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Rothbard: The Free-Market and Antigovernment Roots of the American Revolution

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Historians have long debated the precise causes of the American Revolution: Were they constitutional, economic, political, or ideological? We now realize that, being libertarians, the revolutionaries saw no conflict between moral and political rights on the one hand and economic freedom on the other. On the contrary, they perceived civil and moral liberty, political independence, and the freedom to trade and produce as all part of one unblemished system, what Adam Smith was to call, in the same year that the Declaration of Independence was written, the "obvious and simple system of natural liberty."

The libertarian creed emerged from the "classical liberal" movements of the seventeenth and eighteenth centuries in the Western world, specifically, from the English Revolution of the seventeenth century. This radical libertarian movement, even though only partially successful in its birthplace, Great Britain, was still able to usher in the Industrial Revolution there by freeing industry and production from the strangling restrictions of State control and urban government-supported guilds. For the classical liberal movement was, throughout the Western world, a mighty libertarian "revolution" against what we might call the Old Order — the *ancien régime* which had dominated its subjects for centuries. This regime had, in the early modern period beginning in the sixteenth century, imposed an absolute central State and a king ruling by divine right on top of an older, restrictive web of feudal land monopolies and urban guild controls and restrictions. The result was a Europe stagnating under a crippling web of controls, taxes, and monopoly privileges to produce and sell conferred by central (and local) governments upon their favorite producers. This alliance of the new bureaucratic, war-making central State with privileged merchants — an alliance to be called "mercantilism" by later historians — and with a class of ruling feudal landlords constituted the Old Order against which the new movement of classical liberals and radicals arose and rebelled in the seventeenth and eighteenth centuries.

The object of the classical liberals was to bring about individual liberty in all of its interrelated aspects. In the economy, taxes were to be drastically reduced, controls and regulations eliminated, and human energy, enterprise, and markets set free to create and produce in exchanges that would benefit everyone and the mass of consumers. Entrepreneurs were to be free at last to compete, to develop, to create. The shackles of control were to be lifted from land, labor, and capital alike. Personal freedom and civil liberty were to be guaranteed against the depredations and tyranny of the king or his minions. Religion, the source of bloody wars for centuries when sects were battling for control of the State, was to be set free from State imposition or interference, so that all religions — or nonreligions — could coexist in peace. Peace, too, was the foreign policy credo of the new classical liberals; the age-old regime of imperial and State aggrandizement for power and pelf was to be replaced by a foreign policy of peace and free trade with all nations. And since war was seen as engendered by standing armies and navies, by military power always seeking expansion, these military establishments were to be replaced by voluntary local militia, by citizen-civilians who would only wish to fight in defense of their own particular homes and neighborhoods.

Thus, the well-known theme of "separation of Church and State" was but one of many interrelated motifs that could be summed up as "separation of the economy from the State," "separation of speech and press from the State," "separation of land from the State," "separation of war and military affairs from the State," indeed, the separation of the State from virtually everything.

The State, in short, was to be kept extremely small, with a very low, nearly negligible budget. The classical liberals never developed a theory of taxation, but every increase in a tax and every new kind of tax was fought bitterly — in America twice becoming the spark that led or almost led to the Revolution (the stamp tax, the tea tax).

The earliest theoreticians of libertarian classical liberalism were the Levelers during the English Revolution and the philosopher John Locke in the late seventeenth century, followed by the "True Whig" or radical libertarian opposition to the "Whig Settlement" — the regime of eighteenth-century Britain. John Locke set forth the natural rights of each individual to his person and property; the purpose of government was strictly limited to defending such rights. In the words of the Lockean-inspired Declaration of Independence, "to secure these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed. That whenever any Form of Government becomes destructive of these ends, it is the Right of the People to alter or to abolish it…."

While Locke was widely read in the American colonies, his abstract philosophy was scarcely calculated to rouse men to revolution. This task was accomplished by radical Lockeans in the eighteenth century, who wrote in a more popular, hard-hitting, and impassioned manner and applied the basic philosophy to the concrete problems of the government — and especially the British government — of the day. The most important writing in this vein was "Cato's Letters," a series of newspaper articles published in the early 1720s in London by True Whigs John Trenchard and Thomas Gordon. While Locke had written of the revolutionary pressure which could properly be exerted when government became destructive of liberty, Trenchard and Gordon pointed out that government *always* tended toward such destruction of individual rights. According to "Cato's Letters," human history is a record of irrepressible conflict between Power and Liberty, with Power (government) always standing ready to increase its scope by invading people's rights and encroaching upon their liberties. Therefore, Cato declared, Power must be kept small and faced with eternal vigilance and hostility on the part of the public to make sure that it always stays within its narrow bounds:

> We know, by infinite Examples and Experience, that Men possessed of Power, rather than part with it, will do any thing, even the worst and the blackest, to keep it; and scarce ever any Man upon Earth went out of it as long as he could carry every thing his own Way in it…. This seems certain, That the Good of the World, or of their People, was not one of their Motives either for continuing in Power, or for quitting it.
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> It is the Nature of Power to be ever encroaching, and converting every extraordinary Power, granted at particular Times, and upon particular Occasions, into an ordinary Power, to be used at all Times, and when there is no Occasion, nor does it ever part willingly with any Advantage….
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> Alas! Power encroaches daily upon Liberty, with a Success too evident; and the Balance between them is almost lost. Tyranny has engrossed almost the whole Earth, and striking at Mankind Root and Branch, makes the World a Slaughterhouse; and will certainly go on to destroy, till it is either destroyed itself, or, which is most likely, has left nothing else to destroy.

Such warnings were eagerly imbibed by the American colonists, who reprinted "Cato's Letters" many times throughout the colonies and down to the time of the Revolution. Such a deep-seated attitude led to what the historian Bernard Bailyn has aptly called the "transforming radical libertarianism" of the American Revolution.

For the revolution was not only the first successful modern attempt to throw off the yoke of Western imperialism — at that time, of the world's mightiest power. More important, for the first time in history, Americans hedged in their new governments with numerous limits and restrictions embodied in constitutions and particularly in bills of rights. Church and State were rigorously separated throughout the new states, and religious freedom enshrined. Remnants of feudalism were eliminated throughout the states by the abolition of the feudal privileges of entail and primogeniture. (In the former, a dead ancestor is able to entail landed estates in his family forever, preventing his heirs from selling any part of the land; in the latter, the government requires sole inheritance of property by the oldest son.)

The new federal government formed by the Articles of Confederation was not permitted to levy any taxes upon the public; and any fundamental extension of its powers required unanimous consent by every state government. Above all, the military and war-making power of the national government was hedged in by restraint and suspicion; for the eighteenth-century libertarians understood that war, standing armies, and militarism had long been the main method for aggrandizing State power.

[From *For a New Liberty* [2].]

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[1] https://mises.org/profile/murray-n-rothbard [2] https://mises.org/library/libertarian-heritage-american-revolution-and-classical-liberalism