

# THE FREE MARKET

THE MONTHLY PUBLICATION OF THE LUDWIG VON MISES INSTITUTE

## The Power of the State versus the Power of Love

ROBERT HIGGS

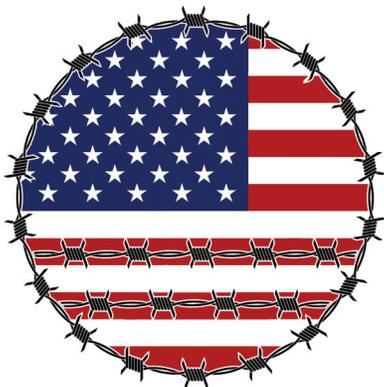
**F**or thousands of years, philosophers have argued that society must invest great power in the rulers because only great power can hold back the forces of evil—violence, plunder, and disorder. They have

often conceded, however, that this solution has a down side: powerful rulers may themselves resort to violence and plunder.

In any event, society's positive, productive forces always resided within the people themselves. All the genuine peace, cooperation, production, and order the society enjoyed sprang from them. So the state was never a solution to a problem the people could not solve for themselves, but itself a problem masquerading as the only solution to problems whose

real solutions already lay close at hand, if they existed at all.

Given that wealth destruction undermines social well-being, how did it come to pass that the state—an institution based on violence and plunder—has overridden peaceful cooperation as the dominant factor in social life virtually everywhere on earth? Although this simple question requires a complex answer, we know that the rulers have used fear—of themselves and of other dangers known and unknown—to terrorize the people and convince them that they are incapable of providing security, that only the state can provide it. First through fear alone, then through complementary religion, and ultimately through complementary ideology, the people's convictions were



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twisted into forms compatible with the rulers, the priest/ideologists, and the military elites living at the expense of the plundered masses, who were kept in line more by false beliefs than by raw force.

So it remains today. Is any feasible alternative conceivable?

Hardheaded people mock the idea that “love is the answer” to the people’s dire situation. They insist that evil forces and evil men are afoot in the world, men who care nothing for love and seek only vile ends, and that such malevolence can be fended off effectively only by meeting it with adequate force and violence. Thus does the perceived “security gap” fuel a race to the bottom in which the ostensible protectors become more and more indistinguishable from the evil men who allegedly seek to hurt us. By meeting evil only with the rulers’ upward ratcheting force and violence and their upward ratcheting suppression of our liberties and our means of self-protection, the ultimate goal—a social environment of real security and peaceful cooperation—recedes ever farther from realization.

Jesus declared, “Ye have heard that it hath been said, Thou shalt love thy neighbour, and hate thine enemy. But I say unto you, Love your enemies, bless them that curse you, do good to them that hate you, and pray for them which despitefully use you, and persecute you” (Matthew 5:43–44). Of course, people—even most Christians, no doubt—will say that this admonition, however lovely it might sound in a sermon, is utterly impractical, that behaving in accordance with it would leave us entirely at the mercy of those who seek to harm us. Perhaps it would.

Yet, here we are, inhabiting a world divided in countless ways by mutual misunderstandings, hatreds, and yearnings for vengeance. Because each society is subject to a state whose own interests are served by keeping this vicious pot boiling, we have no prospect of ever breaking out of the endless cycle of evil, violence, and retribution. In the process, the whole world forgoes the immense blessings that would flow from mutual cooperation, peace, and tolerance.

Individuals may rest their personal lives on love and thereby find the peace that seemingly evades all philosophical and sociological understanding of social affairs. Whatever wise men and women may know and practice in their own lives, however, essentially Hobbesian analysis holds the great thinkers in its iron grip, and those who recommend love are dismissed as muddle-headed and simplistic. Yet, to repeat, here we are, inhabiting a world made no better by our hanging on the words of the greatest political philosophers, statesmen, and international-relations experts. In their view, the state is a given, and their analyses take for granted its nature and conduct. Perhaps this point of departure is their root error: that they readily accept what most needs to be challenged.

So long as the state exists, with its intrinsic violence, plunder, and insolence, and we seek solutions to our pressing social problems through it or in its dark shadow, we are doomed not to second-best or third-best solutions, but to make-believe solutions that are, at best, momentary rest stops on the road to our worsening degradation and ultimate demise. Destruction is what states do (or threaten to do); it is the nature of the beast. As technological changes augment state powers, the culmination of this terrible sequence may be our absolute annihilation.

