



# formulations

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## A Scenario for Founding a Free Nation on an Imaginary Island in the Caribbean Sea

by Spencer H. MacCallum

Recently a member of the Free Nation Foundation proposed looking into the feasibility of establishing a free nation on the island of Nevis, in the Caribbean, in the event it secedes from St. Kitts. The constitution of the larger federation with St. Kitts allows Nevis, with a population of some 9,500 persons, to secede and establish its own constitution. Rich Hammer emailed a few friends of the Foundation some initial thoughts on the subject and invited them, as an exercise, to submit scenarios as to how this might be accomplished. Rich's initial thoughts were:

"What if that constitution were modeled on the *U.S. Constitution*, but with just a few potent changes? If we had our organization, we would negotiate with those 9500 people about the constitution they would establish. We would offer them, every man, woman, and child on the island, a package of inducements worth, say, \$10,000 each—if they voted to install a constitution we found acceptable. That is \$100 million. That amount of money is out of sight to me. But it should be easy for the organization, which I say we need, to raise—in order to start a new Hong Kong.

The deal to install the new constitution would be separate from the purchase of real estate. All real estate would continue to be owned by its present owners until it might be purchased by free-nation investors. So free-nation investors would face a two-step process: first buy political environment; second buy land."

(Continued on page 4)

## FNF Future Uncertain as Richard Hammer Plans to Quit

Richard Hammer has announced that he plans to withdraw substantially from FNF duties at the end of 1999. Rich, who founded FNF in 1993, has served as its only President, and for the past two years has edited *Formulations*.

In a 28 December 1998 letter to major contributors and Directors, he told that he plans to stop editing *Formulations* and organizing Forums.

In that letter, reprinted starting on page 7, Rich gives a new explanation of the FNF work plan. Then he explains that his decision is motivated by frustration in trying to advance this work plan, as well as by a need to find income.△

## Forum Announcement

### Mythology in a Free Nation

10 April 1999

Come to our next Forum. This will meet on Saturday, 10 April 1999, from 10 a.m. till 5 p.m., at the Courtyard by Marriott in Durham, North Carolina. The topic is mythology in a free nation. Five speakers will present their papers.

You can find the papers which will be presented at the Forum in this issue of *Formulations*. These are: "Myths of the Nation-State" by Gordon Diem, "A Free Society Requires the Myth of a Higher Law" by Roy Halliday, "Mythology of a Free Nation" by Richard Hammer, "Sacred Choice: Myths for a Free Nation" by Phil Jacobson, and "Libertarian Mythology" by Steven LeBoeuf.

You may pay (\$15 general admission or \$12 for FNF Members) at the door. But if you plan to attend you might let Rich Hammer know ahead of time, and he will reward you with a computer-printed nametag. You could let him know by: sending a check to preregister; calling 919-732-8366; or emailing roh@freenation.org.

During the day we will break for lunch. Note that the Forum admission fee does not include lunch. But there are a few restaurants within easy walking distance from the Courtyard.

Directions: the Courtyard by Marriott in Durham is just off Interstate 85, at Hillandale Road exit 174-A.△

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# *formulations*

a publication of the  
**Free Nation Foundation**  
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## **Statement of Purpose**

The purpose of the Free Nation Foundation is to advance the day when coercive institutions of government can be replaced by voluntary institutions of civil mutual consent, by developing clear and believable descriptions of those voluntary institutions, and by building a community of people who share confidence in these descriptions.

## **Board of Directors**

Richard O. Hammer, President  
Roderick T. Long, Founding Scholar  
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Philip E. Jacobson  
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FNF is a 501(c)(3) federal income tax exempt organization.

Send correspondence to the postal address above. Or email to: [roh@freenation.org](mailto:roh@freenation.org).

*Formulations* is published quarterly, on the first of March, June, September, and December.

## **Subscription or Membership**

Subscriptions to *Formulations* may be purchased for \$15 for four issues (one year). Membership in the Free Nation Foundation may be purchased for \$30 per year. (Members receive: a subscription to *Formulations*, invitation to attend regular meetings of the Board of Directors, copies of the Annual Report and Bylaws, more inclusion in the process.)

Send orders to the postal address above. Checks should be made payable to the Free Nation Foundation. Additional contributions are welcome.

## **Information for Authors**

We seek columns, articles, and art within the range of our work plan. We also welcome letters to the editor which contribute to our debate and process of self-education.

Our work plan is to work within the community of people who already think of themselves as libertarian, to develop clear and believable descriptions of the critical institutions (such as those that provide security, both domestic and national) with which we libertarians would propose to replace the coercive institutions of government.

As a first priority we seek formulations on the nature of these institutions. These formulations could well be historical accounts of institutions that served in earlier societies, or accounts of present institutions now serving in other societies.

As a second priority we seek material of general interest to libertarians, subject to this caveat: We are not complaining, we are building. We do not seek criticism of existing political institutions or persons unless the author uses that criticism to enlighten formulation of an improved institution.

Submissions will be considered for publication if received by the first of the month preceding the month of publication. So our deadlines are: February 1, May 1, August 1, and November 1. All submissions are subject to editing.

We consider material in *Formulations* to be the property of its author. If you want your material copyrighted, tell us. Then we will print it with a copyright notice. Otherwise our default policy will apply: that the material may be reproduced freely with credit.

# Update on Laissez Faire City

## Introductory Note

by Richard Hammer

In August 1998, FNF Members John and Richard Kingman (brothers) traveled to San José, Costa Rica, to get a firsthand impression of the Laissez Faire City organization.

Since its founding in early 1995, Laissez Faire City has attracted FNF's interest—and garnered our skepticism. In June of that year a full-page ad in *The Economist* announced LFC's formation of "...an International Founding Trust for the purpose of establishing and promoting a great new world-class city based on the ideals and principles of Ayn Rand."

Roderick Long and I started a series of exchanges with LFC. We have reported occasionally on these exchanges here in *Formulations* (Autumn 1995, Winter 1995, Autumn 1997).

While FNF and LFC share goals, our approaches differ substantially. Even though LFC obviously has some money, their promotions and communications seem amateurish, garish, and sometimes vulgar. Since FNF strives to build a reputation for professionalism, in a movement which has been plagued with disreputable and almost-laughable scams, we did not find many opportunities for sharing with LFC.

I must add however that I never had any substantial aggravation with LFC. While odd, they seem to be generally decent people. Nonetheless, the frequency of FNF's communications with LFC diminished and now, for the last few years, communications have ceased almost entirely.

LFC's first project, establishment of a free city, faltered in the first year or so. They changed their approach and now emphasize development of cyberspace businesses, intended to help their customers achieve virtual freedoms.△

You can learn more about LFC at:  
<<http://www.lfcity.com>>.

## Report on a Visit to LFC in San José, Costa Rica

by John Kingman

I judge the members that we met in San José, and most of the effort to be essentially legitimate—which was part of the overall concern I wished to answer. There are reasonable and real objectives, which seem like good ideas. The basic concept is:

- 1) provide an environment for like-minded (libertarian and/or objectivist) individuals to communicate and do business both with each other and with the outside world but through secure/private communications. A key concept here is that to a large degree participation can take place entirely over the Internet.
- 2) establish some core businesses and services which would facilitate economic activities and wealth creation. Such core services include encrypted/private communication servers (which, in addition to masking message content also mask sender/recipient combinations), a stock exchange, and a digital cash exchange.

The private communication service is useful although not new, as PGP users will know. An aspect of that service that is important and unique is that of routing messages whereby the sender/recipient pair is masked. For example, if I send an encrypted message to an offshore bank (Bank X) using my current Internet Service Provider, eaves-droppers would not know the content of the message, but they would know that I was sending encrypted messages to Bank X. Using the LFC private communications service, this link I am sending/receiving messages to/from would become invisible to the eaves-droppers.

The stock exchange (and ability to easily form a Laissez Faire City corporation) is especially intriguing to me.

And there are more "cyber" industries, services, and concepts floating around in the minds of the many young LFC computer workers in San José. I suspect many of those notions are just that: cyber or virtual only, with little

chance of becoming a real thing. Undoubtedly however, there are genuine opportunities and concepts that these fellows can visualize—but that I can not.

In addition to the electronic businesses and services named above (my list is probably not complete), LFC has a real estate development project, a seaside resort along the western coast of Costa Rica.

We were not impressed by the initial introduction and portrayal of LFC and associated plans. In fact, Rich [Richard Kingman] and I were unimpressed to the point that we almost walked out, judging there to be little of merit in the organization. I believe the problem to be due in part to the fact that 'the vision' has been in the mind's eye of many of the LFC guiding members for so long and in such detail that they have lost the ability to effectively communicate or portray that vision to neophytes. I am sympathetic to this problem as I frequently suffer it in geophysical/technical conversations. However, the communications problem is more firmly rooted than in this difficulty alone. The on-site presentation of the LFC concept was made in vague, glowing terms, but was never adequately grounded in the real services and concepts that I have described above. There were also some glaring communications deficiencies in one specific case which, to be kind, reflected immaturity.

Fortunately, before giving up we met two LFC "netizens" who seemed to have their feet planted a little more firmly in reality and were very pleasant and easy to talk to—they made sense to Rich's and my way of thinking. One is currently living in the LFC community and seems to be quite happy and prosperous. My judgment that LFC has merit relies to some degree on my assessment of their characters.

The LFC headquarters is on Nicaraguan soil—the former residence (in San José) of the Nicaraguan ambassador. Now leased by LFC, it is in an attractive embassy neighborhood with

embassies and diplomatic residences. Apparently Rex, an original founder, made the lease arrangements. Rex is said to have made, lost, and remade a lot of money over the years.

The original goal, when LFC was founded and the ads in *The Economist* taken, of forming a physical "Galt's Gulch", has been put on the back-burner. This goal is judged, by the present guiding (cyber minded) members, to be valid for the long term but to have little chance of bearing immediate fruit. To some degree, however, the present location in San José does form a miniature Galt's Gulch. I sense that there may have been some investors' funds lost and otherwise bitterness related to the changeover from the original LFC founders to the present young generation of drivers.

The de-emphasizing of the Galt's Gulch objective is a key strategy. I believe it fair to say that most LFC members judge tactics such as those of the Free Nation Foundation to be looking too far in the future; i.e. they are anxious to pursue more immediate rewards in the quest for freedom.

We met about eight members. All are working on the various projects underway. There is a practice amongst some of the members to operate under aliases—perhaps to promote the notion of privacy. We didn't ask as to the purpose.

An interesting discussion, which unfortunately may speak volumes as to the

viability of the LFC plans as currently managed, pertained to the cause and effect relation between financial services and primary (or core) services and products. Cyber financial services (whatever that means) were held as one of the more important industries that LFC would like to develop. One of the guiding members, if I understood correctly, espoused the notion that we have airplanes and cheap food because lending institutions exist—and not vice versa. I disagree with that notion and reckon that errors of this type (in the fundamentals) ultimately limit one's ability to progress. You may recognize a bit of my Objectivist background peaking through here. We found that with some members there was little room for discussion or debate in these matters.

Rich and I did some real estate shopping and were generally impressed with value reflected. A beautiful 600 square meter "mansion" on a hillside overlooking San José (recently built by a Lee blue-jeans executive who was subsequently moved) was going for \$350,000. I will be giving serious consideration to moving down there this year.

Also, while in Costa Rica we were able to meet with **Rigoberto Stewart** for a little over an hour (too short) and both were favorably impressed. We both intend to return and get a guided tour of the Limón region by Rigoberto and consider purchasing land there. As you know, his

enthusiasm is engaging. He estimates 80% probability of success in his endeavors. Apparently Costa Rica has a significant number of Libertarians in federal offices, with popularity and visibility increasing rapidly.

#### To summarize:

- 1) There are some good ideas being generated and pursued at LFC. Open lines of communications between FNF and LFC should be maintained.
- 2) Energy and enthusiasm are clearly there; maturity and level headedness are, in some cases, not. The official lines of communication within LFC, especially for dealing with LFC visitors, need strong improvements. To me this deficiency was evident in the LFC web page when I last checked (January 1998)—it is vague and does little to satisfy the curious or interested.△

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## Scenario for Founding

*(Continued from page 1)*

As one of those whom Rich had contacted, I had reservations about attempting to buy a political environment and also, to a less extent, about buying land and displacing the present owners. As for the new constitution, what would make it stick? Once the populace had eaten their package of inducements and free-nation investors had made commitments on the island, what would prevent the latter from being held up for second and third rounds? Political opportunists would find it easy to convince the next generation, say, that their parents had sold their inheritance for a mess of pottage.

Instead of putting his faith in politics first, believing that business enterprise would follow, I felt that Rich (I'm per-

sonalizing "the organization") would have a better chance of success if he put his faith in business enterprise first and foremost and dealt with politics secondarily and as little as possible. He could offer to consult on a constitution, but not offer money; that would surely be seen as intervention in island politics and weaken local commitment.

If he could give them a realistic vision, instead, of what might be accomplished in an environment respectful of property, things might begin to fall into place. What would such a vision consist of? How about, I thought, inviting the islanders themselves to create a freeport that could become a beacon to the world? I suggested to Rich that the existing owners assembling land through voluntary title pooling might be a key to developing a free nation.

Rich called my bluff: "Write it up for *Formulations*," he said. "Okay," I said, "I'll give it a try." Since I don't know enough about Nevis and this is only an exercise in any case, my island is a wholly imaginary one called "Antibes." The following scenario is intended as a thought starter—which was the whole purpose of Rich's emailed invitation.

### A Modest Proposal

Envision an enterprising firm, one with land development and property management expertise, sending a reconnaissance team consisting of an anthropologist, a businessman, and a geologist to visit the island of Antibes for a few months. During that time the team members would get acquainted with the people, their history, their culture, and the physical features of the island. If the



team members found the local population compatible for purposes of doing business and were able to identify one or more tracts of land suitable for development as a freeport, then the firm could approach all of those who owned land within those boundaries with a proposition.

The proposition would be that the tract be assembled into one parcel, not by an outsider who would buy out the owners' interests, but by the existing land owners themselves. To do this they would form a corporation or similar entity, appraise their separate properties, and then pool their land titles in exchange for equivalent, undivided shares, or equities, in the assembled whole. For its entrepreneurial role and guidance, the firm would ask of the new business entity either a planning, development, and management contract, or else an option on a long-term leasehold on the property, say 99 years, for an amount to be negotiated.

#### **Incentives for Pooling**

The land that each owner would consider pooling presumably would not be his residential site or subsistence garden—land which he was using for consumption purposes—but rather idle land or land from which he would normally look to derive an income by sugar farming, renting out, or other means. The incentive to each owner would be the prospect of exchanging an illiquid, relatively unproductive, precarious ownership (precarious in the sense of having an uncertain return) for a more secure, highly liquid share ownership (liquid in the sense that the shares ultimately would trade on an exchange and be bought or sold by a phone call) in a productive enterprise. The enterprise would stand to be more productive than the land owners in their former situation because it would have a property well situated and of a size adequate to warrant world-class management. A tract of land extensive enough to create its own environment for its contemplated use, that is to say, large enough to capture a significant part of the land values it would create ("internalizing its externalities") and relatively protected from any possible negative effects of adjoining land uses, would have economic development potential far transcending that of the same extent of land in fragmented ownership.

The cost to each owner of pooling would be his pro-rata share of the legal fees—which the firm might advance, to be repaid in equity options or out of future earnings. Following the principle of plottage, the mere act of pooling would raise the value of each owner's equity even before any steps were taken toward development. *Plottage* is the increased value of an assembled site over and above the sum of the value of the parts before assembly.

The new business entity formed by the islanders to take title to the tract could be one of two kinds. It could be a holding company, which as it received lease payments would pass the money through to the owners, or—which would be less likely in an underdeveloped part of the world—an operating company, employing management directly to develop and operate the property, reaping the profits and bearing the losses of the enterprise.

#### **Avoiding Hold-Out Problems**

A common practical objection to pooling proposals is the possibility of some owners holding out for more than their appraised share and thereby demoralizing the project. To avoid this, the entrepreneurial firm would assist the owners in forming the new entity on paper in advance of it receiving any assets and would begin assembling options in its name. By developing a business plan for the new entity, the firm would appeal to those land owners they hoped would participate by holding out the vision of how the freeport would create undreamed income and opportunities for all. But it would make it clear that this would hinge on a certain minimum acreage being optioned by a specific deadline. The firm would then wait for the land owners themselves to take the initiative for bringing their slower members into the plan.

Besides setting a time limit after which, if the options acquired were insufficient, the plan would be abandoned, the firm might employ a second strategy. This would be to identify, on the same or another island, additional tracts of land suitable for the freeport development. The firm would then let it be known that the tract that would be developed would be the one whose owners first completed the optioning process. This would add

the excitement of competition; owners in each group, wanting their land to be chosen for the freeport, would exert pressure on their lagging neighbors. This was an approach used successfully for many years by El Paso Natural Gas Company to assemble rights of way for pipelines without recourse to eminent domain.

#### **Multiple-Tenant Income Property**

Once having assembled a tract of land for freeport development, the new business entity would find itself capitalized with an exceedingly valuable piece of real estate. Depending upon whether the new entity chose to be an operating company or a holding company, it or the enterprising firm would now take the business plan to the appropriate financial institutions. By collateralizing either the land itself or a long-term lease, one or the other would raise the required development and working capital through loans, equity financing, or a combination of both.

The freeport would not develop as a subdivision, selling off sites, but would keep the land together for continuing management and operate as a long-term investment property in real estate—a multiple-tenant income property. Beginning with a carefully selected, synergistic mix of specialized land uses, it would gradually move in the direction of becoming a fully generalized community. Improvements on the land would be individually owned, but the land itself would be leased, both long and short term, and revenues from the land would fund investment in city services and infrastructure—obviating any need for taxation.

#### **Political Autonomy**

Early in the venture, the entrepreneurial firm would negotiate with the government of Antibes for autonomy within the freeport area. It would not ask for "sovereignty" (which island politicians likely would oppose for fear of being accused of selling out their patrimony) but for exemption from all taxation and regulation during the start-up period or even for the entire duration of the lease, in exchange for an attractive payment during each year that such relief was granted. (A single payment up-front would provide no continuing incentive for the government to honor its commit-

ment.) The public budget on an island being small, these payments alone might relieve the government of any need to levy taxes on the Antibeian population. Some years into the project, if profitability met certain anticipated projections, the government might even be able to declare a small annual dividend to its citizens.

If the freeport moved ahead according to expectations, with a totally free hand to compete in world markets and relieved of all taxation, licensing, or burdensome restrictions, it doubtless would become so productive that in the course of time any question of political threat or usurpation by the host government would become wholly academic. As the sole or major source of revenue for the government, the freeport, whose owners would include an influential segment of the Antibeian population, would have ample opportunity to monitor the honesty and efficiency of the public administration. The entire island then would be a *de facto* free nation.

