the others are not just false, but badly false. Or, to seize an example still closer to our topic, observe the tremendous popularity of invalid ideas that legitimize the state among those whom the state exploits. Other things equal, the truth of an idea might give it some advantage, but other things are rarely equal. The one consolation we can draw is that a meme-based theory implies that the spread of ideas is similarly independent of government. The state, for instance, appears to have played no part in the birth and initial growth of Christianity, and the draconian efforts that many governments devote to the suppression of dissent testifies to the threat posed by that kind of autonomous ideological development.

Successful ideologies therefore can induce alterations in the size, scope, and intrusiveness of government. The steady advance of civilization presents a succession of such surmountings of the free-rider obstacle. But the duration of any alterations has in turn rested on other factors, especially the intensity of the competition among states. Over the long run, only the changes in policy that helped a society to survive were likely to endure. Even then, however, rent seeking and ideological motivation remained in constant tension. Free-rider dynamics were always tending to unleash a process of decay, enfeebling a society’s ideological sinews and ravaging its ideological immune system. Public-choice theory thus puts real teeth into the famous maxim, “The price of liberty is eternal vigilance.”

16. Another economic historian who has brought ideology back in is Robert Higgs; see Higgs 1987, chap. 3.
What Makes You Free Can Keep You Free?

For most proposed reforms, policy issues can and should be separated from strategic issues. Whether the repeal of minimum-wage laws might have desirable economic consequences, for instance, is distinct from whether the repeal of minimum-wage laws is politically attainable. But when considering protection services, this dichotomy breaks down. As I have pointed out elsewhere, protection from foreign governments is merely a subset of a more general service: protection from any government, whether foreign or domestic (Hummel 1990, 96–97, 117). The privatization of this service is tantamount to the abolition of the state. The territory constituting the United States is in a very real sense already conquered—by the United States government. Only when Americans have liberated themselves from that conqueror will they have effectively denationalized defense. In other words, the policy question—Can private alternatives provide more effective protection from foreign aggressors?—and the strategic question—Can any people mobilize the ideological muscle to smash the state?—are intimately intertwined.18

Hence, although it makes good sense to try to imagine what society would look like if minimum wages were repealed without any other change, it makes far less sense to imagine what society would look like if government were abolished—and especially to ask how such a stateless society might protect itself—without any other change. By the very act of overthrowing the domestic government, whether peacefully or forcibly, the former subjects will have forged powerful tools for protecting themselves from foreign governments. The same social consensus, the same institutions, and the same ideological imperatives that had gained them liberation from their own state would be automatically in place to defend against any other states that tried to fill the vacuum.

So let us assume that in some country, somewhere, government has become so completely delegitimized that it ceases to exist. How might such a society fare militarily in a world of competing states? The result, it turns out, still depends on the same elements noted earlier as determinants in military conflict: wealth and technology, geography, population, and motivation. With regard to wealth and technology, a modern stateless society would enjoy a major advantage. It would not only achieve more rapid increases in economic output and technological improvement with the end of government macroparasitism, but it should already have an economic edge because the most likely candidates for government abolition are countries where intervention is already minimal. The compounding effects of a higher growth rate would only enhance this potential superiority in military capital over time, so that a future free society might have as little to fear militarily from rival states as the United States currently has to fear from such economic basket-cases as Mexico, India, or even

---

18. To his credit, Murray Rothbard (1978, 238–40) perceptively recognized that defending a free society was in part a strategic question posing as a policy question.
Indonesia. Thus, what was one of the greatest weaknesses for hunter-gathering communities will become one of the greatest strengths of anarchocapitalist communities.

Geographical endowments, in contrast, are largely a matter of serendipity and could go either way. Population fits a similarly unpredictable pattern. A small anarchocapitalist population would be more vulnerable than a large one. This condition is just a reflection of the sad fact of reality that how much government I suffer is affected by what my neighbors believe. Even arming myself with privately owned nuclear weapons is not a strategically wise way to protect myself from taxes, so long as most of my countrymen think taxes are just and necessary. But unlike bands of hunters and gatherers, a future free society would at least not inevitably suffer from a population disparity with respect to its statist neighbors.

Nor need such a disparity be permanent, if it does exist at the outset, once the fourth military determinant—motivation—is brought into play. A people who have successfully fabricated the ideological solidarity necessary to overthrow their domestic rulers would not merely be extremely difficult to conquer, as I have already observed. Posing no threat of conquest themselves, they could tap into the sympathies of a foreign ruler’s subjects better than any other opponent such rulers might take on. Would-be conquerors could find their own legitimation seriously compromised. Just as the American Revolution sent forth sparks that helped to ignite revolutionary conflagrations in many other countries, a vibrant economy free from all government would arouse such admiration and emulation that it would surely tend to expand. In short, a future stateless society would have the best prospects of enjoying beneficial ideological dynamics, both internally and externally. To switch to Dawkinsque terms, anarchy is a meme that, once having taken hold in one place, would have the potential to spread like wildfire.

