



WHAT IS LIBERTARIANISM?

An introduction to the philosophy of
Liberty

libertarians.org.au

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WHAT IS

LIBERTARIANISM?

When engaging in political discourse, a term you may have come across is “libertarianism”.

For many people, politics fits neatly into a “left” vs “right” paradigm, and although this initially seems an accurate depiction of ideologies, it is actually a deeply flawed way to look at politics. The left and the right both seek to use the influence and power of governments to encroach on the liberty of individuals—albeit in different ways and pandering to different constituencies. The “right” stereotypically favours an expensive military that is willing to spend billions of dollars in foreign wars, a robust police force that is willing to enforce crimes such as drug possession with lifetimes behind bars, and a political class that seeks first and foremost to enrich themselves and their friends under the guise of civic good. The “left” stereotypically favours impoverishing civilians by increasing public spending and debt, weaponizing censorship and the media to silence their ideological opponents, and a political class that seeks first and foremost to enrich themselves and their friends under the guise of civic good.

Although their pet causes may be different, and they sometimes have different friends who they are enriching at the tax-payer’s expense, the core problem is the same—they operate by

turning the power of government against the people of a nation for their own self serving ends. This is true in every major country in the world, and Australia is far from an exception.

Libertarianism, deriving its name from the word “liberty”, is an ideology that criticises not the left or the right, but the entire State apparatus. Libertarianism recognises that for any power a State (or government) exerts over its subjects to be moral, it has to be done with the consent of the individual subjects. Given that a person cannot declare themselves sovereign under government law, and given that refusal to pay taxes or tribute to the government (no matter how heinous one finds the use of that money) is met with the threat of violence and imprisonment, the only conclusion left to draw is that the State does not rule individuals with their consent. The only conclusion a libertarian can therefore draw is that the State’s claim to power must be, at its core, immoral.



No man may initiate the use of physical force against others ... Men have the right to use physical force only in retaliation and only against those who initiate it’s use.

Ayn Rand

So, what is libertarianism?

Libertarianism is a philosophy that recognises the self-ownership of the individual, in which no one's life, liberty, or property can be morally infringed upon by another.

This idea is known as the “Non-Aggression Principle” (or NAP) and is a core tenet of the philosophy of libertarianism. While many cultures would already describe themselves as adhering to this natural law, libertarianism applies it not only to individuals, but to the State itself. In doing this, it becomes clear that the State does not abide by the principle, and therefore is incompatible in its current form with a truly free society.



Life, liberty, and property do not exist because men have made laws. On the contrary, it was the fact that life, liberty, and property existed beforehand that caused men to make laws in the first place.

Frederic Bastiat

Another term used by libertarians which is very similar to the NAP, is the “Harm Principle”. The Harm Principle stipulates that all individuals are free to do anything they desire with their person and their lives, up until the point where it causes physical harm to another person. In essence: “your right to swing your fist ends where my nose begins.”

Libertarianism can be most concisely described as a political philosophy that places above all else individual freedom and liberty: both autonomy over one's

own person (individual liberty) and autonomy over one's own property (freedom of the market).



The only purpose for which power can be rightfully exercised over any member of a civilized community, against his will, is to prevent harm to others.

John Stuart Mill

Because libertarianism is a political philosophy, it cannot concern itself with existential questions like the meaning of life. Rather, libertarianism looks for the best way to resolve conflicts and organise human relations in a moral and efficient way, with particular attention to the value of liberty.

Far from being an individualistic philosophy, as it is often caricatured, it is the best system for fostering co-operation in a peaceful and prosperous society.

Libertarianism's appeal is increasing to people of all social perspectives (progressives, conservatives, and everything in between) and minority groups because of libertarianism's tolerance of all views. Libertarians fiercely seek to protect freedom of expression, religion, and association—provided the NAP and the Harm Principle are not infringed.

WHAT IS THE STATE?



A “State” is often described as the political organisation that enforces rules over a population within a certain territory.

There have been many different types of States over the course of human history. Kingdoms and Empires (overseen by either a single individual, a family, or a group of individuals) were powerful States of the past.

The State of any particular territory, in essence, is whatever organisation is successfully able to maintain control over that territory through the use of force. If a Kingdom of the past was invaded by another, it would no longer be the State of that area. If a popular revolt from the citizenry killed the King and all his soldiers, there would no longer be a State in that region (until another formed).



[the State is] a human community that successfully claims the monopoly of the legitimate use of physical force within a given territory.

—Max Weber

The first thing a State must do to ensure its survival and longevity upon laying claim to a territory, is ban the use of force by the citizenry. The State must give itself a monopoly on violence (i.e.

all violence except for their own is banned by law). The only people permitted to use violence are the servants of the State who perform violence on its behalf. This may be done through the “King’s men” in the past, the Roman soldiers in the distant past, or the police force in the modern day.