#### **Internal Order**

To the extent that the level of spontaneous order within the freeport area itself required supplementation by security patrols, safety rules, and courts to hear disputes, the management interest and insurance interests combined would see to its provision. The freeport would be the farthest thing from "anarchy." The most basic guarantee would be its operation as a multiple-tenant income property. If a tenant or her guest or invitee behaved otherwise than as a gentleman or a lady, out he or she would go; if there were any question about this, then out would go the management—sacked by the Antibeian owners, who would have written appropriate safeguards into their over-all lease. Control would be contractual and at once more firm and more flexible than could ever be attained under statutes. In an earlier paper, "A Model Lease for Orbis" (*Formulations* Vol. III, No. 3), I suggested in detail how this might work out entirely through free-market mechanisms in the absence of a political monopoly of the court system. Economist Bruce Benson, Florida State University, has also written extensively on this subject from a different but wholly complementary direction.

#### **Competitive Provision of Common Services**

No monopoly of common services would be anticipated. Income to the freeport authority would be predominantly from landlease payments and only incidentally, if at all, from user fees for utilities. The responsibility and concern of management would be to assure that all public services and amenities were provided, since that would vitally affect the desirability of leaseholds and hence the revenue stream, but not necessarily to provide them directly. While always making itself available as a fall-back, it would welcome the competitive market provision of such services. With the exception of the leasing function and exercise of tenant selection, which would remain solely the responsibility of management, it would not preempt the field of public services.

#### **Advantages of the Pooling/Leasehold Approach**

##### Participation of Antibeian Population

This approach to a free nation would be respectful of the indigenous population of Antibes, of whom a number would enjoy a dignified status as the ultimate landlords of the freeport. A long-term lease approach after the pattern of Hong Kong, with option to renew after 70 years (in the case of a 99-year lease), might be more acceptable to the islanders in the long run than if outsiders bought up the land for freeport development. As share owners in a holding company that leased the land for development and retained a reversionary interest, the islanders would correctly feel that they were participants and not that they had sold a part of their patrimony—an issue that could fester politically for years to come.

Although not as soon or to the same degree, islanders who had not had an opportunity to join in the pooling would benefit as well. As the freeport grew, it would require a corresponding, supportive economy on the island. This would give the local population a wide range of options to choose among for profitable development of their own properties—not to mention the ever-present possibility of merging their lands or some parts of them with the freeport as it developed

in order to benefit from its professional management.

##### No Conversion of Belief

No education of the Antibeian population to a libertarian ideology would be required. The language of business is universal and sufficient. None other would be called for.

##### Capitalization No Obstacle

Such an approach would dispose of the need for a financial backer, whether an individual or organization, who would be willing and able to commit \$100 million speculatively to acquire a piece of island real estate in advance of any development, make additional substantial payments for development costs, and then underwrite the operating costs of the freeport for the decade or more it would take for the project to break even—and all the while foregoing interest on that sizable chunk of capital.

#### **Summary**

The otherwise daunting capital requirements for land acquisition, development, and start-up operation of a freeport would pose no great problem for owners who voluntarily pooled their titles. Such capital would not have to be brought from the outside. The owners already have the required equity; it is just not in a very useful form. The value of the pooled properties would capitalize the project, making it essentially self-financing. Moreover, politics would not need to be invoked, since the needs of all parties would be met voluntarily and contractually. The indigenous population and the newly arrived on Antibes would be united in mutual accord, a basic harmony of interests and incentives that would incline them toward cooperation.

The dream of a free nation would be achieved not frontally but indirectly. It would come into being not politically, by resistance or confrontation, but by a normal growth of productive and profitable enterprise.△

*Spencer H. MacCallum, an anthropologist living in Tonopah Nevada, can be contacted at: <SM@Look.net>.*

# Letter of Resignation

by Richard O. Hammer

Dear Friends,

I write to let you know that I plan to stop performing many FNF duties at the end of one more year, at the end of 1999. I plan to stop editing *Formulations* and organizing Forums. What will become of FNF after that, in the year 2000 and beyond, remains to be seen. In this letter I will describe FNF's circumstances and the factors that have influenced my decision.

## Plans for 1999

### What will continue:

FNF will publish four issues of *Formulations*, through and including Vol. VII, No. 2 (Winter 1999-2000). And FNF will organize two Forums: the first "Mythology in a Free Nation," will meet on April 10; the second, the topic for which has yet to be decided, will probably be scheduled for October as before. An Annual Report will be prepared and published in February. Meetings of the Board of Directors and ad hoc meetings will occur as before.

### What will change:

Since I plan to stop many of my activities at the end of 1999, that changes what FNF should advertise starting now. Unless it becomes clear that publication of *Formulations* will continue in the year 2000, we should stop advertising one-year subscriptions. Likewise, we should scale back on what we promise to those people who pay for Membership.

For subscribers and Members whose terms expire during 1999 probably I will send notes offering continuation through the end of 1999, for some fraction of the full yearly price.

## Financial Implications for FNF

At present the treasury contains about \$2800. Assuming a scaled down operation, with no magazine ads and no outreach mailings, this balance may cover half of FNF's needs during 1999. Certainly some payments and contributions will continue to come in. Should the treasury fail to stretch enough to fulfill FNF's obligations, which we have in-

curred by accepting payments for subscription and Membership, I will donate whatever is required.

For the people who have already paid for subscription or Membership into the years 2000 or 2001, FNF can offer a refund, or make some compensation as each individual may see fit. There are perhaps a dozen people in this category.

## Plans for 2000 and beyond

In February 2000, I plan to produce an Annual Report for the year 1999, for distribution to Members whose terms run to the end of 1999.

Our presence on the Web has a low cost, and probably can continue for years with support which should not be too difficult to solicit. And I will want to continue my involvement in this movement. But what shape my involvement will take remains to be seen.

## FACTORS AFFECTING MY DECISION

The factors which influence my decision include both poverty and burnout.

### Personal Finances

The last time I worked in any regular way for pay was 1994. In July of that year I wrapped up my residential building business by selling my last spec house. Since then FNF has received all of my working attention.

Good fortune has enabled this in two ways. First, during 1991-92 I inherited enough from my parents that it looked like I could live on it for a few years while launching FNF, assuming I chose to deplete my inheritance that way. That indeed is what I chose—since I am captivated by this work.

And second, the unusual growth in the value of investments during recent years prolonged the time I could spend trying to get FNF off the ground. The mutual fund in which I placed my inheritance grew in value almost as fast as I withdrew my living expenses. Year to year it hardly declined in value, and I thought dreamily that I might put off paying work indefinitely. Of course it

helps that I live inexpensively, without medical insurance, and that I have been able to keep my car running to 240,000 miles.

But reality knocked on the door in August and September of [1998]. For the first time the mutual fund acted more like my usual investments: it dropped 20% in value, and since then it has recovered only partially. I could see an end to my days of dalliance in FNF.

## FNF Fund Raising

In spite of the threat of poverty, and in spite of the feeling of burnout which has been overtaking me, in October [1998] I found new hope for FNF in a new plan. I speculated that some of the difficulty, in five years of faltering FNF promotion, stemmed from my failure to focus on particular market segments. Some people give money. Different people in most cases give writing.

But I had been treating these two categories of prospects in much the same way. I had scouted for contributions of writing even among generous donors of money. And I had expected payments of at least \$15, to continue receiving *Formulations*, even from scholars who might at some time have contributed writing. Our magazine ads in *Reason* and *Liberty*, by trying to find both types of contributors, failed to reach into markets where one or the other type of contributor might have been found.

With this observation, and with a few ideas for newly differentiated marketing, I felt hope that FNF might find more of both scholarly and financial contributors. This hope offered the possibility that FNF might pay me for the first time.

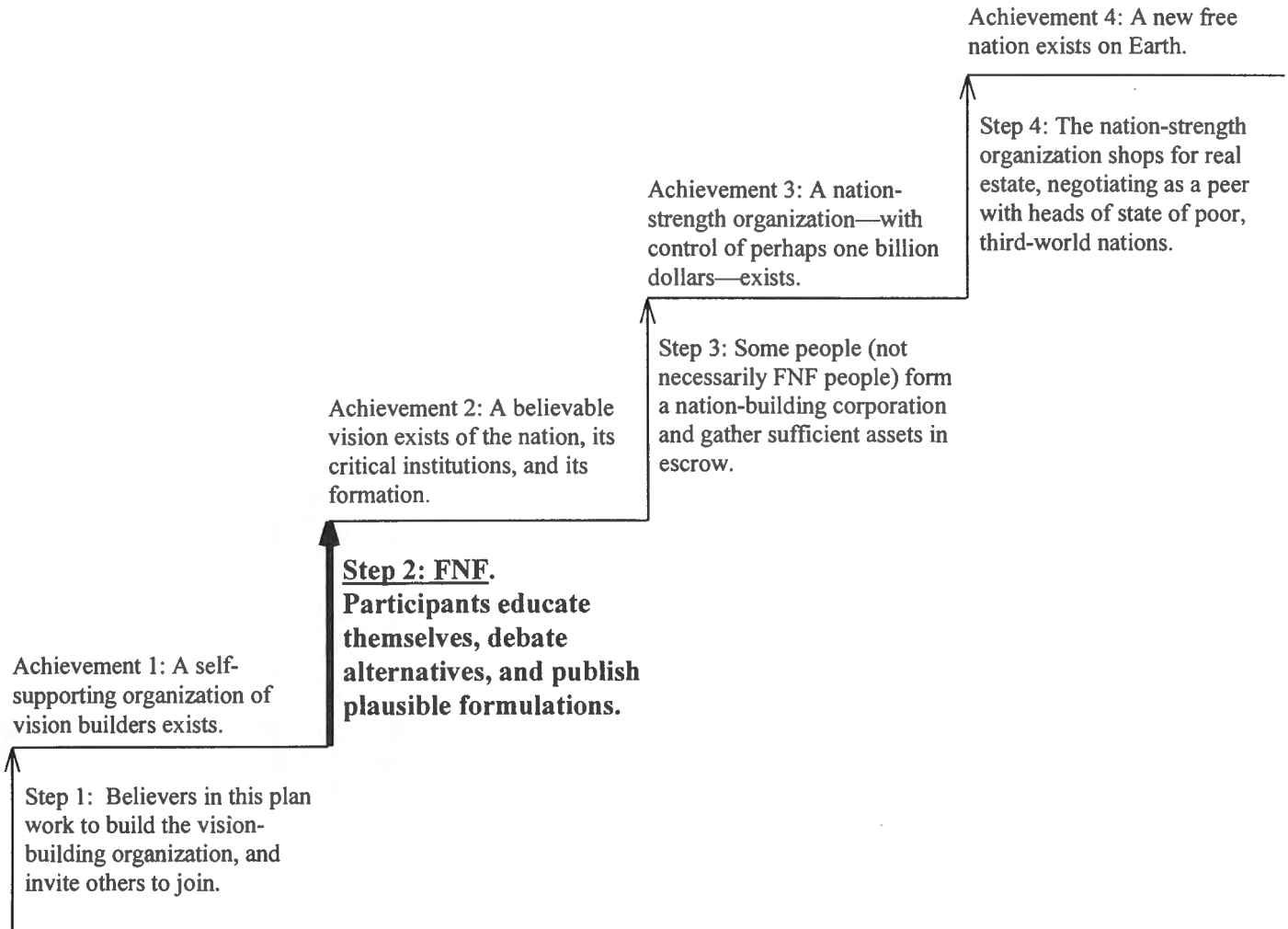
In order to launch this new hope, I imagined that FNF might more that double its budget for 1999 by raising more funds from existing sources. I imagined we might gather enough to pay me \$10,000 during 1999—if I worked harder on the content of fund-raising letters and increased the frequency of fund-raising letters from one per year to three per year.

So I produced a fund-raising letter right away in October, rather than wait-

Figure 1

# Four Steps to a New Free Nation

*Showing the Rationale of the Work Plan of the Free Nation Foundation*



ing for December which had become the default time of year for FNF's annual fund-raising letter. And I gave it my best shot.

The results, while heartening in the usual way were discouraging in another way. We received generous support from a few regular contributors and renewals of basic-level support from about twenty others, about \$1800 altogether. This, as before, is sufficient for FNF to carry on with work done by volunteers—but it does not promise paychecks to anyone.

With this experience I now doubt that it is reasonable to expect substantially more from FNF's small group of regular and loyal supporters. Unless we apply new and more aggressive methods, I believe that we could substantially increase

fundraising only by finding a new pool of supporters.

### **Burnout**

Finances are not my only difficulty. Over the years I have been burning out on pushing the FNF work plan among libertarians.

### **The Goal: the FNF Work Plan**

In order to describe my experience of burnout I believe it will help if I outline, once again, what I have been trying to do. In Figure 1, I have prepared a graph of four steps to attain a new free nation. While the captions in Figure 1 give an overview, I will not attempt in this letter to answer all the questions which commonly arise in regard to the work plan. Here I make only a few points which seem worth telling at this time.<sup>1</sup>

### Economic Engineering

First, let me put down the foundation, and tell why I believe the overall plan should be viable. I admit the idea is certainly ambitious, and that it is perhaps unprecedented in human history. But, because of what we now understand about economics, it seems to me that

<sup>1</sup>For another description of the FNF work plan see the founding prospectus "Toward a Free Nation," 1993, <[www.FreeNation.org/fnf/a/toward.html](http://www.FreeNation.org/fnf/a/toward.html)>.

The work plan was also described in my article "Solution: Coalesce and Build a Free Nation," *Freedom Network News* (a publication of the International Society for Individual Liberty), No. 48, March 1997, pp. 18-20.

Additionally, important aspects of the work plan were suggested in my story "A 'Nation' Is Born," *Formulations*, Vol. V, No. 1, Autumn 1997.



such an achievement should fall within reach of human design.

Generally, free nations prosper more than unfree nations. And greater prosperity enables more-free nations to spend more on security than less-free nations. While it is easy to find counterexamples, still the overall trend is evident and overwhelming. In spite of all the parasitism which we can observe in the life of nations, the trend across human history is toward more property, more security. Regimes which secure property rights prevail, on average. The Cold War and its outcome gives one example to support this thesis.

Humans long ago observed that water runs downhill. This observation of a fact of nature led to the building of roofs, waterworks, and many other useful things. We now observe another fact of nature: that greater freedom in markets leads to greater prosperity and greater security. But this observation, being still relatively new, has barely been employed in design of human institutions.

This is where we come in. We can employ this fact of nature. We do not have to wait for happenstance to create the next free nation on Earth. And we do not have to wait until we can teach economics to 51% of our neighbors. We can design institutions which employ freedom to generate security. We can design a whole new Hong Kong.

#### Availability of Real Estate

Now this work plan makes an assumption that real estate is available. It would probably be in the third world, because third-world regimes would be most poor and most probable to accept a deal for an amount which our organization could offer. As evidence, I believe projects such as those undertaken by Michael van Notten demonstrate the availability of real estate. What is lacking is not real estate which might be purchased, but a buyer prepared to take this step.

But what can an ordinary person do, in the face of such a mammoth undertaking?

Given that I believe these things about the working of economics and the availability of real estate, I step back from the ultimate goal, which I know is far too grand for me to attempt. I try to

find a plausible sequence of steps to the goal which starts with something I could hope to achieve. I come up with the four steps in Figure 1. Six years ago I undertook Step 1.

#### A billionaire could start at Step 4

Necessity might compel you or me to start with Step 1. But I believe a billionaire could move directly to the final goal.

It would be necessary, I suppose, for this hypothetical billionaire to pause briefly to prepare a transition plan and a constitution. But, while debate about the best way to constitute a new Hong Kong may persist for a thousand years, I believe an adequate plan could be prepared rapidly, drawing upon present knowledge. So I suppose a billionaire could start right away to shop for real estate.

#### The purpose of Step 2

In the overall plan, the work of FNF (this present corporation) is Step 2. Since I think the first three steps are necessary only for us non-billionaires, let me try to make this point clear:

*The purpose of Step 2 is to help us attract the respectful attention of a billionaire, or of 1,000 millionaires, or of some sufficient combination of interests.*

I believe that if a think tank with the professionalism of the Cato Institute were to sponsor an ongoing free-nation forum, in which top-notch constitutional and legal scholars proposed and debated solutions to the various issues which would surround establishment of a new Hong Kong, then that would establish plausibility in the minds of investors who could accomplish Step 3. So the purpose of Step 2 is to build the believability of the whole plan, and to give investors confidence to proceed with Step 3.

Of course Step 2 should also produce a beneficial by-product in that it should achieve the nominal goals announced for Step 2: It should build a body of knowledge about transition plans, constitutions, and systems of law. Those of us who participate in Step 2 should become experts in these fields. I fancy we might prove valuable as consultants to the investors who launch Step 3.

But I believe that knowledge already exists to piece together a sufficient plan—even without the additional exper-

tise which we who perform Step 2 will gain. The main thing we need to build is believability, to give confidence to investors.

#### This plan avoids the tangle of persuasion

Let me repeat another important point. This entire effort requires no conversion of statist to libertarian beliefs. All it requires is that people who are already libertarians form an organization which commands enough assets to shop seriously for real estate. After that organization exists then we will need to deal with statist—but only as trading partners and not as compatriots.

Notice that we buy goods and services every day from trading partners who may be statist; political values generally do not impede trading. This will be true when our nation-strength organization starts shopping for real estate. Surely there will be some regime happy to trade—provided they have reason to trust our organization, provided they believe that our organization can and will keep its end of the bargain.

Thus this plan steps completely around the barrier of popular persuasion which daunts most libertarian efforts.

#### **Frustrations with advancing toward the Goal**

Now I hope you will forgive me if I cry on your shoulder and tell of the frustrations which I have encountered in getting other libertarians to understand this plan and to work within it.

#### Failure to see the remoteness of Step 4

We are not close to being ready to shop for real estate, in that we are nowhere near having a nation-strength organization. Before starting to look for real estate we need to complete Steps 1, 2, and 3. But libertarians who have become aware of FNF commonly misunderstand. They expect me to tell them now where on Earth the free nation will be, and some dismiss FNF when they are not satisfied with my answer.

#### Failure to recognize the necessity (for non-billionaires) of step 3, the building of a nation-strength organization

I believe that only a large and potent organization—commanding perhaps one billion dollars—could secure real estate on terms which would be acceptable to

start up a new Hong Kong. But again I have trouble getting libertarians to think this way.

On the one hand, many libertarians seem to think that a few poor or middle-class jerks operating from a rowboat might stake out a nation for themselves—so they associate FNF with such a scheme. But on the other hand they know that they do not trust such a scheme—so they dismiss FNF. I can not seem to get these libertarians to listen long enough to imagine a scenario with a nation-strength organization.