Love turns us in the opposite direction. It seeks to build up, whereas the state seeks to overawe and kill in the service of the self-interested elites who control it at the expense of the people at large. Love has no need to flex violent muscles or

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# Humanitarian Wars and Their NGO Foot-Soldiers

DANIEL McADAMS



In February, 2011, Soliman Bouchuiguir told a lie. It was a big one. As the head of the Libyan League for Human Rights, Bouchuiguir initiated a petition that was eventually signed by 70 non-governmental organizations (NGOs) demanding that the US, EU, and UN “mobilize the United Nations and the international community and take immediate action to halt the mass atrocities now being perpetrated by the Libyan government against its own people.”

The petition invoked the “Responsibility to Protect” doctrine, a 2005 UN policy shift away from respect for national sovereignty toward green-lighting “humanitarian intervention,” including military force, anywhere human rights are suspected of being violated. Bouchuiguir’s petition was designed to tick all the necessary boxes of the R2P criteria. It reported that Libyan leader Gaddafi was deliberately killing peaceful protestors and innocent bystanders. He was using snipers to fire on Libyans at random, using helicopter gunships and fighter jets to attack, and even firing artillery shells into the crowd. The petition was where we first saw the oft-repeated line that the Gaddafi regime was employing foreign mercenaries against its own people.

Speaking in support of his petition before the UN Human Rights Council a few days later, Bouchuiguir claimed that Gaddafi had already killed 6,000 of his own people and was determined to kill many more. Based on his testimony and the petition signed by the 70 NGOs, Libya was suspended from membership in the UN Human Rights Council. On the strength of that suspension, the issue was moved along rapidly to the UN Security Council, where teeth would soon be put into the campaign for military intervention.

What is behind these human rights NGOs? The Libyan League for Human Rights is a member of the International Federation for Human Rights, which took up and added the weight of its large membership to Bouchuiguir’s petition. It should not be much of a shock to learn that the International Federation for Human Rights relies heavily on governmental sources for funding. Governmental funding of NGOs has been an increasingly effective tool for mobilizing popular support for governmental policies. A land or resource grab is

hardly as compelling to the masses as a claimed human rights crisis when a foreign intervention is planned.

Given this, it should be no surprise that the US government, through its own well-funded “democracy-promotion” NGO, the National Endowment for Democracy (NED), is a major supporter of the International Federation for Human Rights. In fact, NED’s long-serving president, Carl Gershman, was one of the first signatories to Bouchuiguir’s Libya regime-change petition.

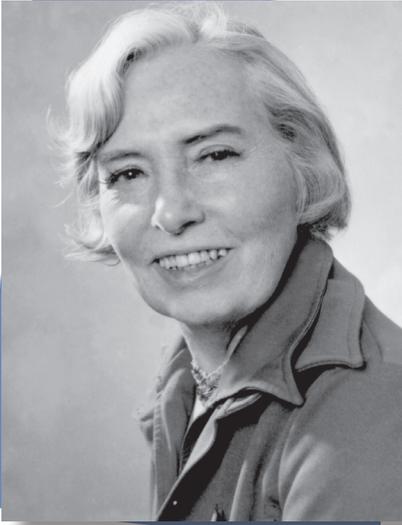
In the powerful film, *Lies Behind the Humanitarian War in Libya*, filmmaker Julien Teil asks Bouchuiguir whether it was difficult to gather 70 NGOs behind his petition. He replies, “to tell the truth it’s not very difficult at all, because all NGOs are acquainted.” That is key: the NGOs are all under the umbrella of US and other government-funded organizations like the International Federation for Human Rights.

Bouchuiguir’s petition turned into a UN Human Rights Council action, which then turned into a UN Security Council action, which then turned into a NATO war on Libya. Yet Bouchuiguir’s claims were all lies. They were all made up, as he himself admits in the Teil documentary.

Asked months later by Teil how his claims of the number of deaths, rapes, wounded, missing could be documented, Bouchuiguir replied, “there is no way.” He added that he got the numbers he used from the Libyan rebels themselves, which was never pointed out when the numbers were first cited. The UN Security Council took up his claims, passing the fateful UNSC Resolution 1973 authorizing force against Libya, without investigating them. Pressed one last time in the film for evidence of his claims, Bouchuiguir answered finally, “there is no evidence!”

For his efforts, Bouchuiguir was made Libyan ambassador to Switzerland once the NATO invasion was over and the rebel government was put in place.