The second thing a State must do to ensure its survival and longevity, is convince the citizenry that the State is not only necessary, but inevitable. Kings did this by asserting that they ruled by “divine right”: God himself had ordained them King, and therefore their rulings and their Kingdoms were just.

Modern day rulers are more sophisticated. The ruling class of Western societies, Australia included, have replaced the “divine right” with the “will of the people”.

By alluding to an election as democratic, the State once again asserts itself to be inevitable and just. Democracy, it is often argued, symbolises the ultimate virtue of a nation—where people can peacefully resolve disputes and elect leaders who represent them by participating in the system that rules over them. Unfortunately, this assertion is false. The vast majority of Australians have no effective political power, no real representation, and are subject to regulations and laws that are changed

and moulded without their consultation, input, or often even awareness.

Democracy is a far more effective organisational system when it is scaled down to the extremely local level. Only when one can personally access, lobby, and convince their representative can a democratic system truly say it is fulfilling the promises of its name. By contrast, a single member of the House of Representatives in the Australian Federal Parliament represents well over 100 000 people. How could one possibly say, without irony or sarcasm, that their representative will accurately reflect their views on the national decision making stage? And if their views aren't being accurately represented, how does Democracy work to engage all people in deciding the ultimate direction of a country?

It is clear that Democracy, like the “divine right” of Kings, serves to shield the State from serious questions about its legitimacy. It gives citizens the semblance of agency and control, while maintaining enough distance between the citizenry and the political class that the people have little real impact on the political class' decision-making and operations.

Libertarianism is a philosophy that is profoundly anti-State. While libertarians may disagree on exactly what the State's role should be (“anarchist” libertarians argue against any form of State, while “minarchist” libertarians argue that the State should be limited to performing very basic functions and scaled down to more localised control), all libertarians agree that the modern

day State is far too large, and that the State must be drastically reduced to improve the lives of individuals.



A government is a territorial monopolist of compulsion—an agency which may engage in continual, institutionalized property rights violations and the expropriation, taxation and regulation of private property owners.

Hans-Herman Hoppe

Australia has seen how once the State secures a monopoly on violence it concerns itself, for it's own survival, with justifying its existence. A population doesn't need to be constantly singing the praises of the State, but if they even resign themselves to reluctant acceptance of the State as a “necessary evil”, the State is secure. Because of this, the State has endeavoured to involve itself in as many functions of society as it possibly can: welfare, construction, transport, healthcare, education, law enforcement, infrastructure, regulation, energy, the judicial system, research, emergency response, and a myriad others. All of these services can be provided without the State, and in fact can be cheaper and of higher standard if provided by the Free-Market. Because the State portrays itself as the only provider of these, however, the average person resigns him or herself to reluctant acceptance that the State is either useful, necessary, unavoidable, or good.

This enables the State's exploitation to continue largely unopposed.

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WHAT IS THE FREE MARKET?

The first question most people ask when faced with the notion that “the government shouldn’t be paying for thing X”, is: “Well then who will provide thing X?”

The answer in every case is the same: the Free-Market.



Free-market capitalism is a network of free and voluntary exchanges in which producers work, produce, and exchange their products for the products of others through prices voluntarily arrived at.

Murray Rothbard

The Free-Market is simply the term used to describe free and voluntary exchange of goods and labour between individuals. This may seem like a simplistic alternative to government “providing” things to people, but in reality it is the only way wealth can be created without taking it from somewhere else involuntarily.

A Free-Market capitalist may choose to create a product—as an example, they may build wooden crates. The capitalist must purchase the wood to make the crates, purchase the nails to bind them together, and employ the people who will assemble the crates. The capitalist must decide how many crates to make (based on how many they believe they will sell),

how much to pay the workers (it must be enough that they attract competent ones, but not so much that they cannot make a profit from the sales), what type of wood to use, how to design the crates, what price to set them at, and where to sell them.

The Free-Market capitalist is undertaking a great deal of risk in their enterprise, and they are not guaranteed a profit at the end. If they do make a significant profit, other capitalists will notice there is a fruitful market and look to create wooden crates of either higher quality or lower price (or both if possible).

This is how the Free-Market operates on a basic level. So, who benefits from this arrangement? The capitalist will sometimes benefit in terms of profit, but not always. The greatest beneficiary of a competitive and healthy Free-Market is always the consumer (AKA the average person), who will find they have access to a greater array of higher and higher quality products, at lower and lower prices. The great advancements for the human race that occurred during the Industrial Revolution occurred not because capitalist entrepreneurs earned money, but because steam engines made the creation of high-quality goods cheaper and quicker. While the average farmer’s yearly wage may not have initially increased in the

late 1700s, the price of every product imaginable (which only a generation prior had been reserved to royalty and landed gentry) had dramatically dropped thanks to competitive Free-Markets, and was now accessible to them.



If history could teach us anything, it would be that private property is inextricably linked with civilization.