#### Failure to focus upon step 2

Step 2 calls for formulating transition plans, constitutions, contracts, and means to provide both domestic security and national security. I have had difficulty getting enough material on such subjects.

Many people who join our process seem to have other primary interests, such as philosophy and morality. I believe that these people will judge the new Hong Kong to be philosophically and morally superior to less-free nations, assuming the FNF plan succeeds. But I do not care about how they will arrive at those judgments. I want to get on with the building. As such I am often torn when I have to decide whether to publish a submission which contain a few threads of practicality, which I want, mixed in with mountains of philosophy or morality, which add to the confusion among our readers about what FNF is trying to achieve.

For any FNF participant to be valuable to this undertaking two things seem necessary. First, the participant must understand the work plan. Second, the participant must value the work plan enough to be willing to work on it. While many people show eagerness to participate in FNF, precious few people pass both these tests in my opinion.

Concerning the first requirement, if I judge other people's understanding by what I have been able to observe of the way they act, speak, or write, then I lament that perhaps only ten people understand the work plan (out of the hundreds whom we have contacted). And concerning the second requirement, among those ten who have displayed understanding of the work plan, only a few have shown that they are willing to work on it.

My attempts to lead FNF in performance of Step 2 have been difficult. And in my opinion FNF's performance in Step 2 has been spotty.

#### Failure to complete Step 1

I know that I am in no position to attempt Step 4, or even Step 3. But I do flatter myself to imagine that I could facilitate Step 2—if only I could complete Step 1.

Unfortunately, at this stage after six years of effort, Step 1 has never been completed as I envisioned. FNF has never gotten off the ground with ability to pay its scholars and staff. Volunteers have performed all of our scholarship and management.

Overall, I might summarize my frustration by saying that I feel almost alone in promoting the FNF work plan. It seems to me that if I relax my control of FNF then the aim of the organization will scatter into more usual libertarian habits such as popular persuasion, philosophical debate, and trying to start a country today with three men and a rowboat. I feel like I am driving a bus full of people who, even though they have voluntarily gotten onto the bus, would each choose to steer down a different road if given the wheel.

Unfortunately at present I cannot think of anyone who might step forward to fill the management roles which I plan to relinquish.

#### **Concluding Comments**

This letter has been difficult for me to compose because, as you might observe, I still believe in most aspects of the FNF work plan. I am reluctant to set aside a project that seems so right in so many ways. And I am torn because I feel an obligation to you who have responded generously to FNF's solicitations. I do not want to let you down.

Along the way FNF has definitely had its successes. Often I have found pleasure in leafing through an issue of *Formulations* on those days when, shortly after mailing it, I imagine our readers are receiving it. Typically I have felt proud as a peacock. And we have built a working concern here. Presently FNF has about a dozen participants who volunteer regularly—giving of themselves within the little community of diverse interests which FNF has become.

Perhaps I have been overly optimistic in the pace of progress which I expected. And let me acknowledge something else: the failure of other people to carry the banner of my brilliant vision may suggest not so much the sluggishness of those people as the failure of my own understanding. I have failed, it must be, to comprehend something important about humans and the organizations which we form. So my burnout may be a good thing. It may push me into new undertakings where hopefully I might apply my energies more efficiently toward our common goal.

You will notice that I am not asking for donations at this stage. Hundreds of dollars, or even a few thousand, will not change the course which appears best to me. Now if \$20,000 were to fall out of the sky that could prod me onto a different course for at least another year. But I am not planning on that.

Let me repeat that I anticipate FNF will continue in some form in the year 2000 and beyond. At least our presence on the Internet can continue indefinitely. And there are many FNF tasks that I will be happy to continue. At least I will want to keep in touch with free-nation activists, corresponding and acting as a hub of communication where that proves useful. And if energy to advance the FNF work plan emerges in other volunteers, I will want to work with them in any way possible.

Thank you again for your contributions. These have supported the operation of FNF during years of exhilarating research and writing. I hope our sharing may continue for many years to come.

With the drafting of this letter behind me, I look forward to 1999 in FNF. There continue to be topics concerning a new free nation that I want to discuss in FNF meetings. And there are still many subjects about which I want to write.

A happy 1999 to you,

*Rich Hammer*

# Myths for a Free Nation

by Roderick T. Long

BRIAN: *Look, you've got it all wrong. You don't need to follow me. You don't need to follow anybody! You've got to think for yourselves. You're all individuals!*

FOLLOWERS [in unison]: *Yes, we are all individuals!*

BRIAN: *You're all different!*

FOLLOWERS [in unison]: *Yes, we are all different!*

(Monty Python's *Life of Brian*)

## "Yes, We are All Different!"

A number of novels have been written about visitors from a statist society to a libertarian one. (Some examples are Ayn Rand's *Atlas Shrugged*, Eric Frank Russell's *The Great Explosion*, James Hogan's *Voyage from Yesteryear*, and any number of novels by L. Neil Smith, such as *The Probability Broach*, *Tom Paine Maru*, and *Contact and Commune*.) One feature they seem to have in common is a thoroughgoing cultural uniformity; the citizens of these libertarian utopias agree about nearly all the basic questions of morality, religion, and even art. (A welcome exception is found in J. Neil Schulman's novels *Alongside Night* and *The Rainbow Cadenza*.)

This kind of uniformity is implausible. Not even collectivist societies are characterized by that much agreement. And an individualist society is especially unlikely to be so, since it will be a refuge for idiosyncratic mavericks of all varieties.

Some libertarians (particularly, but not solely, Randians) think that a libertarian society cannot survive without a very specific cultural base. If this were true, then the prospects for libertarianism would be dismal indeed, since widespread cultural uniformity is hard to maintain without government intervention.

I think this scenario is too pessimistic. Even if there is just one set of ideas that correctly identifies the *reason* that libertarianism is the best political system, a libertarian society can still survive if there is widespread agreement *that* libertarianism is best; there need not

be a consensus on *why* it is best. (Compare: contemporary statist society survives because most people think it best, though they too do not agree on *why*.)



Roderick Long

I agree, then, that a free nation will prosper only in a favorable cultural context. But such a context can be a constellation of quite diverse and even incompatible sets of ideas; it need not be a single monolithic package.

## Stories for Libertarians

If we do not need to ask, then, what one cultural form is necessary in order to preserve a free society, we can nevertheless ask what *sorts* of cultural forms might tend to reinforce liberty. I have touched on this question before, when I argued that the New Age movement represented a set of ideas and institutional practices favorable to a free nation.<sup>1</sup> My present concern, however, is with *mythology* in the broad sense: what kinds of *stories* (*muthoi*) might it be advantageous for members of a free nation to tell themselves?

A culture's stories are an important repository of its values. The stories may or may not be literally believed. The Greek myths about the Olympian gods (Zeus, Athena, Apollo, and so forth) were probably accepted as literal truth in classical antiquity, whereas they were not so accepted during the 16th-19th centuries; yet the cultural and artistic impact

of those myths was nearly as great during the latter period as during the former.

There are two kinds of beliefs that might need to be reinforced by myths or stories in a free nation. One is beliefs about the nature of *order*, and the other is beliefs about the *virtues*. Let's consider these in turn.

## The Earliest Myths About Order

Our earliest ancestors seemed to have shared some common views about the nature and origin of order. At any rate, the earliest (i.e., roughly pre-7th-century-BCE) myths of the Egyptians, Mesopotamians, Greeks, Hindus, and Norsemen seem to have followed a common pattern. (The Norse sources are more recent than this period, but are generally thought to derive from early Indo-European material.) According to the common view, the universe in its earliest phase was a vast, amorphous, indeterminate mass described variously as Water or Chaos; this origin was conceptualized as disorderly and imperfect. Out of this indeterminate origin, the first gods emerged; these gods were forces of order, and turned back and imposed order and limit on their disorderly origin, thus creating the world we know. In the period that followed, the gods of order maintained our world in existence by fighting a ceaseless battle against the incursions of the forces of disorder (usually characterized as giants or demons) that were constantly trying to restore the earlier chaos.<sup>2</sup>

Significantly, the apparatus of the State was identified with the forces of order; and the struggle between order and chaos was often described in terms involving a comparison to the invading State-founders' initial conquest and ongoing subordination of the native populace.

In some cultures, such as the Egyptian, the struggle between order and chaos was seen as perpetual; in others, it was regarded as ending at some point. The Greeks, ever optimistic, thought it

<sup>1</sup> "Religious Influence on Political Structure: Lessons from the Past, Prospects for the Future," *Formulations*, Vol. 2, No. 3 (Spring 1995).

<sup>2</sup> For details, see *The Intellectual Adventure of Ancient Man* by Henri Frankfort et al., and *Cosmos, Chaos, and the World to Come* by Norman Cohn.

had already ended with the triumph of the Olympians over the Titans; the order of the world was now basically secure. The Norse, more pessimistic, thought that the forces of disorder, the Frost Giants, were destined to defeat the gods at Ragnarok, the great battle at the end of the world. (These differences may have had something to do with climate. Egyptian society was dependent on the Nile and subject to its annual flooding; a cyclical view of ongoing struggle may have seemed attractive. In the bleak and frozen north with its long dark winters, the prospects for conditions favorable to life may have seemed tenuous and fragile, whereas temperate Greece might have inspired a more hopeful outlook.)

But the common features of the myths were these: (a) the determinate and orderly is good; the indeterminate and disorderly, bad; (b) the indeterminate and disorderly needs to have order imposed upon it by conscious agents; yet (c) these agents themselves are the spontaneous products of the world's indeterminate and disorderly source.

One can see why, as intellectual speculation developed, this early view of order might have begun to seem unsatisfactory. If the indeterminate is a disorderly mess that needs to have order imposed upon it, how was it able to give rise spontaneously to the gods in the first place?

Now perhaps this is not such a problem. We think that some forms of order can emerge spontaneously, while others must be imposed by conscious intention; and it seems plausible to suppose that the second kind of order is the indirect result of the first kind of order. However, the early myths gave no great scope for the operation of spontaneous order beyond the initial act of giving birth to the gods. This birth, then, was the one inexplicable exception to the general rule that un-governed nature was worthless and un-productive without the guiding hand of some ordering mind. How could the good (i.e., order) arise from the bad (i.e., disorder)?

### Order as Eternal: The Zoroastrian Innovation

Around the 7th century BCE, then, two new views of order arose. The first seems to have had its start with the Zoroastrian religion in Persia. The

Zoroastrians too believed in a struggle between the benevolent forces of order and the recalcitrant forces of chaos, but they denied that the former could ever have arisen from the latter. Ahura-mazda, the god of light and order, was an independent, self-existent entity who had always existed and so needed no "origin story." All kinship between the determinate and the indeterminate was severed, and all scope for spontaneous order was eliminated.

As Nietzsche writes:

"Almost all the problems of philosophy once again pose the same form of question as they did two thousand years ago: how can something originate from its opposite, for example rationality from irrationality, the sentient in the dead, logic in unlogic, disinterested contemplation in covetous desire, living for others in egoism, truth in error? Metaphysical philosophy has hitherto surmounted this difficulty by denying that the one originated in the other and assuming for the more highly valued thing a miraculous source ...."<sup>3</sup>

This is exactly what the Zoroastrians did. Order and definition being good, they could not have originated in disorder and indeterminacy, and must therefore have had a distinct transcendent origin. (And it is no coincidence that Nietzsche chose the figure of Zarathustra, the legendary founder of Zoroastrianism, as the mouthpiece for his own philosophy. As he explains in his autobiography, he thought it was appropriate that the originator of the dualist myth should also be the agent of its destruction.)

This new Zoroastrian view in turn may have influenced (or been influenced by?) the Jewish conception of a self-existent God imposing order on an earth "without form and void"; certainly the Torah as we now know it is thought to have been assembled during the Persian occupation of Judea, under the supervision of the Hebrew prophets Ezra and Nehemiah, both of whom were ministers of the Persian Shah.

At least Zoroastrianism certainly influenced the Greek philosopher Pythagoras and his followers, who saw order as the product of "limiters" imposing order and definition on the "unlimited"; the Pythagoreans' preference for Persian

dress, their association of order with light and fire, and their claim that only God deserved the title "wise" (*mazda*, in Persian) all suggest a Zoroastrian origin for their ideas. And these ideas in turn influenced later Greek philosophers like Anaxagoras and Plato. (Few thinkers have been more hostile to the idea of spontaneous order than Plato.) The Zoroastrian-Pythagorean outlook was also put into the service of male dominance; women were described as inherently disorderly and indeterminate, needing to have the male principle imposed on them.

### Order as a Fall from Grace: The Upanishadic Innovation

The other new view of order took shape within Hinduism, in a series of religious scriptures known as the *Upanishads*. The authors of the *Upanishads* likewise took seriously the question: "How can order, if it is good, arise from disorder, if that is bad?" Unlike the Zoroastrians, however, the Upanishadic authors did not challenge the premise that order and limit had originally arisen from the indeterminate and amorphous. Instead, they reversed the evaluations. The foundation of all being and value was Brahman, a formless and indescribable something-or-other devoid of all definite qualities. While Brahman could be described as God, it was not a personal deity, but was compared to water or air or space or nothingness. But this lack of determinacy was now seen not as something negative (messiness, incoherence) but as something positive (infinite transcendence). The emergence of *limit* was now seen as a *limitation* rather than the introduction of precision and symmetry. We are mere aspects of Brahman, and our distinct separateness is a liability rather than a value; true happiness lies in loss of individual identity and reabsorption into Brahman. Selfishness, desiring to maintain one's own individual identity, is the ultimate vice and folly. (A similar idea is found in some forms of Buddhism, though Brahman there gets replaced with Nirvana, or pure nothingness.) In Nietzsche's or Spengler's terms, this preference for the unlimited represents a *Dionysian* or *Faustian* ideal, by contrast with the *Apollonian* celebration of the limit.

<sup>3</sup> *Human, All-Too-Human* I. 1.



This idea too was put into the service of male dominance, though once again with the values reversed: now women were associated with limit and men with the unlimited. (I recall seeing the Jungian psychologist Joseph Campbell on television a decade ago talking about how Hindu thought was less sexist than Greek thought because the Hindus associated woman with limit rather than the unlimited. It was my realizing how he'd utterly missed the point that first got me started thinking about this issue.) Interestingly, the same evaluation shows up in 18th century Europe, in the idea that woman is "beautiful" (as flowers and calligraphy and dainty doilies are beautiful) while man is "sublime" (as waterfalls and mountains and Gothic cathedrals are sublime).

The metaphysical side of this idea also seems to have had influence in Greece, through the early Milesian philosophers who identified the basic principle of all existence as something indefinite but alive, calling it variously Water, Air, or the Unlimited. It is not clear whether the associated hostility toward individual identity accompanied the view in this case, though the Milesian Anaximander does say that coming into existence is an injustice for which losing one's existence is the appropriate penalty. In any case, the Milesian view eventually got superseded by the more influential Pythagorean view (though the two may have gotten strangely combined later on, in Neoplatonism, where God, the supreme principle of limit, is himself completely unlimited — an idea of which there are foreshadowings in Plato himself).

There is also the possibility of an influence on China, through Taoism, though this is controversial. Anyway, the Taoists challenged the dominant preference for form and limit and determinacy, singing the praises of water and nothingness and indescribability. In contrast to the Confucian doctrine that one should shape and polish oneself like jade, the Taoists upheld the ideal of indefinite original simplicity as symbolized by the "uncarved block." It's wrong to try to impose order on things rather than letting them be governed by their own natural impulses. (Interestingly, while celebrating the unlimited, the Taoists retain the Confucian association of the un-

limited with the female, and thus end up celebrating the female. This fact doesn't seem to have translated into any actual support for the betterment of women's position, however.)

Taoists are often hailed as precursors of libertarianism because of their recognition of spontaneous order; this is true as far as it goes, but it's important to realize that the Taoists had no great attachment to order in any case. Lao-tzu (Laozi), for example, upholds as his social ideal a small village whose members have few possessions, cannot read or write, count on their fingers, and never dream of traveling even as far as the next village. That they also have no need of rulers is still not enough to make this a utopia in most libertarians' eyes.

### **Self-Polishing Jade: The Mencian Alternative**

None of these conceptions of order is particularly conducive to the survival of a free nation. The Zoroastrian ideal eliminates what little scope the earlier conception had allotted to spontaneous order, instead seeing all order as the product of conscious effort to impose discipline on unruly forces. Translated into the political sphere, this conception tends to support statism. But the Upanishadic ideal, slighting as it does human individuality and the products of the human mind, is not very congenial to libertarian values either. (The Zoroastrian ideal is a Hayekian's nightmare, the Upanishadic ideal is a Randian's nightmare.)

In the end, the pre-7th-century conception was perhaps the least wrong-headed: some kinds of order emerge spontaneously, others require conscious effort, and the latter kinds are produced by beings who are instances of the former kinds. But the pre-7th-century conception still allowed little scope for spontaneous order once the forces of consciously imposed order had arrived on the scene.

The conception of order most appropriate to a free nation may be the one put forward in the writings of Mencius (Meng-tzu, Mengzi), the maverick Confucian philosopher (4th century BCE) who tried to steer a middle way between the top-down control-freak ideals of Confucians like Hsün-tzu (Xunzi) and the hands-off quietism of Taoists like Lao-tzu and Chuang-tzu (Zhuangzi).

Lao-tzu and Chuang-tzu regarded natural spontaneity and conscious effort as opposed; they favored the former and devalued the latter. One should adapt oneself to one's circumstances rather than trying to adapt one's circumstances to oneself. Go with the flow, let things be. Hsün-tzu was the opposite; he agreed that natural spontaneity and conscious effort were opposed, but he reversed the valuations. The natural tendency of things is toward evil, unless they have order imposed on them from without. This was true of human beings as well, he thought; people's natural tendencies are corrupt, and moral education runs against the natural grain. A virtuous person is as much an artificial product of a craftsman's skill as is a vase or a table—form and definition successfully imposed on recalcitrant material.

Mencius rejects both these approaches. For him they are opposite sides of the same coin: the mistaken assumption that natural spontaneity and conscious effort are opposed. Rather, conscious effort is precisely what human beings naturally, spontaneously, tend to do. Thus Mencius shares Hsün-tzu's preference for deliberate self-improvement—carving and polishing oneself like jade. But he believes, with the Taoists, that success lies in going with rather than against the natural grain of things, and he makes fun of those who "try to help their plants grow" by tugging impatiently on them and thus killing them. Where Hsün-tzu seeks to command nature, and the Taoists seek to obey it, Mencius embodies the Baconian dictum that "nature, to be commanded, must be obeyed." The movement from disorder to order is part of the natural tendency of things; we can help the process along, and in some cases direct it toward our favored kinds of order instead of some other, but always by cooperating with the natural tendencies of things (as one does when one waters plants) rather than imposing order from without.

