

# Did Free Markets Create Government?

At first thought this claim might seem true:

*Governments were created by the free market.*

I mean, if governments exist, and they didn't before, then the free market must have created them, right?

Well, no. First of all, such a claim, without supporting evidence showing causality, suffers from the *post hoc ergo propter hoc* logic fallacy. Just because governments came after, that does not, by itself, mean that whatever came before created them.

It would be more accurate to say that *governments were created by members of society*.

As Rothbard wrote,

*The free market is a summary term for an array of exchanges that take place in society. Each exchange is undertaken as a voluntary agreement between two people or between groups of people represented by agents.*

In other words, "the free market" is not a thing that creates anything. It's the result of members of a society exchanging with each other freely. When the exchange is not made freely but forced, that is not part of the "array of [voluntary] exchanges" that make up the free market.

We call such "exchanges" *crimes*.

Governments are merely groups of people in society, people that force other people to pay them. This means that governments are just a form of organized crime.

So no, it is not true that governments were created by the free market. Rather, it's true that governments were created by people in society, people who have otherwise participated in the free market but have now turned to a life of crime.