Ludwig von Mises

The relationship between government and the Free-Market can be described most simply using the terms “public” and “private”. Anything that the government decides to spend tax-payer money to provide for the community becomes part of the “public sector” of trade. Anything that private individuals create and sell to other private individuals for profit is part of the “private sector”.

As outlined in the previous section, once the State has established itself as the dominant organisation within a territory, it concerns itself first with monopolising violence and justifying its existence. It then concerns itself with expanding its size. It achieves this by expanding the public sector. It is therefore no surprise that governments around the world are filled with the ever-increasing fervour to claim that more things are “rights”, and must be provided to people for “free”, as they are indispensable services which “couldn’t possibly be left to greedy capitalists”.

For reference, if a State economy is entirely comprised of the public sector

(that is to say, the State is solely responsible for distributing all goods and services, and has total control of the means of production) then that State will have adopted the philosophy of “socialism”. The 20th Century has taught, if nothing else, that the quickest way to destroy a country’s wealth and the freedom of its populace is for the State to adopt socialist policies.

Libertarians argue that almost everything the government provides would be better provided by the Free-Market. Statists (supporters of the State) argue that certain “rights” cannot possibly be left to the Free-Market, lest poor and disadvantaged people miss out. For the sake of examining the argument, two good examples to analyse are healthcare and cars.

The State in Australia (and almost everywhere in the world) provides a basic level of healthcare for “free”, meaning “at no cost”. Of course, it’s not for free, because the hospitals, doctors, nurses, and equipment all need to be paid for, and are paid for through taxes and inflation—but for the purposes of making a political slogan, the political class refer to the notion that “healthcare is free”.

There is still the opportunity for private healthcare to exist. However, the market is distorted due to the “free” healthcare provided. There is no market available for a capitalist entrepreneur to try to cater to people who have less money and seek a minimally expensive standard of care: because the entrepreneur cannot possibly hope to compete with the “free” healthcare.

This is especially the case since most citizens would already be paying income taxes, and therefore feel they need to take advantage of the services provided by the State.

Due to this, the “free” service provided by the State stagnates. It has no market competition, as nobody could hope to compete against “free” healthcare for low-income earners. Because there is no competition, there is no incentive for the system to maintain a high quality of care and to minimise costs—the healthcare system will always receive the same amount of money from the government regardless of its performance (if anything, a lesser performance will lead to politicians insisting the public health system needs more money). The quality of the service therefore relies entirely on the goodwill and self-imposed diligence of the government employees working in the public health system. Their salaries are also standardised, and therefore there is no financial incentive for them to do a better job. Those that take it upon themselves to ensure a high standard of care will not necessarily receive extra financial remuneration.

Because the Free-Market cannot compete for the business of low-income earners who wish to access healthcare services, the private healthcare market only exists for high-income earners. Here, people may pay significantly more money for a higher quality of care, as this is the only way capitalist entrepreneurs can make a profit.

This leads to the political class making the obvious observation: public

healthcare is “free”, while private healthcare is expensive. The connection they then draw is that without “free” public healthcare, only expensive healthcare would exist and a huge swathe of people would be left without care.

This is absurdly false.



Free enterprise capitalism is not just the only possible system to end world poverty, but also the only morally desirable system to achieve this.

Javier Milei

In a Free-Market economy the first thing that would occur is the market of low-income earners seeking healthcare would be flooded with entrepreneurs seeking to create a low-cost healthcare alternative. This competition between capitalists would then lead very quickly to better and better care for lower and lower prices, as the entrepreneurs would seek to increase their profits by enticing as many customers as possible, despite earning little profit per each customer.

The notion that the public sector is required to provide basic services at a low cost is simply untrue, and any market that is relatively free shows this. A good example for comparison is the market for cars.

Cars, like healthcare, have a huge spread in prices across the market from cheapest to most expensive. According to the statist logic of healthcare, car manufacturers should be making only exorbitantly expensive cars for the rich.

If someone couldn't afford a \$200,000 to \$300,000 Ferrari or Lamborghini, they would be forced to walk. And yet reality shows that the most competitive market for cars is that of the affordable car around the \$20,000 to \$40,000 range if purchasing new (there is also a competitive secondary market for used cars). Because there are far more potential customers in this market, the potential profits for a company are far greater, provided they can supply a good quality car for a low price. Ford, Honda, Toyota, and Hyundai are all competing for the same customers, and therefore are in a constant battle to try and provide a better product for a cheaper price. Their profit margins for each vehicle would be far less than the profit margins for a single Ferrari car, but in selling to a higher volume their overall profits are higher.