The Mencian view of order is a myth. Maybe it is a true myth; maybe the material world really does have an inherent tendency toward greater order, as many New Age religions proclaim. Or maybe it is only a metaphor; raw materials, after all, have no inherent tendency to form themselves into girders and bridges with-

out a lot of difficult human labor overcoming a lot of resistance. But the myth need not be believed as applying literally to all cases of order, for it to be a valuable way of conceptualizing an approach to order that could be useful for members of a free nation.

This fact could prove an unexpected bonus for a free nation, which may need to appeal to the cultural traditions of its immigrants. Nearly one fourth of the world's population lives in countries where Confucianism and Taoism are traditions of long standing, and Mencius is a respected figure. (This remains true despite Communist attempts in many of those countries to suppress such traditional ideas.) If a fledgling free nation could identify itself with Mencius' reconciliation of Confucianism and Taoism, this could serve as useful PR to counter the popular claim that individual liberty is inconsistent with "Asian values."

#### Bourgeois and Bohemian Virtues

I set out to discuss both stories about order and stories about virtue. Much of what I've said about order, however, will apply to virtue as well; good libertarian stories about virtue might be ones that portray individuals with a Mencian approach to order. I do wish to conclude with some further reflections on virtue, however.

Most of the stories we tell ourselves about admirable conduct are stories that embody the warrior ethic. That is understandable enough; stories about danger and violent conduct are exciting and therefore enjoyable. Moreover, everyone needs to cultivate the ability to face their fears, and so such stories are an important part of moral education. But an exclusive focus on the warrior ethic is not an ideal characteristic of stories for a mercantile society (as I presume most libertarian societies will be).

This is not because the warrior ethic underemphasizes such values as compassion. On the contrary, compassion is often seen as one of the warrior's principal motivations. What the warrior ethic generally does not allow for is the kind of reciprocity involved in market transactions:

"It is interesting to observe that the code of chivalry assumes the helplessness of others. The knight in shining armor is a hero just to the extent that he extricates others from circumstances that they are unable to transcend. He slays the dragon that threatens the frightened and frail peasants; he subdues the tyrannical usurper lord; he protects the innocent against the heathen invader. In all cases, the knight is able to succeed as a knight where, and because, others fail. He is their last hope, and they will be eternally grateful to him, their benefactor and their savior.

In contrast, the entrepreneur must find a way to appeal to others. He cannot assume that he will be welcome; he expects to be subject to evaluation and critical review; he must proceed in his dealings with others by recognizing their autonomy, as they are free to go elsewhere and will certainly do so if they believe they are being poorly dealt with. In short, whereas the code of chivalry elevates the knight and demeans others, commerce strives to gain the respect of others and can do so only by extending respect."<sup>4</sup>

It is therefore not surprising that some libertarians (e.g., Deirdre McCloskey and David Kelley)<sup>5</sup> have called for a renewed emphasis on the bourgeois virtues of production and trade associated with Benjamin Franklin, either to replace the warrior ethic (McCloskey) or to supplement it (Kelley). Stories celebrating the bourgeois virtues would thus be useful in a free nation. Yet there are few such stories, apart from the preachy uninspiring moralistic twaddle purveyed in so much "improving literature" of the late 19th century, and the heroic alienated individualists of Ayn Rand's novels (who would all make terrible salesmen). A more promising literary approach to mercantile virtues might take its start from Robert C. Solomon's "Corporate Roles, Personal Virtues: An Aristotelian Approach to Business Ethics."<sup>6</sup>

But bourgeois virtues are not enough. If a free nation is to survive, it must also possess a healthy admixture of bohemian virtues—virtues involving skepticism toward and rebellion against established authority. Otherwise it could become all too easy for a society of dutiful worker bees to acquiesce in the emergence of some new form of oppression. (What if a consortium of powerful corporations decided to try to become a government?)

One of my favorite libertarian heroes in popular culture is Bugs Bunny. Unlike, say, Daffy Duck, Bugs Bunny does not sow chaos in other people's lives for the hell of it. He peacefully minds his own business. But if someone invades his territory, he strikes back—with brains, not brawn—subjecting the oppressor to ingeniously fiendish pranks and turning their own strength against them with Mencian/Taoist subtlety. (It is no accident that Bugs Bunny is based, via Brer Rabbit, on the trickster-hero rabbit of African folklore.) Bugs defends liberty, not like a chivalrous warrior or armored knight, but like a *hacker*.

Now we see the ideal hero of libertarian fiction: *Ben Franklin with a monkey-wrench*.△

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<sup>4</sup> James E. Chesher, "Business: Myth and Morality," p. 53; in Robert W. McGee, ed., *Business Ethics and Common Sense* (Westport: Quorum Books, 1992), pp. 45–65.

<sup>5</sup> Deirdre McCloskey, "Bourgeois Virtue" *American Scholar*, Vol. 63, No. 2 (Spring 1994); David Kelley, *The Fountainhead: 50th Anniversary Celebration*, Institute for Objectivist Studies, 1993

<sup>6</sup> In Daniel Statman, ed., *Virtue Ethics* (Edinburgh: Edinburgh University Press, 1997), pp. 205–226.

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# Myths of the Nation-State

by Gordon Neal Diem

The Free Nation is a nation-state. The nation-state is a duality; it is both a nation and a state. The nation is a mass of people united by culture, psychology, and shared territory into a nationality. The state is the organization through which the nation maintains its freedom and independence.

At some point in the development of a nation, the nationality aspires to self-government, and the nation-state is born. In the process of this birth, each nation-state develops a set of myths which (1) explain and justify its creation, (2) simplify the process of socializing its new members, (3) distinguish it from all other nation-states, (4) describe relationships among its citizens, and (5) chart its destiny.

## THE ROLE OF MYTH IN MAINTAINING NATIONALITY

A nation is a mass of people sharing a common geographic territory, common culture, common history, and common aspirations. The nation-state is founded through the initiative of intensely nationalistic individuals who claim self-governing statehood for the nation, usually through acts of heroism and self-sacrifice like revolution or mass migration. Once established, the nation-state is perpetuated from generation to generation through the process of socialization. Socialization imprints nationality and state citizenship on both newborn citizens and immigrants.

The newborn has no notion of nationality or citizenship and has no reason to support one nation or one state over another. Socialization begins with a blank slate and constructs both nationality and citizenship. The immigrant aspires to assume the new nationality and new citizenship; that is the immigrant's motive for migration. But, each immigrant must be deprogrammed from their previous nationality before being enculturated with the new nationality and must forsake their old citizenship as they embrace new citizenship.

One essential tool in the socialization process is mythology. Myths are simply stories that need no proof or substantiation. Myths are agreed upon and accepted by the vast majority of people



*Gordon Diem*

who share a common culture. Myths deal with a variety of topics from morals to medicine; some myths deal directly or indirectly with nationhood and with statehood.

## INVENTORY OF MYTHS ESSENTIAL TO A NATION-STATE

Six categories of myths support the successful nation-states from antiquity to the present. These are (1) Myths of Founding, (2) Myths of Dynasty, (3) Myths of Great Struggle, (4) Myths of Uniqueness, (5) Myths of Political Community, and (6) Myths of Destiny.

### Myths of Founding

The nation and the state are founded by a great personage or personages, usually with divine or supernatural attributes. The founding is a miraculous event accomplished by extraordinary personalities.

Myths of antiquity provide examples. A Trojan prince and his descendants, Romulus and Remus, found Rome. Most of the other cities of the Roman Republic are also founded by Greek heroes of the Trojan War. The god of never-ending light and bounty founds Russia. The

descendent of the only survivor of the great flood sent by Zeus to destroy humanity founds Greece and is the direct ancestor of all Greek people. The sun god founds the Inca Empire and is the ancestor of all Inca people. The Irish are the beneficiaries of several successive foundings, the earliest ones by Noah's daughter who arrives forty days before the Great Flood and is drowned in the deluge, and Parthalon, a descendent of Noah's son Japheth, who arrives 300 years after the flood.

American founders include the righteous Pilgrims with their near perfect compact form of government, the philanthropic William Penn, the Roanoke colony which vanishes in heroic mystery, and the Jamestown Colony with its dashing John Smith, for whom Princess Pocahontas sacrifices her own nationality to insure his nationality survives. The American nation becomes a nation-state at the hands of the great revolutionary Founding Fathers, described as heroic, extraordinary, and visionary.

The Free Nation will construct its own myths of founding, focusing on the already enshrined Ayn Rand who provides the moral justification for the Free Nation, the visionary Rich Hammer who facilitates the social and political framework for the Free Nation, and that one entrepreneurial libertarian who eventually secures the geographic territory for the home of the Free Nation.

### Myths of Dynasty

The current rulers of the state are legitimized by their connection to the founders through dynastic succession, nobility, social class, political party affiliation, or some other shared cohort status. The entire current generation of citizens is linked to the dead heroes of the past and to the yet unborn.

Antiquity provides many examples. The noble families of Thebes are descendants of the "sown men" who arise from the teeth of the dragon slain by the founder of Thebes and planted by him on divine orders. There are divine or partially divine ancestors for the royal ruling regimes of ancient Germany, the Inca Empire, and modern Rwanda, Zaire, Sudan, and most other royal families of the world.

American myths of dynasty include claims the original Founding Fathers also

fathered America's great political parties, claims current public policies are an incremental extension of the ideas of those Founding Fathers, and personal claims by budding politicians to connections with the leadership dynasties of the American past—the Roosevelts, Byrds, and Bushes. Continuity from the past is maintained by organizations like the Daughters of the American Revolution and by the national preoccupation with genealogy.

The Free Nation will construct its own myths of dynasty, probably based on loyalty to one of the various paradigms of libertarian philosophy (e.g. objectivist, anarchist) or on claims of genetic lineage from the heroic founders of the Free Nation. Successive generations of leaders of the Free Nation will legitimize their claim to leadership by associating themselves with the founding personalities.

### **Myths of Great Struggle**

Founders struggle with, and overcome, great and evil adversaries in the process of establishing the nation-state, thus imbuing both themselves and the founding of the nation-state with moral virtue. Those opposing the founders use immoral means in their opposition, but the founders use only moral means rooted in the highest human values of fair play, self-sacrifice, and humanitarianism to overcome that opposition.

Antiquity provides many examples. Cadmus confronts and kills a dragon in order to found Thebes. Jimmu-tenno mounts a great expeditionary conquest to become the first emperor of Japan. Nyikang, founder of Sudan, defeats the sun in battle and parts the waters of the White Nile to establish the Shilluk nation and its governing dynasty. Parthalon, a descendent of Noah's son Japheth, battles the evil Fomorians, descendants of Noah's son Ham, for control of Ireland. Romulus wars with the Sabines to establish the Roman nation and state. Yu the Great, labors thirteen years to drain the waters of a great Chinese flood into the sea before establishing the Xia Chinese dynasty.

The classic American founding struggles include the War of Independence against an evil British king and the long-term struggle of American unionists against the anti-federalists and confeder-

ates who oppose unity and support states' rights.

The Free Nation will identify some struggle of its own—a struggle against the sea in ships, against aggression from neighboring nation-states, or against interference from the United Nations or from American tax authorities. This struggle, and the sacrifice by those who make the struggle, will justify the nation and sanctify the governing regime.

### **Myths of Uniqueness**

The nation-state claims to be one-of-a-kind among the nations and states of the world. The race, culture, and intellectual achievements of the nationality are unique and superior. The structure and ideology of the state are also unique, superior, and invincible in the face of foreign or domestic adversaries.

In antiquity, the Israelites claim they are the uniquely chosen people of God, that their culture and laws are given directly to them by God, and that God supports them in war. In Hawaii, Paccu, a divine conqueror from across the sea, overthrows the existing dynasty of chiefs creating a new dynasty and founding the new religion of the regime. American uniqueness includes claims for (1) the first written Constitution, (2) a historically superior "presidential" and "representative" form of government, (3) a melting-pot culture which combines only the best attributes of each of the other nationalities and states of the world, (4) the first nation born in freedom, and (5) divine guidance in all the above.

The Free Nation will claim to be the most free nation on Earth and the first to put into practice the ideals of libertarianism. The culture, social arrangements, and government of the Free Nation will be touted as the vanguard of the inevitable worldwide movement away from the liberal-conservative left-right continuum and movement toward the libertarian pinnacle of the Nolan Chart. All these claims will support a notion of moral superiority in a world of inferior nation-states.

### **Myths of Political Community**

A national fantasy of an idealized political community instructs citizens how the politics of the state operates and how citizens relate to one another within the nation and the state.

In antiquity, politics is clearly elitist and authoritarian and the relationship among citizens is stratified into superior-inferior and master-slave. Plato's Republic is the ideal hierarchical nation-state.

Enlightenment thinkers and the American and French Revolutions bring a new fantasy of equality, fraternity, and democracy. All men are created equal and participate equally in the life of the nation-state.

The Free Nation will claim to be the ultimate fulfillment of the Enlightenment myths, with all previous nation-states, including the United States, being inferior successive approximations of the ultimate ideal. In fact, much of the work of the Free Nation Foundation is focused on creating the national fantasy of the idealized community even before the nation-state is founded.

### **Myths of Destiny**

Based on the stature of its founders, the virtue of its great struggle, the legitimacy and pedigree of its continuity, and the unique superiority of its culture and government, the nation-state sees itself destined for geopolitical greatness. With divine support and with moral and political superiority, the nation-state draws the people and resources of the world to itself, teaches and guides the less fortunate and less able nations of the world, accumulates vast territories and wealth, and fulfills the great destiny or higher purpose thrust upon it by gods or fates. The destiny is phrased in generalities so any succession of short-term goals and the development of new goals is possible within the context of that destiny.

In antiquity, the Israelites are destined to obey God, the future glories of Rome are revealed by the gods to Rome's founder, the goddess Aphrodite predicts the everlasting dynasty of Rome (perhaps through to the Third Reich?), and conquerors from Alexander to the Islamic warlords claim to fulfill destiny with their successful conquests. The British Empire of the eighteenth and nineteenth centuries assumes "the white man's burden" to civilize the peoples of the world.

American history is dotted with claims for manifest destiny, including consolidation of the colonies, conquest of the natives, conquest of the terrain, expansion west of the Appalachians, expansion to the Pacific, expansion into



Spanish America, expansion into a global empire, and singular leadership of the New World Order. American history is also dotted with claims of cultural, racial, and political superiority, including superiority over the yellow horde, the Filipino people, the European despots, and the Soviet evil empire.

The Free Nation will develop similar myths to solidify a sense of nationality, instill national and state loyalty, and maintain the self-confidence of the nation-state in the face of a world community which does not share the values of the Free Nation.△

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# A Free Society Requires the Myth of a Higher Law

by Roy Halliday

Self-interest, altruism, and principle are three basic reasons why people do things. *Self-interest* is our motive when we do something because we believe we will benefit from it. *Altruism* is our motive when we do something because we believe someone we care about will benefit from it. *Principle* is our motive when we do something because we believe it is the morally right thing to do.

Why would people work to establish a free society? Which basic motive holds the most promise? To simplify the analysis, let's imagine that we act on only one of these motives at a time.

## Self-Interest

Two selfish reasons why we might work for a free society are: (1) so we can get rich (greed) and (2) so we can live in a country where we don't get bossed around by the government (personal freedom).

## Greed

Greed can motivate us to defend a free society in which we already have investments, and it can motivate us to invest in an established free society, but it cannot motivate us to make sacrifices to *establish* a free society unless we are fools. The myth that we will get rich by establishing a free society might appeal to gullible people, but state lotteries have siphoned off so many that I don't think there are enough left for a libertarian movement.

Libertarians who are interested in building a free society cannot promise success, nor can we honestly say that joining the libertarian movement is in our self-interest. Probably it is not.

Unless we get some libertarian billionaire to hire enough people to create a free society, greed will not provide enough incentive.

In a country such as the United States where state power is spreading steadily, greedy people, if they are smart and unprincipled, will take advantage of the political means to acquire wealth.

## Personal Freedom

If all the people who like to be left alone by organizations, movements, causes, busybodies, reformers, and do-gooders would band together to crusade



Roy Halliday

for their common cause, they might win the peace and privacy they desire. The problem, of course, is that these are the very people who don't join crusades of any kind. All movements and causes are distasteful to the kind of people the libertarian movement would benefit the most. They don't have fancy ideas about morality or economics to promote. They don't like to bother people. They respect privacy.

How can these individualists be induced to unite and to make sacrifices to build a free nation? I doubt that it can be done.

Individuals whose top priority is personal freedom will come to a free society after it is established, but they won't make sacrifices to create such a society.

## We need a *social* rather than a *selfish* myth.

Being a libertarian today entails being alienated from the prevailing modes of political and moral thinking. It can entail sacrificing some popularity, prestige, and economic opportunities.

We won't get far in building a free nation if we base our movement on selfishness. We cannot achieve a free society by holding personal wealth or per-

sonal freedom as the ultimate goal and aiming directly at it. Instead, I think we need to appeal to a wider audience that includes more social people.

What myth can we promote that social people might like to believe?

## Altruism

Altruism as it naturally occurs, is not generalized enough to support a movement for universal freedom. Most people, in so far as they are altruistic, are interested in the welfare of their friends and families more than in the welfare of mankind at large. Their altruism is strongest with regard to people they share their lives with, and it is more effective when it is channeled into special-interest politics as opposed to working for the public interest.

For altruism to be generalized so that it embraces everybody (as in social utilitarianism), it needs to tap into our sense of morality rather than our natural concern for people we actually know and love.

A social utilitarian, who believes the highest moral good is to maximize the material welfare of the greatest number of people, has to put aside his natural concern for his friends and family. He has to reject his natural selfishness and his natural altruism in order to count all people (himself, his family, his friends, and strangers) as equal units in his calculations. He is morally obligated to understand economics so he can determine how to optimize the use of society's resources.

By studying economics, a social utilitarian can come to believe that private property and the free market are the appropriate means to his moral goal. This would give him a motive to promote a free society. However, I do not believe economic theories will persuade enough people to build a libertarian movement.

For one thing, most economic theories that people are exposed to are wrong and do not support a free society. For another thing, Austrian economics, which I believe is correct and which does support a free society, is boring and is beyond the mental capacities of most people.

Not only is social utilitarianism too complicated, it misses the mark emotionally. After all, the strongest emotional objection to the state is that it is tyrannical, not that it is inefficient.

## Principle

The non-aggression principle is simple enough for even public-school graduates to understand, and it is the key to libertarianism. Many people already agree with this principle and practice it in their private lives, but they fail to apply it to the activities of the state. Libertarians are distinguished by the consistency with which we apply the non-aggression principle. We regard it as absolutely binding for all morally responsible adults, regardless of race, religion, nationality, sex, time, or place. We recognize this moral principle as superior to the laws of any state. So, logically, libertarianism is a "higher-law" philosophy.