Still, we cannot leave the ideological factor on a totally optimistic note. The problem of achieving a free society is similar to, but not absolutely identical to, the problem of maintaining one. Ideological fervor has waxed and waned throughout history. I can offer no guarantee that after several generations of liberty and abundance a stateless community would not suffer the same kind of decay that has afflicted so many politics in the past. Ideological motivation is difficult to keep burning strong even for a single lifetime. David Friedman has persuasively argued that anarchy would bring us to “the right side of the public good trap” (1989, 156–59). In other words, once government is gone, the underlying incentive structure is altered. People then individually gain the most from supporting “good laws” that produced net social benefits rather than “bad laws” that provided transfers at the cost of deadweight loss. But his argument may implicitly require a resolute social consensus that prevents any reintroduction of taxation.19 Can such a consensus fend off all potential conquerors, foreign and domestic, forever?

19. The existence of this implicit ideological precondition in Friedman’s analysis of a future anarchocapitalist society is suggested by his asymmetric answers to the national-defense and stability problems. Whereas he is very optimistic about protecting an anarchist society from the reemergence of a domestic state, he is very pessimistic (as observed in footnote 1) about protecting it from foreign states. I believe Friedman is too optimistic about the former and too pessimistic about the latter because I see these problems as essentially the same.
Conclusion

In the distant past, the state triumphed over stateless bands of hunter-gatherers because of the favorable interaction of two major factors. The earliest governments, arising as a consequence of the Agricultural Revolution, could draw on, first, the denser, more disease-resistant populations that food production supported and, second, the superior wealth and technology that accompanied the appearance of trade and cities. Hunter-gatherers, even when they fought with steadfast morale, were easy prey unless they were also shielded by inaccessible geography.

Neither of those two factors, however, would necessarily handicap a future anarchocapitalist society. The sustained economic growth that began with the Industrial Revolution has increased the leverage of wealth and technology in military conflict. Because of the inverse relationship between the extent of government and the rate of economic growth, stateless societies would almost certainly have an advantage in military capital. Admittedly, the population of any future community without government would vary with historical circumstances. The larger its population, the greater its ability to prevent conquest.

But helping such a community both to resist invasion and to expand its area would be the motivation of its people. Settled agricultural populations were initially vulnerable to state conquest because of the free-rider problem. Large groups always face tremendous obstacles in overcoming the disincentives to organize and affect government policy. Yet the accumulation of ideological capital over the centuries and the successful instances of curtailed state power show that this problem need not be decisive. Any movement powerful enough to abolish a standing government in the modern world would thereby have demonstrated its ability to motivate ideologically a great deal of action. It would certainly be a meme capable of international propagation.

Everything said, the human species may still be unable to rid the earth of macroparasitic states, just as it may never eliminate all microparasitic pathogens. But the possibility that disease is inevitable would never be accepted as an adequate justification for abandoning the efforts of medicine against this scourge. The history of Western civilization demonstrates that great strides are feasible, both in curbing illness and in curbing government. Although we may never abolish all states, there is little doubt that we can do better at restraining their power, if only we can motivate people with the will to be free.

References


Acknowledgments: This article derives from my presentation to the Twenty-second International Conference on the Unity of the Sciences at Seoul, Korea, February 9–13, 2000, and will appear in a forthcoming volume edited by Hans-Hermann Hoppe. I would like to thank Michael Edelstein, Lynda Esko, Ross Levatter, Charles J. Myers, Dyanne Petersen, Jeff Singer, Tim Starr, James Stein, and Joseph Stromberg for their comments. Of course, I alone am responsible for any remaining errors.
SUBSCRIBE NOW AND RECEIVE A FREE BOOK!

“The Independent Review does not accept pronouncements of government officials nor the conventional wisdom at face value.”
—JOHN R. MACARTHUR, Publisher, Harper’s

“The Independent Review is excellent.”
—GARY BECKER, Nobel Laureate in Economic Sciences

Subscribe to The Independent Review and receive a free book of your choice such as Liberty in Peril: Democracy and Power in American History, by Randall G. Holcombe.

Thought-provoking and educational, The Independent Review is blazing the way toward informed debate. This quarterly journal offers leading-edge insights on today’s most critical issues in economics, healthcare, education, the environment, energy, defense, law, history, political science, philosophy, and sociology.

Student? Educator? Journalist? Business or civic leader? Engaged citizen? This journal is for YOU!

Order today for more FREE book options

SUBSCRIBE