This is how every single market would work, if it weren't for State interference through the public sector. Imagine now, the government builds a vehicle, and provides it to everyone for "free". Immediately, Ford, Honda, Hyundai, and Toyota would be pushed out of the market—for how can they compete with "free", even if it is an inferior product? Ferrari and Lamborghini would be relatively unchanged, for their

clientele is made up of people wealthy enough to want something far better than a "free" car, even if they must pay a far higher price. The government's "free" car would not be competing with any other company, and would therefore have no financial repercussions for: breaking down easily, not lasting very long, not going very fast, having poor gas mileage, having poor safety features, or having any other shortcomings.

The creation of the State's "free" service has distorted the market and caused the average person to have to choose between a "free" and poor-quality product, or an exorbitantly expensive and high-quality product.

This analysis is true for the majority of areas where the government provides a service, and the services government seeks to provide in Australia are ever-increasing: welfare, construction, transport, healthcare, education, law enforcement, infrastructure, regulation, energy, the judicial system, finance, research, emergency response. All of these areas are less efficient, less productive, and more expensive to the tax-payer because they have replaced the private sector with the public sector, or the Free-Market with the State.

free market

[free maa-kuht]

NOUN

1. an economic system with only a small amount of government control, in which prices and earnings are decided by the level of demand for, and production of goods and services:

- In a free market, if demand for a product increases, then so does its price.
- the free-market economy

statism

[stey-tiz-uhm]

NOUN

1. the principle or policy of concentrating extensive economic, political, and related controls in the state at the cost of individual liberty.

2. support of or belief in the sovereignty of a state, usually a republic.



WHAT ARE RIGHTS?

The question of what constitutes a “right” is at the core of what differentiates libertarians from statist. A “right” can be described as an inherent and unconditional moral or legal prerogative that a human being has.

The notion that “life”, “liberty”, and “property” are unalienable human rights stems from the writings of John Locke, and the establishment of what are known as “negative” rights, or “natural” rights. Each human is entitled to their own life, to their own liberty, and to their own property—and no other human can justly interfere with these without breaking from moral behaviour.



Being all equal and independent, no one ought to harm another in his life, health, liberty, or possessions.

— John Locke

A negative right is a right which protects the human in question from abuse or coercion from another. Libertarians agree with the notion of negative rights—the term “negative” inferring that one cannot be negatively impacted by another, or that one is free from negation.

On the other hand, “positive” rights outline that a person has the entitlement to be supplied with something. These are often

extrapolated to include healthcare, housing, education, social security, unemployment benefits, and much more. Positive rights are incompatible with libertarianism, because they imply others are obliged to contribute and supply services simply by virtue of one's existence. Extending this thought even a little further toward practicality: What if someone doesn't want to supply education services to others at personal cost and for no personal benefit? By virtue of education being a “right”, the person who doesn't wish to supply it can therefore justifiably be persecuted by the law, for they are denying another person their right. It is clear at this point that the idea of positive rights is an inherently statist idea. One who acknowledges the legitimacy of positive rights, accepts that there needs to be some collective, all-powerful governing entity ensuring that these rights are being met.

Broadly, this is much of what the State does to justify its own existence: it decides that something is a right, and assigns itself the task of ensuring that that right is met. For this reason the list of things which are a right as far as the State is concerned is ever increasing. This is in fact another mechanism for the State to expand, to redistribute wealth away from the private sector to the public sector, and to encroach on an individual's genuine right to their own property.

In other words, to libertarians a positive right is not a right at all, but an act of coercion enforced by the State. As Frederic Bastiat wrote: “The State is the great fiction by which everyone seeks to live at the expense of everyone else.”

If one accepts that the State can arbitrarily determine what a right is, and the State can then justly enforce this right by taking money from some citizens to provide the right to others, then the list of rights is only limited by one’s imagination. If everyone has the right to healthcare, education, social security, and unemployment benefits, then why doesn’t everyone also have the right to a car? It could be argued everyone deserves to avoid walking. Why not the right to a television? It is vital that people have access to news to keep up with current affairs, isn’t it?

Why not the right to a holiday allowance? Is it only the rich that deserve to go overseas and experience the world?



Rights have become what the political sovereign or ephemeral master decides to dispense and whatever gratifies the undisciplined cravings and desires of the individual.

Russell Kirk

This notion of positive rights goes against the basic laws of how the Free-Market should work, and actually requires the infringement of negative rights (namely property) of individuals by the government in order to pay for the positive rights of others.

In saying this, libertarians are often framed by detractors as selfish or

uncaring because of these views of rights. This is also false: simply because a libertarian doesn’t believe something such as education or healthcare is a human right, does not mean that they believe it isn’t desirable for as many people as possible to have access to these.

Broadly, libertarians believe that the Free-Market, unimpeded by governments’ ham-fisted attempts at creating equality through positive rights, would provide these essential services far more broadly and at a higher standard of quality. What the Free-Market cannot provide, can also be provided by charity and individual goodwill—both of which have been overshadowed in their importance since the government has taken upon itself the responsibility of providing care for all.