The non-aggression principle serves three functions for libertarians: (1) It provides a basis for judging the morality of government laws. (2) It is the fundamental law of a free society. (3) It provides a motive for us to work for a free society. Let's look at these functions one at a time.

(1) To see how the non-aggression principle enables us to judge the morality of government laws, consider the statement "Taxation is theft." This statement makes sense only if *theft* has a meaning beyond the legal meaning assigned by the state. In other words, this judgment assumes a higher law than the laws of the state. The non-aggression principle is such a higher law. When we combine the non-aggression principle with the principles of private property (self-ownership, the homestead principle, and the right to make contracts and to trade), "Taxation is theft" becomes an intelligible statement. Otherwise it is nonsense.

(2) A free society is a society in which everyone enjoys the maximum amount of liberty that is logically possible. The non-aggression principle is, necessarily, the fundamental law in such a society. Deviations from the non-aggression principle tend to reduce the amount of discretion in society.

(3) Belief in the non-aggression principle provides a moral motive for wanting to establish a free society. The non-aggression principle appeals directly to our sense of right and wrong (our conscience) rather than to our self-interest or altruism. Since conscience is a nearly universal human trait and since it is accompanied by strong emotions, it can

move a large number of people to unite for a common purpose.

## Reasons for Believing in the Non-Aggression Principle

There are several ways to arrive at a belief in the non-aggression principle. It can be taken as a religious tenet based on faith, or it can be adopted as a moral tenet based on reason, or it can result from skepticism about all moral theories.

You could adopt the non-aggression principle because you believe in a supernatural lawgiver who commands you to do so. For example, if you believe Jesus is divine and ought to be obeyed, then you would refuse to use violence at all, whether for aggression or for self-defense. You would be a pacifist libertarian like Jesus.

Alternatively, you could adopt the non-aggression principle because you think the principle itself makes sense. You could reason in one of the following ways:

You could begin by noting that ethics is similar to esthetics. We have a natural capacity to learn about and to appreciate morality and beauty. We have natural emotions that are evoked by moral actions and by works of art. But we are not born with detailed moral codes or esthetic tastes. Instead, we acquire our moral codes and our tastes under the influence of the culture in which we are raised. If we study other cultures, we learn that they have different moral codes and different tastes in art and music. Knowing this, we could become libertarians by reasoning as follows:

1. No moral codes or esthetic tastes are objectively better than any others.
2. So there is no more reason for imposing one than there is for imposing any other.
3. So they should all be tolerated—or as many should be tolerated as possible.
4. To tolerate the maximum number of views, we need to enforce the non-aggression principle.

So we see that if there is no natural law, libertarianism can still win by default.

The same facts that lead some to skepticism can lead others to absolutism by reasoning as follows:

1. Since all cultures instill moral codes and esthetic tastes, the desire for morality and the love of beauty must be inherent in human beings.
2. Since cultural traditions and government laws vary, they are not sure guides to true morality and esthetics.
3. We must use reason to discover the absolute principles of morality and esthetics.

Then, those who believe that morality is real can become libertarians by reasoning this way:

1. The concept of morality implies that virtue and responsibility are possible.
2. Virtue and responsibility are possible only when people are allowed to make their own decisions.
3. The non-aggression principle allows the most opportunity for people to be responsible and virtuous.
4. So the non-aggression principle is fundamental to morality.

## Moral skepticism is not acceptable.

Moral skepticism and moral absolutism are both logical, but, psychologically, they are not equally acceptable. Whether we think it is pointless or not, we still have moral emotions and we still are moved by art. It is not psychologically possible for us to believe that all actions are equally good or that all creations are equally beautiful. It would mean giving up too much of what makes life worthwhile to adopt the skeptical view that there is no true morality and no true beauty.

I believe that moral skepticism is not correct, there are absolute principles of justice (such as the non-aggression principle and the principle of self-ownership), and these principles lead to the conclusion that libertarianism is the correct political philosophy. Furthermore, belief in a higher law (either natural law or supernatural law) is more in tune with human nature than moral relativism or skepticism.

To win and keep a free society, libertarians need to promote the myth of a higher law so that we can take advantage of the strong emotions associated with the moral sense and channel that energy into a movement dedicated to liberty and justice.

Despite the attempt of the public schools to teach moral relativism and obedience to the state, most of our countrymen have consciences and can reason well enough to follow the simple argument that virtue is possible only when people are allowed the freedom to make their own decisions.

It is natural to feel outraged by criminal behavior. We don't have to pretend to be outraged. We do not choose our emotions because they are useful. We naturally resent assaults against us.

Promoting the moral code implied by the non-aggression principle takes advantage of the natural human emotions that make us capable of principled and noble acts.

### Conclusion

Economic and social theories will not inspire enough people to create a free society. We can't expect many people to become dedicated libertarians by reading *Human Action* or *Man, Economy, and State* or other tomes on Austrian economics. Libertarianism is about justice, not about maximizing profits. To get popular support for a free society, we must appeal to people's moral sense rather than to their understanding of economic theory.

We need a myth that appeals to people's consciences by upholding moral ideals.

To establish a free society and to maintain order in a such a society, we must believe in a higher morality than subservience to the state. To *create* a free society, people must be moved by belief in the higher law capsulized by the non-aggression principle. To *keep* a free society, the public needs to deter crime by using non-aggressive means such as shunning, boycotting, and social ostracism. These voluntary methods require individuals to pass moral judgments against criminals, which they can do only if they believe in the non-aggression principle.

Promoting the non-aggression principle as the highest law is the moral way and the strategically sensible way to build popular support for a free society.△

*Roy Halliday thinks he knows something about the higher laws of morality, but he has no clue about the laws of esthetics. He likes the music of Vivaldi and Tina Turner, the paintings of Renoir and El Greco, the novels of Anne Tyler and Gore Vidal, the humor of H. L. Mencken and Robert Benchley (known in their current incarnations as P. J. O'Rourke and Dave Barry), and, paraphrasing Joe DiMaggio, he thanks the Good Lord for making him a Yankee fan.*



# Mythology of a Free Nation

by Richard O. Hammer

What myths will make it possible for a free nation to stand in this world of states? When I started to write about this topic I discovered that it was more complex than I had thought at first. More than one mythology seems involved. A free nation constituted as a democracy would probably require a different mythology than one which was constituted as a proprietorship. To further complicate the question, the founders of a nation probably need a different mythology than the eventual inhabitants. I start with a discussion of these issues. Then I offer some mythology.

## Free-Nation Mythology within the Science of Organization

I see mythology in a semi-scientific light. As a companion to this paper I wrote another paper, "The State Is a Form of Life, A Legitimate Peer in the Family of Organizations," which starts on the back cover of this issue. In that paper I argue that an organization can succeed if it possess one or more decision rules which, when followed by the members of the organization, enable the members to coordinate their actions in such a way that together they live better than they would without following the rule(s). The decision rules are thus the essence of the organization. We may think of the decision rules as the constitution, whether written or unwritten, of an organization.

I have argued often that a new free nation could be constituted somewhere on Earth, and that it could maintain itself separate and free. Now I add what may be obvious—the free nation must be an organization in the way described above. It must embody decision rules.

We do not live in a free nation now because the state, which I regard as a not-very-sophisticated class of parasitic organization, has grown upon almost all the land mass of Earth. At first glance there appears to be nowhere we can go.

But, I assert, the present ecology of states creates an environment in which a new type of organization could thrive.

Now, more than ever before, evidence of the power of free markets abounds. We who believe in this power should see that it lies in our hands. If we organize properly we can use this power to purchase autonomy from states and to constitute a realm which can easily defend itself from states. None of us can do this alone (unless perchance you are a billionaire). But if we organize we can do it easily. This free-nation organization should succeed in the ecology of organizations because it helps its members live better.

To wrap up this section:

- states do exist on earth and will exploit all easy prey unless confronted by an organization which holds their respect;
- the free nation can exist as such an organization only if it has decision rules;
- members of the free nation must be guided in some of their choices by these decision rules;
- myths can communicate decision rules.

## DIFFERENT SITUATIONS REQUIRE DIFFERENT MYTHOLOGIES

### Do the Inhabitants of a Free Nation Need a Libertarian Mythology?

Commonly, it seems to me, libertarians assume that liberty in a free nation could be secure only if the inhabitants were libertarians. But I tend to differ on this point. Consider two examples:

- If the parents in a family are libertarian and use force with their children only in accord with libertarian principles, then the children will live in a libertarian environment even if the children are not libertarians.
- The same applies to the passengers on a cruise ship. If the captain, whose word is law, uses his power to coerce only in accord with libertarian principles, then the passengers live in a libertarian environment—whether they are libertarian or not.

What makes these environments libertarian is the bias of the force which lies at the disposal of the inhabitants. If the force responds to a call to protect what

we consider to be a real right, but does not respond to any other call, then the environment is libertarian, regardless of the attitudes of the inhabitants.

For another example consider the present condition of the United States. The US is still relatively free as nations go. But, for the most part, I would not attribute this freedom to the attitudes of present Americans. Rather I would attribute it to some powers which were established by the written Constitution to defend certain rights. Sometimes these powers still act with force.



*Richard Hammer*

To illustrate, imagine that a burglar is slowly breaking into your house in America. Further imagine that you call the government police, and that they send a patrol car quickly enough to arrest the crook. This could happen. (Further, I suggest that the possibility that it might happen explains why many burglars try to act rapidly.) But, to the point, notice that it could happen even if everyone involved in the institutions which have protected you (the taxpayers, the mayor, the police, and you) are all statist. Here we see that a libertarian right has been protected—not by libertarians—but by institutions through which all parties except the burglar advance their self-interest by overwhelming the burglar. Institutions, whether constituted for good or ill, commonly overwhelm the attitudes of individual human participants.

One way that a free nation could be constituted would be as a proprietorship. I suggested an example of such a constitution in my story "A 'Nation' Is Born."<sup>1</sup> In this fictional birth of a free nation the large majority of initial settlers were boat people from Southeast Asia. These people were not libertarians. But, being eager to live and work, they were willing to contract to accept almost any environment of law. The libertarian environment of the enclave was established, for the most part, by the influence of the principal founder, one wealthy businessman who did not even live in the enclave. Such a constitution seems plausible to me.

Therefore I do not join libertarians who insist that the overwhelming majority of inhabitants of a free nation must be libertarians. But, if it might help understanding, let me speculate why these libertarians think this way:

- First, these libertarians grew up in a polity where the constitution allows itself to be overturned with half or two-thirds of a vote. And I gather they are assuming that a new free nation would be the same way. But I assume that the founders of a new free nation would learn from the experience gained with the US Constitution, and would put more safeguards in the constitution of a new nation.<sup>2</sup>
- Second, these libertarians may be assuming that there will be no enforcement of law in a free nation, since government police will be either absent or stripped of most of their power. If this were the case then indeed you would have to hope that everyone around you in a free nation were a saint, because a single sociopath could ruin the whole country for everybody. But this is absurd. Libertarians who have advanced past third grade in their education should understand how and why private law works better than state law.<sup>3</sup>
- Third, these libertarians may assume that popular support for law makes enforcement easier. In this I concur somewhat. The power of law enforcement is limited by the amount of cooperation which can be won from those individuals who, of necessity,

must be called upon to enforce the law. But, as you might surmise from my drift, I believe that libertarians generally err on the side of giving too much credit to the influence of individual morality, and too little credit to the influence of institutions.

I suppose that institutions could be crafted which act to preserve a libertarian polity even though the people who support the institutions do not think of themselves as libertarian. For example, the Fully Informed Jury could be such an institution. If I have understood the implications of the FIJA movement,<sup>4</sup> fully informed juries would regularly strike down statutes which grab too much power for the state while leaving in place laws which libertarians approve. So if popular mythology supported the right of each juror to vote her conscience, that could go a long way toward creating a libertarian polity—even if no one in that polity thinks along libertarian lines of "not initiating coercion."

Thus I believe that it would be possible for the founders of a free nation to install institutions which would act to preserve a libertarian polity, even if the founders were a tiny minority and even if the large majority were not libertarian. It is not necessary for the inhabitants of a free nation to have a libertarian mythology. And I wish more libertarians were cognizant of arguments such as these which I offer.

Yet I will join these libertarians, who believe that a free nation must have a libertarian populace, in sentiment if not in argument. I would like to live in a free nation populated by libertarians, a nation in which the institutions of law enforcement were held in place by a popular libertarian mythology. Such a constitution seems familiar to me, as it seems related to the US Constitution with which I was raised. It would give me a good feeling to think that I shared a mythology with most of my countrymen. Furthermore, if I am going to live in this nation I would like most of my neighbors to be libertarians—just so that I have a better chance of forming friendships with them.

As such, even though I doubt that a libertarian mythology is essential for the broad populace of a free nation, I will present some ideas about what such a mythology might be under the last major

heading in this paper, "Myths for the Maintenance of a Free Nation."

### Founders and Maintainers Need Different Mythologies

It seems evident to me that the founders of a free nation would need to be equipped with different mythology than the eventual inhabitants of a free nation. The founders, those who tear themselves from their motherlands, must be hungry, passionate, or willing to take risk. Whereas the eventual inhabitants could be conformists for the most part, who absorb values without question and who act simply to conserve institutions which their forefathers have established.

I had not seen this dichotomy at the time I wrote the call for papers on "Mythology in a Free Nation." I was thinking primarily of the mythology which would be required of eventual inhabitants, in the sort of free nation in which the constitution was preserved by a libertarian mythology. But I now realize that some of the main points I want to make concern the beliefs which must be felt by the founders of the free nation.

As such, you will see two major headings in the remainder of this paper. The first will discuss the mythology necessary for founders of a free nation. The second will discuss the mythology necessary for citizens who would maintain an already-founded free nation of the sort which requires popular support for its constitution.

### MYTHS FOR THE FOUNDATION OF A FREE NATION

In the discussion which follows the concept of "need" plays a central role, because I believe that myths serve needs. When we feel a need which we could choose to satisfy in numerous ways, a myth guides us to give serious consideration to only a few of those possible choices.

As such, I organize the discussion which follows around a list of needs. Each need is set off with a heading. Under each heading I give a discussion of theory. Then, where I have it to offer, I give some direct suggestions as to how mythology might be taught or practiced.

## Need for Free-Nation Libertarians to Stand Apart from Statists

### Theory

In the scenario which I promote through FNF, a new and separate political entity will be created. This will require that settlers separate themselves from their native lands to move into the new nation. They must separate from family members and friends. But this separation could prove so difficult that most libertarians never take the step.

In Figure 1, I present a graph which may help explain why this separation is difficult. The curve is not based upon any data. It shows only my guess about the distribution of attitudes among people. The important attribute of the curve is that it slopes continuously downward from left to right.

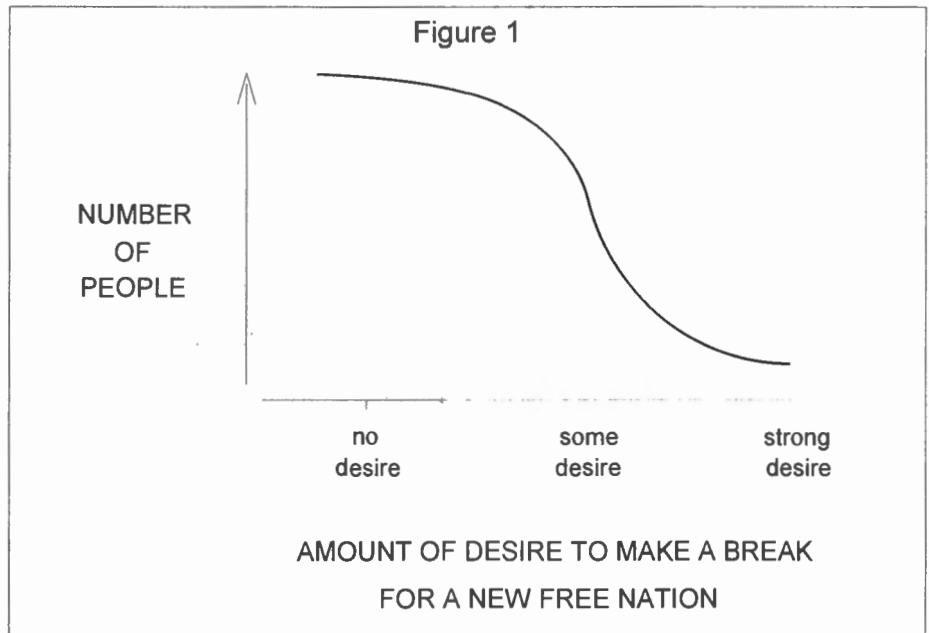
Each one of us, I suggest, might be comfortable deciding to separate from our native land if we knew that we would be going with our most important family members and friends. But, assuming attitudes are distributed as shown by the downward slope in Figure 1, each one of us, no matter where we might fall on the horizontal axis, probably has many more family members and friends who are more anchored to the present regime than we have family members and friends who are less anchored. And we find ourselves unable to persuade those who are more anchored, because each of them in turn has more contacts who are more anchored than ready to go.

I believe that this shows why free-nation libertarians have not yet formed a new free nation. A movement does not cohere. The energy of activists who have strong desire for a new free nation dissipates to no avail into the larger, inert mass.

If the free nation is ever to form, somehow a separation must be achieved from the larger, inert mass. Free-nation libertarians need a mythology to encourage this separation.

### Teaching

If a statist says to you, "People are not angels, you know. Government has to regulate businesses that do not care about anything but their own profit." Then you should say in reply to her, "I hope that you can have all the government which you desire—in your country.



As a libertarian, I do not want to interfere with you. I seek only to find a realm apart from yours, in which I can live in peace with the rights which I prefer."

Further say to her, "We are lucky that there are over 100 countries on Earth. We do not all have to live under the same government. People with different tastes can choose different governments."

If a statist says to you, "Your scheme is pie-in-the-sky idealism. It will never work." Say in reply to him, "You may be right. We may be crazy. Still I feel called to try. I hope I can proceed without hurting you in any way."

And if a statist appears friendly, and says to you, "While I do not agree with your ideas, I am glad that ideas such as yours can be expressed in America. I like the debate in American politics. We need you here, to keep us on our toes." Say in reply to her, "Do not feel loss on our separation. The world is becoming a smaller place. Travel and communication are becoming cheaper. We will be in touch."

## Need for Free-Nation Libertarians to Stand Apart from Majority-Rule Libertarians.

### Theory

By "majority-rule" libertarians I mean those whose attachment to their present country induces them to seek greater liberty primarily by trying to convert 50% of their neighbors. It seems to me that these libertarians still feel more

ardor for their motherland than they feel for liberty.

Another model which I use to describe this phenomenon is that of a *we-chain*. When I call meetings on behalf of FNF to discuss how "we" libertarians can advance toward creating a new free nation, some libertarians attend who join me for the time in this "we" talk. I am apt to feel that I have succeeded, that I have connected with a community through which I can advance toward my goal.