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# Bettina Bien Greaves

## Mises's Long-time Assistant Donates Personal Archives to Mises Institute

**D**escribed by Mises biographer Guido Hülsmann as one of “the staunchest attendees” of Mises’s NYU seminars, Bettina Bien Greaves remains one of the world’s leading authorities on Mises’s writings, and the man himself.

As Mises’s chief archivist, Mrs. Greaves wrote *Mises: An Annotated Bibliography* and has long been the custodian of a large archive of notes, photographs, clippings and research once owned by Ludwig von Mises.

Early this year, Greaves, 96, informed the Mises Institute that she would like to donate her Mises archives to the Institute. In March, Judy Thommesen of the Mises Institute, and her husband Sven, traveled to Greaves’s home in North Carolina to arrange for the transfer of a treasure trove of materials by and about Mises and his contemporaries.

“We rented a Yukon and we brought back 30 boxes of materials,” Thommesen said. “And we shipped back another 35 boxes. We packed up the contents of Bettina’s bookshelves and file cabinets which included a lot of material from the Mises Seminars, and also Mises’s own notes about other economists of his day, plus some correspondence from other notable Austrian economists such as Henry Hazlitt, Murray Rothbard, and Hans Sennholz.”

Also among the materials were numerous translated editions of Mises’s books from around the world such as Czech, Japanese, and Russian editions of *Human Action*, as well as Chinese, French, and Polish editions of other works such as *Socialism* and *The Theory of Money and Credit*.

As noted by Guido Hülsmann in *Mises: The Last Knight of Liberalism*, Bettina Bien Greaves, and her husband Percy Greaves, were responsible for preserving and interpreting large amounts of the material covered by Mises during his



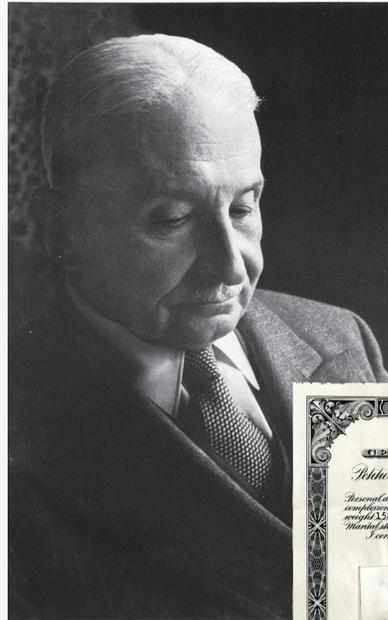
New York University seminars, and that “Bettina and Percy Greaves . . . would form the core of the seminar until its very end.”

Mrs. Greaves also took care to preserve some of Mises’s more memorable and trenchant observations.

“We have shoeboxes full of quotations that she pulled out of his lectures,” Thommesen said. “They’re all organized by date, lecture, and topic, so we can envision new published collections of Misesian quotations based on that material.”

Thommesen also noted that Greaves had been working on her own biography of Mises when Dr. Hülsmann released *The Last Knight of Liberalism*.

“After deciding that Guido had done a good job, Bettina set her own biography aside,” Thommesen observed. “But her early drafts and all of her research will still be quite valuable to future Mises scholars who wish to build upon what’s already been published.” ■



*Never-before-published photographs and documents (including Mises's Naturalization Certificate above) recently donated to the Mises Institute by Bettina Bien Greaves.*

**DANIEL McADAMS  
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The international community gathered its NGOs together and moved on to the next

target: Syria. Close to 99 percent of the mainstream media articles on Syria rely on a single source, the Syrian Observatory for Human Rights. It is a one-man operation in London run by Rami Abdulrahman, whose day job is running a small clothing shop.

Once again, one man and an NGO have been able to ignite international opinion in favor of “humanitarian” intervention. It would do us well to more closely examine the role



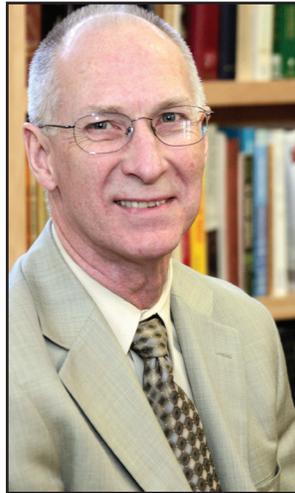
of the NGOs in promoting international conflict, particularly the governments behind them. ■

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seek vengeance time and again. Love intends the good of the other for its own sake, not as a means toward the end of one's own aggrandizement. Love is patient and long-suffering; power is impatient and easily provoked.

