

Human Evil and the Free Market

Written by Murray Rothbard.

It is very common to assert that the advocates of the purely free market make one fundamental and shaky assumption: that all human beings are angels. In a society of angels, it is commonly agreed, such a program could “work,” but not in our fallible world. The chief difficulty with this criticism is that no libertarian—except possibly those under Tolstoyan influence—has ever made such an assumption. The advocates of the free market have not assumed a reformation of human nature, although they would certainly have no objection to such a reformation if it took place. We have seen that libertarians envision defense services against predators as provided by private bodies rather than by the State. But they do not assume that crime would magically disappear in the free society.

Statists concede to libertarians that no State would be required if all men were “good.” State control is allegedly required only to the extent that men are “evil.” But what if all men were “evil”? As F.A. Harper has pointed out:

Still using the same principle that political rulership should be employed to the extent of the evil in man, we would then have a society in which complete political rulership of all the affairs of everybody would be called for. . . . One man would rule all. But who would serve as the dictator? However he were to be selected and affixed to the political throne, he would surely be a totally evil person, since all men are evil. And this society would then be ruled by a totally evil dictator possessed of total political power. And how, in the name of logic, could anything short of total evil be its consequence? How could it be better than having no political rulership at all in that society?

“The existence of the State apparatus provides a ready, swift channel for the exercise of evil.”

Is this argument unrealistic because, as everyone agrees, human beings are a compound, capable of both good and evil? But then, at what point in this mixture does State dictation become necessary? In fact, the libertarian would reason that the fact that human nature is a mixture of both good and evil provides its own particular argument in his favor. For if

man is such a mixture, then the best societal framework is surely one in which evil is discouraged and the good encouraged. The libertarian maintains that the existence of the State apparatus provides a ready, swift channel for the exercise of evil, since the rulers of the State are thereby legitimated and can wield compulsion in ways that no one else is permitted to do. What is considered “crime” socially, is called “exercise of democratic power” when performed by an individual as a State official. The purely free market, on the other hand, eliminates all legitimated channels for the exercise of power over man.

Originally published in *Power and Market*.