But then these libertarians go into other circles, where they have many more present connections than I can offer, and invest even more of their energies in trying to convince statist Americans that "we" can make America better by shrinking the government. These libertarians hold to me with one hand and hold to the state with the other hand. I am thus held through a *we-chain* to the status quo.

But the *we-chain* must break at some point if my ambition to live in a new free

<sup>1</sup> *Formulations*, Vol. V, No. 1 (Autumn 1997).

<sup>2</sup> I offer a few suggestions in this vein in "A State Can Be Designed to Shrink," *Formulations*, Vol. III, No. 3 (Spring 1996), <<http://www.freemation.org/fnf/af33h1.html>>.

<sup>3</sup> Bruce Benson, *The Enterprise of Law: Justice Without the State*, 1990.

<sup>4</sup> Fully Informed Jury Amendment, <<http://www.fija.org>>.



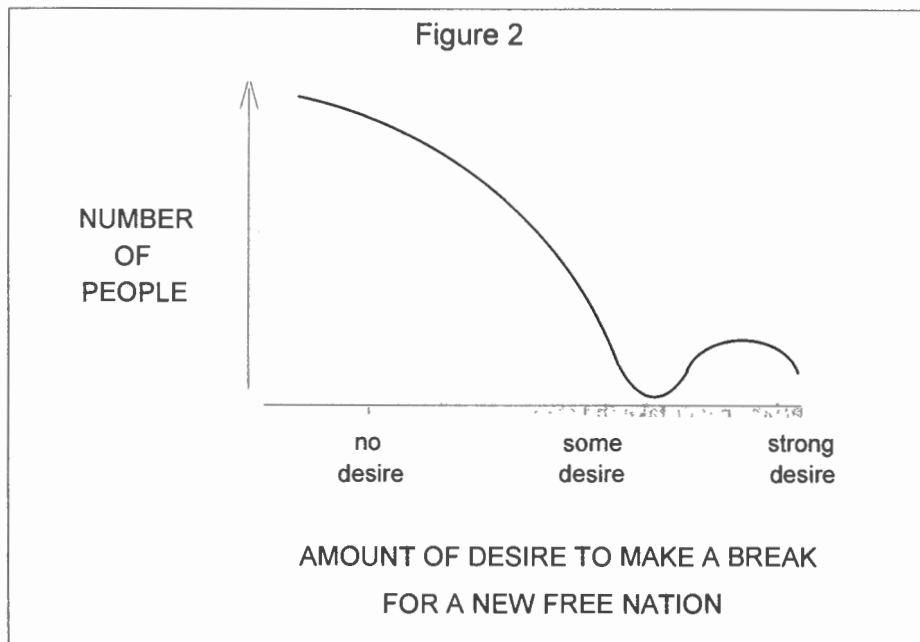
nation is ever to be fulfilled. Either I must break from you, reader. Or you must break from your more-complacent contacts. Or they must break from their still-more-complacent contacts.

In certain favorable circumstances this break could be achieved with minimal pain. Such circumstances would exist if the curve, such as that introduced in Figure 1, had a dip in it, as I have drawn in Figure 2. In these circumstances the we-chain would break at the bottom of the dip. Only the few people near that break point would feel substantial loss. The free-nation movement could naturally cohere and break away from the main body of people who are anchored to the present regime.

For many libertarian activists, most of whom are men, the strongest link which holds them to the present state is a woman. As I have argued before, I suspect that the different roles which men and women play in reproduction have created, over the ages, a species in which men and women differ, on average, in mind as well as in body. These differences, although blurred in the larger population by a substantial crossover between the sexes, reveal themselves clearly in the libertarian movement because, as I speculate, our movement draws from an extreme end of the distribution.<sup>5</sup>

I propose it would help our movement if we own these differences rather than pretend that they do not exist. For the free-nation movement in particular I think it will help if we acknowledge that men more than women seem ready to gamble, in leaving a prosperous and safe nation such as America, in order to launch a new nation. Of course we should cherish the participation of any women who join us. But many libertarian men will have to choose between holding to the free-nation movement and holding to their woman. This choice will be so painful that they will try to postpone it, they will grip more firmly to free-nation activists, trying to keep us around a little longer, to give them more time to work on their woman. But the free-nation movement must separate from the larger, inert mass. So I need to release my grip to these libertarian men.

When the free nation starts to prosper, I expect there will be many women who notice the nice things but give little



thought to the political structure. But the first boatloads of these will arrive from nations which are now poor, and not from nations which are now wealthy.

Of course, as some of you may reasonably suggest, I might achieve my freedom by simply going off alone. Why do I even pause to try to communicate with other libertarians, when I could live in a tent, probably unmolested by any state, on the ice pack in central Greenland? But my goal has never been to be alone. I seek community which is healthy and loving. I want to live in a prosperous, teeming city of humanity. I need compatriots. From my standpoint somehow a movement must coalesce.

But also somehow this movement must separate. The we-chain must break somewhere. And it seems to me that the break must pass through the libertarian community, with the more ardent of us leaving the more complacent behind.

#### Teaching

If you meet a majority-rule libertarian who says to you, "But America is a great country. I cannot give it up yet." Say in reply to him, "Then you should stay. I am glad that I will have libertarian friends back in the land of my birth."

If a majority-rule libertarian says to you, "But don't you think America can be saved for liberty?" Say in reply to her, "Perhaps America can be saved. But I will leave that effort to you. I do not want to fight with statist who know no comfort but their state. I think I see a

more direct and peaceful way to get the liberty which I desire."

If a libertarian says to you, "I am really excited about the idea of a new free nation. But I do not think I could convince my wife to go along. I do not want to leave my wife." Say in reply to him, "Then you stay here, and continue to support the libertarian movement in America. Perhaps your wife will be easier to convince after the free nation is up and running, when it does not look like such a gamble. We will be in touch."

#### **Need for Free-Nation Libertarians to Stand Apart from Free-Society Libertarians.**

#### Theory

By "free-society" libertarians I mean those whose hope to attain liberty lies in the spontaneous growth of free society which, these libertarians hope, should follow the spontaneous collapse of the state. Free-society libertarians, to the extent that I understand them, place no trust in any effort at organization among libertarians. Rather they strive to survive as individuals. They plan to hold out until things get better.

Since free-society libertarians have no ambition to achieve organization with other libertarians, they invest no effort in maintaining a positive reputation for themselves among libertarians. Rather they tend to keep themselves mostly obscure from view, and often use guises.



Trying to organize free-society libertarians is like trying to herd cats.

But, as I promote the FNF scenario, free-nation libertarians do not need to wait for spontaneous order to produce institutions that will undermine the state. Rather, we can obtain liberty if we consciously create an organization which will stand shoulder-to-shoulder with states.

To build such an organization I believe that free-nation libertarians must first establish channels of trust and communication among ourselves. Thus it becomes all important to establish good names and good reputations for ourselves, in our circle. Among ourselves we need to be known and trusted for who we are. If I am not mistaken, this is the first step toward building an organization. This is why I gladly tell my real name and address, and gladly publish a summary of FNF's finances in the Annual Report.

Sometimes, to contrast the free-nation scenario with the free-society scenario, I use the image of a cup of water placed in a freezer. We know that eventually the phase of the water will change from liquid to solid. But a question remains about how this phase change will take place. Will solid crystals form at one point in the cup, and grow only gradually as hours pass before the entire cup solidifies? Or will the body of the liquid cool almost uniformly with no crystals forming, until suddenly in the span of only a few minutes the entire body changes from liquid to solid?

Optimistically, I concur with free-society libertarians that the state may be doomed as an institution. Eventually, everywhere on Earth, it seems new networks will form which cut around the power of the state. The political phase of the entire Earth seems bound to change—eventually. But how will this change take place? Will it start in isolated spots and then spread only gradually, with centuries passing before the whole has changed? Or will all populations on Earth gradually approach a change which then happens everywhere in only a few years?

The way that you answer this question may determine whether you should act as a free-nation libertarian or a free-society libertarian. If you think that the change will be local at first, and that it

will advance painfully slowly in other spots, then I invite you to join me as a free-nation libertarian. We can make sure we live in one of the good spots.

Free-nation libertarians, in contrast with free-society libertarians, will identify themselves openly and seek to organize with other free-nation libertarians. They will see themselves as the building blocks of a nation-strength organization. They will be proud and open about this participation.

### Teaching

When a free-society libertarian says to you, "Society is changing gradually in our direction. But times will be dangerous. You should wait out the storm. Diversify your assets. Use encryption. Assume a guise." Say in reply to him, "Did Ludwig von Mises hide the truth about the power of free markets? Or did he publish it 80 years ago in his book *Socialism*?

"I need not hide, because statisticians have no inclination to see the truth. And even if statisticians were inclined to see the truth—and even if they did see the truth—they could not do anything about it. Statisticians were powerless to save the Soviet Union. And they will be powerless to stop the first organization on Earth which uses Mises' insight to erect a defense against the state."

Further say to him, "Statisticians will not see the free nation as a threat. Rather they will see the free nation as a prosperous and friendly neighbor."

Tell him, "It would be wrong for me to slink and assume a guise. The work that I need to do requires that I build good reputation for myself among libertarians."

Finally say to him, "I wish you well. But I must move on now, to invest in building relations with those libertarians who join me in seeing the promise of organization."

### MYTHS FOR THE MAINTENANCE OF A FREE NATION

In this section I make some assumptions. First I assume that a free nation has already been established. Second, I assume that it has a constitution which relies for its continuation upon the popular support of most of the inhabitants.

As described earlier, I believe a free nation could be constituted in a way which did not require popular support for its continuation. Yet in this section I will write about the mythology necessary to sustain a popular constitution, because a popular constitution is after all perhaps the most likely type to develop from our movement.

### Need for Historical Grounding of the Free Nation

#### Theory

The free nation will be most secure if its inhabitants have been educated in the history of its founding. While growing up in America I was ushered through many years of history classes which detailed the state's view of its own history and justified the state's role. I suppose that such indoctrination underlies much of the security that the American state now enjoys.

Therefore I suppose that parents who want to secure the future of the free nation may similarly expose their youngsters to a detailed account of the free nation's history and justification.

#### Practice

Philip Jacobson suggests a straightforward syllabus. He suggests, for instance, the following five historical subjects. Each of these could and probably should be developed into a long course:

- How the prior system came to be.
- How the prior system worked: why it survived as long as it did.
- How the prior system became susceptible to change.
- How the idea of the new system arose.
- How the new system came to be instituted.<sup>6</sup>

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<sup>5</sup> "Men and Women Differ in Political Values: Theory and Implications," *Formulations*, Vol. IV, No. 2 (Winter 1996-97) <<http://www.freenation.org/fnf/af42h4.html>>.

<sup>6</sup> Philip E. Jacobson, "Political Curriculum: Education Essential to Keep a Free Society," *Formulations*, Vol. III, No. 3 (Spring 1996), pp. 24-26, <<http://www.freenation.org/fnf/af33j1.html>>. Phil focuses on a free society rather than a free nation, but the outline and much of the subject matter would be the same.

## Need for Humor

### Theory

I suppose a society which is mature and secure can laugh about itself, and that such humor helps to reaffirm the identity of the society. But the free-nation movement has no humor that I have seen published to date. I believe this is because we are not yet mature and secure.

We should not think that humor is about joy. Rather, as I recall P. J. O'Rourke telling, humor is a way that people process loss, pain, and disappointment.

Although humor is about processing disappointment, I think it shows strength. I guess that people can laugh about their society when they have an underlying confidence that the society will survive in spite of the weakness portrayed in the humor.

Repeatedly I have sought humor appropriate to the free-nation movement to include in *Formulations*. But the humor which has been offered to *Formulations* all seems wrong to me because it ridicules American politicians, American institutions, or American attitudes. Such humor is appropriate for majority-rule libertarians, because it helps them process their disappointment as *Americans*. But it is no more native in the free-nation movement than would be the joke which once circulated among Soviets, "We pretend to work. They pretend to pay us."

We in the free-nation movement need to be able to laugh about ourselves, as libertarians or as citizens (eventually) of a free nation.

### Practice

As libertarians we might joke about: the shortage of women in the movement; the seedy poverty in which many of us live in spite of the fact that we preach about capitalism; the difficulty we have in pumping sense into the heads of statists or in winning elections.

Libertarians who are citizens of a free nation will joke about our disappointments in our nation. Such jokes might concern ways that our institutions fail, thus mocking our faith that a free market can solve all problems. For example: highways might be unsatisfactory; some factories may gush out noxious pollution; arbitration boards might prove corrupt; some people might get away with mur-

der; recreational drugs might for some reason be more expensive and harder to find than in Los Angeles.

## Need for Organization, to Give Defense and an Appearance of Statefulness

### Theory

For the free nation to protect its citizens from the regulation and taxation which other nation would impose if they could, the free nation must possess some organization. It needs to look enough like a peer among states to discourage opportunistic foreign powers from invading as a pretext to "restore order."<sup>7</sup> And it needs to have a system of defense which other nations respect.

Happily most humans—and even libertarians—seem to possess some innate tendencies to organize. Most people it seems derive some psychic benefit from doing things which show their participation in a faith or order. This participation needs to be more than just intellectual discussion. It needs to be day-to-day practice.<sup>8</sup>

Perhaps we could learn from the example of Islam, which has its Five Pillars of Faith. All five are acts which believers are expected to perform. First they are expected to declare their faith, "There is no god but (Allah) and Mohammed is his messenger." Once in their life they are expected to go on a pilgrimage to Mecca. The other three Pillars each require regular activity: believers are expected to pray five times daily; to fast during the month of Ramadan; to give a fraction of their income for aid to the poor.<sup>9</sup>

I suggest we attempt to design a set of activities which both:

- satisfy the need, which free-nation citizens will have, to act in ways which join them with some large and worthy cause;
- provide the resources and the wherewithal to sustain the free-nation organization.<sup>10</sup>

### Practice

Logos could be used. Assuming that the free nation will rely for its defense upon one or more private defense agencies, the constitution of the free nation could foster support of these agencies by establishing offices which:

- certify defense agencies, authorizing use of a CDA logo;
- certify contribution of money to CDAs, authorizing use of either a Fair Share Defender or an Extra Share Defender logo;
- certify contribution of personal time in National Guard activities organized by CDAs, authorizing personal use of a Patriot Defender logo.
- certify the arms possessed within a household, authorizing use of a Front Line Household logo;

These logos could be displayed in advertisements, letterheads, decals, and bumper stickers.

The nation could have a holiday, National Defense Day, with ceremonies and events reminding citizens of the nature of the free nation and its security. CDAs and Front Line Households could display some of their weapons, and hint about the power of other weapons not displayed.

### Teaching

Citizens of the free nation should be taught:

- how to recognize the national logos;
- that the nation stays free because citizens give of themselves, voluntarily, in its defense;
- that they can support their country simply by choosing to trade with partners who display the logos;
- the way to check logos, to confirm whether any particular usage is authorized and current.△

<sup>7</sup> Roderick T. Long, "Imagining Freedom: A Constitution of Liberty" Part I "Between Anarchy and Limited Government," *Formulations*, Vol. I, No. 4 (Summer 1994), <<http://www.freenation.org/fnf/a/f1412.html>>, section I.1.1.

<sup>8</sup> Robert James Bidinotto, "What Objectivists Must Learn from Religion" (audiotaped lecture), Institute for Objectivist Studies, 1997, Poughkeepsie, N.Y., <[www.ios.org](http://www.ios.org)>.

<sup>9</sup> Thomas W. Lippman, *Understanding Islam*, Blackstone Audio Books, 800-729-2665.

<sup>10</sup> Roderick T. Long, "Funding Public Goods: Six Solutions," *Formulations*, Vol. II, No. 1, (Autumn 1994) <<http://www.freenation.org/fnf/a/f2114.html>>.

# Libertarian Mythology

by Steven F. LeBoeuf

When Richard Hammer requested our personal "mythology" regarding a free nation, my immediate response was typical for a twenty-four-year-old Cajun male. I envisioned a mountainous paradise with plenty of clear, free-running streams. I was resting under a big oak tree with scantily-clad nubile young women slowly feeding me fried crawfish and jalepeño hush-puppies. Socialist politicians were drowning in the rivers nearby, and their frantic screams could be heard for miles away. But then the daydream stopped, and I realized that my mythology was becoming more like a Muslim afterlife fable than a free nation. After pondering for a few minutes, my true mythology for a free nation came rather quickly.

Much of our work in the Free Nation Foundation focuses on designing a government (or lack thereof) that will best preserve the individual liberties we so dearly cherish. This work is quite justified and practical; with careful planning, constitutions can certainly be engineered to provide for optimum individual freedom and help thwart forces that act against such freedom. But of course, the future of a free nation inevitably rests in the values of its citizens. No constitution can guarantee that a free nation will remain free. If citizens simply do not respect individual liberty, then not even an impeccable constitution can prevent the resulting barbarism.

But this is what will be unique about the development of the world's first true free nation. Our nation will be the first nation formed by those who truly value individual liberty. Many consider the United States as the original free nation, but with huge philosophical contradictions embedded in the heart of the country's framework (such as the regulation of interstate commerce, slavery, and monopolies on rules of law), I hardly find the United States worthy of such a title. In a nation founded by true lovers of liberty, individuals will respect the natural rights of their peers, and this is what attracts me so ardently to the work of FNF.

Socialists excuse their barbaric use of force in the name of the "common good." This two-word phrase runs chills up the spines of many libertarians (myself included). Our distaste for this term is



*Steven LeBoeuf*

quite justified—after all, the "common good" is associated with collectivism and the disintegration of individual rights. Regardless, we libertarians also persuade in the name of the common good, but for libertarians, the "common good" is "individual liberty" as opposed to "society's" nebulous goals. In fact, I imagine that the true foundation of a free nation will rest more on this libertarian theme than on a hard-wired constitution. This theme is based on a respect for private property and a sharp distaste for the initiation of force.

To illustrate my argument, consider this mock scenario involving neighborhood pollution and the infamous Dr. Quirk. Dr. Quirk is an eccentric scientist, living in a typical suburban neighborhood, who spends his spare time performing bizarre experiments in his basement. In an act of carelessness, Dr. Quirk creates an explosion which, unbeknownst to him, busts his sewer line and seeps raw sewage into his neighbor's prized garden.

In modern American culture, it is likely that this incident would result in a bitter and expensive law suit that would establish fault and damages. Furthermore, the state might castigate Quirk

with penalties for violating its sewage laws. But in a free nation, I imagine the scenario to be quite different. Of course, general sanitation guidelines would exist in any free community, and these guidelines would probably be sustained through free market principles. Violations of these guidelines could be addressed through arbitration, but I doubt that Dr. Quirk's mistake would make it that far. Rather, I imagine that both Dr. Quirk and his neighbor would be sensible on the nature of fault. On his own volition, Dr. Quirk would agree to pay his neighbor just compensation without wasteful court proceedings and third-party intervention. In short, I imagine that the theme of respect for private property would pervade the culture of a free nation to such an extent that many property disputes will be settled quite peacefully and without the intervention of arbitrators or blue men with guns.