If the average person is already taxed an enormous amount, and this wealth is supposedly used to help the poor and destitute, why should the people feel morally obliged to commit more of their earnings toward the benefit of their fellow man? In reality it is the libertarian’s view that people will look after one another in the absence of the State, which is a more optimistic analysis of human nature.

In essence, libertarians believe in an unfaltering adherence to negative rights, and believe that the notion of positive rights is a mechanism States use for attributing more power and control to themselves. This doesn’t mean that positive rights aren’t desirable outcomes, it simply means they aren’t really rights at all.



5 WHAT IS MONEY?

At the core of libertarianism's criticism of the State is the use of money. As mentioned earlier, libertarians oppose any infringement on an individual's "life", "liberty", or "property". Money is the utmost symbol of property, as it represents purchasing power—or the ability to attain property.

First, one needs to know: where does money come from? Trade has existed and benefited humans for as long as humans have walked the Earth. If a man specialises in breeding and tending sheep, and another man specialises in farming wheat, neither man benefits by trying to both breed sheep and farm wheat. On the contrary they both benefit by doing the thing they are best at, then trading some of their produce for some of that of the other man. Expanding this idea out to every product and every service that all men and women are capable of providing, and everyone benefits from everyone else's skills at producing various things if they all engage in voluntary trade with one another. This is a core idea behind the Free-Market, which has been outlined in greater depth in a previous section.

If a man who breeds sheep, however, wants to purchase some fish, but the fishmonger is not interested in sheep, what can he do? Does he trade his sheep for some item, which he then trades for another item, again and again in the hope that eventually he owns something the fishmonger desires?

This would be an incredibly arduous process, and would stall the Free-Market enormously. Instead, humans devised money almost as early as they devised trade. With the existence of currency (some substance that was of inherent value, durable, fungible, and easy to carry), the shepherd need not trade with 10 others in the hope of acquiring something of use to the fishmonger: the shepherd could exchange his sheep for currency, and then give the currency to the fishmonger in exchange for fish. That way the fishmonger could exchange his newfound currency for whatever he wished. This enabled trade to expand enormously.

The other important function money serves is as a store of value. As a medium of exchange, money makes value transportable through space, but as a store of value, money makes value transportable through time. With money, one can save the fruit of their labour for later consumption. This alone allows for the accumulation of capital.

Because money therefore became incredibly important, the currency used needed to meet certain criteria. It needed to be finite, or difficult to source. If currency were too easily found, such as pebbles, it would be of no value to people as they could just pick up pebbles instead of trading actual valuable goods. Currency needed to be portable and easily divisible. If currency were too difficult to carry or break down

into chunks of specific value, it would not be of much use for trade—its primary purpose. Currency needed to have inherent value. It needed to be desirable of its own right—either as a precious metal or stone, or for a specific use.

For most of human history, gold and silver have been the primary forms of currency, as they meet all the criteria required. Gold and silver coins have been used in countless countries, Empires, and cultures over human history, many independently of one another.

“Paper money” only replaced gold and silver with the advent of modern banks. Modern banks would offer to hold a person’s gold or silver, in exchange for a bank note (essentially an IOU), explaining that the note was tradeable for the gold or silver held in storage. Due to the fact that bank notes proved to be more portable and easily tradeable than physical gold or silver, bank notes replaced gold and silver coins as the currency used for easy trade in the modern world.

For libertarians, the greatest crimes the State has ever committed against money, and therefore against free trade and property, were the creation of Central Banks (such as the Reserve Bank of Australia and the Federal Reserve of the US) and the departure from the “gold standard”.

The gold standard was an assurance by banks that all the bank notes in circulation were exchangeable for gold at any time, meaning they were “backed” by gold. Australia left the “gold standard” in 1932. From this point on, the value of currency became dependent on how much money was in circulation (which is not a stable

number), rather than on the fixed amount of gold which was in existence.

Because the amount of money in circulation is a far less stable and consistent number (especially with the advent of the Reserve Bank which could create new money at will), today’s monetary system is no longer based on the origins of money as described earlier, but rather on “Fiat money”. Fiat money is money not backed by a commodity like gold or silver, and derives its value entirely from governments’ enforcement of legal tender laws, and taxation being levied in that currency.



The gold standard has one tremendous virtue: the quantity of the money supply, under the gold standard, is independent of the policies of governments and political parties. This is its advantage. It is a form of protection against spendthrift governments.

Ludwig von Mises

This is all to say, with the creation of Central Banks which could will money into existence, and with the departure from the “gold standard”, for the first time in human history in the 20th Century, money was no longer separate from the State, but rather an integral part of it. The State has, for all intents and purposes, taken complete control over the value of money, and the currency that is today most frequently used for all trades and purchases derives its value not independently, but entirely from the assurances and the coercion of the State.

6 WHAT IS TAXATION



"Taxation" is the time-worn practice of the State taking a portion of the wealth of its subjects by force. A King may assign tax collectors to collect his taxes, as would an Emperor.