Love does not keep score; international rivals do so in numerous dimensions. Love leads to inner peace and cordial relations with others, whereas the state remains always at war, if not against other states, then certainly against its own subjects, on whom it preys ceaselessly in order to sustain itself and to gratify the rulers' insatiable ambitions for personal acclaim and unchecked power.



Hardheaded people will say, of course, that in socio-political life, love just doesn't work. In sharp contrast, they insist, power in the hands of the rulers does work. And indeed it does. That's the trouble. ■

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## Mises Scholar and Alumni Notes



**Senior Fellow Hans-Hermann Hoppe** spoke on the topic of monarchy and democracy for the Rafael del Pino Foundation's Master Lecture Series in Madrid, Spain on June 20. Prof. Hoppe's speech is a follow-up to the April 2012 conference, funded by the Rafael del Pino Foundation, and featuring **Senior Fellow Jesús Huerta de Soto** on the

topic "Financial Crisis, Banking Reform, and the Future of Capitalism." The talk was attended by a capacity crowd of 750 people.



In collaboration with the Mises Institute of Canada, **Associated Scholar David Howden** has launched a new scholarly journal called the *Journal of Prices and Markets*.



**Mises University Alumnus ('08) Madhusudan Raj** was recently appointed Assistant Professor of Economics at the Department of Human Resource Development at Veer Narmad South Gujarat University in India.



**Associated Scholar George Reisman** was awarded an Honorary Doctorate in Social Sciences from Universidad Francisco Marroquín in Guatemala on May 4.



**Senior Fellow Yuri Maltsev** toured Denmark, Sweden, and Lithuania in March and April of this year, delivering the keynote address at Lithuania's International Conference on Entrepreneurship, and delivering two public lectures at the ISM University of Management and Economics, and at Mykolas Romeris University in Lithuania.



The second edition of **Associated Scholar Brendan Brown's** book *The Global Curse of the Federal Reserve* was released by Palgrave in February. Dr. Brown recently gave talks on the book to the European Mises Institute in Brussels during June and in March to The Adam Smith Institute in London, and the American Enterprise Institute.

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# COMING EVENTS

Register online at [mises.org](http://mises.org) or by phone at 800.636.4737.

- October 18–19, 2013 PATRONS RETREAT • Jekyll Island, Georgia
- November 8, 2013 ECONOMICS FOR HIGH SCHOOL STUDENTS (Sponsored by an anonymous donor)  
• Mises Institute
- January 18, 2014 THE MISES CIRCLE IN HOUSTON (Sponsored by Christopher Condon, Terence Murphree,  
and T.J. & Ida Goss) • Houston Marriott South at Hobby Airport
- March 20–22, 2014 AUSTRIAN ECONOMICS RESEARCH CONFERENCE • Mises Institute
- June 9–13, 2014 ROTHBARD GRADUATE SEMINAR (Sponsored by Alice J. Lillie) • Mises Institute
- July 20–26, 2014 MISES UNIVERSITY • Mises Institute

## Upcoming Mises Academy Online Courses. Register at <http://academy.mises.org>

- August 9, 2013 Delusions of Krugman. Instructor: William Anderson
- August 16, 2013 The Economics of Prosperity. Instructor: Karen Y. Palasek

## IN MEMORIAM

We mourn the passing, but celebrate the life and achievements of **Dr. James Forward**, a champion of liberty.

Dr. Forward, 80, passed away in Calgary on December 27, 2012. He was raised in Toronto and received his Doctorate of Medicine at the University of Toronto. He practiced medicine in Calgary from 1954 to 2000, and was a Medical Officer in the Canadian Royal Navy Reserve, retiring in 1986.



## Two Decades of Advancing Liberty

After 21 years serving the cause of liberty as the Mises Institute’s financial administrator and architect of our beautiful building, Norma Willock retired in May from the Mises Institute. Norma’s immeasurable impact on the advancement of the Austrian tradition is outweighed only by the support and joy she has brought those of us lucky enough to call her our coworker and dear friend.

“Norma helped build the Mises Institute and in the process became a Misesian herself,” said Mark Thornton, a Senior Fellow. “Her talents, hard work, and Southern charm instilled a great confidence in all the people who had the pleasure of working with her.”



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