Similarly, I presume that the general theme of *laissez faire*, or "live and let live," would oil the social mechanisms of a free nation. Educational facilities of all varieties would be established, and the costs of these facilities would reflect the true market demand for education. And unlike the case in modern America, a variety of peaceful leisure activities currently deemed as unacceptable would be tolerated in a free nation. As a result, many individuals who would be considered as dysfunctional by American standards would function quite normally and profitably in a free nation, where they can legally relieve their "bizarre" passions without violence. I imagine that theft and murder would be relatively rare in a free nation, and when such crimes do occur, I imagine that compensation will be realized rather peacefully.

All too often in state-controlled institutions, value received does not equal value earned. Not only is this disheartening, as those who've earned watch their incomes being capriciously consumed by those who've yearned, but the economic repercussions are devastating. On the other hand, I fantasize that a general sense of "fairness" will permeate a free nation and that diligent individuals will reap what they sow. It is a great feeling to know that you can keep what you earn

*(Concluded on page 32)*

# Sacred Choice: Myths for a Free Nation

By Philip E. Jacobson

## Introduction

A free nation, given the libertarian tradition of FNF, would be a place where individuals could pursue any interest, so long as neither force nor fraud was initiated against others. Thus, the central value of such a community would be choice. Individuals or specific groups within the free nation may place greater status on other values. But choice would be the central value of the free nation itself. The mythology of this community would need to elevate choice to a sacred position. The heroes of this mythology should be those who helped widen the citizens' choices or who used those choices especially effectively. The most treasured of heroes should be those who made, and who make, the whole system possible.

A mythology is a primary cultural reservoir of a community's values. It can be expressed in many ways, and may contain many elements. Usually, however, it is mostly literary in nature. It is made of stories, sometimes so short as to be little more than "sayings", expressed through the various media commonly used by the culture. Some of the literature may be quite formal, expressed as advice or codes of behavior. Some material may be regarded as sacred, some seen simply as vehicles for popular entertainment or somewhere in between.

Through the mythology, a view of the community's and its members' "proper" or ideal place in the larger world will be expressed. Sometimes this will be expressed in reverse, by portraying obviously undesirable models. The literature may include histories of the community or its ancestry, stories of persons who exemplify the community's values, or expressions intended to convey other standards of beauty, virtue, or other value. The ideals expressed may be seen as attainable, but may also be seen as impossibly extreme goals towards which citizens should, nevertheless, strive.

An attempt to provide a detailed blueprint for any culture's mythology would be an immense task. Still, it is

possible to lay down a few suggestions about key points, which might assist those who wish to write the literature of or for a free nation. While surveying the elements which ought to be included in a



*Phil Jacobson*

free nation's mythology I will mention some, which might simply be borrowed from existing cultures. But I will try to emphasize elements which must yet be written, elements requiring innovation within the free nation's culture.

## In the Beginning

For most cultures there is some creation mythology which explains how the culture came into being. For a free nation this would include its history. But it would also include a history of the idea of freedom—in particular that idea's struggle against statism in the last few thousand years. It will be important to stress that the involuntary servitude, typically found in various forms in statist societies, is not normal to humans and that the free nation can trace its ideals back to the pre-civilized nature of man.

The creation myth should be as accurate as possible, not simply an appealing story, as is often the case with creation myths. Where meaningfulness conflicts with absolute accuracy, most cultures have felt the need to make their histories more meaningful at the expense of truth. No doubt this pressure will exist with a free nation as well. I urge that the writers of a free nation's mythology include any

embarrassing historical elements in an effort to add credibility to the proud moments they also portray.

The libertarian movement has a fairly weak creation myth as of this writing. Typically there is a general reference to the "Republican" movements arising out of the revolutionary spirit of the late 1700s, and little more. Roderick Long presented an excellent lecture which gives much greater detail and meaning to the origins of libertarianism as a social movement, and the transitions it has gone through up to the present.<sup>1</sup> Unfortunately, Roderick has not yet provided us with a written version of his analysis, but we at FNF are urging him to do so. Working from the other end of history, I have written historically oriented material for FNF regarding families in a free nation (*Formulations*, Vol.4, No.3) and regarding the origin of the state (*Formulations*, Vol.5, No.1). My historical essays are intended to provide at least one version of a libertarian "creation myth" to explain man's natural tendency towards libertarianism and how it has been curtailed by most of civilized history.

Another issue of "origins" is the fact that the libertarian tradition from which FNF is derived (that of the American libertarian movement) has cultural traditions that may not be entirely appropriate to all free nations worldwide. Other traditions of freedom should be made known to our free nation, and our myths and other traditions should be explained to any free nations (or pro-freedom movements) which emerge from other world traditions. They will be different. What counts as a desirable choice in one geographic, economic, or cultural context may be quite different from the preferences in another place and time. "Origin" myths shared between free nations can help to bridge these gaps and make it easier to establish good relations, both political and otherwise.

## Ideals of Personal Style

To portray choice as sacred to a free nation we will need to show individuals in the act of choosing. In dealings with others, an individual should be encour-

<sup>1</sup> "The History of Libertarianism," given 2 June 1991 at the home of Craig Springer in Raleigh, N.C.



aged by the free nation's mythology to adopt the standard of mutual self-interest. The choice of living alone or acting in ways that do no harm to others should also be validated. But a free nation is a community concept, where each individual would have a relationship with other individuals. Honoring the wishes of those who wish to live alone is consistent with the notion of a free nation, but it does not foster a free nation per se.

The theory behind a free nation's mythology can draw valuable lessons from game theory. In game theory terminology, free nations should be portrayed as "positive-sum" environments. The term "positive-sum" is used to denote arenas where no one must lose, because the process of play results in an overall increase in "value" (defined in terms of items or conditions which players desire), as opposed to "zero-sum" or "negative-sum" situations. A zero-sum situation is one in which the total "value" to be won is fixed—for one player to gain, another must lose. A negative-sum situation is one where the total "value" is diminished in the course of play, requiring at least one player to lose.

The free nation's mythology should stress that mutual self-interest is best achieved via positive-sum situations, that the individual should avoid zero-sum and negative-sum situations whenever possible. Further, the individual should be encouraged to place value upon even higher orders of positive-sum relations. Rob Bass (currently a graduate student in philosophy) and I have coined the terms "superlative-sum" and "supreme-sum" to describe even more desirable situations within the positive-sum arena. A superlative-sum situation is one where, in addition to the fact that play produces an overall increase in "value", no single player loses "value". A supreme-sum situation is one in which each player gains at least some "value" during the course of play. The free nation's mythology should provide rich models of each of these positive-sum situations, teaching that the exercise of choice can be good for all.

#### **Archetypes—Consumers of Choice**

A number of key archetypes should be stressed by a free nation's mythology. An "archetype" is an idealized role, with

which individuals might be compared or which individuals might aspire to. A key archetype is that of the person who knows that they are free, and who uses that freedom to best advantage. The story's characters may or may not be lucky or be blessed with resources. But idealized characters would need to know, or to be able to learn, what they can change and what they must adapt to. However, the stories must not leave the impression that being in a free nation solves one's problems automatically. Instead the stories should show that freedom expands opportunity for those who choose to take it.

Western and other civilizations already provide us with versions of this archetype, which can be adapted for use in a free nation's mythology. If these are adapted, however, it is important that only positive-sum models be idealized. And as a real free nation comes into being, stories should be written which reflect the new opportunities offered by that real situation. By no means could any literature exhaust the possibilities available to real free individuals, but the free nation's mythology can provide a wide selection of choice arenas and stress that the choices are only limited by individual creativity.

Because the free nation is a community, not just a philosophy, its mythology might praise individuals for making choices that benefited other individuals. This is one way of encouraging mutual self-interest, but it should not involve criticism of individual choices that have no obvious benefit to others. Criticism of purely personal satisfaction would diminish the value of being free to choose in the first place. But an individual who very obviously does something which is self-satisfying is also providing a good role model for a great many other people. It can be good for most people to follow their own judgment, simply as a matter of mental health. By honoring this need, the mythology of a free nation would encourage guilt-free enjoyment. Additionally, by honoring individuals who happily avoid social interaction, a positive basis for a free nation's limited interactions with such individuals could be established.

Invisible Hand oriented literature, in the tradition of Adam Smith, will probably contribute directly or indirectly to the

free nation's mythology. This can provide a positive basis for incorporating the pure individualist into a free nation's ecology. Free nation mythology can portray the benefit to the community as a whole of the "good individualist" (one who does not initiate force or fraud) by showing individualists as vehicles for community choice via Smith's Invisible Hand. Communities often make group decisions without consciously thinking as a group. The combined force of many very private decisions is what forms a market. Encouraging individuals to be true to themselves when making key choices, even when this requires purely "selfish" decisions, will facilitate the formation of healthy markets.

#### **Archetypes—Providers of Choice**

The archetypes of the providers of choice are also of prime importance. A provider of choice might be the creator or discoverer of new choices—an artist, scientist, philosopher, craftsmen, or explorer. These persons make known a new choice to the community, though they may not provide it directly to other individuals. Again, the possibilities are almost endless. It should be noted that the writers of the mythology themselves would be this type of creator. The myth writers should provide themselves and all other creators of choice with ample praise.

The category "providers of choice" also includes those who deliver tangible choice in quantity to others—the producers. Most cultures praise producers, providing a number of models for a free nation's mythology. Cross-cultural borrowing in this way could have the added advantage of portraying choices that citizens do not normally see, thus endorsing a wider variety within the free nation itself.

Especially significant among producers are the entrepreneurs—those who put together the means for producing value in quantity. Typically, in the libertarian tradition most associated with FNF, that of the USA, the term "entrepreneur" is applied only to someone who creates a for-profit economic enterprise. But many other kinds of entrepreneurs exist and these should be explicitly acknowledged by the mythology of a free nation. Those who found charities, those who organize festivals, religious missionaries,

neighborhood watch organizers, those who establish interest groups or political factions—all these are entrepreneurs too.

Maximum choice in a market will be provided when the fewest barriers exist for those who wish to enter that market. The opportunity to be a provider of choice should, therefore, be seen as open to all. Honor should be accorded wherever entrepreneurs find voluntary consumers and establish enterprises free from initiated force and fraud. Libertarian doctrine predicts that, without artificial monopolies granted by a state, all occupations will be more open to entry than is commonly the case in statist societies. The mythology of a free nation should, therefore, portray providers of choice as coming from a wide variety of backgrounds. Special training for such backgrounds could, of course, enhance the performance of providers of choice in some situations, and this could be portrayed. Entrepreneurs who found guilds or unions might be portrayed as adding quality to the lives and productivity of members of various professions. Indeed, the model of a worker-owned enterprise, fully competitive with other entrepreneurial forms should be explored as an honorable option. But there should be no effort to praise the formation of new monopoly interests, which use force or fraud to maintain competitive advantage. And there should be models of individuals who successfully contribute to various professions without purely traditional training or "professional society" endorsement.

### Political Consumers

Since a free nation is fundamentally a political concept one of its most important values should be the availability of political choice. And for this aspect of our mythology, we must be especially creative. The libertarian tradition of the USA is especially poor with regard to models of political choice and entrepreneurship, though it purports to be otherwise. USA libertarians tend to associate politics almost exclusively with elections, thus completely ignoring the origins of the term "politics".

Of Classical Greek origin, "politics" originally referred to the affairs of the "polis": the city-state, the community. Political activities included a wide variety of community organizing and collec-

tive behaviors, both in and outside formal governance. Much of the process was open to participation by "ordinary" citizens, whose participation was considered virtuous. Indeed Classical Civilization (that of the ancient Mediterranean region, including Greeks, Romans, and others) granted citizens much more inclusion in all political processes than is true of modern Western Civilization. (Though to be fair, it should be noted that there were often more slaves than citizens in Classical societies.)

Today in the USA public affairs are thought to be the domain, primarily, of paid professionals. The public affairs which are not handled by career bureaucrats, specially trained and licensed for government posts, are handled by professional politicians who are part of a special class with its own networks, ethics, and methods of recruiting. Ordinary citizens are encouraged by the official mythology (conveyed by public schools and mainstream journalism) to voice their opinions from time to time, but to accept that a plurality of a plurality—the support of a small minority of citizens—is sufficient to validate the policy decisions of state officeholders. Ordinary citizens are taught by the official political mythology that this process sanctifies their conscription into whatever activity the politicians or bureaucrats deem appropriate.

The notion of an ordinary citizen entering electoral politics in order to reform it is vaguely idealized by the official mythology. But real political networks give no real support to anyone but their handpicked members. The idealistic ordinary citizen who tries to reform the system quickly realizes that they have no access to the political networking which is required for real empowerment. Indeed, when a newcomer displays a motive to reform the system this commonly prompts members of the established political networks to stop cooperation with that newcomer.

Yet one can be very "political" without being a political leader. A citizen can also be a consumer of political services. Most citizens recognize (both intuitively and objectively) that the political systems of Western Civilization are largely corruptible. An unofficial but powerful popular mythology in the USA presents electoral politics as inherently

"dirty". This unofficial mythology urges the ordinary citizen to stay out of other forms of "politics". However, the unofficial mythology encourages various types of private corruption, including tax evasion and black market transactions.

The "corrupt" leader, by contrast, is allowed to use "political" techniques to gain advantage, according to the unofficial mythology. And these "political" concerns involve much more than elected office—they involve all forms of influence, ranging from special networking relations with politicians, bureaucrats and judges who issue edicts, to simple publicity campaigns waged by media connections within these same networks. The question of who has such network influence can also be critical when decisions are made about financing for a given project, whether based on charitable or profitable motives, and whether based on private or government funds.

Yet, contrary to the unofficial mythology, there is not just one big network for the "corrupt"—there are a number of sometimes independent, sometimes allied networks maintained by many powerful interest groups. What is in fact endorsed by both official and unofficial political mythology in a statist society is an imbalance of political power. "Well connected" persons are expected to be involved in the "corrupt" practice of being a consumer in a powerful network. "Honest citizens" are encouraged to stay out of such things. Put more directly, the political mythology of the statist society says: if you are part of the privileged class, you may participate in political networking, otherwise you should wait patiently for "reform", allowing the established political networks to run over your interests.

The official/unofficial mythology exhorts "ordinary" individuals to avoid forming or participating in what I call "full-spectrum" political networks. Citizens are urged to avoid developing financial networks capable of starting new businesses (instead, letting formal banking institutions manage this process). They should avoid developing relationships with lawyers who are able to network with the politicians, bureaucrats, and judges (instead, letting those "professionals" make "independent" judgments). They should avoid developing public-relations skills and avoid try-

ing to influence media forces (instead, letting the press report "objectively"). They should not join interest groups with the idea that their individual interests will ever be served (instead letting interest-group officers do "what's good for everyone"). Above all, they should never, never, associate themselves with others as a militia, capable of providing mutual physical defense.

The mythology of a free nation needs to develop a model of the average citizen, networked into full-spectrum political structures. Only one model for this exists, to my knowledge, in Western Civilization, and it has been thoroughly condemned by Western political mythology. This is the model of organized crime. But, if you please, dear reader, exercise that age-old literary skill: the willing suspension of disbelief—for a few moments. Imagine social relations of the sort found within a crime syndicate being legally available to ordinary citizens. And imagine that competition between individuals in such organizations and between such organizations was accomplished without violence. While the Western political mythology (both official and unofficial) presented to "ordinary" citizens insists that this is impossible, that same mythology ignores the fact that among the rich and powerful, this is exactly what happens. Returning to "realistic" perceptions of the world, one might be tempted to conclude that something magical occurs among rich and powerful persons, which allows their organizations to function with non-violent diplomacy. If there is such magic it is to be found in their mythology. When it comes to practical political action, rich people, going to expensive private schools, are taught to network. Ordinary people, going to public schools, are taught to obey.

Given, at long last, real political choice—including the choice to leave the free nation itself—the citizen will be faced with two revolutionary facts. First will be the absence of the involuntary connection to authority, which has been the burden imposed by political culture since the dawn of civilization. No longer a slave, no longer a serf, no longer even a conscripted citizen—the citizen of a free nation would be under no moral authority to accept involuntary subservience.

Yet this political choice will be accompanied by a second revolutionary change—the acquisition of political responsibility—which ordinary civilized citizens have been able to avoid for thousands of years. Freedom and responsibility go hand in hand. Those who voluntarily choose to follow the advice of others or to make contracts with others are still choosing, and still responsible for themselves. A free nation's mythology should remind the individual that, whatever the standard of choice, no person can give responsibility for their choices to another.

### Political Entrepreneurs

A political entrepreneurial myth for a free nation should encourage the formation of full-spectrum political networking by and for all citizens. The "professional" networking currently common to many college educated persons in Western society can serve as a partial model. But such purely economic networks are usually limited in scope and scale.

A free nation's mythology needs to portray the creation of each of the many forms of networking which exist in the real world in a libertarian context. Let me review a few types.

A political entrepreneur can form a network simply by keeping in contact with persons who have similar interests. Good will generated between friends can be tapped when support is needed, even if such expectations were not present when the friendship began.

But a political entrepreneur could consciously cultivate a goal-oriented network. The original meaning of the term "political party" reflects this. Political parties, before the emergence of the election-oriented American model, were collections of politicians and their allies with full-spectrum networking, usually led by one or two prominent politicians. Thus there were "parties" associated with each of the prominent political leaders in ancient Rome, and "parties" organized around prominent British politicians prior to the American Revolution. In promoting certain interests, political parties did not always expect to dominate a regime. They typically had overt agendas, though these might be little more than advancing their members' status within the society.

More formal relationships emerge when political allies commit to long-term broad-based relations in "syndicates", which fix memberships and obligations. (The term "syndicate", more popular in Europe than America, does not inherently imply criminal intent.) Unlike most modern "political parties" a member of a syndicate expects more than the promotion of some legislative agenda. Syndicate members usually expect mutual support along a full spectrum.

Networking models from outside the US can also be helpful. In third-world nations, family-based networking is often full spectrum, and perhaps models drawn from these cultures could be modified for a free nation. A traditional third-world family can count on its members to act collectively as a bank, to help find needed goods and services at bargain prices, but also to help find legal assistance or to help minimize harassment by government or by private enemies. Similar family networking served as a basis for social organization in Classical society, and provided the basis for merchant organization in Europe up almost to modern times. Craft guilds also served as a basis for networking in Europe's past, along a more syndicalist model. At its height, European commercial networks coordinated to the extent that they produced an independent, transnational legal system: the Law Merchant.