The practice of collecting taxes has not changed from this initial method over time: a modern Democratic State takes some of the wealth away from its citizens without their consent. If the citizens resist, they are met with force. This is the same today—should you refuse to pay your taxes, and stick to your position ardently enough and for long enough, you will eventually be imprisoned by men with guns who work for the State.

A State's claim (whether that State be modern or ancient) to some of the wealth of its citizens is unilaterally decided by the State. One main difference between the taxes imposed by a King or Emperor or the like, however, is the amount taxed. Traditionally (from the Roman Empire all through the middle ages) taxation was fixed at 10%. Over time, as modern States have expanded, they have implemented more and more methods to draw wealth away from their citizens.

Some of the ways the Australian government takes from its citizens without their consent are:

- Income Tax: Money paid by an individual for the crime of earning money.
- General Service Tax: Money paid by an individual for the crime of spending money.
- Property Tax: Money paid by an individual for the crime of owning property.
- Stamp Duty: Money paid by an individual for the crime of purchasing or selling property.
- Tariffs: Money paid by an entrepreneur for the crime of importing or exporting from/to other countries.
- Inheritance Tax: Money paid by an individual for the crime of inheriting money from a friend or relative.
- Sin Tax: Money paid by an individual for the crime of purchasing an item that is deemed "undesirable", such as cigarettes or alcohol.
- Fuel Excise Tax: Money paid by an individual for the crime of purchasing fuel for their car.

This is by no means an exhaustive list, in fact there are hundreds of insidious different ways the government of Australia taxes its citizens. The government will also implement taxes and regulations on companies and private industries, which in turn drives up their prices, further adding cost to individuals. In practice, the average Australian pays over half of his or her total income in taxes to the government.



Taxation is theft, purely and simply, even though it is theft on a grand and colossal scale which no acknowledged criminals could hope to match. It is a compulsory seizure of the property of the State's inhabitants, or subjects.

Murray Rothbard

As elaborated in the previous 'Free-Market' section, these taxes are then used to pay for "free" services which remove competition from a myriad of markets, and provide products and services of lower quality than would otherwise be available to citizens.

The taxes are also used to pay for other things, such as various government incentives which are doled out around election time: various mechanisms to give money back out to citizens, often far less money than they have contributed to taxes. This looping around of money, first taxing it, then doling it out to various demographics

(usually the ones targeted by the government party to achieve election) also costs money. There are countless bureaucrats employed by the government who's sole contribution is to siphon money out of private citizens' pockets, and then redistribute it to the "selected" private citizens' pockets. Their wages are all paid for by the taxpayer, and completely removed from anything resembling the Free-Market.



We have a system that increasingly taxes work and subsidizes non-work.

Milton Friedman

The State is the only institution on Earth that produces nothing of its own, and yet attains money from other individuals on a large scale. The only comparable entities that operate in the same way (albeit in miniscule scale by comparison) are organised crime families, and thieves.

taxation [tak-sey-shuhn]

NOUN

1. the act of taxing.
2. the fact of being taxed.
3. a tax imposed.
4. the revenue raised by taxes.

SYNONYMS

theft, robbery, stealing, thievery, larceny, robbing, pilfering, purloining, shoplifting, burglary, raid, hold-up, appropriation, misappropriation, embezzlement, heist

WHAT ARE CENTRAL BANKS?

Most people nowadays are aware of the fact that Australia (and the world) is suffering from an ever increasing amount of inflation, which is making life for the average person increasingly difficult. The Central Bank of a country concerns itself with overseeing monetary policy. Two of the supposed mandates of the Central Bank are to set interest rates, and ensure that inflation doesn't run rampant. Both of these functions would be serviced by the Free-Market if it were allowed to, and if currency were backed by something solid like gold. The State, however, will never allow this as it would involve relinquishing its dominion over the money supply, as outlined in the earlier section on 'Money'.



I do not think it is an exaggeration to say history is largely a history of inflation, usually inflations engineered by governments for the gain of governments.

Frederich Hayek

Contrary to oft-repeated misconceptions, inflation is not caused by a general increase in prices, or even more broadly by foreign wars, pandemics, protectionism, or a sudden but never explained increase in the level of greed. Inflation, as the name suggests, is caused by an increase (or inflation) of the money supply of a country. Every time an extra dollar is created and enters circulation, the value of every other dollar in circulation decreases. This is what drives up the

prices of everyday objects: it's not the loaf of bread getting more expensive, it's the money you use to buy it becoming less valuable.

So, who creates the extra money, and why are they allowed to do this? This is the role of Central Banks—in Australia, the Reserve Bank of Australia (RBA) creates the money. A myth often perpetuated is that “governments don't print their own money, they are beholden to the Reserve Bank”. In reality, the government and the Reserve Bank have a symbiotic relationship—the Reserve Bank buys government bonds, follows government policy, and allows the government to spend however much it needs to fund whatever service the current-day politicians deem necessary to keep their interest groups happy. The practice of Central Banks buying government bonds is called “Quantitative easing” (QE).

This begs the question, where does the value of the newly created money come from?

This is the first problem with Quantitative easing: the value of every dollar created, as mentioned earlier, derives its value from all the dollars held by the general public. Every dollar tucked away in a savings account by a responsible individual loses value over time as the government and the Reserve Bank print new money and enrich themselves and their friends.

This is why inflation is referred to by former US libertarian Congressman Ron Paul as “the most evil of taxes”—because it is hidden, disproportionately affects the poor and middle class, and is completely beholden to the whims of an ever-growing State that has no interest in long-term stability of currency, or of protecting the savings of its citizens.



The most sinister of all taxes is the inflation tax and it is the most regressive. It hits the poor and the middle class. When you destroy a currency by creating money out of thin air to pay the bills, the value of the dollar goes down, and people get hit with a higher cost of living. It's the middle class that's being wiped out. It is the most evil of all taxes.

Ron Paul

Additionally, Quantitative easing allows the Reserve Bank to artificially manipulate interest rates. Interest rates are supposed to be an important signal to the Free-Market which informs investors whether it is more essential to expand their operations, or to restrict them—depending on the actual state of the market. The interest rates being kept artificially low after 2008 has meant that on top of inflation, the market has had a distorted signal telling people to “expand” (creating malinvestment) rather than “save”—even though the actual market didn't reflect this. By falsifying the most important price in the economy, the price of money itself, it becomes impossible to distinguish between profitable and unprofitable projects, leading to misallocation of resources and destruction of wealth in general. Large part of why there is an imminent recession looming is because for over a decade the market hasn't had the

necessary information to adapt and adjust itself. This is referred to as the “Austrian Business Cycle Theory”, and is a central tenet of libertarian economic theory.

The third (and most pervasive) effect of Quantitative easing is that this mechanism has removed any political cost to the State promising money to the public sector. Since the government of the day need face no immediate backlash from the public for raising taxes (as the value of the new money comes through inflation and is either obscured or not felt by people until years later), governments only ever increase their spending, as to reduce it would incur political cost without immediate benefits. In Australia, both “left” and “right” wings of government have drastically increased the national debt since 2008, and talk of a “balanced budget” has become purely tokenistic. In essence: Why would any major party do anything other than promise money to various demographics of people in order to win elections?

Libertarians, seeking a Free-Market as well as free people, are opposed to Quantitative easing, and indeed any manipulation of currency by a Central Bank, and instead propose a drastic reduction in the size and scope of government operations. Libertarians generally seek to end reliance on “fiat currency” (currency whose value is entirely beholden to government policy) and return to an honest form of money (such as the gold standard or some similar backed system of currency), where money is at any time exchangeable for gold. This would bring a halt to the State's ability to print money and derive the value of the new money (without consent or knowledge) from the savings of their citizens.

8 WHAT IS FREEDOM OF SPEECH



Thus far, of the rights to “life”, “liberty”, and “property” outlined in the Non-Aggression Principle and the Harm Principle, the primary focus has been the idea that libertarians support the right for people to have their “property” unviolated by others and the State. The right to “life” is fairly obvious: do not kill. The right to “liberty” could use some elaboration though. Freedom of Speech falls under the right to “liberty”, as it implies that one has the freedom to say whatever they want without fear of persecution by the State.

The basic principle behind the idea of Freedom of Speech is an inherently libertarian insight. The principle implies that it is wrong for a State to ban an opinion, because over the course of history many times the prevailing “mainstream” opinion has been a reprehensible and harmful one. What do the fascists of Nazi Germany, the communists of Soviet Russia, the warmongers of the US since the early 2000s, and modern day authoritarian progressives, all have in common?

All of these are examples where the State’s imposed opinion and mandate was immoral, unjust, provably harmful, and yet dissent at the time was banned or censored. The importance of Freedom of Speech hinges precisely on the ability to say offensive and controversial things—for the State will always make the truth controversial if it

wants to obscure it.



In a time of deceit telling the truth is a revolutionary act.

George Orwell

An argument often made against Freedom of Speech is that “you may have the right to Free Speech, but you don’t have the right to offend.”

This is patently false.

You have the right to “liberty”, and therefore you have the right to live your life exactly as you see fit—as long as you don’t bring physical harm against another person or their property. This also means that you have the right to voluntarily associate (or not associate) with whoever you want. If someone were to offend you, you are under no obligation to frequent that person, nor are you obliged to permit them onto your property.



In order to be able to think, you have to risk being offensive.

Jordan Peterson

Part of the importance of Freedom of Speech hinges on the fact that you may risk offending someone. Part of the importance of Freedom of Speech is

that heinous and hateful ideologies are permitted to be disseminated—not because it is desirable to have them grow, but because the risk of allowing the State to determine what is and what isn't allowed is far more dangerous.