Full-spectrum politics will be needed by a free nation regardless of whether the model of free nation being conceived is "virtual" (as I advocate) or "limited geographic monopoly" (as advocated by Rich Hammer and others). The limitations of this paper prevent me from elaborating on this point. However, it is my contention that all successful societies with advanced division of labor employ full-spectrum networking, though it is not necessary that each individual in such a society be able to join such a network.

By no means does the networking required by a complex society conform to libertarian standards. Many of the models above have decidedly anti-libertarian characteristics. Initiated force or fraud can be a key tactic in a full-spectrum network. Criminal syndicates and family organizations have existed for a long time. Thus the mythology of a free nation must take care to modify many, if not most, of the models of full-

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and that your possessions truly belong to you; this is the true nature of fairness.

I do not naively imagine that a free nation will be absolved of clashing motives. In fact, clashing opinions, intelligent skepticism, and conflict of interests will be quite welcomed in a free nation. Rather, what fuels my mythology is this vision: in a free nation citizens can live their lives as true individuals unified under a libertarian theme. This theme is centered on a respect for private property, social tolerance, a love of life, and a sharp distaste for the initiation of force.

While I am quite aware that mythology does not equal reality, there is something pleasantly defiant about my myth. Santa Claus, Zeus, and the Tooth Fairy can never become reality. But a free nation, founded by zealous libertarians, can.△

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*He ran for public office in the '98 elections as a Libertarian Candidate for State House. Despite having the coolest slogan, "Had enough, vote LeBoeuf!", he somehow failed to win.*

spectrum networking which are available. But each of the networking models above can be formed using positive-sum relations and portrayed as such by a free nation's mythology. (For those with a concern that full-spectrum networks will stimulate a competition for influence which is at odds with the notion of "law and order", I recommend my essay "Property as Law in a Free Nation", *Formulations*, Vol. 6, No.1).

Perhaps the most important characteristic which must be included when portraying networking in a free nation mythology is the freedom to move between networks, leaving one affiliation to join another one, to form a new one, or simply to stay autonomous. The model of Classic political parties allows for this. Syndicalist models found amongst European leftist libertarians today also allow such mobility. The ultimate political choice for the citizen is thus preserved—the ability to make an alliance, or not, voluntarily.

Given the freedom of each individual to choose any political affiliation, political entrepreneurs can lead their networks into the most extreme of political choices for the free nation—the decision to secede from it. At this point the political entrepreneur becomes an international diplomat. Hopefully this choice will not be as radical as it sounds to us now, and it should not be portrayed as being much different from the diplomacy needed by networks within a free nation. The ideal entrepreneur of our mythology must be shown to be able to transcend the barriers between one community and another, between one legal tradition and another, facilitating cooperation between widely varying interpretations of the basic libertarian theme.

### Conclusion

The mythmakers of a free nation will be confronted with a peculiar irony, as they attempt to portray the rich mixture of choices, both potential and actual, which must characterize any free nation. For it will be impossible to characterize the product of the endless churning of an invisible hand using any static model.

Each sovereign citizen of a free nation will be making a unique path. In some ways each citizen will be a sovereign nation unto themselves. Yet when any two citizens choose to interact in a voluntary association, the common ground these citizens form between them will be a unique little nationality as well. When an entrepreneur succeeds in luring many citizens, often unknown (even unknowable) to one another into a community of consumers, here too will be a unique sovereign entity. So that even if no formal secession occurs from the free nation, even if (in theory) there is a single universal code of acceptable conduct for all citizens, it will be a sea of little nationalities—ever shifting, never settling into a simple pattern for a mythmaker to portray.

Perhaps, using some of the interactive literary forms which computers now make available, some of the dynamics of a true free nation can be conveyed by future mythmakers. But even here, the mythmaker must not assume the role which most mythmakers of the past have taken. The mythmaker must not attempt to establish a monopoly for any given myth. For just as each individual citizen within the free nation must assume full responsibility for choices made, so the mythmaker cannot assume that responsibility. The ultimate portrayal of a free nation, its citizens, and their interactions should be shown, by the ideal mythmaker, to be just a speculation about what real citizens would produce in the real world. The ideal free nation should foster many mythmakers and many mythologies—perhaps encouraging each citizen to consider making a myth for themselves. The ideal mythmaker should convey the need of the ideal myth reader to choose one or more myths from a wealth of mythologies—none of which is an ultimate truth.△

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## The State is a Form of Life

(Continued from page 36)

- Each successful organization must possess and follow at least one decision rule which enables it to sufficiently replenish its supply of resources. Such a decision rule may be thought of as the essence of the organization, since the organization can exist only because of this rule. Of course some complex organizations such as humans possess not just one but numerous decision rules.
- Note that I can be both a member of a church and a member of a business firm. So when organizations combine to form larger organizations, the combining parts are not necessarily whole organizations, as we may commonly think of them. Parts of me (whether of my body, my effort, or my money) can join larger organizations. Note also that many businesses in America contribute to both the Democratic Party and the Republican Party. Thus we see that organizational affiliations do not always fall into an orderly hierarchy, but rather can appear to be a confusing mishmash, with overlapping and even conflicting associations.
- Since life in this universe seems to consistently offer greater opportunities to those smaller organizations which succeed in finding ways to combine in larger organizations, we should expect that presently surviving strains, being the fruit of eons of such selection, will be disposed to seek new ways to organize, after present demands for survival have been fulfilled.
- The progress of living organizations in the universe seems to run as a corollary to the second law of thermodynamics. Life increases as entropy increases. Life grows in the zones of transition, such as the surface of Earth, where energy and raw materials meet and mix.<sup>7</sup>

### A Taxonomy of Organizations

The points made above deal with organizations in general. But clearly we see that there are different types of organizations. Some organizations have characteristics which other organizations lack. I have noticed three such characteristics, and named them "member-aware," "self-aware," and "encoded." The accompanying table shows the eight types of organizations which can be distinguished by the presence or absence of each of these three characteristics.

#### Member-Aware

In some organizations the members are aware of the existence of the larger organizations. In other organizations this is not the case.

For example, the members of a club know about the club. But this is not the case in the type of organization which produces a pencil.<sup>8</sup> Notice that this orga-

nization includes the workers who make the steel that goes into the saws of the loggers who cut the trees from which the shafts of the pencils are cut.

Of course, since primitive organizations probably lack any mental capacity of awareness, we need to include in the non-member-aware category all those organizations composed of primitive members. For example, I suppose that the cells which compose my body are not aware of me.

#### Self-Aware

Some organizations possess a self-awareness, by which I mean these organizations have headquarters which can make conscious decisions on behalf of the organizations. Other organizations lack this trait.

For example, I would say that a labor union possess self-awareness, in that it has a headquarters which knows that it

### A Division of Organizations into Eight Classes

#### Organization Characteristics

<u>Member-Aware</u>	<u>Self-Aware</u>	<u>Encoded</u>	<u>EXAMPLE(S)</u>
Yes	No	No	a circle of regular patrons of a bar
Yes	No	Yes	spontaneous charity in face of disaster <sup>a</sup>
Yes	Yes	No	a state <sup>b</sup>
Yes	Yes	Yes	a McDonald's restaurant, a church seeded by a denomination, an intentionally constituted free nation
No	No	No	a spontaneous order among lower organisms <sup>c</sup>
No	No	Yes	a bacterium, all lower organisms
No	Yes	No	the organization which makes a pencil, the constituency which elects a politician <sup>d</sup>
No	Yes	Yes	an organism with self-awareness, a human being

#### Notes concerning examples in table:

- I assume that many humans know, whether from instinct or training, how to organize themselves into effective teams in the face of unexpected disaster. Since the knowledge evidently exists somewhere, I classify this organization as encoded.
- Here I assume the scenario for origination of a state which was described by Franz Oppenheimer in *The State*, 1908. In this scenario the state grew as a result of human action—but not as a result of human planning.
- I propose an example of such a spontaneous order in "An Engineer's View of Morality" (Footnote 3). As some readers may recall, this example shows one-celled creatures spontaneously establishing a line of trade between a drop of water and a crumb of sugar.
- Here I include organizations in which the affiliation of the members is informal or noncommittal, such that the members do not consciously classify themselves as members of the organization.

can make decisions for the organization. Whereas I would say that the charity which organizes spontaneously in response to a catastrophe, such as a flood, lacks self-awareness, in that it has no headquarters which knows that it can make decisions for the organization.

Again we can separate out all organizations which seem to lack the capacity of awareness, such as bacteria and other low-level life. None of these could be self-aware.

#### Encoded

Some organizations have an ability to reproduce themselves. I call this "encoded" because I suppose that ability to reproduce requires that the constitution (or the set of decision rules) of the organization be codified somehow. Other organizations lack this trait.

For examples of encoded organizations, consider organisms. Organisms have codes in their genetic material telling how to make new instances. For examples of organizations which are not encoded consider most early cities. These grew spontaneously and I would assert that they lack any code telling how to make new instances.

Organizations which are encoded may equate generally with a "made" order. Whereas organizations which are not encoded may equate with a "grown" order. Hayek finds words in classical Greek for these two kinds of order: *taxis* for a "made" order; *kosmos* for a "grown" order.<sup>9</sup>

#### **Information Processing within Organizations Serves Survival**

The model which I have sketched here suggests a framework within which our human mental processes have evolved. This in turn suggests what behavior we might expect from human minds.

Many libertarians invest heavily in the building of logical arguments. It seems to me that these libertarians overrate the fruits of human minds such as "truth" and "morality." In contrast I believe that our minds are mostly pragmatic, constructing whatever notions might prove useful to survival.

I would say that "truth" exists in our minds because and to the extent that it serves a practical function. In some information processing systems, those

which have evolved to a high enough level, there will be a need to distinguish and to label those hypotheses which lead to reliable decision rules. "Truth" is such a label. So truth is good. We need it. But to me it is a category for sorting, not a deity.

Similarly I would say that "morality" exists in our minds because and to the extent that it serves a practical function. As life advances it often happens that circumstances become ripe for formation of new, and often larger, organizations. I propose that morality can be explained as a bias which makes existing organizations more likely to find the opportunities to form new organizations.<sup>10</sup> So morality is good. We need it. But to me it is a useful bias, not a token of righteousness.

Since I see truth and morality thus, as useful but subordinate to the processes necessary for survival, I think we should expect minds to be self-serving before truthful or moral in our conception. One consequence of this is that the ethics of the members of an organization will evolve to conform with the circumstances in which the organization finds itself.

New rules will develop when circumstances change, such as when survival in an existing niche can be enhanced by following a new set of rules, or when extraordinary procreation and flourishing in a new niche are promised but only by following a new set of rules. One generation of truth seekers and moralizers may abhor the new rules, but a new generation will arise which embraces the new rules. Thus we should expect the information processing system of an organization to be truthful or moral—as we conceive truth and morality—only when and if this serves survival.<sup>11</sup>

When environmental circumstances allow the possibility that a new organization could succeed if existing organizations discover and follow a new set of rules, then we may expect a trend to discover and then follow that new set of rules. This trend will be limited by the costs and delays of discovering and implementing the new set of rules (by the costs and delays of organizing), but we should not expect the trend to be limited by our present morality. The new organization will grow its own ethic.

#### **Implications for Libertarianism and the Free Nation Movement**

To me this explains statism. Because the state succeeds as an organization, giving benefits to the many people, and parts of people, whose active participation makes the state succeed, we should expect that there will be an ethic which supports the practice of statism. Statists think that they are doing the right thing. In this model of life nothing is inherently immoral: it is as acceptable for a statist to feed on a taxpayer as it is for a cannibal to feed on a Christian, or for me to feed on oatmeal.

If this is all true—and let me admit that I am motivated to think it is true because of my investment in the FNF approach—then it suggests that statists will not be talked out of statism while statism promises benefits to its adherents. And statism will promise benefits to its adherents while environmental circumstances allow the state to succeed as an organization.

As such I question whether it is wise for libertarians working in an environment such as America, which sustains a healthy and growing state, to try to talk statists out of statism. The alternative which I suggest through FNF is that we focus our energies on some small niche, remote from the interests of powerful statists, where we can purchase autonomy and there create an environment in which occasional seeds of state, which will surely find their way in, will wither for want of those circumstances which can sustain a state.

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<sup>7</sup> Kelly, op. cit., pp. 106-108.

<sup>8</sup> Leonard Reed, "I Pencil," Foundation for Economic Education. <<http://www.fee.org/about/ipencil.html>> To my knowledge this essay deserves credit for originating the common use in libertarian literature of the example of how many people take part in making a simple pencil.

<sup>9</sup> Friedrich Hayek, *Law, Legislation, and Liberty*, Volume I, *Rules and Order*, University of Chicago Press, 1973, Chapter 2, "Cosmos and Taxis."

<sup>10</sup> "An Engineer's View of Morality," op. cit.

<sup>11</sup> By "survival" here I intend to include the broader sense in which a human might sacrifice herself in order that a meme might survive (See Richard Dawkins, *The Selfish Gene*, 1976, Oxford University Press). What survives here is organizations—not organisms.

The way of organizing which I suggest through FNF fits the model of life presented here insofar as I perceive that circumstances are now ripe for a new form of organization to start growing on Earth. States have grown among humans because some larger-than-human organizations were bound to grow. But states have weaknesses, not the least of which is they make enemies of many humans. So, given our present understanding, we may consciously test a new and better form of larger-than-human organization, a nation whose primary principle of organization is protection from parasitic states.△

*Richard Hammer, president of FNF, rarely listens to music and has almost no ability to perform it. Nonetheless he enjoys singing, and regularly joins a group of shapenote singers. He tries to compensate for what he lacks, in ability to find the correct pitch, by giving extra volume.*

*FNFers — consider attending the*

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announcing

### Book-Reading and Discussion Group

***Institutions and Economic Theory:  
the Contribution of the New Institutional Economics***

by Eirik Furubotn and Rudolf Richter

1997

Rich Hammer and Phil Jacobson have decided to work through this book, and will welcome any others who would like to join in the study. As in previous book-discussion series, Rich and Phil will meet several times, with each meeting focusing upon a particular chapter or section of the book. If you are interested in joining them, contact Rich at 919-732-8366 or [roh@freenation.org](mailto:roh@freenation.org).

A schedule has not yet been determined. But the first meeting will occur no sooner than April 1<sup>st</sup>, so that readers will have time to respond to this announcement.

You can find a review of this book in *The Independent Review*, Fall 1998.



# THE STATE IS A FORM OF LIFE, a Legitimate Peer in the Family of Organizations

by Richard O. Hammer

“What is going on?” we libertarians sometimes ask ourselves as the state grows and infests ever more aspects of our lives. Our scholarship shows the state to be evil. And experience proves the state to be evil, at least as we interpret history. So we should be able to persuade the people who support the state to back off. But we seem incapable of doing this. Why?

I have developed my own answer to this question. I propose that the state is a living thing. As the body of a person is composed of cells, so the body of a state is composed of people. As the cells of my body might naturally be motivated to argue (if they have any public forums) for the continuation and even the expansion of my life, so the people who comprise the state are motivated to justify the continuation and expansion of the state. This theory grows out of the new science of spontaneous order.<sup>1,2</sup> In previous articles I have described aspects of my theory.<sup>3,4</sup>

In this article I will repeat some points and add a few new points. In particular I will add a taxonomy, a way to classify living organizations. Finally I will tell what this theory implies for the free nation movement.

A few disclaimers are necessary. First, I am not professionally employed as a scientist and I do not know any scientists working in this field whom I can approach for feedback, so I may be overextended in the speculations which I present here. Further, my ideas are new and still changing; as I write sometimes I see that an assumption I had made is only partially correct and that more subtle analysis is needed. So I do not claim that any of this is solid or final. And lastly, you will notice that I adopt the thesis that life on Earth has evolved. Probably not all readers will agree with this assumption.

## Living Organizations

We have been trained to think of organisms when we think of living things. Generally an organism is a single

living thing which is intact inside its own skin, bark, cell membrane, or other outer extremity. But the new and broader view of life challenges this view. William Morton Wheeler, for instance, has suggested that a bee hive, and not a single bee, can usefully be viewed as an organism.<sup>5</sup>

I have started to use our familiar word “organization” to name the broader class which seems suggested by this study. Organizations include organisms of course, since organisms are clearly organizations composed of smaller components. But molecules, firms, and states also qualify as organizations.

Here I will list, perhaps in logical order, several attributes which living organizations possess.

- Organizations exist in a range of sizes, and larger organizations typically are created from some combination of smaller organizations. Here are several organizations, in order of size, which may be thought to form a hierarchy: amino acids, RNA molecules, organelles, cells, organs, organisms, firms, states.
- As time passes the organizations which grow become larger and larger. In the hierarchy just listed, the smallest organizations (amino acids) are also the oldest, whereas the largest organizations (states) are the newest.
- Organizations do not necessarily consist of homogenous parts. While the organization of a family might consist entirely of humans, the organization of a plantation might be usefully viewed to include: cotton plants, cotton boll weevils, slaves, owners, suppliers, and customers.
- The question of which organizations can succeed is determined first by the laws of thermodynamics. Living organizations must consume resources, by which I mean energy and raw materials. And so they must occasionally refresh their supplies.

- The question of which organizations can succeed is further determined by the craft of the organizations. Since the resources which organizations require exist in patterns within the universe, a successful organization must adopt its actions to these patterns. Organizations adopt their actions to patterns by following decision rules.
- So the organizations which succeed are not necessarily nice. The rules which determine whether an organization succeeds originate in physical reality, and not our aesthetic sense.
- Larger organizations grow because they enable exploitation of larger or more complex patterns of resources than their smaller or simpler constituents could exploit. Whether consciously or unconsciously, constituents combine their actions in such a way that together they exploit a resource which none of them individually could have exploited.<sup>6</sup>
- When larger organizations form, thus exploiting a previously untapped resource, the constituents typically will live better because of it. At least those constituents which have joined “voluntarily” can be expected to enjoy a higher standard of living because of the formation of the larger organization.

(Continued on page 33)

<sup>1</sup> M. Mitchell Waldrop, *Complexity: The Emerging Science at the Edge of Order and Chaos*, Simon & Schuster, 1992.

<sup>2</sup> Michael Rothschild, *Bionomics: Economy as Ecosystem*, Henry Holt and Company, 1990.

<sup>3</sup> “An Engineer’s View of Morality, Set in a Model of Life,” *Formulations*, Vol. V, No. 2 (Winter 1997-98).

<sup>4</sup> “Libertarianism in a Context,” *Formulations*, Vol. V, No. 4 (Summer 1998).

<sup>5</sup> “The Ant Colony as an Organism,” *Journal of Morphology*, 1911. Cited in Kevin Kelly, *Out of Control*, Addison-Wesley, 1994, p. 7.

<sup>6</sup> For a few examples see “An Engineer’s View of Morality,” op. cit.