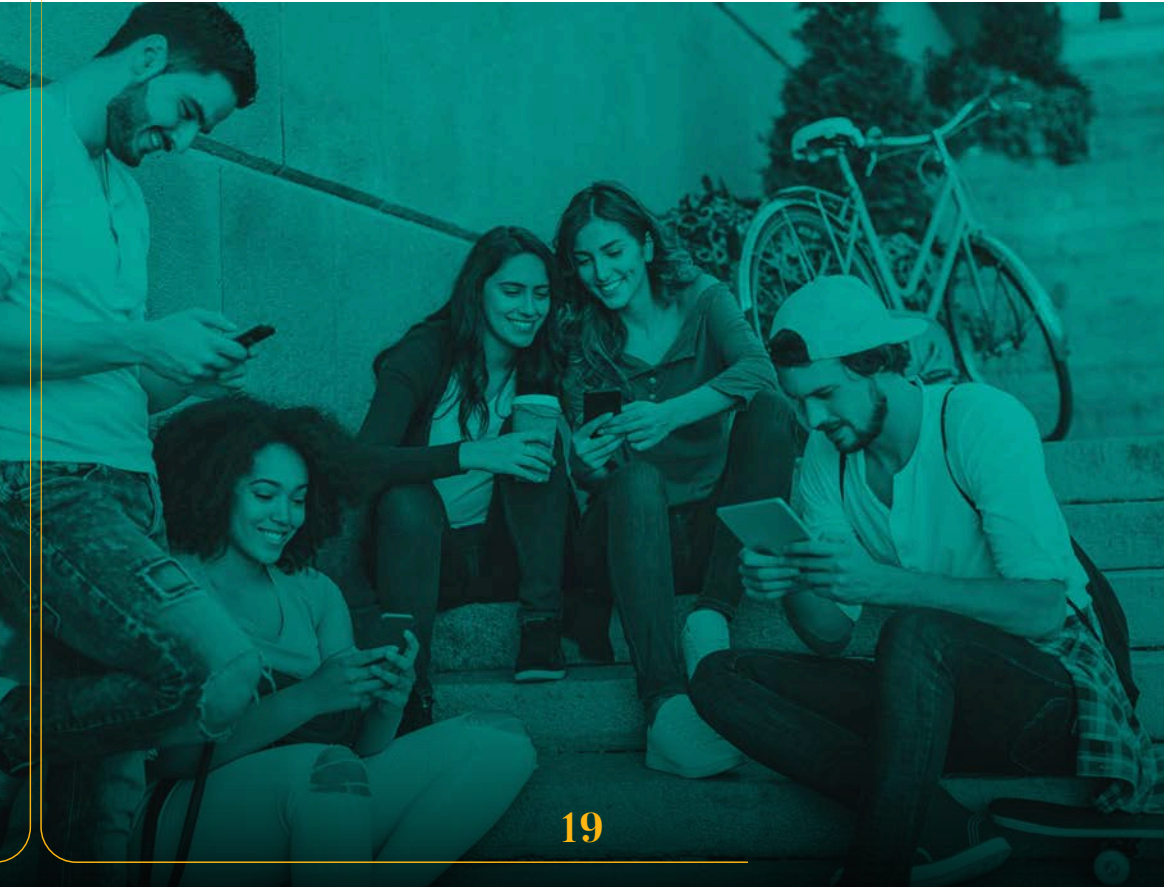
We don't have the freedom of speech to talk about the weather. We have the first amendment so we can say some very controversial things.

Ron Paul

The importance of Freedom of Speech naturally extends to freedom of the press, and the vital role that journalistic curiosity plays in permitting a populace to be informed, sceptical, and critical of

the actions of their government. More and more the press around the world is becoming encompassed under the State's influence. The Australian Broadcasting Channel (ABC) is a clear example of this. Despite the fact that a large portion of the public feel their views are not represented by the ABC, the ABC continues to be broadcast nation-wide, on television, radio, and online, at the expense of the taxpayer.

More and more libertarians are relying on independent media to access truthful information on current events, which doesn't have the advantage of being bankrolled indirectly by the government like the corporate press, or directly by the government like the ABC.



9 WHAT NOW?



Hopefully the information in this document has helped highlight how so many of the problems faced by individuals are caused by the State.

The battle between State and individual has been raging far longer than living memory, and the State is winning. Now more than ever before, the world needs libertarians.

There are significant libertarian groups around the world which you can look to.

In Australia, one such group is the Libertarian Party. The Libertarian Party are a rapidly growing Australian political party which has existed since 2001.

To find out more, visit:
www.libertarians.org.au

There are many other libertarian groups, and the ideology is growing all around the world. Unfortunately, due to the nature of the State, the growth of libertarianism is occurring in tandem with the growth of massive global States everywhere.

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i am Libertarian



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